

**Non-consolidated Financial Results for the
First Quarter of the Fiscal Year Ending June 30, 2025
(Three Months Ended September 30, 2024)**

[Japanese GAAP]

November 8, 2024

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Listing: Tokyo Stock Exchange
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Scheduled date of payment of dividend: -
Preparation of supplementary materials for financial results: None
Holding of financial results meeting: None

(All amounts are rounded down to the nearest million yen)

**1. Non-consolidated Financial Results for the First Quarter of the Fiscal Year Ending June 30, 2025
(July 1, 2024 to September 30, 2024)**

(1) Results of operations (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended Sep. 30, 2024	395	(2.1)	14	(76.6)	22	(64.3)	15	(63.9)
Three months ended Sep. 30, 2023	404	(9.5)	61	(30.1)	61	(26.3)	41	(27.5)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Sep. 30, 2024	3.01	-
Three months ended Sep. 30, 2023	8.36	-

(2) Financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of Sep. 30, 2024	8,319	7,558	90.9
As of Jun. 30, 2024	8,946	8,188	91.5

Reference: Shareholders' equity (millions of yen) As of Sep. 30, 2024: 7,558 As of Jun. 30, 2024: 8,188

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Jun. 30, 2024	-	0.00	-	100.00	100.00
Fiscal year ending Jun. 30, 2025	-				
Fiscal year ending Jun. 30, 2025 (forecast)		0.00	-	100.00	100.00

Note: Revisions to the most recently announced dividend forecast: None

3. Earnings Forecast for the Fiscal Year Ending June 30, 2025 (July 1, 2024 to June 30, 2025)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	855	5.7	119	10.6	129	13.0	90	15.2	17.94
Full year	1,800	12.4	283	72.0	305	70.4	213	76.7	42.46

Note: Revisions to the most recently announced earnings forecast: None

*** Notes**

(1) Application of special accounting methods for presenting quarterly non-consolidated financial statements: None

(2) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(3) Number of issued shares (common shares)

1) Number of issued shares as of the end of the period (including treasury shares)

As of Sep. 30, 2024:	5,300,000 shares	As of Jun. 30, 2024:	5,300,000 shares
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2) Number of treasury shares as of the end of the period

As of Sep. 30, 2024:	285,772 shares	As of Jun. 30, 2024:	283,472 shares
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3) Average number of outstanding shares during the period

Three months ended Sep. 30, 2024:	5,015,569 shares	Three months ended Sep. 30, 2023:	5,005,540 shares
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* Review of the attached quarterly consolidated financial statements by a certified public accountant or auditing firm: None

* Explanation of appropriate use of earnings forecasts, and other special items

Forecasts of future performance in these materials are based on assumptions judged to be valid and information available to the A-One Seimitsu's management at the time these materials were prepared. Actual results may differ significantly from these forecasts for a number of reasons. Please refer to "Explanation of Earnings Forecast and Other Forward-looking Statements" on page 3 for forecast assumptions and notes of caution for usage.

Contents of Attachments

1. Qualitative Information on Quarterly Financial Performance	2
(1) Explanation of Results of Operations	2
(2) Explanation of Financial Position	3
(3) Explanation of Earnings Forecast and Other Forward-looking Statements	3
2. Quarterly Non-consolidated Financial Statements and Notes	4
(1) Quarterly Non-consolidated Balance Sheet	4
(2) Quarterly Non-consolidated Statement of Income	6
(3) Notes to Quarterly Non-consolidated Financial Statements	7
Going Concern Assumption	7
Significant Changes in Shareholders' Equity	7
Changes in Accounting Policies	7
Notes to Quarterly Non-consolidated Statement of Income	7
Segment and Other Information	7
Notes to Non-consolidated Statement of Cash Flows	8
Revenue Recognition	8

1. Qualitative Information on Quarterly Financial Performance

(1) Explanation of Results of Operations

There was no clear direction of the Japanese economy with almost no growth during the first quarter.

In the United States, economic growth slowed down but remained firm mainly with the support of consumer spending. Interest rate hikes succeeded at holding down inflation with no recession and now interest rates are beginning to move down. Sentiment in the U.S. manufacturing sector is declining and orders are decreasing. In China, the government is using fiscal measures and interest rate cuts to support the economy as real estate market weakness continues. Capital expenditures for manufacturing equipment in China have stopped falling and are beginning to recover. In Europe, the German economy is becoming weaker, mainly in the manufacturing sector. Economies of other European countries are no longer declining and a slow recovery has started. In Southeast Asia, manufacturing output is recovering as a shift in production activities from China to Vietnam and other nearby countries continues.

