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May 10, 2024

Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Japanese GAAP)

Company name: Prestige International Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 4290
 URL: <http://www.prestigein.com/>
 Representative: Shinichi Tamagami, Representative Director, President and Group CEO
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 Telephone: +81-3-5213-826
 Scheduled date of annual general meeting of shareholders: June 26, 2024
 Scheduled date to commence dividend payments: June 12, 2024
 Scheduled date to file quarterly securities report: June 26, 2024
 Preparation of supplementary material on quarterly financial results Yes
 Holding of quarterly financial results briefing: Yes(for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	58,738	7.7	7,921	1.0	8,458	1.0	5,791	8.9
March 31, 2023	54,562	16.7	7,840	14.6	8,378	17.2	5,318	22.1

(Note) Comprehensive income For the Fiscal year ended March 31, 2024: ¥7,507 million [18.1%]
 For the Fiscal year ended March 31, 2023: ¥6,354 million [18.7%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2024	45.34	45.20	13.9	13.2	13.5
March 31, 2023	41.62	41.45	14.5	14.7	14.4

Reference: Share of profit (loss) of entities accounted for using equity method
 For the Fiscal year ended March 31, 2024: ¥379 million
 For the Fiscal year ended March 31, 2023: ¥322 million

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2024	67,836	47,224	64.9	345.65
March 31, 2023	60,273	41,817	64.8	305.35

Reference: Equity
 As of March 31, 2024 : ¥44,021 million
 As of March 31, 2023 : ¥39,079 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 end of period
As of	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	5,883	△ 2,614	△ 2,377	22,779
March 31, 2023	7,888	△ 2,637	△ 2,152	21,651

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Yen	%	%
Fiscal year ended March 31, 2023	—	5.00	—	5.00	10.00	1,407	26.4	3.8
Fiscal year ended March 31, 2024	—	6.00	—	6.00	12.00	1,532	26.5	3.7
Fiscal year ended March 31, 2025 (Forecast)	—	12.00	—	12.00	24.00		57.7	

(Note) Revisions to the forecast of cash dividends most recently announced: No

3. Forecast of consolidated financial results for the year ending March 31, 2022

	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
Half year	30,580	6.3	3,600	△ 6.7	3,800	△ 6.7	2,300	△ 2.5	18.06
Full year	63,000	7.3	8,000	1.0	8,500	0.5	5,300	△ 8.5	41.62

(Note) Revision to the financial results forecast announced most recently: No

Note:

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (3) Number of issued shares (common shares)

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

As of March 31, 2024	128,676,300 shares
As of March 31, 2023	128,560,700 shares

- (ii) Number of treasury shares at the end of the period

As of March 31, 2024	1,319,308 shares
As of March 31, 2023	580,708 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2024	127,741,309 shares
Fiscal year ended March 31, 2023	127,778,100 shares

*Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

*Proper use of earnings forecasts, and other special matters

The forecasts given in this document are based on the current available information in the company and certain reasonable assumptions to the company. And we don't commit to achieve these forecasting numbers. Actual results may differ from these forecasts by a variety of reasons.

Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	21,671,467	22,790,034
Accounts receivable - trade	5,304,236	6,404,633
Advances paid	6,549,144	9,572,807
Merchandise and finished goods	69,380	84,253
Work in process	173,593	306,370
Raw materials and supplies	63,840	83,194
Other	3,354,858	3,362,494
Allowance for doubtful accounts	△1,293,676	△1,863,430
Total current assets	35,892,843	40,740,357
Non-current assets		
Property, plant and equipment		
Buildings and structures	15,558,229	16,104,362
Accumulated depreciation	△4,472,790	△5,111,295
Buildings and structures, net	11,085,438	10,993,067
Machinery, equipment and vehicles	1,380,932	1,494,203
Accumulated depreciation	△1,013,462	△1,197,889
Machinery, equipment and vehicles, net	367,469	296,313
Tools, furniture and fixtures	3,119,112	3,696,692
Accumulated depreciation	△2,030,158	△2,400,099
Tools, furniture and fixtures, net	1,088,954	1,296,592
Land	118,653	118,653
Leased assets	250,802	333,612
Accumulated depreciation	△158,728	△205,168
Leased assets, net	92,074	128,443
Construction in progress	944,459	2,108,378
Total property, plant and equipment	13,697,049	14,941,449
Intangible assets		
Goodwill	135,000	105,000
Other	1,890,878	2,029,738
Total intangible assets	2,025,878	2,134,738
Investments and other assets		
Investment securities	7,655,097	8,886,910
Long-term loans receivable	19,679	28,153
Deferred tax assets	272,006	253,428
Other	778,154	919,571
Allowance for doubtful accounts	△67,619	△68,183
Total investments and other assets	8,657,318	10,019,880
Total non-current assets	24,380,246	27,096,068
Total assets	60,273,090	67,836,426

