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May 8, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under IFRS)

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 Listing: Tokyo Stock Exchange
 Securities code: 8020
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 Scheduled date of annual general meeting of shareholders: June 27, 2025
 Scheduled date to commence dividend payments: June 10, 2025
 Scheduled date to file annual securities report: June 26, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

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

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Revenue	Operating profit	Profit before tax	Profit
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	1,050,936	6.6	42,051	(4.1)
March 31, 2024	985,993	8.2	43,870	12.8

	Profit attributable to owners of the parent	Total comprehensive income
Fiscal year ended	Millions of yen	Millions of yen
March 31, 2025	27,469	18.3
March 31, 2024	23,218	25.0

	Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of the parent	Profit before tax to total assets
Fiscal year ended	Yen	Yen	%	%
March 31, 2025	328.95	327.67	16.5	5.4
March 31, 2024	277.90	276.97	16.1	5.3

Reference: Share of profit (loss) of investments accounted for using equity method

For the fiscal year ended March 31, 2025: ¥86 million

For the fiscal year ended March 31, 2024: ¥(212) million

(Notes) The basic earnings per share and the diluted earnings per share are calculated based on the profit attributable to owners of the parent.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of parent to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
March 31, 2025	689,337	188,128	173,942	25.2
March 31, 2024	725,347	176,000	159,318	22.0

	Equity attributable to owners of the parent per share
As of	yen
March 31, 2025	2,092.94
March 31, 2024	1,906.69

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended March 31, 2025	Millions of yen 58,329	Millions of yen 1,363	Millions of yen (54,658)	Millions of yen 56,779
March 31, 2024	35,582	(12,423)	(50,102)	53,431

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended March 31, 2024	Yen -	Yen 45.00	Yen -	Yen 45.00	Yen 90.00
Fiscal year ended March 31, 2025	-	52.50	-	52.50	105.00
Fiscal year ending March 31, 2026 (Forecast)	-	57.50	-	57.50	115.00

3. Forecasts for consolidated results ending March 31, 2026 (April 1, 2025 – March 31, 2026)

(Percentages indicate changes from the previous year.)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of the parent	Basic earnings per share				
Full year	Millions of yen 1,100,000	% 4.7	Millions of yen 50,000	% 18.9	Millions of yen 46,000	% 20.3	Millions of yen 30,000	% 9.2	Yen 359.26

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies and changes in accounting estimates

- (i) Changes in accounting policies required by IFRS: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	84,500,202	shares
As of March 31, 2024	84,500,202	shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	1,391,064	shares
As of March 31, 2024	942,521	shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	83,505,493	shares
Fiscal year ended March 31, 2024	83,552,850	shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

	Net sales	Operating profit	Ordinary profit	Profit
	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	409,334	2.9	140	-
March 31, 2024	397,709	1.0	(540)	-
			15,413	44.7
			10,650	(12.8)
			19,516	96.3
			9,943	13.7

	Basic earning per share	Diluted earning per share
	Yen	Yen
Fiscal year ended March 31, 2025	233.65	-
March 31, 2024	118.98	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	420,030	117,954	28.1	1,418.97
March 31, 2024	439,996	115,540	26.3	1,382.34

Reference: Equity

As of March 31, 2025: ￥117,954 million

As of March 31, 2024: ￥115,540 million

* Quarterly consolidated financial summaries are not subject to quarterly review by a certified public accountant or an audit corporation.

* Explanation about the proper use of results forecasts, and additional information.

1. The forward-looking statements, including results forecasts, included in this document are based on information that the Company has obtained and certain assumptions that the Company considers reasonable. The Company does not promise to achieve them. Actual results might be significantly different from the forecasts in the document, depending on various factors. Refer to “(3) Information on the future outlook, including consolidated business performance forecasts” in “1. Qualitative Information on Consolidated Results for the fiscal year Ended March 31, 2025” on page 3 of accompanying materials for further information on results forecasts.
2. The Company operates its businesses on a consolidated basis. The Company produces no forecast for non-consolidated business results.
3. The Company plans to hold a results briefing for institutional investors and analysts on Thursday, May 15, 2025. Results briefing materials used at the results briefing will be posted on the Company’s website immediately after it is held.

