

Summary of Financial Statements for the Fiscal Year Ended March 31, 2025



May 14, 2025

Listed company name SEIKOH GIKEN Co., Ltd.
Code number 6834 URL <https://www.seikoh-giken.co.jp>
Representative (Title) President & CEO
Inquiries (Title) Director & Department Manager
Date of general shareholders' meeting June 20, 2025
Date of securities report submission June 20, 2024

Listed Standard Market

(Name) Jun Ueno
(Name) Yuji Saitoh Tel +81-47-388-6401
Date of dividend payment June 23, 2025

(All amounts rounded down to the nearest million yen.)

1. Consolidated business results for the fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Consolidated business performance

(Percentage figures show the changes from the previous year.)

	Net sales		Operating profit		Ordinary profit		Net profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 31, 2025	19,982	26.6	2,817	167.7	2,979	134.7	2,225	192.4
Year ended March 31, 2024	15,785	(3.1)	1,052	(24.3)	1,269	(21.0)	761	(29.7)

	Net profit per share	Fully diluted net profit per share	Net profit ratio per shareholders' equity	Ordinary profit ratio to total assets	Operating profit ratio to sales amount
	Yen	Yen	%	%	%
Year ended March 31, 2025	245.34	—	8.1	8.9	14.1
Year ended March 31, 2024	83.42	—	2.8	4.0	6.7

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Year ended March 31, 2025	34,383	28,144	81.4	3,142.58
Year ended March 31, 2024	32,226	27,186	84.3	2,976.87

(Reference) Shareholders' equity Year ended March 31, 2025 27,993 million yen Year ended March 31, 2024 27,158 million yen

(3) Consolidated cash flow

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at the end of the period
	Million yen	Million yen	Million yen	Million yen
Year ended March 31, 2025	3,068	1,046	(2,013)	7,320
Year ended March 31, 2024	1,797	(1,533)	(507)	5,065

2. Dividend status

	Dividend per share					Gross dividend amount (annual)	Dividend propensity (consolidated)	Dividend ratio to net assets (consolidated)
	End of the first quarter	End of the second quarter	End of the third quarter	End of the year	Full year			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended March 31, 2024	—	0.00	—	55.00	55.00	508	65.9	1.9
Year ended March 31, 2025	—	30.00	—	35.00	65.00	591	26.5	2.1
Year ending March 31, 2026 (Forecast)	—	35.00	—	40.00	75.00		29.6	

3. Forecast of consolidated business performance for the year ending March 31, 2026(April 1, 2025 to March 31, 2026)

(Percentage figures for "Full year" show the changes from the previous year, and percentage figures for "Half year" show the changes from the previous interim period.)

	Sales amount		Operating profit		Ordinary profit		Net profit		Net profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Half year	11,200	23.6	1,600	55.3	1,650	57.7	1,270	64.4	140.02
Full year	22,000	10.1	3,000	6.5	3,100	4.0	2,300	3.4	253.57

1. Summary of business results, etc.

(1) Business results in the fiscal year under review

During the fiscal year under review, the global economy generally remained at a low level of growth amid conflicts between the U.S. and China, conflicts in Eastern Europe and the Middle East, and foreign exchange rate fluctuations caused by the monetary policies of various countries. In the U.S., corporate earnings grew, particularly in the IT sector, and the employment environment and personal consumption remained strong. Inflation is slowing and monetary policy has shifted from tight to slightly accommodative. In Europe, growth was weighed down by high energy prices due to the protracted war in Ukraine and instability in the Middle East. Business investment activity, especially in the manufacturing sector, lacks momentum, and consumer confidence is taking time to improve. In China, exports of high added-value products such as electric vehicles and industrial robots remained strong, but sluggish domestic demand and the recovery of the real estate market have become challenges, making a shift in economic structure from export-dependent to domestic demand-driven an urgent concern. In Japan, corporate earnings are recovering on the back of stronger inbound demand and a pickup in external demand, and the household income environment is improving, but prices, especially for food, are rising and personal consumption is lacking momentum. Looking ahead, uncertainty about the future, including changes in the trade environment and trends in geopolitical risks, cannot be dispelled.

