

# Financial Report for the Fiscal Year ended March 31, 2024

May 15, 2024

The following statements are an English translation of the original Japanese document.

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

Name of company... Taikisha Ltd.

Stock Exchange..... Tokyo Stock Exchange

Code..... 1979

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Scheduled date for annual general meeting of shareholders : June 27, 2024

Scheduled date to commence dividends payments : June 28, 2024

Scheduled date to submit securities report : June 27, 2024

Supplemental materials prepared for financial results : Yes

Briefing session of financial results : Yes (for institutional investors and analysts)

(Round down to one million yen)

## 1. Consolidated Operating Performance (April 1, 2023 through March 31, 2024)

### (1) Consolidated operating results

(% indicates increase ratio over previous year)

	Sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Year ended	million yen	%	million yen	%	million yen	%	million yen	%
March 31, 2024	293,556	36.7	18,270	58.1	19,852	52.7	15,602	97.1
March 31, 2023	214,793	2.6	11,556	22.6	13,001	20.2	7,917	9.2

(Note) Comprehensive income Year ended March 31, 2024 25,597 million yen 166.4 %  
Year ended March 31, 2023 9,607 million yen 21.9 %

	Basic earnings per share	Diluted earnings per share	Ratio of Profit to Shareholders' Equity	Ratio of Ordinary Income to Total Assets	Ratio of Operating Income to Net Sales
Year ended	yen	yen	%	%	%
March 31, 2024	471.94	—	11.6	7.9	6.2
March 31, 2023	234.62	—	6.3	5.6	5.4

(Note) Equity in earnings of affiliates Year ended March 31, 2024 22 million yen  
Year ended March 31, 2023 (3) million yen

### (2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio	Net assets per share
As of	million yen	million yen	%	yen
March 31, 2024	266,494	151,562	54.0	4,388.08
March 31, 2023	237,105	131,992	53.1	3,788.75

(Note) Shareholders' Equity As of March 31, 2024 144,029 million yen  
As of March 31, 2023 125,791 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 the end of period
Year ended	million yen	million yen	million yen	million yen
March 31, 2024	20,738	2,148	(5,545)	63,265
March 31, 2023	4,806	(1,748)	(9,822)	43,946

## 2. Dividends

	Dividends per share					Dividends Paid (Total)	Dividends Payout Ratio (Consolidated)	Ratio of Dividends to Net Assets (Consolidated)
	1Q	2Q	3Q	Year End	Total (annually)			
Year ended	yen	yen	yen	yen	yen	million yen	%	%
March 31, 2023	—	50.00	—	71.00	121.00	4,065	51.6	3.2
March 31, 2024	—	50.00	—	81.00	131.00	4,334	27.8	3.2
Year ending March 31, 2025 (Forecast)	—	60.00	—	84.00	144.00		46.3	

(Note) Dividends Paid (Total) for the fiscal year ended March 31, 2023 and March 31, 2024 includes dividends of 14 million yen and of 19 million yen for treasury shares owned by trust assets of "Board Benefit Trust (BBT)" respectively.

### 3. Consolidated Earnings Forecast for Fiscal Year Ending March 31, 2025 (April 1, 2024 through March 31, 2025)

(% indicates increase ratio over previous year)

	Sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share	
	million yen	%	million yen	%	million yen	%	million yen	%	yen	
Half year	110,000	(15.7)	4,400	(40.8)	4,900	(39.5)	3,400	(48.7)	103.59	
Full year	258,000	(12.1)	14,000	(23.4)	15,000	(24.4)	10,200	(34.6)	310.76	

#### 4. Others

- (1) Changes in significant subsidiaries during the period  
(Changes in specified subsidiaries accompanying changes in scope of consolidation) : None
- (2) Changes in accounting policies, changes in accounting estimates and restatements
- (i) Changes in accounting policies due to revisions of accounting standards etc. : None
- (ii) Changes in accounting policies other than (i) : None
- (iii) Changes in accounting estimates : None
- (iv) Restatements : None
- (3) Number of shares issued (common shares)
- (i) Number of shares issued at end of period (including treasury shares)
- As of March 31, 2024 33,582,009 shares
- As of March 31, 2023 33,582,009 shares
- (ii) Number of treasury shares at end of period
- As of March 31, 2024 759,124 shares
- As of March 31, 2023 380,689 shares
- (iii) Average number of shares during the period
- Year ended March 31, 2024 33,060,434 shares
- Year ended March 31, 2023 33,744,600 shares

(Note) The Company has introduced the "Board Benefit Trust (BBT)" as its performance-linked and share-based compensation plan and its own shares remaining in the Trust are included as treasury shares. The number of treasury shares owned by the Trust as of March 31, 2024 and as of March 31, 2023 are 149,500 and 120,700, respectively. The average number of treasury shares owned by the Trust for the year ended March 31, 2024 and for the year ended March 31, 2023 are 148,977 and 120,700, respectively.

#### (Reference) Summary of Non-Consolidated Operating Performance

##### 1. Non-Consolidated Operating Performance (April 1, 2023 through March 31, 2024)

###### (1) Non-Consolidated operating result

(% indicates increase ratio over previous year)

	Sales		Operating income		Ordinary income		Profit	
Year ended	million yen	%	million yen	%	million yen	%	million yen	%
March 31, 2024	158,553	18.9	9,330	29.8	14,810	39.4	13,624	59.4
March 31, 2023	133,342	24.1	7,185	20.0	10,623	(6.2)	8,546	11.6

  

	Basic earnings per share	Diluted earnings per share
Year ended	yen	yen
March 31, 2024	412.09	—
March 31, 2023	253.26	—

###### (2) Non-Consolidated financial position

	Total assets	Net assets	Equity capital ratio	Net assets per share
As of	million yen	million yen	%	yen
March 31, 2024	174,236	114,856	65.9	3,499.29
March 31, 2023	166,751	103,151	61.9	3,106.84

(Note) Shareholders' Equity As of March 31, 2024 114,856 million yen  
As of March 31, 2023 103,151 million yen

**2. Non-Consolidated Earnings Forecast for Fiscal Year Ending March 31, 2025  
(April 1, 2024 through March 31, 2025)**

(% indicates increase ratio over previous year)

	Sales		Ordinary income		Profit		Basic earnings per share
	million yen	%	million yen	%	million yen	%	yen
Half year	57,100	(29.8)	3,900	(41.0)	3,600	(41.4)	109.68
Full year	137,300	(13.4)	9,500	(35.9)	7,900	(42.0)	240.69

※ This financial report is not subject to audit procedures.

