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April 25, 2024



Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 [Under Japanese GAAP]

Company name: KOMATSU WALL INDUSTRY CO., LTD.

Listing: Tokyo Stock Exchange

Securities code: 7949

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

Representative: Shinya Kano, Representative Director, President & CEO

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Scheduled date of annual general meeting of shareholders: June 26, 2024

Scheduled date of commencing dividend payments: June 27, 2024

Scheduled date to file annual securities report: June 26, 2024

Availability of supplementary briefing material on financial results: Available

Schedule of financial results briefing session: Scheduled (for analysts and institutional investors)

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

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

(1) Non-consolidated Operating Results

(% indicates year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2024	43,551	15.3	3,640	57.8	3,732	57.9	2,775	70.5
March 31, 2023	37,772	9.4	2,306	29.6	2,363	27.9	1,627	31.2

	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	%	%	%
Fiscal year ended March 31, 2024	298.07	–	7.5	8.1	8.4
March 31, 2023	175.28	–	4.5	5.4	6.1

(Reference) Share of profit (loss) of entities accounted for using equity method:

For the fiscal year ended March 31, 2024: ¥ – million

For the fiscal year ended March 31, 2023: ¥ – million

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2024	47,455	38,067	80.2	4,083.25
As of March 31, 2023	44,760	36,225	80.9	3,900.42

(Reference) Equity: As of March 31, 2024: ¥38,067 million

As of March 31, 2023: ¥36,225 million

(3) Non-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
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2024	4,273	(1,171)	(1,056)	13,521
March 31, 2023	1,676	(636)	(810)	11,476

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	–	40.00	–	55.00	95.00
Fiscal year ended March 31, 2024	–	55.00	–	70.00	125.00
Fiscal year ending March 31, 2025 (Forecast)	–	60.00	–	70.00	130.00

	Total cash dividends (Total)	Payout ratio	Ratio of dividends to net assets
	Million yen	%	%
Fiscal year ended March 31, 2023	899	54.2	2.5
Fiscal year ended March 31, 2024	1,183	41.9	3.1
Fiscal year ending March 31, 2025 (Forecast)		42.5	

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	20,800	5.6	1,000	(23.1)	1,020	(25.7)	660	(30.6)	70.88
Full year	46,000	5.6	3,800	4.4	3,850	3.2	2,850	2.7	306.06

* Notes:

- (1) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to revisions to accounting standards and other regulations: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (2) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
 - As of March 31, 2024: 10,903,240 shares
 - As of March 31, 2023: 10,903,240 shares
 - 2) Total number of treasury shares at the end of the period:
 - As of March 31, 2024: 1,580,397 shares
 - As of March 31, 2023: 1,615,689 shares
 - 3) Average number of shares during the period:
 - Fiscal year ended March 31, 2024: 9,311,787 shares
 - Fiscal year ended March 31, 2023: 9,287,012 shares

(Note) The total number of treasury shares at the end of the period and the number of treasury shares deducted in calculating the average number of shares during the period includes the Company's shares held by Custody Bank of Japan, Ltd. (Trust E Account) as trust assets related to the Board Benefit Trust (BBT) system (March 31, 2024: 143,000 shares; March 31, 2023: 178,500 shares).

* Financial results are outside the scope of audit by certified public accountants or audit firms.

* Explanation of the proper use of financial results forecast and other notes

The financial results forecasts and other forward-looking statements herein are based on the information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ significantly from these forecasts due to a wide range of factors. For the conditions underlying the financial results forecast and the precautions for using the financial results forecast, please refer to page 4 of the attached document, "1. Overview of Operating Results, etc., (4) Future Outlook."

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year ended March 31, 2024, the Japanese economy suffered from concerns regarding the impact on the domestic economy of the downturn in overseas economic conditions due to global monetary tightening. On the other hand, thanks to policy changes in response to COVID-19, steady progress was made towards the normalization of economic activities, and the economy maintained gradual recovery with an improvement in employment and income conditions.

