

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	0.00	-	50.00	50.00
Fiscal year ending March 31, 2025	-	25.00	-		
Fiscal year ending March 31, 2025 (Forecast)				25.00	50.00

(Note) Revision to the forecast for dividends announced most recently: None

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	39,000	0.8	1,300	(9.0)	900	(31.9)	650	(18.8)	51.85

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

December 31, 2024: 12,810,829 shares

March 31, 2024: 11,810,829 shares

2) Number of treasury shares at the end of the period:

December 31, 2024: 133,907 shares

March 31, 2024: 219,969 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2024: 12,535,762 shares

Nine months ended December 31, 2023: 11,591,642 shares

(Note) The Company has adopted a stock compensation plan (Board Benefit Trust). For the purpose of calculating basic earnings per share, the number of the shares of the Company remaining in the Board Benefit Trust that are recorded as treasury shares under shareholders' equity is included in the number of treasury shares to be deducted in the calculation of the average number of shares during the period.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes(voluntary)

* Proper use of earnings forecasts, and other special matters

Financial results forecast and other forward-looking statements included in this material are based on information currently available to the Company and certain assumptions deemed reasonable, and actual performance and other results may differ significantly from these forecasts due to various factors.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	5,374	5,543
Notes and accounts receivable - trade	7,031	6,176
Electronically recorded monetary claims - operating	1,919	2,278
Merchandise and finished goods	5,803	5,843
Work in process	1,828	2,269
Raw materials and supplies	1,607	1,734
Short-term loans receivable	70	70
Other	993	1,050
Allowance for doubtful accounts	(38)	(39)
Total current assets	24,591	24,926
Non-current assets		
Property, plant and equipment		
Buildings and structures	45,212	47,060
Accumulated depreciation and impairment	(34,113)	(34,822)
Buildings and structures, net	11,099	12,237
Machinery, equipment and vehicles	27,266	27,647
Accumulated depreciation and impairment	(24,935)	(25,315)
Machinery, equipment and vehicles, net	2,330	2,331
Tools, furniture and fixtures	1,610	1,633
Accumulated depreciation and impairment	(1,483)	(1,499)
Tools, furniture and fixtures, net	127	134
Land	37,888	37,949
Leased assets	1,594	1,495
Accumulated depreciation	(636)	(559)
Leased assets, net	958	935
Construction in progress	1,859	1,360
Total property, plant and equipment	54,264	54,949
Intangible assets	626	604
Investments and other assets		
Investment securities	1,363	1,450
Long-term loans receivable	200	200
Deferred tax assets	1,906	1,683
Other	481	523
Allowance for doubtful accounts	(133)	(133)
Total investments and other assets	3,817	3,722
Total non-current assets	58,708	59,277
Total assets	83,299	84,204

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,973	3,208
Electronically recorded obligations - operating	896	1,268
Short-term borrowings	10,029	10,926
Current portion of bonds payable	1,950	860
Accrued expenses	564	580
Income taxes payable	352	23
Accrued consumption taxes	298	27
Provision for bonuses	615	316
Other	1,219	1,508
Total current liabilities	18,901	18,718
Non-current liabilities		
Bonds payable	1,460	1,200
Long-term borrowings	10,931	11,893
Lease liabilities	880	844
Deferred tax liabilities	194	188
Deferred tax liabilities for land revaluation	6,163	6,163
Retirement benefit liability	6,153	5,860
Provision for retirement benefits for directors (and other officers)	65	71
Provision for repairs	94	111
Long-term leasehold and guarantee deposits received	4,143	4,142
Other	230	150
Total non-current liabilities	30,317	30,628
Total liabilities	49,219	49,346
Net assets		
Shareholders' equity		
Share capital	11,336	11,820
Capital surplus	896	1,381
Retained earnings	9,254	8,858
Treasury shares	(242)	(156)
Total shareholders' equity	21,244	21,904
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	468	511
Deferred gains or losses on hedges	30	55
Revaluation reserve for land	13,385	13,385
Foreign currency translation adjustment	(864)	(826)
Remeasurements of defined benefit plans	(213)	(195)
Total accumulated other comprehensive income	12,806	12,930
Share acquisition rights	6	-
Non-controlling interests	23	22
Total net assets	34,080	34,857
Total liabilities and net assets	83,299	84,204

