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Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Under Japanese GAAP)



May 2, 2024

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 Listing: Tokyo Stock Exchange
 Securities code: 6809
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 Scheduled date of Ordinary General Shareholders' Meeting: June 26, 2024
 Scheduled date to commence dividend payments: June 27, 2024
 Scheduled date to file annual securities report: June 26, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors)

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

1. Consolidated financial results for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2024	48,814	8.2	3,028	76.8	3,710	76.3	1,997	13.1
March 31, 2023	45,123	10.4	1,713	(20.7)	2,104	(12.6)	1,765	20.4

Note: Comprehensive income For the fiscal year ended March 31, 2024: ¥4,252 million [30.6%]
 For the fiscal year ended March 31, 2023: ¥3,255 million [123.3%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2024	62.61	—	4.3	5.8	6.2
March 31, 2023	54.51	—	3.9	3.4	3.8

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2024: ¥2 million
 For the fiscal year ended March 31, 2023: ¥1 million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	64,734	49,239	72.0	1,549.88
March 31, 2023	63,905	48,764	72.4	1,437.61

Reference: Equity
 As of March 31, 2024: ¥46,583 million
 As of March 31, 2023: ¥46,242 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	5,074	(928)	(5,226)	14,091
March 31, 2023	583	(2,787)	(1,442)	14,399

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2023	–	20.00	–	20.00	40.00	1,294	73.4	2.8
Fiscal year ended March 31, 2024	–	20.00	–	20.00	40.00	1,244	63.9	2.7
Fiscal year ending March 31, 2025 (Forecast)	–	20.00	–	20.00	40.00		50.1	

Breakdown of the dividends for the fiscal year ended March 31, 2023: Stable dividend ¥40

Breakdown of the dividends for the fiscal year ended March 31, 2024: Stable dividend ¥40

Dividends for the fiscal year ending March 31, 2025 (Forecast) will be determined by taking into account the performances on stable dividend of ¥40, aiming at a consolidated dividend payout ratio of 45%, as stated in “(5) Basic Policy on Distribution of Profits and Dividends for Current and Next Fiscal Year” on page 4

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2025	52,000	6.5	3,700	22.2	3,900	5.1	2,400	20.1	79.85

* **Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None
- (3) Number of issued shares (common shares)

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

As of March 31, 2024	34,136,635 shares
As of March 31, 2023	34,136,635 shares

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

As of March 31, 2024	4,080,281 shares
As of March 31, 2023	1,970,633 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2024	31,909,292 shares
Fiscal year ended March 31, 2023	32,394,969 shares

[Reference] Overview of non-consolidated financial results

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

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2024	33,025	5.1	1,028	67.2	2,312	70.3	1,883	(10.3)
March 31, 2023	31,412	9.5	614	(19.8)	1,358	(2.8)	2,099	90.1

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2024	59.02	—
March 31, 2023	64.81	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	40,193	32,632	81.2	1,085.73
March 31, 2023	41,167	33,975	82.5	1,056.25

Reference: Equity

As of March 31, 2024: ¥32,632 million
As of March 31, 2023: ¥33,975 million

- * Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.
- * Proper use of earnings forecasts, and other special matters
 - Forecasts presented herein are the current prospects based on information currently available and contain elements of uncertainty. Actual results may therefore differ from the above forecasts due to subsequent changes in the circumstances.
 - The Company plans to hold a financial results briefing session for institutional investors (through a live video link) on May 24, 2024. The video and the materials distributed at the session are scheduled to be posted on our website promptly after the session.

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1. Overview of Operating Results, Etc.

(1) Overview of Operating Results for the Fiscal Year Under Review

During the fiscal year ended March 31, 2024, in the environment surrounding TOA Corporation (hereinafter “the Company”) and its subsidiaries (collectively, the “Group”), due to various developments in Japan such as the Government changing the category of COVID-19 under the Infectious Diseases Control Act to Category 5, social and economic activities proceeded to go back to normal. In addition, the recovery in inbound demand, an increasing appetite for capital investment and other factors have led to a trend of moderate recovery in the business economy. On the other hand, rising prices of raw materials and increase in the price of goods, geopolitical risk caused by the unstable international situation, as well as rapid fluctuations in foreign exchange markets, slowdown in economic growth of China and other factors mean that the outlook for the global economy still continues to be uncertain.

