

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

May 13, 2024

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Scheduled date of the Ordinary General Meeting of Shareholders: June 25, 2024

Scheduled date of filing of securities report: June 21, 2024

Scheduled date of start of dividend payments: June 26, 2024

Supplemental materials prepared for consolidated financial results: None

Briefing on consolidated financial results: Yes

(Amounts less than one million yen have been truncated)

1. Consolidated Financial Performance for the Fiscal Year Ended March 31, 2024

(April 1, 2023 to March 31, 2024)

(1) Consolidated operating performance

(Percentage figures indicate year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2024	158,659	6.2	4,350	314.2	5,339	156.3	1,245	—
Fiscal year ended March 31, 2023	149,413	11.9	1,050	-79.2	2,083	-65.3	(3,595)	—

Note: Comprehensive income

Fiscal year ended March 31, 2024: ¥ 3,753 million (—%)

Fiscal year ended March 31, 2023: ¥ -1,165 million (—%)

	Net income per share	Diluted net income per share	Return on shareholders' equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2024	190.52	—	2.9	5.4	2.7
Fiscal year ended March 31, 2023	(550.88)	—	-8.3	2.2	0.7

Reference: Equity earnings (losses) of affiliates

Fiscal year ended March 31, 2024: ¥ 569 million

Fiscal year ended March 31, 2023: ¥ 443 million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended March 31, 2024	103,087	45,286	43.5	6,860.31
Fiscal year ended March 31, 2023	94,098	43,851	44.9	6,479.13

Reference: Shareholders' equity

As of March 31, 2024: ¥44,890 million

As of March 31, 2023: ¥42,261 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investment activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2024	16,968	(7,075)	(616)	20,204
Fiscal year ended March 31, 2023	4,376	(6,702)	(1,058)	10,361

2. Dividends

	Dividends per Share					Total Dividends Paid (Annual)	Payout Ratio (Consolidated)	Dividends per Net Assets (Consolidated)
	1Q	2Q	3Q	Year-End	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2023	—	80.00	—	0.00	80.00	523	—	1.2
Fiscal year ended March 31, 2024	—	80.00	—	100.00	180.00	1,181	94.5	2.7
Fiscal year ending March 31, 2025 (Forecast)	—	90.00	—	90.00	180.00		78.5	

3. Forecast of Consolidated Financial Performance for the Fiscal Year Ending March 31, 2025

(April 1, 2024 to March 31, 2025)

(Percentage figures indicate changes from the same period of the previous year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
2 nd Quarter ending September 30, 2024	75,000	-6.5	1,400	-34.1	1,700	-35.0	800	-30.5	122.26
Fiscal year ending March 31, 2025	159,000	0.2	4,000	-8.0	4,500	-15.7	1,500	20.5	229.24

4. Other

(1) Changes in significant subsidiaries during the period

(changes in specific subsidiaries resulting in changes in the scope of consolidation): No

(2) Changes in accounting principles, procedures, presentation methods

1) Changes associated with revision of accounting standards: None

2) Changes other than 1): None

3) Changes accounting estimation procedures: None

4) Changes in presentation methods: None

(3) Number of shares issued and outstanding (common stock)

1) Number of shares issued and outstanding at end of year (including treasury stock)

As of March 31, 2024: 6,592,411 shares

As of March 31, 2023: 6,712,411 shares

2) Number of shares of treasury stock at end of period

As of March 31, 2024: 48,944 shares

As of March 31, 2023: 189,621 shares

3) Average number of shares outstanding during the period

Fiscal year ended March 31, 2024: 6,535,679 shares

Fiscal year ended March 31, 2023: 6,527,520 shares

(Reference) Summary of Non-consolidated Financial Performance**1. Non-consolidated Financial Performance for Fiscal Year Ended March 31, 2024**

(April 1, 2023 to March 31, 2024)

(1) Non-consolidated operating performance

(Percentage figures indicate year-on-year change)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2024	75,848	4.2	1,472	29.5	7,988	28.4	1,490	—
Fiscal year ended March 31, 2023	72,783	6.6	1,136	-22.9	6,220	13.2	(1,731)	—

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended March 31, 2024	228.09	—
Fiscal year ended March 31, 2023	(265.23)	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended March 31, 2024	64,150	29,797	46.4	4,553.78
Fiscal year ended March 31, 2023	56,790	28,797	50.7	4,414.83

Reference: Shareholders' equity

As of March 31, 2024: ¥29,797 million

As of March 31, 2023: ¥28,797 million

2. Forecast of Non-Consolidated Financial Performance for the Fiscal Year Ending March 31, 2025

(April 1, 2024 to March 31, 2025)

(Percentage figures indicate changes from the same period of the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
2 nd Quarter ending September 30, 2024	37,000	-2.1	300	-65.8	2,300	-51.5	900	-55.9	137.54
Fiscal year ending March 31, 2025	78,000	2.8	1,000	-32.1	5,700	-28.6	2,000	34.2	305.65

* The consolidated financial results presented herein are not subject to the audit procedures by certified public accountant or audit firm.

* Explanations for proper use of forecasts and other specific affairs

The forward-looking statement such as forecast of financial performance etc. described in this report based on information currently available and certain assumptions judged to be reasonable. Actual performance may differ significantly from these projections due to various factors.

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1. Business Results and Qualitative Information for the Fiscal Year Ended March 31, 2024

(1) General overview of financial performance

General overview

Regarding the economic environment during the consolidated fiscal year, there was a constant need to cope with ongoing global inflation and rising labor and other costs.

Geopolitical risks such as the ongoing war in the Middle East and the deepening and prolongation of the crisis in Ukraine continue, and there remains a heightened sense of uncertainty about the future due to concerns about the Chinese economy and trends in U.S.-China relations.

On the other hand, the economic environment also provided opportunities for improved performance, such as the normalization of supply chains and rising demand for products for automobile industry, except in some regions.

Under the circumstances, the net sales of the T.RAD Group (on a foreign currency basis) increased from the same period of the previous year except China. Operating income increased from the same period of the previous year due to the increase of net sales. Profit attributable to owners of parent increased from the same period of the previous year.

