

(Reference Translation)



May 10, 2024

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 <under Japanese GAAP>

Company name: MIKUNI CORPORATION
Listing: Prime Market of the Tokyo Stock Exchange
Securities code: 7247
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Scheduled date of Ordinary General Meeting of Shareholders: June 26, 2024
Scheduled date to commence dividend payments: June 27, 2024
Scheduled date to file the Annual Securities Report: June 26, 2024
Preparation of supplementary material on financial results: Yes
Holding of financial results presentation meeting: Yes (for institutional investors and analysts)

(Millions of yen with fractional amounts discarded, 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. Figures in parentheses are negative figures.)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	99,941	6.5	3,672	18.9	3,161	19.6	1,115	-
March 31, 2023	93,847	16.2	3,089	(6.9)	2,644	(15.7)	(1,682)	-

(Note) Comprehensive income Fiscal year ended March 31, 2024 8,800 million yen [- %]
Fiscal year ended March 31, 2023 714 million yen [(79.4)%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	yen	yen	%	%	%
March 31, 2024	33.19	-	3.1	3.0	3.7
March 31, 2023	(50.13)	-	(5.4)	2.7	3.3

Reference: Share of income (loss) of entities accounted for using equity method
Fiscal year ended March 31, 2024 19 million yen
Fiscal year ended March 31, 2023 7 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	yen
March 31, 2024	111,536	40,598	35.6	1,180.23
March 31, 2023	100,108	32,199	31.4	936.50

Reference: Equity Fiscal year ended March 31, 2024 39,715 million yen
Fiscal year ended March 31, 2023 31,431 million yen

(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
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	3,065	(5,052)	1,159	3,114
March 31, 2023	4,880	(5,441)	(940)	3,712

2. Dividends

	Annual dividends					Total dividends (Total)	Dividend 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	Millions of yen	%	%
Fiscal year ended March 31, 2023	-	5.00	-	5.00	10.00	340	-	1.1
Fiscal year ended March 31, 2024	-	5.00	-	15.00	20.00	680	60.3	1.9
Fiscal year ending March 31, 2025 (Forecast)	-	6.00	-	8.00	14.00		29.4	

Year-end dividend for the fiscal year ending March 31, 2024 (Forecast) of 15.00 yen includes a commemorative dividend of 10.00 yen on the 100th anniversary of the Company's founding.

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes. Figures in parentheses are negative figures.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Fiscal year ending March 31, 2024	104,000	4.1	4,300	17.1	3,500	10.7	1,600	43.4	47.58

*** Notes**

- (1) Changes in significant subsidiaries during the fiscal year under review (changes in specified subsidiaries resulting in changes in the scope of consolidation): None

New: - companies (company names), Excluded: - companies (company names)

- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

[1] Changes in accounting policies due to revisions to accounting standards and other regulations: None

[2] Changes in accounting policies due to other reasons: None

[3] Changes in accounting estimates: None

[4] Restatement of prior period financial statements after error corrections: None

- (3) 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	34,049,423 shares
As of March 31, 2023	34,049,423 shares

- [2] Number of treasury shares at the end of the period

As of March 31, 2024	399,092 shares
As of March 31, 2023	486,694 shares

- [3] Average number of shares during the period

Fiscal year ended March 31, 2024	33,624,697 shares
Fiscal year ended March 31, 2023	33,560,925 shares

- (Note) The Company's shares held by the "Management Board Incentive Plan (BIP) Trust" and "Employee Stock Ownership Plan (ESOP) Trust" are included in the number of treasury shares at the end of the period (362,580 as of March 31, 2024 and 450,580 shares as of March 31, 2023).

In addition, the Company's shares held by the "Management Board Incentive Plan (BIP) Trust" and "Employee Stock Ownership Plan (ESOP) Trust" are included in treasury shares, which are deducted in calculating the average number of shares during the period. (388,372 shares in the fiscal year ended March 31, 2024 and 452,580 shares in the fiscal year ended March 31, 2023)

(Reference) Summary of non-consolidated financial results

**Non-consolidated financial results for the fiscal year ended March 31, 2024
(from April 1, 2023 to March 31, 2024)**

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes. Figures in parentheses are negative figures.)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	43,844	6.9	(1,588)	-	1,144	132.5	701	-
March 31, 2023	40,999	5.4	(1,603)	-	492	(64.6)	1	(99.9)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	yen	yen
March 31, 2024	20.87	-
March 31, 2023	0.05	-

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	yen
March 31, 2024	68,520	24,231	35.4	720.09
March 31, 2023	61,628	19,432	31.5	578.98

(Reference) Equity As of March 31, 2024 24,231 million yen
As of March 31, 2023 19,432 million yen

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

* Disclaimer regarding forward-looking statements

1. The company plans to hold a briefing for institutional investors and analysts on May 21, 2024. It also plans to publish the supplementary explanatory materials on the financial results to be distributed at this briefing on the company's website.
2. The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company at the time of the release of these materials. Actual results may differ from the forecasts due to various factors.

