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

May 14, 2024

Company name: DAIKI Aluminium Industry Co., Ltd.
Stock exchange listing: Tokyo Stock Exchange
Code number: 5702
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Scheduled date of annual general meeting of shareholders: June 21, 2024
Scheduled date of commencing dividend payments: June 24, 2024
Scheduled date of filing securities report: June 24, 2024
Availability of supplementary explanatory materials on annual financial results: Available
Schedule of annual financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

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

(1) Consolidated Operating Results (% indicates changes from the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2024	262,671	(3.8)	4,619	(66.4)	4,167	(70.0)	3,244	(66.6)
March 31, 2023	273,033	15.7	13,744	(32.5)	13,890	(32.8)	9,726	(34.6)

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥6,560 million [(48.3)%]
Fiscal year ended March 31, 2023: ¥12,687 million [(23.0)%]

	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	80.10	78.90	4.7	3.1	1.8
March 31, 2023	240.09	236.49	15.6	10.1	5.0

(Reference) Equity in earnings of affiliated companies: Fiscal year ended March 31, 2024: ¥(63) million
Fiscal year ended March 31, 2023: ¥ – million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2024	138,679	72,062	51.4	1,758.69
As of March 31, 2023	133,215	68,370	50.7	1,665.84

(Reference) Equity: As of March 31, 2024: ¥71,247 million
As of March 31, 2023: ¥67,486 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 year-end
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2024	2,800	(3,643)	2,222	6,290
March 31, 2023	26,165	(4,580)	(21,660)	4,869

2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2023	–	30.00	–	40.00	70.00	2,835	29.2	4.5
Fiscal year ended March 31, 2024	–	30.00	–	20.00	50.00	2,025	62.4	2.9
Fiscal year ending March 31, 2025 (Forecast)	–	25.00	–	30.00	55.00		–	

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending September 30 (Cumulative)	136,800	3.5	2,340	(14.8)	2,080	(22.3)	1,430	(44.7)	35.30
Full year	290,600	10.6	6,720	45.5	6,050	45.2	4,240	30.7	104.66

*** Notes:**

(1) Changes in significant subsidiaries during the period under review: No
(Changes in specified subsidiaries resulting in changes in scope of consolidation)
Newly included: –, Excluded: –

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
1) Changes in accounting policies due to the revision of accounting standards: No
2) Changes in accounting policies other than 1) above: No
3) Changes in accounting estimates: No
4) Retrospective restatement: No

(3) Total number of issued shares (common shares)
1) Total number of issued shares at the end of the period (including treasury shares):
As of March 31, 2024: 43,629,235 shares
As of March 31, 2023: 43,629,235 shares

2) Total number of treasury shares at the end of the period:
As of March 31, 2024: 3,117,611 shares
As of March 31, 2023: 3,117,551 shares

3) Average number of shares during the period:
Year ended March 31, 2024: 40,511,667 shares
Year ended March 31, 2023: 40,509,523 shares

(Reference) Summary of Non-consolidated Financial Results

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

(1) Non-consolidated Operating Results (% indicates changes from the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2024	150,783	(5.1)	2,260	(54.2)	3,830	(52.3)	3,725	(38.8)
March 31, 2023	158,830	9.9	4,938	(7.3)	8,037	(12.4)	6,083	(14.9)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2024	91.96	90.58
March 31, 2023	150.18	147.92

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2024	81,899	42,111	51.2	1,035.95
As of March 31, 2023	81,252	40,914	50.2	1,006.42

(Reference) Equity: As of March 31, 2024: ¥41,968 million
As of March 31, 2023: ¥40,771 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 - March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending September 30 (Cumulative)	82,300	7.2	370	(70.0)	930	(44.1)	740	(64.8)	18.27
Full year	168,300	11.6	1,500	(33.6)	3,340	(12.8)	2,730	(26.7)	67.39

Notes regarding financial results forecast

* These financial results are outside the scope of audit.

* Explanation on the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein regarding financial results forecast for the fiscal year ending March 31, 2025 are based on information available to the Company at the time of preparation and certain assumptions deemed to be reasonable, and actual results may vary significantly due to various factors. For the assumptions used for the earnings forecasts and the notes regarding the use thereof, please refer to “1. Overview of Operating Results, etc., (4) Future Outlook” on page 4 of the attached document.

