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Consolidated Financial Results for the Year Ended March 31, 2024 [Japanese GAAP]

May 07, 2024

Company name: ShinMaywa Industries, Ltd.

Stock exchange listing: Tokyo

Code number: 7224

URL: <https://www.shinmaywa.co.jp/>

Representative: Tatsuyuki Isogawa, President and Chief Executive Officer

Contact: Toshiki Kume, Director, Member of the Board, Managing Executive Officer

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Scheduled date of Annual General Meeting of Shareholders: June 25, 2024

Scheduled date of commencing dividend payments: June 26, 2024

Scheduled date of filing annual securities report: June 25, 2024

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 01, 2023 to March 31, 2024)

(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	%
Fiscal year ended March 31, 2024	257,060	14.2	11,765	26.6	12,106	22.3	7,279	(0.5)
March 31, 2023	225,175	3.9	9,293	(12.1)	9,902	(16.2)	7,313	5.9

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥ 11,751 million [20.1%]
Fiscal year ended March 31, 2023: ¥ 9,787 million [34.9%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2024	110.38	-	7.1	5.0	4.6
March 31, 2023	111.00	-	7.6	4.4	4.1

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2024: ¥ 144 million
Fiscal year ended March 31, 2023: ¥ 337 million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2024	260,102	108,734	41.1	1,622.05
March 31, 2023	226,907	100,439	43.5	1,498.16

(Reference) Equity: As of March 31, 2024: ¥ 107,008 million
As of March 31, 2023: ¥ 98,747 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2024	14,065	(8,217)	(5,884)	22,891
March 31, 2023	6,404	(7,164)	(4,108)	22,535

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2023	-	21.00	-	24.00	45.00	2,966	40.5	3.1
March 31, 2024	-	22.50	-	24.50	47.00	3,100	42.6	3.0
Fiscal year ending March 31, 2025 (Forecast)	-	25.00	-	25.00	50.00		44.0	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2024 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 01, 2024 to March 31, 2025)

(% 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	285,000	10.9	13,000	10.5	12,200	0.8	7,500	3.0	113.69

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

New	-	(Company name:)
Exclusion:	-	(Company name:)

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

- 1) Changes in accounting policies due to the revision of accounting standards: No
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

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

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

March 31, 2024:	70,000,000 shares
March 31, 2023:	70,000,000 shares

2) Number of treasury shares at the end of the period:

March 31, 2024:	4,028,569 shares
March 31, 2023:	4,087,841 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2024:	65,953,445 shares
Fiscal Year ended March 31, 2023:	65,889,008 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 01, 2023 to March 31, 2024)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2024	151,877	19.4	2,021	874.5	4,671	8.7	3,222	(32.8)
March 31, 2023	127,247	(2.2)	207	(89.1)	4,299	(6.4)	4,798	91.4

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2024	48.87	-
March 31, 2023	72.83	-

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2024	177,257	53,082	29.9	804.63
March 31, 2023	156,441	51,423	32.9	780.19

(Reference) Equity: As of March 31, 2024: ¥ 53,082 million
As of March 31, 2023: ¥ 51,423 million

* This document is unaudited by certified public accountants or audit firms.

* The forward-looking statements, including earnings forecasts, contained in this document are based on the information currently available to the Company and certain assumptions that it deems to be reasonable. As such, they do not constitute guarantees by the Company of future performance. Actual results may differ materially from these projections due to various factors.

(How to obtain supplementary briefing material on financial results and details of financial results briefing session)

Supplementary briefing material on financial results is disclosed on TDnet on the same day.

In addition, a new three-year Medium-term management plan (fiscal 2024 to fiscal 2026) was announced today.

The new plan will be explained at an IR briefing to be held on May 17. (The briefing material will be made available on the Company's website on May 14.)

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1. Qualitative Information of Consolidated Results

(1) Operating Results

In the current consolidated fiscal year, the outlook for the Japanese economy remains uncertain due in part to the surge in raw material and energy prices resulting from the impact of the prolonged conflict in Ukraine and unstable situation in the Middle East, as well as significant fluctuations in the foreign exchange market. While the normalization of economic activities has progressed following the COVID-19 pandemic, there have been a further diversification of values, as well as changes in the relationship between companies and their employees and in the working environment.

