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Summary of Financial Results for the Fiscal Year Ended August 31, 2024 (Japanese GAAP) (Non-consolidated)

October 11, 2024

Name of Listed Company:	Marumae Co., Ltd.	Stock Exchange Listing: Tokyo
Security Code:	6264	
URL:	https://www.marumae.com/en/	
Representative:	Toshikazu Maeda, President and Representative Director	
Contact:	Takeshi Shimomai, General Manager of the Administration Department Email: inquiry_en@marumae.com	

Scheduled date of General Meeting of Shareholders: November 22, 2024

Scheduled start date of dividends payments: November 25, 2024

Scheduled date for submission of the securities report: November 25, 2024

Preparation of supplementary materials for the financial results: Yes

Earnings release conference: Yes (for institutional investors)

Note: Amounts are rounded down to the nearest million yen.

1. Financial Results for the Fiscal Year Ended August 31, 2024 (September 1, 2023, to August 31, 2024)

(1) Operating Results

Note: Percentages indicate changes from the previous fiscal year.

	Fiscal year ended			
	August 31, 2023		August 31, 2024	
		%		%
Net sales (millions of yen)	6,868	(20.0)	4,749	(30.9)
Operating profit (millions of yen)	859	(63.6)	156	(81.8)
Ordinary profit (millions of yen)	789	(66.7)	42	(94.6)
Profit (millions of yen)	706	(61.1)	19	(97.2)
Earnings per share of common stock (yen)				
Basic	55.92		1.55	
Diluted	-		-	
Return on equity (%)	9.6		0.3	
Ordinary profit to total assets (%)	6.5		0.4	
Operating profit to net sales (%)	12.5		3.3	

Reference: Share of profit (loss) of entities accounted for using the equity method: -million yen (for the fiscal year ended August 31, 2024)

-million yen (for the fiscal year ended August 31, 2023)

(2) Financial Position

	As of	
	August 31, 2023	August 31, 2024
Total assets (millions of yen)	11,612	11,464
Net assets (millions of yen)	7,473	7,163
Equity ratio (%)	64.4	62.5
Net assets per share (yen)	591.25	566.10

Reference: Equity: 7,163 million yen (as of August 31, 2024)
7,473 million yen (as of August 31, 2023)

(3) Cash Flows

	Fiscal year ended	
	August 31, 2023	August 31, 2024
Cash flows from operating activities (millions of yen)	2,252	431
Cash flows from investing activities (millions of yen)	(1,489)	(504)
Cash flows from financing activities (millions of yen)	(286)	(395)
Cash and cash equivalents at end of period (millions of yen)	3,496	3,028

2. Dividends

	Fiscal year ended		Fiscal year ending
	August 31, 2023	August 31, 2024	August 31, 2025 (forecast)
1Q-end dividends per share (yen)	-	-	-
2Q-end dividends per share (yen)	18.00	10.00	15.00
3Q-end dividends per share (yen)	-	-	-
Year-end dividends per share (yen)	18.00	20.00	15.00
Annual dividends per share (yen)	36.00	30.00	30.00
Total dividends (millions of yen)	455	379	
Payout ratio (%)	64.4	1,935.5	-
Dividend on equity (%)	6.2	5.2	

3. Financial Forecasts for the Fiscal Year Ending August 31, 2025 (September 1, 2024, to August 31, 2025)

Note: Percentages indicate changes from the corresponding period of the previous fiscal year.

	Six months ending February 28, 2025 (cumulative)		Fiscal year ending August 31, 2025	
		%		%
Net sales (millions of yen)	3,650	78.9	7,600	60.0
Operating profit (millions of yen)	700	-	1,600	922.2
Ordinary profit (millions of yen)	650	-	1,500	-
Profit (millions of yen)	462	-	1,065	-
Earnings per share (yen)	36.51		84.16	

Notes

(1) Changes in accounting policies, changes in accounting estimates, and restatements

1. Changes in accounting policies along with changes in accounting standards: None
2. Changes in accounting policies other than those included in 1 above: None
3. Changes in accounting estimates: None
4. Restatements: None

(2) Number of shares issued and outstanding (common stock)

1. Number of shares issued and outstanding (including treasury shares)

As of August 31, 2024:	13,053,000 shares
As of August 31, 2023:	13,053,000 shares

2. Number of treasury shares

As of August 31, 2024:	399,162 shares
As of August 31, 2023:	412,494 shares

3. Average number of shares outstanding

Fiscal year ended August 31, 2024:	12,649,248 shares
Fiscal year ended August 31, 2023:	12,635,790 shares

*Status of implementation of audit procedures

This Summary of Financial Results is exempt from audit procedures by certified public accountants or audit firms.

