



July 16, 2024

**Consolidated Financial Results**  
**for the First Quarter of the Fiscal Year Ending February 28, 2025**  
**(Three Months Ended May 31, 2024)**

**[Japanese GAAP]**

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Scheduled date of filing of Quarterly Report: July 16, 2024  
 Scheduled date of payment of dividend: -  
 Preparation of supplementary materials for quarterly financial results: None  
 Holding of quarterly financial results meeting: None

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

**1. Consolidated Financial Results for the First Quarter (March 1, 2024 – May 31, 2024) of the Fiscal Year Ending February 28, 2025**

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended May 31, 2024	12,879	(2.6)	1,143	(0.7)	1,184	1.8	761	(0.6)
Three months ended May 31, 2023	13,218	(23.6)	1,152	(11.8)	1,163	(3.2)	766	(5.4)

Note: Comprehensive income  
 Three months ended May 31, 2024: 1,027 million yen (up 14.9%)  
 Three months ended May 31, 2023: 893 million yen (down 24.2%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended May 31, 2024	32.42	-
Three months ended May 31, 2023	32.62	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of May 31, 2024	24,382	17,930	71.9
As of Feb. 29, 2024	23,866	17,843	73.4

Reference: Equity capital As of May 31, 2024: 17,542 million yen As of Feb. 29, 2024: 17,513 million yen

**2. Dividends**

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Feb. 29, 2024	-	40.00	-	40.00	80.00
Fiscal year ending Feb. 28, 2025	-				
Fiscal year ending Feb. 28, 2025 (forecast)		40.00	-	40.00	80.00

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

**3. Consolidated Forecast for the Fiscal Year Ending February 28, 2025 (March 1, 2024 – February 28, 2025)**

(Percentages represent year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	26,700	5.4	2,000	(9.3)	2,120	(9.2)	1,430	(7.5)	60.87
Full year	55,600	8.2	4,500	4.0	4,750	4.7	3,240	8.4	137.91

Note: Revision to the most recently announced forecast of consolidated results: None

**\* Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

Newly added: -

Excluded: -

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based 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-based estimates: None

4) Restatements: None

(4) Number of outstanding shares (common stock)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of May 31, 2024:	23,913,600 shares	As of Feb. 29, 2024:	23,913,600 shares
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2) Number of treasury shares at the end of the period

As of May 31, 2024:	420,008 shares	As of Feb. 29, 2024:	420,008 shares
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3) Average number of shares during the period

Three months ended May 31, 2024:	23,493,592 shares	Three months ended May 31, 2023:	23,493,592 shares
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The current quarterly financial report is not subject to quarterly review by certified public accountants or auditing firms.

Cautionary statement with respect to forecasts of future performance and other special items

Note concerning forward-looking statements

Forward-looking statements in these materials are based on certain assumptions judged to be valid and information currently available to AIT. These statements are not promises by AIT regarding future performance. Actual performance may differ significantly from these forecasts for a number of reasons. Please refer to "1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Forecast of Consolidated Results and Other Forward-looking Statements" on page 3 of the attachments regarding preconditions or other related matters for forecasts shown above.

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## 1. Qualitative Information on Quarterly Consolidated Financial Performance

### (1) Explanation of Results of Operations

During the first quarter of the fiscal year ending February 28, 2025, improvements in employment and personal income supported a slow recovery of the Japanese economy, although the recovery of consumer spending lost momentum. The outlook for the economy remains unclear because of the effects of monetary tightening worldwide, instability in many areas of the world, foreign exchange rate movements, inflation and other reasons.

Shipments to Japan from China and Southeast Asia account for a large share of the cargo handled by the AIT Group. The increasing cost of imported products caused by the yen's weakness is continuing to create challenges for companies that have business activities involving imports.