As a result, net sales during the consolidated fiscal year under review increased by 9,245 million yen from the previous fiscal year, amounting to 158,659 million yen (up 6.2% year on year), operating income increased by 3,300 million yen, amounting to 4,350 million yen (up 314.2% year on year), ordinary income increased by 3,256 million yen, amounting to 5,339 million yen (up 156.3% year on year) and profit attributable to owners of parent improved by 4,841 million yen, amounting to 1,245 million yen.

The segment results are as follows.

The book-closing date for the consolidated subsidiaries for the consolidated fiscal year under review is December 31. In preparing the consolidated financial statements, the financial statements as of, and for one year period ended on this date were used. With respect to important transactions conducted during the period between this date and the book-closing date for consolidated accounting, we have made adjustments as necessary for consolidated accounting. The segments relevant to such adjustments are the United States, Europe, Asia and China.

Domestic subsidiaries have the same settlement date that coincides with the last day of the consolidated fiscal year. The corresponding segment is Other.

	Net Sales				Operating Income (Loss)			
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Increase/ Decrease	Percentage change (on a foreign currency basis)*	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Increase/ Decrease	Percentage change (on a foreign currency basis)*
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(%)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(%)
Japan	65,885	68,784	2,899	4.4	1,184	1,505	320	27.1
United States	37,540	42,127	4,586	5.0	(3,665)	(2,348)	1,316	-
Europe	5,487	5,799	312	3.1	(540)	97	638	-
Asia	19,269	21,247	1,978	5.7	2,948	3,470	522	9.8
China	20,998	20,379	-618	-10.4	1,104	1,551	447	34.0
Other(including elimination)	234	321	87	-	20	74	54	276.0
Total	149,413	158,659	9,245	-	1,050	4,350	3,300	327.9

*The percentage changes (on a foreign currency basis) in the chart are the percentage changes after correcting for differences arising from fluctuations in the foreign exchange rates applicable to overseas net sales.

(i) Japan

Net sales of products for construction industrial machines decreased from the same period of the previous fiscal year due to decreases in orders etc. However, net sales of products for automobile industry increased from the same period of the previous fiscal year due to increases in orders etc., despite the impact of the suspension of orders for some vehicle models. As a result, the net sales in the Japan segment increased by 2,899 million yen from the same period of the previous year, resulting in 68,784 million yen.

Operating income increased by 320 million yen from the same period last year, reaching 1,505 million yen, due to the successful transfer of increased materials, parts, and energy costs to sales prices.

(ii) United States

Net sales of products for automobile industry increased year on year due to the start of mass production of newly ordered models and an increase in orders received etc. Net sales of products for construction industrial machines were increased from the same period of the previous year due to an increase in orders etc. As a result, the net sales in the United States segment increased by 4,586 million yen from the same period of the previous year, resulting in 42,127 million yen. On a foreign currency basis, it increased by increased by 5.0%.

Operating income increased by 1,316 million yen year-on-year, resulting in operating loss of 2,348 million yen due to the decrease of depreciation and successful transfer of increased materials, parts, and energy costs to sales prices.

(iii) Europe

Net sales of products for automobile industry in the Czech Republic were increased from the same period of the previous year due to the commencement of mass production of models for which orders were newly received etc. As a result, the net sales in this segment increased by 312 million yen year-on-year to 5,799 million yen. On a foreign currency basis, it increased by 3.1%.

Operating income increased by 638 million yen year on year to 97 million yen, partly due to the local government's electricity cost subsidy policy.

(iv) Asia

Net sales of products for automobile industry decreased in Vietnam due to economic downturns and other factors but have increased from the same period last year in Thailand and Indonesia due to an increase in orders. As a result, the net sales in the Asia segment increased by 1,978 million yen from the same period of the previous year, resulting in 21,247 million yen. On a foreign currency basis, it increased by 5.7%.

As a result, the net sales in the Asia segment increased by 522 million yen from the same period of the previous year, resulting in 3,470 million yen. On a foreign currency basis, it increased by 9.8%.

(v) China

Net sales of products for automobile industry and construction industrial machines decreased due to a decline in orders resulting from a market downturn etc. As a result, the net sales in this segment decreased by 618 million yen from the same period of the previous year, to 20,379 million yen. On a foreign currency basis, it decreased by 10.4%.

Operating income increased by 447 million yen from the same period of the previous year, resulting in 1,551 million yen, due to the successful transfer of increased materials and parts costs to sales prices. On a foreign currency basis, it increased by 34.0%.

Outlook for the fiscal year ending March 31, 2025

Our consolidated sales for FY2024 are expected to increase in Japan and the U.S. but decrease in China and Asia, with total consolidated sales projected to be on par with the previous year. While an increase in profit is anticipated in the U.S. due to improvements in productivity, a significant decline in sales in China and Asia is expected to adversely affect profits, leading to a decrease in operating income. The profit attributable to owners of parent is expected to rise, thanks to a recovery from the impairment losses recorded for U.S. and Chinese subsidiaries in FY2023.

Therefore, we forecasts the following consolidated financial performance for the fiscal year ending March 31, 2025: net sales of 159,000 million yen (up 0.2% year on year), operating income of 4,000 million yen (down 8.0% year on year), ordinary income of 4,500 million yen (down 15.7% year on year), and profit attributable to owners of parent of 1,500 million yen (up 20.5% year on year).

As for the profit distribution for the fiscal year, we plan to pay out an interim dividend of 90 yen and a year-end dividend of 90 yen.

(2) General overview of consolidated financial position

1) Assets, liabilities and net assets

Total assets at the end of the consolidated fiscal year under review resulted in 103,087 million yen (up 8,989 million yen from the end of the previous fiscal year) due to the increase of cash and deposits, accounts receivable-trade and net defined benefit asset etc.

Liabilities resulted in 57,801 million yen (up 7,554 million yen) due to the increase of accounts payable-trade and electronically recorded obligations etc.

Net assets resulted in 45,286 million yen (up 1,435 million yen) due to the increase of foreign currency translation adjustment and net defined benefit liability etc.

2) Cash flows

The increasing and decreasing factors of each cash flow in the consolidated fiscal year under review are as follows.