Against this backdrop, the Group has implemented various measures to enhance corporate value as it has entered into the final year of [SG-2023], its Medium-term management plan, which is Phase 1 of [SG-Vision 2030], its Long-term management plan aiming for 2030.

The financial results for the current consolidated fiscal year were as follows: orders received of 291,370 million yen, up 9.1% year-on-year, and net sales of 257,060 million yen, up 14.2% year-on-year. The outstanding orders as of March 31, 2024 were 291,431 million yen, up 13.9% year-on-year.

As for profits and losses, with an increase in revenue, operating profit was 11,765 million yen, up 26.6% year-on-year, while due to a decrease in extraordinary income and an increase in tax expenses, ordinary profit was 12,106 million yen, up 22.3% year-on-year, profit attributable to owners of parent was 7,279 million yen, down 0.5% year-on-year.

The overview of the Group's operating results by segment is as follows.

(Special Purpose Truck)

For manufacture and sales of vehicle frames, etc., the orders received decreased and net sales increased.

For maintenance and repair business, both the orders received and net sales increased.

In addition to this, for forestry machinery, etc., both the orders received and net sales increased.

As a result, for this segment, the orders received were 106,773 million yen, down 6.5% year-on-year, net sales were 100,523 million yen, up 10.1% year-on-year, and operating profit was 2,313 million yen, up 226.9% year-on-year.

The outstanding orders as of March 31, 2024 were 117,975 million yen, up 5.9% year-on-year.

(Parking Systems)

For mechanical car parking systems, both the orders received and net sales increased.

In addition to this, for aircraft passenger boarding bridges, both the orders received and net sales increased.

As a result, for this segment, the orders received were 54,360 million yen, up 36.2% year-on-year, net sales were 41,338 million yen, up 7.0% year-on-year, and operating profit was 2,765 million yen, up 2.9% year-on-year.

The outstanding orders as of March 31, 2024 were 58,929 million yen, up 30.1% year-on-year.

(Industrial Machinery & Environmental Systems)

For mechatronics products, the orders received decreased in vacuum products, while net sales increased. As a result, for the entire business area, the orders received decreased and net sales increased.

For environment-related business, both the orders received and net sales increased.

As a result, for this segment, the orders received were 52,600 million yen, up 7.8% year-on-year, net sales were 42,985 million yen, up 28.6% year-on-year, and operating profit was 3,359 million yen, up 14.9% year-on-year.

The outstanding orders as of March 31, 2024 were 53,729 million yen, up 23.4% year-on-year.

(Fluid)

As a result of increases in orders received and net sales due to steady overseas demand, for this segment, the orders received were 26,344 million yen, up 4.7% year-on-year, net sales were 26,330 million yen, up 7.5% year-on-year, and operating profit was 4,103 million yen, up 4.8% year-on-year.

The outstanding orders as of March 31, 2024 were 7,123 million yen, up 1.1% year-on-year.

(Aircraft)

For the Ministry of Defense, both the orders received and net sales increased.

Also, both the orders received and net sales increased for civilian demand-related production.

As a result, for this segment, the orders received were 32,690 million yen, up 35.2% year-on-year, net sales were 31,915 million yen, up 37.9% year-on-year, and operating profit was 2,187 million yen, up 56.5% year-on-year.

The outstanding orders as of March 31, 2024 were 43,965 million yen, up 1.8% year-on-year.

(Others)

For construction business, the orders received increased, while net sales decreased. As a result, for this segment, the orders received were 18,600 million yen, up 24.4% year-on-year, net sales were 13,968 million yen, down 1.6% year-on-year, and operating profit was 667 million yen, down 9.7% year-on-year.

The outstanding orders as of March 31, 2024 were 15,708 million yen, up 41.8% year-on-year.

(2) Financial Position

Total assets amounted to 260,102 million yen, an increase of 33,195 million yen from the previous fiscal year-end, mainly due to increases in trade receivables and inventories. Liabilities totaled 151,367 million yen, an increase of 24,900 million yen from the previous fiscal year-end, mainly due to increases in trade payables and contract liabilities. Net assets increased 8,294 million yen from the previous fiscal year-end to 108,734 million yen, mainly due to the recording of profit attributable to owners of parent, despite the dividend payments. As a result, capital adequacy ratio decreased to 41.1% from 43.5% at the previous fiscal year-end.