*Explanation regarding the appropriate use of financial forecasts and other notes

The financial forecasts and other forward-looking statements presented in this Summary of Financial Results are based on information available to the Company at the time of the issuance of this report, and certain assumptions judged to be reasonable by the Company. Actual financial results may differ significantly due to various factors. Please refer to “1. Analysis of Operating Results and Financial Position, (1) Analysis of Operating Results” on page 2 for the assumptions used for financial forecasts and other notes on their use.

Contents

1. Analysis of Operating Results and Financial Position 2
(1) Analysis of Operating Results 2
(2) Analysis of Financial Position 3
(3) Basic Policy on Profit Distribution and Dividends for the Current and Next Fiscal Years 4
2. Status of the Corporate Group 5
3. Basic Approach to the Selection of Accounting Standards 5
4. Financial Statements and Primary Notes 6
(1) Balance Sheet 6
(2) Statement of Income 10
(3) Statement of Changes in Equity 13
(4) Statement of Cash Flows 15
(5) Notes to the Financial Statements 17
5. Others 20
(1) Board Member Changes 20
(2) Status of Production, Orders, and Sales 20

1. Analysis of Operating Results and Financial Position

(1) Analysis of Operating Results

Operating results for the fiscal year under review

During the fiscal year under review, the Japanese economy gradually improved, despite some remaining stagnation, due to factors such as improvement in Japan's employment and income environment, while there were also downside risks to the overseas economy such as the continued high-interest rate levels in Europe and the United States.

In the semiconductor sector, our main sales sector, there was active capital investment in logic foundries and DRAMs against the backdrop of growing demand for AI applications, while capital investment in NAND and MPUs stagnated. In addition, capital investment for the Chinese market remained brisk. Furthermore, as the semiconductor production equipment market began to show signs of improvement, there was also a noticeable improvement in component inventories.

In the flat panel display (FPD) sector, although capital investment in LCD manufacturing equipment continued to stagnate, capital investment in G8 OLED equipment for IT devices began to expand.

Under these economic circumstances, in the semiconductor sector, orders remained sluggish in the first half of the year due to the impact of inventory adjustments. However, towards the end of the year, orders improved rapidly due to progress in inventory adjustments and an increase in orders from new customers.

In the FPD sector, the Company used electron beam welding (EBW) machines to increase orders for G8 OLED, which has started to expand rapidly.

In the other sectors, the Company received inquiries for solar cell production equipment parts but did not receive orders.

On the cost side, production costs declined as capital investment and hiring were restrained until the third quarter due to the continued market stagnation, and inventories were increased with a higher order backlog. In addition, the provision for loss on orders received and the loss on valuation of inventories decreased by 46 million yen due to the improvement in the utilization rate. Furthermore, tax expenses increased by approximately 10 million yen compared to the forecast announced on September 12, 2024. This is because, as a result of examining the recoverability of deferred tax assets during the closing process, a reversal occurred for items that could not be scheduled, and the burden rate of corporate taxes, etc., after applying tax effect accounting exceeded the statutory effective tax rate.

As a result, the financial results for the fiscal year under review were net sales of 4,749 million yen (year-on-year decline of 30.9%), operating profit of 156 million yen (year-on-year decline of 81.8%), ordinary profit of 42 million yen (year-on-year decline of 94.6%), and profit of 19 million yen (year-on-year decline of 97.2%).

Since the Company has only one segment, the precision parts business, the description by segment has been omitted.

Forecast for the next fiscal year

In the semiconductor sector, our main sales sector, the Company expects continued capital investment in logic foundries and DRAMs with the strong demand for AI, and a resumption of investment in NAND. In the FPD sector, the Company expects a rapid expansion of capital investment in G8 OLED, which is expected to continue for the time being.