※ Explanation about the proper use of consolidated forecasts and other notes

The data and forward-looking statements disclosed herein are based on current information as of today, and may change depending upon various factors. The data and assumptions do not mean guaranteeing accomplishment of goals and projections, and may be changed at any time without notice. Consequently, the Company ask you to use this information at your discretion based upon your own judgment and information you may obtain through other sources. The company will not be liable for any damages that result from the use of this information.

# 1 Consolidated Financial Statements

## (1) Consolidated Balance Sheets

Millions of yen

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	46,988	55,462
Notes receivable, accounts receivable from completed construction contracts and other	124,236	125,357
Securities	—	9,000
Costs on uncompleted construction contracts	2,346	2,274
Raw materials and supplies	843	1,092
Other	10,721	11,209
Allowance for doubtful accounts	(668)	(1,023)
<b>Total current assets</b>	<b>184,467</b>	<b>203,374</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	8,043	8,636
Machinery, vehicles, tools, furniture and fixtures	7,852	8,562
Land	1,705	1,782
Other	1,163	3,996
Accumulated depreciation	(10,207)	(11,282)
<b>Total property, plant and equipment</b>	<b>8,557</b>	<b>11,694</b>
<b>Intangible assets</b>		
Goodwill	3,640	3,528
Customer-related assets	1,184	1,146
Other	1,104	1,275
<b>Total intangible assets</b>	<b>5,929</b>	<b>5,949</b>
<b>Investments and other assets</b>		
Investment securities	26,487	30,879
Deferred tax assets	582	846
Net defined benefit asset	8,595	11,582
Other	2,993	2,875
Allowance for doubtful accounts	(507)	(708)
<b>Total investments and other assets</b>	<b>38,152</b>	<b>45,475</b>
<b>Total non-current assets</b>	<b>52,638</b>	<b>63,119</b>
<b>Total assets</b>	<b>237,105</b>	<b>266,494</b>

	As of March 31, 2023	As of March 31, 2024
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes payable, accounts payable for construction contracts and other	55,472	64,867
Short-term loans payable	2,942	3,747
Income taxes payable	1,772	4,472
Advances received on uncompleted construction contracts	23,306	13,899
Provision for warranties for completed construction	614	698
Provision for loss on construction contracts	300	364
Provision for directors' bonuses	71	173
Other	11,460	15,281
<b>Total current liabilities</b>	<b>95,940</b>	<b>103,504</b>
<b>Non-current liabilities</b>		
Long-term loans payable	98	143
Deferred tax liabilities	7,034	9,053
Provision for directors' retirement benefits	56	39
Provision for share awards	—	30
Provision for share awards for directors	212	270
Net defined benefit liability	1,343	1,377
Other	427	511
<b>Total non-current liabilities</b>	<b>9,172</b>	<b>11,427</b>
<b>Total liabilities</b>	<b>105,112</b>	<b>114,932</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	6,455	6,455
Capital surplus	3,540	3,620
Retained earnings	100,296	111,869
Treasury shares	(1,158)	(2,969)
<b>Total shareholders' equity</b>	<b>109,133</b>	<b>118,974</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	10,535	14,373
Deferred gains or losses on hedges	(63)	(57)
Foreign currency translation adjustment	4,779	7,757
Accumulated remeasurements of defined benefit plans	1,405	2,981
<b>Total accumulated other comprehensive income</b>	<b>16,657</b>	<b>25,054</b>
<b>Non-controlling interests</b>	<b>6,201</b>	<b>7,532</b>
<b>Total net assets</b>	<b>131,992</b>	<b>151,562</b>
<b>Total liabilities and net assets</b>	<b>237,105</b>	<b>266,494</b>

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

	Millions of yen	
	Year ended March 31, 2023	Year ended March 31, 2024
	Apr. 1, 2022 - Mar. 31, 2023	Apr. 1, 2023 - Mar. 31, 2024
Net sales of completed construction contracts	214,793	293,556
Cost of sales of completed construction contracts	181,721	250,244
Gross profit on completed construction contracts	33,071	43,312
Selling, general and administrative expenses		
Directors' compensations	915	886
Employees' salaries and allowances	8,157	10,449
Provision for directors' bonuses	71	173
Retirement benefit expenses	330	294
Provision for directors' retirement benefits	11	10
Provision for share awards for directors	67	171
Provision for share awards	—	30
Correspondence and transportation expenses	1,091	1,375
Provision of allowance for doubtful accounts	332	587
Rents	1,322	1,289
Depreciation	1,578	1,098
Amortization of goodwill	462	484
Other	7,172	8,189
Total selling, general and administrative expenses	21,515	25,041
Operating income	11,556	18,270
Non-operating income		
Interest income	324	897
Dividend income	698	681
Dividend income of insurance	178	188
Real estate rent	112	113
Foreign exchange gains	78	—
Reversal of allowance for doubtful accounts	0	—
Share of profit of entities accounted for using equity method	—	22
Other	372	283
Total non-operating income	1,766	2,186
Non-operating expenses		
Interest expenses	152	240
Rent expenses on real estates	15	15
Foreign exchange losses	—	274
Provision of allowance for doubtful accounts	—	0
Share of loss of entities accounted for using equity method	3	—
Other	149	72
Total non-operating expenses	320	604
Ordinary income	13,001	19,852