[Attached Material]

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1. Overview of operating results and others

(1) Overview of operating results for the fiscal year

During the fiscal year under review (April 1, 2023 to March 31, 2024), the Japanese economy continued its moderate recovery and the negative interest rate policy was cancelled at the end of the fiscal year. Overseas, while monetary tightening to suppress inflation continued, centered on the US and Europe, an economy slowdown became clear in China and further monetary easing advanced. In the foreign exchange market, yen depreciation accelerated and with heightened geopolitical risks such as the situation in Ukraine and military conflict in the Middle East, overall, the future continues to be uncertain. In this business environment, the Group's net sales amounted to 99,941 million yen (up 6.5% year-on-year) due to an increase in sales in the mainstay Mobility Business. In addition, due in part to the improvement of profit margins in Trading Company Business and the effect of yen depreciation on exchange rates, operating income amounted to 3,672 million yen (up 18.9% year-on-year), ordinary income amounted to 3,161 million yen (up 19.6% year-on-year) and net income attributable to owners of parent stood at 1,115 million yen (net loss attributable to owners of parent of 1,682 million yen in the previous fiscal year).

The reportable segments have been changed as follows from the fiscal year under review. The former "Automobile-related Products Business" has changed name to "Mobility Business" and "Household Appliances Device Products Business" to "Gas Techno Business." Furthermore, in association with a review of the business portfolio from the management approach, "Aircraft Component Import and Sales Business" and "Turf-care Equipment, etc. Sales Business" have been integrated as "Trading Company Business," and the vehicle heating equipment manufacture and sales business, which was included in "Other Businesses," has been included in "Mobility Business."

Operating results by segment are as follows.

<Mobility Business>

Sales in this business, which centers on the manufacture and sale of fuel supply systems for automobiles, motorcycles, and general purpose engines and engine-related functional components were 83,445 million yen (up 7.8% year-on-year), because good conditions continued to be maintained in the Indian market from last year in addition to the impacts of parts shortages in supply chains easing. On the other hand, operating income ended at 3,228 million yen (down 2.4% year-on-year) in association with changes in sales product composition due to factors such as demand for parts for large motorcycles and outboard motors becoming sluggish following the sudden rises in interest rates in Europe and the US in particular.

<Gas Techno Business>

Sales in this business, which centers on the manufacture and sale of control systems for gas appliances and water appliances, were 5,960 million yen (down 12.2% year-on-year) as demand for residential products stagnated while the real estate slump became more serious in China. On the other hand, operating income ended at 546 million yen (operating loss of 636 million yen in the previous fiscal year) due to the further promotion of cost reductions in this business.

<Trading Company Business>

In this business centered on imports and sales of aircraft components, turf-care equipment, etc., net sales were 8,089 million yen (up 10.0% year-on-year) due in part to demand for turf care equipment performing strongly in addition to the recovery of production of civil aircraft in association with the normalization of social activities. In addition, operating income ended at 939 million yen (up 128.4% year-on-year) due to the expansion of handled products and services, etc.

<Other Businesses>

Net sales in this segment were 2,446 million yen (up 6.1% year-on-year) and operating income was 51 million yen (up 690.6% year-on-year) because manufacturing and sales of the mainstay welfare and care devices remained solid.

[Comparison of operating results by segment]

(Millions of yen)

	Fiscal year ended March 31, 2023		Fiscal year ended March 31, 2024		Change in net sales		Change in operating income	
	Net sales	Operating income	Net sales	Operating income	Amount	Ratio	Amount	Ratio
Mobility Business	77,401	3,307	83,445	3,228	6,043	7.8%	(79)	(2.4%)
Gas Techno Business	6,786	(636)	5,960	(546)	(826)	(12.2%)	89	-
Trading Company Business	7,352	411	8,089	939	737	10.0%	528	128.4%
Other Businesses	2,306	6	2,446	51	139	6.1%	44	690.6%
Total	93,847	3,089	99,941	3,672	6,094	6.5%	583	18.9%
Reference: exchange rate	1 USD = 131.62 yen		1 USD = 140.67 yen					

- (Notes)
1. The figures inside parentheses in the row presenting operating income indicate the amount of operating loss.
 2. Amounts less than one million yen are discarded.
 3. “-” indicates a negative change in the current fiscal year or the previous fiscal year or both.

