



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

August 9, 2024

Company name: ISEKI&CO., LTD.

Listing: Tokyo

Securities code: 6310

URL: <https://www.iseki.co.jp>

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, President and Representative Director

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Scheduled date to file semi-annual securities report: August 9, 2024

Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

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

1. Consolidated Financial Results for the Six Months Ended June 30, 2024 (January 1, 2024 to June 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 June 30, 2024	91,134	(1.4)	2,210	(19.4)	2,469	(17.8)	(644)	-
June 30, 2023	92,392	6.5	2,741	6.8	3,003	(9.8)	1,939	(24.8)

(Note) Comprehensive income: Six months ended June 30, 2024: ¥ 1,800 million [(49.3)%
Six months ended June 30, 2023: ¥ 3,551 million [19.0%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended June 30, 2024	(28.47)	-
June 30, 2023	85.75	85.73

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2024	224,239	75,177	31.2	3,091.87
December 31, 2023	217,102	74,215	31.9	3,065.05

(Reference) Equity: As of June 30, 2024: ¥ 69,945 million
As of December 31, 2023: ¥ 69,323 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 December 31, 2023	-	-	-	30.00	30.00
Fiscal year ending December 31, 2024	-	-			
Fiscal year ending December 31, 2024 (Forecast)			-	30.00	30.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2024 (January 1, 2024 to December 31, 2024) (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	0.0	2,000	(11.3)	1,000	(52.2)	(3,100)	-	(137.06)

(Note) Revision to the financial results forecast announced most recently: None

* 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: None

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):

June 30, 2024: 22,984,993 shares

December 31, 2023: 22,984,993 shares

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

June 30, 2024: 362,666 shares

December 31, 2023: 367,659 shares

3) Average number of shares outstanding during the period:

Six months ended June 30, 2024: 22,619,831 shares

Six months ended June 30, 2023: 22,616,898 shares

* The total number of treasury shares at the end of the period includes the Company's shares held by the "Board Benefit Trust" (251,500 shares for the period ended June 30, 2024, 254,700 shares for the period ended December 31, 2023). In addition, the Company's shares held by the "Board Benefit Trust" are included in the number of treasury shares deducted for the calculation of the average number of shares during the period.

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

Semi-annual Consolidated Financial Statements
Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2023	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	9,901	10,863
Notes and accounts receivable - trade, and contract assets	26,917	37,868
Merchandise and finished goods	62,097	59,981
Work in process	9,133	9,567
Raw materials and supplies	1,610	1,398
Other	5,717	3,751
Allowance for doubtful accounts	(56)	(64)
Total current assets	115,322	123,368
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	26,299	24,976
Land	44,747	44,286
Other, net	13,505	12,796
Total property, plant and equipment	84,553	82,059
Intangible assets	2,489	2,772
Investments and other assets		
Investment securities	7,066	9,027
Retirement benefit asset	4,177	4,296
Other	4,153	3,480
Allowance for doubtful accounts	(660)	(766)
Total investments and other assets	14,737	16,038
Total non-current assets	101,780	100,870
Total assets	217,102	224,239

(Millions of yen)

	As of December 31, 2023	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,914	14,444
Electronically recorded obligations - operating	25,819	13,793
Short-term loans payable	29,619	39,987
Current portion of long-term loans payable	11,022	11,610
Income taxes payable	880	982
Provision for bonuses	613	769
Provision for loss on construction contracts	38	-
Other	11,556	23,662
Total current liabilities	95,465	105,249
Non-current liabilities		
Long-term loans payable	29,167	25,256
Deferred tax liabilities for land revaluation	4,097	3,980
Provision for retirement benefits for directors (and other officers)	165	146
Provision for share awards for directors (and other officers)	30	31
Retirement benefit liability	6,207	6,133
Asset retirement obligations	903	996
Other	6,849	7,267
Total non-current liabilities	47,420	43,812
Total liabilities	142,886	149,061
Net assets		
Shareholders' equity		
Share capital	23,344	23,344
Capital surplus	13,139	13,141
Retained earnings	20,474	19,410
Treasury shares	(590)	(584)
Total shareholders' equity	56,367	55,311
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,495	2,822
Deferred gains or losses on hedges	0	(73)
Revaluation reserve for land	8,835	8,568
Foreign currency translation adjustment	1,814	2,601
Remeasurements of defined benefit plans	810	714
Total accumulated other comprehensive income	12,955	14,633
Share acquisition rights	12	8
Non-controlling interests	4,879	5,223
Total net assets	74,215	75,177
Total liabilities and net assets	217,102	224,239