	Millions of yen	
	Year ended	Year ended
	March 31, 2023	March 31, 2024
	Apr. 1, 2022 - Mar. 31, 2023	Apr. 1, 2023 - Mar. 31, 2024
Extraordinary income		
Gain on disposal of non-current assets	18	13
Gain on sales of investment securities	1,844	3,167
Gain on sale of shares of subsidiaries and associates	881	—
Total extraordinary income	2,744	3,180
Extraordinary losses		
Loss on disposal of non-current assets	57	31
Impairment loss	642	0
Loss on sale of investment securities	0	—
Loss on valuation of investment securities	21	0
Loss on sale of shares of subsidiaries and associates	3	—
Business restructuring expenses	2,461	—
Total extraordinary losses	3,188	31
Profit before income taxes	12,557	23,001
Income taxes-current	4,002	6,733
Income taxes-deferred	(286)	(491)
Total income taxes	3,716	6,242
Profit	8,841	16,759
Profit attributable to non-controlling interests	924	1,156
Profit attributable to owners of parent	7,917	15,602

## Consolidated Statements of Comprehensive Income

	Millions of yen	
	Year ended	Year ended
	March 31, 2023	March 31, 2024
	Apr. 1, 2022 - Mar. 31, 2023	Apr. 1, 2023 - Mar. 31, 2024
Profit	8,841	16,759
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,372)	3,837
Deferred gains or losses on hedges	(38)	5
Foreign currency translation adjustment	2,664	3,382
Remeasurements of defined benefit plans	(516)	1,583
Share of other comprehensive income of entities accounted for using equity method	29	28
Total other comprehensive income	765	8,838
Comprehensive income	9,607	25,597
Comprehensive income attributable to :		
Owners of parent	8,467	23,999
Non-controlling interests	1,139	1,597

## (3) Consolidated Statements of Changes in Net Assets

Year ended March 31, 2023 (April 1, 2022 through March 31, 2023)

Millions of yen

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	6,455	5,058	99,893	(2,544)	108,862
Changes of items during the period					
Dividends of surplus			(4,093)		(4,093)
Profit attributable to owners of parent			7,917		7,917
Purchase of treasury shares				(3,001)	(3,001)
Disposal of treasury shares					—
Cancellation of treasury shares		(116)	(4,270)	4,386	—
Purchase of shares of consolidated subsidiaries		(1,401)			(1,401)
Sale of shares of consolidated subsidiaries			850		850
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	(1,517)	403	1,385	271
Balance at the end of current period	6,455	3,540	100,296	(1,158)	109,133

Millions of yen

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	11,908	(25)	2,017	1,932	15,833	6,092	130,788
Changes of items during the period							
Dividends of surplus							(4,093)
Profit attributable to owners of parent							7,917
Purchase of treasury shares							(3,001)
Disposal of treasury shares							—
Cancellation of treasury shares							—
Purchase of shares of consolidated subsidiaries							(1,401)
Sale of shares of consolidated subsidiaries							850
Net changes of items other than shareholders' equity	(1,372)	(38)	2,761	(526)	824	109	933
Total changes of items during the period	(1,372)	(38)	2,761	(526)	824	109	1,204
Balance at the end of current period	10,535	(63)	4,779	1,405	16,657	6,201	131,992

Year ended March 31, 2024 (April 1, 2023 through March 31, 2024)

Millions of yen

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	6,455	3,540	100,296	(1,158)	109,133
Changes of items during the period					
Dividends of surplus			(4,029)		(4,029)
Profit attributable to owners of parent			15,602		15,602
Purchase of treasury shares				(2,201)	(2,201)
Disposal of treasury shares		79		390	470
Cancellation of treasury shares					—
Purchase of shares of consolidated subsidiaries					—
Sale of shares of consolidated subsidiaries					—
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	79	11,572	(1,810)	9,841
Balance at the end of current period	6,455	3,620	111,869	(2,969)	118,974

Millions of yen

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	10,535	(63)	4,779	1,405	16,657	6,201	131,992
Changes of items during the period							
Dividends of surplus							(4,029)
Profit attributable to owners of parent							15,602
Purchase of treasury shares							(2,201)
Disposal of treasury shares							470
Cancellation of treasury shares							—
Purchase of shares of consolidated subsidiaries							—
Sale of shares of consolidated subsidiaries							—
Net changes of items other than shareholders' equity	3,837	5	2,977	1,576	8,397	1,330	9,727
Total changes of items during the period	3,837	5	2,977	1,576	8,397	1,330	19,569
Balance at the end of current period	14,373	(57)	7,757	2,981	25,054	7,532	151,562