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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, the Japanese economy has been on a gradual recovery trend, although it has recently shown some signs of faltering as it has been affected by the issue of vehicle certification irregularities and the Noto Peninsula Earthquake in addition to a depressing effect on consumption due to higher prices. Meanwhile, the global economy continued to be on a gradual downward trend, with tighter financial conditions.

Amid this economic environment, in the domestic automobile-related market, which is our main source of, the demand for secondary aluminium alloy is recovering as shortages of semiconductors and parts have been eased and domestic automobile production has been on the rebound. However, the demand has not yet fully recovered because the price of aluminium scrap, which is a raw material, has remained high as its shortage was felt and because the parts export to Southeast Asia was especially weak.

As a result, the Group's consolidated net sales for the fiscal year ended March 31, 2024 amounted to a combined total of ¥262,671 million (down 3.8% year on year), including ¥168,060 million in secondary aluminium alloy ingots (down 8.0% year on year) and ¥94,611 million in merchandise and raw materials (up 4.7% year on year), due mainly to lower product selling prices and lower sales volume compared to the same period of the previous year.

Given the shrinkage in the price difference (spread) between raw material prices and product selling prices due to scrap prices remaining high, especially at consolidated subsidiaries overseas, operating profit was ¥4,619 million (down 66.4% year on year), ordinary profit was ¥4,167 million (down 70.0% year on year) and profit attributable to owners of parent was ¥3,244 million (down 66.6% year on year).

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

Status of Assets, Liabilities and Net Assets

a) Current Assets

The balance of current assets as of March 31, 2024 was ¥105,519 million, up ¥2,797 million from the end of the previous fiscal year. This was mainly due to increases of ¥1,414 million in cash and deposits, ¥1,233 million in merchandise and finished goods, and ¥2,571 million in other, respectively, and a decrease of ¥2,297 million in notes and accounts receivable - trade.

b) Non-current Assets

The balance of non-current assets as of March 31, 2024 was ¥33,160 million, up ¥2,666 million from the end of the previous fiscal year. This was mainly due to increases of ¥1,675 million in property, plant and equipment, ¥409 million in investment securities, and ¥460 million in retirement benefit asset, respectively.

c) Current Liabilities

The balance of current liabilities as of March 31, 2024 was ¥56,881 million, up ¥2,591 million from the end of the previous fiscal year. This was mainly due to an increase of ¥7,541 million in short-term borrowings and decreases of ¥3,276 million in notes and accounts payable - trade, ¥428 million in income taxes payable, ¥521 million in accrued consumption taxes, and ¥530 million in accrued expenses, respectively.

d) Non-current Liabilities

The balance of non-current liabilities as of March 31, 2024 was ¥9,735 million, down ¥820 million from the end of the previous fiscal year. This was mainly due to an increase of ¥512 million in deferred tax liabilities and a decrease of ¥1,485 million in long-term borrowings.

e) Net Assets

The balance of net assets as of March 31, 2024 was ¥72,062 million, up ¥3,692 million from the end of the previous fiscal year. This was mainly due to increases of ¥409 million in retained earnings, ¥362 million in valuation difference on available-for-sale securities, and ¥2,763 million in foreign currency translation adjustment, respectively.

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

Cash and cash equivalents (the "funds") as of March 31, 2024 stood at ¥6,290 million, up ¥1,421 million from the end of the previous fiscal year.

The status of cash flows as of March 31, 2024 and their contributing factors are as follows.

a) Cash flows from operating activities

Funds increasing in operating activities for the fiscal year ended March 31, 2024 amounted to ¥2,800 million (funds increased by ¥26,165 million at the end of the previous fiscal year), mainly due to the recording of profit before income taxes, an increase of funds caused by a decrease in trade receivables, and a decrease of funds caused by decreases in trade payables and consumption taxes payable/consumption taxes refund receivable.

b) Cash flows from investing activities

Funds decreasing in investing activities for the fiscal year ended March 31, 2024 amounted to ¥3,643 million (funds decreased by ¥4,580 million at the end of the previous fiscal year), mainly due to proceeds from sale of investment securities and the purchase of property, plant and equipment.

