

SENKO Group Holdings Co., Ltd.

Summary of Financial Statements for the Fiscal Year Ended March 31, 2025 [Japan GAAP]

May 12, 2025

Name of Listed Company: SENKO Group Holdings Co., Ltd. Stock Listed on: Tokyo Stock Exchange
Code Number: 9069 URL <https://www.senkogrouphd.co.jp/en/>
Representative: Title: President and Representative Director Name: Yasuhisa Fukuda
Inquiries: Title: Executive Officer, Responsible for PR & IR Name: Shinzo Yoshimura Tel. (03) 6862-8842

Scheduled Date of Annual Meeting of Shareholders: June 26, 2025 Scheduled Date of Dividend Paid: June 27, 2025
Scheduled Date of Issue of Financial Report: June 25, 2025
Supplemental Information Materials: Yes
Information Meeting for Financial Results: Yes (for analysts)

(Amounts less than ¥1 million have been rounded down)

1. Consolidated Operating Results for the Fiscal Year Ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results (Percentage figures represent year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2025	854,550	9.8	34,946	16.9	33,767	10.7	18,610	16.7
Fiscal year ended March 31, 2024	778,370	11.8	29,906	17.1	30,503	16.6	15,944	3.9

(Note) Comprehensive income:

Fiscal year ended March 31, 2025: ¥24,950 million (-5.0%) Fiscal year ended March 31, 2024: ¥26,273 million (31.1%)

	Profit per share	Diluted profit per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to operating revenue
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	118.90	109.17	9.4	4.8	4.1
Fiscal year ended March 31, 2024	106.25	94.08	9.4	4.8	3.8

(Reference) Equity in earnings (losses) of affiliates:

Fiscal year ended March 31, 2025: ¥284 million Fiscal year ended March 31, 2024: ¥377 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2025	718,739	243,216	30.2	1,271.24
As of March 31, 2024	686,136	204,561	26.1	1,197.13

(Reference) Equity:

As of March 31, 2025: ¥217,053 million As of March 31, 2024: ¥179,208 million

(Note) During the fourth quarter of the fiscal year ended March 31, 2025, the Company finalized the provisional accounting treatment for business combinations. As a result, figures for the fiscal year ended March 31, 2024 reflect the finalization of the provisional accounting treatment.

(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
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2025	44,722	(58,024)	454	67,306
Fiscal year ended March 31, 2024	51,214	(62,492)	33,157	79,284

2. Dividends

	Annual dividend					Aggregate amount (Annual)	Payout ratio (Consolidated)	Dividend on equity ratio (Consolidated)
	June 30	September 30	December 31	March 31	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2024	—	19.00	—	19.00	38.00	5,926	35.8	3.3
Fiscal year ended March 31, 2025	—	23.00	—	23.00	46.00	7,631	38.7	3.7
Fiscal year ending March 31, 2026 (Forecast)	—	25.00	—	25.00	50.00		39.5	

3. Forecast of Consolidated Operating Results for the Fiscal Year Ending March 31, 2026 (From April 1, 2025 to March 31, 2026)

(Percentage figures represent year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half ending September 30, 2025	441,000	6.5	17,900	6.2	16,800	2.8	9,600	(8.5)	56.23
Fiscal year ending March 31, 2026	910,000	6.5	40,000	14.5	38,000	12.5	21,600	16.1	126.51

Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 company (Company name) OPLUS inc.

(2) Changes in accounting principles and estimates, and retrospective restatement

(a) Changes due to revision of accounting standards: Yes

(b) Changes other than in (a): None

(c) Changes in accounting estimates: Yes

(d) Retrospective restatement: None

(3) Shares outstanding (Common shares)

(a) Shares outstanding (including treasury shares)

As of March 31, 2025: 175,692,457 shares As of March 31, 2024: 157,070,496 shares

(b) Treasury shares

As of March 31, 2025: 4,951,738 shares As of March 31, 2024: 7,372,422 shares

(c) Average number of shares

Fiscal year ended March 31, 2025: 156,523,547 shares Fiscal year ended March 31, 2024: 150,070,489 shares