Under this situation, the Company pursued three basic policies based on the medium-term management plan, “NEXT VISION 2028,” which started in the fiscal year under review: “Growth of existing partition business,” “Creation of new products,” and “Enhancement of production and logistics operations.”

Regarding “Growth of existing partition business,” to further tap into office demand, the Company opened the Nagoya Showroom in Nagoya, Aichi Prefecture, and committed itself to PR activities. In addition, the Company has been strengthening its product lineup to meet the demand for office remodeling, including the development of “Smooth Wall,” a retrofit type movable partition that can be installed without demolishing the ceiling.

With regard to “Creation of new products,” in addition to the aforementioned Smooth Wall, the Company developed and launched nine new products, including “mokumo,” a toilet booth that utilizes the texture of wood, and the “Copper Series,” a new coating series with sparkling metallic grains and a matte finish. For sales promotion materials, the Company worked on new ones with excellent design to enhance market appeal together with an external design agency.

With respect to “Enhancement of production and logistics operations,” the Company verified the introduction of industrial robots using test equipment to further automate production processes and reduce manpower.

Regarding operating results, the office segment grew steadily, driven by strong office demand in major urban areas, particularly in the Tokyo metropolitan area. The segments of school and sports facilities, welfare and healthcare facilities, and factories also showed favorable progress. As a result, net sales amounted to ¥43,551 million (up 15.3% year on year). By product category, net sales of relocatable partitions were particularly robust due to the increase in office demand. Orders received totaled ¥43,684 million (up 8.7% year on year), with relocatable partitions and fixed partitions showing positive growth in particular. Order backlog totaled ¥16,679 million (up 0.8% year on year), maintaining the increasing trend.

On the profitability front, with the adjustment of selling prices widely adopted, the gross profit margin was 33.9% (a 1.0-point improvement year on year), leading to an operating profit of ¥3,640 million (up 57.8% year on year), an ordinary profit of ¥3,732 million (up 57.9% year on year), and a profit of ¥2,775 million (up 70.5% year on year).

Net sales, orders received, and order backlog by item for the fiscal year ended March 31, 2024 are as follows.

Net Sales, Orders Received, and Order Backlog by Item

(Million yen)

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)						
Item	Net sales		Orders received		Order backlog	
	Amount	Year-on-year change (%)	Amount	Year-on-year change (%)	Amount	Year-on-year change (%)
Relocatable partitions	18,316	117.0	18,173	110.4	4,054	96.6
Fixed partitions	9,184	115.4	9,902	121.5	5,024	116.7
Toilet booths	8,033	114.5	8,040	104.7	3,138	100.2
Movable partitions	5,963	110.5	5,626	92.1	4,056	92.3
Low partitions	641	109.4	622	103.1	67	78.0
Others	1,410	121.3	1,320	110.8	339	78.9
Total	43,551	115.3	43,684	108.7	16,679	100.8

(2) Overview of Financial Position for the Fiscal Year under Review

Status of assets, liabilities, and net assets

The total amount of assets as of the end of the fiscal year under review increased by ¥2,694 million from the end of the previous fiscal year, to ¥47,455 million. This is mainly due to an increase in current assets of ¥2,539 million, resulting from increases in cash and deposits of ¥2,061 million, accounts receivable - trade of ¥604

million, and electronically recorded monetary claims - operating of ¥405 million, despite decreases in notes receivable - trade of ¥293 million and contract assets of ¥281 million, and an increase in non-current assets of ¥154 million, resulting from increases in investments and other assets of ¥344 million despite a decrease in property, plant and equipment of ¥155 million.

The total amount of liabilities increased by ¥852 million from the end of the previous fiscal year, to ¥9,388 million. This is mainly due to an increase in current liabilities of ¥842 million, resulting from increases in provision for bonuses of ¥110 million and accrued consumption taxes included in “Other” under current liabilities of ¥716 million, and an increase in non-current liabilities of ¥10 million.