(3) Cash Flow

Cash flows earned from operating activities increased by 7,661 million yen from the previous consolidated fiscal year to 14,065 million yen. The breakdown of income mainly includes a profit before income taxes of 11,674 million yen, an increase (decrease) in contract liabilities of 10,999 million yen, an increase (decrease) in trade payables of 6,618 million yen, and a depreciation of 5,225 million yen. The breakdown of expenditures mainly includes a decrease (increase) in trade receivables of 18,953 million yen and a decrease (increase) in inventories of 4,612 million yen.

Cash flows from investing activities increased by 1,053 million yen from the previous consolidated fiscal year to 8,217 million yen. This was mainly due to the purchase of property, plant and equipment of 5,578 million yen.

Cash flows from financing activities increased by 1,776 million yen from the previous consolidated fiscal year to 5,884 million yen. This was mainly due to dividends paid of 3,066 million yen and repayments of long-term borrowings of 2,211 million yen.

As a result, cash and cash equivalents as of the end of the current consolidated fiscal year increased by 356 million yen from the previous consolidated fiscal year to 22,891 million yen.

(4) Future Outlook

The ShinMaywa Group formulated the new Medium-term management plan [SG-2026], which falls under Phase 2 of the Long-term management plan [SG-Vision 2030], and announced it separately today (May 7, 2024). In accordance with this three-year plan covering the period from fiscal 2024 to fiscal 2026, we will steadily implement and execute various measures aimed at improving corporate value.

With regard to the business results for the next fiscal year, which is the first year of [SG-2026], we forecast net sales of 285,000 million yen, an operating profit of 13,000 million yen, an ordinary profit of 12,200 million yen, a profit attributable to owners of parent of 7,500 million yen, and basic earnings per share of 113.69 yen. For net sales and operating profit by segment, please refer to the financial results briefing material disclosed along with these Consolidated Financial Results for the Year Ended March 31, 2024.

2. Basic Policy on Selection of Accounting Standards

The Group plans to prepare its consolidated financial statements using the Japanese GAAP for the time being, taking into consideration the comparability of consolidated financial statements across periods and among companies.

The Group plans to appropriately address the adoption of IFRS upon considering various circumstances in Japan and overseas.

3. Consolidated Financial Statements and Note

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	22,745	23,382
Notes and accounts receivable - trade, and contract assets	62,812	83,163
Electronically recorded monetary claims - operating	8,604	7,977
Merchandise and finished goods	4,805	5,405
Work in process	24,122	24,147
Raw materials and supplies	24,874	29,131
Other	4,920	5,052
Allowance for doubtful accounts	(395)	(203)
Total current assets	152,491	178,056
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,030	19,713
Machinery, equipment and vehicles, net	6,397	6,901
Land	13,796	13,842
Construction in progress	1,135	2,157
Other, net	2,129	2,393
Total property, plant and equipment	42,488	45,008
Intangible assets	2,702	2,619
Investments and other assets		
Investment securities	11,170	14,944
Long-term loans receivable	405	371
Retirement benefit asset	4,542	5,421
Deferred tax assets	7,533	7,514
Other	5,590	6,180
Allowance for doubtful accounts	(17)	(14)
Total investments and other assets	29,224	34,417
Total non-current assets	74,415	82,046
Total assets	226,907	260,102

(Million yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	27,310	34,166
Current portion of bonds payable	800	800
Short-term borrowings	6,372	7,580
Current portion of long-term borrowings	2,210	29,235
Accrued expenses	10,990	12,777
Income taxes payable	2,337	4,223
Contract liabilities	2,923	14,130
Provision for bonuses for directors (and other officers)	267	277
Provision for product warranties	58	99
Provision for loss on construction contracts	3,168	3,351
Other	12,083	15,771
Total current liabilities	68,522	122,415
Non-current liabilities		
Bonds payable	800	-
Long-term borrowings	42,234	13,000
Deferred tax liabilities	104	102
Deferred tax liabilities for land revaluation	47	47
Retirement benefit liability	12,973	13,336
Other	1,786	2,466
Total non-current liabilities	57,945	28,952
Total liabilities	126,467	151,367
Net assets		
Shareholders' equity		
Share capital	15,981	15,981
Capital surplus	15,657	15,660
Retained earnings	70,236	74,445
Treasury shares	(5,838)	(5,753)
Total shareholders' equity	96,037	100,333
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	633	2,889
Revaluation reserve for land	(376)	(376)
Foreign currency translation adjustment	2,116	3,027
Remeasurements of defined benefit plans	335	1,134
Total accumulated other comprehensive income	2,709	6,675
Non-controlling interests	1,692	1,725
Total net assets	100,439	108,734
Total liabilities and net assets	226,907	260,102