(Note) Starting with the third quarter of the fiscal year ended March 31, 2018, the number of treasury shares at term-end includes Senko shares owned by the trust accounts of Performance-linked Stock Compensation Plan for Employees (as of March 31, 2025: 795,512 shares; as of March 31, 2024: 805,545 shares) and Performance-linked Stock Compensation Plan for Directors (as of March 31, 2025: 782,106 shares; as of March 31, 2024: 788,972 shares). In addition, starting with the fourth quarter of the fiscal year ended March 31, 2023, the number of treasury shares at term-end includes Senko shares owned by the employee shareholding association support trust ESOP (as of March 31, 2025: 2,913,300 shares; as of March 31, 2024: 4,055,700 shares).

[Reference] Overview of Non-Consolidated Operating Results

Non-Consolidated Operating Results for the Fiscal Year Ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

(1) Non-Consolidated Operating Results

(Percentage figures represent year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2025	17,426	6.0	6,055	(3.2)	5,411	(20.3)	6,165	0.6
Fiscal year ended March 31, 2024	16,447	5.1	6,252	(12.3)	6,788	(7.4)	6,127	84.4

	Profit per share	Diluted profit per share
	Yen	Yen
Fiscal year ended March 31, 2025	39.39	36.11
Fiscal year ended March 31, 2024	40.83	36.09

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2025	389,955	94,701	24.2	552.73
As of March 31, 2024	371,591	72,569	19.4	482.42

(Reference) Equity:

As of March 31, 2025: ¥94,373 million

As of March 31, 2024: ¥72,217 million

This financial report is exempt from audit conducted by certified public accountants or an audit corporation.

Cautionary statement regarding forecasts of operating results and special notes

- Forward-looking statements in these materials are based on information available to management at the time this report was prepared and assumptions that management believes are reasonable. Actual results may differ significantly from these statements for a number of reasons. For information about the assumptions used for forecasts and precautions concerning the use of forecasts, please see "Forecasts" on page 4.
- The supplementary material on financial results will be available on the Company's website.

Index to accompanying materials

1. Overview of Operating Results and Others	2
(1) Overview of Operating Results and Others	2
(2) Overview of financial position for the fiscal year ended March 31, 2025	4
(3) Overview of cash flows for the fiscal year ended March 31, 2025	4
(4) Fundamental policy for distribution of earnings and dividends for the current and the next fiscal years	5
2. Basic Concept Regarding the Selection of Accounting Standards	5
3. Consolidated Financial Statements	6
(1) Consolidated balance sheets	6
(2) Consolidated statements of (comprehensive) income	8
(Consolidated statements of income)	8
(Consolidated statements of comprehensive income)	9
(3) Consolidated statements of changes in equity	10
(4) Consolidated statements of cash flows	12

1. Overview of Operating Results and Others

(1) Overview of Operating Results and Others

(a) Overview of results of operations in the fiscal year ended March 31, 2025

In the fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025), the economic environment continued to show a gradual recovery trend, mainly against the backdrop of an improved employment and income environment and rising demand from inbound tourism. Nevertheless, the outlook continued to be unclear, mainly due to protracted geopolitical risks, such as the situations in Ukraine and the Middle East, a slowdown in the Chinese economy, and an increasingly frugal mindset due to the rising price of goods.

Amid this environment, the Senko Group strived for growth in business performance during the third year of its five-year medium-term business plan.

The following provides an outline of our main activities in the fiscal year ended March 31, 2025.