## (4) Consolidated Statements of Cash Flows

Millions of yen

	Year ended March 31, 2023 Apr. 1, 2022 - Mar. 31, 2023	Year ended March 31, 2024 Apr. 1, 2023 - Mar. 31, 2024
Cash flows from operating activities		
Profit before income taxes	12,557	23,001
Depreciation and amortization	2,000	1,469
Amortization of goodwill	462	484
Increase (decrease) in allowance for doubtful accounts	315	484
Increase (decrease) in provision for warranties for completed construction	(81)	49
Increase (decrease) in provision for loss on construction contracts	(103)	55
Increase (decrease) in provision for directors' retirement benefits	11	(16)
Increase (decrease) in provision for share awards	—	30
Increase (decrease) in provision for share awards for directors	67	58
Increase (decrease) in net defined benefit asset and liability	(597)	(782)
Interest and dividends income	(1,022)	(1,578)
Interest expenses	152	240
Share of (profit) loss of entities accounted for using equity method	3	(22)
Loss (gain) on disposal of non-current assets	39	18
Loss (gain) on sales of investment securities	(1,843)	(3,167)
Loss (gain) on valuation of investment securities	21	0
Loss (gain) on sale of shares of subsidiaries and associates	(878)	—
Business restructuring expenses	2,461	—
Decrease (increase) in notes and accounts receivable-trade	(31,405)	1,159
Decrease (increase) in inventories	(356)	(10)
Decrease (increase) in accounts receivable-other	(17)	181
Increase (decrease) in notes and accounts payable-trade	10,670	8,182
Increase (decrease) in advances received on uncompleted construction contracts	17,466	(10,381)
Increase (decrease) in accrued consumption taxes	443	(437)
Increase (decrease) in deposits received	529	(485)
Increase (decrease) in accrued expenses	(84)	767
Other, net	(310)	4,039
Subtotal	10,502	23,342
Interest and dividends income received	1,017	1,578
Interest expenses paid	(152)	(240)
Income taxes paid	(4,099)	(3,941)
Payments for business restructuring expenses	(2,461)	—
Net cash provided by (used in) operating activities	4,806	20,738

	Millions of yen	
	Year ended	Year ended
	March 31, 2023	March 31, 2024
	Apr. 1, 2022 - Mar. 31, 2023	Apr. 1, 2023 - Mar. 31, 2024
Cash flows from investing activities		
Payments into time deposits	(4,056)	(7,956)
Proceeds from withdrawal of time deposits	4,293	9,996
Purchase of securities	—	(3,000)
Proceeds from redemption of securities	—	3,000
Purchase of property, plant and equipment and intangible assets	(2,176)	(3,885)
Proceeds from sales of property, plant and equipment and intangible assets	52	24
Purchase of investment securities	(44)	(1)
Proceeds from sales of investment securities	3,145	4,224
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	(2,270)	—
Payments of long-term loans receivable	(183)	(74)
Collection of long-term loans receivable	50	195
Purchase of insurance funds	(0)	(0)
Proceeds from maturity of insurance funds	—	1
Purchase of long-term prepaid expenses	(228)	(474)
Other, net	(329)	98
Net cash provided by (used in) investing activities	<u>(1,748)</u>	<u>2,148</u>
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(134)	532
Proceeds from long-term loans payable	101	205
Repayment of long-term loans payable	(201)	(139)
Repayments of lease obligations	(102)	(117)
Net decrease (increase) in treasury shares	(3,001)	(1,731)
Cash dividends paid	(4,090)	(4,030)
Cash dividends paid to non-controlling interests	(304)	(264)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(2,087)	—
Net cash provided by (used in) financing activities	<u>(9,822)</u>	<u>(5,545)</u>
Effect of exchange rate change on cash and cash equivalents	<u>1,919</u>	<u>1,977</u>
Net increase (decrease) in cash and cash equivalents	<u>(4,845)</u>	<u>19,319</u>
Cash and cash equivalents at beginning of period	<u>48,791</u>	<u>43,946</u>
Cash and cash equivalents at end of period	<u>43,946</u>	<u>63,265</u>

## (Segment information)

## 1. Sales, profits or losses, assets, liabilities and other items by reportable segments

Year ended March 31, 2023 (April 1, 2022 through March 31, 2023)

Millions of yen

	Reportable segments			Eliminations/ Corporate	Consolidated
	Green Technology System Division	Paint Finishing System Division	Total		
Sales					
Sales to customers	171,844	42,948	214,793	—	214,793
Intersegment	23	12	36	(36)	—
Total	171,868	42,960	214,829	(36)	214,793
Segment profit (loss)	14,599	(1,606)	12,992	9	13,001
Segment assets	145,565	49,303	194,869	42,236	237,105
Other items					
Depreciation expenses	1,167	837	2,005	(5)	2,000
Amortization of goodwill	400	62	462	—	462
Interest income	159	166	325	(1)	324
Interest expenses	5	134	139	12	152
Share of profit (loss) of entities accounted for using equity method	(6)	3	(3)	—	(3)
Investments in associates accounted for using the equity method	—	591	591	—	591
Increase in tangible and intangible assets	1,139	1,046	2,185	204	2,390

(Note) 1. The amount of Eliminations/ Corporate is as follows:

(1) Eliminations/ Corporate of Segment profit (loss) of 9 million yen includes non-allocatable common profits (net amount of common profit and loss) of 9 million yen and other adjustment of 0 million yen.

Non-allocatable common profits are mainly general administrative expense, dividends income etc. those are not attributed to any reportable segments.

(2) Eliminations/ Corporate of Segment assets of 42,236 million yen are elimination of receivable and payable etc. of minus 2,917 million yen and non-allocatable common assets those are not allocated to any segments of 45,154 million yen.

Non-allocatable common assets are mainly cash and deposit, securities, property, plant and equipment, intangible assets and net defined benefit asset etc. those are not attributed to any reportable segments.

(3) Eliminations/ Corporate of increase in tangible and intangible assets of 204 million yen are building and structure, machinery, equipment, vehicles, tools, furniture and fixtures and software etc. those are not attributed to any reportable segments.

(4) The allocation method of assets for reportable segments is different from that of related sales and expenses.