[Reference] Performance trends for each quarter from the fiscal year ended March 31, 2023 to fiscal year ended March 31, 2024

(Millions of yen)

		Fiscal year ended March 31, 2023				Fiscal year ended March 31, 2024			
		First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter
Mobility Business	Net sales	17,261	19,710	19,807	20,622	19,550	20,519	21,402	21,972
	Operating income	470	267	1,012	1,556	622	392	587	1,625
Gas Techno Business	Net sales	1,389	1,748	2,012	1,635	1,298	1,501	1,608	1,552
	Operating income	(209)	(317)	(46)	(62)	(167)	(176)	(69)	(133)
Trading Company Business	Net sales	1,477	2,120	1,753	2,001	1,875	2,039	2,169	2,004
	Operating income	155	353	118	(215)	114	391	367	65
Other Businesses	Net sales	509	594	588	614	555	602	605	683
	Operating income	(1)	5	(25)	28	(6)	16	12	27
Total	Net sales	20,637	24,173	24,161	24,874	23,279	24,663	25,786	26,212
	Operating income	415	308	1,057	1,307	562	624	898	1,585

- (Notes)
1. The figures inside parentheses in the row presenting operating income indicate the amount of operating loss.
 2. Amounts less than one million yen are discarded.

Future outlook

As for future global economic trends, while economic stability is expected to continue, it is anticipated the situation will fluctuate due to various risks such as interest rates remaining high in the US and Europe, in addition to geopolitical risks becoming more serious. In the supply chain, although there are still concerns over cost increases due to natural disasters and problems related to shortages in transportation capacity, the Company will strive to respond accurately, including reflecting increases flexibly in selling prices as appropriate.

In view of this operating environment, the Group's forecast of consolidated business results for the next period (fiscal year ending March 31, 2025) as of the time of writing is as follows.

Consolidated earnings forecasts for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Basic earnings per share (Yen)
Current forecast	104,000	4,300	3,500	1,600	47.58
Results for the current fiscal year	99,941	3,672	3,161	1,115	33.19

(Note) The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ from the forecasts due to various factors.

(2) Overview of financial position for the fiscal year

a. Assets, liabilities and net assets

(Assets)

Total assets at the end of the fiscal year under review amounted to 111,536 million yen, an increase of 11,428 million yen from the previous fiscal year-end.

Current assets amounted to 57,036 million yen, an increase of 3,633 million yen from the previous fiscal year-end. This was mainly due to an increase in accounts receivable - trade of 940 million yen and an increase in inventories of 2,533 million yen.

Non-current assets amounted to 54,500 million yen, an increase of 7,794 million yen from the previous fiscal year-end. This was mainly due to an increase of 6,333 million yen in investment securities.

(Liabilities)

Total liabilities at the end of the fiscal year under review amounted to 70,937 million yen, an increase of 3,028 million yen from the previous fiscal year-end.

Current liabilities amounted to 43,260 million yen, an increase of 5,681 million yen from the previous fiscal year-end. This was mainly due to an increase of 5,924 million yen in short-term borrowings.

Non-current liabilities amounted to 27,677 million yen, a decrease of 2,653 million yen from the previous fiscal year-end. This was mainly due to a decrease of 3,769 million yen in long-term borrowings, although deferred tax liabilities increased by 1,770 million yen.

(Net assets)

Net assets amounted to 40,598 million yen, an increase of 8,399 million yen from the previous fiscal year-end. This was mainly due to an increase of 4,411 million yen in the valuation difference on available-for-sale securities.

b. Cash flows

Cash and cash equivalents (hereinafter, “cash”) for the fiscal year under review decreased by 598 million yen from the previous fiscal year-end, to 3,114 million yen.

The respective cash flow positions for the fiscal year under review are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities in the fiscal year under review was 3,065 million yen (4,880 million yen was provided in the previous fiscal year). This was due mainly to the cash increasing factor of depreciation of 5,493 million yen exceeding the cash decreasing factor of an increase in inventories of 1,622 million yen.