Accompanying Materials – Contents

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1. Qualitative Information on Consolidated Results for the Fiscal year Ended March 31, 2025

(1) Details of consolidated results

1. Consolidated results

During the fiscal year under review (from April 1, 2024, to March 31, 2025), the prospect of the global economy remained uncertain. While the U.S. maintained a solid economic climate, there were still concerns such as the lengthening economic stagnation in China and the geopolitical risks remaining high due to the deterioration in the Middle Eastern situation.

In the U.S., the situation was mixed. Despite solid personal consumption, the risks of downward pressure on the economy would increase due to growing sense of caution regarding the uncertainty of the second Trump administration's policies such as raised tariffs.

In Europe, personal consumption was picking up in response to an increase in real income due to slowing inflation, and the economy showed signs of a gradual recovery. However, there were concerns that the uncertainty surrounding the U.S. tariff policy would weigh on the economic recovery.

In China, the economy remained sluggish due to the prolonged real estate slump and slowing personal consumption. In addition, there were concerns that increase in tariffs between the U.S. and China would worsen domestic and foreign demand.

The Japanese economy gradually recovered against the backdrop of solid corporate profits and improvements in the employment and income environments. Meanwhile, it is necessary to closely monitor the future outlook, including interest rate hikes and the direct and indirect impacts of U.S. tariff policy.

Revenue increased, driven by strong sales in the mobile business and the aerospace business that saw a steady growth, particularly in airplane and defense-related transactions. Profit declined in the steel tubing business affected by the impact of the sluggish market and recorded impairment losses. Meanwhile, profit increased in the mobile business and the steel business recorded impairment losses on equity method investments in the previous fiscal year.

As a result, consolidated revenue increased by ¥64,943 million (6.6%) year on year, to ¥1,050,936 million. Consolidated gross profit also increased by ¥12,450 million (8.7%) from a year earlier, to ¥155,007 million. Consolidated operating profit decreased by ¥1,819 million (4.1%) from a year earlier, to ¥42,051 million primarily due to the recognition of impairment losses on goodwill. Profit before tax increased by ¥992 million (2.7%) year on year, to ¥38,233 million due to the absence of the impairment loss on equity method investments recognized in the same period of the previous fiscal year. Profit attributable to owners of the parent increased by ¥4,251 million (18.3%) year on year, to ¥27,469 million. The ratio of profit attributable to owners of the parent to equity attributable to owners of the parent or equity capital (ROE) stood at 16.5% and return on invested capital (ROIC)* at 7.6%.

*ROIC = net profit / invested capital (interest-bearing liabilities + shareholders' equity)

Results for each business segment are described below.

(i) ICT Solution

Revenue increased by ¥10,713 million year on year, to ¥99,528 million, since security-related services, as well as network and storage services, mainly in the manufacturing industry, remained strong. Operating profit increased by ¥745 million, to ¥14,679 million, and profit attributable to owners of the parent increased by ¥634 million, to ¥9,970 million.

(ii) Electronics & Devices

Revenue increased by ¥34,988 million year on year, to ¥271,373 million, attributable to higher revenue in the mobile business and the semiconductor parts and manufacturing equipment business. Operating profit increased by ¥2,780 million, to ¥11,395 million, mainly driven by growth in the mobile business. Profit attributable to owners of the parent increased by ¥1,713 million, to ¥7,031 million.

(iii) Foods, Meat & Grain

Revenue increased by ¥15,840 million year on year, to ¥357,536 million, reflecting growth in the meat products business and foods business. Operating profit decreased by ¥126 million, to ¥7,842 million, primarily due to the decline in profits from the meat products business. Profit attributable to owners of the parent decreased by ¥417 million, to ¥3,063 million.

(iv) Steel, Materials & Plant

Revenue decreased by ¥13,335 million year on year, to ¥198,408 million, due to a downturn in the energy business and steel tubing business. Operating profit decreased by ¥4,926 million, to ¥3,524 million, primarily due to the decline in profits from the steel business and energy business. Profit attributable to owners of the parent increased by ¥2,088 million, to ¥4,015 million.