In Japan, the current exchange rate of about 150 yen to the U.S. dollar is contributing to strong earnings at many companies because a large number of major manufacturers have high ratios of overseas production and exports, while the exchange rate has been fluctuating. A small upturn is taking place in demand for machine tools, machinery and other equipment used for manufacturing. One reason is a slight increase in semiconductor production after a decline of about two years. The upturn is also attributable to the end of the sharp downturn of the Chinese economy and emergence of signs of a recovery. In Japan's manufacturing sector, capital expenditures are slowing, except for IT system investments, because of uncertainty about the outlook of global economy and other reasons. Although earnings at large companies are solid due to the continuing weakness of the yen, capacity utilization rates are decreasing at some companies. Moreover, the falling volume of orders placed with subcontractors is bringing down earnings at small and midsize companies in Japan. Although orders were high in some categories at a few companies, the overall machinery utilization rate at manufacturers in Japan was low.

In the collet chucks segment, orders were low in July and August as in the previous fiscal year. Orders were up somewhat in September because many large companies end the first half or entire fiscal year in September. Throughout the first quarter, there was an increase in the processing of components produced in many types in midsize and small quantities. This upturn created orders due to new demand for tools. However, orders in this segment were slightly lower than one year earlier because of a decline in replacements of tools for processing mass-produced components.

Segment sales were 277 million yen, down 2.4% year on year, and segment profit was 98 million yen, down 14.9%.

In the cutting tools segment, sales involving the processing of automotive parts were affected by suspensions of production at automakers due to typhoons and other events. In other industries, machinery utilization rates at large companies decreased and the volume of subcontracted work declined even more. Overall, machinery utilization rates at Japanese manufacturers were low, resulting in a downturn in orders in this segment. There was a sharp downturn in August as the summer vacation period reduced output at large companies. In September, orders increased during about the first three weeks of the month because many large companies end the first half or entire fiscal year in September. However, orders declined during the remainder of the month.

In the fabrication and regrinding of special-order cutting tools category, tools are made to fill orders placed to meet the requirements of individual manufacturers. This business has been serving an increasing range of customers by supplying quickly tools with many configurations. However, a decline in the volume of work at Japanese manufacturers caused orders in this segment to decrease. The result was sales of 36 million yen, down 4.1%.

In the regrinding of general-purpose cutting tools category, which involves the regrinding of cutting tools used in many industries, orders decreased along with the decline in the volume of work at the majority of client companies. As a result, sales were down 0.6% to 79 million yen. In addition, there was a large increase in expenses due to higher personnel expenses as more people were hired in this business.

Segment sales were 115 million yen, down 1.7% year on year, and segment loss was 3 million yen compared with a profit of 15 million yen a year earlier.

In the automatic lathe cams segment, orders decreased because of a decline in the output of mass-produced components processed using cam-type automatic lathes. Although orders were down, sales were higher due to the 2024 price increase.

Segment sales were 2 million yen, up 11.9% year on year, and segment loss was 919 thousand yen compared with a loss of 2 million yen a year earlier.

Net sales in the first quarter of the fiscal year ending June 30, 2025 were 395 million yen, down 2.1% year on year. Operating profit decreased 76.6% to 14 million yen, ordinary profit decreased 64.3% to 22 million yen, and net profit decreased 63.9% to 15 million yen.

(2) Explanation of Financial Position

Assets

Current assets amounted to 5,391 million yen at the end of the first quarter of the current fiscal year, a decrease of 1,177 million yen from 6,569 million yen at the end of the previous fiscal year. This is mainly due to decreases of 1,177 million yen in cash and deposits and 24 million yen in prepaid expenses, which were partially offset by increases of 10 million yen in other, 7 million yen in notes and accounts receivable - trade and 6 million yen in work in process.

Non-current assets amounted to 2,927 million yen, an increase of 550 million yen from 2,377 million yen at the end of the previous fiscal year. This is mainly due to increases of 471 million yen in investment securities, 92 million yen in machinery, equipment and vehicles, 72 million yen in deferred tax assets and 898 thousand yen in other under property, plant and equipment, which were partially offset by decreases of 85 million yen in construction in progress and 5 million yen in buildings and structures.

As a result, total assets at the end of the first quarter of the current fiscal year were 8,319 million yen, compared with 8,946 million yen at the end of the previous fiscal year.

