

Consolidated Financial Results for the Fiscal Year Ended March 31, 2024
[Japanese GAAP]

 Company name: **C. Uyemura & Co., Ltd.**

Listing: Tokyo Stock Exchange

Stock code: 4966

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

Scheduled date of filing of annual securities report: June 27, 2024

Starting date of dividend payment: June 28, 2024

Preparation of supplementary materials for financial results: Yes

Holding of financial results meeting: Yes (for institutional investors and analysts)

Note: The original disclosure in Japanese was released on May 10, 2024 at 15:00 (GMT +9).

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 – March 31, 2024)

(1) Results of operations (Percentages represent year-over-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2024	80,256	(6.4)	14,994	(0.3)	15,871	0.2	10,920	3.6
Fiscal year ended Mar. 31, 2023	85,749	18.6	15,046	7.9	15,832	8.4	10,545	8.9

Note: Comprehensive income (million yen) Fiscal year ended Mar. 31, 2024: 14,258 (up 10.8%)

Fiscal year ended Mar. 31, 2023: 12,864 (up 0.8%)

	Net income per share (basic)	Net income per share (diluted)	ROE	Ordinary profit on total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 31, 2024	673.41	–	12.3	14.1	18.7
Fiscal year ended Mar. 31, 2023	636.84	–	12.9	15.2	17.5

Reference: Equity in earnings of unconsolidated subsidiaries (million yen)

Fiscal year ended Mar. 31, 2024: –

Fiscal year ended Mar. 31, 2023: –

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2024	118,174	92,713	78.5	5,749.95
As of Mar. 31, 2023	107,267	84,364	78.6	5,125.00

Reference: Shareholders' equity (million yen)

As of Mar. 31, 2024: 92,713

As of Mar. 31, 2023: 84,364

(3) Cash flows

	Net cash provided by (used in)			Cash and cash equivalents at the end of period
	operating activities	investing activities	financing activities	
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Mar. 31, 2024	12,444	(1,117)	(6,274)	32,865
Fiscal year ended Mar. 31, 2023	13,462	(6,712)	(7,549)	26,537

2. Dividends

	Dividend per share					Total dividends	Payout ratio (Consolidated)	Dividend on equity (Consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended Mar. 31, 2023	–	0.00	–	180.00	180.00	2,963	28.3	3.7
Fiscal year ended Mar. 31, 2024	–	0.00	–	200.00	200.00	3,224	29.7	3.7
Fiscal year ending Mar. 31, 2025 (forecast)	–	0.00	–	200.00	200.00		33.4	

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(Percentages represent year-over-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	
First half	38,780	4.2	6,310	8.7	6,540	4.5	4,960	22.2	305.85
Full year	81,150	1.1	13,110	(12.6)	13,570	(14.5)	9,720	(11.0)	599.37

*Notes

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

Newly added: –

Excluded: –

(2) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(3) Number of shares outstanding (common shares)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Mar. 31, 2024: 18,099,000 shares As of Mar. 31, 2023: 19,756,080 shares

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

As of Mar. 31, 2024: 1,974,718 shares As of Mar. 31, 2023: 3,294,764 shares

3) Average number of shares outstanding during the period

Fiscal year ended Mar. 31, 2024: 16,217,113 shares Fiscal year ended Mar. 31, 2023: 16,559,115 shares.

(Reference) Summary of Non-consolidated Financial Results

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

(1) Results of operations

(Percentages represent year-over-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2024	42,773	5.3	7,951	39.9	17,110	51.6	13,527	43.3
Fiscal year ended Mar. 31, 2023	40,617	9.0	5,682	(9.7)	11,289	(1.9)	9,443	1.7

	Net income per share (basic)		Net income per share (diluted)	
	Yen		Yen	
Fiscal year ended Mar. 31, 2024	834.18		–	
Fiscal year ended Mar. 31, 2023	570.27		–	

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2024	77,507	64,529	83.3	4,002.03
As of Mar. 31, 2023	66,517	56,227	84.5	3,415.76

Reference: Shareholders' equity (million yen) As of Mar. 31, 2024: 64,529 As of Mar. 31, 2023: 56,227

***The current financial report is not subject to audit by certified public accountants or auditing firms.**

***Cautionary statement with respect to forward-looking statements and other special items**

Forecasts of future performance in this report are based on assumptions judged to be valid and information currently available to the Company, but are not promises by the Company regarding future performance. Actual results are affected by various factors and may differ substantially. For discussion of the assumptions and notes of caution for usage, please refer to "1. Overview of Results of Operations, (4) Outlook" on page 4 of the attachments.

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1. Overview of Results of Operations

(1) Results of Operations

For the fiscal year ended March 31, 2024 (hereinafter “the fiscal year under review”), the Japanese economy continued a moderate recovery path towards normalized social and economic activities. Nevertheless, the outlook remained uncertain due to the prolonged situation in Russia and Ukraine, the worsening situation in the Middle East, soaring global resources prices, and rising prices caused by the depreciation of the yen.

In the electronic device market, which is the Uyemura Group’s main market area, the demand of our products for automobiles remained firm backed by the recovery of production volume and the widespread availability of electric vehicles. However, the demand for PCs and smartphones dropped in addition to slowing growth of the data center market. Accordingly, the electronic device market environment as a whole became tough.

In this environment, the Group has focused on the development of high value-added products and proposal and sales activities for these products to make the operations more profitable.

As a result, consolidated net sales for the fiscal year under review were 80,256 million yen (down 6.4% year-over-year), operating profit 14,994 million yen (down 0.3%), ordinary profit 15,871 million yen (up 0.2%), and profit attributable to owners of parent 10,920 million yen (up 3.6%).

The results of operations by business segment are shown as below.

1) Surface finishing materials business

Both segment sales and profit of the mainstay plating chemicals for package PWBs saw a year-over-year decrease. This was due to the capital investment restraints that lasted from the second half of the previous fiscal year in the server market for data centers and the inventory adjustment made for the lower sales volume of PCs and smartphones.

Consequently, net sales in the surface finishing materials business decreased 14.1% year-over-year to 60,583 million yen and segment profit decreased 10.2% year-over-year to 12,477 million yen.

2) Surface finishing machinery business

Both segment sales and profit of the surface finishing machinery business saw a year-over-year increase thanks to the increased sales of plating equipment for semiconductors and electronic components in Japan.

Consequently, net sales in the surface finishing machinery business increased 53.6% year-over-year to 14,528 million yen and segment profit increased 157.1% year-over-year to 2,421 million yen.

3) Plating job business

Both segment sales and profit of the plating job business saw a year-over-year decrease. This was due to the sluggish demand for plastic plating job as the automobile industry in Thailand and Indonesia faced the rapid spread of electric vehicles and the increasing adoption of painted parts.