(v) Motor Vehicles & Aerospace

Revenue increased by ¥16,529 million year on year, to ¥121,912 million, mainly driven by growth in the aerospace business. Operating profit decreased by ¥50 million, to ¥4,802 million, primarily due to the decline in profits from the motor vehicles and automotive business and machine tools and industrial machinery business. Profit attributable to owners of the parent increased by ¥233 million, to ¥3,184 million.

(vi) Other

Revenue increased by ¥208 million year on year, to ¥2,177 million, while the operating loss increased by ¥230 million, to ¥206 million, and the loss attributable to owners of the parent increased by ¥204 million, to ¥27 million.

2. Future outlook

In the next consolidated fiscal year, the outlook is expected to remain uncertain due to the uncertainty of the U.S. tariff policy and the responses of countries and regions around the world. The Japanese economy would see only a moderate recovery, given the concerns that the slowdown in overseas economies, with uncertain future prospects, would exert downward pressure. Meanwhile, domestic demand maintains solid status, backed by inbound tourism.

For the fiscal year ending March 31, 2026, the Company forecasts a consolidated revenue of ¥1,100,000 million, an operating profit of ¥50,000 million, a profit before tax of ¥46,000 million, and a profit attributable to owners of the parent of ¥30,000 million.

(Assumptions for the calculation of performance forecast)

- Exchange rate: 1 US dollar = 150 yen
- Interest rates: Interest rates in Japan are expected to rise, while interest rates overseas are expected to fall.

* Note on forward-looking statements:

The above statements on performance forecast, such as the results forecasts, have been made based on information available to the Company at the time of the announcement and certain assumptions that the Company considers reasonable. The Company does not guarantee that the forecasts will be achieved. Actual results may differ materially from forecasts due to a number of factors.

(2) Details of financial position

(i) Assets, liabilities and equity

Total assets at the end of March 31, 2025, decreased by ¥36,010 million from the end of the previous fiscal year, to ¥689,337 million.

Interest-bearing debt decreased by ¥35,645 million from the end of the previous fiscal year, to ¥178,901 million. Net interest-bearing debt after deducting cash and deposits decreased by ¥39,089 million from the end of the previous fiscal year, to ¥120,336 million. Interest-bearing debt does not include lease liabilities.

In terms of equity, equity attributable to owners of the parent increased by ¥14,624 million from the end of the previous fiscal year, to ¥173,942 million, due to the accumulation of profit attributable to owners of the parent.

As a result, the equity ratio attributable to owners of the parent was 25.2%. The net debt-equity ratio was 0.69 times.

(ii) Cash flows

Cash and cash equivalents at the end of March 31, 2025, increased by ¥3,348 million from the end of the previous fiscal year, to ¥56,779 million.

The state of cash flows and factors for each category for the fiscal year ended March 31, 2025, were as follows:

(Cash flows from operating activities)

Net cash provided by operating activities for the fiscal year ended March 31, 2025, was ¥58,329 million (¥35,582 million in the same period of the previous fiscal year), mainly reflecting the accumulation of operating revenue.

(Cash flows from investing activities)

Net cash provided in investing activities for the fiscal year ended March 31, 2025, was ¥1,363 million (¥12,423 million used in the same period of the previous fiscal year), mainly reflecting the sale of cross-shareholdings (other investments) despite the payments for the execution of business investments such as the acquisition of property, plant and equipment, as well as subsidiaries.

(Cash flows from financing activities)

Net cash used in financing activities for the fiscal year ended March 31, 2025, was ¥54,658 million (¥50,102 million used in the same period of the previous fiscal year), mainly due to repayments of borrowings and lease liabilities, as well as dividend payments.

(3) Basic policy for distribution of profits and dividends

The Company regards the distribution of profits to its shareholders as a critical management issue. It adopts a basic policy of distributing profits supported by business results, while taking into consideration the balance with appropriate internal reserves for future growth investments.

The Company's target payout ratio (total return ratio) under medium term management plan, "integration 1.0," is set at 30-35%. For the fiscal year under review, the Company paid an interim dividend of ¥52.5 per share and plans to pay a year-end dividend of ¥52.5 per share, bringing the annual dividend to ¥105 per share. As a result, the payout ratio is estimated to be 31.9%. As for the dividends in the next fiscal year, the Company plans to increase the annual dividend by ¥10, bringing it to ¥115 per share (an interim dividend of ¥57.5 and a year-end dividend of ¥57.5). Thus, the payout ratio is expected to be 32.0%.