Although the business climate is difficult, the AIT Group has been using many activities to end the two-year decline in the number of containers and the number of customs clearance orders. To increase revenue and earnings, there have been many sales activities aimed at capturing more business in the core international freight forwarding sector as well as more orders for customs clearance and delivery services. Another goal is increasing orders for merchandise inspections, needle detection, processing and other services associated with imports and exports and for third-party logistics (3PL). Progress with the group's digital strategy for becoming even more competitive is one more major initiative. For example, one goal is to enable subsidiaries to provide digital services just as AIT does.

During the first quarter, the volume of cargo overall was still sluggish in part because of the yen's weakness. Due to the success of the initiatives outlined in the previous paragraph, the volume of imports to Japan handled was higher than in the first quarter of the previous fiscal year. Results of operations also benefited from placing priority on handling more export shipments from Japan.

Shipping rates during the first quarter were lower than one year earlier. The decline in revenue caused by lower rates could not be completely offset by the increase in the volume of freight and higher revenue due to the yen's weakness. As a result, first quarter operating revenue decreased.

The gross profit margin increased because of lower operating costs due in part to the decline in shipping rates. Furthermore, although operating expenses are growing as salary increases raise personnel expenses and for other reasons, measures to reexamine expenses and cut costs continued in order to generate as much earnings as possible.

Operating revenue decreased 2.6% year-on-year to 12,879 million yen. Operating profit decreased 0.7% to 1,143 million yen. Ordinary profit was up 1.8% to 1,184 million yen and profit attributable to owners of parent decreased 0.6% to 761 million yen.

Results by business segment are as follows.

#### 1) Japan

The business climate in Japan was difficult during the first quarter because of the difference between current shipping rates and rates in the previous fiscal year when ocean freight rates declined throughout the year. The yen's depreciation also created challenges. To increase revenue and earnings, the AIT Group used a broad range of sales activities for adding new customers and raising the volume of business with current customers.

The number of ocean freight containers handled was 59,078 TEU for imports, 1.9% more than one year earlier. Export containers were up 33.0% to 4,769 TEU because of activities to handle more export shipments during the current weakness of the yen. As a result, the total for imports and exports increased 3.7% to 63,847 TEU. Customs clearance orders were about the same as one year earlier, increasing 0.2% to 35,102.

As a result, operating revenue in Japan decreased 3.9% from one year earlier to 10,984 million yen, negatively affected by lower ocean cargo shipping rates. Segment profit decreased 5.2% to 937 million yen.

**2) China**

Opportunities to receive orders for shipments within China decreased because of a sharp downturn in the volume of freight for Japan in March 2024 caused mainly by adjustments in the timing of shipments. In addition, receiving orders for merchandise inspections and needle detection is still difficult. Although China revenue was low on a local currency basis, the depreciation of the yen resulted in higher revenue after conversion to the yen. As a result, operating revenue increased 1.8% from one year earlier to 1,504 million yen. Segment profit increased 32.4% to 144 million yen due to an improvement in the gross profit margin and measures to hold down and cut expenses.

**3) Other**

The volume of freight shipped to Japan is recovering at the subsidiary in Vietnam. The volume of imports from Japan increased at the subsidiary in Taiwan. Due to these favorable trends, opportunities to earn revenue increased. At the subsidiary in Myanmar, revenue involving cargo shipments was steady and orders for merchandise inspections and needle detection remained strong. Furthermore, yen conversions of revenue and earnings were higher because of the yen's depreciation. As a result, operating revenue increased 28.0% from one year earlier to 390 million yen and segment profit increased 13.2% to 61 million yen.

Note: TEU (twenty-foot equivalent unit) is a unit of cargo capacity based on a standard intermodal container.

**(2) Explanation of Financial Position****Assets**

Total assets increased 515 million yen from the end of the previous fiscal year to 24,382 million yen at the end of the first quarter of the current fiscal year.

Current assets increased 595 million yen to 20,563 million yen. This was mainly due to increases in notes and accounts receivable-trade of 433 million yen and advances paid of 178 million yen.