Consequently, net sales in the plating job business decreased 13.1% year-over-year to 4,298 million yen, but segment loss was 346 million yen (compared with segment loss of 316 million yen in the previous fiscal year).

4) Real estate rental business

Both segment sales and profit of the real estate rental business saw a year-over-year decrease due to the slightly lower occupancy rates of properties owned by the Company and higher repair expenses

Consequently, net sales in the real estate rental business decreased 2.4% year-over-year to 824 million yen and segment profit decreased 17.9% year-over-year to 422 million yen.

It is noted that sales of the segments above include intersegment sales and transfers.

(2) Financial Position

Analysis of assets, liabilities, net assets

Total assets at the end of the fiscal year under review increased 10,907 million yen from the end of the previous fiscal year to 118,174 million yen. This was primarily attributable to a 5,581 million yen increase in cash and deposits, a 2,420 million yen increase in notes and accounts receivable-trade, a 2,234 million yen increase in electronically recorded monetary claims - operating, and a 1,258 million yen increase in buildings and structures, net, which were partially offset by a 1,152 million yen decrease in raw materials and supplies and a 873 million yen decrease in merchandise and finished goods.

Total liabilities increased 2,557 million yen from the end of the previous fiscal year to 25,461 million yen. This was primarily attributable to a 1,319 million yen increase in income tax payable, a 643 million yen increase in electronically recorded obligations-operating, and a 513 million yen increase in contract liabilities, which were partially offset by a 164 million yen decrease in notes and accounts payable-trade.

Total net assets increased 8,349 million yen from the end of the previous fiscal year to 92,713 million yen. This was primarily attributable to a 3,629 million yen decrease in treasury shares, a 2,627 million yen increase in foreign currency translation adjustment, and a 1,398 million yen increase in retained earnings.

As a result, the equity ratio decreased by 0.1 percentage points from 78.6% at the end of the previous fiscal year to 78.5%.

(3) Cash Flows

Cash and cash equivalents (hereinafter “net cash”) at the end of the fiscal year under review increased 6,327 million yen from the end of the previous fiscal year to 32,865 million yen.

A summary of cash flows for the fiscal year under review is as follows:

(Cash flows from operating activities)

Net cash provided by operating activities was 12,444 million yen (compared with net cash provided of 13,462 million yen in the previous fiscal year). Positive factors included profit before income taxes of 15,801 million yen, a 2,294 million yen decrease in inventories, and depreciation of 1,991 million yen, while negative factors included a 4,446 million yen increase in trade receivables and income taxes paid of 4,155 million yen.

(Cash flows from investing activities)

Net cash used in investing activities was 1,117 million yen (compared with net cash used of 6,712 million yen in the previous fiscal year). Positive factors included proceeds from withdrawal of time deposits of 3,313 million yen, while negative factors included purchase of non-current assets of 2,315 million yen and payments into time deposits of 2,167 million yen.

(Cash flows from financing activities)

Net cash used in financing activities was 6,274 million yen (compared with 7,549 million yen used in the previous fiscal year). Negative factors included purchase of treasury shares of 2,999 million yen and dividends paid of 2,963 million yen.

Movements of cash flow-related indicators

	FY3/2020	FY3/2021	FY3/2022	FY3/2023	FY3/2024
Shareholders' equity ratio (%)	80.8	81.6	77.8	78.6	78.5
Shareholders' equity ratio based on market prices (%)	65.6	81.9	97.2	99.4	143.4
Cash flows to debt ratio (years)	0.1	0.1	0.1	0.0	0.0
Interest coverage ratio (x)	371.0	888.9	339.9	949.3	1,426.9

Notes: Shareholders' equity ratio: Shareholders' equity / Total assets

Shareholders' equity ratio based on market prices: Market capitalization / Total assets

Cash flows to debt ratio: Interest-bearing liabilities / Operating cash flow

Interest coverage ratio: Operating cash flow / Interest payments

1. These indicators are calculated on a consolidated basis.
2. Market capitalization: Closing price of stock on the balance sheet date x Number of shares outstanding (net of treasury shares) on the balance sheet date.
3. Net cash provided by operating activities on the consolidated statements of cash flows is used as operating cash flow. Interest-bearing liabilities include all liabilities on the consolidated balance sheets that incur interest. Interests paid on the consolidated statements of cash flows are used as interest payments.

(4) Outlook

Regarding the future prospects of the domestic economy, personal consumption is expected to pick up due to improved employment and income conditions. On the other hand, the outlook for the economy remains still uncertain due to the situations surrounding Ukraine and the Middle East, soaring resource costs as well as rising prices caused by the weak yen.

In the electronic devices market, which is the primary market for products of the Group, the decline in demand due to inventory adjustments of semiconductors and electronic components appears to have bottomed out, but the speed of recovery is slow, and it is expected to take some time before a full recovery can be achieved.

Under such environment, the Group will aim for continued growth in the 21st century. We will improve our competitive position by emphasizing innovation at the factory level, while optimizing the collective strength of our group in order to get well-prepared to take immediate measures.

We will proactively engage in marketing and technological development by strengthening development and sales capabilities for the plating chemicals which are used in the semiconductor and car electronics industries and also for those which meet environmental regulations, and at the same time by establishing the machinery business that can deliver new functions to the customers and win the competition for lower cost.

By taking these measures, we forecast net sales of 81,150 million yen (up 1.1% year-over-year), operating profit of 13,110 million yen (down 12.6% year-over-year), ordinary profit of 13,570 million yen (down 14.5% year-over-year), and profit attributable to owners of parent of 9,720 million yen (down 11.0% year-over-year) for the fiscal year ending March 31, 2024.

(5) Profit Allocation Policy and Dividends for the Current and Next Fiscal Years

The Company believes that in order to sustainably increase corporate value, it is important to allocate funds while considering the balance between financial soundness, capital efficiency, and return of profits. Specifically, we have positioned the enhancement of our corporate governance system and the return of profits to shareholders through the improvement of capital efficiency as one of the most important management issues. We also strive to secure internal reserves, aiming to strengthen our financial position, and make flexible investments in areas and regions where future growth is expected and in M&A and new technology acquisition if necessary, as well as prepare for unexpected events and natural disasters.

The Company recognizes that the return of profits to shareholders is an important management issue and has a basic policy of ensuring a stable management base and improving ROE while maintaining stable dividends in line with business performance.

We plan to pay an ordinary year-end dividend of 200 yen per share (consolidated dividend payout ratio of 29.7%) for the fiscal year under review.