Net cash provided by operating activities was 16,968 million yen, an increase of 12,592 million yen year on year due to the increase of profit before income taxes and increase of inventories and notes and accounts payable-trade etc.

Net cash used in investing activities was 7,075 million yen, a decrease of 373 million yen year on year due to the increase of capital investment etc.

As a result, free cash flow, the sum of net cash provided by operating activities and net cash used in investing activities, an increase of 12,218 million yen year-on-year. The result was a cash inflow of 9,892 million yen.

Furthermore, net cash used in financing activities was 616 million yen, an increase of 442 million yen year on year due to the increase of proceeds from long-term loans payable etc.

As an above result, cash and cash equivalents at the end of the consolidated fiscal year under review totaled 20,204 million yen, an increase of 9,843 million yen from the end of the previous fiscal year.

2. Basic Concept Behind the Selection of Accounting Standards

In order to ensure comparability between companies and over time, the T.RAD Group, which consists of T.RAD Co., Ltd. (the “Company”), prepares the Company’s consolidated financial statements based on the “Ordinance on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements (except Chapters 7 and 8)” (Ordinance of the Ministry of Finance No. 28 of 1976).

Please note that, in view of domestic and overseas circumstances, the Company intends to respond appropriately to the application of international accounting standards.

3. Consolidated Financial Statements and main notes

(1) Consolidated balance sheets

(Millions of yen)

	FY2022	FY2023
	As of March 31, 2023	As of March 31, 2024
	Amount	Amount
(Assets)		
Current assets		
Cash and deposits	10,225	20,332
Notes receivable-trade	772	1,080
Electronically recorded monetary claims-operating	2,760	3,191
Accounts receivable-trade	25,527	25,587
Short-term investment securities	489	299
Merchandise and finished goods	4,356	3,572
Work in process	795	991
Raw materials and supplies	10,718	8,985
Others	2,738	2,703
Allowance for doubtful accounts	(246)	(127)
Total current assets	58,138	66,617
Noncurrent assets		
Tangible fixed assets		
Buildings and structures	23,789	24,058
Accumulated depreciation	(17,127)	(17,883)
Building and structures, net	6,662	6,175
Machinery, equipment and vehicles	60,375	64,059
Accumulated depreciation	(46,592)	(51,364)
Machinery, equipment and vehicles, net	13,783	12,694
Land	2,444	2,509
Lease assets	2,233	2,258
Accumulated depreciation	(582)	(836)
Lease assets, net	1,650	1,422
Construction in progress	2,729	3,650
Other tangible fixed assets	32,717	34,523
Accumulated depreciation	(30,807)	(32,840)
Other tangible fixed assets, net	1,909	1,682
Total tangible fixed assets	29,179	28,135
Intangible assets		
Other intangible assets	2,153	3,125
Total intangible assets	2,153	3,125
Investments and other assets		
Investment securities	2,967	1,998
Net defined benefit asset	895	2,431
Deferred tax assets	203	226
Others	565	558
Allowance for doubtful accounts	(5)	(5)
Total investments and other assets	4,626	5,210
Total noncurrent assets	35,959	36,470
Total assets	94,098	103,087

(Millions of yen)

	FY2022	FY2023
	As of March 31, 2023	As of March 31, 2024
	Amount	Amount
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	13,886	15,685
Electronically recorded obligations - operating	4,613	5,917
Short-term loans payable	11,045	7,531
Lease obligations	410	447
Income taxes payable	544	1,089
Accrued expenses	3,528	3,793
Provision for bonuses	1,355	1,667
Provision for directors' bonuses	25	32
Provision for product warranties	661	787
Provision for loss on order received	209	228
Electronically recorded obligations - non-operating	715	482
Others	961	1,380
Total current liabilities	37,958	39,043
Noncurrent liabilities		
Long-term loans payable	8,159	14,340
Lease obligations	2,831	2,596
Deferred tax liabilities	793	1,315
Net defined benefit liability	292	294
Provision for share awards	29	44
Asset retirement obligations	92	93
Others	88	73
Total noncurrent liabilities	12,288	18,758
Total liabilities	50,246	57,801
(Net assets)		
Shareholders' equity		
Capital stock	8,570	8,570
Capital surplus	7,353	6,911
Retained earnings	22,100	22,510
Treasury stock	(452)	(114)
Total shareholders' equity	37,571	37,877
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	11	19
Foreign currency translation adjustment	3,700	5,012
Remeasurements of defined benefit plans	977	1,980
Total accumulated other comprehensive income	4,690	7,012
Non-controlling interests	1,589	396
Total net assets	43,851	45,286
Total liabilities and net assets	94,098	103,087

(2) Consolidated statements of income and consolidated statement of comprehensive income
(Consolidated statements of income)

(Millions of yen)

	FY2022	FY2023
	(Apr. 1, 2022–Mar. 31, 2023)	(Apr. 1, 2023–Mar. 31, 2024)
	Amount	Amount
Net sales	149,413	158,659
Cost of sales	137,558	143,761
Gross profit	11,855	14,898
Selling, general and administrative expenses		
Packing and delivery expenses	1,614	1,554
Provision for product warranties	709	575
Directors' compensations	207	176
Salaries and allowances	2,302	2,421
Provision for bonuses	429	497
Provision for directors' bonuses	25	32
Provision for directors' retirement benefits	44	23
Retirement benefit expenses	29	15
Welfare expenses	1,457	1,509
Depreciation	349	314
Rent expenses	479	508
Transportation and communication expenses	396	486
Research and development expenses	1,104	1,199
Entertainment expenses	22	27
Provision of allowance for doubtful accounts	59	(10)
Commission Fee	344	289
Miscellaneous expenses	1,229	926
Total selling, general and administrative expenses	10,805	10,547
Operating income (loss)	1,050	4,350
Non-operating income		
Interest income	165	248
Dividends income	5	3
Equity in earnings of affiliates	443	569
Foreign exchange gains	538	508
Others	262	310
Total non-operating income	1,415	1,639
Non-operating expenses		
Interest expenses	363	642
Others	18	8
Total non-operating expenses	382	650
Ordinary income	2,083	5,339