(Cash flows from investing activities)

Net cash used in investing activities in the fiscal year under review amounted to 5,052 million yen (5,441 million yen was used in the previous fiscal year). This was mainly due to 6,112 million yen in the purchase of non-current assets.

(Cash flows from financing activities)

Net cash used in financing activities in the fiscal year under review was 1,159 million yen (940 million yen was provided in the previous fiscal year). This was due mainly to the net increase of 2,122 million yen in borrowings.

(3) Basic policy for distributing incomes, and dividends for the fiscal year under review and next fiscal year

The Company, taking into consideration the operating results of the fiscal year and future business development, has a basic policy regarding dividends from surplus, etc. of carrying out result-based distributions in a stable manner based on a medium- to long-term perspective.

For this fiscal year, the Company has decided to implement a commemorative dividend to express our gratitude to shareholders because the Company celebrated the 100th anniversary since its founding on October 1, 2023. We plan to submit a proposal at the 102nd Ordinary General Meeting of Shareholders, which is scheduled to be held on June 26, 2024, for a year-end dividend of 15 yen per share of common shares of the Company (including a 100th anniversary commemorative dividend of 10 yen). In combination with the interim dividend of 5 yen per share of common shares, this will result in an annual dividend of 20 yen per share (including the 100th anniversary commemorative dividend of 10 yen).

Regarding projected dividends for the next fiscal year (ending March 31, 2025), the Company expects, based on earnings forecasts and current forecasts of the financial position, to pay a regular interim dividend of 6 yen per share of common shares and a regular year-end dividend of 8 yen per share, giving a projected annual dividend of 14 yen per share.

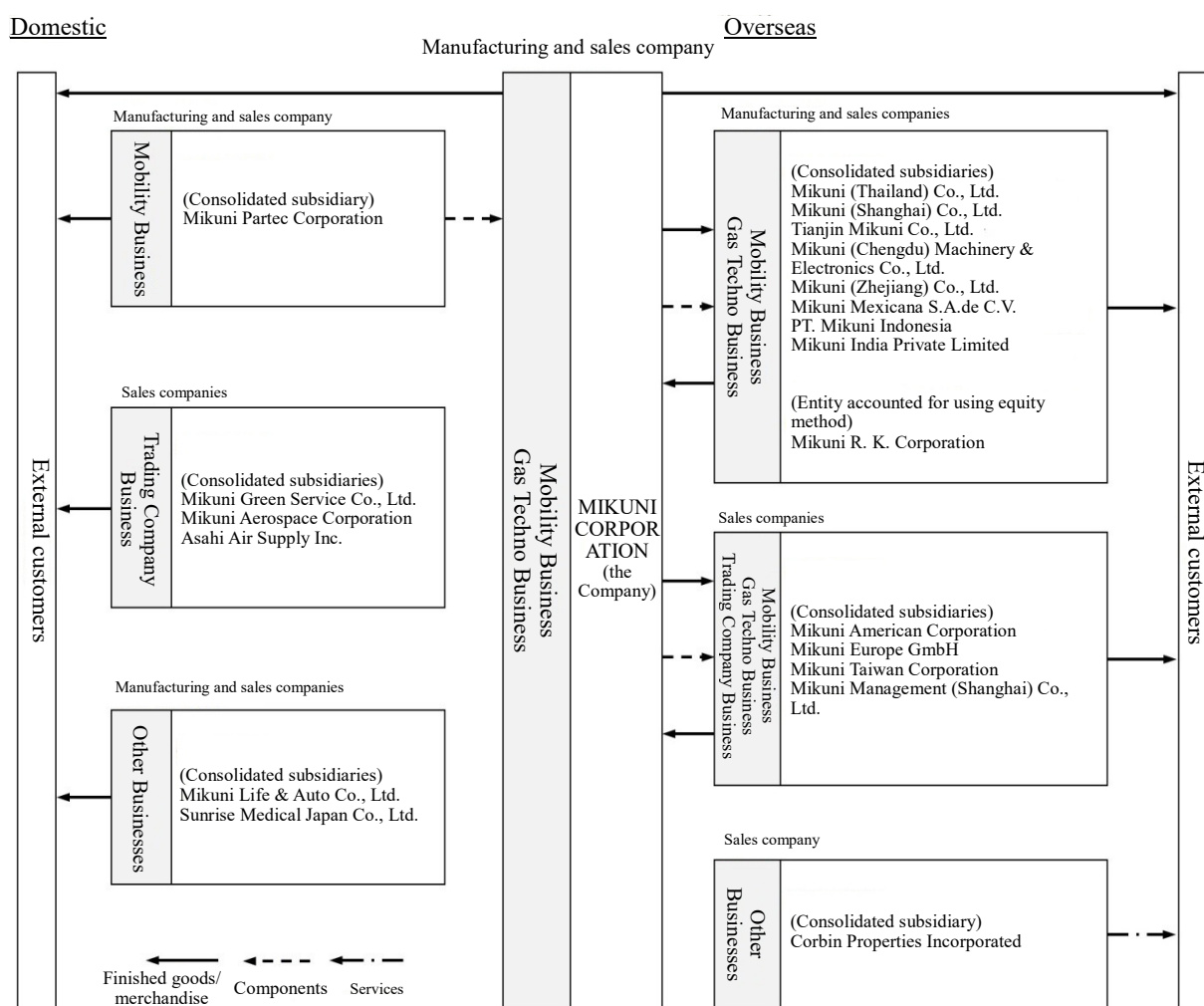
(Note) The forecasts for the next fiscal year contained in these materials are forward-looking statements including risks and uncertainties. Therefore, the actual results may differ from the forecasts stated herein due to changes of various factors.