In the information and telecommunications-related and electronics-related markets in which the Group is involved, while major U.S. IT companies announced next-generation generative AI models, a Chinese startup company, DeepSeek, introduced a new generative AI to the market at a significantly reduced cost, which attracted much attention. In addition, as increasing power consumption in data centers became an issue for realizing a sustainable society, photoelectric fusion technology attracted attention as a promising solution, and related companies advanced technological development in this area. In the automotive-related market, the production volume of Japanese automakers declined significantly due to certification fraud issues in the first half of the fiscal year. In addition, as the global shift toward new energy vehicles (NEVs) continues, Chinese automakers are increasing their sales share in South America, Europe, Asia, and other regions.

In these circumstances, the Group has worked to implement the measures mandated under the “Master Plan 2022” five-year medium-term management plan inaugurated in FY2022, which calls for “Rejuvenating contact points with customers,” “Accelerating development of new products and new technologies,” “Improving manufacturing capabilities,” and “Reinforcing the management base.”

As to rejuvenating contact points with customers, both the Precision Machinery Business (with main products in molded products, molds, and precision metal processed parts) and the Optical Products Business (with main products in optical communications components, related equipment, optical transmission equipment, optical electric field sensors, and lenses) focused on creating numerous opportunities to encounter new customers through our website, by exhibiting at trade shows in Japan and overseas, and by leveraging our partnerships with trading companies and distributors, and on increasing the number of business negotiations.

With regard to accelerating development of new products and new technologies, we have continued to hone our technological capabilities in order to become a business group capable of contributing to the progress of society in a wider range of areas. In December 2024, to deepen the Group’s automation technology and increasing the speed of development, Company subsidiary Seikoh Giken Hangzhou Co., Ltd. made an investment in Suzhou Anzhun Intelligent Equipment Co., Ltd. which is based in the city of Suzhou, in China’s Jiangsu Province. The latter company mainly develops and manufactures automation and smart manufacturing

equipment.

To improve manufacturing capabilities, we worked to strengthen our production system, including automation, and strengthened relationships with suppliers and outsourcing companies to stably supply products that meet customer demands for quality and delivery schedules. In October 2024, with the aim of further expanding its molding supply business, the Company made Miyagi Prefecture-based MG Co., Ltd. a consolidated subsidiary, acquiring a broader range of injection molding and automated molding technologies.

To reinforce the management base, the Sustainability Promotion Office led initiatives such as reducing emissions of greenhouse gases, transitioning to paperless business practices, and improving operational efficiency through digitalization. In addition, the Company's longstanding efforts in childcare support activities were recognized, and in September 2024 we were awarded "Kurumin Certification" by the Ministry of Health, Labour and Welfare as a company that supports child rearing.

As a result of the various measures implemented, sales in the period under review posted 19,982,809 thousand yen (up 26.6% compared with the previous fiscal year), the highest number on record for the Group. In terms of profit and loss, although some expenses such as material and personnel expenses increased, the cost of sales ratio improved significantly due to increased sales of high value-added products, and operating income amounted to 2,817,252 thousand yen (up 167.7% from the previous fiscal year), achieving the operating income target in the medium-term management plan "Master Plan 2022" for the fiscal year ending March 31, 2027 of 2.5 billion yen two years ahead of schedule.

Ordinary income after recognition of non-operating income such as rental income from investment property and interest income was 2,979,339 thousand yen (up 134.7% compared with the previous fiscal year). Net income attributable to shareholders of the parent company after recognition of gain on sale of non-current assets as extraordinary income from the sale of unnecessary assets was 2,225,362 thousand yen (up 192.4% compared with the previous fiscal year).

Segment business results developed as follows.