2. Basic Approach to Selection of Accounting Standards

The Company has voluntarily adopted International Financial Reporting Standards (IFRS) to improve the global comparability of financial information in capital markets.

3. Condensed Consolidated Financial Statements and Major Notes

(1) Condensed Consolidated Statement of Financial Position

(Million yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and cash equivalents	53,431	56,779
Trade and other receivables	287,119	254,127
Inventories	158,784	155,597
Other financial assets	9,988	4,765
Assets held for sale	—	18,076
Other current assets	34,189	32,020
Total current assets	543,513	521,367
Non-current assets		
Property, plant and equipment	47,190	55,592
Goodwill	16,952	13,770
Intangible assets	29,621	28,211
Investments accounted for using the equity method	20,471	17,646
Trade and other receivables	1,541	765
Other investments	53,019	42,021
Other financial assets	6,978	6,768
Deferred tax assets	1,893	1,122
Other non-current assets	4,164	2,072
Total non-current assets	181,834	167,970
Total assets	725,347	689,337

	(Million yen)	
	As of March 31, 2024	As of March 31, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	239,563	208,695
Bonds and borrowings	117,043	77,250
Lease liabilities	7,492	9,047
Other financial liabilities	8,694	7,632
Income taxes payable	6,812	12,279
Provisions	304	671
Liabilities directly associated with assets held for sale	—	13,523
Other current liabilities	34,765	39,287
Total current liabilities	414,675	368,387
Non-current liabilities		
Bonds and borrowings	97,502	101,650
Lease liabilities	13,721	15,309
Other financial liabilities	3,576	3,098
Retirement benefits liabilities	6,076	5,480
Provisions	2,352	2,894
Deferred tax liabilities	10,331	3,307
Other non-current liabilities	1,109	1,080
Total non-current liabilities	134,671	132,821
Total liabilities	549,347	501,209
Equity		
Share capital	27,781	27,781
Capital surplus	—	248
Retained earnings	97,236	123,009
Treasury stock	(1,238)	(2,429)
Other components of equity		
Exchange differences on translation of foreign operations	14,262	13,708
Financial assets measured at fair value through other comprehensive income	19,958	11,843
Cash flow hedges	1,318	(220)
Total other components of equity	35,539	25,332
Total equity attributable to owners of the parent	159,318	173,942
Non-controlling interests	16,681	14,185
Total equity	176,000	188,128
Total liabilities and equity	725,347	689,337

(2) Condensed consolidated statements of income / Condensed consolidated statements of comprehensive income

(Condensed consolidated statements of income)

(Million yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Revenue	985,993	1,050,936
Cost of sales	(843,435)	(895,929)
Gross profit	142,557	155,007
Selling, general and administrative expenses	(106,177)	(115,138)
Other income (expenses)		
Gain (loss) on sale or disposal of property, plant and equipment and intangible assets, net	1,781	(131)
Impairment losses on fixed assets	—	(10)
Other income	6,850	7,685
Other expenses	(1,142)	(5,361)
Total other income (expenses)	7,490	2,182
Operating profit	43,870	42,051
Finance income		
Interest income	1,113	843
Dividend income	1,322	1,242
Other finance income	83	5
Total finance income	2,518	2,091
Finance costs		
Interest expenses	(6,109)	(5,767)
Other finance costs	(477)	(229)
Total finance costs	(6,586)	(5,996)
Share of profit (loss) of investments accounted for using the equity method	(212)	86
Impairment loss on equity method investments	(2,349)	—
Profit before tax	37,241	38,233
Income tax expense	(12,655)	(11,795)
Profit for the period	24,586	26,438
Profit for the period attributable to:		
Owners of the parent	23,218	27,469
Non-controlling interests	1,367	(1,030)
Total	24,586	26,438
Earnings per share attributable to owners of the parent		
Basic earnings per share (yen)	277.90	328.95
Diluted earnings per share (yen)	276.97	327.67

(Condensed consolidated statements of comprehensive income)