Liabilities

Current liabilities amounted to 240 million yen at the end of the first quarter of the current fiscal year, an increase of 29 million yen from 210 million yen at the end of the previous fiscal year. This is mainly due to increases of 36 million yen in accounts payable - other, 2 million yen in other and 2 million yen in accounts payable - trade, which were partially offset by decreases of 8 million yen in income taxes payable and 3 million yen in provision for bonuses for directors (and other officers).

Non-current liabilities amounted to 519 million yen, a decrease of 27 million yen from 547 million yen at the end of the previous fiscal year. This is mainly due to decreases of 27 million yen in provision for retirement benefits and 226 thousand yen in other.

As a result, total liabilities at the end of the first quarter of the current fiscal year were 760 million yen, compared with 758 million yen at the end of the previous fiscal year.

Net assets

Net assets totaled 7,558 million yen, a decrease of 629 million yen from 8,188 million yen at the end of the previous fiscal year. This was mainly due to decreases of 486 million yen in retained earnings and 142 million yen in valuation difference on available-for-sale securities.

(3) Explanation of Earnings Forecast and Other Forward-looking Statements

There are no changes at this time in the first half and full year forecasts that were announced on August 9, 2024.

2. Quarterly Non-consolidated Financial Statements and Notes**(1) Quarterly Non-consolidated Balance Sheet**

(Thousands of yen)

	FY6/24 (As of Jun. 30, 2024)	First quarter of FY6/25 (As of Sep. 30, 2024)
Assets		
Current assets		
Cash and deposits	5,917,303	4,739,452
Notes and accounts receivable - trade	285,641	292,913
Finished goods	2,357	3,019
Raw materials	40,736	40,878
Work in process	273,540	280,336
Prepaid expenses	46,251	21,264
Other	3,479	13,536
Allowance for doubtful accounts	(81)	(97)
Total current assets	6,569,229	5,391,302
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	392,096	386,880
Machinery, equipment and vehicles, net	396,024	488,393
Construction in progress	122,006	36,707
Land	333,534	333,534
Other, net	10,759	11,658
Total property, plant and equipment	1,254,421	1,257,173
Intangible assets	51,478	55,078
Investments and other assets		
Investment securities	873,002	1,344,974
Long-term prepaid expenses	3,412	3,046
Deferred tax assets	194,957	267,548
Other	271	316
Allowance for doubtful accounts	(113)	(158)
Total investments and other assets	1,071,530	1,615,726
Total non-current assets	2,377,430	2,927,979
Total assets	8,946,659	8,319,281
Liabilities		
Current liabilities		
Accounts payable - trade	14,850	17,594
Accounts payable - other	116,443	152,934
Income taxes payable	29,896	21,427
Provision for bonuses for directors (and other officers)	4,380	541
Other	45,086	48,000
Total current liabilities	210,657	240,498
Non-current liabilities		
Long-term accounts payable - other	139,670	139,670
Provision for retirement benefits	405,880	378,413
Other	1,999	1,773
Total non-current liabilities	547,549	519,856
Total liabilities	758,206	760,355

	(Thousands of yen)	
	FY6/24 (As of Jun. 30, 2024)	First quarter of FY6/25 (As of Sep. 30, 2024)
Net assets		
Shareholders' equity		
Share capital	292,500	292,500
Capital surplus	356,627	356,627
Retained earnings	7,535,265	7,048,706
Treasury shares	(194,566)	(194,566)
Total shareholders' equity	7,989,825	7,503,266
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	198,627	55,659
Total valuation and translation adjustments	198,627	55,659
Total net assets	8,188,452	7,558,926
Total liabilities and net assets	8,946,659	8,319,281

(2) Quarterly Non-consolidated Statement of Income
For the Three-month Period

	(Thousands of yen)	
	First three months of FY6/24 (Jul. 1, 2023 – Sep. 30, 2023)	First three months of FY6/25 (Jul. 1, 2024 – Sep. 30, 2024)
Net sales	404,224	395,752
Cost of sales	275,395	302,027
Gross profit	128,828	93,725
Selling, general and administrative expenses	67,707	79,419
Operating profit	61,120	14,305
Non-operating income		
Interest income	48	89
Interest on securities	-	3,556
Electricity sale income	51	283
Reversal of allowance for doubtful accounts	10	-
Gain on sale of scraps	454	78
Subsidy income	-	3,600
Other	76	481
Total non-operating income	640	8,089
Non-operating expenses		
Loss on extinguishment of share-based compensation expenses	-	351
Total non-operating expenses	-	351
Ordinary profit	61,761	22,043
Extraordinary losses		
Loss on retirement of non-current assets	902	-
Total extraordinary losses	902	-
Profit before income taxes	60,858	22,043
Income taxes - current	33,111	17,977
Income taxes - deferred	(14,112)	(11,027)
Total income taxes	18,999	6,950
Profit	41,859	15,093

(3) Notes to Quarterly Non-consolidated Financial Statements**Going Concern Assumption**

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Changes in Accounting Policies

Not applicable.

