

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2024
[Japanese Standards] (Consolidated)

May 13, 2024

Company name: OKAMOTO INDUSTRIES, INC.
 Stock exchange listing: Tokyo
 Stock code: 5122 URL <https://www.okamoto-inc.jp/>
 Representative: Kunihiko Okamoto, President
 Inquiries: Hiroshi Takashima, Executive Director Accounting Dept.
 Scheduled date of ordinary general meeting of shareholders: June 27, 2024
 Scheduled date to commence dividend payments: June 28, 2024
 Scheduled date to file Securities Report: June 27, 2024
 Supplemental material on quarterly results: No
 Presentation on quarterly results: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the fiscal year ended March 31, 2024

(from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results (cumulative) (% represents changes over the same period in the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY Ended March 31, 2024	106,123	7.1	10,040	45.5	12,087	52.6	7,388	51.0
FY Ended March 31, 2023	99,076	10.6	6,898	△ 8.5	7,922	△ 14.9	4,893	△ 12.3
(Note) Comprehensive income:	FY Ended March 31, 2024 :		14,814 million yen		66.8 %			
	FY Ended March 31, 2023 :		8,882 million yen		8.2 %			

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	yen	yen	%	%	%
FY Ended March 31, 2024	420.34	-	9.0	8.9	9.5
FY Ended March 31, 2023	271.06	-	6.6	6.5	7.0

(Reference) Equity in net income of affiliates: FY Ended March 31, 2024 : △51 million yen
 FY Ended March 31, 2023 : △144 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	143,858	91,581	61.6	5,054.10
As of March 31, 2023	127,176	79,099	59.8	4,316.20
(Reference) Own capital:	As of March 31, 2024 :		88,660 million yen	
	As of March 31, 2023 :		75,995 million yen	

(3) Consolidated cash flow

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY Ended March 31, 2024	13,353	△ 6,070	△ 2,533	37,945
FY Ended March 31, 2023	8,318	△ 2,892	△ 5,611	32,616

2. Dividends

	Cash dividends per share					Total dividends (annual)	Dividend payout ratio (consolidated)	Dividend on equity ratio (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total			
	yen	yen	yen	yen	yen	Millions of yen	%	%
FY Ended March 31, 2023	-	55.00	-	55.00	110.00	1,961	40.6	2.7
FY Ended March 31, 2024	-	55.00	-	80.00	135.00	2,369	32.1	2.9
FY ended March 31, 2025 (forecast)	-	60.00	-	60.00	120.00		-	

3.Forecasts of consolidated financial results for the year ending March 31, 2025
(from April 1, 2024 to March 31, 2025)

(% represents changes over the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Six months ended	54,700	7.3	4,650	△ 2.5	5,200	△ 13.4	3,550	△ 22.5	201.98
Full year	111,000	4.6	9,250	△ 7.9	10,400	△ 14.0	6,700	△ 9.3	381.19

*Notes

- (1) Changes in status of significant subsidiaries during the year
(changes in status of specified subsidiaries accompanying changes in consolidated) No
Newly consolidated subsidiaries: - Subsidiaries excluded: -
- (2) Changes in accounting principles, changes in accounting estimates, and retrospective restatements
① Changes in accounting principles due to revisions to accounting standards: No
② Changes other than ①: No
③ Changes in accounting estimates: No
④ Retrospective restatements: No
- (3) Number of outstanding shares(common stock)
① Number of outstanding shares at period-end(including treasury stock)
② Number of treasury stocks at period-end
③ Average number of shares during the period

① FY Ended March 31, 2024	18,099,367	FY Ended March 31, 2023	18,599,367
② FY Ended March 31, 2024	557,186	FY Ended March 31, 2023	992,372
③ FY Ended March 31, 2024	17,576,342	FY Ended March 31, 2023	18,051,692

(Reference) Summary of Nonconsolidated Financial Statement
Nonconsolidated financial results for the fiscal year ended March 31, 2024
(from April 1, 2023 to March 31, 2024)

(1) Nonconsolidated operating results(cumulative) (% represents changes over the same period in the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY Ended March 31, 2024	83,176	8.5	6,486	50.6	10,846	59.1	7,153	45.2
FY Ended March 31, 2023	76,675	7.8	4,307	△ 13.4	6,819	△ 7.9	4,928	6.9

	Net income per share	Diluted net income per share
	yen	yen
FY Ended March 31, 2024	406.94	-
FY Ended March 31, 2023	272.73	-

(2) Nonconsolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	120,680	73,712	61.1	4,202.00
As of March 31, 2023	104,952	62,510	59.6	3,549.58

(Reference) Own capital: As of March 31, 2024 : 73,712 million yen
As of March 31, 2023 : 62,510 million yen

*The current quarterly financial results are not subject to quarterly review procedures by certified public accountant or by auditing firm.