2. Status of the corporate group

The Group (the Company and its affiliates) consists of the Company (MIKUNI CORPORATION), 23 subsidiaries, and an associate. The Group is engaged in manufacturing and sales of fuel injection-related products, carburetors, heaters, pumps, gas control devices, etc., the import and sales of aircraft components, the import and sales of turf-care equipment, etc., and real estate leasing and other services.

Business organization chart

Business is classified into the reportable segments of “Mobility Business,” “Gas Techno Business” and “Trading Company Business.” The business organization chart of the Group as of March 31, 2024 (showing the Company and its main affiliates) is shown below.



3. Basic concept regarding selection of accounting standards

The Group has prepared the consolidated financial statements in accordance with Japanese GAAP, and there is no immediate plan to change its accounting standards. Concerning the policy for the application of IFRS, the Group will respond to this issue appropriately while giving consideration to various circumstances in Japan and overseas.

4. Consolidated financial statements and significant notes thereto

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	3,712	3,114
Notes receivable - trade	134	111
Accounts receivable - trade	19,930	20,871
Contract assets	109	16
Electronically recorded monetary claims - operating	2,090	2,325
Merchandise and finished goods	12,752	14,441
Work in process	6,441	7,010
Raw materials and supplies	3,300	3,576
Other,	5,072	5,643
Allowance for doubtful accounts	(143)	(74)
Total current assets	53,402	57,036
Non-current assets		
Property, plant and equipment		
Buildings and structures	33,865	36,584
Accumulated depreciation	(25,430)	(26,523)
Buildings and structures, net	8,435	10,061
Machinery, equipment and vehicles	54,713	55,580
Accumulated depreciation	(42,864)	(43,902)
Machinery, equipment and vehicles, net	11,849	11,678
Tools, furniture and fixtures	21,207	20,973
Accumulated depreciation	(18,934)	(18,415)
Tools, furniture and fixtures, net	2,273	2,557
Land	11,701	11,590
Construction in progress	3,490	3,217
Total property, plant and equipment	37,749	39,105
Intangible assets		
Software	499	453
Other	298	288
Total intangible assets	797	742
Investments and other assets		
Investment securities	6,453	12,786
Long-term loans receivable	53	58
Deferred tax assets	733	800
Other	1,076	1,164
Allowance for doubtful accounts	(157)	(157)
Total investments and other assets	8,158	14,653
Total non-current assets	46,705	54,500
Total assets	100,108	111,536