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Net sales	29,056	28,280
Cost of sales	23,893	23,000
Gross profit	5,163	5,279
Selling, general and administrative expenses	4,246	4,375
Operating profit	916	904
Non-operating income		
Interest income	7	17
Dividend income	20	29
Insurance claim income	18	-
Foreign exchange gains	30	13
Subsidy income	25	42
Miscellaneous income	59	28
Total non-operating income	161	131
Non-operating expenses		
Interest expenses	164	185
Miscellaneous expenses	86	72
Total non-operating expenses	251	258
Ordinary profit	827	776
Extraordinary income		
Insurance claim income	139	-
Other	22	-
Total extraordinary income	161	-
Extraordinary losses		
Loss on retirement of non-current assets	29	7
Loss due to disaster	5	3
Loss on sale of non-current assets	77	-
Loss on valuation of investment securities	29	-
Other	10	0
Total extraordinary losses	152	11
Profit before income taxes	837	765
Income taxes - current	140	91
Income taxes - deferred	182	168
Total income taxes	322	260
Profit	514	505
Profit (loss) attributable to non-controlling interests	0	(1)
Profit attributable to owners of parent	513	506

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Profit	514	505
Other comprehensive income		
Valuation difference on available-for-sale securities	114	43
Deferred gains or losses on hedges	(15)	25
Foreign currency translation adjustment	286	38
Remeasurements of defined benefit plans, net of tax	49	17
Total other comprehensive income	434	124
Comprehensive income	948	629
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	944	630
Comprehensive income attributable to non-controlling interests	4	(1)

Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

During the nine months ended December 31, 2024, the Company exercised the 1st round of share acquisition rights with moving strike. As a result, share capital increased by ¥484 million and legal capital surplus increased by ¥484 million, resulting in share capital of ¥11,820 million and capital surplus of ¥1,381 million as of the end of the third quarter of the fiscal year under review.

(Changes in accounting policies)

(Adoption of Accounting Standard for Current Income Taxes, etc.)

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022, hereinafter "2022 Revised Accounting Standard") and other standards from the beginning of the first quarter under review.

Revisions to the classification of income taxes, etc. (taxation on other comprehensive income) are in accordance with the transitional treatment provided for in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment provided for in the proviso to Paragraph 65-2(2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022, hereinafter "2022 Revised Guidance"). The change in accounting policies has no impact on the consolidated financial statements for the nine months ended December 31, 2024.

Regarding the revisions related to the revision of the treatment in consolidated financial statements in cases where sales gains or losses arising from the sale of shares of subsidiaries, etc. among consolidated companies are deferred for tax purposes, the 2022 Revised Guidance has been applied from the beginning of the first quarter under review. The change in accounting policies has been applied retrospectively, and the consolidated financial statements for the nine months ended December 31, 2023 and the consolidated financial statements for the fiscal year ended March 31, 2024 have been prepared on a retrospective basis. The change in accounting policies have no impact on the consolidated financial statements for the nine months ended December 31, 2023 and the consolidated financial statements for the fiscal year ended March 31, 2024.

(Notes on segment information, etc.)

I For the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

1. Information on net sales and profit (loss) by reportable segment

(Millions of yen)

	Reportable segment				Adjustment (Note 1)	Amount recorded in Quarterly Consolidated Statements of Income (Note 2)
	Textile	Industrial Materials	Real Estate Business & Service Industry	Total		
Net sales						
Net sales to external customers	14,912	10,122	4,021	29,056	–	29,056
Inter-segment net sales or transfers	6	–	450	457	(457)	–
Total	14,919	10,122	4,471	29,513	(457)	29,056
Segment profit (loss)	(381)	385	1,521	1,525	(608)	916

(Notes) 1. The ¥(608) million adjustment for segment profit (loss) consists of corporate expenses not allocated to any reportable segment. Corporate expenses mostly consist of selling, general and administrative expenses not attributable to any reportable segment.

2. Segment profit (loss) is adjusted with operating profit in the Quarterly Consolidated Statements of Income.

2. Information on impairment loss on non-current assets and goodwill by reportable segment

Not applicable.

II For the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

1. Information on net sales and profit (loss) by reportable segment

(Millions of yen)

	Reportable segment				Adjustment (Note 1)	Amount recorded in Quarterly Consolidated Statements of Income (Note 2)
	Textile	Industrial Materials	Real Estate Business & Service Industry	Total		
Net sales						
Net sales to external customers	14,172	9,975	4,132	28,280	–	28,280
Inter-segment net sales or transfers	4	–	499	504	(504)	–
Total	14,177	9,975	4,632	28,785	(504)	28,280
Segment profit (loss)	(26)	197	1,518	1,690	(786)	904

(Notes) 1. The ¥(786) million adjustment for segment profit (loss) consists of corporate expenses not allocated to any reportable segment. Corporate expenses mostly consist of selling, general and administrative expenses not attributable to any reportable segment.

2. Segment profit (loss) is adjusted with operating profit in the Quarterly Consolidated Statements of Income.

2. Information on impairment loss on non-current assets and goodwill by reportable segment

Not applicable.

(Notes on statements of cash flows)

Quarterly consolidated statements of cash flows for the nine months ended December 31, 2024 have not been prepared. Depreciation (including amortization of intangible assets) for the nine months ended December 31, 2023 and 2024 is as follows:

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Depreciation	¥1,369 million	¥1,429 million