(Million yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	24,586	26,438
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	8,120	(1,367)
Remeasurement of defined benefit pension plans	506	(274)
Share of other comprehensive income of investments accounted for using the equity method	(35)	(19)
Total of items that will not be reclassified to profit or loss	8,590	(1,661)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	6,565	(272)
Cash flow hedges	563	(1,537)
Share of other comprehensive income of investments accounted for using equity method	661	(345)
Total items that may be reclassified to profit or loss	7,790	(2,156)
Other comprehensive income	16,380	(3,817)
Total comprehensive income	40,966	22,621
Total comprehensive income attributable to:		
Owners of the parent	37,756	23,714
Non-controlling interests	3,210	(1,093)
Total	40,966	22,621

(3) Condensed consolidated statement of changes in equity

(Million yen)

	Equity attributable to owners of the parent					
	Share capital	Capital surplus	Retained earnings	Treasury stock	Other components of equity	
					Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income
As of April 1, 2023	27,781	—	80,543	(1,259)	8,878	11,829
Profit for the period			23,218		5,384	8,112
Other comprehensive income						
Total comprehensive income for the period	—	—	23,218	—	5,384	8,112
Dividends			(6,893)			
Dividends to non-controlling interests						
Acquisition of treasury stock		0		(4)		
Disposition of treasury stock				24		
Equity transactions with non-controlling interests		(314)				
Share-based payment transactions		161				
Put options granted to non-controlling interests		60				
Total transactions with owners	—	(91)	(6,893)	20	—	—
Transfer from retained earnings to capital surplus		91	(91)			
Transfer from other components of equity to retained earnings			458			16
As of March 31, 2024	27,781	—	97,236	(1,238)	14,262	19,958
Profit for the period			27,469		(553)	(1,380)
Other comprehensive income						
Total comprehensive income for the period	—	—	27,469	—	(553)	(1,380)
Dividends			(8,148)			
Dividends to non-controlling interests						
Acquisition of treasury stock		17		(1,251)		
Disposition of treasury stock				60		
Equity transactions with non-controlling interests		453				
Share-based payment transactions		112				
Put options granted to non-controlling interests		(334)				
Total transactions with owners	—	248	(8,148)	(1,190)	—	—
Transfer from other components of equity to retained earnings			6,451			(6,734)
As of March 31, 2025	27,781	248	123,009	(2,429)	13,708	11,843

	Equity attributable to owners of the parent				Non-controlling interests	Total equity		
	Other components of equity			Total equity attributable to owners of the parent				
	Cash flow hedges	Remeasurements of defined benefit pension plans	Total other components of equity					
As of April 1, 2023	752	—	21,460	128,525	14,898	143,423		
Profit for the period			—	23,218	1,367	24,586		
Other comprehensive income	565	475	14,537	14,537	1,843	16,380		
Total comprehensive income for the period	565	475	14,537	37,756	3,210	40,966		
Dividends			—	(6,893)		(6,893)		
Dividends to non-controlling interests			—	—	(481)	(481)		
Acquisition of treasury stock			—	(4)		(4)		
Disposition of treasury stock			—	24		24		
Equity transactions with non-controlling interests			—	(314)	(945)	(1,259)		
Share-based payment transactions			—	161		161		
Put options granted to non-controlling interests			—	60		60		
Total transactions with owners	—	—	—	(6,963)	(1,426)	(8,390)		
Transfer from retained earnings to capital surplus			—	—		—		
Transfer from other components of equity to retained earnings		(475)	(458)	—		—		
As of March 31, 2024	1,318	—	35,539	159,318	16,681	176,000		
Profit for the period			—	27,469	(1,030)	26,438		
Other comprehensive income	(1,538)	(282)	(3,754)	(3,754)	(62)	(3,817)		
Total comprehensive income for the period	(1,538)	(282)	(3,754)	23,714	(1,093)	22,621		
Dividends			—	(8,148)		(8,148)		
Dividends to non-controlling interests			—	—	(943)	(943)		
Acquisition of treasury stock			—	(1,251)		(1,251)		
Disposition of treasury stock			—	78		78		
Equity transactions with non-controlling interests			—	453	(459)	(5)		
Share-based payment transactions			—	112		112		
Put options granted to non-controlling interests			—	(334)		(334)		
Total transactions with owners	—	—	—	(9,090)	(1,402)	(10,493)		
Transfer from other components of equity to retained earnings		282	(6,451)	—		—		
As of March 31, 2025	(220)	—	25,332	173,942	14,185	188,128		

