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Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

November 12, 2024

Company name: SHIBAURA MACHINE CO., LTD.

Listing: Tokyo

Securities code: 6104

URL: <https://www.shibaura-machine.co.jp>

Representative: Shigetomo Sakamoto

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Scheduled date to file semi-annual securities report: November 12, 2024

Scheduled date to commence dividend payments: December 3, 2024

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

President and Chief Operating Officer

Public Relations & Investor Relations Department Senior
Manager

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Consolidated Operating Results

(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	%
Six months ended September 30, 2024	86,823	6.0	8,434	3.3	8,003	(11.4)	8,598	(40.1)
September 30, 2023	81,915	39.0	8,164	388.6	9,035	318.9	14,359	677.1

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 5,849 million [(67.7)%]
Six months ended September 30, 2023: ¥ 18,124 million [457.2%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	359.41	-
September 30, 2023	594.24	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	222,016	113,939	51.3
March 31, 2024	253,172	111,705	44.1

(Reference) Equity: As of September 30, 2024: ¥ 113,939 million
As of March 31, 2024: ¥ 111,705 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	70.00	-	70.00	140.00
Fiscal year ending March 31, 2025	-	70.00			
Fiscal year ending March 31, 2025 (Forecast)			-	70.00	140.00

(Note) Revision to the forecast for dividends announced most recently: None

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending March 31, 2025 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	170,000	5.8	14,000	2.8	13,200	(9.6)	11,700	(34.7)	491.83

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

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included:	-	(Company name:)
Excluded:	-	(Company name:)

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

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

September 30, 2024:	25,377,106 shares
March 31, 2024:	26,977,106 shares

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

September 30, 2024:	1,745,980 shares
March 31, 2024:	2,809,953 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024:	23,923,565 shares
Six months ended September 30, 2023:	24,164,533 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Semi-annual Consolidated Financial Statements

Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	51,669	41,727
Notes and accounts receivable - trade, and contract assets	30,354	24,660
Securities	-	16,000
Merchandise and finished goods	69,097	51,924
Work in process	33,283	32,102
Raw materials and supplies	42	39
Other	18,662	8,977
Allowance for doubtful accounts	(51)	(45)
Total current assets	203,059	175,385
Non-current assets		
Property, plant and equipment		
Buildings and structures	47,794	46,275
Accumulated depreciation and impairment	(28,649)	(27,763)
Buildings and structures, net	19,144	18,512
Machinery, equipment and vehicles	24,940	24,668
Accumulated depreciation and impairment	(21,590)	(21,663)
Machinery, equipment and vehicles, net	3,349	3,005
Land	6,852	6,716
Leased assets	1,353	1,391
Accumulated depreciation and impairment	(624)	(744)
Leased assets, net	728	647
Construction in progress	2,566	3,536
Other	7,249	7,180
Accumulated depreciation and impairment	(6,367)	(6,341)
Other, net	881	839
Total property, plant and equipment	33,522	33,257
Intangible assets		
Goodwill	463	405
Other	755	675
Total intangible assets	1,219	1,081
Investments and other assets		
Investment securities	13,752	10,672
Long-term loans receivable	3	3
Deferred tax assets	584	604
Other	1,562	1,538
Allowance for doubtful accounts	(532)	(526)
Total investments and other assets	15,370	12,291
Total non-current assets	50,113	46,630
Total assets	253,172	222,016

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	31,016	21,561
Short-term borrowings	11,030	10,605
Income taxes payable	4,134	3,606
Accrued expenses	3,310	2,353
Provision for bonuses	2,725	2,777
Provision for product warranties	877	786
Contract liabilities	75,070	55,093
Other	2,164	1,356
Total current liabilities	130,329	98,140
Non-current liabilities		
Long-term accounts payable - other	5	-
Deferred tax liabilities	3,574	2,466
Provision for retirement benefits for directors (and other officers)	27	20
Retirement benefit liability	6,610	6,566
Asset retirement obligations	393	393
Other	526	489
Total non-current liabilities	11,137	9,935
Total liabilities	141,466	108,076
Net assets		
Shareholders' equity		
Share capital	12,484	12,484
Capital surplus	11,538	11,553
Retained earnings	79,140	81,561
Treasury shares	(7,877)	(5,331)
Total shareholders' equity	95,286	100,268
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,123	5,973
Foreign currency translation adjustment	6,672	6,003
Remeasurements of defined benefit plans	1,623	1,693
Total accumulated other comprehensive income	16,419	13,670
Total net assets	111,705	113,939
Total liabilities and net assets	253,172	222,016