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales	225,175	257,060
Cost of sales	189,245	216,233
Gross profit	35,929	40,827
Selling, general and administrative expenses	26,635	29,062
Operating profit	9,293	11,765
Non-operating income		
Interest income	78	135
Dividend income	183	244
Share of profit of entities accounted for using equity method	337	144
Rental income	55	21
Dividend income of insurance	165	183
Foreign exchange gains	535	798
Other	124	296
Total non-operating income	1,481	1,824
Non-operating expenses		
Interest expenses	273	455
Cost of inactive noncurrent assets	126	137
Borrowing fees	29	27
Loss on securitization of receivables	135	410
Other	306	452
Total non-operating expenses	872	1,483
Ordinary profit	9,902	12,106
Extraordinary income		
Gain on sale of non-current assets	291	79
Gain on sale of investment securities	399	-
Total extraordinary income	690	79
Extraordinary losses		
Loss on disposal of non-current assets	220	104
Loss on valuation of investments in capital of subsidiaries and associates	64	-
Loss on liquidation of business	104	406
Total extraordinary losses	389	511
Profit before income taxes	10,203	11,674
Income taxes - current	3,586	5,325
Income taxes - deferred	(1,144)	(1,367)
Total income taxes	2,441	3,958
Profit	7,762	7,716
Profit attributable to non-controlling interests	448	436
Profit attributable to owners of parent	7,313	7,279

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit	7,762	7,716
Other comprehensive income		
Valuation difference on available-for-sale securities	(462)	2,255
Foreign currency translation adjustment	1,335	843
Remeasurements of defined benefit plans, net of tax	1,030	798
Share of other comprehensive income of entities accounted for using equity method	122	137
Total other comprehensive income	2,025	4,035
Comprehensive income	9,787	11,751
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,175	11,245
Comprehensive income attributable to non-controlling interests	612	505

(3) Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2023

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	15,981	15,737	65,852	(5,954)	91,617
Changes during period					
Dividends of surplus			(2,898)		(2,898)
Profit attributable to owners of parent			7,313		7,313
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		(0)	(30)	116	85
Change in scope of equity method			(0)		(0)
Change in ownership interest of parent due to transactions with non-controlling interests		(79)			(79)
Net changes in items other than shareholders' equity					
Total changes during period	-	(80)	4,384	115	4,419
Balance at end of period	15,981	15,657	70,236	(5,838)	96,037

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,096	(376)	821	(694)	847	1,795	94,261
Changes during period							
Dividends of surplus							(2,898)
Profit attributable to owners of parent							7,313
Purchase of treasury shares							(1)
Disposal of treasury shares							85
Change in scope of equity method							(0)
Change in ownership interest of parent due to transactions with non-controlling interests							(79)
Net changes in items other than shareholders' equity	(462)	-	1,294	1,030	1,862	(102)	1,759
Total changes during period	(462)	-	1,294	1,030	1,862	(102)	6,178
Balance at end of period	633	(376)	2,116	335	2,709	1,692	100,439

For the fiscal year ended March 31, 2024

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	15,981	15,657	70,236	(5,838)	96,037
Changes during period					
Dividends of surplus			(3,066)		(3,066)
Profit attributable to owners of parent			7,279		7,279
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares			(4)	86	81
Change in scope of equity method					-
Change in ownership interest of parent due to transactions with non-controlling interests		2			2
Net changes in items other than shareholders' equity					
Total changes during period	-	2	4,208	84	4,296
Balance at end of period	15,981	15,660	74,445	(5,753)	100,333