In such an environment, in order to achieve “Smiles for the Public,” which is our corporate value, we have set forth our management vision targeting 2030, “Dr. Sound—becoming a professional organization that improves sound in society.” We aim to create the value of reassurance, reliability, and emotion as a reliable partner that realizes, along with our customers, a cycle of identifying, solving, and improving social issues through the continuous provision of good experiences through sound that customers choose.

During the fiscal year ended March 31, 2024, we promoted the development of our “connected business” that provides value at various points of contact with customers, such as by starting to provide the beta version service of “YUTTE” (won the GOOD DESIGN AWARD 2023), which allows simple-to-use voice generation for broadcast announcements that works by inputting text on a PC, and expanding the lineup of the “IP Audio Series,” which is a broadcast system that can be linked to various systems and controlled on a network. Furthermore, we deepened cooperation with local government entities and different industries, and pursued and created new growth areas through demonstration test projects and collaborations using audio and video.

The Company also started supporting EXPO2025 Osaka, Kansai in Japan as a Bronze Partner of Expo site operation participation. The Company perceives the World EXPO as a “City of the Future,” and has joined with the aim of creating and disseminating new forms of information transmission and communication through this endeavor. We are dedicated to taking on the challenge of implementing these innovations as part of future societies.

In these circumstances, net sales during the fiscal year ended March 31, 2024 were ¥48,814 million (up ¥3,690 million, or 8.2%, year on year). In terms of profits, operating profit was ¥3,028 million (up ¥1,315 million, or 76.8%, year on year), ordinary profit was ¥3,710 million (up ¥1,605 million, or 76.3%, year on year), and profit attributable to owners of parent was ¥1,997 million (up ¥231 million, or 13.1%, year on year), partly as a result of the improvement of profitability with the growth of sales in Japan.

Performance by segment is as follows.

(Japan)

Net sales amounted to ¥28,449 million (up ¥1,622 million, or 6.0%, year on year), and segment profit (operating profit) was ¥6,348 million (up ¥1,053 million, or 19.9%, year on year).

Sales of products for factories, hospitals, and the transport market including airports in Japan grew. Although sales of products for railway cars overseas declined, net sales for the entire segment increased, and segment profit rose.

(Asia & Pacific)

Net sales amounted to ¥9,366 million (up ¥998 million, or 11.9%, year on year), and segment profit (operating profit) was ¥1,731 million (up ¥284 million, or 19.7%, year on year).

In the Islamic world, sales to the religious market grew as a result of efforts to capture demand related to Ramadan. In addition, progress was made on deliveries to government agencies and large-scale urban development projects in Vietnam, and to the educational market in Malaysia and Thailand. As a result of that and other factors, net sales for the entire segment increased, and segment profit rose.

(Europe, Middle East & Africa)

Net sales amounted to ¥6,335 million (up ¥867 million, or 15.9%, year on year), and segment profit (operating profit) was ¥742 million (up ¥191 million, or 34.9%, year on year).

Progress was made on deliveries to a national library in the UK, to the transport market in Belgium, and to hospitals in Southern Africa. In addition, sales grew in Europe, mainly in Germany, and net sales for the entire segment increased and segment profit rose.

(The Americas)

Net sales amounted to ¥2,615 million (up ¥78 million, or 3.1%, year on year), and segment profit (operating profit) was ¥126 million (up ¥72 million, or 135.1%, year on year).

Progress was made on deliveries to government agencies and the educational market in the United States, and to hospitals and the educational market in Canada. Net sales for the entire segment increased and segment profit rose, partly as a result of the impact of currency fluctuations.

(China & East Asia)

Net sales amounted to ¥2,046 million (up ¥124 million, or 6.5%, year on year), and segment profit (operating profit) was ¥157 million (up ¥22 million, or 16.3%, year on year).

Sales were solid in China and Hong Kong due to market recovery. Progress was made on deliveries to airports and the educational market in China, and to factories, particularly for semiconductors, in Taiwan. As a result of that and other factors, net sales for the entire segment increased, and segment profit rose.