Regarding the fiscal year ending March 31, 2025, we plan to pay an ordinary dividend of 200 yen per share, however, the final decision will be made based on an overall consideration of financial conditions and operating results.

2. Basic Approach to the Selection of Accounting Standards

The Group has a policy of preparing its consolidated financial statements using Japanese GAAP for the time being so as to ensure cross-sectional as well as inter-temporal comparability of the consolidated financial statements.

We will nevertheless consider applying International Financial Reporting Standards (IFRS) in light of future trends in our foreign investor ownership ratio and application of IFRS by our industry peers.

3. Consolidated Financial Statements and Notes**(1) Consolidated Balance Sheets**

	(Thousands of yen)	
	FY3/2023	FY3/2024
	(As of Mar. 31, 2023)	(As of Mar. 31, 2024)
Assets		
Current assets		
Cash and deposits	32,623,358	38,204,933
Notes receivable - trade	994,713	*3 811,243
Electronically recorded monetary claims - operating	3,894,886	*3 6,129,854
Accounts receivable - trade	14,217,778	16,638,131
Contract assets	1,506,361	2,221,501
Securities	34,338	16,445
Merchandise and finished goods	4,593,499	3,720,356
Work in process	2,435,820	2,725,821
Raw materials and supplies	4,169,220	3,016,909
Other	3,839,924	2,975,490
Allowance for doubtful accounts	(144,833)	(158,856)
Total current assets	68,165,069	76,301,832
Non-current assets		
Property, plant and equipment		
Buildings and structures	*1 23,877,279	*1 26,270,793
Accumulated depreciation	*2 (16,115,034)	*2 (17,250,533)
Buildings and structures, net	7,762,244	9,020,259
Machinery, equipment and vehicles	13,449,581	14,503,327
Accumulated depreciation	*2 (11,455,951)	*2 (12,369,328)
Machinery, equipment and vehicles, net	1,993,630	2,133,998
Land	*1 9,694,831	*1 9,862,936
Leased assets	742,638	777,684
Accumulated depreciation	*2 (258,944)	*2 (348,499)
Leased assets, net	483,694	429,185
Construction in progress	686,723	150,797
Other	6,524,178	7,397,197
Accumulated depreciation	*2 (5,192,725)	*2 (5,580,670)
Other, net	1,331,453	1,816,526
Total property, plant and equipment	21,952,576	23,413,703
Intangible assets	349,222	315,986
Investments and other assets		
Investment securities	15,211,617	16,130,256
Retirement benefit asset	208,230	274,956
Deferred tax assets	656,993	893,426
Other	801,070	924,176
Allowance for doubtful accounts	(77,073)	(79,497)
Total investments and other assets	16,800,839	18,143,318
Total non-current assets	39,102,638	41,873,007
Total assets	107,267,707	118,174,840

	(Thousands of yen)	
	FY3/2023 (As of Mar. 31, 2023)	FY3/2024 (As of Mar. 31, 2024)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,765,262	3,600,646
Electronically recorded obligations - operating	4,412,753	*3 5,055,814
Short-term borrowings	*1 400,000	*1 400,000
Lease liabilities	252,395	256,171
Income taxes payable	2,461,972	3,781,916
Contract liabilities	3,870,318	4,383,631
Provision for bonuses	175,809	177,341
Provision for bonuses for directors (and other officers)	234,250	228,882
Other	2,074,519	1,956,349
Total current liabilities	17,647,282	19,840,753
Non-current liabilities		
Long-term guarantee deposits	681,595	656,512
Lease liabilities	486,511	659,627
Deferred tax liabilities	2,307,869	2,345,005
Retirement benefit liability	1,126,191	1,557,867
Long-term accounts payable-other	255,664	251,413
Other	398,287	149,911
Total non-current liabilities	5,256,121	5,620,338
Total liabilities	22,903,403	25,461,092
Net assets		
Shareholders' equity		
Share capital	1,336,936	1,336,936
Capital surplus	1,286,257	1,269,750
Retained earnings	84,550,250	85,948,894
Treasury shares	(11,497,123)	(7,867,849)
Total shareholders' equity	75,676,320	80,687,731
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	428,034	1,093,243
Foreign currency translation adjustment	8,216,719	10,844,407
Remeasurements of defined benefit plans	43,228	88,365
Total accumulated other comprehensive income	8,687,983	12,026,016
Total net assets	84,364,303	92,713,748
Total liabilities and net assets	107,267,707	118,174,840

(2) Consolidated Statements of Income and Comprehensive Income

	(Thousands of yen)	
	FY3/2023	FY3/2024
	(Apr. 1, 2022 – Mar. 31, 2023)	(Apr. 1, 2023 – Mar. 31, 2024)
Net sales	*1 85,749,416	*1 80,256,031
Cost of sales	*2 58,602,576	*2 52,546,971
Gross profit	27,146,839	27,709,059
Selling, general and administrative expenses		
Packing and Carrying expense	830,102	748,443
Provision of allowance for doubtful accounts	15,981	11,614
Salaries and allowances	3,265,740	3,529,094
Bonuses	766,673	754,272
Provision for bonuses	82,170	84,529
Provision for bonuses for directors (and other officers)	234,250	228,882
Retirement benefit expenses	110,759	197,828
Communication and transportation expenses	344,977	419,294
Depreciation	636,650	694,384
Taxes and dues	263,999	310,286
Research and development expenses	*3 2,303,421	*3 2,303,674
Other	3,245,731	3,432,127
Total selling, general and administrative expenses	12,100,456	12,714,432
Operating profit	15,046,383	14,994,626
Non-operating income		
Interest income	222,301	397,637
Dividend income	68,117	73,042
Valuable resource recovered income	88,177	89,765
Foreign exchange gains	235,783	179,217
Subsidy income	169,631	13,222
Technical advisory fee income	14,287	10,644
Other	72,942	169,403
Total non-operating income	871,239	932,933
Non-operating expenses		
Interest expenses	14,105	14,495
Commission expenses	33,027	24,395
Commission for purchase of treasury shares	12,130	7,561
Loss on disposal of inventories	1,749	–
Other	24,061	9,544
Total non-operating expenses	85,075	55,997
Ordinary profit	15,832,547	15,871,562
Extraordinary income		
Gain on sale of non-current assets	*4 663,599	*4 17,083
Gain on sale of investment securities	–	23,697
Gain on redemption of investment securities	65,492	–
Reversal of impairment loss	*5 6,171	–
Total extraordinary income	735,263	40,780