In Logistics, the Company launched the Miyakonojo Logistics Center (Miyakonojo-shi, Miyazaki), equipped with large-capacity storage batteries, in April; AEON Fukuoka XD (Higashi-ku, Fukuoka-shi), an integrated logistics center for ambient and cold storage, in July; the Takatsuki PD Center (Takatsuki-shi, Osaka), offering excellent access to the central areas of both Osaka-shi and Kyoto-shi, in August; the Shonan Branch expansion (Isehara-shi, Kanagawa), which operates cold chain warehouses, in September; the Komaki Kita No. 2 PD Center (Komaki-shi, Aichi), which is a multifunctional warehouse with integrated hazardous goods storage, in October, the Higashi Osaka No. 2 PD Center (Higashi Osaka-shi, Osaka), which is optimally positioned for deliveries in the Keihanshin area, in February; and the Tosu Logistics Center (Tosu-shi, Saga), which will strengthen the logistic network in the Kyushu area, in March.

Furthermore, the Company started full-fledged operations of TSUNAGU STATION Hamamatsu (Hamana-ku, Hamamatsu-shi), a large-scale dedicated truck relay station, in February, and also established the Hamamatsu Logistics Center on an adjacent site. In addition, OPLUS inc. was added to the Group to strengthen its nationwide delivery network and its mass market and retail logistics in May.

In Trading & Commerce, NANASAI CO., LTD., which conducts display planning, design and construction, and manufacture and sales of mannequins and store fixtures, was added to the Group in July to expand the commercial interior design business with its operations.

In Living Support, the Company completed rebuilding work for the Osaka Head Office Building (Fanbi Town 2 Building) of Terauchi Co., Ltd. (Chuo-ku, Osaka-shi), which operates a membership-based general wholesale business, in August. The Company held a grand opening of the building, with an expanded sales floor area and enhanced product line-up.

Moreover, Alpha Care Co. Ltd., which provides nursing care services, was added to the Group in July to expand the range of services offered in the health field.

In Business Support, NITTO TECHNO BRAIN CO., LTD., which provides outsourcing of services including system operation and data management, was added to the Group in May to strengthen the Company's response to expanding BPO needs.

In initiatives to reduce environmental impact, Runtec Corporation received a special award from Japan Association for Logistics and Transport at the 25th Logistics Environment Award in June, and SENKO Co., Ltd. received the Excellent Business Operator Award in the 1st Modal Shift Excellent Business Operator Grand Prize in December. In December, SENKO Co., Ltd. received the "2024 (23rd) Green Logistics Partnership Conference Excellent Logistics Partnership Commendation Program Resilience and Sustainability Award."

The Group will continue to support and contribute to developing a sustainable society that supports people in their daily lives.

Full-year performance for the fiscal year was as follows.

(Unit: Millions of Yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	%
Operating revenue	778,370	854,550	76,179	9.8
Operating profit	29,906	34,946	5,039	16.9
Ordinary profit	30,503	33,767	3,264	10.7
Profit attributable to owners of parent	15,944	18,610	2,666	16.7

Despite the ongoing unstable business environment caused mainly by continuing rising costs, such as prices of goods and personnel expenses, the Group achieved year-on-year increases in operating revenue, operating profit, ordinary profit and profit attributable to owners of parent due to group-wide efforts to expand sales and revise tariffs and prices as well as due to the contribution of revenue from M&A and other factors.

Full-year operating revenue by segment was as follows.

Logistics

(Unit: Millions of Yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	%
Operating revenue	495,626	550,510	54,883	11.1
Segment income	26,664	32,364	5,699	21.4

A focus on sales expansion and initiatives to address tariff revisions, together with the contribution of revenue from M&A, caused operating revenue to increase ¥54,883 million year on year to ¥550,510 million, and segment income rose ¥5,699 million year on year to ¥32,364 million.

Trading & Commerce

(Unit: Millions of Yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	%
Operating revenue	171,386	177,984	6,598	3.8
Segment income	2,359	2,905	546	23.2

Despite the impact of rising purchase prices, we strived to expand sales and revise pricing while reaping the contribution of revenue from M&A. As a result, operating revenue increased ¥6,598 million year on year to ¥177,984 million, and segment income rose ¥546 million year on year to ¥2,905 million.