(4) Condensed consolidated statements of cash flows

(Million yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit for the year	24,586	26,438
Depreciation and amortization	14,741	15,834
Impairment losses (reversal of impairment losses)	—	10
Finance income and costs	4,067	3,904
Share of (profit) loss of investments accounted for using the equity method	212	(86)
Impairment loss on equity method investments	2,349	—
(Gain) loss on sale or disposal of property, plant and equipment and intangible assets, net	(1,781)	131
Income tax expense	12,655	11,795
(Increase) decrease in trade and other receivables	(35,141)	22,040
(Increase) decrease in inventories	2,429	243
Increase (decrease) in trade and other payables	27,422	(22,597)
Increase (decrease) in retirement benefit liabilities	(821)	(589)
Other	1,393	15,120
Sub total	52,112	72,247
Interest received	530	1,145
Dividends received	1,579	1,642
Interest paid	(5,953)	(5,727)
Income taxes paid	(12,686)	(10,978)
Net cash provided by (used in) operating activities	35,582	58,329
Cash flows from investing activities		
Payments for property, plant and equipment	(3,609)	(9,068)
Proceeds from sales of property, plant and equipment	4,405	1,046
Payments for intangible assets	(1,148)	(861)
Purchases of other investments	(7,842)	(991)
Proceeds from sale of other investments	746	12,113
Proceeds from (payments for) acquisition of subsidiaries	(3,790)	(3,352)
Payments for acquisition of businesses	(560)	(225)
Proceeds from transfer of business	7	8
Proceeds from the sale of other non-current assets	—	1,897
Increase in loans receivable	(618)	(608)
Proceeds from collection of loans receivable	1,605	1,685
Other	(1,259)	(279)
Net cash provided by (used in) investing activities	(12,423)	1,363
Cash flows from financing activities		
Increase (decrease) in short-term (maturing before 3 months) borrowings, net	2,421	(32,665)
Proceeds from short-term (maturing after 3 months) borrowings	1,205	990
Repayments of short-term (maturing after 3 months) borrowings	(59,505)	(283)
Proceeds from long-term borrowings	64,411	15,180
Repayments of long-term borrowings	(24,657)	(24,690)
Proceeds from issuance of bonds	—	12,000
Redemption of bonds	(14)	(5,000)
Dividends paid	(6,883)	(8,135)
Purchase of treasury shares	(7)	(1,251)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(17,300)	(101)
Proceeds from stock issuance to non-controlling interests	—	224
Dividends paid to non-controlling interests	(401)	(998)
Repayments of lease liabilities	(9,371)	(9,927)
Other	0	0
Net cash provided by (used in) financing activities	(50,102)	(54,658)
Increase (decrease) in cash and cash equivalents, net	(26,942)	5,033
Cash and cash equivalents at the beginning of the period	79,462	53,431
Effect of exchange rate changes on cash and cash equivalents	912	(59)
Cash and cash equivalents included in assets held for sale	—	(1,626)
Cash and cash equivalents at the end of the period	53,431	56,779

(5) Notes on condensed consolidated financial statements

(Notes on the going concern assumption)

Not applicable.

(Changes in presentation method)

(Condensed consolidated statements of cash flows)

"Purchase of treasury shares" which was included in "Other" of "Cash flows from financing activities" in the previous fiscal year, is presented separately in the current fiscal year due to its increased monetary significance. Associated with this, ¥(7) million presented in "Other" of "Cash flows from financing activities" in the condensed consolidated statements of cash flows in the previous fiscal year has been reclassified into "Purchase of treasury shares" of ¥(7) million and "Other" of ¥0 million.

(Segment information)

(1) Summary of reportable segments

The Group's reportable segments are components of the Group for which separate financial information is available, and which are regularly used by the Board of Directors when allocating management resources and evaluating performance, and they are subject to regular consideration.

The Group provides a variety of products and services by organically integrating its expertise cultivated through its internal and external network in each business sector and trading company functions such as business transactions, information collection, market development, business development and formation, risk management, and logistics.

