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

February 14, 2025

Company name: Okura Industrial Co., Ltd.
Stock exchange listing: Tokyo Stock Exchange
Code number: 4221
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Scheduled date of general shareholders' meeting: March 26, 2025
Scheduled date of commencing dividend payments: March 27, 2025
Scheduled date of filing securities report: March 26, 2025
Availability of supplementary explanatory materials on annual financial results: Available
Schedule of annual financial results briefing session: Scheduled

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

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 - December 31, 2024)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2024	81,192	3.0	4,564	(7.9)	5,111	(5.6)	4,359	1.0
December 31, 2023	78,863	2.1	4,956	31.4	5,417	26.7	4,315	13.9

(Note) Comprehensive income: Fiscal year ended December 31, 2024: ¥4,461 million [(25.5)%]
Fiscal year ended December 31, 2023: ¥5,986 million [53.9%]

	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	%	%	%
December 31, 2024	363.96	–	7.1	5.0	5.6
December 31, 2023	359.29	–	7.4	5.7	6.3

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

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2024	103,014	62,075	60.2	5,334.06
As of December 31, 2023	100,272	60,869	60.7	5,031.25

(Reference) Equity: As of December 31, 2024: ¥62,044 million
As of December 31, 2023: ¥60,844 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 end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
December 31, 2024	5,833	(5,708)	948	8,949
December 31, 2023	8,403	(7,897)	(1,194)	7,806

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 December 31, 2023	–	0.00	–	110.00	110.00	1,330	30.6	2.2
Fiscal year ended December 31, 2024	–	55.00	–	105.00	160.00	1,886	44.6	3.0
Fiscal year ending December 31, 2025 (Forecast)	–	95.00	–	100.00	195.00		51.5	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025 (January 1, 2025 - December 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
Full year	85,000	4.7	5,300	16.1	5,600	9.6	4,400	0.9	378.28

*** Notes:**

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

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
1) Changes in accounting policies due to the revision of accounting standards: None
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting estimates: None
4) Retrospective restatement: None

(3) Total number of issued shares (common shares)
1) Total number of issued shares at the end of the period (including treasury shares):
December 31, 2024: 12,414,870 shares
December 31, 2023: 12,414,870 shares

2) Total number of treasury shares at the end of the period:
December 31, 2024: 783,185 shares
December 31, 2023: 321,546 shares

3) Average number of shares during the period:
Fiscal year ended December 31, 2024: 11,978,973 shares
Fiscal year ended December 31, 2023: 12,010,255 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 - December 31, 2024)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2024	52,775	3.7	1,694	(17.7)	5,153	71.4	5,492	91.8
December 31, 2023	50,900	4.9	2,059	(8.6)	3,006	(9.7)	2,863	(25.5)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
December 31, 2024	458.49	–
December 31, 2023	238.43	–

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2024	100,619	53,566	53.2	4,605.19
As of December 31, 2023	99,106	51,330	51.8	4,244.53

(Reference) Equity: As of December 31, 2024: ¥53,566 million
As of December 31, 2023: ¥51,330 million

* These consolidated financial results are outside the scope of audit by certified public accountants or an audit firm.

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

Forward-looking statements such as financial results forecast in this document are based on information currently available and certain assumptions that Company regards as reasonable. Actual results may significantly differ from such estimates due to various factors.

For details on the earnings forecasts of the Company, please see “Overview of Operating Results, etc.” on page 2 of the attachments.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Period under Review

1) Consolidated operating results for the period under review

During the fiscal year ended December 31, 2024, the Japanese economy remained generally flat mainly due to a decrease in personal consumption in response to rising prices and continued labor shortages, despite growing inbound demand and continued improvements in the employment and income situation. Although there are expectations based largely on continued real wage increases, the economic outlook remains uncertain as it is still difficult to foresee the future on account of such concerns as the growing tendency of consumers to economize and the unstable international situation.

Under these circumstances, the Group posted net sales of 81,192 million yen (up 3.0% year on year) for the fiscal year under review, mainly due to an increase in demand for optical films for small- and medium-sized panel applications in the New Materials Division.