Notes to Quarterly Non-consolidated Statement of Income

A-One Seimitsu acquired at no cost all 2,300 shares of its common stock that was distributed as restricted stock compensation to employees who subsequently resigned, as provided for in the restricted stock allocation contract. The cost of stock compensation for the 2,300 shares for the remaining portion of the contract period, which was recognized as prepaid expenses, was extinguished and a non-operating expense for a loss on the extinguishment of the cost of stock compensation was recognized.

Segment and Other Information**I. First three months of FY6/24 (Jul. 1, 2023 – Sep. 30, 2023)**

Information related to net sales and profit or loss for each reportable segment

	Reportable segment				Adjustment (Note 1)	Amounts shown on quarterly non- consolidated statement of income (Note 2)
	Collet Chucks	Cutting Tools	Automatic Lathe Cams	Total		
Net sales						
External sales	284,221	117,673	2,329	404,224	-	404,224
Inter-segment sales and transfers	-	-	-	-	-	-
Total	284,221	117,673	2,329	404,224	-	404,224
Segment profit or loss	115,588	15,826	(2,586)	128,828	(67,707)	61,120

(Thousands of yen)

Notes: 1. The adjustment to segment profit or loss includes selling, general and administrative expenses that are not attributable to any of the reportable segments.

2. Segment profit or loss is adjusted with operating profit shown on the quarterly non-consolidated statement of income.

II. First three months of FY6/25 (Jul. 1, 2024 – Sep. 30, 2024)

Information related to net sales and profit or loss for each reportable segment

	Reportable segment				Adjustment (Note 1)	Amounts shown on quarterly non- consolidated statement of income (Note 2)
	Collet Chucks	Cutting Tools	Automatic Lathe Cams	Total		
Net sales						
External sales	277,501	115,645	2,605	395,752	-	395,752
Inter-segment sales and transfers	-	-	-	-	-	-
Total	277,501	115,645	2,605	395,752	-	395,752
Segment profit or loss	98,403	(3,758)	(919)	93,725	(79,419)	14,305

(Thousands of yen)

Notes: 1. The adjustment to segment profit or loss includes selling, general and administrative expenses that are not attributable to any of the reportable segments.

2. Segment profit or loss is adjusted with operating profit shown on the quarterly non-consolidated statement of income.

Notes to Non-consolidated Statement of Cash Flows

A quarterly non-consolidated statement of cash flows for the first three months of the fiscal year ending June 30, 2025 have not been prepared. Depreciation (includes amortization expenses related to intangible assets) for the first three months of each fiscal year is as follows.

(Thousands of yen)

	First three months of FY6/24 (Jul. 1, 2023 – Sep. 30, 2023)	First three months of FY6/25 (Jul. 1, 2024 – Sep. 30, 2024)
Depreciation	36,253	39,719

Revenue Recognition

Information on revenue from contracts with customers broken down

First three months of FY6/24 (Jul. 1, 2023 – Sep. 30, 2023)

(Thousands of yen)

	Reportable segment					Total
	Collet Chucks	Cutting Tools			Automatic Lathe Cams	
		Fabrication and Regrinding of Special-order Cutting Tools	Regrinding of General-purpose Cutting Tools	Subtotal		
Manufacture of tools	284,221	37,987	-	37,987	2,329	324,538
Other	-	-	79,685	79,685	-	79,685
Revenue from contracts with customers	284,221	37,987	79,685	117,673	2,329	404,224
Other revenue	-	-	-	-	-	-
External sales	284,221	37,987	79,685	117,673	2,329	404,224

First three months of FY6/25 (Jul. 1, 2024 – Sep. 30, 2024)

(Thousands of yen)

	Reportable segment					Total
	Collet Chucks	Cutting Tools			Automatic Lathe Cams	
		Fabrication and Regrinding of Special-order Cutting Tools	Regrinding of general-purpose Cutting Tools	Subtotal		
Manufacture of tools	277,501	36,252	-	36,252	2,605	316,359
Other	-	-	79,393	79,393	-	79,393
Revenue from contracts with customers	277,501	36,252	79,393	115,645	2,605	395,752
Other revenue	-	-	-	-	-	-
External sales	277,501	36,252	79,393	115,645	2,605	395,752

This financial report is solely a translation of the “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.