2. Segment profit (loss) is adjusted in the ordinary income of the consolidated income statement.

Year ended March 31, 2024 (April 1, 2023 through March 31, 2024)

Millions of yen

	Reportable segments			Eliminations/ Corporate	Consolidated
	Green Technology System Division	Paint Finishing System Division	Total		
Sales					
Sales to customers	216,519	77,036	293,556	—	293,556
Intersegment	15	4	20	(20)	—
Total	216,535	77,041	293,577	(20)	293,556
Segment profit	17,027	2,804	19,832	19	19,852
Segment assets	143,027	69,474	212,501	53,992	266,494
Other items					
Depreciation expenses	914	737	1,651	(181)	1,469
Amortization of goodwill	417	66	484	—	484
Interest income	352	541	894	2	897
Interest expenses	5	213	219	21	240
Share of profit of entities accounted for using equity method	—	22	22	—	22
Investments in associates accounted for using the equity method	—	642	642	—	642
Increase in tangible and intangible assets	3,339	583	3,923	351	4,274

(Note) 1. The amount of Eliminations/ Corporate is as follows:

(1) Eliminations/ Corporate of Segment profit of 19 million yen includes non-allocatable common profits (net amount of common profit and loss) of 20 million yen and other adjustment of minus 1 million yen.

Non-allocatable common profits are mainly general administrative expense, dividends income etc. those are not attributed to any reportable segments.

(2) Eliminations/ Corporate of Segment assets of 53,992 million yen are elimination of receivable and payable etc. of minus 4,265 million yen and non-allocatable common assets those are not allocated to any segments of 58,258 million yen.

Non-allocatable common assets are mainly cash and deposit, securities, property, plant and equipment, intangible assets and net defined benefit asset etc. those are not attributed to any reportable segments.

(3) Eliminations/ Corporate of increase in tangible and intangible assets of 351 million yen are building and structure, machinery, equipment, vehicles, tools, furniture and fixtures and software etc. those are not attributed to any reportable segments.

(4) The allocation method of assets for reportable segments is different from that of related sales and expenses.

2. Segment profit is adjusted in the ordinary income of the consolidated income statement.

## 2. Sales by regions

Year ended March 31, 2023 (April 1, 2022 through March 31, 2023)

Millions of yen

Japan	North America	South East Asia		East Asia		India	Other	Total
		Thailand	Other South East Asia	China	Other East Asia			
134,236	6,203	19,719	23,648	13,982	3,058	13,173	770	214,793

Year ended March 31, 2024 (April 1, 2023 through March 31, 2024)

Millions of yen

Japan	North America	South East Asia		East Asia		India	Other	Total
		Thailand	Other South East Asia	China	Other East Asia			
155,764	20,613	20,596	32,515	27,415	18,293	17,779	578	293,556

### 3. Property, plant and equipment

As of March 31, 2023

Millions of yen

Japan	Thailand	Indonesia	China	India	Other	Total
4,724	381	198	588	2,148	515	8,557

As of March 31, 2024

Millions of yen

Japan	Thailand	Indonesia	China	India	Other	Total
6,594	386	245	645	3,233	588	11,694

### 4. Impairment loss of the non-current assets by reportable segments

Year ended March 31, 2023 (April 1, 2022 through March 31, 2023)

Millions of yen

	Reportable segments			Eliminations/ Corporate	Consolidated
	Green Technology System Division	Paint Finishing System Division	Total		
Impairment loss	643	—	643	(0)	642

(Note) Eliminations/ Corporate is generated from elimination of unrealized profits and impairment loss of idle assets.

Year ended March 31, 2024 (April 1, 2023 through March 31, 2024)

Millions of yen

	Reportable segments			Eliminations/ Corporate	Consolidated
	Green Technology System Division	Paint Finishing System Division	Total		
Impairment loss	—	—	—	0	0

(Note) Eliminations/ Corporate is generated from impairment loss of idle assets.

### 5. Amortization of goodwill and the unamortized balance by reportable segments

As of March 31, 2023

Millions of yen

	Reportable segments			Eliminations/ Corporate	Consolidated
	Green Technology System Division	Paint Finishing System Division	Total		
Balance as of March 31, 2023	2,913	726	3,640	—	3,640

(Note) Amortization of goodwill is omitted because this information is already disclosed in "Sales, profits or losses, assets, liabilities and other items by reportable segments".

As of March 31, 2024

Millions of yen

	Reportable segments			Eliminations/ Corporate	Consolidated
	Green Technology System Division	Paint Finishing System Division	Total		
Balance as of March 31, 2024	2,819	708	3,528	—	3,528

(Note) Amortization of goodwill is omitted because this information is already disclosed in "Sales, profits or losses, assets, liabilities and other items by reportable segments".

## 2 Non-consolidated Financial Statements

### (1) Balance Sheets (Non-consolidated)

Millions of yen

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	13,068	17,923
Notes receivable-trade	327	90
Electronically recorded monetary claims	8,071	2,209
Accounts receivable from completed construction contracts	86,566	77,261
Securities	—	9,000
Costs on uncompleted construction contracts	32	53
Raw materials and supplies	236	263
Prepaid expenses	571	638
Accounts receivable-other	1,315	2,725
Other	1,733	2,015
Allowance for doubtful accounts	(288)	(262)
<b>Total current assets</b>	<b>111,635</b>	<b>111,917</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings	4,275	4,421
Accumulated depreciation	(1,965)	(2,116)
Buildings, net	2,309	2,305
Structures	109	112
Accumulated depreciation	(82)	(86)
Structures, net	26	26
Machinery and equipment	1,012	1,054
Accumulated depreciation	(785)	(838)
Machinery and equipment, net	227	216
Vehicles	1	2
Accumulated depreciation	(0)	(1)
Vehicles, net	0	0
Tools, furniture and fixtures	855	872
Accumulated depreciation	(656)	(700)
Tools, furniture and fixtures, net	199	171
Land	1,015	1,015
Leased assets	3	9
Accumulated depreciation	(1)	(4)
Leased assets, net	2	5
Construction in progress	238	2,244
<b>Total property, plant and equipment</b>	<b>4,018</b>	<b>5,984</b>
<b>Intangible assets</b>		
Software	476	771
Other	547	411
<b>Total intangible assets</b>	<b>1,024</b>	<b>1,182</b>