In terms of profit, it took time to stabilize quality at new plants in the New Materials Division, and consequently expenses increased. This and other factors, despite the increase in net sales, resulted in operating profit of 4,564 million yen (down 7.9% year on year) and ordinary profit of 5,111 million yen (down 5.6% year on year). Profit attributable to owners of parent was 4,359 million yen (up 1.0% year on year) mainly due to the recording of gain on sale of non-current assets and gain on sale of investment securities under extraordinary income.

Business results by segment are as follows.

[Plastic Film]

In the packaging business, sales of environmentally friendly items remained robust on the back of a growing awareness of global environmental conservation, and sales of process films for optics and semiconductor usages also remained strong in response to a recovery in the market. Meanwhile, the sales volume of agricultural-use multi-films did not reach the level attained in the previous period despite efforts to expand environmentally friendly items, as the market remained soft. As a result, net sales amounted to 51,861 million yen (up 1.7% year on year). Operating profit was 4,455 million yen (up 7.5% year on year) due to cost reduction resulting from contributory factors including the streamlining of unprofitable products and productivity improvement caused by the improved production system.

[New Materials]

While sales of functional materials mainly for automotive applications remained weak, demand for optical films for small- and medium-sized panel applications increased, resulting in net sales of 14,611 million yen (up 6.7% year on year). It took time to stabilize quality at the new plants, and consequently expenses increased. This and other factors resulted in operating profit of 1,247 million yen (down 32.7% year on year).

[Housing Materials]

The sales volume of particleboards, one of the key products of this business segment, remained robust as a result of continuous stable production and fine-tuned sales activities. In the lumber processing business, despite a decline in sales volume in the first half of the year caused by the decreased number of housing starts, orders for non-housing items increased during the second half of the year, resulting in net sales of 12,859 million yen (up 2.0% year on year). Operating profit was 945 million yen (up 5.0% year on year) due to the promotion of cost reduction initiatives including improved productivity of particleboards as well as the increase in net sales.

[Other]

The number of hotel stays of tourists in particular increased in the hotel business, and sales of systems for dispensing pharmacies remained strong in the information processing system development business. As a result, overall net sales of other businesses were 1,860 million yen (up 19.8% year on year). Operating profit amounted

to 494 million yen (up 8.5% year on year) due in part to the increase in net sales.

2) Non-consolidated business results for the period under review

Net sales for the fiscal year under review totaled 52,775 million yen (up 3.7% year on year). This was mainly due to increased demand for optical films for small- and medium-sized panel applications in the New Materials Division and the robust sales of environmentally friendly items in the Plastic Film Division. In terms of profit, operating profit was 1,694 million yen (down 17.7% year on year) despite the increase in net sales, since it took time to stabilize quality at the new plants in the New Materials Division and consequently expenses increased. Ordinary profit was 5,153 million yen (up 71.4% year on year) mainly due to an increase in proceeds from dividends received from subsidiaries and associates, and profit was 5,492 million yen (up 91.8% year on year).

(2) Overview of Financial Position for the Period under Review

Assets, liabilities and net assets

Total assets at the end of the fiscal year under review increased by 2,741 million yen compared to the end of the previous fiscal year, to 103,014 million yen, mainly due to increases in other current assets of 1,277 million yen, trade receivables of 1,246 million yen, and cash and deposits of 1,142 million yen, despite a decrease in property, plant and equipment of 2,337 million yen.

On the other hand, liabilities increased by 1,535 million yen compared to the end of the previous fiscal year, to 40,938 million yen, mainly due to increases in borrowings of 4,217 million yen and trade payables of 3,268 million yen, despite decreases in accounts payable - other of 3,371 million yen and other current liabilities of 2,329 million yen.

Net assets increased by 1,206 million yen from the end of the previous fiscal year to 62,075 million yen, mainly due to an increase in retained earnings of 2,364 million yen, despite a decrease in treasury shares of 1,267 million yen.

As a result of the above, the equity ratio decreased by 0.5 percentage points from the end of the previous fiscal year to 60.2%.

(3) Overview of Cash Flows for the Period under Review

Cash and cash equivalents (hereinafter referred to as “cash”) on a consolidated basis at the end of the fiscal year under review increased by 1,142 million yen compared to the end of the previous fiscal year to 8,949 million yen.

The status of each cash flow and their factors during the fiscal year under review are as follows.

(Cash Flows from Operating Activities)

Net cash provided by operating activities amounted to 5,833 million yen.

