

Translation

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Summary of Consolidated Financial Results for the Six Months Ended May 31, 2024 (Based on Japanese GAAP)

July 12, 2024

Company name: Astena Holdings Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 8095 URL <https://www.astena-hd.com>
 Representative: President Satoshi Setoguchi
 Inquiries: Board Director Business Management Takeshi Kawano TEL 03-3279-0481
 Scheduled date to file Quarterly Securities Report: July 12, 2024
 Scheduled date to commence dividend payments: August 9, 2024
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended May 31, 2024 (from December 1, 2023 to May 31, 2024)

(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	%
Six months ended May 31, 2024	28,091	4.6	1,345	551.6	1,375	388.5	704	—
Six months ended May 31, 2023	26,857	7.7	206	(71.3)	281	(66.3)	(228)	—

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended May 31, 2024	17.75	—
Six months ended May 31, 2023	(5.81)	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of May 31, 2024	66,502	29,052	43.5	717.87
As of November 30, 2023	67,254	28,601	42.3	719.53

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended November 30, 2023	—	9.00	—	9.00	18.00
Year ending November 30, 2024	—	9.00			
Year ending November 30, 2024 (Forecast)			—	9.00	18.00

3. Forecast of consolidated financial results for the year ending November 30, 2024 (from December 1, 2023 to November 30, 2024)

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
Full year	57,500	10.6	1,600	41.8	1,600	17.3	800	(31.2)	20.01

4. Notes

- (1) Changes in significant subsidiaries during the six months ended May 31, 2024
(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: No
- (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: No
- 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 May 31, 2024	40,982,832 shares	As of November 30, 2023	40,884,504 shares
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Number of treasury shares at the end of the period

As of May 31, 2024	727,037 shares	As of November 30, 2023	1,385,833 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended May 31, 2024	39,724,673 shares	Six months ended May 31, 2023	39,428,011 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of November 30, 2023	As of May 31, 2024
Assets		
Current assets		
Cash and deposits	6,881,270	5,711,886
Notes and accounts receivable - trade, and contract assets	15,169,749	15,039,127
Electronically recorded monetary claims - operating	4,041,390	4,458,980
Merchandise and finished goods	6,348,158	6,345,881
Work in process	2,319,531	2,019,760
Raw materials and supplies	2,128,242	2,375,389
Other	1,016,769	928,444
Allowance for doubtful accounts	(11,055)	(7,815)
Total current assets	37,894,056	36,871,654
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,269,781	10,390,789
Accumulated depreciation	(6,394,067)	(6,479,929)
Buildings and structures, net	3,875,713	3,910,859
Machinery, equipment and vehicles	10,663,559	10,717,371
Accumulated depreciation	(8,631,375)	(8,813,153)
Machinery, equipment and vehicles, net	2,032,183	1,904,217
Land	2,439,883	2,442,207
Other	4,318,405	4,564,560
Accumulated depreciation	(3,069,659)	(3,172,026)
Other, net	1,248,746	1,392,534
Construction in progress	5,215,630	5,750,795
Total property, plant and equipment	14,812,158	15,400,614
Intangible assets		
Goodwill	4,031,968	3,892,213
Technical assets	473,465	456,249
Customer relationship	1,821,991	1,719,682
Other	1,131,294	1,054,755
Total intangible assets	7,458,719	7,122,901
Investments and other assets		
Investment securities	4,842,272	4,897,439
Retirement benefit asset	748,601	732,351
Other	1,523,091	1,501,127
Allowance for doubtful accounts	(24,383)	(23,883)
Total investments and other assets	7,089,582	7,107,034
Total non-current assets	29,360,460	29,630,550
Deferred assets		
Organization expenses	233	205
Total deferred assets	233	205
Total assets	67,254,750	66,502,410

(Thousands of yen)

	As of November 30, 2023	As of May 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,503,064	8,750,005
Electronically recorded obligations - operating	3,570,394	4,010,262
Electronically recorded obligations - non-operating	16,704	17,993
Short-term borrowings	12,266,984	11,256,984
Accrued expenses	2,534,995	2,798,834
Income taxes payable	572,640	487,348
Provision for bonuses	628,277	318,007
Provision for product warranties	6,143	9,733
Provision for loss on disaster	—	18,950
Other provisions	41,460	—
Other	1,840,956	1,724,298
Total current liabilities	29,981,620	29,392,417
Non-current liabilities		
Long-term borrowings	4,493,332	3,969,340
Deferred tax liabilities	965,738	979,674
Provision for share-based payments	104,846	105,559
Retirement benefit liability	2,553,267	2,489,520
Other	554,421	513,454
Total non-current liabilities	8,671,606	8,057,548
Total liabilities	38,653,227	37,449,966
Net assets		
Shareholders' equity		
Share capital	4,581,397	4,605,094
Capital surplus	6,574,102	6,320,723
Retained earnings	15,462,238	15,805,798
Treasury shares	(525,872)	(255,081)
Total shareholders' equity	26,091,866	26,476,534
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,703,144	1,780,631
Deferred gains or losses on hedges	(94)	(147)
Foreign currency translation adjustment	271,021	304,131
Remeasurements of defined benefit plans	354,348	337,135
Total accumulated other comprehensive income	2,328,419	2,421,750
Non-controlling interests	181,236	154,158
Total net assets	28,601,522	29,052,444
Total liabilities and net assets	67,254,750	66,502,410