(1) Precision Machinery Business

The Precision Machinery Business provides customers with precision molded products for vehicles and electronic equipment, and high-quality molds for efficient mass production of molded products, and metal parts that require high dimensional accuracy. In the fiscal year under review, sales of car air conditioner compressor parts and inverter parts for electric vehicles increased amidst the expanding electric vehicle market. However, sales of parts for various sensors decreased due to sluggish sales to the Chinese market by Japanese automobile manufacturers. MG Co., Ltd., which became a consolidated subsidiary in October 2024, mass-produces and molds various connectors for automotive applications and office parts such as ballpoint pens, and has been included in profit and loss from the fourth quarter of the fiscal year under review. In terms of development, we have applied precision mold technology, injection compression technology, and micro-transfer technology, which we have cultivated since our founding, to solve technical problems for mass production of new precision molded products together with customers in automotive, medical, biotechnology, and other industrial fields.

As a result, net sales at the Precision Machinery Business in the fiscal year under review was 9,200,483 thousand yen (up 5.6% compared with the previous fiscal year), marking a record high.

(2) Optical Products Business

The Optical Products Business provides customers with optical connectors and other optical communication parts, as well as equipment and devices used in their manufacture and inspection, micro resin lenses, and other products. During the fiscal year under review, the spread and expansion of generative AI and 5G communications drove a global boom in the construction of data centers, leading to increased demand for optical communications parts such as optical connectors. As a result, net sales of optical connector polishing machines and inspection and measurement devices used in manufacturing optical connectors increased significantly. In December 2024, our subsidiary Seikoh Giken Hangzhou Co., Ltd. established Seikoh Xunjie OFC as a joint venture with Suzhou Agix Optical Technology Co., LTD., a manufacturer of optical communication components based in Suzhou, Jiangsu, China. Establishing this joint venture company allows both organizations to collaborate in the development and mass production of next-generation optical communication components to be brought to market. Furthermore, SEIKOH GIKEN (THAILAND) Co., Ltd., which was established in Thailand two years ago, is proceeding with trial mass production of optical connectors and will start shipments in fiscal year 2025. Joining our existing optical communication components factories in Japan and China, this new facility will enable us to develop an even more stable supply network for our customers.

As a result, net sales at the Optical Products Business in the fiscal year under review was 10,782,325 thousand yen (up 52.5% compared with the previous fiscal year), marking a record high.

(2) Financial status in the fiscal year under review

Total consolidated assets at the end of the period under review were 34,383,169 thousand yen, which was 2,156,895 thousand yen higher than at the end of the previous fiscal year. Status of assets and liabilities at the end of the period under review and underlying factors developed as follows.

[Current assets]

Consolidated current assets at the end of the period under review totaled 24,042,144 thousand yen, which was 1,303,701 thousand yen higher than at the end of the previous fiscal year. This was mainly due to an increase in notes and accounts receivable - trade.

[Non-current assets]

Consolidated non-current assets at the end of the period under review marked 10,341,025 thousand yen, which was 853,193 thousand yen higher than at the end of the previous fiscal year. This is mainly attributable to increases in buildings and structures, land, goodwill, and other items as a result of making MG Co., Ltd. a consolidated subsidiary.

[Current liabilities]

Consolidated current liabilities at the end of the period under review totaled 4,786,530 thousand yen, which was 1,360,914 thousand yen higher than at the end of the previous fiscal year. The main factor was an increase in accounts payable - trade and income taxes payable.

[Non-current liabilities]

Consolidated non-current liabilities at the end of the period under review totaled 1,452,397 thousand yen, which was 162,174 thousand yen lower than at the end of the previous fiscal year. This was mainly due to a decrease in long-term accounts payable-other resulting from the payment of retirement benefits to retiring Directors.

[Net assets]

Consolidated net assets at the end of the period under review totaled 28,144,241 thousand yen, which was 958,156 thousand yen higher than at the end of the previous fiscal year. This was mainly due to increases in retained earnings and foreign currency translation adjustment.