This was mainly due to a cash inflow from profit before income taxes of 6,000 million yen.

(Cash Flows from Investing Activities)

Net cash used in investing activities amounted to 5,708 million yen.

This was mainly due to a cash outflow from the purchase of property, plant and equipment, such as manufacturing equipment.

(Cash Flows from Financing Activities)

Net cash provided by financing activities amounted to 948 million yen.

This was mainly due to a cash inflow from an increase in borrowings of 4,214 million yen and a cash outflow from dividends paid of 1,987 million yen.

(4) Future Outlook

The Group's forecast for the next fiscal year is for net sales of 85.0 billion yen, up 4.7% year on year, mainly due to the prospect of increased capacity utilization for optical films for large LCD panels in the New Materials Division. In terms of profit, we forecast operating profit of 5.3 billion yen (up 16.1% year on year), ordinary profit of 5.6 billion yen (up 9.6% year on year), and profit attributable to owners of parent of 4.4 billion yen (up 0.9% year on year) due to the increase in net sales.

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

Regarding dividends of surplus, the Company recognizes that the return of profits to shareholders is one of the most important management tasks. Taking comprehensive consideration of business performance and preparation for future business development, etc., the Company maintains a basic policy of paying a stable dividend. The Company aims to continue a dividend for every fiscal year with a consolidated dividend on equity (DOE) ratio of 3.0% or more (indicator of stable profit distribution) and a dividend payout ratio of 30% or more (indicator of performance-linked profit distribution).

Pursuant to the shareholder return policy, the Company will pay a year-end dividend of 105 yen per share, an increase of 5 yen from the previous forecast, for the fiscal year under review. As a result, combined with the interim dividend of 55 yen, the annual dividend for the fiscal year under review will be 160 yen per share.

Under its medium-term management plan (2027), the Company will pay a special dividend equivalent to a DOE ratio of 0.5% to further improve capital efficiency and enhance shareholder returns. Consequently, a dividend at the level of 3.5% DOE ratio, which includes an ordinary dividend, will be distributed for the three-year period of the medium-term management plan (2027).

With regard to the forecast for dividends in the next fiscal year, the Company, pursuant to the above shareholder return policy, plans to provide dividends of 195 yen per share (interim: 95 yen; year-end: 100 yen).

2. Basic Policy on Selection of Accounting Standards

The Group's policy, for the time being, is to prepare consolidated financial statements under Japanese GAAP, taking into consideration the comparability of consolidated financial statements from period to period and from company to company.

With regard to the adoption of IFRS, the Group's policy is to respond appropriately in consideration of various domestic and international circumstances.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Million yen)

	As of December 31, 2023	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	7,806	8,949
Notes receivable - trade	3,011	1,797
Accounts receivable - trade	18,702	20,170
Electronically recorded monetary claims - operating	8,189	9,182
Merchandise and finished goods	5,292	5,786
Work in process	1,224	1,357
Raw materials and supplies	4,967	5,280
Real estate for sale	291	282
Other	1,461	2,739
Total current assets	50,947	55,545
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,032	15,737
Machinery, equipment and vehicles, net	8,292	9,480
Land	6,278	5,760
Construction in progress	8,491	1,737
Other, net	522	562
Total property, plant and equipment	35,616	33,278
Intangible assets	888	1,420
Investments and other assets		
Investment securities	11,291	10,341
Deferred tax assets	130	94
Other	1,398	2,333
Total investments and other assets	12,820	12,769
Total non-current assets	49,325	47,469
Total assets	100,272	103,014

(Million yen)

	As of December 31, 2023	As of December 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	17,020	18,873
Electronically recorded obligations - operating	672	2,087
Short-term borrowings	1,529	4,471
Current portion of long-term borrowings	373	389
Accounts payable - other	5,382	2,010
Income taxes payable	765	1,531
Electronically recorded obligations - facilities	1,893	1,378
Other	6,437	4,108
Total current liabilities	34,075	34,851
Non-current liabilities		
Long-term borrowings	—	1,259
Deferred tax liabilities	714	286
Retirement benefit liability	3,789	3,718
Other	823	823
Total non-current liabilities	5,327	6,086
Total liabilities	39,403	40,938
Net assets		
Shareholders' equity		
Share capital	8,619	8,619
Capital surplus	9,105	9,113
Retained earnings	38,394	40,759
Treasury shares	(557)	(1,824)
Total shareholders' equity	55,562	56,667
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,018	5,017
Foreign currency translation adjustment	236	269
Remeasurements of defined benefit plans	27	89
Total accumulated other comprehensive income	5,281	5,376
Non-controlling interests	24	31
Total net assets	60,869	62,075
Total liabilities and net assets	100,272	103,014