*Explanation relating to the appropriate use of forecasts of business results and other items of note.

The forecasts included in this document are based on the current available information and certain assumptions that we believe reasonable. Actual results, etc. may differ from projections due to a variety of reasons.

Consolidated Financial Statements and Notes
Consolidated Balance Sheets

(millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	34,221	40,150
Notes receivable-trade	2,097	1,683
Accounts receivable-trade	17,444	18,498
Electronically recorded monetary claims-operating	7,802	7,841
Merchandise and finished goods	8,564	8,984
Work in process	2,570	2,552
Raw materials and supplies	3,825	3,960
Other	1,878	1,864
Allowance for doubtful accounts	△ 41	△ 46
Total current assets	78,364	85,487
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,098	6,048
Machinery, equipment and vehicles, net	6,460	5,254
Land	8,078	8,478
Construction in progress	1,118	483
Other, net	241	322
Total Property, plant and equipment	20,997	20,588
Intangible assets	1,066	1,901
Investments and other assets		
Long-term time deposits	1,300	1,000
Investment securities	23,930	33,187
Long-term loans receivable	930	992
Deferred tax assets	156	183
Other	435	518
Allowance for doubtful accounts	△ 5	-
Total investments and other assets	26,747	35,881
Total non-current assets	48,812	58,371
Total assets	127,176	143,858

(millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable-trade	23,578	24,954
Electronically recorded obligations-operating	2,088	2,295
Short-term loans payable	3,318	2,212
Income taxes payable	1,081	1,452
Provision for bonuses	1,037	1,057
Provision for product warranties	72	-
Other	5,153	5,004
Total current liabilities	36,330	36,976
Non-current liabilities		
Long-term loans payable	100	1,138
Deferred tax liabilities	3,666	6,120
Net defined benefit liability	7,209	7,320
Other	769	721
Total non-current liabilities	11,745	15,301
Total liabilities	48,076	52,277
Net assets		
Shareholders' equity		
Capital stock	13,047	13,047
Capital surplus	555	567
Retained earnings	52,115	55,612
Treasury stock	△ 4,078	△ 2,437
Total shareholders' equity	61,639	66,790
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,774	18,030
Deferred gains or losses on hedges	△ 1	0
Foreign currency translation adjustment	2,526	3,779
Remeasurements of defined benefit plans	54	59
Total accumulated other comprehensive income	14,355	21,868
Non-controlling interests	3,104	2,921
Total net assets	79,099	91,581
Total liabilities and net assets	127,176	143,858

Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	99,076	106,123
Cost of sales	77,760	81,652
Gross profit	21,315	24,471
Selling, general and administrative expenses		
Freightage and packing expenses	3,468	3,397
Advertising expenses	2,271	2,364
Other selling expenses	492	544
Salaries and bonuses	3,736	3,690
Provision for bonuses	389	390
Retirement benefit expenses	181	153
Other general and administrative expenses	3,877	3,890
Total selling, general and administrative expenses	14,416	14,430
Operating profit	6,898	10,040
Non-operating income		
Interest income	45	76
Dividends income	885	984
Real estate rent	542	592
Foreign exchange gains	-	511
Other income	165	180
Total non-operating income	1,638	2,345
Non-operating expenses		
Interest expenses	30	26
Rent expenses on real estates	127	123
Equity in losses of affiliates	144	51
Foreign exchange losses	169	-
Other expenses	141	96
Total non-operating expenses	614	298
Ordinary income	7,922	12,087
Extraordinary income		
Gain on sales of noncurrent assets	2	2
Gain on sales of investment securities	4	19
Foreign currency translation adjustment account reversal gain	277	-
Gain on transfer of investments in affiliated companies	649	-
Total extraordinary gain	934	22
Extraordinary loss		
Loss on sales of noncurrent assets	4	-
Loss on retirement of noncurrent assets	8	25
Impairment loss	1,110	2,578
Loss on valuation of investment securities	38	-
Loss on liquidation of subsidiaries	2	-
Other loss	81	14
Total extraordinary loss	1,246	2,619
Profit before income taxes	7,610	9,490
Income taxes-current	2,454	2,643
Income taxes-deferred	△ 29	△ 417
Total income taxes	2,425	2,225
Net income	5,184	7,264
Profit attributable to non-controlling interests	291	△ 123
Profit attributable to owners of parent	4,893	7,388

