

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on Japanese GAAP)

May 15, 2024

Company name: Rasa Industries, Ltd.
 Stock exchange listing: Tokyo
 Stock code: 4022 URL <https://www.rasa.co.jp/>
 Representative: Representative Director, President & CEO SAKAO Kousaku
 Representative Director, Managing Executive Officer MOCHIZUKI Tetsuo
 Inquiries: TEL 03-3258-1835
 Scheduled date of ordinary general meeting of shareholders: June 27, 2024
 Scheduled date to file Securities Report: June 27, 2024
 Scheduled date to commence dividend payments: June 28, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 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	%
Year ended March 31, 2024	42,788	(13.7)	3,591	(22.3)	3,396	(27.6)	2,382	(26.3)
Year ended March 31, 2023	49,600	40.1	4,622	33.0	4,690	31.7	3,232	27.3

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2024	301.52	—	9.9	7.4	8.4
Year ended March 31, 2023	408.37	—	14.9	10.5	9.3

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	44,323	24,966	56.3	3,170.40
As of March 31, 2023	47,552	23,252	48.6	2,922.42

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	4,972	(1,891)	(4,735)	3,405
Year ended March 31, 2023	2,042	(961)	245	4,940

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	—	—	—	82.00	82.00	648	20.1	3.0
Year ended March 31, 2024	—	41.00	—	50.00	91.00	718	30.2	3.0
Year ending March 31, 2025 (Forecast)	—	48.00	—	48.00	96.00		30.2	

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	21,500	4.2	1,700	23.5	1,600	18.2	1,100	10.9	139.68
Full year	44,500	4.0	3,700	3.0	3,600	6.0	2,500	4.9	317.46

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

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

(2) 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: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of March 31, 2024	7,944,203 shares	As of March 31, 2023	7,944,203 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	69,226 shares	As of March 31, 2023	30,972 shares
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Average number of shares during the period

Year ended March 31, 2024	7,900,912 shares	Year ended March 31, 2023	7,914,688 shares
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Consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	4,940	3,405
Notes receivable - trade	1,503	1,307
Electronically recorded monetary claims - operating	1,034	1,303
Accounts receivable - trade	8,765	9,621
Merchandise and finished goods	3,827	3,283
Work in process	1,372	1,357
Raw materials and supplies	3,165	1,837
Other	957	384
Allowance for doubtful accounts	(2)	(2)
Total current assets	25,564	22,497
Non-current assets		
Property, plant and equipment		
Buildings and structures	16,516	16,694
Accumulated depreciation	(12,418)	(12,786)
Buildings and structures, net	4,097	3,907
Machinery, equipment and vehicles	24,324	24,727
Accumulated depreciation	(19,642)	(20,649)
Machinery, equipment and vehicles, net	4,682	4,078
Tools, furniture and fixtures	2,704	2,856
Accumulated depreciation	(1,802)	(1,944)
Tools, furniture and fixtures, net	901	912
Land	6,879	6,879
Construction in progress	1,234	1,445
Other	218	242
Accumulated depreciation	(122)	(140)
Other, net	96	101
Total property, plant and equipment	17,893	17,325
Intangible assets	40	48
Investments and other assets		
Investment securities	2,736	3,229
Deferred tax assets	691	542
Other	631	684
Allowance for doubtful accounts	(5)	(4)
Total investments and other assets	4,053	4,452
Total non-current assets	21,987	21,826
Total assets	47,552	44,323

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,524	4,326
Short-term borrowings	7,147	5,108
Income taxes payable	730	498
Provision for bonuses	460	436
Other	1,874	1,764
Total current liabilities	15,737	12,134
Non-current liabilities		
Long-term borrowings	5,021	3,804
Retirement benefit liability	3,165	3,031
Other	376	386
Total non-current liabilities	8,563	7,222
Total liabilities	24,300	19,356
Net assets		
Shareholders' equity		
Share capital	8,443	8,443
Retained earnings	14,199	15,606
Treasury shares	(59)	(139)
Total shareholders' equity	22,583	23,909
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	155	126
Deferred gains or losses on hedges	10	11
Foreign currency translation adjustment	743	1,111
Remeasurements of defined benefit plans	(366)	(191)
Total accumulated other comprehensive income	542	1,057
Non-controlling interests	126	—
Total net assets	23,252	24,966
Total liabilities and net assets	47,552	44,323