(Millions of yen)

	FY2022	FY2023
	(Apr. 1, 2022–Mar. 31, 2023)	(Apr. 1, 2023–Mar. 31, 2024)
	Amount	Amount
Extraordinary income		
Gain on sales of noncurrent assets	15	87
Gain on sales of investment securities	—	199
Gain on sale of shares of subsidiaries and associates	—	218
Total extraordinary income	15	505
Extraordinary loss		
Loss on retirement of noncurrent assets	140	92
Loss on sales of noncurrent assets	20	9
Impairment loss	3,507	1,623
Loss on reversal of foreign currency translation adjustment	401	—
Total extraordinary loss	4,069	1,726
Income (loss) before income taxes	(1,970)	4,118
Income taxes-current	2,140	2,710
Income taxes-deferred	(102)	72
Total income taxes	2,038	2,782
Profit (loss)	(4,009)	1,336
Profit (loss) attributable to non-controlling interests	(413)	90
Profit (loss) attributable to owners of parent	(3,595)	1,245

(Consolidated statement of comprehensive income)

(Millions of yen)

	FY2022	FY2023
	(Apr. 1, 2022–Mar. 31, 2023)	(Apr. 1, 2023–Mar. 31, 2024)
	Amount	Amount
Profit (loss)	(4,009)	1,336
Other comprehensive income		
Valuation difference on available-for-sale securities	11	7
Foreign currency translation adjustment	2,741	1,426
Remeasurements of defined benefit plans, net of tax	(70)	1,001
Share of other comprehensive income of associates accounted for using equity method	161	(18)
Total other comprehensive income	2,844	2,417
Comprehensive income	(1,165)	3,753
(Breakdown)		
Comprehensive income attributable to owners of parent	(904)	3,567
Comprehensive income attributable to non-controlling interests	(260)	185

(3) Consolidated statements of changes in net assets
 Fiscal year ended March 31, 2023(April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
As of April 1, 2022	8,570	7,352	27,004	(421)	42,505
Changes of items during the period					
Dividends from surplus			(1,307)		(1,307)
Profit(Loss) attributable to owners of parent			(3,595)		(3,595)
Purchase of treasury stock				(116)	(116)
Disposal of treasury stock		1		85	86
Retirement of treasury stock					—
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	1	(4,903)	(31)	(4,933)
As of March 31, 2023	8,570	7,353	22,100	(452)	37,571

	Valuation and translation adjustments				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total valuation and translation adjustments		
As of April 1, 2022	—	948	1,049	1,998	2,228	46,732
Changes of items during the period						
Dividends from surplus						(1,307)
Profit(Loss) attributable to owners of parent						(3,595)
Purchase of treasury stock						(116)
Disposal of treasury stock						86
Retirement of treasury stock						—
Net changes of items other than shareholders' equity	11	2,751	(71)	2,691	(638)	2,052
Total changes of items during the period	11	2,751	(71)	2,691	(638)	(2,880)
As of March 31, 2023	11	3,700	977	4,690	1,589	43,851

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

(Millions of yen)

	Shareholders' Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
As of April 1, 2023	8,570	7,353	22,100	(452)	37,571
Changes of items during the period					
Dividends from surplus			(525)		(525)
Profit attributable to owners of parent			1,245		1,245
Purchase of treasury stock				(2)	(2)
Disposal of treasury stock		(1)	(21)	51	29
Retirement of treasury stock			(288)	288	—
Change in ownership interest of parent due to transactions with non-controlling interests		(441)			(441)
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	(442)	410	337	305
As of March 31, 2024	8,570	6,911	22,510	(114)	37,877

	Valuation and translation adjustments				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total valuation and translation adjustments		
As of April 1, 2023	11	3,700	977	4,690	1,589	43,851
Changes of items during the period						
Dividends from surplus						(525)
Profit attributable to owners of parent						1,245
Purchase of treasury stock						(2)
Disposal of treasury stock						29
Retirement of treasury stock						—
Change in ownership interest of parent due to transactions with non-controlling interests						(441)
Net changes of items other than shareholders' equity	7	1,312	1,002	2,322	(1,192)	1,129
Total changes of items during the period	7	1,312	1,002	2,322	(1,192)	1,435
As of March 31, 2024	19	5,012	1,980	7,012	396	45,286

(4) Consolidated statements of cash flows

(Millions of yen)

	FY2022	FY2023
	(Apr. 1, 2022–Mar. 31, 2023)	(Apr. 1, 2023–Mar. 31, 2024)
	Amount	Amount
Net cash provided by (used in) operating activities		
Income (loss) before income taxes	(1,970)	4,118
Depreciation and amortization	6,349	6,219
Impairment loss	3,507	1,623
Retirement benefit expenses	(118)	1,375
Increase (decrease) in net defined benefit liability	123	(1,496)
Increase (decrease) in allowance for doubtful accounts	59	(132)
Increase (decrease) in provision for bonuses	(67)	308
Increase (decrease) in provision for directors' bonuses	(46)	7
Increase (decrease) in provision for product warranties	370	91
Loss on retirement of noncurrent assets	140	92
Loss (gain) on sales of tangible fixed assets	4	(77)
Loss (gain) on sales of investment securities	—	(418)
Interests and dividends income	(171)	(251)
Interests expenses	363	642
Foreign exchange losses (gains)	(57)	(190)
Equity in (earnings) losses of affiliates	(443)	(569)
Decrease (increase) in notes and accounts receivable-trade	1,050	(8)
Decrease (increase) in inventories	(2,500)	3,133
Increase (decrease) in notes and accounts payable-trade	(570)	2,504
Loss on reversal of foreign currency translation adjustment	401	—
Decrease (increase) in other current assets	(152)	244
Increase (decrease) in other current liabilities	772	532
Other, net	32	65
Subtotal	7,077	17,816
Interest and dividends income received	200	1,975
Interest expenses paid	(368)	(621)
Income taxes paid	(2,533)	(2,202)
Net cash provided by (used in) operating activities	4,376	16,968

(Millions of yen)