Living Support

(Unit: Millions of Yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	%
Operating revenue	50,237	63,013	12,776	25.4
Segment income	1,178	1,161	(17)	(1.5)

Due to the contribution of revenue from M&A and the impact of the increase in the number of users and the number of customers visiting stores, mainly due to the effect of opening new stores, operating revenue increased ¥12,776 million year on year to ¥63,013 million; however, due to the increase in personnel costs, including recruitment costs, amid labor shortages in the labor market, segment income declined ¥17 million year on year to ¥1,161 million.

Business Support

(Unit: Millions of Yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	%
Operating revenue	13,637	15,504	1,866	13.7
Segment income	1,932	2,843	910	47.1

We strived to expand sales and achieve recovery in the hotel business among other initiatives while reaping the contribution of revenue from M&A. As a result, operating revenue increased ¥1,866 million year on year to ¥15,504 million, and segment income rose ¥910 million year on year to ¥2,843 million.

Manufacturing

(Unit: Millions of Yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	%
Operating revenue	47,101	47,109	7	0.0
Segment income	364	307	(57)	(15.8)

Despite the impact of a decrease in sales volume, which was mainly caused by an increasingly frugal mindset due to the rising price of goods, and rising purchase prices for raw materials and other factors, we made progress on price revisions and secured a profit, while also making efforts to increase sales and so forth. As a result, the fall in segment income was only ¥57 million year on year, to ¥307 million.

(b) Forecasts

The economic environment is expected to see a gradual recovery in the economy supported by continued improvement in the employment and income environment, as well as the effects of various government policies. However, there are also concerns over downside risks to the economy, such as increased risk of a downturn in overseas economies due to the impact of U.S. trade policies, and continued increases in the price of goods leading to a decline in consumer confidence, with an attendant impact on consumer spending.

Amid this environment, the Group will continue its efforts to improve performance and achieve its five-year medium-term business plan. For the next fiscal year, the Group forecasts consolidated operating revenue of ¥910,000 million, consolidated operating profit of ¥40,000 million, consolidated ordinary profit of ¥38,000 million, and profit attributable to owners of parent of ¥21,600 million.

(2) Overview of financial position for the fiscal year ended March 31, 2025

Total assets

Total assets as of March 31, 2025 were ¥718,739 million, ¥32,603 million higher than at the end of the previous fiscal year.

Current assets amounted to ¥229,227 million, down ¥10,639 million from the end of the previous fiscal year. This was mainly due to decreases of ¥11,331 million in cash and deposits and ¥3,051 million in trade notes and accounts receivable, and contract assets despite increases of ¥2,652 million in merchandise and finished goods and ¥1,331 million in other current assets.

Non-current assets totaled ¥489,410 million, up ¥43,140 million from the end of the previous fiscal year. This was mainly due to increases of ¥31,676 million in property, plant and equipment and ¥12,570 million in investments and other assets, despite a decrease of ¥1,106 million in intangible assets.

Liabilities

Liabilities as of March 31, 2025 decreased by ¥6,052 million from the end of the previous fiscal year to ¥475,523 million.

Current liabilities totaled ¥184,680 million, down ¥31,503 million from the end of the previous fiscal year. This was mainly due to decreases of ¥1,678 million in trade notes and accounts payable, ¥4,811 million in electronically recorded obligations - operating, ¥22,026 million in current portion of convertible-bond-type bonds with share acquisition rights, ¥11,170 million in short-term borrowings, and ¥3,514 million in other current liabilities, despite increases of ¥10,000 million in current portion of bonds payable and ¥1,171 million in income taxes payable.

Non-current liabilities totaled ¥290,842 million, up ¥25,450 million from the end of the previous fiscal year. This was mainly due to increases of ¥10,000 million in bonds payable, ¥12,762 million in long-term borrowings, and ¥1,049 million in other noncurrent liabilities.

Net assets

Net assets as of March 31, 2025 rose by ¥38,655 million from the end of the previous fiscal year to ¥243,216 million. This was primarily due to increases of ¥11,003 million in share capital and ¥9,817 million in capital surplus by conversion of convertible-bond-type bonds with share acquisition rights to shares, etc., as well as increases of ¥10,734 million in retained earnings, ¥2,426 million in treasury shares, ¥2,339 million in foreign currency translation adjustment, and ¥1,882 million in remeasurements of defined benefit plans. The equity ratio as of March 31, 2025 increased by 4.1 percentage points to 30.2% from the end of the previous fiscal year.