(2) Overview of Financial Position for the Fiscal Year Under Review

Total assets at the end of the fiscal year ended March 31, 2024 increased by ¥829 million from the end of the previous fiscal year to ¥64,734 million. Assets increased due mainly to an increase in investment securities. Liabilities and net assets increased due mainly to an increase in foreign currency translation adjustment.

(3) Overview of Cash Flows for the Fiscal Year Under Review

At the end of the fiscal year ended March 31, 2024, cash and cash equivalents (hereinafter “net cash”) decreased by ¥307 million from the end of the previous fiscal year to ¥14,091 million. Net cash provided by operating activities amounted to ¥5,074 million, net cash used in investing activities amounted to ¥928 million, and net cash used in financing activities amounted to ¥5,226 million. The status of cash flows and their contributing factors during the fiscal year under review are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥5,074 million. This was mainly attributable to profit before income taxes of ¥3,710 million, depreciation of ¥1,591 million, and a ¥685 million decrease in inventories, despite factors such as ¥1,094 million in income taxes paid.

(Cash flows from investing activities)

Net cash used in investing activities amounted to ¥928 million. This was mainly attributable to ¥918 million in purchase of non-current assets including an IT infrastructure platform and production

facilities and ¥400 million in purchase of shares of subsidiaries and associates, despite ¥420 million of payments into and withdrawal of time deposits.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥5,226 million. This was mainly attributable to ¥2,318 million of purchase of treasury shares, ¥1,285 million of dividends paid, and a ¥965 million decrease in short-term borrowings.

(4) Future Outlook

The Company has been engaged in activities to realize its management vision targeting 2030, “Dr. Sound—becoming a professional organization that improves sound in society.” In addition to the “Sound that can be heard, and sound that is easy to hear” according to the various indoor and outdoor environments and the diversity of people that we have provided up until this point, we worked towards realizing and providing value that can be more easily approached to the creation of the experience of reassurance, reliability, and emotion brought by the sounds of public spaces surrounding us (= the “sounds of society”). By doing so, we aim to realize along with our customers a cycle of identifying, solving, and improving social issues through the continuous provision of “good experiences through sound” that customers will choose.

To realize our vision, during Phase 1 of the Medium-term Management Plan from the fiscal year ended March 31, 2022 to the fiscal year ended March 31, 2023, we worked on improving profitability and competitiveness, building a foundation for growth, and pursuing and creating new growth areas. Then during Phase 2 of the Medium-term Management Plan, from the fiscal year ended March 31, 2024, to the fiscal year ending March 31, 2026, which is the final year of the plan, we are making maximum use of the results of the initiatives of Phase 1 to further expand added value and strengthen our revenue base for our accelerating growth through the pursuit and creation of new growth areas. To accelerate such collective efforts, we focus on promoting digital shift and nurturing human resources.

In the fiscal year under review, the first year of Phase 2, we began operating a supply chain planning system that links production, sales, and inventory as part of our digital shift promotion. In addition, as part of human resource development, we have been working to visualize the digital skills of our employees and to examine measures to provide further training and encourage utilization based on such insight.

In the next fiscal year, the second year of Phase 2, we will continue the following initiatives.

In promoting digital shift, we have strengthened ties with customers, stimulated internal communication and developed digital tools that speed up decision-making. We also have captured demand by offering proposals in a timely manner using stored data and have invested in creating new businesses. We will use these introduced infrastructure, create demand through digital marketing, and use digital tools to improve sales activity quality and sales activity efficiency and streamline the entire supply chain using data. Regarding products, we will also enhance ones that expand network-based interactive communication.

In nurturing human resources, we have worked on building confidence through active dialogues, allocating human resources and establishing a system to maximize diversity, and creating an environment where employees can work with peace of mind. By developing human resources that can utilize digital technology, we will strive to improve our added value and productivity.

Due to the above, at present, our performance forecasts for the fiscal year ending March 31, 2025, are: Net sales of ¥52,000 million, operating profit of ¥3,700 million, ordinary profit of ¥3,900 million, and profit attributable to owners of parent of ¥2,400 million.

(5) Basic Policy on Distribution of Profits and Dividends for Current and Next Fiscal Year

The Company views an increase in returns of profits to shareholders as an important managerial task.