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,174	9,898
Electronically recorded obligations - operating	1,929	2,167
Contract liabilities	770	964
Short-term borrowings	10,808	16,733
Current portion of long-term borrowings	4,101	5,056
Lease liabilities	366	363
Accounts payable - other	1,835	1,998
Income taxes payable	417	212
Accrued expenses	2,703	2,544
Provision for bonuses	1,444	1,710
Provision for product warranties	284	227
Provision for production sites reorganization	1,418	-
Other	1,324	1,384
Total current liabilities	37,579	43,260
Non-current liabilities		
Long-term borrowings	20,825	17,055
Lease liabilities	598	575
Deferred tax liabilities	2,875	4,646
Deferred tax liabilities for land revaluation	2,249	2,249
Provision for management board incentive plan trust	76	81
Provision for share awards	31	19
Retirement benefit liability	2,979	2,326
Other	694	723
Total non-current liabilities	30,330	27,677
Total liabilities	67,909	70,937
Net assets		
Shareholders' equity		
Share capital	2,215	2,215
Capital surplus	1,954	1,954
Retained earnings	14,863	15,619
Treasury shares	(180)	(154)
Total shareholders' equity	18,852	19,633
Accumulated other comprehensive income		
Valuation difference on available- for-sale securities	3,117	7,528
Deferred gains or losses on hedges	73	318
Revaluation reserve for land	5,282	5,282
Foreign currency translation adjustment	3,831	5,933
Remeasurements of defined benefit plans	273	1,018
Total accumulated other comprehensive income	12,579	20,081
Non- controlling interests	767	883
Total net assets	32,199	40,598
Total liabilities and net assets	100,108	111,536

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

(Consolidated statement of income)

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	93,847	99,941
Cost of sales	78,577	84,286
Gross profit	15,269	15,654
Selling, general and administrative expenses	12,180	11,982
Operating income	3,089	3,672
Non-operating income		
Interest income	26	43
Dividend income	170	216
Share of income of entities accounted for using equity method	7	19
Foreign exchange gains	-	87
Rental income	125	125
Subsidy income	93	102
Customs duty refund	22	76
Other	70	53
Total non-operating income	515	724
Non-operating expenses		
Interest expenses	740	842
Foreign exchange losses	96	-
Rental expenses	67	67
Compensation expenses	-	232
Other	56	91
Total non-operating expenses	960	1,234
Ordinary income	2,644	3,161
Extraordinary income		
Gain on sale of non-current assets	137	96
Gain on sale of investment securities	10	-
Other	3	0
Total extraordinary income	151	97
Extraordinary losses		
Loss on sale and retirement of non-current assets	193	101
Production sites reorganization expenses	2,295	274
Other	100	14
Total extraordinary losses	2,589	390
Income before income taxes	207	2,869
Income taxes - current	1,755	1,869
Income taxes - deferred	138	(243)
Total income taxes	1,893	1,626
Net income (loss)	(1,686)	1,243
Net income (loss) attributable to non-controlling interests	(4)	127
Net income (loss) attributable to owners of parent	(1,682)	1,115

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net income (loss)	(1,686)	1,243
Other comprehensive income		
Valuation difference on available- for-sale securities, net of tax	407	4,411
Deferred gains or losses on hedges, net of tax	59	244
Foreign currency translation adjustment, net of tax	1,765	2,139
Remeasurements of defined benefit plans, net of tax	140	744
Share of other comprehensive income of entities accounted for using equity method	26	17
Total other comprehensive income	2,400	7,557
Comprehensive income	714	8,800
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	659	8,618
Comprehensive income attributable to non-controlling interests	54	182

(3) Consolidated statement of changes in equity

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,215	1,908	16,886	(181)	20,827
Changes during period					
Dividends of surplus			(340)		(340)
Net income (loss) attributable to owners of parent			(1,682)		(1,682)
Increase/decrease due to change in fiscal year-end of consolidated subsidiaries					-
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				1	1
Change in ownership interest of parent due to transactions with non-controlling interests		45			45
Net changes in items other than shareholders' equity					
Total changes during period	-	45	(2,022)	0	(1,975)
Balance at end of period	2,215	1,954	14,863	(180)	18,852

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,709	13	5,282	2,096	133	10,236	854	31,918
Changes during period								
Dividends of surplus								(340)
Net income (loss) attributable to owners of parent								(1,682)
Increase/decrease due to change in fiscal year-end of consolidated subsidiaries								-
Purchase of treasury shares								(0)
Disposal of treasury shares								1
Change in ownership interest of parent due to transactions with non-controlling interests								45
Net changes in items other than shareholders' equity	407	59	-	1,734	140	2,342	(86)	2,255
Total changes during period	407	59	-	1,734	140	2,342	(86)	280
Balance at end of period	3,117	73	5,282	3,831	273	12,579	767	32,199

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,215	1,954	14,863	(180)	18,852
Changes during period					
Dividends of surplus			(340)		(340)
Net income (loss) attributable to owners of parent			1,115		1,115
Increase/decrease due to change in fiscal year-end of consolidated subsidiaries			(20)		(20)
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				26	26
Change in ownership interest of parent due to transactions with non-controlling interests					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	755	26	781
Balance at end of period	2,215	1,954	15,619	(154)	19,633

