

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

August 2, 2022

Company name: AIPHONE CO., LTD.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 6718 URL <https://www.aiphone.co.jp/>
 Representative: President Koji Kato
 Inquiries: Director, General Manager, Corporate Planning Department Tomio Suzuki TEL 052-228-8181
 Scheduled date to file Quarterly Securities Report: August 5, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(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, 2022	11,242	(6.0)	862	(45.7)	1,142	(33.3)	863	(33.9)
Three months ended June 30, 2021	11,963	46.3	1,587	–	1,712	–	1,306	–

Note: Comprehensive income Three months ended June 30, 2022 ¥2,045 million [133.1%]
 Three months ended June 30, 2021 ¥877 million [132.7%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	52.83		–	
Three months ended June 30, 2021	79.92		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	68,146	57,059	83.7
As of March 31, 2022	69,453	55,929	80.5

Reference: Equity As of June 30, 2022 ¥57,059 million
 As of March 31, 2022 ¥55,929 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2022	–	35.00	–	56.00	91.00
Year ending March 31, 2023	–				
Year ending March 31, 2023 (Forecast)		40.00	–	40.00	80.00

Note: Revisions to the forecast of cash dividends most recently announced: No

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

	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, 2022	23,000	(9.2)	1,100	(66.2)	1,400	(59.2)	1,100	(60.4)	67.32
Full year	49,500	(4.8)	2,500	(54.9)	2,800	(52.8)	2,100	(50.3)	128.52

Percentages indicate year-on-year changes

Note: Revisions to the forecast of financial results most recently announced: Yes

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2022
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (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, 2022	18,220,000 shares	As of March 31, 2022	18,220,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	1,879,987 shares	As of March 31, 2022	1,879,987 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, 2022	16,340,013 shares	Three months ended June 30, 2021	16,341,450 shares
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* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Explanation of proper use of financial results forecast, and other special matters

The forward-looking statements, including the financial results forecast shown in this document, are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. As such, they do not constitute guarantees by the Company of future performance. Actual performance and other results may differ materially due to various factors.

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	23,649	21,127
Notes and accounts receivable - trade, and contract assets	8,371	7,211
Electronically recorded monetary claims - operating	3,280	2,662
Securities	689	500
Finished goods	6,103	7,283
Work in process	1,824	1,857
Raw materials	8,241	9,920
Other	421	509
Allowance for doubtful accounts	(36)	(40)
Total current assets	52,545	51,032
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,231	6,451
Accumulated depreciation	(4,499)	(4,618)
Buildings and structures, net	1,732	1,833
Machinery, equipment and vehicles	2,683	2,810
Accumulated depreciation	(1,770)	(1,888)
Machinery, equipment and vehicles, net	913	921
Tools, furniture and fixtures	7,892	8,102
Accumulated depreciation	(7,140)	(7,364)
Tools, furniture and fixtures, net	751	738
Land	1,534	1,563
Leased assets	554	597
Accumulated depreciation	(255)	(288)
Leased assets, net	298	309
Construction in progress	1	5
Total property, plant and equipment	5,232	5,371
Intangible assets		
Other	0	0
Total intangible assets	0	0
Investments and other assets		
Investment securities	8,019	8,121
Deferred tax assets	2,482	2,470
Other	1,173	1,150
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	11,674	11,742
Total non-current assets	16,907	17,113
Total assets	69,453	68,146

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	783	665
Accounts payable - trade	2,248	2,188
Lease liabilities	129	131
Income taxes payable	1,569	293
Contract liabilities	263	370
Provision for product warranties	1,013	979
Provision for bonuses	–	561
Other	4,655	3,000
Total current liabilities	10,663	8,190
Non-current liabilities		
Lease liabilities	194	199
Deferred tax liabilities	82	92
Deferred tax liabilities for land revaluation	118	118
Retirement benefit liability	392	406
Other	2,071	2,079
Total non-current liabilities	2,859	2,896
Total liabilities	13,523	11,086
Net assets		
Shareholders' equity		
Share capital	5,388	5,388
Capital surplus	5,408	5,408
Retained earnings	44,476	44,425
Treasury shares	(3,217)	(3,217)
Total shareholders' equity	52,056	52,004
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,101	2,080
Revaluation reserve for land	(426)	(426)
Foreign currency translation adjustment	2,127	3,332
Remeasurements of defined benefit plans	70	68
Total accumulated other comprehensive income	3,873	5,054
Total net assets	55,929	57,059
Total liabilities and net assets	69,453	68,146

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, 2021	Three months ended June 30, 2022
Net sales	11,963	11,242
Cost of sales	6,209	5,863
Gross profit	5,754	5,378
Selling, general and administrative expenses	4,166	4,515
Operating profit	1,587	862
Non-operating income		
Interest income	4	6
Dividend income	80	99
Rental income from buildings	11	6
Foreign exchange gains	34	173
Other	5	6
Total non-operating income	136	292
Non-operating expenses		
Interest expenses	8	8
Other	3	3
Total non-operating expenses	11	12
Ordinary profit	1,712	1,142
Extraordinary income		
Gain on sale of non-current assets	0	15
Gain on sale of investment securities	–	30
Total extraordinary income	0	45
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on retirement of non-current assets	0	3
Total extraordinary losses	0	3
Profit before income taxes	1,712	1,183
Income taxes	406	320
Profit	1,306	863
Profit attributable to owners of parent	1,306	863

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	1,306	863
Other comprehensive income		
Valuation difference on available-for-sale securities	(271)	(20)
Foreign currency translation adjustment	(155)	1,204
Remeasurements of defined benefit plans, net of tax	(2)	(2)
Total other comprehensive income	(428)	1,181
Comprehensive income	877	2,045
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	877	2,045