A trend of cash flow indicators is as follows.

(Reference) Cash flow related indicators

	FY ended March 31, 2021	FY ended March 31, 2022	FY ended March 31, 2023	FY ended March 31, 2024
Equity ratio (%)	44.2	40.7	50.7	51.4
Equity ratio at market price (%)	44.5	45.0	43.4	36.3
Interest-bearing debt to cash flow ratio (years)	–	–	1.6	17.2
Interest coverage ratio (times)	–	–	31.2	2.3

(Notes) Interest-bearing debt to cash flow ratio (years) and interest coverage ratio (times) for FY ended March 31, 2021 and FY ended March 31, 2022 are omitted because operating cash flow was negative.
Equity ratio: Equity / Total assets
Equity ratio at market price: Current aggregate value of shares / Total assets
Interest-bearing debt to cash flow ratio: Interest-bearing debt / Cash flow
Interest coverage ratio: Cash flow / Interest expenses
* These indicators are calculated based on consolidated figures.
* The current aggregate value of shares is calculated by multiplying the closing stock price at fiscal year-end by the total number of issued shares at fiscal year-end, excluding treasury shares.
* Operating cash flow is used for cash flow.
Cash flows from operating activities in the Consolidated Statements of Cash Flows are used for the operating cash flow. Interest-bearing debt covers all debt bearing interest recorded in the Consolidated Balance Sheet. Interest expenses in the Consolidated Statements of Cash Flows are used for the interest expenses.

(4) Future Outlook

As for the future outlook, the Japanese economy is expected to continue to recover gradually in part thanks to various policies, with employment and income situations improving. As for the global economy, the U.S. economy is expected to avoid a recession against the backdrop of resilience in the employment environment,

and emerging economies are expected to continue to grow steadily. However, downturns in overseas economies such as due to the impact of global monetary tightening and concern about the Chinese economic outlook are risks of putting downward pressure on the Japanese economy. Close attention should be paid to this as well as the impacts of rising prices, the situation in the Middle East, and changes in the financial and capital markets.

In the secondary aluminium alloy industry, there are worrisome risks of economic deceleration, but automobile production is expected to grow thanks to gradual economic recovery resulting from clearing of order backlogs in automobile production, further elimination of shortages of semiconductors, and the effect of economic measures by various countries.

Against this backdrop, the Group will make continued efforts to develop its business by building an efficient production system which meets demands and a purchasing system which can adapt to the fluctuation of raw material prices and taking other necessary actions to quickly respond to the changes of the times.

Towards "DAIKI∞NEXT∞," which is what the Group should aim for in 2030, the Group newly formulated and commenced the second Medium-term Management Plan extending from the fiscal year ending March 31, 2025 to the fiscal year ending March 31, 2027.

The Group expects the consolidated net sales of ¥290,600 million and ordinary profit of ¥6,050 million for the next fiscal year.

2. Basic Policy on Selection of Accounting Standards

The Group's policy is to prepare Consolidated Financial Statements based on Japanese GAAP, considering the comparability of Consolidated Financial Statements among different periods and companies.

Regarding the application of IFRS, the Group's policy is to respond to it adequately considering both domestic and overseas trends.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheet

(Million yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	4,965	6,379
Notes and accounts receivable - trade	55,158	52,861
Merchandise and finished goods	17,405	18,639
Work in process	180	183
Raw materials and supplies	21,354	21,227
Other	3,659	6,231
Allowance for doubtful accounts	(2)	(3)
Total current assets	102,721	105,519
Non-current assets		
Property, plant and equipment		
Buildings and structures	18,800	20,434
Accumulated depreciation	(9,624)	(10,389)
Buildings and structures, net	9,175	10,045
Machinery, equipment and vehicles	33,701	36,248
Accumulated depreciation	(24,768)	(26,902)
Machinery, equipment and vehicles, net	8,933	9,345
Tools, furniture and fixtures	2,052	2,196
Accumulated depreciation	(1,549)	(1,680)
Tools, furniture and fixtures, net	502	515
Land	3,957	4,072
Leased assets	1,872	2,067
Accumulated depreciation	(326)	(407)
Leased assets, net	1,545	1,660
Construction in progress	225	375
Total property, plant and equipment	24,339	26,014
Intangible assets	132	151
Investments and other assets		
Investment securities	4,661	5,070
Long-term loans receivable	2	1
Retirement benefit asset	567	1,028
Deferred tax assets	222	362
Other	857	841
Allowance for doubtful accounts	(287)	(310)
Total investments and other assets	6,022	6,994
Total non-current assets	30,493	33,160
Total assets	133,215	138,679