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	633	(376)	2,116	335	2,709	1,692	100,439
Changes during period							
Dividends of surplus							(3,066)
Profit attributable to owners of parent							7,279
Purchase of treasury shares							(1)
Disposal of treasury shares							81
Change in scope of equity method							-
Change in ownership interest of parent due to transactions with non-controlling interests							2
Net changes in items other than shareholders' equity	2,255	-	911	798	3,965	33	3,998
Total changes during period	2,255	-	911	798	3,965	33	8,294
Balance at end of period	2,889	(376)	3,027	1,134	6,675	1,725	108,734

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	10,203	11,674
Depreciation	5,321	5,225
Increase (decrease) in retirement benefit liability	904	816
Increase (decrease) in allowance for doubtful accounts	252	(213)
Interest and dividend income	(261)	(380)
Interest expenses	273	455
Share of loss (profit) of entities accounted for using equity method	(337)	(144)
Loss (gain) on disposal of non-current assets	220	104
Decrease (increase) in trade receivables	275	(18,953)
Decrease (increase) in inventories	(6,477)	(4,612)
Increase (decrease) in trade payables	939	6,618
Increase (decrease) in contract liabilities	(545)	10,999
Increase (decrease) in other non-current liabilities	96	200
Other, net	(835)	5,647
Subtotal	10,031	17,437
Interest and dividends received	455	574
Interest paid	(255)	(444)
Income taxes paid	(3,827)	(3,501)
Net cash provided by (used in) operating activities	6,404	14,065
Cash flows from investing activities		
Payments into time deposits	(260)	(375)
Proceeds from withdrawal of time deposits	101	102
Purchase of property, plant and equipment	(4,251)	(5,578)
Proceeds from sale of property, plant and equipment	311	438
Purchase of intangible assets	(624)	(719)
Purchase of investment securities	(462)	(767)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,995)	-
Loan advances to subsidiaries and associates	(208)	(940)
Other, net	224	(377)
Net cash provided by (used in) investing activities	(7,164)	(8,217)
Cash flows from financing activities		
Proceeds from short-term borrowings	3,312	1,019
Repayments of short-term borrowings	(70)	(112)
Repayments of long-term borrowings	(2,548)	(2,211)
Redemption of bonds	(800)	(800)
Dividends paid	(2,898)	(3,066)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(770)	-
Repayments of finance lease liabilities	(308)	(242)
Other, net	(25)	(471)
Net cash provided by (used in) financing activities	(4,108)	(5,884)
Effect of exchange rate change on cash and cash equivalents	854	392
Net increase (decrease) in cash and cash equivalents	(4,013)	356
Cash and cash equivalents at beginning of period	26,549	22,535
Cash and cash equivalents at end of period	22,535	22,891

(5) Explanatory Notes to Consolidated Financial Statements

(Notes on the Assumption of a Going Concern)

None

(Changes in Presentation Methods)

Consolidated Balance Sheets

“Contract liabilities,” which were included in “Other” under “Current liabilities” in the previous consolidated fiscal year, are shown as a separate item starting from the current consolidated fiscal year, as their monetary significance has increased. To reflect this change in presentation, the financial statements for the previous fiscal year have been rearranged.

As a result, the 15,007 million yen reported as “Other” under “Current liabilities” in the consolidated balance sheet of the previous consolidated fiscal year has been reclassified as 2,923 million yen in “Contract liabilities” and 12,083 million yen in “Other.”

Consolidated Statements of Cash Flows

“Increase (decrease) in contract liabilities,” which was included in “Other, net” under “Cash flows from operating activities” in the previous consolidated fiscal year, is shown as a separate item starting from the current consolidated fiscal year, as its monetary significance has increased. In addition, “Loan advances to subsidiaries and associates,” which were included in “Other, net” under “Cash flows from investing activities” in the previous consolidated fiscal year, are shown as a separate item starting from the current consolidated fiscal year, as their monetary significance has increased.

To reflect these changes in presentation, the financial statements for the previous fiscal year have been rearranged. As a result, the (1,380) million yen presented as “Other, net” under “Cash flows from operating activities” in the consolidated statements of cash flows of the previous consolidated fiscal year has been reclassified as (545) million yen in “Increase (decrease) in contract liabilities” and (835) million yen in “Other, net,” while the 16 million yen included in “Other, net” under “Cash flows from investing activities” has been reclassified as (208) million yen in “Loan advances to subsidiaries and associates” and 244 million yen in “Other, net.”