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	3,117	73	5,282	3,831	273	12,579	767	32,199
Changes during period								
Dividends of surplus								(340)
Net income (loss) attributable to owners of parent								1,115
Increase/decrease due to change in fiscal year-end of consolidated subsidiaries								(20)
Purchase of treasury shares								(0)
Disposal of treasury shares								26
Change in ownership interest of parent due to transactions with non-controlling interests								-
Net changes in items other than shareholders' equity	4,411	244	-	2,101	744	7,502	116	7,618
Total changes during period	4,411	244	-	2,101	744	7,502	116	8,399
Balance at end of period	7,528	318	5,282	5,933	1,018	20,081	883	40,598

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Income before income taxes	207	2,869
Depreciation	5,149	5,493
Amortization of goodwill	1	-
Impairment losses	67	4
Production sites reorganization expenses	2,295	137
Interest and dividend income	(196)	(259)
Interest expenses	740	842
Loss (gain) on sale and retirement of non-current assets	56	4
Share of loss (income) of entities accounted for using equity method	(7)	(19)
Increase (decrease) in retirement benefit liability	76	38
Increase (decrease) in provision for product warranties	57	(59)
Increase (decrease) in provision for bonuses	41	154
Increase (decrease) in allowance for doubtful accounts	54	(78)
Decrease (increase) in accounts receivable - trade, and contract assets	(858)	193
Decrease (increase) in inventories	(273)	(1,622)
Decrease (increase) in accounts receivable - other	306	18
Increase (decrease) in trade payables	(287)	(622)
Increase (decrease) in accounts payable - other	(163)	(1,423)
Other, net	(189)	158
Subtotal	7,076	5,828
Interest and dividends received	87	280
Interest paid	(722)	(843)
Subsidies received	28	-
Income taxes paid	(1,588)	(2,199)
Net cash provided by (used in) operating activities	4,880	3,065
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,761)	(5,871)
Proceeds from sale of property, plant and equipment	713	1,125
Purchase of intangible assets	(378)	(241)
Purchase of investment securities	-	(25)
Proceeds from sale of investment securities	13	-
Loan advances	(57)	(53)
Proceeds from collection of loans receivable	32	53
Other, net	(4)	(39)
Net cash provided by (used in) investing activities	(5,441)	(5,052)

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	3,831	5,113
Proceeds from long-term borrowings	2,692	1,154
Repayments of long-term borrowings	(6,572)	(4,144)
Purchase of treasury shares	(0)	(0)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(21)	-
Dividends paid	(341)	(338)
Dividends paid to non-controlling interests	(144)	(251)
Other, net	(385)	(371)
Net cash provided by (used in) financing activities	(940)	1,159
Effect of exchange rate change on cash and cash equivalents	154	69
Net increase (decrease) in cash and cash equivalents	(1,347)	(757)
Increase in cash and cash equivalents due to change in fiscal year-end of consolidated subsidiaries	-	158
Cash and cash equivalents at beginning of period	5,060	3,712
Cash and cash equivalents at end of period	3,712	3,114

(5) Notes to consolidated financial statements

(Notes on premise of going concern)

Not applicable.

(Segment information, etc.)

[Segment information]

1. Outline of reportable segments

The reportable segments of the Group are components of the Group that have separate financial information available and are periodically examined to enable the Board of Directors to make decisions on the allocation of management resources and evaluate the results of business performance.

The Company establishes comprehensive domestic and overseas strategies for each product and service, and undertakes business activities in cooperation with group companies.

The Group accordingly consists of segments by product and service, with three reportable segments: Mobility Business, Gas Techno Business and Trading Company Business.

Mobility Business mainly manufactures and sells fuel supply systems for automobiles, motorcycles, and general purpose engines and engine-related functional components. Gas Techno Business mainly manufactures and sells control systems for gas appliances and water appliances. Trading Company Business mainly imports and sells aircraft components and turf-care equipment.

2. Calculation method for the amounts of net sales, income/loss, assets and other items by reportable segment

The accounting method for reportable segments is, in general, the same as that used to prepare consolidated financial statements.

Segment profit (loss) of reportable segments is provided on an operating income (loss) basis.