(Million yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	13,532	10,256
Short-term borrowings	34,143	41,684
Accounts payable - other	1,687	1,851
Income taxes payable	1,015	586
Accrued consumption taxes	610	89
Accrued expenses	1,890	1,359
Provision for bonuses	356	283
Other	1,052	769
Total current liabilities	54,289	56,881
Non-current liabilities		
Long-term borrowings	7,920	6,435
Provision for retirement benefits for directors (and other officers)	9	10
Retirement benefit liability	296	367
Lease liabilities	101	132
Asset retirement obligations	248	298
Deferred tax liabilities	1,830	2,342
Other	148	148
Total non-current liabilities	10,555	9,735
Total liabilities	64,844	66,616
Net assets		
Shareholders' equity		
Share capital	6,346	6,346
Capital surplus	8,863	8,863
Retained earnings	48,770	49,179
Treasury shares	(1,337)	(1,337)
Total shareholders' equity	62,643	63,052
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,554	1,917
Deferred gains or losses on hedges	31	(24)
Foreign currency translation adjustment	3,125	5,889
Remeasurements of defined benefit plans	131	412
Total accumulated other comprehensive income	4,842	8,194
Share acquisition rights	142	142
Non-controlling interests	741	672
Total net assets	68,370	72,062
Total liabilities and net assets	133,215	138,679

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Million yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales	273,033	262,671
Cost of sales	250,035	249,643
Gross profit	22,997	13,027
Selling, general and administrative expenses		
Transportation costs	4,308	3,431
Entertainment expenses	71	90
Travel and transportation expenses	210	261
Remuneration for directors (and other officers)	367	329
Salaries and allowances	1,141	1,190
Provision for retirement benefits for directors (and other officers)	1	0
Provision for bonuses	43	40
Retirement benefit expenses	9	43
Rent expenses	65	108
Depreciation	284	317
Other	2,748	2,593
Total selling, general and administrative expenses	9,252	8,408
Operating profit	13,744	4,619
Non-operating income		
Interest income	77	84
Dividend income	317	177
Foreign exchange gains	152	274
Technical advisory fee income	23	10
Gain on sales of iron scrap	147	135
Other	334	307
Total non-operating income	1,052	989
Non-operating expenses		
Interest expenses	855	1,235
Loss on sale of notes receivable - trade	8	6
Share of loss of entities accounted for using equity method	–	63
Other	42	136
Total non-operating expenses	906	1,440
Ordinary profit	13,890	4,167
Extraordinary income		
Gain on sale of non-current assets	15	9
Gain on sale of investment securities	11	1,261
Compensation income	–	66
Total extraordinary income	27	1,337
Extraordinary losses		
Loss on sale and retirement of non-current assets	131	117
Value added taxes for prior periods	–	149
Loss on disaster	66	–
Total extraordinary losses	197	266
Profit before income taxes	13,720	5,238
Income taxes - current	3,588	1,853
Income taxes - deferred	309	226
Total income taxes	3,897	2,080
Profit	9,823	3,158
Profit (loss) attributable to non-controlling interests	96	(86)
Profit attributable to owners of parent	9,726	3,244

Consolidated Statement of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit	9,823	3,158
Other comprehensive income		
Valuation difference on available-for-sale securities	320	362
Deferred gains or losses on hedges	131	(56)
Foreign currency translation adjustment	2,538	2,796
Remeasurements of defined benefit plans, net of tax	(125)	281
Share of other comprehensive income of entities accounted for using equity method	–	18
Total other comprehensive income	2,864	3,402
Comprehensive income	12,687	6,560
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,516	6,597
Comprehensive income attributable to non-controlling interests	171	(36)