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended May 31, 2023	Six months ended May 31, 2024
Net sales	26,857,511	28,091,676
Cost of sales	19,008,028	18,900,450
Gross profit	7,849,482	9,191,225
Selling, general and administrative expenses	7,642,998	7,845,709
Operating profit	206,484	1,345,516
Non-operating income		
Interest income	1,007	691
Dividend income	29,190	27,856
Rental income	7,171	2,389
Foreign exchange gains	1,330	—
Other	105,942	69,954
Total non-operating income	144,642	100,892
Non-operating expenses		
Interest expenses	29,471	32,965
Share of loss of entities accounted for using equity method	11,765	8,000
Foreign exchange losses	—	2,360
Other	28,223	27,202
Total non-operating expenses	69,460	70,529
Ordinary profit	281,666	1,375,878
Extraordinary income		
Gain on sale of non-current assets	10,774	350
Gain on donation of a state subsidy	14,827	—
Total extraordinary income	25,601	350
Extraordinary losses		
Loss on sale of non-current assets	39	—
Loss on disposal of non-current assets	20,171	109,783
Loss on valuation of investment securities	216,728	98,550
Loss on liquidation of subsidiaries and associates	4,038	—
Loss on disaster	—	33,201
Total extraordinary losses	240,977	241,536
Profit before income taxes	66,290	1,134,693
Income taxes - current	361,600	423,023
Income taxes - deferred	(58,548)	10,257
Total income taxes	303,052	433,281
Profit (loss)	(236,761)	701,411
Loss attributable to non-controlling interests	(7,843)	(3,509)
Profit (loss) attributable to owners of parent	(228,918)	704,921

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended May 31, 2023	Six months ended May 31, 2024
Profit (loss)	(236,761)	701,411
Other comprehensive income		
Valuation difference on available-for-sale securities	98,348	77,248
Deferred gains or losses on hedges	4,681	(128)
Foreign currency translation adjustment	31,360	33,110
Remeasurements of defined benefit plans, net of tax	(62,752)	(17,213)
Share of other comprehensive income of entities accounted for using equity method	148	313
Total other comprehensive income	71,786	93,331
Comprehensive income	(164,975)	794,743
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(157,132)	798,252
Comprehensive income attributable to non-controlling interests	(7,843)	(3,509)

Consolidated statements of cash flows

(Thousands of yen)

	Six months ended May 31, 2023	Six months ended May 31, 2024
Cash flows from operating activities		
Profit before income taxes	66,290	1,134,693
Depreciation	1,083,008	1,124,682
Share-based payment expenses	18,191	24,410
Increase (decrease) in allowance for doubtful accounts	(22,173)	(3,735)
Increase (decrease) in provision for bonuses	(192,738)	(174,898)
Increase (decrease) in provision for product warranties	4,523	3,590
Increase (decrease) in retirement benefit liability	(96,105)	(89,671)
Interest and dividend income	(30,198)	(28,548)
Interest expenses	29,471	32,965
Foreign exchange losses (gains)	8,315	(20,881)
Share of loss (profit) of entities accounted for using equity method	11,765	8,000
Loss (gain) on liquidation of subsidiaries and associates	4,038	—
Loss (gain) on sale of non-current assets	(10,734)	(350)
Loss (gain) on disposal of non-current assets	20,171	109,783
Subsidy income	(21,766)	—
Loss (gain) on valuation of investment securities	216,728	98,550
Loss on disaster	—	33,201
Decrease (increase) in trade receivables and contract assets	(212,007)	(255,519)
Decrease (increase) in inventories	(540,022)	86,758
Decrease (increase) in accounts receivable - other	279,684	7,643
Increase (decrease) in trade payables	781,158	670,706
Increase (decrease) in accrued expenses	200,737	126,553
Increase (decrease) in accrued consumption taxes	(17,858)	333,001
Decrease (increase) in advance payments to suppliers	(100,149)	69,645
Increase (decrease) in refund liabilities	(73,627)	(80,055)
Other, net	178,202	(489,902)
Subtotal	1,584,903	2,720,626
Interest and dividends received	30,198	28,548
Interest paid	(28,298)	(33,372)
Income taxes paid	(871,422)	(475,384)
Income taxes refund	88,843	19,012
Payments of retirement benefits for directors (and other officers)	(690)	—
Net cash provided by (used in) operating activities	803,534	2,259,431
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,795,376)	(1,312,243)
Proceeds from sale of property, plant and equipment	81,980	1,436
Purchase of intangible assets	(88,511)	(111,961)
Purchase of investment securities	(73,257)	(93,300)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(76,937)	—
Subsidies received	30,066	8,300
Other, net	(28,280)	(30,092)
Net cash provided by (used in) investing activities	(2,950,316)	(1,537,861)

	(Thousands of yen)	
	Six months ended May 31, 2023	Six months ended May 31, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	597,000	(910,000)
Proceeds from long-term borrowings	1,000,000	—
Repayments of long-term borrowings	(573,989)	(623,992)
Purchase of treasury shares	(2)	(6,553)
Repayments of finance lease liabilities	(54,850)	(42,076)
Proceeds from share issuance to non-controlling shareholders	30,350	66,200
Dividends paid	(359,244)	(360,669)
Net cash provided by (used in) financing activities	639,263	(1,877,091)
Effect of exchange rate change on cash and cash equivalents	5,442	24,592
Net increase (decrease) in cash and cash equivalents	(1,502,076)	(1,130,928)
Cash and cash equivalents at beginning of period	6,803,817	6,758,266
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	3,315	—
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	—	(38,455)
Cash and cash equivalents at end of period	5,305,056	5,588,882