(Segment Information)

1. Outline of reportable segments

The reportable segments of the Company are the business units for which the Company is able to obtain their respective financial information separately in order for the Board of Directors to conduct periodic investigations to determine distribution of management resources and evaluate their business results.

The Company operates under a system whereby the organization overseeing the cross-sectional functions of the Company is defined as the headquarter structure, while the organizations responsible for production activities directly linked to the Company’s businesses are controlled by being divided into business segments according to their products.

Consequently, the Company is made up of segments based on products and services, which then form the bases of its business divisions. The five reportable segments are the “Special Purpose Truck Business,” “Parking Systems Business,” “Industrial Machinery & Environmental Systems Business,” “Fluid,” and “Aircraft Business.”

The “Special Purpose Truck Business” manufactures and sells special purpose trucks, including dump trucks, tail gate lifters, and refuse compactors, as well as forestry machinery.

The “Parking Systems Business” manufactures, sells, maintains, and restores mechanical parking facilities and aircraft passenger boarding bridges.

The “Industrial Machinery & Environmental Systems Business” manufactures and sells automatic wire processors, vacuum products, and refuse processing facilities and equipment.

The “Fluid” manufactures and sells pumps, watertreatment equipment.

The “Aircraft Business” manufactures and sells amphibian aircraft and aircraft parts to overseas aircraft manufacturers.

2. Calculation method of amount of net sales, gain and loss, assets and other items by reportable segment

The accounting method applied to reportable business segments is generally consistent with accounting method applied to prepare consolidated financial statements.

Segment profit is based on operating profit. Intersegment sales or transfers are determined based on current market prices.

3. Information regarding the amount of net sales, gain and loss, assets and other items by reportable segment, and information on disaggregation of revenue

For the fiscal year ended March 31, 2023 (April 01, 2022 - March 31, 2023)

(Million yen)

	Reportable segments						Others	Total	Adjustments	Consolidated Financial Statements amount
	Special Purpose Truck	Parking Systems	Industrial Machinery and Environmental Systems	Fluid	Aircraft	Subtotal				
Net Sales:										
Japan	85,755	36,102	12,479	18,451	11,815	164,604	14,188	178,793	—	178,793
Asia	2,047	2,524	14,124	4,331	—	23,027	—	23,027	—	23,027
North America	5	—	1,506	984	10,239	12,736	—	12,736	—	12,736
Other areas	3,503	—	5,315	718	1,081	10,617	—	10,617	—	10,617
Revenue from contracts with customers	91,311	38,627	33,425	24,485	23,136	210,987	14,188	225,175	—	225,175
Other revenue	—	—	—	—	—	—	—	—	—	—
External sales	91,311	38,627	33,425	24,485	23,136	210,987	14,188	225,175	—	225,175
Intersegment sales or transfer	23	18	1	11	—	56	2,690	2,746	(2,746)	—
Total	91,335	38,646	33,427	24,497	23,136	211,043	16,878	227,922	(2,746)	225,175
Segment profit	707	2,686	2,923	3,916	1,397	11,632	739	12,371	(3,078)	9,293
Segment assets	76,983	24,649	30,413	20,585	33,967	186,599	25,563	212,162	14,744	226,907
Others:										
Depreciation	2,198	570	480	566	778	4,594	244	4,838	482	5,321
Increase in property, plant and equipment and intangible assets	1,648	374	356	786	141	3,306	914	4,221	244	4,465

(Note 1) "Others" comprises businesses not included in the reportable segments, such as construction, real estate, and software development.

(Note 2) Details of the adjustments are as follows:

(1) The adjustment under segment profit (3,078) million yen includes the elimination of inter-segment transactions (3) million yen and corporate expenses unallocated to each reportable segment (3,074) million yen. Corporate expenses are mainly unallocated general and administrative expenses and basic experiment and research expenses.

(2) The adjustment under segment assets 14,744 million yen includes the elimination of inter-segment transactions (32,605) million yen and corporate assets unallocated to each reportable segment 47,349 million yen. Corporate assets are mainly surplus funds for management (cash and deposits), long-term investment funds (investment securities), and assets of administration departments of the parent company.

(3) The adjustment under increase in property, plant, and equipment and intangible assets 244 million yen includes the elimination of inter-segment transactions (69) million yen and capital investments in corporate assets unallocated to each reportable segment 313 million yen.