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,346	8,843	41,677	(1,341)	55,526
Changes during period					
Dividends of surplus			(2,632)		(2,632)
Profit attributable to owners of parent			9,726		9,726
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(1)		4	2
Purchase of shares of consolidated subsidiaries		22			22
Net changes in items other than shareholders' equity					
Total changes during period	–	20	7,093	3	7,117
Balance at end of period	6,346	8,863	48,770	(1,337)	62,643

	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	1,233	(99)	661	256	2,052	145	781	58,505
Changes during period								
Dividends of surplus								(2,632)
Profit attributable to owners of parent								9,726
Purchase of treasury shares								(0)
Disposal of treasury shares								2
Purchase of shares of consolidated subsidiaries								22
Net changes in items other than shareholders' equity	320	131	2,463	(125)	2,790	(2)	(40)	2,747
Total changes during period	320	131	2,463	(125)	2,790	(2)	(40)	9,865
Balance at end of period	1,554	31	3,125	131	4,842	142	741	68,370

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

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,346	8,863	48,770	(1,337)	62,643
Changes during period					
Dividends of surplus			(2,835)		(2,835)
Profit attributable to owners of parent			3,244		3,244
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares					–
Purchase of shares of consolidated subsidiaries					–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	409	(0)	409
Balance at end of period	6,346	8,863	49,179	(1,337)	63,052

	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	1,554	31	3,125	131	4,842	142	741	68,370
Changes during period								
Dividends of surplus								(2,835)
Profit attributable to owners of parent								3,244
Purchase of treasury shares								(0)
Disposal of treasury shares								–
Purchase of shares of consolidated subsidiaries								–
Net changes in items other than shareholders' equity	362	(56)	2,763	281	3,352	–	(68)	3,283
Total changes during period	362	(56)	2,763	281	3,352	–	(68)	3,692
Balance at end of period	1,917	(24)	5,889	412	8,194	142	672	72,062

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	13,720	5,238
Depreciation	3,493	3,685
Increase (decrease) in retirement benefit liability	31	53
Decrease (increase) in retirement benefit asset	(85)	(51)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(3)	0
Increase (decrease) in allowance for doubtful accounts	(1)	(1)
Interest and dividend income	(394)	(261)
Interest expenses	855	1,235
Foreign exchange losses (gains)	110	(5)
Share of loss (profit) of entities accounted for using equity method	–	63
Loss (gain) on sale and retirement of non-current assets	115	108
Loss (gain) on sale of investment securities	(11)	(1,261)
Compensation income	–	(66)
Value added taxes for prior periods	–	149
Decrease (increase) in trade receivables	5,342	3,937
Decrease (increase) in inventories	9,125	693
Decrease (increase) in advance payments to suppliers	196	62
Decrease (increase) in accounts receivable - other	42	(494)
Decrease (increase) in temporary payments	263	(19)
Increase (decrease) in trade payables	(1,192)	(4,070)
Increase (decrease) in accounts payable - other	(154)	177
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	725	(2,619)
Other, net	355	228
Subtotal	32,536	6,782
Interest and dividends received	394	261
Interest paid	(839)	(1,238)
Income taxes paid	(5,925)	(3,071)
Proceeds from compensation	–	66
Net cash provided by (used in) operating activities	26,165	2,800
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,063)	(4,848)
Proceeds from sale of property, plant and equipment	19	11
Purchase of investment securities	(472)	(416)
Proceeds from sale of investment securities	34	1,631
Other, net	(98)	(20)
Net cash provided by (used in) investing activities	(4,580)	(3,643)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(15,900)	6,650
Proceeds from long-term borrowings	3,016	2,200
Repayments of long-term borrowings	(5,881)	(3,692)
Net decrease (increase) in treasury shares	(0)	(0)
Dividends paid	(2,632)	(2,835)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(127)	–
Dividends paid to non-controlling interests	(61)	(32)
Other, net	(71)	(67)
Net cash provided by (used in) financing activities	(21,660)	2,222
Effect of exchange rate change on cash and cash equivalents	164	41
Net increase (decrease) in cash and cash equivalents	89	1,421
Cash and cash equivalents at beginning of period	4,779	4,869
Cash and cash equivalents at end of period	4,869	6,290

(5) Notes to Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Segment Information, Etc.)