Net assets increased by ¥1,842 million from the end of the previous fiscal year, to ¥38,067 million. This is mainly due to an increase in retained earnings of ¥1,734 million.

(3) Overview of Cash Flows for the Fiscal Year under Review

Status of cash flows

Regarding cash flows for the fiscal year under review, the Company allocated funds to working capital, capital investment, and shareholder returns among other activities, while enhancing internal reserves.

As a result, cash and cash equivalents (hereinafter referred to as “cash”) as of the end of the fiscal year under review increased by ¥2,044 million from the end of the previous fiscal year, to ¥13,521 million. Described below are the state of each cash flow and their factors.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥4,273 million (net cash provided of ¥1,676 million for the previous fiscal year). This is mainly attributable to a net increase due primarily to the recording of profit before income taxes of ¥3,744 million, depreciation of ¥1,127 million, and accrued consumption taxes included in “Other” of ¥716 million, as well as a net decrease due primarily to income taxes paid of ¥1,136 million and an increase in trade receivables of ¥434 million.

(Cash flows from investing activities)

Net cash used in investing activities amounted to ¥1,171 million (net cash used of ¥636 million for the previous fiscal year). This is mainly attributable to a net decrease due primarily to purchase of property, plant and equipment and intangible assets of ¥1,042 million and payments of leasehold and guarantee deposits included in “Other” of ¥362 million, as well as a net increase due primarily to proceeds from maturity of insurance funds of ¥249 million.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥1,056 million (net cash used of ¥810 million for the previous fiscal year). This is mainly attributable to a net decrease due primarily to dividends paid of ¥1,041 million.

Changes in cash flow-related indicators

	53rd term	54th term	55th term	56th term	57th term
	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Equity ratio (%)	82.4	84.1	84.0	80.9	80.2
Equity ratio based on market value (%)	43.8	45.0	40.4	41.7	62.7

Equity ratio: Equity/Total assets

Equity ratio based on market value: Market capitalization/Total assets

Interest-bearing debt to cash flow ratio: Interest-bearing debt/Cash flow

Interest coverage ratio: Cash flow/Interest payments

1. Market capitalization is calculated by multiplying the closing share price at the end of the period by the number of issued shares at the end of the period (after deducting treasury shares). The number of treasury shares deducted includes the Company’s shares held by the Board Benefit Trust (BBT).
2. As the Company has little interest-bearing debt or interest payments, the interest-bearing debt to cash

flow ratio and the interest -bearing debt are omitted.

(4) Future Outlook

Regarding the future economic outlook, although concerns remain about rising prices, instability in international affairs, fluctuation of the financial and capital markets and other issues, a gradual economic recovery is expected to continue with the progress in the normalization of economic activities and against the backdrop of an improvement in employment and income conditions.

As for the market environment surrounding the Company's business, investment in office environments for new work styles is expected to remain strong amid ongoing urban redevelopment projects mainly in the Tokyo metropolitan area. Meanwhile, in the medium- to long-term, the social environment is expected to undergo significant and dizzying changes, including a growing labor shortage due to the declining birthrate and aging population and a shrinking working-age population in Japan, soaring raw material and energy prices, and rapid progress in digitalization. The need to respond flexibly to such changes is growing.

Under this situation, in the second year of the medium-term management plan, "NEXT VISION 2028," we will steadily implement measures based on three basic policies: "Growth of existing partition business," "Creation of new products," and "Enhancement of production and logistics operations." We will strive to expand our business performance by leveraging our strengths to deepen and upgrade existing businesses, developing new products that create new space value, introducing the latest facilities, and promoting DX, with the aim of sustainably increasing our corporate value. We will also promote ESG management by resolving social issues and addressing key issues for the Company's sustainable growth to contribute to building a sustainable society.

For the next fiscal year, we forecast net sales of ¥46,000 million, operating profit of ¥3,800 million, ordinary profit of ¥3,850 million, and profit of ¥2,850 million.