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended		Fiscal year ended	
	March 31,	2023	March 31,	2024
Net income		5,184		7,264
Other comprehensive income				
Valuation difference on available-for-sale securities		2,118		6,374
Deferred gains or losses on hedges		11		0
Foreign currency translation adjustment		1,803		1,257
Remeasurements of defined benefit plans, net of tax		14		4
Share of other comprehensive income of associates accounted for using equity method		△ 251		△ 87
Total accumulated other comprehensive income		3,697		7,549
Comprehensive income		8,882		14,814
(comprehensive income attributable to)				
Comprehensive income attributable to owners of the parent		8,704		14,901
Comprehensive income attributable to non-controlling interests		177		△ 87

Consolidated statement of changes in equity

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current period	13,047	555	51,241	△ 3,426	61,418
Cumulative effects of changes in accounting policies					
Restated balance					
Changes of items during period					
Dividends of surplus			△ 2,000		△ 2,000
Profit attributable to owners of parent			4,893		4,893
Purchase of treasury shares				△ 2,671	△ 2,671
Retirement of treasury shares		△ 2,018		2,018	-
Disposal of treasury shares		△ 0		0	0
Transfer to capital surplus from retained earnings		2,018	△ 2,018		
Purchase of shares of consolidated subsidiaries					-
Net changes of items other than shareholders' equity					-
Total changes of items during period	-	△ 0	873	△ 652	221
Balance at end of current period	13,047	555	52,115	△ 4,078	61,639

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	9,662	△ 14	855	40	10,543	2,954	74,916
Cumulative effects of changes in accounting policies							
Restated balance							
Changes of items during period							
Dividends of surplus							△ 2,000
Profit attributable to owners of parent							4,893
Purchase of treasury shares							△ 2,671
Retirement of treasury shares							-
Disposal of treasury shares							0
Transfer to capital surplus from retained earnings							-
Purchase of shares of consolidated subsidiaries							-
Net changes of items other than shareholders' equity	2,112	13	1,671	14	3,811	150	3,961
Total changes of items during period	2,112	13	1,671	14	3,811	150	4,183
Balance at end of current period	11,774	△ 1	2,526	54	14,355	3,104	79,099

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
	13,047	555	52,115	△ 4,078	61,639
Cumulative effects of changes in accounting policies					
Restated balance					
Changes of items during period					
Dividends of surplus			△ 1,934		△ 1,934
Profit attributable to owners of parent			7,388		7,388
Purchase of treasury shares				△ 314	△ 314
Retirement of treasury shares		△ 1,956		1,956	-
Disposal of treasury shares					-
Transfer to capital surplus from retained earnings		1,956	△ 1,956		-
Purchase of shares of consolidated subsidiaries		12			12
Net changes of items other than shareholders' equity					-
Total changes of items during period	-	12	3,497	1,641	5,150
Balance at end of current period	13,047	567	55,612	△ 2,437	66,790

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	11,774	△ 1	2,526	54	14,355	3,104	79,099
Cumulative effects of changes in accounting policies							
Restated balance							
Changes of items during period							
Dividends of surplus							△ 1,934
Profit attributable to owners of parent							7,388
Purchase of treasury shares							△ 314
Retirement of treasury shares							-
Disposal of treasury shares							-
Transfer to capital surplus from retained earnings							-
Purchase of shares of consolidated subsidiaries							12
Net changes of items other than shareholders' equity	6,255	0	1,252	4	7,513	△ 182	7,331
Total changes of items during period	6,255	0	1,252	4	7,513	△ 182	12,482
Balance at end of current period	18,030	△ 0	3,779	59	21,868	2,921	91,581

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	7,610	9,490
Depreciation	2,458	2,669
Impairment loss	1,110	2,578
Increase (decrease) in allowance for doubtful accounts	△ 0	△ 1
Share of loss (profit) of entities accounted for using equity method	144	51
Increase (decrease) in provision for bonuses	3	19
Increase (decrease) in net defined benefit liability	106	103
Increase (decrease) in other provision	12	72
Interest and dividend income	△ 930	△ 1,060
Interest expenses	30	26
Foreign exchange losses (gains)	24	△ 2
Loss (gain) on sales of investment securities	△ 4	△ 19
Loss (gain) on valuation of investment securities	38	-
Loss on liquidation of subsidiaries	2	-
Gain on transfer of investments in affiliated companies	△ 649	-
Foreign currency translation adjustment account reversal gain	△ 277	-
Loss (gain) on sales of non-current assets	2	△ 2
Loss on retirement of non-current assets	8	25
Decrease (increase) in notes and accounts receivable – trade	△ 1,569	△ 208
Decrease (increase) in inventories	△ 1,118	△ 190
Decrease (increase) in other assets	△ 365	164
Increase (decrease) in notes and accounts payable – trade	2,581	979
Increase (decrease) in other liabilities	56	24
Other, net	16	△ 9
Subtotal	9,291	14,566
Interest and dividend income received	1,190	1,042
Interest expenses paid	△ 30	△ 26
Income taxes paid	△ 2,132	△ 2,287
Income taxes refund	-	57
Cash flows from operating activities	8,318	13,353
Cash flows from investing activities		
Payments into time deposits	△ 1,805	△ 2,105
Proceeds from withdrawal of time deposits	1,835	1,805
Expenditure from deposits in long-term deposits	△ 1,300	-
Proceeds from transfer of equity in affiliated companies resulting in change in scope of application of equity method	2,273	-
Purchase of property, plant and equipment and intangible assets	△ 3,788	△ 5,671
Proceeds from sales of property, plant and equipment and intangible assets	5	6
Purchase of investment securities	△ 19	△ 22
Proceeds from sales of investment securities	55	79
Other, net	△ 147	△ 162
Cash flows from investing activities	△ 2,892	△ 6,070

