

Consolidated Financial Results for the Year Ended March 31, 2024 [Japanese GAAP]

May 10, 2024

Company name: JANOME Corporation

Stock exchange listing: Tokyo

Code number: 6445

URL: <https://www.janome.co.jp>

Representative: Makoto Saito

President

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Scheduled date of Annual General Meeting of Shareholders: June 21, 2024

Scheduled date of commencing dividend payments: June 24, 2024

Scheduled date of filing annual securities report: June 24, 2024

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2024	36,476	(5.4)	1,716	(19.0)	1,763	(26.5)	1,131	-
March 31, 2023	38,571	(10.1)	2,120	(42.1)	2,400	(37.2)	(393)	-

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥ 2,849 million [523.5%]
 Fiscal year ended March 31, 2023: ¥ 457 million [(88.4)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2024	60.13	-	3.4	3.5	4.7
March 31, 2023	(20.34)	-	(1.2)	4.5	5.5

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2024: ¥ - million
 Fiscal year ended March 31, 2023: ¥ - million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	50,821	34,996	67.3	1,865.47
March 31, 2023	51,118	33,364	63.8	1,687.25

(Reference) Equity: As of March 31, 2024: ¥ 34,203 million
 As of March 31, 2023: ¥ 32,616 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	2,068	230	(2,432)	7,457
March 31, 2023	3,361	(523)	(2,464)	7,265

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2023	-	0.00	-	25.00	25.00	483	-	1.5
March 31, 2024	-	0.00	-	25.00	25.00	458	41.6	1.4
Fiscal year ending March 31, 2025 (Forecast)	-	0.00	-	25.00	25.00		30.6	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	40,000	9.7	2,500	45.6	2,400	36.1	1,500	32.6	81.81

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2024: 19,521,444 shares

March 31, 2023: 19,521,444 shares

2) Number of treasury shares at the end of the period:

March 31, 2024: 1,186,639 shares

March 31, 2023: 190,154 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2024: 18,815,404 shares

Fiscal Year ended March 31, 2023: 19,331,341 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	23,238	(5.6)	1,065	(44.8)	1,893	(45.0)	1,712	29.5
March 31, 2023	24,604	(23.5)	1,929	(34.1)	3,443	(15.7)	1,322	(57.7)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2024	91.04	-
March 31, 2023	68.41	-

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2024	36,792	25,206	68.5	1,374.81
March 31, 2023	37,757	24,708	65.4	1,278.18

(Reference) Equity: As of March 31, 2024: ¥ 25,206 million
As of March 31, 2023: ¥ 24,708 million

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Explanation regarding the appropriate use of result forecasts, and other special items

The forward-looking statements stated in this report include expectations based on assumption, forecast and projection by our management available as of the date of their announcement. It is possible that actual results may differ materially from these expectations due to various factors.

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	7,336	7,510
Notes and accounts receivable - trade	6,571	7,262
Merchandise and finished goods	6,482	6,317
Work in process	834	758
Raw materials and supplies	3,933	4,336
Other	849	710
Allowance for doubtful accounts	(296)	(325)
Total current assets	25,710	26,570
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,977	4,817
Machinery, equipment and vehicles, net	864	828
Land	12,921	11,927
Construction in progress	55	98
Other, net	1,783	1,659
Total property, plant and equipment	20,602	19,331
Intangible assets		
Other	644	626
Total intangible assets	644	626
Investments and other assets		
Investment securities	1,504	1,750
Deferred tax assets	1,822	1,570
Other	845	987
Allowance for doubtful accounts	(12)	(15)
Total investments and other assets	4,160	4,293
Total non-current assets	25,407	24,250
Total assets	51,118	50,821

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,836	2,005
Short-term borrowings	3,984	3,149
Income taxes payable	136	206
Provision for bonuses	567	612
Other	3,285	2,401
Total current liabilities	9,809	8,375
Non-current liabilities		
Deferred tax liabilities for land revaluation	3,107	2,917
Retirement benefit liability	3,836	3,568
Other	1,001	962
Total non-current liabilities	7,944	7,449
Total liabilities	17,754	15,825
Net assets		
Shareholders' equity		
Share capital	11,372	11,372
Capital surplus	0	0
Retained earnings	12,156	13,234
Treasury shares	(325)	(1,025)
Total shareholders' equity	23,204	23,581
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	136	109
Revaluation reserve for land	6,977	6,548
Foreign currency translation adjustment	2,159	3,717
Remeasurements of defined benefit plans	139	246
Total accumulated other comprehensive income	9,412	10,621
Non-controlling interests	747	793
Total net assets	33,364	34,996
Total liabilities and net assets	51,118	50,821

Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales	38,571	36,476
Cost of sales	22,425	22,308
Gross profit	16,146	14,167
Selling, general and administrative expenses	14,025	12,450
Operating profit	2,120	1,716
Non-operating income		
Interest income	12	29
Dividend income	74	70
Foreign exchange gains	184	209
Other	191	198
Total non-operating income	463	507
Non-operating expenses		
Interest expenses	78	99
Financing expenses	63	22
Restructuring expenses	-	243
Other	41	94
Total non-operating expenses	183	460
Ordinary profit	2,400	1,763
Extraordinary income		
Gain on sale of investment securities	1	136
Gain on sale of non-current assets	7	162
Total extraordinary income	8	299
Extraordinary losses		
Loss on business restructuring	1,816	-
Loss on sale and retirement of non-current assets	163	63
Impairment losses	51	288
Extra retirement payments	-	56
Loss on sale of investment securities	-	1
Total extraordinary losses	2,031	409
Profit before income taxes	377	1,654
Income taxes - current	754	338
Income taxes - deferred	205	133
Total income taxes	960	472
Profit (loss)	(582)	1,181
Profit (loss) attributable to non-controlling interests	(189)	50
Profit (loss) attributable to owners of parent	(393)	1,131

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit (loss)	(582)	1,181
Other comprehensive income		
Valuation difference on available-for-sale securities	46	(27)
Foreign currency translation adjustment	720	1,587
Remeasurements of defined benefit plans, net of tax	272	107
Total other comprehensive income	1,039	1,667
Comprehensive income	457	2,849
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	624	2,769
Comprehensive income attributable to non-controlling interests	(167)	79

Consolidated Statements of Changes in Equity
For the fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,372	-	13,447	(325)	24,495
Changes during period					
Dividends of surplus			(483)		(483)
Loss attributable to owners of parent			(393)		(393)
Purchase of treasury shares				(0)	(0)
Purchase of shares of consolidated subsidiaries		0			0
Reversal of revaluation reserve for land			(414)		(414)
Net changes in items other than shareholders' equity					
Total changes during period	-	0	(1,290)	(0)	(1,290)
Balance at end of period	11,372	0	12,156	(325)	23,204

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	89	6,562	1,460	(133)	7,980	952	33,428
Changes during period							
Dividends of surplus							(483)
Loss attributable to owners of parent							(393)
Purchase of treasury shares							(0)
Purchase of shares of consolidated subsidiaries							0
Reversal of revaluation reserve for land							(414)
Net changes in items other than shareholders' equity	46	414	698	272	1,432	(205)	1,227
Total changes during period	46	414	698	272	1,432	(205)	(63)
Balance at end of period	136	6,977	2,159	139	9,412	747	33,364

For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,372	0	12,156	(325)	23,204
Changes during period					
Dividends of surplus			(483)		(483)
Profit attributable to owners of parent			1,131		1,131
Purchase of treasury shares				(700)	(700)
Purchase of shares of consolidated subsidiaries					-
Reversal of revaluation reserve for land			429		429
Net changes in items other than shareholders' equity					
Total changes during period	-	-	1,077	(700)	377
Balance at end of period	11,372	0	13,234	(1,025)	23,581

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	136	6,977	2,159	139	9,412	747	33,364
Changes during period							
Dividends of surplus							(483)
Profit attributable to owners of parent							1,131
Purchase of treasury shares							(700)
Purchase of shares of consolidated subsidiaries							-
Reversal of revaluation reserve for land							429
Net changes in items other than shareholders' equity	(27)	(429)	1,557	107	1,209	45	1,254
Total changes during period	(27)	(429)	1,557	107	1,209	45	1,632
Balance at end of period	109	6,548	3,717	246	10,621	793	34,996

Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	377	1,654
Depreciation	1,133	1,045
Loss on business restructuring	1,816	243
Impairment losses	51	288
Increase (decrease) in allowance for doubtful accounts	(48)	(12)
Increase (decrease) in retirement benefit liability	(458)	(445)
Interest and dividend income	(87)	(100)
Interest expenses	78	99
Decrease (increase) in trade receivables	963	(291)
Decrease (increase) in inventories	1,479	997
Increase (decrease) in trade payables	(296)	40
Loss (gain) on sale of investment securities	(1)	(136)
Other, net	349	(315)
Subtotal	5,360	3,066
Interest and dividends received	85	103
Interest paid	(78)	(99)
Income taxes paid	(2,006)	(100)
Payments for business restructuring	-	(903)
Net cash provided by (used in) operating activities	3,361	2,068
Cash flows from investing activities		
Payments into time deposits	(0)	(244)
Proceeds from withdrawal of time deposits	188	261
Proceeds from sale of investment securities	6	180
Purchase of property, plant and equipment	(574)	(423)
Proceeds from sale of property, plant and equipment	107	980
Purchase of intangible assets	(88)	(107)
Purchase of shares of subsidiaries and associates	-	(331)
Other, net	(162)	(86)
Net cash provided by (used in) investing activities	(523)	230
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,728)	(1,002)
Purchase of treasury shares	(0)	(700)
Dividends paid	(483)	(482)
Dividends paid to non-controlling interests	(37)	(34)
Other, net	(215)	(213)
Net cash provided by (used in) financing activities	(2,464)	(2,432)
Effect of exchange rate change on cash and cash equivalents	(145)	326
Net increase (decrease) in cash and cash equivalents	227	192
Cash and cash equivalents at beginning of period	7,037	7,265
Cash and cash equivalents at end of period	7,265	7,457