(5) Basic Policy on Profit Distribution and Dividends for Fiscal Year Under Review and Next

The Company considers it most important to provide a stable and continuous return of profits to its shareholders based on the medium-term management plan "NEXT VISION 2028." The Company's basic policy is to pay dividends with a minimum dividend on equity ratio (DOE) of 3.0% while recognizing the importance of capital efficiency and maintaining a sound financial position, and to aim for steady improvement in dividend levels through the realization of sustainable growth and other efforts.

In light of this basic policy, and as a result of comprehensive consideration of its full-year business performance and other factors, the Company plans to pay a year-end dividend of ¥70 per share for the fiscal year under review, as announced in the "Notice of Dividend of Surplus (Dividend Increase)," (available in Japanese only) released on April 25, 2024. As the Company paid an interim dividend of ¥55 per share, the annual dividend for the fiscal year under review is expected to be ¥125 per share.

For the next fiscal year, the Company plans to pay an interim dividend of ¥60 per share and a year-end dividend of ¥70 per share, for an annual dividend of ¥130 per share, taking into consideration its basic policy, financial results forecast, and other factors.

*Dividend on equity ratio (DOE) = Dividend per share on common shares with a record date in the fiscal year under review / Net assets per share (average of the beginning and end of the period) x 100

2. State of the Corporate Group

As of April 25, 2024, the Company does not have any subsidiaries or affiliates, and, therefore, no description of the state of the corporate group is provided.

3. Basic Policy on Selection of Accounting Standards

At present, the Company's business is limited to Japan. Based on this, and after considering the need for future overseas business development and international financing, the Company currently intends to adopt Japanese GAAP for the time being. However, the Company intends to take proper actions for adopting IFRS, taking into account future trends in the capital market and the requests from shareholders and other stakeholders.

4. Non-consolidated Financial Statements and Primary Notes

(1) Non-consolidated Balance Sheets

(Million yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	15,579	17,640
Notes receivable - trade	1,731	1,437
Accounts receivable - trade	5,559	6,164
Contract assets	2,962	2,680
Electronically recorded monetary claims - operating	2,929	3,334
Inventories	1,023	1,123
Prepaid expenses	115	130
Other	98	28
Allowance for doubtful accounts	(0)	(0)
Total current assets	29,999	32,539
Non-current assets		
Property, plant and equipment		
Buildings	10,446	10,650
Structures	949	949
Machinery and equipment	7,476	7,547
Vehicles	145	145
Tools, furniture and fixtures	1,360	1,459
Land	4,646	4,646
Leased assets	202	202
Construction in progress	59	119
Accumulated depreciation	(13,364)	(13,954)
Total property, plant and equipment	11,922	11,767
Intangible assets		
Software	398	363
Other	21	21
Total intangible assets	420	385
Investments and other assets		
Investment securities	407	501
Investments in capital	13	13
Long-term loans receivable	5	5
Distressed receivables	7	7
Long-term prepaid expenses	13	5
Deferred tax assets	960	1,045
Other	1,017	1,191
Allowance for doubtful accounts	(6)	(6)
Total investments and other assets	2,418	2,763
Total non-current assets	14,760	14,915
Total assets	44,760	47,455