Regarding the distribution of profits, we try to improve stable dividends in compliance with the financial rules while aiming for sustainable growth and investing more in businesses as a basic policy.

We plan to maintain an annual dividend of ¥40 per share (interim dividend of ¥20 and year-end dividend of ¥20) and, based on business performance, determine the amount by taking the consolidated dividend payout ratio of 45% as a guide.

For the fiscal year ended March 31, 2024, we plan to pay an annual dividend of ¥40 per share (stable annual dividend of ¥40), which includes the interim dividend of ¥20 per share already paid. A dividend per share for the fiscal year ending March 31, 2025 will be determined based on a stable annual dividend of ¥40 per share (interim dividend of ¥20 and year-end dividend of ¥20) while taking into account the performance, aiming at a consolidated dividend payout ratio guide of 45%.

2. Basic Views on the Selection of Accounting Standards

In consideration of the ease of comparison of the consolidated financial statements, in terms of comparison with previous years and comparison with other companies, the Group plans to continue adopting Japanese GAAP in the preparation of its consolidated financial statements.

With regard to the adoption of International Financial Reporting Standards (IFRS), in view of the various circumstances within and outside of Japan, the Group will adopt the IFRS appropriately, as necessary.

3. Consolidated Financial Statements and Significant Notes Thereto

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	16,938	16,350
Notes receivable - trade	2,062	1,992
Accounts receivable - trade	7,626	7,571
Contract assets	533	912
Merchandise and finished goods	8,423	8,937
Work in process	827	789
Raw materials and supplies	5,542	5,126
Other	979	1,048
Allowance for doubtful accounts	(81)	(95)
Total current assets	42,853	42,633
Non-current assets		
Property, plant and equipment		
Buildings and structures	11,126	11,261
Accumulated depreciation	(4,955)	(5,327)
Buildings and structures, net	6,170	5,933
Machinery, equipment and vehicles	2,150	2,351
Accumulated depreciation	(1,733)	(1,942)
Machinery, equipment and vehicles, net	416	409
Tools, furniture and fixtures	4,161	4,455
Accumulated depreciation	(3,623)	(3,870)
Tools, furniture and fixtures, net	537	585
Land	2,458	2,469
Leased assets	2,024	2,383
Accumulated depreciation	(923)	(1,218)
Leased assets, net	1,100	1,165
Construction in progress	8	84
Total property, plant and equipment	10,693	10,648
Intangible assets		
Goodwill	470	419
Software	1,123	1,014
Software in progress	106	102
Other	158	132
Total intangible assets	1,859	1,669
Investments and other assets		
Investment securities	7,256	8,170
Deferred tax assets	402	460
Retirement benefit asset	189	520
Other	650	633
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	8,498	9,784
Total non-current assets	21,051	22,101
Total assets	63,905	64,734

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,483	3,554
Short-term borrowings	2,706	1,836
Lease liabilities	354	418
Income taxes payable	641	579
Provision for bonuses	188	230
Provision for product warranties	170	40
Other	2,250	2,917
Total current liabilities	9,796	9,578
Non-current liabilities		
Lease liabilities	784	770
Deferred tax liabilities	872	1,275
Retirement benefit liability	2,924	3,089
Other	761	781
Total non-current liabilities	5,343	5,917
Total liabilities	15,140	15,495
Net assets		
Shareholders' equity		
Share capital	5,279	5,279
Capital surplus	5,045	5,048
Retained earnings	32,152	32,863
Treasury shares	(1,373)	(3,679)
Total shareholders' equity	41,103	39,512
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,444	4,807
Foreign currency translation adjustment	865	2,321
Remeasurements of defined benefit plans	(171)	(58)
Total accumulated other comprehensive income	5,138	7,070
Non-controlling interests	2,522	2,655
Total net assets	48,764	49,239
Total liabilities and net assets	63,905	64,734

