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Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (under IFRS)

May 10, 2024

Company name: **F.C.C. CO., LTD.**
 Listing: Tokyo Stock Exchange
 Securities code: 7296
 URL: <https://www.fcc-net.co.jp/>
 Representative: Yoshitaka Saito, President and Representative Director
 Contact: Yasutaka Oishi, Operating Officer, Head of Management and Administration
 TEL: +81-53-523-2400

Scheduled date for holding ordinary general meeting of shareholders: June 18, 2024

Scheduled date to commence dividend payments: June 19, 2024

Scheduled date to file annual securities report: June 20, 2024

Preparation of supplementary results briefing material on consolidated financial results: Yes

Holding of financial results presentation meeting: Yes (for institutional investors and analysts)

(Millions of yen with fractional amounts rounded, unless otherwise noted)

1. Consolidated financial results for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Revenue		Operating profit		Profit before income taxes		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	240,283	9.7	15,102	26.9	19,169	40.5	12,456	27.1	12,231	27.9	28,778	76.6
March 31, 2023	218,939	28.1	11,903	18.4	13,641	14.2	9,802	12.9	9,566	11.9	16,300	(13.9)

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Ratio of profit to equity attributable to owners of parent	Ratio of profit before income taxes to total assets	Ratio of operating profit to revenue
	Yen	Yen	%	%	%
March 31, 2024	245.91	—	7.1	8.4	6.3
March 31, 2023	192.41	—	6.2	6.7	5.4

Reference: Share of profit (loss) in investments accounted for using the equity method

For the fiscal year ended March 31, 2024: ¥(8) million

For the fiscal year ended March 31, 2023: ¥(9) million

(2) Consolidated financial position

As of	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2024	245,004	186,602	185,322	75.6	3,725.39
March 31, 2023	210,626	162,124	160,055	76.0	3,218.63

(3) Consolidated cash flows

	Net cash flows from (used in) operating activities	Net cash flows from (used in) investing activities	Net cash flows from (used in) financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	35,383	(7,433)	(4,824)	82,028
March 31, 2023	21,014	(10,307)	(3,232)	53,738

2. Cash dividends

	Annual cash dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter- end	Second quarter- end	Third quarter- end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2023	–	26.00	–	30.00	56.00	2,784	29.1	1.8
March 31, 2024	–	30.00	–	44.00	74.00	3,681	30.1	2.1
Fiscal year ending March 31, 2025 (Forecast)	–	38.00	–	38.00	76.00		30.2	

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before income taxes		Profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	119,000	1.7	7,800	20.9	8,600	(4.2)	6,100	(1.1)	6,000	0.4	121.25
Fiscal year ending March 31, 2025	238,000	(1.0)	16,000	5.9	17,800	(7.1)	12,500	0.4	12,400	1.4	251.57

Note: At its meeting held on May 10, 2024, the Board of Directors of the Company resolved to acquire its own shares and cancel its own shares. The above figure for “Basic earnings per share” (forecast) is calculated taking into account the impact of the Acquisition and Cancellation.

For details of the Acquisition and Cancellation, please refer to the “Notice Concerning Decision on Acquisition and Cancellation of the Company’s Own Shares” (released on May 10, 2024).

* **Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly included: None

Excluded: None

(2) Changes in accounting policies and changes in accounting estimates

a. Changes in accounting policies required by IFRS: Yes

b. Changes in accounting policies other than the above: None

c. Changes in accounting estimates: None

(3) Number of shares issued (ordinary shares)

a. Total number of shares issued at the end of the period (including treasury shares)

As of March 31, 2024	52,644,030 shares
As of March 31, 2023	52,644,030 shares

b. Number of treasury shares at the end of the period

As of March 31, 2024	2,898,297 shares
As of March 31, 2023	2,916,364 shares

c. Average number of shares during the period

Fiscal year ended March 31, 2024	49,740,371 shares
Fiscal year ended March 31, 2023	49,719,978 shares

(Reference) Summary of non-consolidated financial results

**1. Non-consolidated financial results for the fiscal year ended March 31, 2024
(from April 1, 2023 to March 31, 2024)**

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	41,308	6.7	(3,104)	—	9,050	105.9	6,140	92.8
March 31, 2023	38,705	(1.4)	(999)	—	4,395	(21.2)	3,184	(25.8)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2024	123.45	—
March 31, 2023	64.04	—

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2024	99,659	75,722	76.0	1,522.19
March 31, 2023	84,762	69,149	81.6	1,390.57

Reference: Equity

For the fiscal year ended March 31, 2024: ¥75,722 million

For the fiscal year ended March 31, 2023: ¥69,149 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

Caution regarding forward-looking statements

The forward-looking statements including earnings forecasts contained in these materials are based on information currently available to the Company and certain assumptions deemed reasonable by the Company, and are not intended as the Company's commitment to achieve such forecasts. Actual business and other results may differ significantly from these forecasts due to a wide range of factors.