In the other sector, the Company continues to receive inquiries for solar cell production equipment parts. However, due to the uncertain market environment in China, the Company has decided not to include this in its budget.

In terms of capital investment, the Company has resumed investment in some production facilities, as there is still some spare capacity in

terms of overall factory utilization, but there is a shortage in some areas. It also plans to invest in areas that contribute to improving employee satisfaction, such as the staff cafeteria, and in solar panels for in-house consumption.

As for expenses, the Company anticipates that depreciation for manufacturing will increase slightly from the previous year to 868 million yen. Furthermore, it expects an increase in labor costs to 1.608 billion yen, driven by factors such as higher salary levels, an expansion in hiring, and an uptick in performance-linked bonuses. It expects selling, general, and administrative (SG&A) expenses to be 800 million yen due to factors such as an increase in personnel expenses.

Based on these circumstances, for the next fiscal year, the Company forecasts net sales of 7,600 million yen, operating profit of 1,600 million yen, ordinary profit of 1,500 million yen, and profit of 1,065 million yen.

(2) Analysis of Financial Position

1. Assets, Liabilities, and Net Assets

Assets

Total assets at the end of the fiscal year under review decreased by 147 million yen compared to the end of the previous fiscal year to 11,464 million yen.

Current assets increased by 123 million yen compared to the end of the previous fiscal year to 5,572 million yen. This was mainly due to increases in accounts receivable – trade (up 451 million yen from the previous fiscal year), electronically recorded monetary claims – operating (up 157 million yen), and inventories (up 13 million yen) accompanying the increase in sales in the fourth quarter.

Non-current assets decreased by 271 million yen compared to the end of the previous fiscal year to 5,891 million yen. This was mainly due to decreases in machinery and equipment (down 632 million yen) and buildings (down 90 million yen), and an increase in construction in progress (up 427 million yen).

Liabilities

Total liabilities at the end of the fiscal year under review increased by 162 million yen compared to the end of the previous fiscal year to 4,300 million yen.

Current liabilities increased by 182 million yen compared to the end of the previous fiscal year to 1,348 million yen. This was mainly due to increases in accounts payable – other (up 136 million yen), accounts payable – trade (up 86 million yen), and a decrease in advances received (down 58 million yen).

Non-current liabilities decreased by 20 million yen compared to the end of the previous fiscal year to 2,952 million yen. This was mainly due to a decrease in long-term borrowings (down 26 million yen) and an increase in provisions for retirement benefits (up 10 million yen).

Net assets

Total net assets at the end of the fiscal year under review decreased by 310 million yen compared to the end of the previous fiscal year to 7,163 million yen.

This was mainly due to a decrease in retained earnings of 334 million yen from the recording of profit of 19 million yen and an increase in the disposal of treasury shares of 17 million yen, against the dividend payment of 354 million yen. As a result, the equity ratio decreased to 62.5% from 64.4% in the previous fiscal year.

2. Cash Flows

Cash and cash equivalents (hereinafter referred to as “cash”) at the end of the fiscal year under review decreased by 468 million yen compared to the end of the previous fiscal year to 3,028 million yen.

The major factors were cash flows of 431 million yen provided by operating activities, cash flows of 504 million yen used in investing activities such as the purchase of property, plant and equipment, and cash flows of 395 million yen used in financing activities such as repayments of long-term borrowings.

The status regarding cash flows for the fiscal year under review is described below.

Cash flows from operating activities

Net cash provided by operating activities was 431 million yen (compared to 2,252 million yen provided in the previous fiscal year). The major factors were the recording of profit before income taxes of 42 million yen, depreciation of 948 million yen, decrease in cash of 600 million yen due to an increase in trade receivables, a decrease in cash of 13 million yen due to an increase in inventories, an increase in other current assets of 113 million yen, income taxes paid of 154 million yen, and an increase in trade payable of 86 million yen.

Cash flows from investing activities

Net cash used in investing activities was 504 million yen (compared to 1,489 million yen used in the previous fiscal year). This was mainly due to purchases of property, plant and equipment of 500 million yen.