	FY3/2023 (Apr. 1, 2022 – Mar. 31, 2023)	FY3/2024 (Apr. 1, 2023 – Mar. 31, 2024)
Extraordinary losses		
Loss on sale and retirement of non-current assets	*6 10,175	*6 51,464
Compensation expenses	–	*7 59,000
Impairment losses	*8 1,002,231	–
Total extraordinary losses	1,012,406	110,464
Profit before income taxes	15,555,404	15,801,879
Income taxes-current	4,787,298	5,356,154
Income taxes-deferred	222,597	(475,068)
Total income taxes	5,009,896	4,881,086
Profit	10,545,507	10,920,792
Profit attributable to:		
Profit attributable to owners of parent	10,545,507	10,920,792
Other comprehensive income		
Valuation difference on available-for-sale securities	(279,772)	665,208
Foreign currency translation adjustment	2,606,447	2,627,688
Remeasurements of defined benefit plans, net of tax	(7,505)	45,136
Total other comprehensive income	2,319,169	3,338,033
Comprehensive income	12,864,676	14,258,825
Comprehensive income attributable to:		
Owners of parent	12,864,676	14,258,825

(3) Consolidated Statements of Changes in Shareholders' Equity

FY3/2023 (Apr. 1, 2022–Mar. 31, 2023)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,336,936	1,276,650	76,245,125	(6,515,214)	72,343,497
Changes during period					
Dividends of surplus			(2,240,382)		(2,240,382)
Profit attributable to owners of parent			10,545,507		10,545,507
Purchase of treasury shares				(4,999,922)	(4,999,922)
Disposal of treasury shares		9,606		18,013	27,620
Net changes in items other than shareholders' equity					
Total changes during period	–	9,606	8,305,125	(4,981,908)	3,332,823
Balance at end of period	1,336,936	1,286,257	84,550,250	(11,497,123)	75,676,320

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	707,807	5,610,272	50,733	6,368,814	78,712,311
Changes during period					
Dividends of surplus					(2,240,382)
Profit attributable to owners of parent					10,545,507
Purchase of treasury shares					(4,999,922)
Disposal of treasury shares					27,620
Net changes in items other than shareholders' equity	(279,772)	2,606,447	(7,505)	2,319,169	2,319,169
Total changes during period	(279,772)	2,606,447	(7,505)	2,319,169	5,651,992
Balance at end of period	428,034	8,216,719	43,228	8,687,983	84,364,303

FY3/2024 (Apr. 1, 2023–Mar. 31, 2024)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,336,936	1,286,257	84,550,250	(11,497,123)	75,676,320
Changes during period					
Dividends of surplus			(2,963,036)		(2,963,036)
Profit attributable to owners of parent			10,920,792		10,920,792
Purchase of treasury shares				(2,999,852)	(2,999,852)
Disposal of treasury shares		26,670		26,837	53,508
Cancellation of treasury shares		(43,176)	(6,559,110)	6,602,287	–
Net changes in items other than shareholders' equity					
Total changes during period	–	(16,506)	1,398,644	3,629,273	5,011,411
Balance at end of period	1,336,936	1,269,750	85,948,894	(7,867,849)	80,687,731

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	428,034	8,216,719	43,228	8,687,983	84,364,303
Changes during period					
Dividends of surplus					(2,963,036)
Profit attributable to owners of parent					10,920,792
Purchase of treasury shares					(2,999,852)
Disposal of treasury shares					53,508
Cancellation of treasury shares					–
Net changes in items other than shareholders' equity	665,208	2,627,688	45,136	3,338,033	3,338,033
Total changes during period	665,208	2,627,688	45,136	3,338,033	8,349,444
Balance at end of period	1,093,243	10,844,407	88,365	12,026,016	92,713,748

(4) Consolidated Statements of Cash Flows

	(Thousands of yen)	
	FY3/2023	FY3/2024
	(Apr. 1, 2022–Mar. 31, 2023)	(Apr. 1, 2023–Mar. 31, 2024)
Cash flows from operating activities		
Profit before income taxes	15,555,404	15,801,879
Depreciation	2,025,191	1,991,889
Reversal of impairment loss	(6,171)	–
Increase (decrease) in allowance for doubtful accounts	1,002,231	–
Increase (decrease) in provision for bonuses for directors (and other officers)	16,942	11,614
Increase (decrease) in retirement benefit liability	21,200	(5,367)
Decrease (increase) in retirement benefit asset	(40,513)	349,036
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(26,659)	4,907
Interest and dividend income	(290,418)	(470,679)
Interest expenses	14,105	14,495
Loss (gain) on sale of investment securities	–	(23,697)
Loss (gain) on redemption of investment securities	(65,492)	–
Loss (gain) on sale and retirement of non-current assets	(653,424)	34,381
Compensation expenses	–	59,000
Decrease (increase) in trade receivables	1,589,347	(4,446,119)
Decrease (increase) in inventories	340,577	2,294,431
Increase (decrease) in trade payables	(511,230)	(51,557)
Other, net	(654,141)	647,142
Subtotal	18,316,947	16,211,356
Interest and dividends received	259,344	462,107
Interest paid	(14,181)	(14,724)
Compensation paid	–	(59,000)
Income taxes paid	(5,099,689)	(4,155,466)
Net cash provided by (used in) operating activities	13,462,420	12,444,273
Cash flows from investing activities		
Payments into time deposits	(3,772,572)	(2,167,573)
Proceeds from withdrawal of time deposits	2,804,077	3,313,281
Purchase of non-current assets	(6,090,697)	(2,315,627)
Proceeds from sale of non-current assets	1,115,802	20,305
Purchase of investment securities	(1,922,563)	(12,124)
Proceeds from sale of investment securities	–	42,404
Proceeds from redemption of investment securities	1,110,357	–
Other, net	42,868	1,695
Net cash provided by (used in) investing activities	(6,712,727)	(1,117,638)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(63,497)	–
Repayments of lease liabilities	(246,141)	(311,508)
Purchase of treasury shares	(4,999,922)	(2,999,852)
Dividends paid	(2,240,382)	(2,963,036)
Net cash provided by (used in) financing activities	(7,549,943)	(6,274,397)
Effect of exchange rate change on cash and cash equivalents	1,058,120	1,275,630
Net increase (decrease) in cash and cash equivalents	257,869	6,327,868
Cash and cash equivalents at beginning of period	26,280,122	26,537,992
Cash and cash equivalents at end of period	*1 26,537,992	*1 32,865,860

(5) Notes to Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Basis for Presentation of the Consolidated Financial Statements

1. Scope of consolidation

The number of consolidated subsidiaries: 11

Names of consolidated subsidiaries

Sumix Corporation
Taiwan Uyemura Co., Ltd.
Uyemura International Corporation
Uyemura (Shanghai) Co., Ltd.
Sum Hitech Co., Ltd.
Uyemura (Malaysia) Sdn. Bhd.
Uyemura International (Singapore) Pte Ltd
Uyemura International (Hong Kong) Co., Ltd.
Uyemura (Shenzhen) Co., Ltd.
Uyemura Korea Co., Ltd.
PT. Uyemura Indonesia

2. Application of equity method

The Company has no subsidiaries and affiliates accounted for by the equity method.