	FY2022	FY2023
	(Apr. 1, 2022–Mar. 31, 2023)	(Apr. 1, 2023–Mar. 31, 2024)
	Amount	Amount
Net cash provided by (used in) investing activities		
Proceeds from withdrawal of time deposits	1,550	1,787
Payments into time deposits	(1,522)	(1,849)
Purchase of tangible fixed assets	(6,093)	(6,084)
Proceeds from sales of tangible fixed assets	98	135
Purchase of intangible assets	(753)	(1,122)
Purchase of investment securities	—	(0)
Proceeds from sales of investment securities	—	203
Other, net	18	(146)
Net cash provided by (used in) investing activities	(6,702)	(7,075)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	228	(2,219)
Proceeds from long-term loans payable	3,900	6,800
Repayment of long-term loans payable	(3,031)	(2,461)
Purchase of treasury stock	(116)	—
Cash dividends paid	(1,307)	(525)
Cash dividends paid to non-controlling shareholders	(224)	(246)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	(1,610)
Others	(506)	(353)
Net cash provided by (used in) financing activities	(1,058)	(616)
Effect of exchange rate change on cash and cash equivalents	522	566
Net increase (decrease) in cash and cash equivalents	(2,861)	9,843
Cash and cash equivalents at beginning of period	13,404	10,361
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(180)	—
Cash and cash equivalents at end of period	10,361	20,204

(5) Notes concerning Consolidated Financial Statements
 (Going concern assumptions)
 Not applicable

(Consolidated statements of income)

#1 Impairment Loss:

Impairment losses were recorded in the following asset groups of the Group:

FY2022 (April 1, 2022–March 31, 2023)

Place	Purpose of use	Type	Impairment loss (Millions of yen)
The Company, Head Quarter etc. Shibuya-ku, Tokyo, Japan	Idle assets	Machinery, equipment and vehicles	9
		Construction in progress	29
		Subtotal	38
T.RAD North America, Inc. Hopkinsville, Kentucky, U.S.A	Manufacture and sales of heat exchangers	Machinery, equipment and vehicles	3,079
		Tools, furniture and fixtures	308
		Construction in progress	79
		Subtotal	3,467
		Total	3,507

The asset groups are classified on the base of managerial accounting in consideration of company category and business category. As a result of accounting for the impairment of assets based on the aforementioned grouping, regarding idle assets with no expected future use, its book value was written down to recoverable values, and the Company posted this loss as an impairment loss under extraordinary loss. The amount listed as recoverable value by each asset group have been appraised based on residual value.

In the U.S. subsidiary, the manufacturing and sales operations for heat exchangers faced a decline in profitability, making it unlikely to recover the invested amounts in the above tangible fixed assets. Consequently, the carrying amounts of these assets were reduced to their memorandum values, and the reduction was recorded as an impairment loss under extraordinary losses. The recoverable amounts of these asset groups were assessed based on their fair values. For the current fiscal year, the fair values of both asset groups were determined to be zero, leading to the recognition of an impairment loss for the carrying amounts, excluding the memorandum values.

In addition, an impairment loss of less than one million yen was recorded for a portion of the Czech subsidiary's facilities.

FY2023 (April 1, 2023–March 31, 2024)

Place	Purpose of use	Type	Impairment loss (Millions of yen)
T.RAD North America, Inc. Hopkinsville, Kentucky, U.S.A	Idle assets	Machinery, equipment and vehicles	33
		Subtotal	33
	Equipment for Manufacture and sales of aluminum heat exchangers	Machinery, equipment and vehicles	69
		Other	159
		Construction in progress	76
		Subtotal	305
	Equipment which is scheduled for end of production, out of Manufacture and sales of stainless-steel heat exchangers	Machinery, equipment and vehicles	393
		Other	22
		Subtotal	415
	Total		
T.RAD Qingdao CO., LTD. Qingdao, Shandong, China	Manufacture and sales of heat exchangers	Buildings and structures	185
		Machinery, equipment and vehicles	572
		Other	111
		Subtotal	869
Total			1,623

The asset groups are classified on the base of managerial accounting in consideration of company category and business category. As a result of accounting for the impairment of assets based on the aforementioned grouping, regarding idle assets with no expected future use in US subsidiary, its book value was written down to recoverable values, and the Company posted this loss as an impairment loss under extraordinary loss. The amount listed as recoverable value by each asset group have been appraised based on residual value.

In the U.S. subsidiary, the manufacturing and sales operations for aluminum and stainless-steel heat exchangers faced a decline in profitability, making it unlikely to recover the invested amounts in the above tangible fixed assets. Consequently, the carrying amounts of these assets were reduced to their memorandum values, and the reduction was recorded as an impairment loss under extraordinary losses. The recoverable amounts of these asset groups were assessed based on their fair values. For the current fiscal year, the fair values of both asset groups were determined to be zero, leading to the recognition of an impairment loss for the carrying amounts, excluding the memorandum values.

In addition, as to manufacture and sales of heat exchangers in above China subsidiary, regarding aforementioned tangible fixed assets were no longer expected to recover the investment amount due to the decrease in profitability. Accordingly, their book values were written down to recoverable values, and the Company posted those losses as an impairment loss under extraordinary loss. The amount listed as recoverable value by each asset group was calculated in accordance with the asset's value in usage.

(Additional information)

(Transfers between retirement benefit plans)

On April 1, 2023, the Company transferred a portion of its defined benefit corporate pension plan to a defined contribution pension plan. As a result, the Company applied the Accounting for Transfers between Retirement Benefit Plans (ASBJ Guidance No. 1, December 16, 2016) and the Practical Solution on Accounting for Transfers between Retirement Benefit Plans (PITF No. 2, February 7, 2007). No gain or loss was recognized as a result of this transition.

(Segment information)

1. General information of reportable segments

The reportable segments of the Group are components for which discrete financial information is available and whose operating results are regularly reviewed at management meetings comprising directors and officers, whereby decisions are made regarding the allocation of resources to the segments and assessments are made concerning the segments' performance.

The Group's business involves the manufacture and sales of heat exchangers for the automobile and other industries. The Company covers the business in Japan. Overseas companies cover the business of each region such as the United States, Europe (the Czech Republic and Germany), Asia (Thailand, Indonesia and Vietnam) and China. Each of these overseas corporations is an independent business unit whose operations involve the manufacture of products that are marketed in each respective area.