Cash flows from financing activities

Net cash used in financing activities was 395 million yen (compared to 286 million yen used in the previous fiscal year). This was mainly due to proceeds from long-term borrowings of 600 million yen, repayments of long-term borrowings of 637 million yen, and dividends paid of 353 million yen.

(Reference) Changes in cash flow-related indicators

	FY2020	FY2021	FY2022	FY2023	FY2024
Equity ratio (%)	64.2	64.9	58.1	64.4	62.5
Equity ratio based on market value (%)	127.4	263.3	209.2	196.7	170.3
Interest-bearing debt to cash flow ratio (years)	2.0	2.2	1.5	1.6	8.1
Interest coverage ratio (multiples)	66.3	65.2	108.8	95.6	18.6

Equity ratio: Shareholders' equity/total assets

Equity ratio based on market value: Total market capitalization/total assets

Interest-bearing debt to cash flow ratio: Interest-bearing debts/cash flows

Interest coverage ratio: Cash flows/interest payment

(Notes) 1. Total market capitalization was calculated based on the total number of shares issued excluding treasury shares.

2. The cash flows shown above were based on cash flows from operating activities.

3. Interest-bearing debt includes all debts that yielded interest on the balance sheet.

(3) Basic Policy on Profit Distribution and Dividends for the Current and Next Fiscal Years

The return of profits to shareholders is one of the most important management policies of the Company.

Regarding future profit distribution, the Company aims to distribute profit based on profitability and calculates dividends by incorporating the concept of a dividend payout ratio, while taking into consideration its operating results and financial conditions along with the implementation of investments based on a long-term perspective. As for the medium-term target for the dividend payout ratio, the Company aims to achieve a dividend payout ratio of 35% or higher during the current medium-term business plan (from the fiscal year ended August 31, 2023, to the fiscal year ending August 31, 2026). In addition, it is also our policy to pay a stable dividend of at least 20 yen per share for

the full year (at least 10 yen for the interim dividend and 10 yen for the year-end dividend), unless the Company records a loss in its final profit and loss.

For the next fiscal year, the Company plans to pay an interim dividend of 15 yen and a year-end dividend of 15 yen, for a total of 30 yen.

2. Status of the Corporate Group

Since the Company has no subsidiaries or affiliates, there is no applicable information.

3. Basic Approach to the Selection of Accounting Standards

Since the Company does not prepare consolidated financial statements, it has prepared financial statements under Japanese GAAP in consideration of the burden of establishing a system to prepare financial statements based on International Financial Reporting Standards.

4. Financial Statements and Primary Notes

(1) Balance Sheet

(Thousands of yen)

	As of August 31, 2023	As of August 31, 2024
ASSETS		
Current assets		
Cash and deposits	3,496,246	3,028,196
Accounts receivable – trade	467,109	918,641
Electronically recorded monetary claims – operating	515,384	673,175
Finished goods	15,583	21,767
Work in process	769,950	771,309
Raw materials and supplies	27,502	33,635
Prepaid expenses	23,779	22,916
Other	134,920	106,026
Allowance for doubtful accounts	(2,085)	(3,343)
Total current assets	5,448,393	5,572,325
Non-current assets		
Property, plant and equipment		
Buildings	2,546,328	2,584,078
Accumulated depreciation	(790,423)	(918,413)
Buildings, net	1,755,905	1,665,664
Structures	188,604	203,574
Accumulated depreciation	(88,532)	(100,885)
Structures, net	100,071	102,689
Machinery and equipment	8,154,112	8,261,809
Accumulated depreciation	(4,882,816)	(5,622,877)
Machinery and equipment, net	3,271,296	2,638,932
Vehicles	108,606	115,110
Accumulated depreciation	(103,357)	(107,357)
Vehicles, net	5,248	7,753
Tools, furniture and fixtures	72,213	79,012
Accumulated depreciation	(57,184)	(63,566)
Tools, furniture and fixtures, net	15,028	15,445
Land	782,004	788,067
Leased assets	30,006	30,006
Accumulated depreciation	(7,958)	(12,419)
Leased assets, net	22,048	17,586
Construction in progress	6,190	434,081