3. Information regarding the amounts of net sales, income/loss, assets and other items by reportable segment

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

(Millions of yen)

	Reportable segment				Other Businesses (Note)	Total	Adjustments	Amounts reported in the consolidated financial statements
	Mobility Business	Gas Techno Business	Trading Company Business	Total				
Net sales								
To external customers	77,401	6,786	7,352	91,540	2,306	93,847	-	93,847
Inter-segment sales or transfers	-	-	-	-	-	-	-	-
Total	77,401	6,786	7,352	91,540	2,306	93,847	-	93,847
Segment profit (loss)	3,307	(636)	411	3,082	6	3,089	-	3,089
Segment assets	75,101	7,568	15,466	98,136	1,972	100,108	-	100,108
Other items								
Depreciation	4,708	312	81	5,102	46	5,149	-	5,149
Amortization of goodwill	-	-	-	-	1	1	-	1
Investments in entities accounted for using equity method	-	345	-	345	-	345	-	345
Increase in property, plant and equipment and intangible assets	5,246	415	161	5,823	70	5,893	-	5,893

(Note) The "Other Businesses" category refers to a business segment not included in reportable segments including such businesses as manufacturing and sales of welfare and care devices, etc.

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

(Millions of yen)

	Reportable segment				Other Businesses (Note)	Total	Adjustments	Amounts reported in the consolidated financial statements
	Mobility Business	Gas Techno Business	Trading Company Business	Total				
Net sales								
To external customers	83,445	5,960	8,089	97,495	2,446	99,941	-	99,941
Inter-segment sales or transfers	-	-	-	-	-	-	-	-
Total	83,445	5,960	8,089	97,495	2,446	99,941	-	99,941
Segment profit (loss)	3,228	(546)	939	3,621	51	3,672	-	3,672
Segment assets	82,849	8,409	18,414	109,674	1,862	111,536	-	111,536
Other items								
Depreciation	4,919	439	83	5,442	50	5,493	-	5,493
Amortization of goodwill	-	-	-	-	-	-	-	-
Investments in entities accounted for using equity method	-	366	-	366	-	366	-	366
Increase in property, plant and equipment and intangible assets	5,148	912	77	6,137	77	6,214	-	6,214

(Note) The "Other Businesses" category refers to a business segment not included in reportable segments including such businesses as manufacturing and sales of welfare and care devices, etc.

4. Matters concerning changes in reportable segments, etc.

The Group has changed its reportable segments as follows from the fiscal year under review based on changes to its management structure and internal reporting system due to changes made to executive officers and the business responsibilities of directors and executive officers dated April 1, 2023. The former “Automobile-related Products Business” has changed name to “Mobility Business” and “Household Appliances Device Products Business” to “Gas Techno Business.” Furthermore, in association with a review of the business portfolio from the management approach, “Aircraft Component Import and Sales Business” and “Turf-care Equipment, etc. Sales Business” have been integrated as “Trading Company Business,” and the vehicle heating equipment manufacture and sales business, which was included in “Other Businesses,” has been included in “Mobility Business.”

The segment information for the previous year states the information on net sales, profit or loss, assets and other matters for each reportable segment prepared based on the change described above.

(Per share information)

Item	Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)	Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Net assets per share	936.50 yen	1,180.23 yen
Basic income (loss) per share	(50.13) yen	33.19 yen

(Notes) 1. Diluted earnings per share is not presented since no potential shares exist.

2. The shares of the Company that remain in trust and are recorded as treasury shares in shareholders’ equity are included in treasury shares that are excluded from the recording of the average number of shares during the period in calculating the amount of basic income (loss) per share, and are included in the number of treasury shares that are excluded from the total number of issued shares at the end of the period in calculating net assets per share.

Number of treasury shares at the end of the period deducted in calculating net assets per share

Fiscal year ended March 31, 2023 450,580 shares

Fiscal year ended March 31, 2024 362,580 shares

Average number of treasury shares during the period deducted in calculating the basic income (loss) per share

Fiscal year ended March 31, 2023 452,580 shares

Fiscal year ended March 31, 2024 388,372 shares

3. The basis of the calculation of basic income (loss) per share is as follows:

Item	Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)	Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Net income (loss) attributable to owners of parent (million yen)	(1,682)	1,115
Amounts not attributable to common shareholders (million yen)	-	-
Net income (loss) attributable to owners of parent available to common shares (million yen)	(1,682)	1,115
Average number of shares during the period (shares)	33,560,925	33,624,697

(Significant subsequent events)

Not applicable.