Therefore, our Group consists of the Company and these overseas corporations which are based on a manufacturing and sales structure. As such, "Japan," "the United States," "Europe," "Asia" and "China" are our five reportable segments.

In each reportable segment, heat exchangers for automobiles, construction, industrial machinery, air conditioners and others are manufactured and sold.

2. Calculation method for net sales, profit (loss), assets, liabilities and other items by reportable segment

The accounting method for the Group's reportable segments is complied with described in Basis for preparation of consolidated financial statements.

Net sales for reportable segments are for each production region.

Segment income is based on operating income.

Intersegment income and transfer amount are calculated based on arm's length price.

3. Net sales, profit (loss), assets and other items by reportable segments

Fiscal year ended March 31, 2023(from April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segment						Other	Total
	Japan	United States	Europe	Asia	China	Total		
Net Sales:								
Sales to outside customers	65,885	37,540	5,487	19,269	20,998	149,180	233	149,413
Intersegment sales or transfers	6,897	85	128	425	2,137	9,674	2,007	11,682
Total	72,783	37,626	5,615	19,694	23,135	158,855	2,241	161,096
Segment income (loss)	1,184	(3,665)	(540)	2,948	1,104	1,030	52	1,082
Segment assets	57,197	22,288	3,953	11,250	17,541	112,230	918	113,149
Other items								
Depreciation	2,776	1,653	109	783	914	6,236	62	6,298
Investment amount in equity-method affiliate	531	-	-	-	-	531	-	531
Increase of tangible fixed assets and intangible assets	3,489	559	382	540	631	5,604	33	5,638

Note: "Other" comprises business operations that are not categorized as reportable segments and includes the business activities of domestic subsidiaries, such as the transportation business.

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

(Millions of yen)

	Reportable segment						Other	Total
	Japan	Unites States	Europe	Asia	China	Total		
Net Sales:								
Sales to outside customers	68,784	42,127	5,799	21,247	20,379	158,338	321	158,659
Intersegment sales or transfers	7,064	57	105	541	1,703	9,473	2,039	11,512
Total	75,848	42,184	5,904	21,789	22,083	167,811	2,360	170,172
Segment income (loss)	1505	(2,348)	97	3,470	1,551	4,275	131	4,407
Segment assets	66,133	21,878	4,335	11,918	17,817	122,082	1,081	123,164
Other items								
Depreciation	3,399	965	136	826	883	6,210	53	6,263
Investment amount in equity-method affiliate	399	-	-	-	-	399	-	399
Increase of tangible fixed assets and intangible assets	4,735	602	268	725	935	7,267	31	7,298

Note: "Other" comprises business operations that are not categorized as reportable segments and includes the business activities of domestic subsidiaries, such as the transportation business.

4. Difference amount between the total amount of reportable segments and the posted amounts in the consolidated financial statements and the main contents of the difference amount (the adjustment of difference)

(Millions of yen)

Net sales	FY2022	FY2023
Total of reportable segments	158,855	167,811
Net sales of the classification "Others"	2,241	2,360
Elimination of trades among segments	(11,682)	(11,512)
Net sales in the consolidated financial statements	149,413	158,659

(Millions of yen)

Profit	FY2022	FY2023
Total of reportable segments	1,030	4,275
Profit of the classification "Others"	52	131
Elimination of trades among segments	(32)	(57)
Operating income in the consolidated financial statements	1,050	4,350

(Millions of yen)

Assets	FY2022	FY2023
Total of reportable segments	112,230	122,082
Assets of the classification "Others"	918	1,081
Elimination of trades among segments	(19,050)	(20,076)
Total assets in the consolidated financial statements	94,098	103,087

(Millions of yen)

Other items	Total of reportable segments		Other		Adjustments(Note)		Posted amounts in the consolidated financial statements	
	FY2022	FY2023	FY2022	FY2023	FY2022	FY2023	FY2022	FY2023
Depreciation	6,236	6,210	62	53	50	(44)	6,349	6,219
Investment amount to equity-method affiliate	531	399	—	—	2,393	1,558	2,924	1,958
Increase of tangible fixed assets and intangible assets	5,604	7,267	33	31	723	(92)	6,361	7,206

Note: Adjustments are as follows.

1. The adjustment of depreciation cost derives from the elimination of unrealized losses and gains related to non-current assets.
2. The adjustment of investment amount to the entities accounted for using equity method derives from investment profit on equity method.
3. The adjustment of increased amounts of tangible fixed assets and intangible assets are as follows.
Elimination of unrealized losses and gains related to non-current assets: (92) million yen

(Supplementary information)
Sales states (consolidated)

(Millions of yen)

	FY2022 (April 1, 2022 to March 31, 2023)		FY2023 (April 1, 2023 to March 31, 2024)		Increase/Decrease	
	Amount	%	Amount	%	Amount	%
For Automobile	114,417	76.5	124,318	78.4	9,901	8.7
For construction & industrial machine	30,283	20.3	29,550	18.6	-732	-2.4
For Air conditioner	2,090	1.4	2,340	1.5	249	11.9
Other	2,622	1.8	2,450	1.5	-172	-6.6
Total	149,413	100.0	158,659	100.0	9,245	6.2

Notes: Amounts less than one million yen have been truncated.

(Per share information)

	FY2022 (April 1, 2022–March 31, 2023)	FY2023 (April 1, 2023–March 31, 2024)
Net assets per share:	¥6,479.13	¥6,860.31
Net income(loss) per share:	¥(550.88)	¥190.52

(Note) 1. Diluted net income per share is not listed for the consolidated fiscal year under review, as there are no potential shares that have dilutive effects on per-share net income.