(3) Overview of cash flows for the fiscal year ended March 31, 2025

(a) Cash flows

Cash and cash equivalents as of March 31, 2025 decreased by ¥11,977 million from the end of the previous fiscal year to ¥67,306 million.

Net cash provided by operating activities amounted to ¥44,722 million. This was mainly due to a decrease in funds due to a decrease in accrued liabilities of ¥9,286 million and income taxes paid of ¥12,913 million, despite profit before income taxes of ¥33,162 million, depreciation of ¥30,135 million, and increased funds due to a decrease in accounts receivable - trade, and contract assets of ¥5,750 million.

Net cash used in investing activities totaled ¥58,024 million. This was mainly due to purchase of property, plant and equipment of ¥52,868 million and purchase of shares of subsidiaries resulting in change in scope of consolidation of ¥7,150 million, despite proceeds from sale of property, plant and equipment of ¥12,486 million.

Net cash provided by financing activities totaled ¥454 million. This was mainly due to proceeds from long-term borrowings of ¥28,158 million and proceeds from issuance of bonds of ¥19,897 million, despite net decrease in short-term borrowings of ¥11,867 million, repayments of long-term borrowings of ¥15,004 million, repayments of finance lease liabilities of ¥10,401 million, and dividends paid of ¥6,549 million.

(b) Performance indicators associated with cash flows

Fiscal years ended March 31	2021	2022	2023	2024	2025
Equity ratio (%)	30.9	30.5	27.6	26.1	30.2
Market capitalization equity ratio (%)	35.6	27.8	24.2	25.0	35.8
Interest-bearing debt to Cash flow	5.2	5.8	4.8	5.4	6.2
Interest coverage ratio	27.7	25.5	28.6	22.7	14.2

Notes: Equity ratio: Equity / Total assets

Market capitalization equity ratio: Market capitalization / Total assets

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

Interest coverage ratio: Operating cash flows / Interest expenses

- All figures are based on the consolidated financial statements.
- Market capitalization is calculated by multiplying the fiscal year-end stock price and the number of shares issued at the end of the fiscal year (after deducting treasury shares).
- Operating cash flows are the figure shown in the consolidated statement of cash flows. Interest-bearing debt is the sum of all liabilities on the consolidated balance sheet on which interest is paid. Interest expenses are the figure shown in the consolidated statement of cash flows.

(4) Fundamental policy for distribution of earnings and dividends for the current and the next fiscal years

While securing internal reserves necessary for future business development and management structure reinforcement, the basic policy of the Company is to return profits to shareholders by implementing stable dividends and dividends that are linked to business results with the aim of enhancing the return to its shareholders. In addition, under this policy, the Company aims to pay dividends with a payout ratio of 40% by the final fiscal year of the medium-term business plan (April 2022 to March 2027).

In accordance with this policy, the year-end dividend for the fiscal year ended March 31, 2025 is expected to be ¥23.00 per share.

Combined with the already declared interim dividend of ¥23.00, the total annual dividend is expected to be ¥46.00.

Regarding the dividend forecast for the fiscal year ending March 31, 2026, based on the forecast of operating results, the Company plans to pay an annual dividend of ¥50.00 per share (interim dividend of ¥25.00, year-end dividend of ¥25.00).

2. Basic Concept Regarding the Selection of Accounting Standards

To facilitate comparisons of its consolidated financial statements across time periods and with other companies, the Senko Group intends to prepare its consolidated financial statements based on Japanese generally accepted accounting principles (JGAAP) for the time being.

With regard to the adoption of International Financial Reporting Standards (IFRS), the Company intends to respond to this issue appropriately while giving consideration to various circumstances in Japan and overseas.