(Million yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	2,345	2,350
Lease liabilities	13	15
Accounts payable - other	1,256	1,248
Accrued expenses	179	222
Income taxes payable	732	680
Contract liabilities	121	128
Deposits received	42	41
Provision for bonuses	1,250	1,360
Provision for loss on construction contracts	—	21
Other	156	872
Total current liabilities	6,098	6,940
Non-current liabilities		
Lease liabilities	182	189
Provision for retirement benefits	1,810	1,887
Provision for retirement benefits for directors (and other officers)	86	—
Provision for share awards for directors (and other officers)	209	212
Other	147	157
Total non-current liabilities	2,437	2,447
Total liabilities	8,535	9,388
Net assets		
Shareholders' equity		
Share capital	3,099	3,099
Capital surplus		
Legal capital surplus	3,031	3,031
Other capital surplus	3	3
Total capital surplus	3,035	3,035
Retained earnings		
Legal retained earnings	301	301
Other retained earnings		
Reserve for tax purpose reduction entry of non-current assets	250	249
General reserve	14,986	14,986
Retained earnings brought forward	17,088	18,823
Total retained earnings	32,627	34,361
Treasury shares	(2,582)	(2,525)
Total shareholders' equity	36,180	37,970
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	45	96
Total valuation and translation adjustments	45	96
Total net assets	36,225	38,067
Total liabilities and net assets	44,760	47,455

(2) Non-consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales	37,772	43,551
Cost of sales		
Beginning finished goods inventory	71	66
Cost of products manufactured	15,246	16,902
Cost of purchased raw materials on work	3,492	4,396
Personal expenses on work	1,601	1,802
General expenses on work	5,199	5,937
Total	25,609	29,105
Transfer to other account	180	233
Ending finished goods inventory	66	67
Total cost of sales	25,363	28,804
Gross profit	12,408	14,746
Selling, general and administrative expenses	10,101	11,105
Operating profit	2,306	3,640
Non-operating income		
Interest income	0	0
Dividend income	11	9
Commission income	4	3
Insurance claim income	0	41
Rental income from buildings	26	19
Other	13	16
Total non-operating income	56	91
Ordinary profit	2,363	3,732
Extraordinary income		
Gain on sale of non-current assets	1	1
Gain on sale of investment securities	87	18
Total extraordinary income	89	19
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on retirement of non-current assets	6	0
Impairment losses	-	6
Loss on sale of investment securities	0	-
Total extraordinary losses	6	7
Profit before income taxes	2,446	3,744
Income taxes - current	952	1,076
Income taxes - deferred	(133)	(107)
Total income taxes	818	968
Profit	1,627	2,775

(3) Non-consolidated Statements of Changes in Equity
Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Million yen)

	Shareholders' equity		
	Share capital	Capital surplus	
		Legal capital surplus	Other capital surplus
Balance at beginning of period	3,099	3,031	3
Changes during period			
Dividends of surplus			
Profit			
Reversal of reserve for tax purpose reduction entry of non-current assets			
Purchase of treasury shares			
Disposal of treasury shares			
Net changes in items other than shareholders' equity			
Total changes during period	–	–	–
Balance at end of period	3,099	3,031	3

	Shareholders' equity			
	Retained earnings			
	Legal retained earnings	Other retained earnings		
Reserve for tax purpose reduction entry of non-current assets		General reserve	Retained earnings brought forward	
Balance at beginning of period	301	251	14,986	16,264
Changes during period				
Dividends of surplus				(804)
Profit				1,627
Reversal of reserve for tax purpose reduction entry of non-current assets		(0)		0
Purchase of treasury shares				
Disposal of treasury shares				
Net changes in items other than shareholders' equity				
Total changes during period	–	(0)	–	823
Balance at end of period	301	250	14,986	17,088

	Shareholders' equity		Valuation and translation adjustments
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities
Balance at beginning of period	(2,595)	35,343	55
Changes during period			
Dividends of surplus		(804)	
Profit		1,627	
Reversal of reserve for tax purpose reduction entry of non-current assets		–	
Purchase of treasury shares		–	
Disposal of treasury shares	13	13	
Net changes in items other than shareholders' equity			(10)
Total changes during period	13	836	(10)
Balance at end of period	(2,582)	36,180	45

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Million yen)

	Shareholders' equity		
	Share capital	Capital surplus	
		Legal capital surplus	Other capital surplus
Balance at beginning of period	3,099	3,031	3
Changes during period			
Dividends of surplus			
Profit			
Reversal of reserve for tax purpose reduction entry of non-current assets			
Purchase of treasury shares			
Disposal of treasury shares			
Net changes in items other than shareholders' equity			
Total changes during period	–	–	–
Balance at end of period	3,099	3,031	3