Non-current assets decreased 79 million yen to 3,818 million yen. This was mainly due to decreases in customer-related assets of 65 million yen and goodwill of 27 million yen, and an increase in investment securities of 57 million yen.

**Liabilities**

Total liabilities increased 428 million yen to 6,452 million yen.

Current liabilities increased 476 million yen to 4,586 million yen. This was mainly due to an increase in accounts payable-trade of 508 million yen and a decrease of 325 million yen in income taxes payable.

Non-current liabilities decreased 48 million yen to 1,865 million yen. This was mainly due to a decrease of 48 million yen in retirement benefit liability.

**Net assets**

Net assets increased 87 million yen to 17,930 million yen. This was mainly due to an increase in foreign currency translation adjustment of 207 million yen. There was profit attributable to owners of parent of 761 million yen and a decrease of 939 million yen resulting from dividends from retained earnings.

**(3) Explanation of Forecast of Consolidated Results and Other Forward-looking Statements**

Revenue and earnings in the first quarter were generally in line with the forecasts. There are no revisions to the first half and full year forecasts of consolidated results for the fiscal year ending February 28, 2025, which were announced on April 15, 2024.

We will make an announcement promptly if we decide that there is a need to revise these forecasts.

**2. Quarterly Consolidated Financial Statements and Notes****(1) Quarterly Consolidated Balance Sheet**

(Millions of yen)

	FY2/24 (As of Feb. 29, 2024)	First quarter of FY2/25 (As of May 31, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	14,504	14,514
Notes and accounts receivable-trade	3,922	4,355
Advances paid	1,287	1,465
Other	287	264
Allowance for doubtful accounts	(33)	(36)
Total current assets	19,968	20,563
Non-current assets		
Property, plant and equipment	774	766
Intangible assets		
Goodwill	544	516
Customer-related assets	1,316	1,250
Other	166	152
Total intangible assets	2,026	1,919
Investments and other assets		
Investment securities	634	691
Other	494	472
Allowance for doubtful accounts	(30)	(30)
Total investments and other assets	1,097	1,133
Total non-current assets	3,898	3,818
Total assets	23,866	24,382
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	2,194	2,703
Income taxes payable	718	392
Provision for bonuses	428	434
Provision for bonuses for directors (and other officers)	38	9
Other	729	1,045
Total current liabilities	4,109	4,586
Non-current liabilities		
Deferred tax liabilities	329	355
Retirement benefit liability	779	730
Provision for retirement benefits for directors (and other officers)	214	179
Asset retirement obligations	247	247
Other	344	352
Total non-current liabilities	1,914	1,865
Total liabilities	6,023	6,452

	(Millions of yen)	
	FY2/24 (As of Feb. 29, 2024)	First quarter of FY2/25 (As of May 31, 2024)
Net assets		
Shareholders' equity		
Share capital	500	500
Capital surplus	5,045	5,045
Retained earnings	11,198	11,020
Treasury shares	(392)	(392)
Total shareholders' equity	16,350	16,172
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	43	42
Foreign currency translation adjustment	1,134	1,341
Remeasurements of defined benefit plans	(14)	(14)
Total accumulated other comprehensive income	1,162	1,369
Non-controlling interests	329	388
Total net assets	17,843	17,930
Total liabilities and net assets	23,866	24,382

**(2) Quarterly Consolidated Statements of Income and Comprehensive Income****Quarterly Consolidated Statement of Income****(For the Three-month Period)**

(Millions of yen)