Millions of yen

	As of March 31, 2023	As of March 31, 2024
Investments and other assets		
Investment securities	25,883	30,224
Shares of subsidiaries and associates	15,895	15,787
Investments in capital	0	0
Long-term loans receivable	390	348
Long-term loans receivable from employees	10	10
Lease and guarantee deposits	1,259	1,246
Long-term prepaid expenses	122	345
Prepaid pension cost	6,713	7,382
Other	10	15
Allowance for doubtful accounts	(212)	(206)
Total investments and other assets	50,073	55,152
Total non-current assets	55,115	62,319
Total assets	166,751	174,236
Liabilities		
Current liabilities		
Notes payable-trade	2,408	1,971
Electronically recorded obligations - operating	22,781	23,148
Accounts payable for construction contracts	16,002	10,388
Short-term loans payable	2,101	1,816
Lease liabilities	1	1
Accounts payable-other	5,432	8,762
Accrued expenses	611	937
Income taxes payable	1,343	3,526
Advances received on uncompleted construction contracts	6,106	1,126
Deposits received	778	255
Unearned revenue	6	51
Provision for warranties for completed construction	168	220
Provision for loss on construction contracts	131	294
Provision for directors' bonuses	67	171
Other	914	711
Total current liabilities	58,857	53,386
Non-current liabilities		
Long-term loans payable	96	140
Lease liabilities	0	3
Deferred tax liabilities	4,137	5,237
Provision for retirement benefits	137	133
Provision for share awards	—	30
Provision for share awards for directors	212	270
Other	159	177
Total non-current liabilities	4,743	5,993
Total liabilities	63,600	59,380

Millions of yen

	As of March 31, 2023	As of March 31, 2024
Net assets		
Shareholders' equity		
Capital stock	6,455	6,455
Capital surplus		
Legal capital surplus	7,297	7,297
Other capital surplus	—	79
Total capital surpluses	7,297	7,376
Retained earnings		
Legal retained earnings	1,613	1,613
Other retained earnings		
Reserve for reduction entry	0	0
Reserve for investment on information technology	1,000	1,200
General reserve	35,720	35,720
Retained earnings brought forward	41,751	51,145
Total retained earnings	80,084	89,678
Treasury shares	(1,158)	(2,969)
Total shareholders' equity	92,678	100,541
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	10,535	14,373
Deferred gains or losses on hedges	(63)	(57)
Total valuation and translation adjustments	10,472	14,315
Total net assets	103,151	114,856
Total liabilities and net assets	166,751	174,236

## (2) Income Statements (Non-consolidated)

	Millions of yen	
	Year ended	Year ended
	March 31, 2023 Apr. 1, 2022 - Mar. 31, 2023	March 31, 2024 Apr. 1, 2023 - Mar. 31, 2024
Net sales of completed construction contracts	133,342	158,553
Cost of sales of completed construction contracts	112,354	133,236
Gross profit on completed construction contracts	<u>20,987</u>	<u>25,317</u>
Selling, general and administrative expenses		
Directors' compensations	351	342
Employees' salaries and allowances	5,889	7,562
Provision for directors' bonuses	67	171
Retirement benefit expenses	223	196
Provision for share awards	—	30
Provision for share awards for directors	67	171
Legal welfare expenses	898	1,006
Welfare expenses	361	420
Repair and maintenance	120	159
Stationery expenses	612	682
Correspondence and transportation expenses	571	746
Power utilities expenses	58	55
Research study expenses	469	433
Advertising expenses	137	164
Provision of allowance for doubtful accounts	(1)	(1)
Entertainment expenses	88	135
Donation	6	3
Rents	882	816
Depreciation	984	536
Taxes and dues	450	570
Insurance expenses	45	70
Miscellaneous expenses	1,516	1,711
Total selling, general and administrative expenses	<u>13,801</u>	<u>15,986</u>
Operating income	<u>7,185</u>	<u>9,330</u>
Non-operating income		
Interest income	5	5
Interest on securities	1	3
Dividends income	1,896	3,392
Dividends income of insurance	178	188
Real estate rent	182	182
Foreign exchange gains	44	—
Technical advisory fee	1,193	1,739
Reversal of allowance for doubtful accounts	0	29
Other	32	60
Total non-operating income	<u>3,534</u>	<u>5,604</u>
Non-operating expenses		
Interest expenses	20	27
Rent expenses on real estates	34	35
Foreign exchange losses	—	19
Other	41	40
Total non-operating expenses	<u>96</u>	<u>123</u>
Ordinary income	<u>10,623</u>	<u>14,810</u>

	Millions of yen	
	Year ended	Year ended
	March 31, 2023	March 31, 2024
	Apr. 1, 2022 - Mar. 31, 2023	Apr. 1, 2023 - Mar. 31, 2024
Extraordinary income		
Gain on disposal of non-current assets	0	—
Gain on sales of investment securities	1,844	3,167
Gain on sale of shares of subsidiaries and associates	0	—
Total extraordinary income	1,844	3,167
Extraordinary losses		
Loss on disposal of non-current assets	38	12
Impairment loss	0	0
Loss on sale of investment securities	0	—
Loss on valuation of investment securities	21	0
Loss on valuation of shares of subsidiaries and associates	706	117
Provision of allowance for doubtful accounts for subsidiaries and associates	273	—
Total extraordinary losses	1,040	129
Income before income taxes	11,427	17,847
Income taxes-current	2,606	4,685
Income taxes-deferred	274	(461)
Total income taxes	2,881	4,223
Profit	8,546	13,624