	Shareholders' equity			
	Retained earnings			
	Legal retained earnings	Other retained earnings		
Reserve for tax purpose reduction entry of non-current assets		General reserve	Retained earnings brought forward	
Balance at beginning of period	301	250	14,986	17,088
Changes during period				
Dividends of surplus				(1,041)
Profit				2,775
Reversal of reserve for tax purpose reduction entry of non-current assets		(0)		0
Purchase of treasury shares				
Disposal of treasury shares				
Net changes in items other than shareholders' equity				
Total changes during period	–	(0)	–	1,734
Balance at end of period	301	249	14,986	18,823

	Shareholders' equity		Valuation and translation adjustments
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities
Balance at beginning of period	(2,582)	36,180	45
Changes during period			
Dividends of surplus		(1,041)	
Profit		2,775	
Reversal of reserve for tax purpose reduction entry of non-current assets		–	
Purchase of treasury shares	(0)	(0)	
Disposal of treasury shares	57	57	
Net changes in items other than shareholders' equity			51
Total changes during period	56	1,790	51
Balance at end of period	(2,525)	37,970	96

(4) Non-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	2,446	3,744
Depreciation	1,073	1,127
Impairment losses	–	6
Increase (decrease) in allowance for doubtful accounts	(0)	0
Interest and dividend income	(12)	(10)
Decrease (increase) in trade receivables	(2,064)	(434)
Decrease (increase) in inventories	(204)	(99)
Increase (decrease) in trade payables	389	4
Increase (decrease) in provision for retirement benefits	130	77
Increase (decrease) in provision for retirement benefits for directors (and other officers)	–	(86)
Increase (decrease) in provision for share awards for directors (and other officers)	65	3
Other, net	333	1,068
Subtotal	2,155	5,400
Interest and dividends received	12	9
Income taxes paid	(491)	(1,136)
Net cash provided by (used in) operating activities	1,676	4,273
Cash flows from investing activities		
Payments into time deposits	(8,000)	(8,000)
Proceeds from withdrawal of time deposits	8,000	8,000
Purchase of property, plant and equipment	(583)	(916)
Proceeds from sale of property, plant and equipment	2	4
Purchase of intangible assets	(120)	(125)
Proceeds from sale of investment securities	150	47
Proceeds from maturity of insurance funds	–	249
Other, net	(84)	(430)
Net cash provided by (used in) investing activities	(636)	(1,171)
Cash flows from financing activities		
Repayments of lease liabilities	(5)	(15)
Purchase of treasury shares	–	(0)
Dividends paid	(804)	(1,041)
Net cash provided by (used in) financing activities	(810)	(1,056)
Net increase (decrease) in cash and cash equivalents	230	2,044
Cash and cash equivalents at beginning of period	11,246	11,476
Cash and cash equivalents at end of period	11,476	13,521

(5) Notes to Non-consolidated Financial Statements

(Notes on going concern assumption)

There are no applicable matters.

(Segment information, etc.)

[Segment information]

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

This information is omitted because the Company operates in a single segment of manufacturing, sales, and installation of partition products and their ancillary operations.

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

This information is omitted because the Company operates in a single segment of manufacturing, sales, and installation of partition products and their ancillary operations.

[Related information]

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

1. Information by product and service

(Million yen)

	Relocatable partitions	Fixed partitions	Toilet booths	Movable partitions	Low partitions	Others	Total
Net sales to outside customers	15,654	7,958	7,014	5,395	586	1,163	37,772

2. Information by region

(1) Net sales

There are no applicable matters as there are no net sales to outside customers other than in Japan.

(2) Property, plant and equipment

There are no applicable matters as there is no property, plant and equipment located in regions other than Japan.