3. Closing date of consolidated subsidiaries

Of the consolidated subsidiaries, overseas subsidiaries' fiscal year ends on December 31. Therefore, the financial statements of the overseas consolidated subsidiaries as of their closing date are used herein with necessary adjustments applied for consolidation purposes regarding the important transactions that have occurred between the said closing date, December 31 and the consolidated closing date, March 31.

4. Accounting policies

(1) Valuation standards and method for major assets

1. Securities

1) Trading securities

Valued at the market price, cost of sales that is determined by the moving average method.

2) Available-for-sale securities

Securities other than stocks, etc. without quoted market prices

Valued at fair value based on the market price at the end of the fiscal year with valuation differences being included in net assets, and cost of securities sold to be determined by the moving average method.

Stocks, etc. without quoted market prices

Valued at cost that is determined by the moving average method.

2. Inventories

1) Merchandise

Primarily valued at cost that is determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).

2) Finished goods and work in process

Plating chemicals

Primarily valued at cost that is determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).

Surface finishing machinery

Primarily valued at cost that is determined by the identification method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).

3) Raw materials and supplies

Primarily valued at cost that is determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).

(2) Depreciation method for major depreciable assets

1) Property, plant and equipment (excluding leased assets)

The declining balance method is adopted by the Company and its domestic consolidated subsidiaries, while the straight-line method is primarily adopted by overseas consolidated subsidiaries.

Useful life of principle assets is as follows:

Buildings and structures: 10 to 50 years

Machinery, equipment and vehicles: 2 to 15 years

2) Intangible assets

Intangible assets are amortized using the straight-line method.

Software for internal use is amortized over an estimated useful period of internal use, which is 3 to 5 years.

3) Leased assets

Leased assets associated with finance lease transactions where there is no transfer of ownership

The straight-line method with no residual value is applied with the lease period used as the useful life of the asset.

(3) Recognition of major reserves

1) Allowance for doubtful accounts

To prepare for credit losses on accounts receivable, allowances equal to the estimated amount of uncollectible receivables are accounted for based on historical write-off ratio for general receivables and based on case-by-case determination of collectibility for bad receivables and claims in bankruptcy.

2) Provision for bonuses

In the Company and its domestic consolidated subsidiary, to prepare for the payment of bonus to employees, an allowance is accounted for a portion accrued for the fiscal year under review of the estimated amount of future payment.

3) Provision for bonuses for directors (and other officers)

In the Company and its domestic consolidated subsidiary, to prepare for the payment of bonus to directors, an allowance is accounted for the estimated bonus obligations in the fiscal year under review.

(4) Accounting method for retirement benefit obligations

i. Method of attributing estimated retirement benefit obligations to periods

In calculation of retirement benefit obligations, the Company uses the straight-line method for attributing estimated retirement benefit obligations to at the end of the period under review.

ii. Amortization of actuarial differences and past service cost

Past service cost is charged to expenses for the fiscal year when they were incurred.

The actuarial differences are mainly amortized and charged to expense in the year following the fiscal year in which such actuarial differences are recognized by the straight-line method over a certain period (12 years) which is within the average length of remaining work period of employees.

Unrecognized actuarial differences are included in accumulated other comprehensive income in net assets under remeasurements of defined benefit plans, after adjusting for tax effects.

(5) Recognition of major revenue and expenses

The content of main performance obligations in our main businesses regarding revenue which arises from contracts between the Company and its consolidated subsidiaries and customers, and ordinary timing to fulfil the said performance obligations (ordinary timing to recognize revenue) are as follows.

i. Surface finishing materials business

We mainly manufacture and sell plating chemicals for PWBs and plating chemicals for aluminum magnetic disks in the surface finishing materials business. We also sell industrial chemicals and non-ferrous metals in the business.

Regarding domestic sale of these products and merchandise, we recognize revenue at the delivery of products and merchandise to customers. We recognize revenue at the shipment of products and merchandise to customers, because the duration from the shipment to the transfer of ownership to customers is normal duration.

Regarding overseas sale of these products and merchandise, we recognize revenue at the transfer of ownership based on

trading terms.

ii. Surface finishing machinery business

We mainly manufacture and sell plating machinery for PWBs and aluminum magnetic disks in the surface finishing machinery business.

In the sale of these products, regarding sale under contracts in which we reserve a legally enforceable right to receive compensation, we recognize revenue based on the progress of the fulfilment of performance obligations, with the judgment that obligations are fulfilled over a certain period in time.

Regarding sale under contracts in which we cannot judge that we reserve a legally enforceable right to receive compensation, we recognize revenue at the delivery of machinery, with the judgement that performance obligations are fulfilled at the transfer of the ownership of machinery to customers.

In case the duration from the commencement of transactions to the fulfilment of performance obligations is very short, we recognize revenue at acceptance inspection.

iii. Plating job business

We are mainly engaged in plastic plating services and PWB plating services in the plating job business.

In the plating services, we recognize revenue at the delivery of plated merchandise to customers

iv. Real estate rental business

We conclude lease contracts of commercial properties in the real estate rental business.

Regarding the said contracts, we recognize revenue according to accounting treatment applicable to normal rental transactions, because such contracts fall under operating lease transactions.

v. Other businesses

In other businesses, royalty revenues are generated in association with the sale of products including our intellectual property licenses.

We recognize royalty revenue when customers post revenue related to our intellectual property licenses, or when customers utilize our intellectual property licenses.

(6) Translation of the important assets or liabilities in foreign currency into Japanese currency

The monetary assets and liabilities in foreign currency are translated into Japanese currency based on the spot exchange rate as of the closing date of the fiscal year under review, with the conversion difference to be accounted for as profit or loss. The assets and liabilities of overseas consolidated subsidiaries are translated into Japanese currency based on the spot exchange rate as of the closing date of the fiscal year under review, and revenue and expenses into Japanese currency based on the average conversion rate throughout the entire period, with the conversion difference to be accounted for so as to be included in foreign currency translation adjustment in the net assets section.

(7) Definition of cash and cash equivalents in the consolidated statements of cash flows

Cash and cash equivalents in the consolidated statements of cash flows is composed of 1) cash on hand, 2) bank deposit payable on demand, and 3) short-term investments readily redeemable within six months from the acquisition that has little risk on changes in valuation.