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,349,742	1,422,748
Current portion of long-term borrowings	125,000	125,000
Lease liabilities	33,407	30,815
Income taxes payable	1,365,018	1,423,114
Contract liabilities	5,907,561	4,246,490
Deposits received	2,535,821	3,511,923
Provision for bonuses	748,606	646,265
Reserve for fulfillment of guarantees	252,391	477,670
Other	3,384,185	5,894,838
Total current liabilities	15,701,735	17,778,867
Non-current liabilities		
Long-term borrowings	250,000	125,000
Lease liabilities	60,668	100,391
Deferred tax liabilities	424,852	516,359
Retirement benefit liability	13,545	17,291
Asset retirement obligations	1,885,046	1,956,459
Other	119,403	117,255
Total non-current liabilities	2,753,516	2,832,757
Total liabilities	18,455,251	20,611,624
Net assets		
Shareholders' equity		
Share capital	1,570,641	1,601,210
Capital surplus	2,840,271	2,857,631
Retained earnings	32,788,867	37,043,690
Treasury shares	△418,158	△899,087
Total shareholders' equity	36,781,620	40,603,444
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	591,133	849,893
Foreign currency translation adjustment	1,706,346	2,568,197
Total accumulated other comprehensive income	2,297,480	3,418,090
Share acquisition rights	249,802	278,778
Non-controlling interests	2,488,934	2,924,487
Total net assets	41,817,838	47,224,801
Total liabilities and net assets	60,273,090	67,836,426

(2) Consolidated Statement of Income and Comprehensive Income
(Consolidated Statement of Income)

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	54,562,956	58,738,723
Cost of sales	41,263,500	44,981,265
Gross profit	13,299,456	13,757,458
Selling, general and administrative expenses	5,458,871	5,835,950
Operating profit	7,840,584	7,921,507
Non-operating income		
Interest income	6,578	12,227
Interest on securities	225,798	279,254
Dividend income	30,092	31,047
Share of profit of entities accounted for using equity method	322,708	379,031
Other	50,787	62,770
Total non-operating income	635,964	764,330
Non-operating expenses		
Interest expenses	5,327	2,450
Foreign exchange losses	40,084	134,295
Other	52,479	90,680
Total non-operating expenses	97,891	227,425
Ordinary profit	8,378,657	8,458,412
Extraordinary income		
Gain on sale of non-current assets	1,855	3,045
Subsidy income	103,857	12,211
Gain on sale of investment securities	1,130	675,570
Total extraordinary income	106,843	690,827
Extraordinary losses		
Loss on sale of non-current assets	94	24,997
Loss on tax purpose reduction entry of non- current assets	103,857	12,211
Loss on sale of investment securities	—	18,972
Impairment losses	2,286	—
Other	3,860	—
Total extraordinary losses	110,098	56,181
Profit before income taxes	8,375,402	9,093,058
Income taxes - current	2,615,696	2,724,657
Income taxes - deferred	△15,578	△10,299
Total income taxes	2,600,117	2,714,358
Profit	5,775,284	6,378,700
Profit attributable to non-controlling interests	456,593	587,423
Profit attributable to owners of parent	5,318,691	5,791,276

(Consolidated Statement of Comprehensive Income)

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	5,775,284	6,378,700
Other comprehensive income		
Valuation difference on available-for-sale securities	△2,034	266,844
Foreign currency translation adjustment	581,527	861,850
Total other comprehensive income	579,492	1,128,694
Comprehensive income	6,354,777	7,507,395
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,882,594	6,911,887
Comprehensive income attributable to non-controlling interests	472,183	595,508

(3) Consolidated Statement of Changes to Shareholders' Equity

Previous consolidated fiscal year (from April 1, 2022 to March 31, 2023)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,519,708	2,788,977	28,685,255	△418,158	32,575,782
Changes during period					
Issuance of new shares	50,932	50,932			101,865
Dividends of surplus			△1,213,412		△1,213,412
Profit attributable to owners of parent			5,318,691		5,318,691
Capital increase of consolidated subsidiaries		361			361
Change in scope of consolidation			△1,667		△1,667
Net changes in items other than shareholders' equity					
Total changes during period	50,932	51,293	4,103,611	—	4,205,838
Balance at end of period	1,570,641	2,840,271	32,788,867	△418,158	36,781,620

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	608,758	1,124,819	1,733,577	207,798	2,049,069	36,566,228
Changes during period						
Issuance of new shares						101,865
Dividends of surplus						△1,213,412
Profit attributable to owners of parent						5,318,691
Capital increase of consolidated subsidiaries						361
Change in scope of consolidation						△1,667
Net changes in items other than shareholders' equity	△17,625	581,527	563,902	42,003	439,864	1,045,771
Total changes during period	△17,625	581,527	563,902	42,003	439,864	5,251,609
Balance at end of period	591,133	1,706,346	2,297,480	249,802	2,488,934	41,817,838