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Net sales	78,863	81,192
Cost of sales	63,974	66,019
Gross profit	14,888	15,173
Selling, general and administrative expenses		
Sales commission	84	96
Transportation and storage costs	2,653	2,810
Salaries	2,103	2,219
Bonuses	615	630
Remuneration for directors (and other officers)	340	353
Retirement benefit expenses	143	139
Depreciation	220	238
Research and development expenses	1,301	1,481
Provision of allowance for doubtful accounts	(0)	—
Other	2,469	2,639
Total selling, general and administrative expenses	9,932	10,608
Operating profit	4,956	4,564
Non-operating income		
Interest income	8	55
Dividend income	312	344
Foreign exchange gains	61	145
Miscellaneous income	145	107
Total non-operating income	528	653
Non-operating expenses		
Interest expenses	17	31
Commission expenses	36	51
Miscellaneous losses	13	24
Total non-operating expenses	67	107
Ordinary profit	5,417	5,111
Extraordinary income		
Gain on sale of non-current assets	4	879
Gain on sale of investment securities	428	2,416
Total extraordinary income	433	3,295
Extraordinary losses		
Loss on sale and retirement of non-current assets	158	198
Impairment losses	—	2,077
Loss on sale of investment securities	1	—
Extra retirement payments	0	—
Plant relocation expense	—	130
Total extraordinary losses	161	2,406
Profit before income taxes	5,688	6,000
Income taxes - current	1,379	2,055
Income taxes - deferred	(8)	(418)
Total income taxes	1,371	1,636
Profit	4,317	4,364
Profit attributable to non-controlling interests	2	4
Profit attributable to owners of parent	4,315	4,359

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Profit	4,317	4,364
Other comprehensive income		
Valuation difference on available-for-sale securities	1,510	(1)
Foreign currency translation adjustment	16	35
Remeasurements of defined benefit plans, net of tax	141	62
Total other comprehensive income	1,668	97
Comprehensive income	5,986	4,461
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,983	4,454
Comprehensive income attributable to non-controlling interests	3	6

(3) Consolidated Statements of Changes in Equity

Fiscal year ended December 31, 2023 (from January 1, 2023 to December 31, 2023)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,619	9,071	35,094	(829)	51,956
Changes during period					
Dividends of surplus			(1,014)		(1,014)
Profit attributable to owners of parent			4,315		4,315
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares				274	274
Gain of treasury stock disposal		33			33
Net changes in items other than shareholders' equity					
Total changes during period	—	33	3,300	272	3,606
Balance at end of period	8,619	9,105	38,394	(557)	55,562

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	3,507	220	(114)	3,613	20	55,591
Changes during period						
Dividends of surplus						(1,014)
Profit attributable to owners of parent						4,315
Purchase of treasury shares						(2)
Disposal of treasury shares						274
Gain of treasury stock disposal						33
Net changes in items other than shareholders' equity	1,510	15	141	1,667	3	1,671
Total changes during period	1,510	15	141	1,667	3	5,278
Balance at end of period	5,018	236	27	5,281	24	60,869

Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,619	9,105	38,394	(557)	55,562
Changes during period					
Dividends of surplus			(1,995)		(1,995)
Profit attributable to owners of parent			4,359		4,359
Purchase of treasury shares				(1,276)	(1,276)
Disposal of treasury shares				9	9
Gain of treasury stock disposal		7			7
Net changes in items other than shareholders' equity					
Total changes during period	—	7	2,364	(1,267)	1,104
Balance at end of period	8,619	9,113	40,759	(1,824)	56,667