(Note 3) Segment profit is the adjusted operating profit reported on consolidated statements of profit.

For the fiscal year ended March 31, 2024 (April 01, 2023 - March 31, 2024)

(Million yen)

	Reportable segments						Others	Total	Adjustments	Consolidated Financial Statements amount
	Special Purpose Truck	Parking Systems	Industrial Machinery and Environmental Systems	Fluid	Aircraft	Subtotal				
Net Sales:										
Japan	95,865	38,760	18,580	19,962	16,704	189,873	13,967	203,841	—	203,841
Asia	1,524	2,578	7,118	4,544	—	15,766	—	15,766	—	15,766
North America	—	—	15,958	1,066	14,284	31,308	0	31,308	—	31,308
Other areas	3,133	—	1,327	757	926	6,144	—	6,144	—	6,144
Revenue from contracts with customers	100,523	41,338	42,985	26,330	31,915	243,092	13,968	257,060	—	257,060
Other revenue	—	—	—	—	—	—	—	—	—	—
External sales	100,523	41,338	42,985	26,330	31,915	243,092	13,968	257,060	—	257,060
Intersegment sales or transfer	112	21	10	13	—	158	3,974	4,133	(4,133)	—
Total	100,636	41,360	42,995	26,343	31,915	243,251	17,942	261,194	(4,133)	257,060
Segment profit	2,313	2,765	3,359	4,103	2,187	14,729	667	15,396	(3,631)	11,765
Segment assets	83,089	26,702	35,801	24,221	43,291	213,106	30,891	243,997	16,104	260,102
Oters:										
Depreciation	2,227	552	484	602	706	4,573	218	4,792	432	5,225
Increase in property, plant and equipment and intangible assets	3,621	582	740	1,307	486	6,738	273	7,012	(121)	6,891

(Note 1) "Others" comprises businesses not included in the reportable segments, such as construction, real estate, and software development.

(Note 2) Details of the adjustments are as follows:

(1) The adjustment under segment profit (3,631) million yen includes the elimination of inter-segment transactions (107) million yen and corporate expenses unallocated to each reportable segment (3,523) million yen. Corporate expenses are mainly unallocated general and administrative expenses and basic experiment and research expenses.

(2) The adjustment under segment assets 16,104 million yen includes the elimination of inter-segment transactions (35,528) million yen and corporate assets unallocated to each reportable segment 51,633 million yen. Corporate assets are mainly surplus funds for management (cash and deposits), long-term investment funds (investment securities), and assets of administration departments of the parent company.

(3) The adjustment under increase in property, plant, and equipment and intangible assets (121) million yen includes the elimination of inter-segment transactions (216) million yen and capital investments in corporate assets unallocated to each reportable segment 95 million yen.

(Note 3) Segment profit is the adjusted operating profit reported on consolidated statements of profit.

(Per Share Information)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net assets per share (Yen)	1,498.16	1,622.05
Basic earnings per share (Yen)	111.00	110.38

(Note 1) Diluted earnings per share is not presented as the Company has no dilutive shares.

(Note 2) The basis for calculating basic earnings per share is as follows.

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit attributable to owners of parent (Million yen)	7,313	7,279
Amounts not attributable to shareholders of common stock (Million yen)	—	—
Profit attributable to owners of the parent company available to shareholders of common stock (Million yen)	7,313	7,279
Average number of common shares during the period (Shares)	65,889,008	65,953,445

(Significant Subsequent Events)

None

4. Other

(1) Changes in officers

(i) Change in representative

Not applicable.

(ii) Other changes in executives scheduled for 25 June 2024

The changes in officers are subject to appointment at the Company's 100th Annual General Meeting of Shareholders, which is scheduled to be held on June 25, 2024.

• Candidates for re-appointment as directors

Director	Tatsuyuki Isogawa	(current President & CEO)
Director	Kanji Ishimaru	(current Director)
Director	Akira Nishioka	(current Director)
Director	Toshiki Kume	(current Director)
Director	Takashi Kunihara	(current Director)
Director	Yoshifumi Kanda	(current Outside Director)
Director	Seiko Nagai	(current Outside Director)
Director	Toshiyuki Umehara	(current Outside Director)

• Candidates for re-appointment as a statutory auditor

Statutory Auditor	Fumihiko Kimura	(current Outside Statutory Auditor)
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