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Consolidated Financial Results for the Nine Months Ended December 31, 2022 [IFRS]

February 3, 2023

Company name: Aichi Steel Corporation
 Stock exchange listing: Tokyo and Nagoya
 Code number: 5482
 URL: <https://www.aichi-steel.co.jp/ENGLISH/>
 Representative: Takahiro Fujioka, President
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 Scheduled date of filing quarterly securities report: February 14, 2023
 Scheduled date of commencing dividend payments: -
 Availability of supplementary materials on quarterly financial results: No
 Holding of quarterly financial results briefing session: No

(Amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2022 (April 1, 2022 through December 31, 2022)

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

	Revenue		Operating profit		Profit before tax		Profit	
Nine months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2022	209,686	10.0	604	(82.6)	1,349	(65.2)	1,134	(59.2)
December 31, 2021	190,544	—	3,473	—	3,876	—	2,776	—

	Profit attributable to owners of the parent		Comprehensive income		Basic earnings per share	Diluted earnings per share
Nine months ended	Million yen	%	Million yen	%	Yen	Yen
December 31, 2022	213	(89.8)	3,469	(25.6)	10.83	10.83
December 31, 2021	2,095	—	4,662	—	106.31	106.31

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Million yen	Million yen	Million yen	%
As of December 31, 2022	383,443	214,015	203,937	53.2
As of March 31, 2022	364,400	212,475	201,548	55.3

2. Cash Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	—	20.00	—	10.00	30.00
Fiscal year ending March 31, 2023	—	10.00			
Fiscal year ending March 31, 2023 (Forecast)			—	—	—

(Note) Revision to the forecast for cash dividends announced most recently: Yes

(Note) The year-end dividend forecast for the fiscal year ending March 31, 2023 remains undetermined at this time.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023

(April 1, 2022 through March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of the parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	284,000	9.2	0	(100.0)	0	(100.0)	0	(100.0)	0.00

(Note) Revision to the financial results forecast announced most recently: Yes

*** Notes:**

- (1) Changes in significant subsidiaries during the period under review: None
(Changes in specified subsidiaries resulting in changes in scope of consolidation)
Newly included: – Excluded: –

- (2) Changes in accounting policies and accounting estimates
- 1) Changes in accounting policies required by IFRS: None
 - 2) Changes in accounting policies due to other reasons: None
 - 3) Changes in accounting estimates: None

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

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

As of December 31, 2022:	19,886,675 shares
As of March 31, 2022:	19,886,675 shares

- 2) Total number of treasury shares at the end of the period

As of December 31, 2022:	158,902 shares
As of March 31, 2022:	174,498 shares

- 3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2022:	19,721,544 shares
Nine months ended December 31, 2021:	19,707,826 shares

- * These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

- * Proper use of earnings forecasts, and other special matters
(Cautionary notes on forward-looking statements, etc.)

The forward-looking statements, including financial results forecast, in this document are based on information available to the Company at the time of this disclosure and on certain assumptions deemed reasonable by the Company. As such, actual results may differ from those indicated in these forward-looking statements due to various factors.

Condensed Quarterly Consolidated Financial Statements
Condensed Quarterly Consolidated Statements of Financial Position

(Million yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and cash equivalents	32,866	45,005
Trade and other receivables	61,071	62,250
Other financial assets	711	786
Inventories	49,332	55,066
Other current assets	1,769	1,038
Total current assets	145,750	164,147
Non-current assets		
Property, plant and equipment	125,676	124,245
Intangible assets	3,172	3,232
Trade and other receivables	34	20
Other financial assets	47,117	49,447
Retirement benefit asset	41,869	41,627
Deferred tax assets	776	722
Other non-current assets	1	0
Total non-current assets	218,649	219,295
Total assets	364,400	383,443
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	46,517	43,663
Borrowings	609	13,309
Other financial liabilities	706	1,024
Income taxes payable	514	—
Other current liabilities	3,665	4,451
Total current liabilities	52,014	62,449
Non-current liabilities		
Borrowings	66,058	73,050
Other financial liabilities	3,118	3,412
Retirement benefit liabilities	15,399	15,412
Provisions	755	751
Deferred tax liabilities	13,782	13,577
Other non-current liabilities	795	774
Total non-current liabilities	99,910	106,978
Total liabilities	151,925	169,428
Equity		
Share capital	25,016	25,016
Capital surplus	28,051	28,232
Retained earnings	121,744	121,501
Treasury shares	(1,049)	(955)
Other components of equity	27,784	30,142
Total equity attributable to owners of the parent	201,548	203,937
Non-controlling interests	10,927	10,077
Total equity	212,475	214,015
Total liabilities and equity	364,400	383,443