This consolidated fiscal year (from April 1, 2023 to March 31, 2024)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,570,641	2,840,271	32,788,867	△418,158	36,781,620
Changes during period					
Issuance of new shares	30,568	30,568			61,137
Dividends of surplus			△1,536,453		△1,536,453
Profit attributable to owners of parent			5,791,276		5,791,276
Purchase of treasury shares				△499,996	△499,996
Disposal of treasury shares		△13,209		19,068	5,859
Net changes in items other than shareholders' equity					
Total changes during period	30,568	17,359	4,254,823	△480,928	3,821,823
Balance at end of period	1,601,210	2,857,631	37,043,690	△899,087	40,603,444

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	591,133	1,706,346	2,297,480	249,802	2,488,934	41,817,838
Changes during period						
Issuance of new shares						61,137
Dividends of surplus						△1,536,453
Profit attributable to owners of parent						5,791,276
Purchase of treasury shares						△499,996
Disposal of treasury shares						5,859
Net changes in items other than shareholders' equity	258,759	861,850	1,120,610	28,976	435,553	1,585,139
Total changes during period	258,759	861,850	1,120,610	28,976	435,553	5,406,963
Balance at end of period	849,893	2,568,197	3,418,090	278,778	2,924,487	47,224,801

(4) Consolidated Statement of Cash Flows

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	8,375,402	9,093,058
Depreciation	1,794,774	1,974,694
Amortization of goodwill	17,817	30,000
Increase (decrease) in allowance for doubtful accounts	502,643	565,324
Increase (decrease) in provision for bonuses	△171,856	△103,144
Increase (decrease) in Reserve for fulfillment of guarantees	127,545	225,278
Interest and dividend income	△262,468	△322,528
Interest expenses	5,327	2,450
Foreign exchange losses (gains)	△89,149	71,345
Share of loss (profit) of entities accounted for using equity method	△322,708	△379,031
Subsidy income	△103,857	△12,211
Loss on tax purpose reduction entry of non-current assets	103,857	12,211
Loss (gain) on sale of property, plant and equipment and intangible assets	△1,761	△3,045
Loss (gain) on sale of investment securities	△1,130	△656,598
Loss (gain) on valuation of investment securities	5,136	△1,108
Loss on retirement of property, plant and equipment and intangible assets	9,602	34,150
Impairment losses	2,286	—
Decrease (increase) in trade receivables	△537,192	△1,020,512
Decrease (increase) in inventories	△59,823	△166,721
Decrease (increase) in advances paid	△983,195	△2,643,241
Decrease (increase) in other assets	65,338	△139,385
Increase (decrease) in trade payables	231,596	△7,755
Increase (decrease) in contract liabilities	1,268,586	△1,667,520
Increase (decrease) in other liabilities	433,681	3,481,157
Increase (decrease) in accrued consumption taxes	△105,865	△178,259
Other, net	107,233	116,286
Subtotal	10,411,821	8,304,892
Income taxes paid	△2,780,970	△2,711,199
Interest and dividends received	262,424	292,591
Interest paid	△5,093	△2,327
Net cash provided by (used in) operating activities	7,888,182	5,883,956

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	△2,458,479	△3,140,108
Proceeds from sale of property, plant and equipment and intangible assets	75,806	4,369
Purchase of investment securities	△730,546	△825,793
Proceeds from sale of investment securities	8,411	894,705
Proceeds from redemption of investment securities	259,320	146,210
Loan advances	△14,081	△23,460
Proceeds from collection of loans receivable	9,038	11,174
Payments of guarantee deposits	△85,541	△76,676
Proceeds from refund of guarantee deposits	75,102	19,918
Subsidies received	226,472	368,428
Payments into time deposits	△25,007	△15,239
Proceeds from withdrawal of time deposits	24,755	24,843
Other, net	△2,561	△2,606
Net cash provided by (used in) investing activities	△2,637,309	△2,614,235
Cash flows from financing activities		
Repayments of short-term borrowings	△500,000	—
Repayments of long-term borrowings	△375,000	△125,000
Purchase of treasury shares	—	△499,996
Dividends paid	△1,210,576	△1,533,423
Repayments of lease liabilities	△63,511	△69,409
Proceeds from share issuance to non-controlling shareholders	98,000	—
Dividends paid to non-controlling interests	△131,389	△159,955
Proceeds from exercise of employee share options	30,037	10,400
Net cash provided by (used in) financing activities	△2,152,440	△2,377,383
Effect of exchange rate change on cash and cash equivalents	334,942	235,431
Net increase (decrease) in cash and cash equivalents	3,433,374	1,127,769
Cash and cash equivalents at beginning of period	18,218,367	21,651,741
Cash and cash equivalents at end of period	21,651,741	22,779,510