(3) Cash flows in the period under review

Consolidated cash and cash equivalents at the end of the period under review totaled 7,320,445 thousand yen, which was 2,254,737 thousand yen higher than at the end of the previous fiscal year. Status of cash flows and underlying factors developed as follows.

[Cash flows from operating activities]

Net cash provided by operating activities totaled 3,068,406 thousand yen (compared with 1,797,852 thousand yen provided in the previous fiscal year). Main factors providing cash were 3,018,085 thousand yen in net income before income taxes, 869,864 thousand yen in depreciation charges, and a decrease of 297,559 thousand yen in accounts payable-trade. Main factors using cash were a 718,902 thousand yen increase in accounts receivable-trade and 389,512 thousand yen in income taxes paid.

[Cash flows from investing activities]

Net cash provided by investing activities was 1,046,813 thousand yen (compared with 1,533,931 thousand yen used in the previous fiscal year). Main factors providing cash in investing activities included an expenditure balance of 2,287,020 thousand yen between new time deposits posted and term deposits repaid. Main factors using cash were 698,418 thousand yen in payments for purchase of shares of MG Co., Ltd. and 526,033 thousand yen in purchase of property, plant and equipment.

[Cash flows from financing activities]

Net cash used in financing activities was 2,013,988 thousand yen (compared with 507,631 thousand yen used in the previous fiscal year). Cash used in financing activities comprised mainly 1,315,467 thousand yen in payments for purchase of treasury shares and 784,811 thousand yen in dividend payments.

(4) Outlook

In the information and telecommunications-related markets relevant to the Group, the construction of data centers is expected to continue around the world against the backdrop of the spread of generative AI. As a result, we expect demand for optical communication components, manufacturing equipment for these components, and inspection equipment to remain brisk for some time. In the automotive-related market, the shift to new energy vehicles and the sophistication of automated driving technology are expected to continue their advance. The outlook for global automobile production volume is difficult to predict due to the unstable trade environment, particularly between the U.S. and China.

The fiscal year ending March 31, 2026 (April 1, 2025 to March 31, 2026) will mark the fourth year of the five-year medium-term management plan “Master Plan 2022.” Under the plan, the Group will utilize the three base technologies of precision processing, precision molding, and optical technology developed since it was founded to provide products and

services that contribute to maintaining and advancing society aimed at growth markets such as information and telecommunications, automobiles, and medical and biotechnology. Efforts will be made to create a foundation to be a Group that continues to grow through the execution of growth strategies and sustainable strategies based on the four fundamental strategies of “rejuvenating contact points with customers,” “accelerating development of new products and new technologies,” “improving manufacturing capabilities” and “reinforcing the management base.”

Consolidated results projections for the Group for the next fiscal year call for net sales of 22,000 million yen, with operating income of 3,000 million yen, ordinary income of 3,100 million yen, and 2,300 million yen in net income attributable to shareholders of the parent company.

In the fiscal year under review, we achieved our operating income target of 2,500 million yen for the fiscal year ending March 31, 2027 two years ahead of schedule, as stated in the medium-term management plan “Master Plan 2022.” Accordingly, the operating income target for the fiscal year ending March 31, 2027 has been revised upward to 3,300 million yen. The net sales target of 25,000 million yen will remain unchanged.

2. Fundamental concepts concerning the selection of accounting standards

With consideration of the inter-periodic comparability and inter-company comparability of consolidated financial statements, for the time being, it remains the fundamental policy of the Company to prepare its consolidated financial statements in accordance with Japan-GAAP.