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	49,600	42,788
Cost of sales	40,186	34,531
Gross profit	9,414	8,257
Selling, general and administrative expenses	4,791	4,666
Operating profit	4,622	3,591
Non-operating income		
Interest income	1	1
Dividend income	41	62
Rental income from land and buildings	28	30
Share of profit of entities accounted for using equity method	390	32
Foreign exchange gains	—	62
Other	53	34
Total non-operating income	514	224
Non-operating expenses		
Interest expenses	194	178
Inactive mine environmental impact mitigation expenses	125	135
Foreign exchange losses	56	—
Loss on retirement of non-current assets	36	55
Other	34	50
Total non-operating expenses	446	419
Ordinary profit	4,690	3,396
Extraordinary income		
Insurance claim income	—	142
Gain on sale of investment securities	5	—
Total extraordinary income	5	142
Extraordinary losses		
Loss on sale of investment securities	—	81
Loss on disaster	35	—
Impairment losses	30	—
Other	0	0
Total extraordinary losses	66	81
Profit before income taxes	4,629	3,457
Income taxes - current	1,221	983
Income taxes - deferred	145	84
Total income taxes	1,367	1,067
Profit	3,262	2,389
Profit attributable to non-controlling interests	30	6
Profit attributable to owners of parent	3,232	2,382

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	3,262	2,389
Other comprehensive income		
Valuation difference on available-for-sale securities	110	(28)
Deferred gains or losses on hedges	0	0
Foreign currency translation adjustment	126	353
Remeasurements of defined benefit plans, net of tax	(74)	174
Share of other comprehensive income of entities accounted for using equity method	120	23
Total other comprehensive income	282	524
Comprehensive income	3,544	2,913
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,511	2,897
Comprehensive income attributable to non-controlling interests	33	16

Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,443	11,523	(23)	19,943
Changes during period				
Dividends of surplus		(555)		(555)
Profit attributable to owners of parent		3,232		3,232
Purchase of treasury shares			(50)	(50)
Disposal of treasury shares		(0)	15	14
Net changes in items other than shareholders' equity				
Total changes during period	–	2,675	(35)	2,640
Balance at end of period	8,443	14,199	(59)	22,583

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	44	9	500	(291)	263	95	20,301
Changes during period							
Dividends of surplus							(555)
Profit attributable to owners of parent							3,232
Purchase of treasury shares							(50)
Disposal of treasury shares							14
Net changes in items other than shareholders' equity	110	0	243	(74)	279	31	310
Total changes during period	110	0	243	(74)	279	31	2,950
Balance at end of period	155	10	743	(366)	542	126	23,252

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,443	14,199	(59)	22,583
Changes during period				
Dividends of surplus		(973)		(973)
Profit attributable to owners of parent		2,382		2,382
Purchase of treasury shares			(100)	(100)
Disposal of treasury shares			20	20
Purchase of shares of consolidated subsidiaries		(1)		(1)
Net changes in items other than shareholders' equity				
Total changes during period	—	1,406	(80)	1,326
Balance at end of period	8,443	15,606	(139)	23,909

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	155	10	743	(366)	542	126	23,252
Changes during period							
Dividends of surplus							(973)
Profit attributable to owners of parent							2,382
Purchase of treasury shares							(100)
Disposal of treasury shares							20
Purchase of shares of consolidated subsidiaries							(1)
Net changes in items other than shareholders' equity	(28)	0	367	174	514	(126)	388
Total changes during period	(28)	0	367	174	514	(126)	1,714
Balance at end of period	126	11	1,111	(191)	1,057	—	24,966

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	4,629	3,457
Depreciation	1,845	1,868
Increase (decrease) in retirement benefit liability	29	9
Interest and dividend income	(42)	(64)
Share of loss (profit) of entities accounted for using equity method	(390)	(32)
Interest expenses	194	178
Insurance claim income	—	(142)
Decrease (increase) in trade receivables	(887)	(802)
Decrease (increase) in inventories	(3,016)	2,078
Decrease (increase) in other assets	(571)	283
Increase (decrease) in trade payables	1,254	(1,224)
Increase (decrease) in other liabilities	121	(137)
Other, net	120	67
Subtotal	3,288	5,539
Interest and dividends received	146	340
Interest paid	(189)	(185)
Income taxes paid	(1,203)	(1,218)
Proceeds from insurance income	—	495
Net cash provided by (used in) operating activities	2,042	4,972
Cash flows from investing activities		
Purchase of property, plant and equipment	(919)	(983)
Purchase of shares of subsidiaries and associates	—	(895)
Other, net	(41)	(12)
Net cash provided by (used in) investing activities	(961)	(1,891)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,200	(2,073)
Proceeds from long-term borrowings	2,000	1,000
Repayments of long-term borrowings	(3,304)	(2,397)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	(144)
Dividends paid	(552)	(968)
Other, net	(98)	(151)
Net cash provided by (used in) financing activities	245	(4,735)
Effect of exchange rate change on cash and cash equivalents	75	120
Net increase (decrease) in cash and cash equivalents	1,402	(1,535)
Cash and cash equivalents at beginning of period	3,538	4,940
Cash and cash equivalents at end of period	4,940	3,405