	As of August 31, 2023	As of August 31, 2024
Total property, plant and equipment	5,957,794	5,670,220
Intangible assets		
Software	23,238	13,083
Patent right	3,047	2,638
Trademark right	-	767
Total intangible assets	26,285	16,489
Investments and other assets		
Investment securities	7,000	7,000
Investments in capital	101	101
Long-term prepaid expenses	-	164
Deferred tax assets	171,760	197,220
Other	690	695
Total investments and other assets	179,551	205,180
Total non-current assets	6,163,631	5,891,889
Total assets	11,612,024	11,464,215

(Thousands of yen)

	As of August 31, 2023	As of August 31, 2024
LIABILITIES		
Current liabilities		
Accounts payable – trade	188,585	274,997
Current portion of long-term borrowings	607,132	596,030
Lease liabilities	4,352	4,430
Accounts payable – other	51,941	188,606
Accrued expenses	141,966	163,128
Advances received	82,966	25,581
Deposits received	14,206	27,419
Unearned revenue	245	1,133
Provision for loss on orders received	29,500	28,700
Provision for share-based payments	24,000	12,000
Other	20,249	27,044
Total current liabilities	1,165,146	1,348,071
Non-current liabilities		
Long-term borrowings	2,889,550	2,863,520
Long-term lease liabilities	17,990	13,559
Provision for retirement benefits	59,871	70,691
Asset retirement obligations	1,069	1,069
Guarantee deposits received	2,700	2,700
Other	1,934	1,315
Total non-current liabilities	2,973,116	2,952,856
Total liabilities	4,138,263	4,300,928
NET ASSETS		
Shareholders' equity		
Share capital	1,241,157	1,241,157
Capital surplus		
Legal capital surplus	1,125,157	1,125,157
Other capital surplus		
Gain from disposal of treasury shares	831,699	838,226
Total capital surplus	1,956,856	1,963,384

	As of August 31, 2023	As of August 31, 2024
Retained earnings		
Legal retained earnings	14,112	14,112
Other retained earnings		
Reserve for tax purpose reduction entry	3,961	-
Retained earnings brought forward	4,798,280	4,467,767
Total retained earnings	4,816,354	4,481,880
Treasury shares	(540,607)	(523,134)
Total shareholders' equity	7,473,761	7,163,287
Total net assets	7,473,761	7,163,287
Total liabilities and net assets	11,612,024	11,464,215

(2) Statement of Income

(Thousands of yen)

	Fiscal year ended August 31, 2023	Fiscal year ended August 31, 2024
Net sales	6,868,463	4,749,003
Cost of sales		
Beginning finished goods inventory	16,152	15,583
Cost of products manufactured	5,342,315	3,953,672
Total	5,358,468	3,969,255
Transfer to other account	75,843	47,623
Cost of lease revenue	17,949	17,005
Ending finished goods inventory	15,583	21,767
Cost of sales	5,284,990	3,916,870
Gross profit	1,583,472	832,133
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	114,445	97,627
Salaries and allowances	184,106	198,075
Retirement benefit expenses	2,185	2,195
Share-based payment expenses	31,997	12,000
Depreciation	23,825	22,265
Commission expenses	84,446	92,862
Taxes and dues	41,940	27,407
Provision of allowance for doubtful accounts	(3,156)	1,258
Research and development expenses	84,498	55,053
Other	159,696	166,869
Total selling, general and administrative expenses	723,986	675,613
Operating profit	859,486	156,519
Non-operating income		
Interest income	125	349
Dividend income	1	1
Foreign exchange gains	5,250	-
Commission income	1,358	1,975
Insurance claim income	6,747	3,329
Outsourcing service income	14,283	-
Gain on sale of scraps	4,695	1,967
Other	2,278	2,451
Total non-operating income	34,740	10,075