Semi-annual Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	For the six months ended June 30, 2023	For the six months ended June 30, 2024
Net sales	92,392	91,134
Cost of sales	65,131	64,216
Gross profit	27,260	26,917
Selling, general and administrative expenses	24,519	24,707
Operating profit	2,741	2,210
Non-operating income		
Interest income	89	76
Dividend income	215	207
Foreign exchange gains	877	556
Other	429	560
Total non-operating income	1,611	1,401
Non-operating expenses		
Interest expenses	546	787
Share of loss of entities accounted for using equity method	193	202
Commission for syndicated loans	425	56
Other	183	95
Total non-operating expenses	1,350	1,141
Ordinary profit	3,003	2,469
Extraordinary income		
Gain on sale of non-current assets	20	75
Total extraordinary income	20	75
Extraordinary losses		
Loss on sale and retirement of non-current assets	54	80
Impairment losses	63	2,260
Other	-	1
Total extraordinary losses	118	2,342
Profit before income taxes	2,905	202
Income taxes - current	996	727
Income taxes - deferred	(145)	(67)
Total income taxes	851	659
Profit (loss)	2,054	(457)
Profit attributable to non-controlling interests	114	186
Profit (loss) attributable to owners of parent	1,939	(644)

(Millions of yen)

	For the six months ended June 30, 2023	For the six months ended June 30, 2024
Profit (loss)	2,054	(457)
Other comprehensive income		
Valuation difference on available-for-sale securities	688	1,328
Deferred gains or losses on hedges	(153)	(72)
Foreign currency translation adjustment	979	1,112
Remeasurements of defined benefit plans, net of tax	(64)	(95)
Share of other comprehensive income of entities accounted for using equity method	48	(13)
Total other comprehensive income	1,497	2,258
Comprehensive income	3,551	1,800
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,163	1,300
Comprehensive income attributable to non-controlling interests	387	500

Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended June 30, 2023	For the six months ended June 30, 2024
Cash flows from operating activities		
Profit before income taxes	2,905	202
Depreciation	2,817	2,751
Impairment losses	63	2,260
Increase (decrease) in retirement benefit liability	(150)	(91)
Interest and dividend income	(304)	(284)
Interest expenses	546	787
Foreign exchange losses (gains)	(195)	20
Loss (gain) on sale of property, plant and equipment and intangible assets	33	5
Decrease (increase) in trade receivables	(10,203)	(10,347)
Decrease (increase) in inventories	(2,533)	4,044
Increase (decrease) in trade payables	(3,250)	(14,275)
Increase (decrease) in accounts payable - other	(124)	11,440
Other, net	3,867	3,079
Subtotal	(6,527)	(406)
Interest and dividends received	304	284
Interest paid	(552)	(785)
Income taxes paid	(796)	(210)
Net cash provided by (used in) operating activities	(7,572)	(1,117)
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(3,001)	(3,130)
Proceeds from sale of property, plant and equipment and intangible assets	189	335
Purchase of investment securities	(0)	(50)
Decrease (increase) in time deposits	(253)	(253)
Other, net	(7)	(50)
Net cash provided by (used in) investing activities	(3,073)	(3,148)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	6,271	9,305
Proceeds from long-term loans payable	13,194	1,850
Repayments of long-term loans payable	(9,923)	(5,367)
Proceeds from sale and leaseback transactions	163	783
Repayments of lease liabilities	(862)	(814)
Purchase of treasury shares	(0)	(0)
Dividends paid	(687)	(682)
Other, net	(77)	(156)
Net cash provided by (used in) financing activities	8,078	4,917
Effect of exchange rate change on cash and cash equivalents	371	58
Net increase (decrease) in cash and cash equivalents	(2,195)	709
Cash and cash equivalents at beginning of period	10,699	9,851
Cash and cash equivalents at end of period	8,503	10,560