3. Consolidated Financial Statements

(1) Consolidated balance sheets

(Unit: Millions of Yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	81,637	70,305
Trade notes and accounts receivable, and contract assets	116,159	113,107
Merchandise and finished goods	19,231	21,883
Work in process	780	833
Raw materials and supplies	3,060	2,771
Other	19,081	20,412
Allowance for doubtful accounts	(83)	(86)
Total current assets	239,866	229,227
Non-current assets		
Property, plant and equipment		
Buildings and structures	237,663	282,918
Accumulated depreciation	(118,716)	(144,690)
Buildings and structures, net	118,947	138,228
Machinery, equipment and vehicles	109,656	139,041
Accumulated depreciation	(76,694)	(105,393)
Machinery, equipment and vehicles, net	32,961	33,647
Tools, furniture and fixtures	23,703	25,402
Accumulated depreciation	(19,874)	(21,428)
Tools, furniture and fixtures, net	3,828	3,974
Land	124,096	132,034
Leased assets	56,655	62,422
Accumulated depreciation	(23,218)	(27,849)
Leased assets, net	33,436	34,573
Construction in progress	17,523	20,014
Total property, plant and equipment	330,795	362,471
Intangible assets		
Goodwill	22,956	22,055
Other	16,469	16,264
Total intangible assets	39,425	38,319
Investments and other assets		
Investment securities	22,276	27,045
Retirement benefit asset	17,907	22,964
Guarantee deposits	18,566	20,669
Deferred tax assets	5,914	6,209
Other	12,282	12,630
Allowance for doubtful accounts	(899)	(898)
Total investments and other assets	76,048	88,619
Total non-current assets	446,269	489,410
Deferred assets		
Business commencement expenses	–	101
Total deferred assets	–	101
Total assets	686,136	718,739

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Trade notes and accounts payable	60,478	58,800
Electronically recorded obligations - operating	11,650	6,838
Current portion of bonds payable	–	10,000
Current portion of convertible-bond-type bonds with share acquisition rights	22,026	–
Short-term borrowings	53,448	42,277
Lease liabilities	9,907	10,127
Income taxes payable	7,733	8,905
Provision for bonuses	8,605	9,132
Other provisions	1,747	1,528
Other	40,584	37,070
Total current liabilities	216,183	184,680
Non-current liabilities		
Bonds payable	40,000	50,000
Long-term borrowings	161,716	174,479
Lease liabilities	33,815	33,587
Retirement benefit liability	8,741	9,279
Deferred tax liabilities	11,318	11,786
Other provisions	1,099	1,960
Other	8,701	9,750
Total non-current liabilities	265,392	290,842
Total liabilities	481,575	475,523
Net assets		
Shareholders' equity		
Share capital	28,479	39,483
Capital surplus	31,283	41,100
Retained earnings	112,317	123,051
Treasury shares	(7,421)	(4,994)
Total shareholders' equity	164,659	198,641
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,995	2,754
Deferred gains or losses on hedges	88	(29)
Foreign currency translation adjustment	5,256	7,596
Remeasurements of defined benefit plans	6,207	8,090
Total accumulated other comprehensive income	14,548	18,411
Share acquisition rights	351	328
Non-controlling interests	25,001	25,834
Total net assets	204,561	243,216
Total liabilities and net assets	686,136	718,739

(2) Consolidated statements of (comprehensive) income

(Consolidated statements of income)

(Unit: Millions of Yen)