	Fiscal year ended August 31, 2023	Fiscal year ended August 31, 2024
Non-operating expenses		
Interest expenses	23,570	23,198
Foreign exchange losses	-	2,296
Depreciation	70,932	97,022
Other	10,611	1,207
Total non-operating expenses	105,114	123,724
Ordinary profit	789,112	42,870
Extraordinary income		
Subsidy income	211,037	-
Gain on sale of non-current assets	-	66
Total extraordinary income	211,037	66
Extraordinary losses		
Impairment losses	2,280	-
Loss on retirement of non-current assets	211	0
Total extraordinary losses	2,491	0
Profit before income taxes	997,658	42,937
Income taxes – current	306,992	48,803
Income taxes – deferred	(15,914)	(25,459)
Total income taxes	291,077	23,343
Profit	706,580	19,593

Statement of Cost of Products Manufactured

		Fiscal year ended August 31, 2023		Fiscal year ended August 31, 2024	
	Note	Amount (thousands of yen)	Ratio (%)	Amount (thousands of yen)	Ratio (%)
I. Cost of materials		1,140,943	22.4	788,157	19.9
II. Labor costs		1,475,987	29.0	1,297,445	32.8
III. Expenses		2,468,020	48.5	1,869,427	47.3
Gross manufacturing cost	*	5,084,951	100.0	3,955,030	100.0
Beginning inventories of work in process		1,027,314		769,950	
Total		6,112,266		4,724,981	
Ending inventories of work in process		769,950		771,309	
Cost of products manufactured		5,342,315		3,953,672	

Cost accounting method

The cost accounting method is based on individual cost accounting.

(Note)* The main breakdown is as follows:

	Fiscal year ended August 31, 2023	Fiscal year ended August 31, 2024
Outsourcing processing cost (thousands of yen)	853,736	509,071
Depreciation (thousands of yen)	927,838	811,984
Provision for loss on orders received (thousands of yen)	(2,700)	(800)

(3) Statement of Changes in Equity

Fiscal year ended August 31, 2023

(Thousands of yen)

	Shareholders' equity										Total net assets
	Share capital	Capital surplus			Retained earnings				Treasury shares	Total shareholders' equity	
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings			
						Reserve for tax purpose reduction entry	Retained earnings brought forward				
Balance at beginning of period	1,241,157	1,125,157	825,530	1,950,687	14,112	7,923	4,643,567	4,665,603	(558,359)	7,299,089	7,299,089
Changes during period											
Dividends of surplus							(555,829)	(555,829)		(555,829)	(555,829)
Reversal of reserve for tax purpose reduction entry						(3,961)	3,961	-		-	-
Profit							706,580	706,580		706,580	706,580
Purchase of treasury shares								-	(76)	(76)	(76)
Disposal of treasury shares			6,168	6,168				-	17,828	23,997	23,997
Total changes during period	-	-	6,168	6,168	-	(3,961)	154,712	150,750	17,752	174,671	174,671
Balance at end of period	1,241,157	1,125,157	831,699	1,956,856	14,112	3,961	4,798,280	4,816,354	(540,607)	7,473,761	7,473,761

Fiscal year ended August 31, 2024

(Thousands of yen)

	Shareholders' equity										Total net assets
	Share capital	Capital surplus			Retained earnings				Treasury shares	Total shareholders' equity	
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings			
						Reserve for tax purpose reduction entry	Retained earnings brought forward				
Balance at beginning of period	1,241,157	1,125,157	831,699	1,956,856	14,112	3,961	4,798,280	4,816,354	(540,607)	7,473,761	7,473,761
Changes during period											
Dividends of surplus							(354,067)	(354,067)		(354,067)	(354,067)
Reversal of reserve for tax purpose reduction entry						(3,961)	3,961	-		-	-
Profit							19,593	19,593		19,593	19,593
Disposal of treasury shares			6,527	6,527				-	17,472	24,000	24,000
Total changes during period	-	-	6,527	6,527	-	(3,961)	(330,512)	(334,473)	17,472	(310,473)	(310,473)
Balance at end of period	1,241,157	1,125,157	838,226	1,963,384	14,112	-	4,467,767	4,481,880	(523,134)	7,163,287	7,163,287

(4) Statement of Cash Flows

(Thousands of yen)