With respect to the application of IFRS, it is the policy of the Company that appropriate action will be taken with consideration of the situations in Japan and overseas.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Unit: Thousands of yen)

	Previous Consolidated Accounting Year (As of March 31, 2024)	Current Consolidated Accounting Year (As of March 31, 2025)
Assets		
Current assets		
Cash and deposits	14,079,125	14,072,417
Notes receivable - trade	12,936	32,850
Accounts receivable - trade	4,169,602	5,087,241
Electronically recorded monetary claims - operating	568,521	729,424
Merchandise and finished goods	725,143	830,584
Work in process	1,478,015	1,314,098
Raw materials and supplies	1,346,664	1,438,179
Income taxes receivable	70,929	7,179
Other	289,855	531,942
Allowance for doubtful accounts	(2,352)	(1,772)
Total current assets	22,738,442	24,042,144
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	7,694,282	8,959,948
Accumulated depreciation	(5,034,882)	(6,302,088)
Buildings and structures, net	2,659,399	2,657,859
Machinery, equipment and vehicles	7,393,245	7,830,046
Accumulated depreciation	(5,761,689)	(6,361,405)
Machinery, equipment and vehicles, net	1,631,556	1,468,641
Land	2,670,343	2,948,566
Construction in progress	45,861	190,210
Other	4,149,184	4,805,571
Accumulated depreciation	(3,353,652)	(3,938,347)
Other, net	795,532	867,223
Total property, plant and equipment	7,802,693	8,132,501
Intangible assets		
Goodwill	67,437	484,626
Other	17,594	17,026
Total intangible assets	85,032	501,652
Investments and other assets		
Investment securities	365,422	503,746
Real estate for investment, net	868,340	864,469
Other	366,342	338,654
Total investments and other assets	1,600,105	1,706,870
Total noncurrent assets	9,487,831	10,341,025
Total assets	32,226,273	34,383,169

(Unit: Thousands of yen)

	Previous Consolidated Accounting Year (As of March 31, 2024)	Current Consolidated Accounting Year (As of March 31, 2025)
Liabilities		
Current liabilities		
Accounts payable-trade	1,554,403	2,009,320
Income taxes payable	215,299	570,753
Contract liabilities	74,099	4,773
Reserve for bonuses	114,050	134,206
Other	1,467,764	2,067,477
Total current liabilities	3,425,616	4,786,530
Noncurrent liabilities		
Pension liabilities	1,053,570	1,006,238
Provision for stock awards for corporate officers	188,588	160,336
Long-term accounts payable-other	144,870	44,330
Long-term lease deposited	19,037	19,037
Deferred tax liability	64,744	78,477
Other	143,761	143,977
Total noncurrent liabilities	1,614,571	1,452,397
Total liabilities	5,040,188	6,238,927
Net assets		
Shareholders' equity		
Capital stock	6,791,682	6,791,682
Capital surplus	10,607,500	10,607,629
Retained earnings	8,782,006	10,221,979
Treasury stock	(538,872)	(1,796,855)
Total Shareholders' equity	25,642,317	25,824,436
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	29,193	28,636
Foreign currency translation adjustment	1,489,946	1,961,797
Cumulative pension adjustment amount	(3,006)	178,746
Total accumulated other comprehensive income	1,516,134	2,169,180
Equity of non-controlling shareholders	27,632	150,624
Total net assets	27,186,085	28,144,241
Total liabilities and net assets	32,226,273	34,383,169

(2) Consolidated Income Statement

(Unit: Thousands of yen)

	Previous Consolidated Accounting Year (from April 1, 2022 to March 31, 2024)	Current Consolidated Accounting Year (from April 1, 2023 to March 31, 2025)
Sales amount	15,785,742	19,982,809
Cost of sales	11,210,825	12,694,776
Gross profit	4,574,916	7,288,033
Selling, general and administrative expenses	3,522,542	4,470,780
Operating income	1,052,374	2,817,252
Non-operating income		
Interest income	28,597	40,823
Dividends income	1,469	1,936
Foreign exchange gains	92,306	35,733
Income from subsidies	17,625	5,360
Subsidy income	700	-
Rent of real estate for investment	67,373	69,632
Equity in earnings of affiliates	547	483
Other	25,242	26,440
Total non-operating income	233,862	180,410
Non-operating expenses		
Cost of real estate rent	14,492	16,238
Other	2,560	2,086
Total non-operating expenses	17,053	18,324
Ordinary income	1,269,183	2,979,339
Extraordinary income		
Gain on sales of noncurrent assets	10,719	38,967
Gain on sale of investment securities	1,747	-
Total extraordinary income	12,467	38,967
Extraordinary loss		
Loss on disposition of non-current assets	41	220
Loss on business restructuring	104,481	-
Total extraordinary losses	104,523	220
Net income before income taxes and minority interests	1,177,128	3,018,085
Income taxes-current	391,212	719,754
Income taxes-deferred	22,810	56,039
Total income taxes	414,022	775,793
Net income for the period	763,105	2,242,292
Net income for the period attributable to non-controlling shareholders	2,093	16,929
Net income for the period attributable to shareholders of the parent company	761,012	2,225,362