How to obtain supplementary results briefing material on consolidated financial results

The Company plans to hold a financial results presentation meeting on May 17, 2024. The Company also plans to post to its website the materials that are used at the meeting on the same day.

Consolidated financial statements

(1) Consolidated statement of financial position

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and cash equivalents	53,738	82,028
Trade and other receivables	38,739	40,198
Other financial assets	3,902	4,181
Inventories	32,715	32,809
Other current assets	3,091	3,615
Total current assets	132,189	162,833
Non-current assets		
Property, plant and equipment	57,483	57,234
Goodwill and intangible assets	3,447	2,946
Investments accounted for using the equity method	161	127
Other financial assets	14,395	18,554
Deferred tax assets	2,554	2,768
Other non-current assets	394	540
Total non-current assets	78,437	82,171
Total assets	210,626	245,004

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	18,204	20,184
Borrowings	6,100	6,100
Other financial liabilities	313	458
Income taxes payable	2,019	1,981
Provisions	3,478	8,380
Other current liabilities	8,187	9,079
Total current liabilities	38,302	46,183
Non-current liabilities		
Other financial liabilities	1,096	1,100
Defined benefit liability	1,527	1,135
Provisions	14	14
Deferred tax liabilities	7,087	9,442
Other non-current liabilities	472	525
Total non-current liabilities	10,199	12,218
Total liabilities	48,502	58,402
Equity		
Issued capital	4,175	4,175
Retained earnings	139,639	149,324
Treasury shares	(4,723)	(4,694)
Other components of equity	20,963	36,515
Total equity attributable to owners of parent	160,055	185,322
Non-controlling interests	2,069	1,280
Total equity	162,124	186,602
Total liabilities and equity	210,626	245,004

(2) Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Revenue	218,939	240,283
Cost of sales	(185,944)	(198,231)
Gross profit	32,994	42,051
Selling, general and administrative expenses	(21,669)	(26,511)
Other income	1,125	740
Other expense	(546)	(1,178)
Operating profit	11,903	15,102
Finance income	1,820	4,097
Finance costs	(74)	(22)
Share of profit (loss) in investments accounted for using the equity method	(9)	(8)
Profit before income taxes	13,641	19,169
Income tax expense	(3,838)	(6,713)
Profit	9,802	12,456
Profit attributable to		
Owners of parent	9,566	12,231
Non-controlling interests	236	224
Profit	9,802	12,456
Earnings per share		
Basic earnings per share (Yen)	192.41	245.91
Diluted earnings per share (Yen)	—	—

(3) Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	9,802	12,456
Other comprehensive income		
Components that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	411	598
Changes in the fair value of financial assets measured at fair value through other comprehensive income	304	3,488
Total	<u>715</u>	<u>4,086</u>
Components that may be reclassified to profit or loss		
Exchange differences of foreign operations	5,782	12,251
Share of other comprehensive income of associates accounted for using equity method	(0)	(15)
Total	<u>5,781</u>	<u>12,236</u>
Total other comprehensive income	<u>6,497</u>	<u>16,322</u>
Comprehensive income	<u>16,300</u>	<u>28,778</u>
Comprehensive income attributable to		
Owners of parent	15,980	28,382
Non-controlling interests	319	396
Comprehensive income	<u>16,300</u>	<u>28,778</u>

(4) Consolidated statement of changes in equity

	Equity attributable to owners of parent					
	Issued capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Exchange differences of foreign operations	Changes in the fair value of financial assets measured at fair value through other comprehensive income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance as of April 1, 2022	4,175	—	132,252	(4,764)	10,480	4,481
Profit	—	—	9,566	—	—	—
Other comprehensive income	—	—	—	—	5,700	302
Total comprehensive income	—	—	9,566	—	5,700	302
Purchase of treasury shares	—	—	—	(0)	—	—
Disposal of treasury shares	—	—	(7)	41	—	—
Dividends	—	—	(2,585)	—	—	—
Increase (decrease) through changes in interests	—	—	—	—	—	—
Transfer from retained earnings to capital surplus	—	—	—	—	—	—
Transfer from other components of equity	—	—	412	—	—	(1)
Total transactions with the owners	—	—	(2,179)	41	—	(1)
Balance as of March 31, 2023	4,175	—	139,639	(4,723)	16,180	4,782
Profit	—	—	12,231	—	—	—
Other comprehensive income	—	—	—	—	12,099	3,452
Total comprehensive income	—	—	12,231	—	12,099	3,452
Purchase of treasury shares	—	—	—	(0)	—	—
Disposal of treasury shares	—	3	—	29	—	—
Dividends	—	—	(2,984)	—	—	—
Increase (decrease) through changes in interests	—	(163)	—	—	—	—
Transfer from retained earnings to capital surplus	—	160	(160)	—	—	—
Transfer from other components of equity	—	—	598	—	—	—
Total transactions with the owners	—	—	(2,546)	29	—	—
Balance as of March 31, 2024	4,175	—	149,324	(4,694)	28,280	8,235