2. The number of treasury stock shares at the end of this fiscal year includes the Company's shares held by Custody Bank of Japan, Ltd. (Trust Account E), which were set up in the introduction of the Stock Benefit Trust (J-ESOP) and treated as treasury stock. Therefore, the number of shares is included in the number of treasury stock shares deducted from the number of shares issued and outstanding at the end of the fiscal year for the calculation of net assets per share. The number of treasury stock shares is included in the number of shares deducted from the average number of shares during the period for the calculation of net income per share. In the previous consolidated fiscal year, the number of shares deducted for the calculation of net assets per share was 22,100, and the number of shares deducted for the calculation of net loss per share was 18,416. The number of shares deducted from the calculation of net assets per share in this consolidated fiscal year is 21,900, and the number of shares deducted from the calculation of net income per share is 21,975.
3. Basis for calculation of net income(loss) per share as follows.

	FY2022 (April 1, 2022–March 31, 2023)	FY2023 (April 1, 2023–March 31, 2024)
Net income(loss) per share		
Profit(Loss) attributable to owners of parent (Millions of yen)	(3,595)	1,245
Amount that is not attributable to shares of common stock (Millions of yen)	—	—
Profit(Loss) attributable to owners of parent related to shares of common stock (Millions of yen)	(3,595)	1,245
Average number of shares of common stock during the period (Thousands)	6,527	6,535

(Omitted disclosure)

Disclosure of the statement of comprehensive income, lease transactions, information on related parties, financial products, securities, derivative transactions, retirement benefits, stock options, tax-effect accounting, asset retirement obligations, and notes related to the rental property are omitted because disclosure of such information is deemed to be insignificant.

(Significant subsequent events)

Not applicable

4. Non-Consolidated Financial Statements and main notes

(1) Non-consolidated balance sheets

(Millions of yen)

	FY2022	FY2023
	As of March 31, 2023	As of March 31, 2024
	Amount	Amount
(Assets)		
Current assets		
Cash and deposits	1,779	5,272
Notes receivable-trade	37	—
Electronically recorded monetary claims-operating	2,760	3,191
Accounts receivable-trade	16,857	16,909
Short-term investment securities	489	299
Merchandise and finished goods	1,570	1,560
Work in process	1,003	876
Raw materials and supplies	1,521	2,144
Prepaid expenses	127	125
Accounts receivable-other	2,438	2,111
Other current assets	8	7
Total current assets	28,594	32,500
Noncurrent assets		
Tangible Fixed Assets		
Buildings	13,995	13,790
Accumulated depreciation	(10,655)	(10,732)
Buildings, net	3,339	3,057
Structures	1,654	1,662
Accumulated depreciation	(1,371)	(1,388)
Structures, net	283	274
Machinery and equipment	27,304	28,626
Accumulated depreciation	(21,386)	(22,181)
Machinery and equipment, net	5,918	6,445
Vehicles	116	146
Accumulated depreciation	(106)	(118)
Vehicles, net	10	27
Tools, furniture and fixtures	25,806	26,769
Accumulated depreciation	(24,833)	(25,894)
Tools, furniture and fixtures, net	973	874
Land	1,771	1,782
Lease assets	6	6
Accumulated depreciation	(2)	(3)
Lease assets, net	4	2
Construction in progress	1,497	1,583
Other, net	0	0
Total Tangible Fixed Assets	13,798	14,047
Intangible assets		
Software	325	414
Other intangible assets	1,377	2,253
Total intangible assets	1,703	2,668

(Millions of yen)

	FY2022	FY2023
	As of March 31, 2023	As of March 31, 2024
	Amount	Amount
Investments and other assets		
Investment securities	42	40
Stocks of subsidiaries and affiliates	4,717	5,868
Investments in capital	65	73
Investments in capital of subsidiaries and affiliates	6,738	7,807
Long-term prepaid expenses	6	11
Insurance funds	49	16
Deferred tax assets	950	997
Others	129	126
Allowance for doubtful accounts	(5)	(5)
Total investments and other assets	12,693	14,934
Total noncurrent assets	28,196	31,650
Total assets	56,790	64,150
	(Liabilities)	
Current liabilities		
Electronically recorded obligations – operating	4,613	5,917
Accounts payable-trade	7,567	7,624
Short-term loans payable	2,640	940
Lease obligations	1	1
Accounts payable-other	414	385
Income taxes payable	154	515
Accrued consumption taxes	—	188
Accrued expenses	1,636	1,620
Advances received	21	7
Deposits received	62	124
Provision for bonuses	1,292	1,600
Provision for directors’ bonuses	25	32
Provision for product warranties	45	35
Electronically recorded obligations - non-operating	715	482
Others	9	7
Total current liabilities	19,200	19,483
Noncurrent liabilities		
Long-term loans payable	8,150	14,340
Lease obligations	3	1
Provision for retirement benefits	515	391
Provision for share awards	28	42
Asset retirement obligations	63	63
Others	32	30
Total noncurrent liabilities	8,793	14,869
Total liabilities	27,993	34,352

(Millions of yen)

	FY2022	FY2023
	As of March 31, 2023	As of March 31, 2024
	Amount	Amount
(Net assets)		
Shareholders' equity		
Capital stock	8,570	8,570
Capital surplus		
Legal capital surplus	7,331	7,331
Other capital surplus	1	—
Total capital surplus	7,332	7,331
Retained earnings		
Legal retained earnings	1,097	1,097
Other retained earnings		
Reserve for dividends	500	500
Reserve for special account for advanced depreciation of noncurrent assets	110	100
General reserve	8,130	8,130
Retained earnings brought forward	3,496	4,163
Total retained earnings	13,334	13,991
Treasury stock	(452)	(114)
Total shareholders' equity	28,785	29,777
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	11	19
Total valuation and translation adjustments	11	19
Total net assets	28,797	29,797
Total liabilities and net assets	56,790	64,150

(2) Non-consolidated statements of income

(Millions of yen)