Condensed Quarterly Consolidated Statements of Profit or Loss and Condensed Quarterly Consolidated Statements of Comprehensive Income

Condensed Quarterly Consolidated Statements of Profit or Loss
For the Nine-Month Period

(Million yen)

	Nine Months Ended December 31, 2021	Nine Months Ended December 31, 2022
Revenue	190,544	209,686
Cost of revenue	168,628	190,062
Gross profit	21,916	19,624
Selling, general and administrative expenses	17,638	18,504
Other income	340	281
Other expenses	1,144	796
Operating profit	3,473	604
Finance income	601	969
Finance expenses	198	225
Profit before tax	3,876	1,349
Income tax expenses	1,100	215
Profit	2,776	1,134
Profit attributable to:		
Owners of the parent	2,095	213
Non-controlling interests	681	920
Total	2,776	1,134
Earnings per share		
Basic earnings per share (Yen)	106.31	10.83
Diluted earnings per share (Yen)	106.31	10.83

Condensed Quarterly Consolidated Statements of Comprehensive Income
For the Nine-Month Period

(Million yen)

	Nine Months Ended December 31, 2021	Nine Months Ended December 31, 2022
Profit	2,776	1,134
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(0)	(0)
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	1,258	1,669
Total	1,257	1,669
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	628	665
Total	628	665
Total other comprehensive income	1,886	2,335
Comprehensive income	4,662	3,469
Comprehensive income attributable to:		
Owners of the parent	3,680	2,570
Non-controlling interests	982	898
Total	4,662	3,469

Condensed Quarterly Consolidated Statements of Changes in Equity
For the Nine Months Ended December 31, 2021

(Million yen)

	Equity attributable to owners of the parent										
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity			Total	Total	Non-controlling interests	Total equity
					Remeasurements of defined benefit plans	Exchange differences on translation of foreign operations	Net change in financial assets measured at fair value through other comprehensive income				
Balance as of April 1, 2021	25,016	28,051	115,849	(1,116)	—	1,164	23,986	25,151	192,953	9,930	202,883
Profit	—	—	2,095	—	—	—	—	—	2,095	681	2,776
Other comprehensive income	—	—	—	—	(0)	348	1,237	1,585	1,585	300	1,886
Comprehensive income	—	—	2,095	—	(0)	348	1,237	1,585	3,680	982	4,662
Acquisition of treasury shares	—	—	—	(0)	—	—	—	—	(0)	—	(0)
Disposal of treasury shares	—	—	(32)	67	—	—	—	—	34	—	34
Dividends	—	—	(1,280)	—	—	—	—	—	(1,280)	(748)	(2,029)
Transfer from other components of equity to retained earnings	—	—	1	—	0	—	(2)	(1)	—	—	—
Total transactions with owners	—	—	(1,311)	67	0	—	(2)	(1)	(1,246)	(748)	(1,994)
Balance as of December 31, 2021	25,016	28,051	116,633	(1,049)	—	1,513	25,221	26,734	195,387	10,164	205,551

For the Nine Months Ended December 31, 2022

(Million yen)

	Equity attributable to owners of the parent								Total	Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity			Total			
					Remeasurements of defined benefit plans	Exchange differences on translation of foreign operations	Net change in financial assets measured at fair value through other comprehensive income				
Balance as of April 1, 2022	25,016	28,051	121,744	(1,049)	—	2,868	24,916	27,784	201,548	10,927	212,475
Profit	—	—	213	—	—	—	—	—	213	920	1,134
Other comprehensive income	—	—	—	—	(0)	672	1,684	2,356	2,356	(21)	2,335
Comprehensive income	—	—	213	—	(0)	672	1,684	2,356	2,570	898	3,469
Acquisition of treasury shares	—	—	—	(0)	—	—	—	—	(0)	—	(0)
Disposal of treasury shares	—	—	(61)	94	—	—	—	—	32	—	32
Dividends	—	—	(394)	—	—	—	—	—	(394)	(1,255)	(1,649)
Changes in the ownership interest in subsidiaries	—	180	—	—	—	—	—	—	180	(493)	(312)
Transfer from other components of equity to retained earnings	—	—	(0)	—	0	—	0	0	—	—	—
Total transactions with owners	—	180	(456)	94	0	—	0	0	(180)	(1,748)	(1,929)
Balance as of December 31, 2022	25,016	28,232	121,501	(955)	—	3,541	26,601	30,142	203,937	10,077	214,015