3. Information by major customer

This information is omitted as there are no outside customers that accounted for 10% or more of total net sales in the non-consolidated statement of income.

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

1. Information by product and service

(Million yen)

	Relocatable partitions	Fixed partitions	Toilet booths	Movable partitions	Low partitions	Others	Total
Net sales to outside customers	18,316	9,184	8,033	5,963	641	1,410	43,551

2. Information by region

(1) Net sales

There are no applicable matters as there are no net sales to outside customers other than in Japan.

(2) Property, plant and equipment

There are no applicable matters as there is no property, plant and equipment located in regions other than Japan.

3. Information by major customer

This information is omitted as there are no outside customers that accounted for 10% or more of total net sales in the non-consolidated statement of income.

[Disclosure of impairment losses on non-current assets for each reportable segment]

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

There are no applicable matters.

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

This information is omitted because the Company operates in a single segment of manufacturing, sales, and installation of partition products and their ancillary operations.

[Amortization and unamortized balance of goodwill for each reportable segment]

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023) and the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

There are no applicable matters.

[Information about gain on bargain purchase for each reportable segment]

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023) and the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

There are no applicable matters.

(Notes - Equity in earnings (losses) of affiliates if equity method is applied)

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023) and the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

1. Matters concerning affiliates

There are no applicable matters as the Company has no affiliates.

2. Matters concerning special purpose entities subject to disclosure

There are no applicable matters as the Company has no special purpose entities subject to disclosure.

(Per share information)

Item	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net assets per share	¥3,900.42	¥4,083.25
Basic earnings per share	¥175.28	¥298.07

(Notes) 1. Diluted earnings per share is not stated as there are no dilutive shares.

2. In the calculation of the basic earnings per share, the Company's shares remaining in the Board Benefit Trust (BBT), which are recorded as treasury shares under shareholders' equity, are included in the number of treasury shares deducted from the average number of shares during the period. In addition, in the calculation of the net assets per share, such shares are included in the number of treasury shares deducted from the total number of issued shares at the end of the period.

The average number of such treasury shares during the period deducted in the calculation of the basic earnings per share was 179,039 shares for the fiscal year ended March 31, 2023 and 154,154 shares for the fiscal year ended March 31, 2024. The number of treasury shares at the end of the period deducted in the calculation of the net assets per share was 178,500 shares for the fiscal year ended March 31, 2023 and 143,000 shares for the fiscal year ended March 31, 2024.

3. The basis of calculation of the basic earnings per share is as follows:

Item	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Basic earnings per share		
Profit (Million yen)	1,627	2,775
Amount not attributable to common shareholders (Million yen)	–	–
Profit related to common shares (Million yen)	1,627	2,775
Average number of common shares during the period (Shares)	9,287,012	9,311,787

4. The basis for calculation of the net assets per share is as follows:

Item	As of March 31, 2023	As of March 31, 2024
Total net assets (Million yen)	36,225	38,067
Amount deducted from the total net assets (Million yen)	–	–
Net assets related to common shares at the end of the period (Million yen)	36,225	38,067
Number of common shares used in the calculation of the net assets per share at the end of the period (Shares)	9,287,551	9,322,843

(Significant subsequent events)

There are no applicable matters.

5. Other

(1) Change of officers

Changes in directors (scheduled for June 26, 2024)

1. Candidates for new directors (directors who are Audit and Supervisory Committee Members)

Masato Higa	(Currently, Executive Officer, Deputy General Manager of Administration Headquarters)
Junko Matsuyama	(Currently, Director of Korinbou Law Office; Temporary Director (Audit and Supervisory Committee Member) of the Company)

Ms. Junko Matsuyama is a candidate for outside director.

2. Retiring director

Shinichi Kaneko	(Currently, Director, Audit and Supervisory Committee Member (full-time))
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For details, please refer to the “Notice of Change of Officers” (available in Japanese only) dated April 25, 2024.

(2) Other

There are no applicable matters.