## (3) Statements of Changes in Net Assets (Non-consolidated)

Year ended March 31, 2023 (April 1, 2022 through 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		
						Reserve for reduction entry	Reserve for investment on information technology	General reserve
Balance at the beginning of current period	6,455	7,297	116	7,413	1,613	0	1,280	35,720
Changes of items during the period								
Provision of reserve for investment on information technology							200	
Reversal of reserve for investment on information technology							(480)	
Dividends of surplus								
Profit								
Purchase of treasury shares								
Disposal of treasury shares								
Cancellation of treasury shares			(116)	(116)				
Net changes of items other than shareholders' equity								
Total changes of items during the period	—	—	(116)	(116)	—	—	(280)	—
Balance at the end of current period	6,455	7,297	—	7,297	1,613	0	1,000	35,720

Millions of yen

	Shareholders' equity				Valuation and translation adjustments			Total Net assets
	Retained earnings		Treasury shares	Total Shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
	Other retained earnings	Total Retained earnings						
	Retained earnings brought forward							
Balance at the beginning of current period	41,288	79,902	(2,544)	91,227	11,908	(24)	11,883	103,110
Changes of items during the period								
Provision of reserve for investment on information technology	(200)	—		—				—
Reversal of reserve for investment on information technology	480	—		—				—
Dividends of surplus	(4,093)	(4,093)		(4,093)				(4,093)
Profit	8,546	8,546		8,546				8,546
Purchase of treasury shares			(3,001)	(3,001)				(3,001)
Disposal of treasury shares				—				—
Cancellation of treasury shares	(4,270)	(4,270)	4,386	—				—
Net changes of items other than shareholders' equity					(1,372)	(38)	(1,411)	(1,411)
Total changes of items during the period	462	182	1,385	1,451	(1,372)	(38)	(1,411)	40
Balance at the end of current period	41,751	80,084	(1,158)	92,678	10,535	(63)	10,472	103,151

Year ended March 31, 2024 (April 1, 2023 through March 31, 2024)

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		
						Reserve for reduction entry	Reserve for investment on information technology	General reserve
Balance at the beginning of current period	6,455	7,297	—	7,297	1,613	0	1,000	35,720
Changes of items during the period								
Provision of reserve for investment on information technology							200	
Reversal of reserve for investment on information technology								
Dividends of surplus								
Profit								
Purchase of treasury shares								
Disposal of treasury shares			79	79				
Cancellation of treasury shares								
Net changes of items other than shareholders' equity								
Total changes of items during the period	—	—	79	79	—	—	200	—
Balance at the end of current period	6,455	7,297	79	7,376	1,613	0	1,200	35,720

Millions of yen

	Shareholders' equity				Valuation and translation adjustments			Total Net assets
	Retained earnings		Treasury shares	Total Shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
	Other retained earnings	Total Retained earnings						
	Retained earnings brought forward							
Balance at the beginning of current period	41,751	80,084	(1,158)	92,678	10,535	(63)	10,472	103,151
Changes of items during the period								
Provision of reserve for investment on information technology	(200)	—		—				—
Reversal of reserve for investment on information technology		—		—				—
Dividends of surplus	(4,029)	(4,029)		(4,029)				(4,029)
Profit	13,624	13,624		13,624				13,624
Purchase of treasury shares			(2,201)	(2,201)				(2,201)
Disposal of treasury shares			390	470				470
Cancellation of treasury shares				—				—
Net changes of items other than shareholders' equity					3,837	5	3,842	3,842
Total changes of items during the period	9,394	9,594	(1,810)	7,862	3,837	5	3,842	11,705
Balance at the end of current period	51,145	89,678	(2,969)	100,541	14,373	(57)	14,315	114,856

## (Supplementary information)

## 1. Statement for orders-received, net sales of completed construction contracts, and construction carried forward by each division (consolidated)

Millions of yen

	Year ended March 31, 2023 (Apr. 1, 2022 - Mar. 31, 2023)		Year ended March 31, 2024 (Apr. 1, 2023 - Mar. 31, 2024)		Increase (decrease)	
	Amounts	%	Amounts	%	Amounts	%
Orders-received						
Green Technology System Division						
HVAC for buildings	36,188	12.5	36,205	13.7	16	0.0
Industrial HVAC	171,889	59.6	135,697	51.5	(36,191)	(21.1)
Total	208,078	72.1	171,902	65.2	(36,175)	(17.4)
[Overseas]	[ 77,158 ]	[ 26.7 ]	[ 45,909 ]	[ 17.4 ]	[ (31,248) ]	[ (40.5) ]
Paint Finishing System Division	80,591	27.9	91,646	34.8	11,054	13.7
[Overseas]	[ 58,797 ]	[ 20.4 ]	[ 69,232 ]	[ 26.3 ]	[ 10,434 ]	[ 17.7 ]
Total	288,670	100.0	263,549	100.0	(25,120)	(8.7)
[Overseas]	[ 135,956 ]	[ 47.1 ]	[ 115,142 ]	[ 43.7 ]	[ (20,813) ]	[ (15.3) ]
Net sales of completed construction contracts						
Green Technology System Division						
HVAC for buildings	45,355	21.1	40,756	13.9	(4,598)	(10.1)
Industrial HVAC	126,488	58.9	175,763	59.9	49,274	39.0
Total	171,844	80.0	216,519	73.8	44,675	26.0
[Overseas]	[ 48,762 ]	[ 22.7 ]	[ 74,025 ]	[ 25.2 ]	[ 25,262 ]	[ 51.8 ]
Paint Finishing System Division	42,948	20.0	77,036	26.2	34,088	79.4
[Overseas]	[ 31,793 ]	[ 14.8 ]	[ 63,766 ]	[ 21.7 ]	[ 31,972 ]	[ 100.6 ]
Total	214,793	100.0	293,556	100.0	78,763	36.7
[Overseas]	[ 80,556 ]	[ 37.5 ]	[ 137,792 ]	[ 46.9 ]	[ 57,235 ]	[ 71.0 ]
Construction carried forward						
Green Technology System Division						
HVAC for buildings	43,611	16.9	39,059	16.7	(4,551)	(10.4)
Industrial HVAC	139,281	53.9	102,343	43.8	(36,937)	(26.5)
Total	182,892	70.8	141,403	60.5	(41,489)	(22.7)
[Overseas]	[ 65,561 ]	[ 25.4 ]	[ 40,573 ]	[ 17.4 ]	[ (24,987) ]	[ (38.1) ]
Paint Finishing System Division	75,406	29.2	92,163	39.5	16,757	22.2
[Overseas]	[ 48,862 ]	[ 18.9 ]	[ 56,476 ]	[ 24.2 ]	[ 7,613 ]	[ 15.6 ]
Total	258,299	100.0	233,567	100.0	(24,731)	(9.6)
[Overseas]	[ 114,423 ]	[ 44.3 ]	[ 97,049 ]	[ 41.6 ]	[ (17,374) ]	[ (15.2) ]