Notes to Consolidated Balance Sheets

*1. Assets pledged as collateral and liabilities with collateral

Assets pledged as collateral	(Thousands of yen)	
	FY3/2023 (As of Mar. 31, 2023)	FY3/2024 (As of Mar. 31, 2024)
Buildings and structures	1,450,634	1,359,082
Land	47,200	47,200
Total	1,497,834	1,406,282

Liabilities with collateral	(Thousands of yen)	
	FY3/2023 (As of Mar. 31, 2023)	FY3/2024 (As of Mar. 31, 2024)
Short-term borrowings	400,000	400,000
Total	400,000	400,000

*2. Accumulated depreciation

Amounts of accumulated depreciation include accumulated impairment losses.

*3 Trade notes that expire by the end date of the fiscal year

Accounting for trade notes that expire by the end date of the fiscal year shall be done on date of exchange or settlement of notes. As the last day of the current fiscal year was a bank holiday, the notes maturing at the end of the next fiscal year are included in the balance at the end of the current fiscal year.

	(Thousands of yen)	
	FY3/2023 (As of Mar. 31, 2023)	FY3/2024 (As of Mar. 31, 2024)
Notes receivable - trade	-	101,733
Electronically recorded monetary claims - operating	-	427,060
Electronically recorded obligations-operating	-	410,692

Notes to Consolidated Statements of Income and Comprehensive Income

*1. Revenue from contracts with customers

Regarding net sales, revenue from contracts with customers and other revenues are not stated separately. The amount of revenue from contracts with customers is stated in “(Revenue Recognition) 1. Disaggregated revenue from contracts with customers” in the notes to the consolidated financial statements.

*2. The ending inventory is the amount written down to reflect the effect of lower profit margins. The following loss on valuation of inventories is included in cost of sales.

	(Thousands of yen)	
	FY3/2023 (Apr. 1, 2022–Mar. 31, 2023)	FY3/2024 (Apr. 1, 2023–Mar. 31, 2024)
	78,202	57,859

*3. Total research and development expenses included in general and administrative expenses and manufacturing costs incurred during the period

	(Thousands of yen)	
	FY3/2023 (Apr. 1, 2022–Mar. 31, 2023)	FY3/2024 (Apr. 1, 2023–Mar. 31, 2024)
	2,320,825	2,315,288

*4. Gains on sale of non-current assets

	(Thousands of yen)	
	FY3/2023 (Apr. 1, 2022–Mar. 31, 2023)	FY3/2024 (Apr. 1, 2023–Mar. 31, 2024)
Machinery, equipment and vehicles	16,935	15,950
Land	638,474	-
Others	8,190	1,132
Total	663,599	17,083

*5. Gain on reversal of impairment losses

FY3/2023 (Apr. 1, 2022–Mar. 31, 2023)

Our consolidated subsidiary Taiwan Uyemura Co., Ltd. recognized gain on reversal of impairment losses for buildings, structures, and land in accordance with the International Financial Reporting Standards.

*6. Loss on sale and retirement of non-current assets

	(Thousands of yen)	
	FY3/2023 (Apr. 1, 2022–Mar. 31, 2023)	FY3/2024 (Apr. 1, 2023–Mar. 31, 2024)
Buildings and structures	1,729	3,807
Machinery, equipment and vehicles	5,838	30,551
Retirement cost	316	4,130
Others	2,290	12,975
Total	10,175	51,464

*7 Compensation for payment

FY3/2024 (Apr. 1, 2023–Mar. 31, 2024)

This is compensation for cancellation of real estate sales contract.

***8. Impairment losses**

FY3/2023 (Apr. 1, 2022–Mar. 31, 2023)

The Group recognized impairment losses on the following group of assets.

Location	Use	Item
Pathumthani, Thailand	Operating assets	Buildings and structures, machinery, equipment, and vehicles, construction in progress, other

In principle, we group our operating assets into the smallest unit that generates largely independent cash flows.

For the fiscal year ended March 31, 2023, we wrote down the carrying value of the group of assets that have reported operating losses on a consistent basis to their recoverable amount. The difference between the carrying value and the recoverable amount was then accounted for as impairment losses of 1,002,231 thousand yen and presented as an extraordinary loss. The amount of impairment losses consists of 1,002,231 thousand yen for Pathumthani, Thailand (of which, 538,357 thousand yen for buildings and structures, 438,273 thousand yen for machinery, equipment, and vehicles, 14,152 thousand yen for construction in progress, and 11,447 thousand yen for other).

The recoverable amounts of the group of assets in Thailand are measured at fair value less costs of disposal in accordance with IFRS. Fair value is measured using the income approach with a discount rate of 6.58%.

***9. Reclassification adjustments and tax effect with respect to other comprehensive income**

(Thousands of yen)

	FY3/2023 (Apr. 1, 2022–Mar. 31, 2023)	FY3/2024 (Apr. 1, 2023–Mar. 31, 2024)
Valuation difference on available-for-sale securities		
Amount incurred during the year	(403,247)	958,789
Re-classification adjustments	–	–
Before tax effect adjustments	(403,247)	958,789
Tax effect	123,474	(293,581)
Valuation difference on available-for-sale securities	(279,772)	665,208
Foreign currency translation adjustment		
Amount incurred during the year	2,606,447	2,627,688
Remeasurements of defined benefit plans, net of tax		
Amount incurred during the year	(7,173)	70,077
Re-classification adjustments	(3,643)	(5,020)
Before tax effect adjustments	(10,817)	65,057
Tax effect	3,312	(19,920)
Remeasurements of defined benefit plans, net of tax	(7,505)	45,136
Total other comprehensive income	2,319,169	3,338,033

Notes to Consolidated Statements of Changes in Shareholders' Equity

FY3/2023 (Apr. 1, 2022–Mar. 31, 2023)

1. Types and total number of issued shares and treasury shares

	Number of shares as of Apr. 1, 2022 (Shares)	Increase (Shares)	Decrease (Shares)	Number of shares as of Mar. 31, 2023 (Shares)
Issued shares				
Common shares (Note)	19,756,080	–	–	19,756,080
Total	19,756,080	–	–	19,756,080
Treasury shares				
Common shares (Note)	2,522,368	777,588	5,192	3,294,764
Total	2,522,368	777,588	5,192	3,294,764

Notes: 1. The number of common shares of treasury shares was increased by 777,500 shares due to the acquisition of treasury shares resolved at the Board of Directors meeting and by 88 shares due to the purchase of odd-lot shares.

2. The number of common shares of treasury shares was decreased by 4,022 shares due to the disposal of treasury shares as stock compensation with restricted transfer and by 1,170 shares due to the disposal of treasury shares as a stock incentive with restricted transfer for employee stock ownership plan.