	Fiscal year ended August 31, 2023	Fiscal year ended August 31, 2024
Cash flows from operating activities		
Profit before income taxes	997,658	42,937
Depreciation	1,040,546	948,276
Impairment losses	2,280	-
Increase (decrease) in allowance for doubtful accounts	(3,156)	1,258
Increase (decrease) in provision for loss on orders received	(2,700)	(800)
Increase (decrease) in provision for share-based payments	31,997	12,000
Increase (decrease) in provision for retirement benefits	11,692	10,819
Interest and dividend income	(126)	(350)
Insurance claim income	(6,747)	(3,329)
Interest expenses	23,570	23,198
Foreign exchange losses (gains)	(8,407)	474
Gain on sale of non-current assets	-	(66)
Loss on retirement of non-current assets	211	0
Decrease (increase) in trade receivables	1,506,458	(600,259)
Decrease (increase) in inventories	249,686	(13,675)
Increase (decrease) in trade payables	(143,386)	86,411
Increase (decrease) in accrued consumption taxes	(93,286)	5,831
Decrease (increase) in other current assets	(112,218)	113,345
Increase (decrease) in other current liabilities	(410,483)	2,488
Other	3,350	(39,649)
Subtotal	3,086,938	588,910
Interest and dividends received	126	350
Interest paid	(23,931)	(23,467)
Proceeds from insurance income	6,747	3,329
Income taxes refund	-	17,563
Income taxes paid	(817,635)	(154,914)
Net cash provided by operating activities	2,252,246	431,772

	Fiscal year ended August 31, 2023	Fiscal year ended August 31, 2024
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,484,537)	(500,961)
Proceeds from sale of property, plant and equipment	-	66
Purchase of intangible assets	(4,974)	(3,377)
Proceeds from divestments	10	-
Payments of guarantee deposits	-	(5)
Net cash used in investing activities	(1,489,501)	(504,277)
Cash flows from financing activities		
Proceeds from long-term borrowings	900,000	600,000
Repayments of long-term borrowings	(627,012)	(637,132)
Purchase of treasury shares	(76)	-
Dividends paid	(555,336)	(353,508)
Repayments of finance lease liabilities	(4,276)	(4,430)
Net cash provided by (used in) financing activities	(286,701)	(395,071)
Effect of exchange rate change on cash and cash equivalents	8,407	(474)
Net increase (decrease) in cash and cash equivalents	484,451	(468,050)
Cash and cash equivalents at beginning of period	3,011,795	3,496,246
Cash and cash equivalents at end of period	3,496,246	3,028,196

(5) Notes to the Financial Statements

Going concern assumptions: None

Changes in the presentation method

Statement of income

“Commission income,” which was included in “other” under “non-operating income” in the previous fiscal year, has been reclassified and presented as a separate item in the current fiscal year. The reason for this is that the total amount of this item accounts for more than 10/100 of the total non-operating income. In order to reflect this presentation method, the Company has reclassified the financial statements of the previous fiscal year.

As a result, the Company has reclassified the “other” of 3,636 thousand yen that was under “non-operating income,” as “commission income” of 1,358 thousand yen and “other” of 2,278 thousand yen in the statement of income for the previous fiscal year.

Profit or loss accounted for using the equity method

Fiscal year ended August 31, 2023 (from September 1, 2022, to August 31, 2023): None

Fiscal year ended August 31, 2024 (from September 1, 2023, to August 31, 2024): None

Segment information, etc.

Segment information

Fiscal year ended August 31, 2023 (from September 1, 2022, to August 31, 2023)

Since the Company has only one segment, the precision parts business, the description of segment information has been omitted.

Fiscal year ended August 31, 2024 (from September 1, 2023, to August 31, 2024)

Since the Company has only one segment, the precision parts business, the description of segment information has been omitted.

Related information

Fiscal year ended August 31, 2023 (from September 1, 2022, to August 31, 2023)

1. Information by product and service

Since the Company has a single segment, and there are no product and service categories to be classified, this information has been omitted.

2. Information by region

(1) Net sales

This information has been omitted because sales to external customers in Japan account for more than 90% of net sales in the statement of income.

(2) Property, plant and equipment

This information is not applicable because the Company has no property, plant and equipment located outside of Japan.