(Note) 1. The amounts of orders received, net sales of completed construction contracts, and construction carried forward are the transacted amount with external customers.

2. In the previous consolidated fiscal year, there is 23 million yen difference between net sales of completed construction contracts of 171,844 million yen and total sales of 171,868 million yen in the segment information by the Green Technology System Division.

There is 12 million yen difference between net sales of completed construction contracts of 42,948 million yen and total sales of 42,960 million yen in the segment information by Paint Finishing System Division.

Above differences are due to intersegment sales.

3. In the consolidated fiscal year, there is 15 million yen difference between net sales of completed construction contracts of 216,519 million yen and total sales of 216,535 million yen in the segment information by the Green Technology System Division.

There is 4 million yen difference between net sales of completed construction contracts of 77,036 million yen and total sales of 77,041 million yen in the segment information by Paint Finishing System Division.

Above differences are due to intersegment sales.

4.Regarding foreign exchange translation of contracts carried forward from previous year in foreign consolidated subsidiaries, fluctuation amount because of foreign exchange is adjusted in the beginning balance of construction contracts carried forward.

Beginning balance of construction contracts carried forward after adjustment in the fiscal year is as follows.

Green Technology System Division

HVAC for buildings	43,611 million yen		
Industrial HVAC	142,409 million yen	[ overseas	68,688 million yen]
Sub total	186,020 million yen	[ overseas	68,688 million yen]
Paint Finishing System Division	77,554 million yen	[ overseas	51,010 million yen]
Total	263,574 million yen	[ overseas	119,699 million yen]

2. Statement for orders-received, net sales of completed construction contracts, and construction carried forward by each division (Non-consolidated)

Millions of yen

	Year ended March 31, 2023 (Apr. 1, 2022 - Mar. 31, 2023)		Year ended March 31, 2024 (Apr. 1, 2023 - Mar. 31, 2024)		Increase (decrease)	
	Amounts	%	Amounts	%	Amounts	%
Orders-received						
Green Technology System Division						
HVAC for buildings	32,092	20.9	29,933	20.5	(2,159)	(6.7)
Industrial HVAC	95,221	61.8	90,040	61.8	(5,181)	(5.4)
Total	127,314	82.7	119,973	82.3	(7,340)	(5.8)
[Overseas]	[ 697 ]	[ 0.5 ]	[ 665 ]	[ 0.5 ]	[ (31) ]	[ (4.5) ]
Paint Finishing System Division	26,673	17.3	25,710	17.7	(963)	(3.6)
[Overseas]	[ 6,193 ]	[ 4.0 ]	[ 4,953 ]	[ 3.4 ]	[ (1,240) ]	[ (20.0) ]
Total	153,987	100.0	145,684	100.0	(8,303)	(5.4)
[Overseas]	[ 6,890 ]	[ 4.5 ]	[ 5,619 ]	[ 3.9 ]	[ (1,271) ]	[ (18.5) ]
Net sales of completed construction contracts						
Green Technology System Division						
HVAC for buildings	41,567	31.1	37,321	23.5	(4,246)	(10.2)
Industrial HVAC	77,707	58.3	101,871	64.3	24,164	31.1
Total	119,274	89.4	139,192	87.8	19,918	16.7
[Overseas]	[ 221 ]	[ 0.2 ]	[ 508 ]	[ 0.3 ]	[ 286 ]	[ 129.5 ]
Paint Finishing System Division	14,067	10.6	19,360	12.2	5,292	37.6
[Overseas]	[ 4,274 ]	[ 3.2 ]	[ 7,695 ]	[ 4.9 ]	[ 3,420 ]	[ 80.0 ]
Total	133,342	100.0	158,553	100.0	25,211	18.9
[Overseas]	[ 4,495 ]	[ 3.4 ]	[ 8,203 ]	[ 5.2 ]	[ 3,707 ]	[ 82.5 ]
Construction carried forward						
Green Technology System Division						
HVAC for buildings	42,594	28.4	35,207	25.7	(7,387)	(17.3)
Industrial HVAC	74,193	49.6	62,362	45.6	(11,831)	(15.9)
Total	116,788	78.0	97,569	71.3	(19,218)	(16.5)
[Overseas]	[ 478 ]	[ 0.3 ]	[ 636 ]	[ 0.4 ]	[ 157 ]	[ 32.9 ]
Paint Finishing System Division	32,957	22.0	39,307	28.7	6,349	19.3
[Overseas]	[ 6,944 ]	[ 4.6 ]	[ 4,202 ]	[ 3.1 ]	[ (2,741) ]	[ (39.5) ]
Total	149,746	100.0	136,877	100.0	(12,869)	(8.6)
[Overseas]	[ 7,423 ]	[ 4.9 ]	[ 4,838 ]	[ 3.5 ]	[ (2,584) ]	[ (34.8) ]