	Fiscal year ended March 31, 2024 (April 1, 2023 - March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 - March 31, 2025)
Operating revenue	778,370	854,550
Operating costs	658,975	719,535
Operating gross profit	119,395	135,014
Selling, general and administrative expenses	89,488	100,067
Operating profit	29,906	34,946
Non-operating income		
Interest income	246	356
Dividend income	250	322
Share of profit of entities accounted for using equity method	377	284
Rental income from land and buildings	486	476
Foreign exchange gains	452	—
Other	1,954	1,694
Total non-operating income	3,768	3,134
Non-operating expenses		
Interest expenses	2,287	3,164
Other	883	1,148
Total non-operating expenses	3,170	4,312
Ordinary profit	30,503	33,767
Extraordinary income		
Gain on sale of non-current assets	305	1,552
Gain on bargain purchase	—	1,111
Subsidy income	504	893
Gain on sale of investment securities	351	59
Compensation income	246	—
Other	113	172
Total extraordinary income	1,520	3,787
Extraordinary losses		
Impairment losses	491	2,297
Loss on tax purpose reduction entry of non-current assets	553	794
Loss on retirement of non-current assets	174	590
Loss on sale of non-current assets	174	41
Compensation expenses	640	—
Loss on valuation of investment securities	515	—
Loss on withdrawal from business	340	—
Other	338	668
Total extraordinary losses	3,228	4,393
Profit before income taxes	28,796	33,162
Income taxes - current	11,497	13,863
Income taxes - deferred	(77)	(1,265)
Total income taxes	11,420	12,598
Profit	17,375	20,563
Profit attributable to non-controlling interests	1,431	1,952
Profit attributable to owners of parent	15,944	18,610

	Fiscal year ended March 31, 2024 (April 1, 2023 - March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 - March 31, 2025)
Profit	17,375	20,563
Other comprehensive income		
Valuation difference on available-for-sale securities	1,387	(276)
Deferred gains or losses on hedges	103	(138)
Foreign currency translation adjustment	2,517	2,199
Remeasurements of defined benefit plans, net of tax	4,518	1,884
Share of other comprehensive income of entities accounted for using equity method	371	718
Total other comprehensive income	8,897	4,387
Comprehensive income	26,273	24,950
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	24,053	22,473
Comprehensive income attributable to non- controlling interests	2,219	2,477

(3) Consolidated statements of changes in equity

Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)

(Unit: Millions of Yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	28,479	31,318	101,984	(7,712)	154,070
Changes during period					
Issuance of new shares					–
Dividends of surplus			(5,611)		(5,611)
Profit attributable to owners of parent			15,944		15,944
Purchase of treasury shares				(1,431)	(1,431)
Disposal of treasury shares		(24)		1,722	1,697
Transfer from retained earnings to capital surplus					–
Change in ownership interest of parent due to transactions with non-controlling interests		(9)			(9)
Net changes in items other than shareholders' equity					–
Total changes during period	–	(34)	10,332	290	10,588
Balance at end of period	28,479	31,283	112,317	(7,421)	164,659

	Accumulated other comprehensive income					Share acquisition rights	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 period	1,668	(2)	3,082	1,690	6,439	366	18,226	179,103
Changes during period								
Issuance of new shares					–			–
Dividends of surplus					–			(5,611)
Profit attributable to owners of parent					–			15,944
Purchase of treasury shares					–			(1,431)
Disposal of treasury shares					–			1,697
Transfer from retained earnings to capital surplus					–			–
Change in ownership interest of parent due to transactions with non-controlling interests					–			(9)
Net changes in items other than shareholders' equity	1,326	90	2,174	4,517	8,109	(15)	6,774	14,868
Total changes during period	1,326	90	2,174	4,517	8,109	(15)	6,774	25,457
Balance at end of period	2,995	88	5,256	6,207	14,548	351	25,001	204,561

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	28,479	31,283	112,317	(7,421)	164,659
Changes during period					
Issuance of new shares	11,003	11,003			22,007
Dividends of surplus			(6,552)		(6,552)
Profit attributable to owners of parent			18,610		18,610
Purchase of treasury shares				(408)	(408)
Disposal of treasury shares		(1,670)		2,835	1,165
Transfer from retained earnings to capital surplus		1,323	(1,323)		–
Change in ownership interest of parent due to transactions with non-controlling interests		(840)			(840)
Net changes in items other than shareholders' equity					–
Total changes during period	11,003	9,817	10,734	2,426	33,982
Balance at end of period	39,483	41,100	123,051	(4,994)	198,641