3. Information by major customer

Name of customer	Net sales (thousands of yen)	Name of related segment
NHK SPRING CO., LTD.	2,104,807	Precision parts business
Core Technology, Inc.	1,355,126	Precision parts business
Tokyo Electron Miyagi Ltd.	1,202,309	Precision parts business

Fiscal year ended August 31, 2024 (from September 1, 2023, to August 31, 2024)

1. Information by product and service

Since the Company has a single segment, and there are no product and service categories to be classified, this information has been omitted.

2. Information by region

(1) Net sales

This information has been omitted because sales to external customers in Japan account for more than 90% of net sales in the statement of income.

(2) Property, plant and equipment

This information is not applicable because the Company has no property, plant and equipment located outside of Japan.

3. Information by major customer

Name of customer	Net sales (thousands of yen)	Name of related segment
NHK SPRING CO., LTD.	1,365,601	Precision parts business
Tokyo Electron Miyagi Ltd.	768,397	Precision parts business
Tokyo Electron Technology Solutions Ltd.	681,316	Precision parts business

Information on impairment loss on non-current assets by reportable segment

Fiscal year ended August 31, 2023 (from September 1, 2022, to August 31, 2023):

Since the Company operates in a single segment, information on impairment losses on non-current assets by reportable segment is omitted.

Fiscal year ended August 31, 2024 (from September 1, 2023, to August 31, 2024):

Since the Company operates in a single segment, information on impairment losses on non-current assets by reportable segment is omitted.

Information on amortization and unamortized balance of goodwill by reportable segment

Fiscal year ended August 31, 2023 (from September 1, 2022, to August 31, 2023): None

Fiscal year ended August 31, 2024 (from September 1, 2023, to August 31, 2024): None

Information on gain on bargain purchase by reportable segment

Fiscal year ended August 31, 2023 (from September 1, 2022, to August 31, 2023): None

Fiscal year ended August 31, 2024 (from September 1, 2023, to August 31, 2024): None

Per share information

	Fiscal year ended August 31, 2023	Fiscal year ended August 31, 2024
Net assets per share (yen)	591.25	566.10
Earnings per share (yen)	55.92	1.55

(Notes) 1. Diluted earnings per share is not shown because there are no residual shares.

2. The basis for calculating earnings per share is as follows:

	Fiscal year ended August 31, 2023	Fiscal year ended August 31, 2024
Profit (thousands of yen)	706,580	19,593
Amount not attributable to common shareholders (thousands of yen)	-	-
Profit attributable to common stock (thousands of yen)	706,580	19,593
Average number of shares outstanding (shares)	12,635,790	12,649,248

Significant subsequent events: None

Omission of disclosure

Notes regarding the following items have been omitted because disclosure regarding these items is not considered to be necessary in the summary of financial results: significant accounting policies, balance sheet, statement of income, statement of changes in equity, statement of cash flows, financial instruments, securities, retirement benefits, tax effect accounting, asset retirement obligations, and related party information.

5. Others

(1) Board Member Changes: None

(2) Status of Production, Orders, and Sales

1. Production results

Production results by product category for the fiscal year under review are as follows:

Name by product category	Output (thousands of yen)	Year-on-year change (%)
Semiconductor production equipment components	3,641,856	79.2
FPD production equipment components	1,011,686	130.6
Others	41,902	3.0
Total	4,695,445	69.6

(Note) Amounts are based on sales prices.

2. Status of orders received

Orders received by product category for the fiscal year under review are as follows:

Name by product category	Amounts of orders received (thousands of yen)	Year-on-year change (%)	Order backlog (thousands of yen)	Year-on-year change (%)
Semiconductor production equipment components	3,794,254	113.4	894,712	135.7
FPD production equipment components	1,314,810	172.6	739,610	170.6
Others	88,347	8.3	54,584	670.6
Total	5,197,411	100.6	1,688,908	153.4

(Note) Amounts are based on sales prices.

3. Sales results

Sales results by product category for the fiscal year under review are as follows:

Name by product category	Sales (thousands of yen)	Year-on-year change (%)
Semiconductor production equipment components	3,558,923	78.5
FPD production equipment components	1,008,736	130.2
Others	181,343	11.6
Total	4,749,003	69.1