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## Consolidated Financial Results for the Nine Months Ended December 31, 2022 [Japanese GAAP]

February 10, 2023

Company name: RHEON AUTOMATIC MACHINERY CO., LTD.

Stock exchange listing: Tokyo

Code number: 6272

URL: <https://www.rheon.com>

Representative: Mikio Kobayashi

President &amp; C.E.O.

Contact: Tadao Fukuda

Managing Operating Officer

Phone: 028-665-1111

Scheduled date of filing quarterly securities report: February 14, 2023

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: No

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down)

## 1. Consolidated Financial Results for the Nine Months Ended December 31, 2022 (April 01, 2022 to December 31, 2022)

## (1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2022	26,447	34.3	2,108	87.3	2,196	68.6	1,838	47.2
December 31, 2021	19,691	19.5	1,125	14.1	1,302	15.0	1,248	4.0

(Note) Comprehensive income: Nine months ended December 31, 2022: ¥ 2,599 million [ 78.4%]  
 Nine months ended December 31, 2021: ¥ 1,456 million [ 34.1%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2022	68.58	68.41
December 31, 2021	46.60	46.49

## (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
December 31, 2022	39,740	30,449	76.4	1,132.91
March 31, 2022	36,651	28,377	77.2	1,055.92

(Reference) Equity: As of December 31, 2022: ¥ 30,370 million  
 As of March 31, 2022: ¥ 28,303 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, 2022	-	8.00	-	8.00	16.00
Fiscal year ending March 31, 2023	-	12.00	-		
Fiscal year ending March 31, 2023 (Forecast)				-	-

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

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	35,100	32.0	2,540	131.0	2,690	83.2	2,190	47.3	81.70

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

## \* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

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

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

December 31, 2022: 28,392,000 shares

March 31, 2022: 28,392,000 shares

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

December 31, 2022: 1,584,369 shares

March 31, 2022: 1,587,157 shares

3) Average number of shares during the period:

Nine months ended December 31, 2022: 26,807,305 shares

Nine months ended December 31, 2021: 26,802,255 shares

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2022	As of December 31,2022
<b>Assets</b>		
Current assets		
Cash and deposits	10,000,186	10,186,545
Notes and accounts receivable - trade	2,330,771	4,166,758
Merchandise and finished goods	4,474,788	5,186,778
Work in process	1,675,657	1,692,126
Raw materials and supplies	431,829	454,228
Other	903,724	677,566
Allowance for doubtful accounts	(24,604)	(28,208)
Total current assets	19,792,353	22,335,795
Non-current assets		
Property, plant and equipment		
Buildings and structures	15,340,529	15,846,639
Accumulated depreciation	(8,077,671)	(8,605,539)
Buildings and structures, net	7,262,857	7,241,099
Machinery, equipment and vehicles	8,516,409	9,049,816
Accumulated depreciation	(7,112,203)	(7,742,678)
Machinery, equipment and vehicles, net	1,404,205	1,307,138
Tools, furniture and fixtures	1,964,886	2,001,976
Accumulated depreciation	(1,819,455)	(1,850,445)
Tools, furniture and fixtures, net	145,431	151,531
Land	3,908,191	3,969,037
Leased assets	45,286	7,392
Accumulated depreciation	(44,203)	(1,842)
Leased assets, net	1,082	5,550
Construction in progress	241,252	599,804
Total property, plant and equipment	12,963,021	13,274,161
Intangible assets	1,237,879	1,247,836
Investments and other assets		
Investment securities	975,683	1,161,792
Retirement benefit asset	1,454,691	1,509,381
Other	233,886	215,294
Allowance for doubtful accounts	(5,581)	(4,011)
Total investments and other assets	2,658,680	2,882,457
Total non-current assets	16,859,580	17,404,455
Total assets	36,651,934	39,740,251

(Thousand yen)