	FY2022	FY2023
	(Apr. 1, 2022–Mar. 31, 2023)	(Apr. 1, 2023–Mar. 31, 2024)
	Amount	Amount
Net sales	72,783	75,848
Cost of sales		
Beginning finished goods	1,435	1,440
Cost of products manufactured	59,202	61,540
Purchase of finished goods	1,394	1,412
Transfer from other account	4,040	4,392
Total	66,072	68,785
Finished goods transfer to other account	189	235
Ending finished goods	1,440	1,395
Cost of finished goods sold	64,443	67,154
Gross profit	8,339	8,694
Selling, general and administrative expenses		
Packing and delivery expenses	2,640	2,586
Advertising expenses	24	22
Provision for product warranties	45	5
Directors' compensations	179	153
Salaries and allowances	1,051	1,068
Provision for bonuses	310	372
Provision for directors' bonuses	25	32
Provision for retirement benefits	68	27
Welfare expenses	439	435
Depreciation	183	134
Repair expenses	122	119
Taxes and dues	101	106
Rent expenses	340	358
Transportation and communication expenses	249	327
Provision for share awards	28	14
Research and development expenses	1,008	1,105
Insurance expenses	10	12
Stationery expenses	33	36
Entertainment expenses	8	15
Commission Fee	216	226
Miscellaneous expenses	113	61
Total selling, general and administrative expense	7,203	7,222
Operating income (loss)	1,136	1,472
Non-operating income		
Interest income	—	41
Interest on securities	1	0
Dividends income	4,641	6,049
Foreign exchange gains	324	322
Others	166	172
Total non-operating income	5,133	6,587

(Millions of yen)

	FY2022	FY2023
	(Apr. 1, 2022–Mar. 31, 2023)	(Apr. 1, 2023–Mar. 31, 2024)
	Amount	Amount
Non-operating expenses		
Interest expenses	45	63
Others	4	8
Total non-operating expenses	49	71
Ordinary income	6,220	7,988
Extraordinary income		
Gain on sales of noncurrent assets	0	73
Gain on sales of investment securities	—	199
Total extraordinary income	0	272
Extraordinary Loss		
Loss on sales of noncurrent assets	2	0
Loss on retirement of noncurrent assets	119	76
Impairment loss	38	—
Loss on sale of shares of subsidiaries and associates	—	130
Loss on valuation of shares of subsidiaries and associates	6,362	3,877
Loss on valuation of investments in capital of subsidiaries and affiliates	692	1,405
Total extraordinary loss	7,215	5,489
Income before income taxes	(994)	2,771
Income taxes-current	770	1,327
Income taxes-deferred	(33)	(47)
Total income taxes	737	1,280
Net income(loss)	(1,731)	1,490

(3) Non-consolidated statements of changes in net assets
Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' Equity									
	Capital stock	Capital Surplus			Retained Earnings					
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings				Total retained earnings
						Reserve for dividends	Reserve for advanced depreciation of non-current assets	General reserve	Retained earnings brought forward	
As of April 1, 2022	8,570	7,331	—	7,331	1,097	500	110	8,130	6,535	16,374
Changes of items during the period										
Provision of reserve for advanced depreciation of non-current assets										—
Reversal of reserve for advanced depreciation of non-current assets										—
Dividends from surplus									(1,307)	(1,307)
Net income(loss)									(1,731)	(1,731)
Purchase of treasury stock										
Disposal of treasury stock			1	1						
Retirement of treasury stock										
Net changes of items other than shareholders' equity										
Total changes of items during the period	—	—	1	1	—	—	—	—	(3,039)	(3,039)
As of March 31, 2023	8,570	7,331	1	7,332	1,097	500	110	8,130	3,496	13,334

	Shareholders' Equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total Shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
As of April 1, 2022	(421)	31,854	—	—	31,854
Changes of items during the period					
Provision of reserve for advanced depreciation of non-current assets		—			—
Reversal of reserve for advanced depreciation of non-current assets		—			—
Dividends from surplus		(1,307)			(1,307)
Net income(loss)		(1,731)			(1,731)
Purchase of treasury stock	(116)	(116)			(116)
Disposal of treasury stock	85	86			86
Retirement of treasury stock		—			—
Net changes of items other than shareholders' equity			11	11	11
Total changes of items during the period	(31)	(3,069)	11	11	(3,057)
As of March 31, 2023	(452)	28,785	11	11	28,797

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

(Millions of yen)

	Shareholders' Equity									
	Capital stock	Capital Surplus			Legal retained earnings	Retained Earnings				
		Legal capital surplus	Other capital surplus	Total capital surplus		Other retained earnings				Total retained earnings
					Reserve for dividends	Reserve for advanced depreciation of non-current assets	General reserve	Retained earnings brought forward		
As of April 1, 2023	8,570	7,331	1	7,332	1,097	500	110	8,130	3,496	13,334
Changes of items during the period										
Provision of reserve for advanced depreciation of non-current assets										—
Reversal of reserve for advanced depreciation of non-current assets							(10)		10	—
Dividends from surplus									(525)	(525)
Net income									1,490	1,490
Purchase of treasury stock										
Disposal of treasury stock			(1)	(1)					(21)	(21)
Retirement of treasury stock									(288)	(288)
Net changes of items other than shareholders' equity										
Total changes of items during the period	—	—	(1)	(1)	—	—	(10)	—	666	656
As of March 31, 2024	8,570	7,331	—	7,331	1,097	500	100	8,130	4,163	13,991

	Shareholders' Equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total Shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
As of April 1, 2023	(452)	28,785	11	11	28,797
Changes of items during the period					
Provision of reserve for advanced depreciation of non-current assets		—			—
Reversal of reserve for advanced depreciation of non-current assets		—			—
Dividends from surplus		(525)			(525)
Net income		1,490			1,490
Purchase of treasury stock	(2)	(2)			(2)
Disposal of treasury stock	51	29			29
Retirement of treasury stock	288	—			—
Net changes of items other than shareholders' equity			7	7	7
Total changes of items during the period	337	992	7	7	1,000
As of March 31, 2024	(114)	29,777	19	19	29,797

(4) Notes concerning non-consolidated financial statement
(Going concern assumptions)
Not applicable

(Additional information)

(Transfers between retirement benefit plans)

On April 1, 2023, the Company transferred a portion of its defined benefit corporate pension plan to a defined contribution pension plan. As a result, the Company applied the Accounting for Transfers between Retirement Benefit Plans (ASBJ Guidance No. 1, December 16, 2016) and the Practical Solution on Accounting for Transfers between Retirement Benefit Plans (PITF No. 2, February 7, 2007). No gain or loss was recognized as a result of this transition.

(Significant subsequent events)

Not applicable