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

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	45,123	48,814
Cost of sales	26,967	27,895
Gross profit	18,155	20,918
Selling, general and administrative expenses	16,442	17,890
Operating profit	1,713	3,028
Non-operating income		
Interest income	34	132
Dividend income	112	128
Foreign exchange gains	158	351
Insurance claim and dividend income	27	18
Share of profit of entities accounted for using equity method	1	2
Other	149	191
Total non-operating income	484	825
Non-operating expenses		
Interest expenses	61	95
Loss on tax purpose reduction entry of non-current assets	-	35
Other	31	12
Total non-operating expenses	93	143
Ordinary profit	2,104	3,710
Extraordinary income		
Gain on sale of land	522	-
Total extraordinary income	522	-
Profit before income taxes	2,627	3,710
Income taxes - current	812	1,175
Income taxes - deferred	(144)	170
Total income taxes	667	1,346
Profit	1,959	2,364
Profit attributable to non-controlling interests	193	366
Profit attributable to owners of parent	1,765	1,997

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	1,959	2,364
Other comprehensive income		
Valuation difference on available-for-sale securities	17	363
Foreign currency translation adjustment	1,425	1,410
Share of other comprehensive income of entities accounted for using equity method	(0)	0
Remeasurements of defined benefit plans, net of tax	(147)	114
Total other comprehensive income	1,295	1,888
Comprehensive income	3,255	4,252
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,796	3,930
Comprehensive income attributable to non-controlling interests	459	322

(3) Consolidated statement of changes in net assets

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,279	5,065	31,618	(1,352)	40,611
Changes during period					
Dividends of surplus			(976)		(976)
Profit attributable to owners of parent			1,765		1,765
Purchase of treasury shares				(313)	(313)
Disposal of treasury shares		2		13	15
Cancellation of treasury shares		(278)		278	–
Transfer of the negative balance of other capital surplus		255	(255)		–
Net changes in items other than shareholders' equity					
Total changes during period	–	(20)	533	(20)	491
Balance at end of period	5,279	5,045	32,152	(1,373)	41,103

	Accumulated other comprehensive income				Non-controlling interests	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	4,426	(306)	(12)	4,108	2,219	46,939
Changes during period						
Dividends of surplus						(976)
Profit attributable to owners of parent						1,765
Purchase of treasury shares						(313)
Disposal of treasury shares						15
Cancellation of treasury shares						–
Transfer of the negative balance of other capital surplus						–
Net changes in items other than shareholders' equity	17	1,171	(158)	1,030	303	1,333
Total changes during period	17	1,171	(158)	1,030	303	1,825
Balance at end of period	4,444	865	(171)	5,138	2,522	48,764

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,279	5,045	32,152	(1,373)	41,103
Changes during period					
Dividends of surplus			(1,286)		(1,286)
Profit attributable to owners of parent			1,997		1,997
Purchase of treasury shares				(2,316)	(2,316)
Disposal of treasury shares		3		11	14
Cancellation of treasury shares					
Transfer of the negative balance of other capital surplus					
Net changes in items other than shareholders' equity					
Total changes during period	–	3	710	(2,305)	(1,591)
Balance at end of period	5,279	5,048	32,863	(3,679)	39,512

	Accumulated other comprehensive income				Non-controlling interests	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	4,444	865	(171)	5,138	2,522	48,764
Changes during period						
Dividends of surplus						(1,286)
Profit attributable to owners of parent						1,997
Purchase of treasury shares						(2,316)
Disposal of treasury shares						14
Cancellation of treasury shares						
Transfer of the negative balance of other capital surplus						
Net changes in items other than shareholders' equity	363	1,456	113	1,932	133	2,065
Total changes during period	363	1,456	113	1,932	133	474
Balance at end of period	4,807	2,321	(58)	7,070	2,655	49,239