	First three months of FY2/24 (Mar. 1, 2023 – May 31, 2023)	First three months of FY2/25 (Mar. 1, 2024 – May 31, 2024)
Operating revenue		
Forwarding income	13,188	12,849
Other business income	30	30
Total operating revenue	13,218	12,879
Operating costs		
Forwarding cost	10,611	10,217
Cost of other business	16	16
Total operating costs	10,627	10,233
Gross profit	2,591	2,646
Selling, general and administrative expenses	1,438	1,502
Operating profit	1,152	1,143
Non-operating income		
Interest income	3	6
Dividend income	2	0
Share of profit of entities accounted for using equity method	37	29
Foreign exchange gains	-	2
Other	15	7
Total non-operating income	58	45
Non-operating expenses		
Interest expenses	2	4
Foreign exchange losses	44	-
Other	0	0
Total non-operating expenses	47	4
Ordinary profit	1,163	1,184
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	1,163	1,184
Income taxes-current	405	342
Income taxes-deferred	(29)	43
Total income taxes	375	385
Profit	787	798
Profit attributable to non-controlling interests	21	36
Profit attributable to owners of parent	766	761



**Quarterly Consolidated Statement of Comprehensive Income**  
**(For the Three-month Period)**

(Millions of yen)

	First three months of FY2/24 (Mar. 1, 2023 – May 31, 2023)	First three months of FY2/25 (Mar. 1, 2024 – May 31, 2024)
Profit	787	798
Other comprehensive income		
Valuation difference on available-for-sale securities	4	(0)
Foreign currency translation adjustment	89	199
Share of other comprehensive income of entities accounted for using equity method	12	29
Remeasurements of defined benefit plans, net of tax	0	0
Total other comprehensive income	106	228
Comprehensive income	893	1,027
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	869	968
Comprehensive income attributable to non-controlling interests	24	58

**(3) Notes to Quarterly Consolidated Financial Statements****Going Concern Assumption**

Not applicable.

**Significant Changes in Shareholders' Equity**

Not applicable.

**Segment and Other Information****Segment Information**

I First three months of FY2/24 (Mar. 1, 2023 – May 31, 2023)

Information related to revenue and profit or loss for each reportable segment and breakdown of revenue

(Millions of yen)

	Reportable segment			Other (Note 2)	Total	Adjustment	Amounts shown on quarterly consolidated statement of income (Note 3)
	Japan	China (Note 1)	Total				
Operating revenue							
Revenue from contracts with customers	11,405	1,477	12,883	305	13,188	-	13,188
Other revenue	30	-	30	-	30	-	30
(1) Revenue from external customers	11,436	1,477	12,913	305	13,218	-	13,218
(2) Inter-segment revenue and transfers	23	1,100	1,123	115	1,238	(1,238)	-
Total	11,459	2,577	14,037	420	14,457	(1,238)	13,218
Segment profit	988	108	1,097	54	1,152	-	1,152

Notes: 1. "China" includes the business activities of entities in China and Hong Kong.

2. "Other" is a business segment not included in reportable segments and includes the business activities of entities in Taiwan, Vietnam and Myanmar.

3. Segment profit is consistent with operating profit recorded in the quarterly consolidated statement of income.

## II First three months of FY2/25 (Mar. 1, 2024 – May 31, 2024)

Information related to revenue and profit or loss for each reportable segment and breakdown of revenue

(Millions of yen)

	Reportable segment			Other (Note 2)	Total	Adjustment	Amounts shown on quarterly consolidated statement of income (Note 3)
	Japan	China (Note 1)	Total				
Operating revenue							
Revenue from contracts with customers	10,954	1,504	12,459	390	12,849	-	12,849
Other revenue	30	-	30	-	30	-	30
(1) Revenue from external customers	10,984	1,504	12,489	390	12,879	-	12,879
(2) Inter-segment revenue and transfers	39	1,113	1,152	117	1,270	(1,270)	-
Total	11,024	2,618	13,642	507	14,150	(1,270)	12,879
Segment profit	937	144	1,081	61	1,143	-	1,143

Notes: 1. “China” includes the business activities of entities in China and Hong Kong.

2. “Other” is a business segment not included in reportable segments and includes the business activities of entities in Taiwan, Vietnam and Myanmar.

3. Segment profit is consistent with operating profit recorded in the quarterly consolidated statement of income.

*This summary report is solely a translation of “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.*