[Segment information]

1. Overview of reportable segments
The Group's reportable segment is a component of an entity for which separate financial information is available and evaluated regularly by the Board of Directors in determining the allocation of management resources and in assessing performance.
The Group's reportable segment is "secondary aluminium alloy," as the Group's main business is manufacturing and sales of secondary aluminium alloy.

2. Calculation methods of net sales, income (loss) and assets by reportable segment
The accounting for business segments reported is substantially the same as those described in the "Significant Accounting Policies for Preparation of Consolidated Financial Statements." Intersegment sales or transfers are based on the market price and other information.
The business segment income is based on operating profit before goodwill amortization.

3. Information on net sales, income (loss), assets and other items by reportable segment
For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Million yen)

	Reportable segment	Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Consolidated Financial Statements (Note 3)
	Secondary aluminium alloy				
Net sales					
Net sales to outside customers	267,967	5,066	273,033	–	273,033
Inter-segment net sales or transfers	1,483	49	1,532	(1,532)	–
Total	269,450	5,115	274,566	(1,532)	273,033
Segment income (loss)	13,192	535	13,727	16	13,744
Segment asset	128,090	5,661	133,752	(536)	133,215

(Notes) 1. "Others" is the business segment not categorized in the reportable segment. They include die-cast products business, etc.
2. Adjustments are as follows.
(1) The segment income (loss) adjustment of ¥16 million includes intersegment transactions elimination of ¥16 million.
(2) The segment asset adjustment of ¥(536) million includes intersegment elimination of debts and credits of ¥(520) million.
3. Segment income (loss) is adjusted to the operating profit figure on the Consolidated Statement of Income.

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

(Million yen)

	Reportable segment	Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Consolidated Financial Statements (Note 3)
	Secondary aluminium alloy				
Net sales					
Net sales to outside customers	258,211	4,460	262,671	–	262,671
Inter-segment net sales or transfers	1,287	72	1,359	(1,359)	–
Total	259,498	4,532	264,031	(1,359)	262,671
Segment income (loss)	4,398	202	4,601	17	4,619
Segment asset	133,320	5,934	139,254	(575)	138,679

(Notes) 1. "Others" is the business segment not categorized in the reportable segment. They include die-cast products business, etc.

2. Adjustments are as follows.

(1) The segment income (loss) adjustment of ¥17 million includes intersegment transactions elimination of ¥17 million.

(2) The segment asset adjustment of ¥(575) million includes intersegment elimination of debts and credits of ¥(567) million.

3. Segment income (loss) is adjusted to the operating profit figure on the Consolidated Statement of Income.

(Per Share Information)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net assets per share	¥1,665.84	¥1,758.69
Basic earnings per share	¥240.09	¥80.10
Diluted earnings per share	¥236.49	¥78.90

(Notes) 1. Basic earnings per share and diluted earnings per share shall be calculated based on the following data.

Item	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Basic earnings per share		
Profit attributable to owners of parent (Million yen)	9,726	3,244
Amount not attributable to common shareholders (Million yen)	–	–
Profit attributable to owners of parent relating to common shares (Million yen)	9,726	3,244
Average number of common shares during the period (Shares)	40,509,523	40,511,667
Diluted earnings per share		
Adjustment for profit attributable to owners of parent (Million yen)	–	–
Increase in number of common shares (Shares)	618,036	615,530
(Share acquisition rights) (Shares)	(618,036)	(615,530)
Overview of residual shares not included in the calculation of diluted earnings per share due to their non-dilutive effect	–	

2. Net assets per share shall be calculated based on the following data.

Item	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Total net assets (Million yen)	68,370	72,062
Amount deducted from total net assets (Million yen)	884	815
(Share acquisition rights)	(142)	(142)
(Non-controlling interests)	(741)	(672)
Year-end net assets related to common shares (Million yen)	67,486	71,247
Year-end number of common shares used to calculate net assets per share (Shares)	40,511,684	40,511,624

(Significant Subsequent Events)

Not applicable.