(Statement of Consolidated Comprehensive Income)

(Unit: Thousands of yen)

	Previous Consolidated Accounting Year (from April 1, 2023 to March 31, 2024)	Current Consolidated Accounting Year (from April 1, 2024 to March 31, 2025)
Net income for the quarter	763,105	2,242,292
Other comprehensive income		
Net unrealized holding gains on securities	13,797	(557)
Foreign currency translation adjustments	375,568	471,850
Cumulative adjustment of retirement benefits	22,859	181,752
Total other comprehensive income	412,224	653,045
Comprehensive income	1,175,330	2,895,337
(Items)		
Comprehensive income attributable to owners of the parent	1,170,665	2,877,018
Comprehensive income attributable to non-controlling shareholders	4,665	18,319

3) Consolidated Statements of Changes in Net Assets

Previous Consolidated Accounting Year (from April 1, 2023 to March 31, 2024)

(Unit: Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the end of previous period	6,791,682	10,607,500	8,482,991	(538,872)	25,343,302
Changes of items during the period					
Distribution of surplus			(461,996)		(461,996)
Net income for the period attributable to shareholders of the parent company			761,012		761,012
Net change during the period in items other than shareholders' equity					
Total changes of items during the period	—	—	299,015	—	299,015
Balance at the end of current period	6,791,682	10,607,500	8,782,006	(538,872)	25,642,317

	Accumulated other comprehensive income				Equity of non-controlling shareholders	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Cumulative adjustment of retirement benefits	Total accumulated other comprehensive income		
Balance at the end of previous period	15,396	1,114,378	(25,865)	1,103,910	28,507	26,475,719
Changes of items during the period						
Distribution of surplus						(461,996)
Net income for the period attributable to shareholders of the parent company						761,012
Net change during the period in items other than shareholders' equity	13,797	375,568	22,859	412,224	(874)	411,349
Total changes of items during the period	13,797	375,568	22,859	412,224	(874)	710,365
Balance at the end of current period	29,193	1,489,946	(3,006)	1,516,134	27,632	27,186,085

Current Consolidated Accounting Year (April 1, 2024 to March 31, 2025)

(Unit: Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the end of previous period	6,791,682	10,607,500	8,782,006	(538,872)	25,642,317
Changes of items during the period					
Distribution of surplus			(785,390)		(785,390)
Net income for the period attributable to shareholders of the parent company			2,225,362		2,225,362
Purchase of treasury stock				(1,315,467)	(1,315,467)
Disposal of treasury share		129		57,484	57,613
Net change during the period in items other than shareholders' equity					
Total changes of items during the period	—	129	1,439,972	(1,257,983)	182,118
Balance at the end of current period	6,791,682	10,607,629	10,221,979	(1,796,855)	25,824,436

	Accumulated other comprehensive income				Equity of non-controlling shareholders	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Cumulative adjustment of retirement benefits	Total accumulated other comprehensive income		
Balance at the end of previous period	29,193	1,489,946	(3,006)	1,516,134	27,632	27,186,085
Changes of items during the period						
Distribution of surplus						(785,390)
Net income for the period attributable to shareholders of the parent company						2,225,362
Purchase of treasury stock						(1,315,467)
Disposal of treasury share						57,613
Net change during the period in items other than shareholders' equity	(557)	471,850	181,752	653,045	122,991	776,037
Total changes of items during the period	(557)	471,850	181,752	653,045	122,991	958,156
Balance at the end of current period	28,636	1,961,797	178,746	2,169,180	150,624	28,144,241