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	2,627	3,710
Depreciation	1,496	1,591
Decrease (increase) in retirement benefit asset	(385)	(106)
Increase (decrease) in retirement benefit liability	301	94
Interest and dividend income	(147)	(260)
Foreign exchange losses (gains)	(97)	(392)
Share of loss (profit) of entities accounted for using equity method	(1)	(2)
Interest expenses	61	95
Loss (gain) on sale of land	(522)	–
Loss on tax purpose reduction entry of non-current assets	–	35
Decrease (increase) in trade receivables	(838)	(30)
Decrease (increase) in inventories	(1,438)	685
Increase (decrease) in trade payables	(459)	(62)
Increase (decrease) in accounts payable - other	55	317
Other, net	702	331
Subtotal	1,353	6,006
Interest and dividends received	141	259
Interest paid	(64)	(96)
Income taxes refund (paid)	(847)	(1,094)
Net cash provided by (used in) operating activities	583	5,074
Cash flows from investing activities		
Payments into time deposits	(2,456)	(2,395)
Proceeds from withdrawal of time deposits	666	2,815
Purchase of property, plant and equipment	(698)	(641)
Proceeds from sale of property, plant and equipment	490	–
Purchase of intangible assets	(704)	(276)
Purchase of shares of subsidiaries and associates	–	(400)
Other, net	(84)	(31)
Net cash provided by (used in) investing activities	(2,787)	(928)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	409	(965)
Purchase of treasury shares	(313)	(2,318)
Repayments of finance lease liabilities	(411)	(488)
Dividends paid	(975)	(1,285)
Dividends paid to non-controlling interests	(151)	(167)
Other, net	–	(1)
Net cash provided by (used in) financing activities	(1,442)	(5,226)
Effect of exchange rate change on cash and cash equivalents	780	773
Net increase (decrease) in cash and cash equivalents	(2,865)	(307)
Cash and cash equivalents at beginning of period	17,264	14,399
Cash and cash equivalents at end of period	14,399	14,091

(5) Notes to the Consolidated Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Segment information, etc.)

[Segment information]

1. Overview of reportable segments

The Company's reportable segments are those units of the Company for which discrete financial information is available and for which the Board of Directors conducts regular reviews for the purpose of making decisions about the allocation of management resources and to assess performance.

The Group is mainly engaged in the production and sale of audio equipment and visual equipment. The Company and its domestic subsidiaries are responsible for operations in Japan, while local subsidiaries in regions such as Asia, Europe, and the Americas are responsible for overseas operations. Each local subsidiary overseas is an independent management unit engaging in its own business activities, with each region formulating comprehensive strategies concerning the products handled.

The Group therefore comprises five regional segments that form the basis for its sales structure: Japan, Asia & Pacific, Europe, Middle East & Africa, the Americas and China & East Asia.

2. Method used to calculate the amounts of net sales, profit (loss), assets and other items by reportable segment

The method used to account for the reporting business segments is generally as reported in "Significant Matters that Form the Basis for the Preparation of the Consolidated Financial Statements." Inter-segment net sales are based on third-party transaction prices. Segment profit represents the operating profit of the reporting segment.

3. Information on net sales, profit (loss), assets and other items by reportable segment

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segment						Adjustment (Note)	Amount recorded in Consolidated Financial Statements
	Japan	Asia & Pacific	Europe, Middle East & Africa	The Americas	China & East Asia	Total		
Net sales								
Net sales to outside customers	26,827	8,368	5,468	2,536	1,922	45,123	–	45,123
Inter-segment net sales or transfers	4,865	142	23	16	31	5,078	(5,078)	–
Total	31,692	8,511	5,491	2,552	1,953	50,201	(5,078)	45,123
Segment profit (Operating profit)	5,295	1,446	550	53	135	7,481	(5,768)	1,713
Segment assets	36,189	5,446	6,747	2,186	3,125	53,695	10,209	63,905
Other items								
Depreciation	836	123	115	19	67	1,163	333	1,496
Amortization of goodwill	–	37	6	–	–	44	–	44
Increase in property, plant and equipment and intangible assets	932	181	195	1	67	1,379	490	1,870

(Notes) 1. The adjustment for segment profit of negative ¥5,768 million includes elimination of inter-segment transactions of negative ¥108 million and corporate expenses in the amount of negative ¥5,660 million not

- previously allocated to the reportable segments. The relevant corporate expenses are mainly costs relating to the headquarters divisions which are not attributable to a reportable segment.
2. Segment profit has been adjusted with operating profit in consolidated statements of income.
 3. The adjustment for segment assets of ¥10,209 million includes elimination of inter-segment transactions of negative ¥763 million and corporate assets in the amount of ¥10,973 million not previously allocated to the reportable segments. The relevant corporate assets mainly comprise the Company's long-term investment funds (investment securities) and assets related to the headquarters divisions.
 4. The adjustment for depreciation of ¥333 million is mainly depreciation related to the headquarters divisions.
 5. The adjustment for increase in property, plant and equipment and intangible assets of ¥490 million is mainly investment related to the headquarters divisions.