Semi-annual Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	81,915	86,823
Cost of sales	55,494	58,233
Gross profit	26,421	28,590
Selling, general and administrative expenses	18,256	20,155
Operating profit	8,164	8,434
Non-operating income		
Interest income	181	98
Dividend income	227	351
Rental income	23	21
Foreign exchange gains	566	-
Other	148	96
Total non-operating income	1,149	568
Non-operating expenses		
Interest expenses	90	112
Foreign exchange losses	-	460
Closedown cost	-	208
Other	188	217
Total non-operating expenses	278	999
Ordinary profit	9,035	8,003
Extraordinary income		
Gain on sale of non-current assets	10,789	4,043
Gain on sale of investment securities	68	-
Gain on sale of shares of subsidiaries and associates	-	7
Total extraordinary income	10,857	4,051
Extraordinary losses		
Loss on disposal of non-current assets	10	31
Loss on valuation of investment securities	-	6
Loss on sale of shares of subsidiaries and associates	-	6
Extra retirement payments	-	155
Total extraordinary losses	10	199
Profit before income taxes	19,882	11,854
Income taxes - current	2,610	3,496
Income taxes - deferred	2,912	(240)
Total income taxes	5,522	3,256
Profit	14,359	8,598
Profit attributable to owners of parent	14,359	8,598

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	14,359	8,598
Other comprehensive income		
Valuation difference on available-for-sale securities	1,947	(2,150)
Foreign currency translation adjustment	1,837	(668)
Remeasurements of defined benefit plans, net of tax	(19)	70
Total other comprehensive income	3,764	(2,748)
Comprehensive income	18,124	5,849
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	18,124	5,849
Comprehensive income attributable to non-controlling interests	-	-

Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	19,882	11,854
Depreciation	1,022	1,283
Extra retirement payments	-	155
Amortization of goodwill	-	27
Increase (decrease) in allowance for doubtful accounts	25	(11)
Increase (decrease) in provision for bonuses	95	52
Increase (decrease) in provision for product warranties	(111)	(90)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(25)	(6)
Increase (decrease) in retirement benefit liability	(46)	26
Interest and dividend income	(409)	(449)
Interest expenses	90	112
Loss (gain) on sale of investment securities	(68)	-
Loss (gain) on sale of shares of subsidiaries and associates	-	(1)
Loss (gain) on valuation of investment securities	-	6
Loss (gain) on sale and retirement of property, plant and equipment and intangible assets	(10,778)	(4,012)
Decrease (increase) in trade receivables	809	5,694
Decrease (increase) in inventories	(17,800)	18,357
Increase (decrease) in trade payables	5,023	(9,342)
Increase (decrease) in contract liabilities	2,345	(20,038)
Increase (decrease) in accrued expenses	598	(962)
Increase (decrease) in deposits received	74	(102)
Increase (decrease) in accounts payable - other	35	(612)
Other, net	(820)	9,700
Subtotal	(59)	11,640
Interest and dividends received	451	454
Interest paid	(55)	(46)
Income taxes refund (paid)	(397)	(3,804)
Extra retirement payments	-	(155)
Net cash provided by (used in) operating activities	(60)	8,088
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,234)	(1,471)
Proceeds from sale of property, plant and equipment	1	4,285
Purchase of intangible assets	(24)	(61)
Proceeds from sale of investment securities	115	-
Proceeds from sale of shares of subsidiaries and associates	-	14
Decrease (increase) in short-term loans receivable	4	5
Proceeds from collection of long-term loans receivable	0	0
Decrease/Increase/InDeposit/InTrust/InvCF	-	(175)
Other, net	47	13
Net cash provided by (used in) investing activities	(1,088)	2,609
Cash flows from financing activities		
Proceeds from short-term borrowings	638	-
Repayments of short-term borrowings	-	(409)
Repayments of long-term borrowings	(3,300)	-
Purchase of treasury shares	(0)	(2,000)
Dividends paid	(1,691)	(1,691)

Other, net	(146)	(139)
Net cash provided by (used in) financing activities	(4,499)	(4,240)
Effect of exchange rate change on cash and cash equivalents	1,613	(427)
Net increase (decrease) in cash and cash equivalents	(4,035)	6,030
Cash and cash equivalents at beginning of period	50,855	51,588
Cash and cash equivalents at end of period	46,819	57,619