(4) Consolidated Statement of Cash Flows

	(Unit: Thousands of yen)	
	Previous Consolidated Accounting Year (from April 1, 2023 to March 31, 2024)	Current Consolidated Accounting Year (from April 1, 2024 to March 31, 2025)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interest	1,177,128	3,018,085
Depreciation and amortization	873,363	869,864
Amortization of goodwill	109,869	83,199
Interest and dividends income	(30,066)	(42,759)
Investment loss (gain) on equity method	(547)	(483)
Property rents received	(67,373)	(69,632)
Loss (gain) on sales of noncurrent assets	(17,625)	(5,360)
Subsidy income	(700)	-
Increase (decrease) in allowance for doubtful accounts	(10,678)	(38,746)
Loss (gain) on sale of investment securities	(1,747)	-
Loss on business restructuring	104,481	-
Increase (decrease) in provisioning for bonuses	(166)	(804)
Increase (decrease) in provision for retirement benefits	8,796	3,656
Increase (decrease) in pension liabilities	55,955	4,637
Increase (decrease) in provisions for stock awards to corporate officers	24,651	(1,122)
Foreign exchange losses (gains)	(6,414)	(66,715)
Decrease (increase) in notes and accounts receivable-trade	(396,513)	(718,902)
Decrease (increase) in inventories	310,872	117,650
Decrease (increase) in other current assets	45,018	(165,911)
Increase (decrease) in notes and accounts payable-trade	(173,908)	297,559
Increase (decrease) in accounts payable	(9,880)	164,715
Increase (decrease) in long-term accounts payable - other	-	(100,540)
Increase (decrease) in other current liabilities	211,499	(9,277)
Subtotal	2,206,012	3,339,112
Interest and dividends income received	24,580	38,662
Income taxes refund	4,737	74,783
Subsidies received	17,625	5,360
Proceeds from subsidy income	700	-
Income taxes paid	(455,804)	(389,512)
Net cash provided by (used in) operating activities	1,797,852	3,068,406
Net cash provided by (used in) investing activities		
Payments into time deposits	(8,816,789)	(15,807,536)
Proceeds from withdrawal of time deposits	7,969,494	18,094,557
Purchase of property, plant and equipment	(495,530)	(526,033)
Proceeds from sales of property, plant and equipment	11,909	34,797
Purchase of intangible assets	(4,090)	(6,752)
Proceeds from sale of investment securities	1,747	-
Purchase of investment securities	(267,931)	(1,155)
Proceeds from rental of real estate for investment	67,373	69,632
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(698,418)
Purchase of shares of subsidiaries and associates	-	(108,350)
Other	(116)	(3,927)
Net cash provided by (used in) investing activities	(1,533,931)	1,046,813

(Unit: Thousands of yen)

	Previous Consolidated Accounting Year (from April 1, 2023 to March 31, 2024)	Current Consolidated Accounting Year (from April 1, 2024 to March 31, 2025)
Net cash provided by (used in) financing activities		
Expenditure for the settlement of lease obligations	(40,364)	(48,865)
Purchase of treasury shares	-	(1,315,467)
Proceeds from sale of treasury shares	-	30,483
Dividend payment amount	(461,727)	(784,811)
Dividends paid to non-controlling interests	(5,539)	(1,510)
Income from the exercise of stock options	-	106,183
Net cash provided by (used in) financing activities	(507,631)	(2,013,988)
Effect of exchange rate change on cash and cash equivalents	115,720	153,506
Net increase (decrease) in cash and cash equivalents	(127,990)	2,254,737
Cash and cash equivalents at beginning of period	5,193,698	5,065,708
Cash and cash equivalents at end of period	5,065,708	7,320,445