2. Dividends

(1) Dividend payment

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 29, 2022	Common shares	2,240,382	130	Mar. 31, 2022	Jun. 30, 2022

(2) Dividends with a record date in the fiscal year under review but an effective date in the following fiscal year

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Source of dividend	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 29, 2023	Common shares	2,963,036	Retained earnings	180	Mar. 31, 2023	Jun. 30, 2023

FY3/2024 (Apr. 1, 2023–Mar. 31, 2024)

1. Types and total number of issued shares and treasury shares

	Number of shares as of Apr. 1, 2023 (Shares)	Increase (Shares)	Decrease (Shares)	Number of shares as of Mar. 31, 2024 (Shares)
Issued shares				
Common shares (Note)	19,756,080	–	1,657,080	18,099,000
Total	19,756,080	–	1,657,080	18,099,000
Treasury shares				
Common shares (Note)	3,294,764	334,171	1,664,217	1,974,718
Total	3,294,764	334,171	1,664,217	1,974,718

Notes: 1. The decrease in the total number of outstanding shares of common shares was due to the cancellation of 1,657,080 shares of treasury stock resolved at the Board of Directors.

2. The number of common shares of treasury shares was increased by 334,100 shares due to the acquisition of treasury shares resolved at the Board of Directors meeting and by 71 shares due to the purchase of odd-lot shares.

3. The number of common shares of treasury shares was decreased by 1,657,080 shares due to the cancellation of treasury stock resolved at the Board of Directors, by 6,306 shares due to the disposal of treasury shares as stock compensation with restricted transfer, and by 831 shares due to the disposal of treasury shares as a stock incentive with restricted transfer for employee stock ownership plan.

2. Dividends

(1) Dividend payment

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 29, 2023	Common shares	2,963,036	180	Mar. 31, 2023	Jun. 30, 2023

(2) Dividends with a record date in the fiscal year under review but an effective date in the following fiscal year

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Source of dividend	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 27, 2024	Common shares	3,224,856	Retained earnings	200	Mar. 31, 2024	Jun. 28, 2024

Notes to Consolidated Statements of Cash Flows

*1. Reconciliation of the balance of cash and cash equivalents at the end of the fiscal year and the amount stated in the consolidated balance sheets

	(Thousands of yen)	
	FY3/2023 (Apr. 1, 2022–Mar. 31, 2023)	FY3/2024 (Apr. 1, 2023–Mar. 31, 2024)
Cash and deposits	32,623,358	38,204,933
Time deposits maturing with deposit period of more than 6 months	(6,085,365)	(5,339,073)
Cash and cash equivalents	26,537,992	32,865,860

Segment and Other Information

Segment information

1. Overview of reportable segment

Segments used for financial reporting are the Company's constituent units for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

The Company has established individual sales divisions that oversee specific product, merchandise, and service categories. Each division conducts its business in line with the comprehensive strategy it has devised for products, merchandise, and services in both domestic and overseas markets.

The Company's business activities thus comprise of four reportable segments classified by type and nature of the products, merchandise, and services; the surface finishing materials business, the surface finishing machinery business, the plating job business, and the real estate rental business.

The surface finishing materials business mainly handles the sale of plating chemicals for PWBs, plating chemicals for aluminum magnetic disks, industrial chemicals, non-ferrous metals, and others. The surface finishing machinery business mainly deals with plating machinery for PWBs and plating machinery for aluminum magnetic disks. The plating job business is mainly engaged in plastic plating services and PWB plating services. The real estate rental business generates revenue by renting out office buildings and apartment houses.

2. Calculation method for sales, profit or loss, assets or liabilities, and other items for each reportable segment

The accounting method used for reportable business segments is the same as the methods listed in "Basis for Presentation of the Consolidated Financial Statements."

Intersegment sales and transfer are based on market prices.

3. Information related to sales, profit or loss, assets or liabilities, and other items for each reportable segment
FY3/2023 (Apr. 1, 2022–Mar. 31, 2023)

(Thousands of yen)

	Reportable segment					Other (Note 1)	Total	Adjustment (Notes 2)	Amounts shown on consolidated financial statements (Note 3)
	Surface Finishing Materials	Surface Finishing Machinery	Plating Job	Real Estate Rental	Subtotal				
Net sales									
Japan	23,155,881	4,083,714	–	–	27,239,595	20,742	27,260,338	–	27,260,338
Taiwan	18,641,907	3,142,477	924,086	–	22,708,471	–	22,708,471	–	22,708,471
China	14,073,850	1,811,804	–	–	15,885,654	–	15,885,654	–	15,885,654
Korea	5,531,169	4,773	–	–	5,535,943	–	5,535,943	–	5,535,943
Singapore	3,332,004	317,131	–	–	3,649,136	–	3,649,136	–	3,649,136
Thailand	199,547	–	3,572,873	–	3,772,421	–	3,772,421	–	3,772,421
North America	5,554,824	88,211	–	–	5,643,035	–	5,643,035	–	5,643,035
Others	–	–	449,646	–	449,646	–	449,646	–	449,646
Revenue generated from contracts with customers	70,489,185	9,448,112	4,946,606	–	84,883,904	20,742	84,904,647	–	84,904,647
Other revenue	–	–	–	844,768	844,768	–	844,768	–	844,768
Sales to third parties	70,489,185	9,448,112	4,946,606	844,768	85,728,673	20,742	85,749,416	–	85,749,416
Intersegment sales and transfers	5,711	12,500	–	–	18,212	–	18,212	(18,212)	–
Total	70,494,897	9,460,612	4,946,606	844,768	85,746,885	20,742	85,767,628	(18,212)	85,749,416
Segment profit (loss)	13,887,927	941,958	(316,214)	514,213	15,027,885	18,498	15,046,383	–	15,046,383
Segment assets	60,035,165	9,961,612	5,015,386	2,265,646	77,277,810	–	77,277,810	29,989,896	107,267,707
Other items									
Depreciation	1,473,369	139,216	294,373	118,231	2,025,191	–	2,025,191	–	2,025,191
Impairment losses	–	–	1,002,231	–	1,002,231	–	1,002,231	–	1,002,231
Increase in property, plant and equipment and intangible assets	5,251,650	736,372	250,031	–	6,238,054	–	6,238,054	–	6,238,054

Notes: 1. The “Other” business segment consists of activities that are not included in any of the four reportable segments, and its sales include royalty revenues.

2. The 29,989,896 thousand yen adjustment of segment assets includes corporate assets of 29,989,896 thousand yen. Corporate assets mainly include excess funds (cash and deposits) and long-term invested assets (investment securities) of the parent company.