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	△ 232	△ 78
Proceeds from long-term loans payable	100	1,050
Repayments of long-term loans payable	△ 284	△ 1,044
Cash dividends paid	△ 2,000	△ 1,934
Dividends paid to non-controlling interests	△ 26	△ 34
Proceeds from sales of treasury shares	-	4
Purchase of treasury shares	△ 2,671	△ 319
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	47
Other, net	△ 495	△ 128
Cash flows from financing activities	△ 5,611	△ 2,533
Effect of exchange rate change on cash and cash equivalents	990	579
Net increase (decrease) in cash and cash equivalents	806	5,328
Cash and cash equivalents at beginning of period	31,810	32,616
Cash and cash equivalents at end of period	32,616	37,945

Information about net sales, profit or loss, assets, liabilities and other items by reportable segment

Fiscal year ended March 31, 2023

(Millions of yen)

	Reportable segment			*Other	Total	**Adjustment	Amount recorded on the consolidated financial statements
	Industrial Products	Household Products	Total				
Net sales							
Sales to external customers	64,083	34,761	98,844	231	99,076	–	99,076
Intersegment sales or transfers	102	484	586	3,211	3,798	△ 3,798	–
Total	64,185	35,245	99,431	3,443	102,874	△ 3,798	99,076
Segment profit (loss)	△ 5	8,634	8,629	312	8,941	△ 2,042	6,898
Segment assets	43,790	28,950	72,741	2,015	74,757	52,418	127,176
Others							
Depreciation	1,426	829	2,255	70	2,326	131	2,458
Impairment loss	990	119	1,110	–	1,110	–	1,110
Increase in property, plant and equipment and intangible assets	1,934	1,092	3,027	4	3,031	1,151	4,183

* The Other category is the business segment that is not included in the reportable segments, and include the group logistics business and solar power business.

** Adjustment is as follows:

- (1) The adjustment to segment profit represents 44 million yen in intersegment eliminations and company-wide expenses negative 2087 million yen. The company-wide expenses mainly include general and administrative expenses that are not attributable to the reportable segments.
- (2) Segment profit is adjusted to operating income in the consolidated statements of income.
- (3) The adjustment to segment assets represents negative 406 million yen in intersegment eliminations and company-wide assets 52,825 million yen. The company-wide assets mainly include funds to manage surplus(cash and deposits), real estate for rent and assets related to the administration division.

Fiscal year ended March 31, 2024

(Millions of yen)

	Reportable segment			*Other	Total	**Adjustment	Amount recorded on the consolidated financial statements
	Industrial Products	Household Products	Total				
Net sales							
Sales to external customers	71,010	34,859	105,870	253	106,123	–	106,123
Intersegment sales or transfers	110	473	584	3,088	3,673	△ 3,673	–
Total	71,121	35,333	106,454	3,342	109,796	△ 3,673	106,123
Segment profit (loss)	2,173	9,715	11,889	343	12,233	△ 2,192	10,040
Segment assets	46,651	29,887	76,539	1,998	78,537	65,321	143,858
Others							
Depreciation	1,618	863	2,481	61	2,542	126	2,669
Impairment loss	2,487	91	2,578	–	2,578	–	2,578
Increase in property, plant and equipment and intangible assets	2,435	1,281	3,717	5	3,722	1,364	5,087

* The Other category is the business segment that is not included in the reportable segments, and include the group logistics business and solar power business.

** Adjustment is as follows:

- (1) The adjustment to segment profit represents 43 million yen in intersegment eliminations and company-wide expenses negative 2,236 million yen. The company-wide expenses mainly include general and administrative expenses that are not attributable to the reportable segments.
- (2) Segment profit is adjusted to operating income in the consolidated statements of income.
- (3) The adjustment to segment assets represents negative 256 million yen in intersegment eliminations and company-wide assets 65,577 million yen. The company-wide assets mainly include funds to manage surplus(cash and deposits), real estate for rent and assets related to the administration division.