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	5,018	236	27	5,281	24	60,869
Changes during period						
Dividends of surplus						(1,995)
Profit attributable to owners of parent						4,359
Purchase of treasury shares						(1,276)
Disposal of treasury shares						9
Gain of treasury stock disposal						7
Net changes in items other than shareholders' equity	(1)	33	62	95	6	101
Total changes during period	(1)	33	62	95	6	1,206
Balance at end of period	5,017	269	89	5,376	31	62,075

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	5,688	6,000
Impairment losses	—	2,077
Depreciation	4,167	5,404
Increase (decrease) in allowance for doubtful accounts	(0)	—
Increase (decrease) in retirement benefit liability	5	10
Interest and dividend income	(321)	(400)
Interest expenses	17	31
Foreign exchange losses (gains)	(29)	(130)
Loss (gain) on sale of investment securities	(426)	(2,416)
Loss (gain) on sale and retirement of non-current assets	58	(769)
Decrease (increase) in trade receivables	(775)	(1,235)
Decrease (increase) in inventories	11	(919)
Increase (decrease) in trade payables	(498)	3,266
Other, net	1,608	(4,121)
Subtotal	9,506	6,797
Interest and dividends received	323	401
Interest paid	(16)	(31)
Income taxes paid	(1,409)	(1,334)
Net cash provided by (used in) operating activities	8,403	5,833
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,129)	(9,073)
Proceeds from sale of property, plant and equipment	3	1,127
Proceeds from governmental subsidy income	52	346
Purchase of investment securities	(61)	(12)
Proceeds from sale of investment securities	611	3,377
Loan advances to subsidiaries and associates	(468)	(790)
Proceeds from collection of loans receivable	1	109
Payments for investments in capital of subsidiaries and associates	(455)	—
Other, net	(449)	(792)
Net cash provided by (used in) investing activities	(7,897)	(5,708)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(21)	2,938
Proceeds from long-term borrowings	—	1,950
Repayments of long-term borrowings	(453)	(674)
Repayments of lease liabilities	—	(0)
Purchase of treasury shares	(2)	(1,276)
Proceeds from disposal of treasury shares	293	—
Dividends paid	(1,009)	(1,987)
Net cash provided by (used in) financing activities	(1,194)	948
Effect of exchange rate change on cash and cash equivalents	46	68
Net increase (decrease) in cash and cash equivalents	(641)	1,142
Cash and cash equivalents at beginning of period	8,448	7,806
Cash and cash equivalents at end of period	7,806	8,949

(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 segments are the constituent units of the Group for which separate financial information is available and which are subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate business performance.

The Group conducts its business activities according to the products and services it handles, and has three reportable segments: Plastic Film, New Materials, and Housing Materials businesses.

The Plastic Film segment produces and sells polyethylene film, polypropylene film, and other synthetic resin products; the New Materials segment produces and sells optical functional film and other LCD-related materials; and the Housing Materials segment produces and sells particleboard, processed boards, and other building materials.

2. Calculation method for the amount of net sales, profit or loss, assets, liabilities and other items by reportable segment

The accounting method for the reported business segments is the same as the accounting method used in the preparation of the consolidated financial statements.

Profit (loss) in reportable segments is based on operating profit (loss).

Inter-segment net sales are based on generally accepted transaction values.

3. Information for the amount of net sales, profit or loss, assets, liabilities and other items by reportable segment

For the fiscal year ended December 31, 2023 (January 1, 2023 to December 31, 2023)

(Million yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	Plastic Film	New Materials	Housing Materials	Total				
Net sales								
Net sales to outside customers	51,005	13,691	12,612	77,309	1,553	78,863	—	78,863
Inter-segment net sales or transfers	3	0	8	12	830	843	(843)	—
Total	51,009	13,691	12,621	77,322	2,383	79,706	(843)	78,863
Segment profit	4,144	1,854	900	6,899	456	7,356	(2,399)	4,956
Segment assets	45,828	23,162	11,394	80,385	2,447	82,833	17,439	100,272
Other items								
Depreciation	2,197	904	442	3,544	263	3,807	359	4,167
Increase in property, plant and equipment and intangible assets	2,920	5,282	510	8,713	903	9,617	1,531	11,148

(Notes) 1. The "Other" category is a business segment that is not included in the reportable segments and includes the hotel business, information processing system development business, and real estate leasing business.