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segment						Adjustment (Note)	Amount recorded in Consolidated Financial Statements
	Japan	Asia & Pacific	Europe, Middle East & Africa	The Americas	China & East Asia	Total		
Net sales								
Net sales to outside customers	28,449	9,366	6,335	2,615	2,046	48,814	–	48,814
Inter-segment net sales or transfers	4,986	139	20	21	24	5,193	(5,193)	–
Total	33,436	9,506	6,356	2,636	2,071	54,007	(5,193)	48,814
Segment profit (Operating profit)	6,348	1,731	742	126	157	9,106	(6,077)	3,028
Segment assets	36,728	6,289	6,227	2,023	3,266	54,535	10,199	64,734
Other items								
Depreciation	874	134	135	35	67	1,246	344	1,591
Amortization of goodwill	–	37	6	–	–	44	–	44
Increase in property, plant and equipment and intangible assets	739	117	115	20	23	1,016	267	1,284

- (Notes)
1. The adjustment for segment profit of negative ¥6,077 million includes elimination of inter-segment transactions of negative ¥86 million and corporate expenses in the amount of negative ¥5,991 million not previously allocated to the reportable segments. The relevant corporate expenses are mainly costs relating to the headquarters divisions which are not attributable to a reportable segment.
 2. Segment profit has been adjusted with operating profit in consolidated statements of income.
 3. The adjustment for segment assets of ¥10,199 million includes elimination of inter-segment transactions of negative ¥1,024 million and corporate assets in the amount of ¥11,224 million not previously allocated to the reportable segments. The relevant corporate assets mainly comprise the Company's long-term investment funds (investment securities) and assets related to the headquarters divisions.
 4. The adjustment for depreciation of ¥344 million is mainly depreciation related to the headquarters divisions.
 5. The adjustment for increase in property, plant and equipment and intangible assets of ¥267 million is mainly investment related to the headquarters divisions.

(Per share information)

(Yen)

	For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)	For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Net assets per share	1,437.61	1,549.88
Basic earnings per share	54.51	62.61

(Notes) 1. Diluted earnings per share are not presented since there are no potential shares.

2. The basis for calculation of basic earnings per share is as follows:

Item	For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)	For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Profit attributable to owners of parent (Millions of yen)	1,765	1,997
Amount not attributable to common shareholders (Millions of yen)	–	–
Profit attributable to owners of parent related to common shares (Millions of yen)	1,765	1,997
Average number of common shares outstanding during the period (Shares)	32,394,969	31,909,292

(Important subsequent events)

There is no relevant information.

4. Non-consolidated Financial Statements

(1) Non-consolidated balance sheet

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	6,227	5,953
Notes receivable - trade	1,952	1,800
Accounts receivable - trade	5,658	5,155
Contract assets	6	303
Finished goods	3,553	3,560
Work in process	12	4
Raw materials and supplies	302	308
Prepaid expenses	151	160
Other	1,300	272
Allowance for doubtful accounts	(37)	(39)
Total current assets	19,128	17,480
Non-current assets		
Property, plant and equipment		
Buildings, net	4,496	4,337
Structures, net	290	262
Machinery and equipment, net	0	1
Tools, furniture and fixtures, net	319	285
Land	2,199	2,199
Leased assets, net	12	15
Construction in progress	–	18
Total property, plant and equipment	7,317	7,120
Intangible assets		
Software	1,058	958
Software in progress	93	88
Leased assets	19	11
Other	48	43
Total intangible assets	1,220	1,101
Investments and other assets		
Investment securities	7,253	7,768
Shares of subsidiaries and associates	4,949	5,349
Investments in capital of subsidiaries and associates	678	678
Prepaid pension costs	385	491
Other	232	202
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	13,499	14,490
Total non-current assets	22,038	22,712
Total assets	41,167	40,193