Moreover, the Group consists of business segments by product and service based on the sales department and it has set the five segments, "ICT Solution," "Electronics & Devices," "Foods, Meat & Grain," "Steel, Materials & Plant," and "Motor Vehicles & Aerospace," as its reportable segments.

Based on the reorganization as of April 1, 2024, the ICT solution business, which was previously included in the "Electronics & Devices" segment, was reclassified as the "ICT Solution" segment and the new classification shall be applied from the fiscal year ended March 31, 2025. In addition, the Machine Tools & Industrial Machinery business, which was previously included in the "Steel, Materials & Plant" segment, was reclassified into the "Motor Vehicles & Aerospace" segment, and the Kanematsu Sustech Corporation's business, which was previously included in "Electronics & Devices" segment and "Other" was classified as the environment-related business in the "Steel, Materials & Plant" segment. As for the segment information for the fiscal year ended March 31, 2024, the information prepared based on the classification of the reportable segments after the change has been disclosed.

(2) Information on reportable segments

The accounting treatment for the reported business segments is the same as the accounting policies applied to the consolidated financial statements for the previous fiscal year.

Inter-segment revenue and transfers are determined according to transaction prices with outside customers.

I. For the fiscal year ended March 31, 2024

(Million yen)

	Reported segments						Other (Note 1)	Adjustment (Note 2)	Consolidated
	ICT Solution	Electronics & Devices	Foods, Meat & Grain	Steel, Materials & Plant	Motor Vehicles & Aerospace	Sub-total			
Revenue									
External	88,815	236,385	341,696	211,743	105,383	984,024	1,969	—	985,993
Inter-segment	822	595	3	95	12	1,529	200	(1,730)	—
Total revenues	89,637	236,981	341,699	211,838	105,395	985,553	2,170	(1,730)	985,993
Operating profit (loss)	13,934	8,615	7,968	8,450	4,852	43,820	24	25	43,870
Segment profit (loss)	9,336	5,318	3,480	1,927	2,951	23,014	177	26	23,218
Other profit or loss:									
Depreciation and amortization	2,158	5,660	2,069	2,935	1,914	14,738	23	(20)	14,741
Impairment loss	—	16	—	—	—	16	—	—	16
Share of profit (loss) of investments accounted for using the equity method	(8)	55	(98)	(578)	(0)	(630)	417	—	(212)
Impairment loss on equity method investments	—	—	—	(2,349)	—	(2,349)	—	—	(2,349)
Segment assets	107,354	159,144	192,437	159,0269	100,196	718,402	6,399	545	725,347
Other assets:									
Investments accounted for using the equity method	3,879	83	4,767	7,948	27	16,706	3,769	(4)	20,471
Capital expenditures (Note 3)	850	1,120	658	1,112	1,268	5,010	32	456	5,499

(Note 1) "Other" is a business segment that is not included in the reportable segments and includes the logistics and insurance service business.

(Note 2) Adjustments are as follows.

- (1) The adjustment of ¥25 million for operating profit (loss) includes an inter-segment elimination of ¥25 million.
- (2) The adjustment of ¥26 million for segment profit (loss) includes an inter-segment elimination of ¥22 million and corporate expenses that are not allocated to any particular segment of ¥4 million. Corporate expenses include the difference between actual income taxes incurred by the Company and income taxes allocated to each segment by an internal calculation method.
- (3) Adjustment for segment assets amounting to ¥545 million includes inter-segment elimination of ¥(55,312) million and Group assets of ¥55,858 million that have not been distributed to reportable segments. These Group assets consist mainly of cash and bank deposits in connection with financing activities and assets such as investments in securities.
- (4) Adjustment for depreciation and amortization amounting to ¥(20) million includes inter-segment elimination of ¥(20) million.
- (5) Adjustment for investments accounted for using the equity method amounting to ¥(4) million includes intersegment elimination of ¥(4) million.
- (6) Adjustment for capital expenditure amounting to ¥456 million includes Group assets of ¥456 million that have not been distributed to reportable segments. These Group assets consist mainly of software related to the Company's systems.

(Note 3) Capital expenditures do not include amounts pertaining to right-of-use assets.

