

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

August 8, 2024

Company name: FUTABA CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 6986 URL <https://www.futaba.co.jp/>
 Representative: President and Representative Director Motoaki Arima
 Chief Executive Officer
 Executive Officer
 Inquiries: General Manager Masayuki Nakamura TEL 0475-24-1111
 Corporate Administration Division
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2024	12,690	(8.4)	(261)	–	397	–	71	–
Three months ended June 30, 2023	13,856	(1.1)	(892)	–	(146)	–	(1,211)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	1.68		–	
Three months ended June 30, 2023	(28.57)		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	106,686	93,062	75.3
As of March 31, 2024	104,263	90,529	75.0

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	–	5.00	–	5.00	10.00
Year ending March 31, 2025	–	–	–	–	–
Year ending March 31, 2025 (Forecast)	–	0.00	–	10.00	10.00

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	25,000	(14.0)	(700)	–	(600)	–	(900)	–	(21.22)
Full year	51,000	(9.5)	(400)	–	(300)	–	(800)	–	(18.86)

4. Notes

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - Changes in accounting policies due to other reasons: No
 - Changes in accounting estimates: No
 - Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2024	42,426,739 shares	As of March 31, 2024	42,426,739 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	10,557 shares	As of March 31, 2024	10,557 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	42,416,182 shares	Three months ended June 30, 2023	42,416,758 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	27,064	28,046
Notes and accounts receivable - trade	15,105	14,681
Electronically recorded monetary claims - operating	1,740	1,751
Securities	300	300
Merchandise and finished goods	5,236	5,122
Work in process	2,851	2,797
Raw materials and supplies	9,767	9,826
Other	1,056	1,222
Allowance for doubtful accounts	(995)	(940)
Total current assets	62,128	62,808
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,720	5,886
Machinery, equipment and vehicles, net	1,871	1,916
Tools, furniture and fixtures, net	331	364
Land	10,007	10,253
Leased assets, net	7	6
Construction in progress	171	156
Other	295	281
Total property, plant and equipment	18,405	18,864
Intangible assets		
Other	659	686
Total intangible assets	659	686
Investments and other assets		
Investment securities	12,777	13,798
Other	10,906	11,233
Allowance for doubtful accounts	(612)	(704)
Total investments and other assets	23,070	24,327
Total non-current assets	42,134	43,877
Total assets	104,263	106,686

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,325	2,513
Electronically recorded obligations - operating	541	494
Short-term borrowings	132	121
Accrued expenses	2,753	2,314
Income taxes payable	244	207
Provision for bonuses	698	514
Other	1,527	1,782
Total current liabilities	8,223	7,947
Non-current liabilities		
Deferred tax liabilities	4,551	4,812
Provision for retirement benefits for directors (and other officers)	11	13
Retirement benefit liability	372	289
Other	574	560
Total non-current liabilities	5,509	5,676
Total liabilities	13,733	13,624
Net assets		
Shareholders' equity		
Share capital	22,558	22,558
Capital surplus	21,046	21,046
Retained earnings	22,312	22,171
Treasury shares	(16)	(16)
Total shareholders' equity	65,899	65,758
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,773	5,260
Foreign currency translation adjustment	5,485	7,424
Remeasurements of defined benefit plans	2,051	1,927
Total accumulated other comprehensive income	12,310	14,612
Non-controlling interests	12,318	12,691
Total net assets	90,529	93,062
Total liabilities and net assets	104,263	106,686

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	13,856	12,690
Cost of sales	12,100	10,491
Gross profit	1,755	2,199
Selling, general and administrative expenses	2,647	2,461
Operating loss	(892)	(261)
Non-operating income		
Interest income	104	149
Dividend income	128	127
Foreign exchange gains	309	337
transfer of rights income	157	–
Other	86	99
Total non-operating income	786	714
Non-operating expenses		
Interest expenses	17	20
Loss on investments in investment partnerships	9	9
Extra retirement payments	–	17
Other	14	7
Total non-operating expenses	40	55
Ordinary profit (loss)	(146)	397
Extraordinary income		
Gain on sale of non-current assets	8	7
Total extraordinary income	8	7
Extraordinary losses		
Loss on abandonment of non-current assets	0	0
Impairment losses	662	122
Loss on business restructuring	299	11
Total extraordinary losses	961	133
Profit (loss) before income taxes	(1,099)	271
Income taxes - current	99	87
Income taxes - deferred	19	31
Total income taxes	118	118
Profit (loss)	(1,217)	152
Profit (loss) attributable to non-controlling interests	(5)	81
Profit (loss) attributable to owners of parent	(1,211)	71

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit (loss)	(1,217)	152
Other comprehensive income		
Valuation difference on available-for-sale securities	395	509
Foreign currency translation adjustment	3,230	2,364
Remeasurements of defined benefit plans, net of tax	(70)	(121)
Total other comprehensive income	3,554	2,751
Comprehensive income	2,337	2,904
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,636	2,372
Comprehensive income attributable to non-controlling interests	701	531