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	1,651	1,459
Lease liabilities	11	11
Accounts payable - other	524	512
Income taxes payable	517	383
Accrued expenses	315	563
Provision for product warranties	69	14
Other	172	577
Total current liabilities	3,263	3,523
Non-current liabilities		
Lease liabilities	20	15
Provision for retirement benefits	2,256	2,320
Deferred tax liabilities	1,063	1,120
Other	587	580
Total non-current liabilities	3,927	4,037
Total liabilities	7,191	7,560
Net assets		
Shareholders' equity		
Share capital	5,279	5,279
Capital surplus		
Legal capital surplus	6,808	6,808
Other capital surplus	-	3
Total capital surplus	6,808	6,812
Retained earnings		
Legal retained earnings	679	679
Other retained earnings		
General reserve	2,930	2,930
Retained earnings brought forward	15,206	15,802
Total retained earnings	18,816	19,412
Treasury shares	(1,373)	(3,679)
Total shareholders' equity	29,531	27,825
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	4,444	4,807
Total valuation and translation adjustments	4,444	4,807
Total net assets	33,975	32,632
Total liabilities and net assets	41,167	40,193

(2) Non-consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	31,412	33,025
Cost of sales	20,614	21,367
Gross profit	10,797	11,657
Selling, general and administrative expenses	10,182	10,629
Operating profit	614	1,028
Non-operating income		
Interest and dividend income	505	948
Foreign exchange gains	207	281
Miscellaneous income	39	65
Total non-operating income	752	1,296
Non-operating expenses		
Interest expenses	5	5
Miscellaneous losses	4	5
Total non-operating expenses	9	11
Ordinary profit	1,358	2,312
Extraordinary income		
Gain on sale of land	522	–
Adjustment from transfer pricing taxation	880	–
Total extraordinary income	1,403	–
Profit before income taxes	2,761	2,312
Income taxes - current	385	523
Income taxes for prior periods	220	–
Income taxes - deferred	56	(93)
Total income taxes	662	429
Profit	2,099	1,883

(3) Non-consolidated statement of changes in net assets

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
					General reserve	Retained earnings brought forward		
Balance at beginning of period	5,279	6,808	20	6,829	679	2,930	14,339	17,949
Changes during period								
Dividends of surplus							(976)	(976)
Profit							2,099	2,099
Purchase of treasury shares								
Disposal of treasury shares			2	2				
Cancellation of treasury shares			(278)	(278)				
Transfer of the negative balance of other capital surplus			255	255			(255)	(255)
Net changes in items other than shareholders' equity								
Total changes during period	-	-	(20)	(20)	-	-	867	867
Balance at end of period	5,279	6,808	-	6,808	679	2,930	15,206	18,816

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(1,352)	28,706	4,426	4,426	33,132
Changes during period					
Dividends of surplus		(976)			(976)
Profit		2,099			2,099
Purchase of treasury shares	(313)	(313)			(313)
Disposal of treasury shares	13	15			15
Cancellation of treasury shares	278	-			-
Transfer of the negative balance of other capital surplus		-			-
Net changes in items other than shareholders' equity			17	17	17
Total changes during period	(20)	825	17	17	842
Balance at end of period	(1,373)	29,531	4,444	4,444	33,975

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
					General reserve	Retained earnings brought forward		
Balance at beginning of period	5,279	6,808	–	6,808	679	2,930	15,206	18,816
Changes during period								
Dividends of surplus							(1,286)	(1,286)
Profit							1,883	1,883
Purchase of treasury shares								
Disposal of treasury shares			3	3				
Cancellation of treasury shares								
Transfer of the negative balance of other capital surplus								
Net changes in items other than shareholders' equity								
Total changes during period	–	–	3	3	–	–	596	596
Balance at end of period	5,279	6,808	3	6,812	679	2,930	15,802	19,412

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(1,373)	29,531	4,444	4,444	33,975
Changes during period					
Dividends of surplus		(1,286)			(1,286)
Profit		1,883			1,883
Purchase of treasury shares	(2,316)	(2,316)			(2,316)
Disposal of treasury shares	11	14			14
Cancellation of treasury shares					
Transfer of the negative balance of other capital surplus					
Net changes in items other than shareholders' equity			363	363	363
Total changes during period	(2,305)	(1,705)	363	363	(1,342)
Balance at end of period	(3,679)	27,825	4,807	4,807	32,632