	Equity attributable to owners of parent				
	Other components of equity			Non-controlling interests	Total Equity
	Remeasurements of defined benefit plans	Total	Total		
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance as of April 1, 2022	—	14,962	146,625	1,906	148,532
Profit	—	—	9,566	236	9,802
Other comprehensive income	411	6,413	6,413	83	6,497
Total comprehensive income	411	6,413	15,980	319	16,300
Purchase of treasury shares	—	—	(0)	—	(0)
Disposal of treasury shares	—	—	33	—	33
Dividends	—	—	(2,585)	(157)	(2,742)
Increase (decrease) through changes in interests	—	—	—	—	—
Transfer from retained earnings to capital surplus	—	—	—	—	—
Transfer from other components of equity	(411)	(412)	—	—	—
Total transactions with the owners	(411)	(412)	(2,551)	(157)	(2,708)
Balance as of March 31, 2023	—	20,963	160,055	2,069	162,124
Profit	—	—	12,231	224	12,456
Other comprehensive income	598	16,150	16,150	172	16,322
Total comprehensive income	598	16,150	28,382	396	28,778
Purchase of treasury shares	—	—	(0)	—	(0)
Disposal of treasury shares	—	—	32	—	32
Dividends	—	—	(2,984)	(55)	(3,039)
Increase (decrease) through changes in interests	—	—	(163)	(1,130)	(1,293)
Transfer from retained earnings to capital surplus	—	—	—	—	—
Transfer from other components of equity	(598)	(598)	—	—	—
Total transactions with the owners	(598)	(598)	(3,115)	(1,185)	(4,300)
Balance as of March 31, 2024	—	36,515	185,322	1,280	186,602

(5) Consolidated statement of cash flows

	(Millions of yen)	
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from (used in) operating activities		
Profit before income taxes	13,641	19,169
Depreciation and amortization expense	13,358	12,861
Impairment loss	315	735
Finance income and finance costs	(1,645)	(3,747)
Share of loss (profit) in investments accounted for using the equity method	9	8
Loss (gain) on sales and retirement of non-current assets	12	139
Decrease (Increase) in inventories	(352)	3,185
Decrease (Increase) in trade and other receivables	(2,861)	2,452
Increase (decrease) in trade and other payables	(820)	(109)
Increase (decrease) in defined benefit liability	316	264
Increase (decrease) in provisions	1,808	4,902
Other	1,489	430
Subtotal	25,270	40,292
Interest and dividend income received	923	2,173
Interest expenses paid	(20)	(14)
Income taxes paid	(5,235)	(7,085)
Income taxes refund and interest on refund received	75	17
Net cash flows from (used in) operating activities	21,014	35,383
Cash flows from (used in) investing activities		
Payments into time deposits	(2,665)	(5,224)
Proceeds from withdrawal of time deposits	1,492	5,744
Purchase of property, plant and equipment	(7,776)	(8,370)
Proceeds from sales of property, plant and equipment	170	217
Purchase of intangible assets	(770)	(499)
Payments of loans receivable	(74)	(80)
Collection of loans receivable	102	152
Purchase of investments	(711)	(458)
Proceeds from sales and redemption of investments	2	1,319
Other	(76)	(234)
Net cash flows from (used in) investing activities	(10,307)	(7,433)
Cash flows from (used in) financing activities		
Repayments of lease liabilities	(489)	(495)
Payments for acquisition of interests in subsidiaries from non-controlling interests	—	(1,292)
Purchase of treasury shares	(0)	(0)
Cash dividends paid	(2,585)	(2,981)
Cash dividends paid to non-controlling shareholders	(157)	(55)
Net cash flows from (used in) financing activities	(3,232)	(4,824)
Net increase (decrease) in cash and cash equivalents	7,474	23,125
Cash and cash equivalents at beginning of period	44,627	53,738
Effect of exchange rate change on cash and cash equivalents	1,637	5,164
Cash and cash equivalents at end of period	53,738	82,028