	As of March 31,2022	As of December 31,2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	1,143,424	1,540,652
Short-term borrowings	703,678	1,292,992
Lease liabilities	583	2,009
Accrued expenses	594,887	547,051
Income taxes payable	422,950	296,078
Advances received	1,936,308	2,208,911
Provision for bonuses	600,348	352,189
Provision for bonuses for directors (and other officers)	2,500	12,600
Accounts payable - other	643,548	866,993
Other	226,682	271,417
Total current liabilities	6,274,914	7,390,897
Non-current liabilities		
Long-term borrowings	1,362,927	1,214,385
Lease liabilities	571	4,099
Deferred tax liabilities	204,669	250,288
Deferred tax liabilities for land revaluation	347,009	347,009
Asset retirement obligations	36,266	36,287
Other	48,078	47,613
Total non-current liabilities	1,999,523	1,899,682
Total liabilities	8,274,437	9,290,580
<b>Net assets</b>		
Shareholders' equity		
Share capital	7,351,750	7,351,750
Capital surplus	7,075,427	7,078,397
Retained earnings	15,579,255	16,881,504
Treasury shares	(771,143)	(770,162)
Total shareholders' equity	29,235,289	30,541,489
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	349,537	494,632
Revaluation reserve for land	(1,692,816)	(1,692,816)
Foreign currency translation adjustment	245,826	841,651
Remeasurements of defined benefit plans	166,023	185,742
Total accumulated other comprehensive income	(931,429)	(170,790)
Share acquisition rights	73,636	78,971
Total net assets	28,377,496	30,449,670
Total liabilities and net assets	36,651,934	39,740,251

Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income (For the nine months)

(Thousand yen)

	For the nine months ended December 31,2021	For the nine months ended December 31,2022
Net sales	19,691,211	26,447,524
Cost of sales	11,483,059	15,731,701
Gross profit	8,208,152	10,715,822
Selling, general and administrative expenses		
Advertising expenses	92,228	253,388
Packing and transportation costs	1,146,451	1,611,939
Provision of allowance for doubtful accounts	5,556	(861)
Sales commission	434,066	642,080
Salaries and allowances	2,434,690	2,607,428
Provision for bonuses	183,115	204,663
Provision for bonuses for directors (and other officers)	18,370	12,600
Retirement benefit expenses	114,334	112,406
Travel and transportation expenses	231,255	306,532
Depreciation	403,500	401,574
Research and development expenses	347,030	529,309
Other	1,671,831	1,925,881
Total selling, general and administrative expenses	7,082,431	8,606,942
Operating profit	1,125,721	2,108,879
Non-operating income		
Interest income	2,724	4,718
Dividend income	19,467	21,064
Gain on sale of goods	14,980	14,593
Foreign exchange gains	42,126	4,907
Subsidy income	55,446	-
Surrender value of insurance policies	2,287	2,459
Sold power	18,153	17,199
Other	53,242	46,923
Total non-operating income	208,428	111,864
Non-operating expenses		
Interest expenses	10,021	9,757
Loss on sale of non-current assets	7,321	-
Sold power expenses	7,454	6,547
Other	6,456	7,907
Total non-operating expenses	31,254	24,213
Ordinary profit	1,302,895	2,196,530
Profit before income taxes	1,302,895	2,196,530
Income taxes - current	294,930	352,577
Income taxes - deferred	(240,897)	5,571
Total income taxes	54,032	358,149
Profit	1,248,863	1,838,381
Profit attributable to owners of parent	1,248,863	1,838,381

## Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Thousand yen)

	For the nine months ended December 31,2021	For the nine months ended December 31,2022
Profit	1,248,863	1,838,381
Other comprehensive income		
Valuation difference on available-for-sale securities	(56,336)	145,094
Foreign currency translation adjustment	248,172	595,824
Remeasurements of defined benefit plans, net of tax	16,214	19,719
Total other comprehensive income	208,050	760,638
Comprehensive income	1,456,913	2,599,020
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,456,913	2,599,020