	Accumulated other comprehensive income					Share acquisition rights	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 period	2,995	88	5,256	6,207	14,548	351	25,001	204,561
Changes during period								
Issuance of new shares					–			22,007
Dividends of surplus					–			(6,552)
Profit attributable to owners of parent					–			18,610
Purchase of treasury shares					–			(408)
Disposal of treasury shares					–			1,165
Transfer from retained earnings to capital surplus					–			–
Change in ownership interest of parent due to transactions with non-controlling interests					–			(840)
Net changes in items other than shareholders' equity	(240)	(118)	2,339	1,882	3,862	(22)	833	4,673
Total changes during period	(240)	(118)	2,339	1,882	3,862	(22)	833	38,655
Balance at end of period	2,754	(29)	7,596	8,090	18,411	328	25,834	243,216

(4) Consolidated statements of cash flows

(Unit: Millions of Yen)

	Fiscal year ended March 31, 2024 (April 1, 2023 - March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 - March 31, 2025)
Cash flows from operating activities		
Profit before income taxes	28,796	33,162
Depreciation	26,440	30,135
Amortization of goodwill	1,567	2,687
Increase (decrease) in allowance for doubtful accounts	112	(61)
Decrease (increase) in retirement benefit asset	(7,700)	(5,056)
Increase (decrease) in retirement benefit liability	4,555	1,829
Increase (decrease) in provision for bonuses	898	324
Increase (decrease) in provision for share awards	(131)	233
Interest and dividend income	(497)	(678)
Interest expenses	2,287	3,164
Loss (gain) on sale of non-current assets	(130)	(1,510)
Loss on tax purpose reduction entry of non-current assets	553	794
Subsidy income	(504)	(893)
Gain on bargain purchase	–	(1,111)
Loss (gain) on sale of investment securities	(351)	(59)
Compensation income	(246)	–
Impairment losses	491	2,297
Loss on retirement of non-current assets	174	590
Compensation expenses	640	–
Loss on valuation of investment securities	515	–
Loss on withdrawal from business	340	–
Decrease (increase) in accounts receivable - trade, and contract assets	(10,432)	5,750
Decrease (increase) in inventories	1,177	(2,142)
Increase (decrease) in accrued liabilities	5,936	(9,286)
Other	7,135	(1,068)
Subtotal	61,629	59,102
Subsidies received	504	893
Interest and dividends received	842	795
Interest paid	(2,257)	(3,155)
Income taxes paid	(9,504)	(12,913)
Cash flows from operating activities	51,214	44,722
Cash flows from investing activities		
Payments into time deposits	(3,024)	(4,770)
Proceeds from withdrawal of time deposits	3,264	4,393
Purchase of property, plant and equipment	(48,703)	(52,868)
Proceeds from sale of property, plant and equipment	1,309	12,486
Purchase of intangible assets	(1,504)	(1,571)
Purchase of investment securities	(721)	(422)
Payments of guarantee deposits	(1,838)	(2,750)
Proceeds from refund of guarantee deposits	558	796
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(12,177)	(7,150)
Purchase of shares of subsidiaries and associates	–	(4,741)
Other	344	(1,424)
Cash flows from investing activities	(62,492)	(58,024)

	Fiscal year ended March 31, 2024 (April 1, 2023 - March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 - March 31, 2025)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	13,606	(11,867)
Proceeds from long-term borrowings	50,674	28,158
Repayments of long-term borrowings	(14,859)	(15,004)
Repayments of finance lease liabilities	(8,875)	(10,401)
Proceeds from issuance of bonds	–	19,897
Purchase of treasury shares	(1,383)	(406)
Dividends paid	(5,608)	(6,549)
Dividends paid to non-controlling interests	(440)	(683)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(23)	(2,531)
Other	66	(157)
Cash flows from financing activities	33,157	454
Effect of exchange rate change on cash and cash equivalents	1,258	868
Net increase (decrease) in cash and cash equivalents	23,137	(11,977)
Cash and cash equivalents at beginning of period	56,147	79,284
Cash and cash equivalents at end of period	79,284	67,306