II. For the fiscal year ended March 31, 2025

(Million yen)

	Reported segments						Other (Note 1)	Adjustment (Note 2)	Consolidated
	ICT Solution	Electronics & Devices	Foods, Meat & Grain	Steel, Materials & Plant	Motor Vehicles & Aerospace	Sub-total			
Revenue									
External	99,528	271,373	357,536	198,408	121,912	1,048,759	2,177	—	1,050,936
Inter-segment	753	225	98	33	7	1,119	227	(1,347)	—
Total revenues	100,282	271,599	357,635	198,442	121,919	1,049,879	2,404	(1,347)	1,050,936
Operating profit (loss)	14,679	11,395	7,842	3,524	4,802	42,243	(206)	15	42,051
Segment profit (loss)	9,970	7,031	3,063	4,015	3,184	27,266	(27)	230	27,469
Other profit or loss:									
Depreciation and amortization	2,653	5,765	2,333	3,051	2,038	15,843	12	(21)	15,834
Impairment loss	—	1,395	—	3,087	5	4,488	—	—	4,488
Share of profit (loss) of investments accounted for using the equity method	109	(6)	38	(225)	7	(76)	163	—	86
Segment assets	124,247	157,417	189,650	132,020	104,454	707,789	6,404	(24,856)	689,337
Other assets:									
Investments accounted for using the equity method	3,958	—	5,054	4,678	34	13,725	3,925	(4)	17,646
Capital expenditures (Note 3)	3,909	2,019	570	919	1,850	9,269	1	1,464	10,735

(Note 1) "Other" is a business segment that is not included in the reportable segments and includes the logistics and insurance service business.

(Note 2) Adjustments are as follows.

- (1) The adjustment of ¥15 million for operating profit (loss) includes an inter-segment elimination of ¥15 million.
- (2) The adjustment of ¥230 million for segment profit (loss) includes an inter-segment elimination of ¥15 million and corporate expenses that are not allocated to any particular segment of ¥215 million. Corporate expenses include the difference between actual income taxes incurred by the Company and income taxes allocated to each segment by an internal calculation method.
- (3) Adjustment for segment assets amounting to ¥(24,856) million includes inter-segment elimination of ¥(62,012) million and Group assets of ¥37,156 million that have not been distributed to reportable segments. These Group assets consist mainly of cash and bank deposits in connection with financing activities and assets such as investments in securities.
- (4) Adjustment for depreciation and amortization amounting to ¥(21) million includes inter-segment elimination of ¥(21) million.
- (5) Adjustment for investments accounted for using the equity method amounting to ¥(4) million includes intersegment elimination of ¥(4) million.
- (6) Adjustment for capital expenditure amounting to ¥1,464 million includes inter-segment elimination of ¥(18) million and Group assets of ¥1,483 million that have not been distributed to reportable segments. These Group assets consist mainly of buildings and structures related to the relocation works of Osaka branch.

(Note 3) Capital expenditures do not include amounts pertaining to right-of-use assets.

(Per share information)

(i) Profit for the year per share (yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Basic earnings per share (yen)	277.90	328.95
Diluted earnings per share (yen)	276.97	327.67

(Note) The amount of diluted earnings per share is calculated by deeming the shares authorized to be issued subject to conditions which are expected to be provided under the performance-linked stock compensation plan as potential shares.

(ii) Basis for calculation of profit for the year per share

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit attributable to owners of the parent (million yen)	23,218	27,469
Amount not attributable to common shareholders of the parent (million yen)	—	—
Profit used to calculate basic earnings per share (million yen)	23,218	27,469
Profit used to calculate diluted earnings per share (million yen)	23,218	27,469
Weighted average number of common shares (thousand shares)	83,552	83,505
Increase due to performance-linked stock compensation plan (thousand shares)	279	327
Weighted average number of shares adjusted for dilution (thousand shares)	83,832	83,832

(Note) In the calculation of the earnings per share, the shares of the Company owned by the stock issuance trust for officers below are included in the treasury stock which is deducted in the calculation of average number of shares during the fiscal year:

The previous fiscal year	657,130 shares
The current fiscal year	704,000 shares

(Significant subsequent events)

Not applicable.