3. Total segment profit (loss) is equal to operating profit shown on the consolidated statements of income and comprehensive income.

4. Net sales are broken down by reportable segment by the country or region in which the Company and its consolidated subsidiaries are located.

FY3/2024 (Apr. 1, 2023–Mar. 31, 2024)

(Thousands of yen)

	Reportable segment					Other (Note 1)	Total	Adjustment (Notes 2)	Amounts shown on consolidated financial statements (Note 3)
	Surface Finishing Materials	Surface Finishing Machinery	Plating Job	Real Estate Rental	Subtotal				
Net sales									
Japan	21,464,405	9,443,562	–	–	30,907,967	21,403	30,929,371	–	30,929,371
Taiwan	13,260,952	1,291,645	418,396	–	14,970,993	–	14,970,993	–	14,970,993
China	12,853,191	1,981,667	–	–	14,834,859	–	14,834,859	–	14,834,859
Korea	4,901,732	9,393	–	–	4,911,125	–	4,911,125	–	4,911,125
Singapore	3,044,978	1,770,955	–	–	4,815,934	–	4,815,934	–	4,815,934
Thailand	335,966	–	3,369,501	–	3,705,467	–	3,705,467	–	3,705,467
North America	4,721,962	31,248	–	–	4,753,211	–	4,753,211	–	4,753,211
Others	–	–	510,238	–	510,238	–	510,238	–	510,238
Revenue generated from contracts with customers	60,583,189	14,528,472	4,298,136	–	79,409,798	21,403	79,431,201	–	79,431,201
Other revenue	–	–	–	824,829	824,829	–	824,829	–	824,829
Sales to third parties	60,583,189	14,528,472	4,298,136	824,829	80,234,628	21,403	80,256,031	–	80,256,031
Intersegment sales and transfers	–	225	–	–	225	–	225	(225)	–
Total	60,583,189	14,528,697	4,298,136	824,829	80,234,853	21,403	80,256,256	(225)	80,256,031
Segment profit (loss)	12,477,688	2,421,664	(346,577)	422,101	14,974,877	19,749	14,994,626	–	14,994,626
Segment assets	65,521,337	13,836,065	4,842,976	2,202,128	86,402,508	–	86,402,508	31,772,332	118,174,840
Other items									
Depreciation	1,458,508	254,827	168,678	109,875	1,991,889	–	1,991,889	–	1,991,889
Increase in property, plant and equipment and intangible assets	1,551,836	1,428,608	31,649	2,243	3,014,336	–	3,014,336	–	3,014,336

Notes: 1. The “Other” business segment consists of activities that are not included in any of the four reportable segments, and its sales include royalty revenues.

2. The 31,772,332 thousand yen adjustment of segment assets includes corporate assets of 31,772,332 thousand yen. Corporate assets mainly include excess funds (cash and deposits) and long-term invested assets (investment securities) of the parent company.

3. Total segment profit (loss) is equal to operating profit shown on the consolidated statements of income and comprehensive income.

4. Net sales are broken down by reportable segment by the country or region in which the Company and its consolidated subsidiaries are located

Related information

FY3/2023 (Apr. 1, 2022–Mar. 31, 2023)

1. Information by product or service

Omitted because the same information is presented in the segment information section.

2. Information by region

(1) Net sales

(Thousands of yen)

Japan	Taiwan	China	Other	Total
27,576,451	23,026,089	15,263,228	19,883,646	85,749,416

Note: Net sales is classified to countries or regions based on the location of customers.

(2) Property, plant and equipment

(Thousands of yen)

Japan	Taiwan	Thailand	Other	Total
14,179,222	3,710,411	984,283	3,078,659	21,952,576

3. Information about major customers

(Thousands of yen)

Customer's name	Net sales	Related segment name
Unimicron Technology Corp.	9,512,183	Surface finishing materials business and surface finishing machinery business

FY3/2024 (Apr. 1, 2023–Mar. 31, 2024)

1. Information by product or service

Omitted because the same information is presented in the segment information section.

2. Information by region

(1) Net sales

(Thousands of yen)

Japan	Taiwan	China	Other	Total
31,203,949	15,245,236	14,399,631	19,407,213	80,256,031

Note: Net sales is classified to countries or regions based on the location of customers.

(2) Property, plant and equipment

(Thousands of yen)

Japan	Taiwan	Thailand	Other	Total
14,948,539	3,739,574	997,625	3,727,963	23,413,703

3. Information about major customers

Omitted because no single external customer accounts for 10% or more of sales shown on the consolidated statements of income and comprehensive income.

Information related to impairment losses of non-current assets for each reportable segment

FY3/2023 (Apr. 1, 2022–Mar. 31, 2023)

Omitted because the same information is presented in the segment information section.

FY3/2024 (Apr. 1, 2023–Mar. 31, 2024)

Not applicable.

Information related to goodwill amortization and the unamortized balance for each reportable segment

Not applicable.

Information related to gain on bargain purchase for each reportable segment

Not applicable.

Per Share Data

(Yen)

	FY3/2023 (Apr. 1, 2022–Mar. 31, 2023)	FY3/2024 (Apr. 1, 2023–Mar. 31, 2024)
Net assets per share	5,125.00	5,749.95
Net income per share (basic)	636.84	673.41

Notes: 1. Net income per share (diluted) is not presented since there is no dilutive share.

2. Basis for calculation of net assets per share is as follows:

(Thousands of yen, unless otherwise stated)

	FY3/2023 (As of Mar. 31, 2023)	FY3/2024 (As of Mar. 31, 2024)
Total net assets on balance sheets	84,364,303	92,713,748
Deduction from total net assets	–	–
Net assets applicable to common shares	84,364,303	92,713,748
Number of shares outstanding (common shares)	19,756,080 shares	18,099,000 shares
Number of treasury shares (common shares)	3,294,764 shares	1,974,718 shares
Number of common shares used in calculation of net assets per share	16,461,316 shares	16,124,282 shares

3. Basis for calculation of net income per share (basic) is as follows:

(Thousands of yen, unless otherwise stated)

	FY3/2023 (Apr. 1, 2022–Mar. 31, 2023)	FY3/2024 (Apr. 1, 2023–Mar. 31, 2024)
Profit attributable to owners of parent	10,545,507	10,920,792
Amount not available to common shareholders	–	–
Profit attributable to common shareholders of parent	10,545,507	10,920,792
Average number of shares of common shares outstanding during period	16,559,115 shares	16,217,113

Material Subsequent Events

Not applicable.

Note: This report of consolidated financial results is solely a translation of summary of Japanese “Kessan Tanshin” (including the attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer English translation. All readers are recommended to refer to the original version in Japanese of the report for complete information.