2. The segment profit adjustment of negative 2,399 million yen includes negative 0 million yen in eliminations of inter-segment transactions and negative 2,399 million yen in corporate expenses that are not allocated to each reportable segment. Corporate expenses mainly consist of general and administrative

expenses that do not belong to any reportable segment.

3. Segment profit is adjusted with operating profit in the consolidated statements of income.

For the fiscal year ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(Million yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	Plastic Film	New Materials	Housing Materials	Total				
Net sales								
Net sales to outside customers	51,861	14,611	12,859	79,331	1,860	81,192	—	81,192
Inter-segment net sales or transfers	4	0	26	31	836	867	(867)	—
Total	51,865	14,611	12,885	79,362	2,696	82,059	(867)	81,192
Segment profit	4,455	1,247	945	6,648	494	7,143	(2,579)	4,564
Segment assets	45,003	24,486	11,966	81,456	3,051	84,507	18,506	103,014
Other items								
Depreciation	2,587	1,710	422	4,721	276	4,997	406	5,404
Increase in property, plant and equipment and intangible assets	2,933	963	871	4,768	790	5,559	789	6,348

(Notes)

1. The “Other” category is a business segment that is not included in the reportable segments and includes the hotel business, information processing system development business, and real estate leasing business.
2. The segment profit adjustment of negative 2,579 million yen includes negative 6 million yen in eliminations of inter-segment transactions and negative 2,572 million yen in corporate expenses that are not allocated to each reportable segment. Corporate expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.
3. Segment profit is adjusted with operating profit in the consolidated statements of income.

[Related information]

For the fiscal year ended December 31, 2023 (January 1, 2023 to December 31, 2023)

1 Information by products and services

This information has been omitted because the same information is disclosed in segment information.

2 Information by region

(1) Net sales

This information is omitted because net sales to external customers in Japan account for more than 90% of net sales in the consolidated statements of income.

(2) Property, plant and equipment

This information is omitted because the amount of property, plant and equipment located in Japan accounts for more than 90% of the property, plant and equipment on the consolidated balance sheets.

3 Information by principal customers

Information by principal customers is not shown because no outside customer accounts for 10% or more of net sales in the consolidated statements of income.

For the fiscal year ended December 31, 2024 (January 1, 2024 to December 31, 2024)

1 Information by products and services

This information has been omitted because the same information is disclosed in segment information.

2 Information by region

(1) Net sales

This information is omitted because net sales to external customers in Japan account for more than 90% of net sales in the consolidated statements of income.

(2) Property, plant and equipment

This information is omitted because the amount of property, plant and equipment located in Japan accounts for more than 90% of the property, plant and equipment on the consolidated balance sheets.

3 Information by principal customers

Information by principal customers is not shown because no outside customer accounts for 10% or more of net sales in the consolidated statements of income.

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

For the fiscal year ended December 31, 2023 (January 1, 2023 to December 31, 2023)

Not applicable.

For the fiscal year ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(Million yen)

	Reportable segment				Other (Note)	Corporate / Eliminations	Total
	Plastic Film	New Materials	Housing Materials	Total			
Impairment loss	1,842	—	235	2,077	—	—	2,077

(Note) The "Other" category is a business segment that is not included in the reportable segments and includes the hotel business, information processing system development business, and real estate leasing business.

[Information on amortization of goodwill and unamortized balance by reportable segment]

Not applicable.

[Information on gain on negative goodwill by reportable segment]

Not applicable.

(Per share information)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Net assets per share	¥5,031.25	¥5,334.06
Basic earnings per share	¥359.29	¥363.96

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

2. The basis for the calculation of net assets per share is as follows.

	As of December 31, 2023	As of December 31, 2024
Net assets	¥60,869 million	¥62,075 million
Deduction from net assets	¥24 million	¥31 million
[Non-controlling interests]	[¥24 million]	[¥31 million]
Net assets for common shareholders at end of fiscal year	¥60,844 million	¥62,044 million
Number of common shares used to calculate net assets per share	12,093 thousand shares	11,631 thousand shares

3. The basis for the calculation of basic earnings per share is as follows.

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Basic earnings per share		
Profit attributable to owners of parent	¥4,315 million	¥4,359 million
Amount not attributable to common shareholders	—	—
Profit attributable to owners of parent attributable to common shares	¥4,315 million	¥4,359 million
Average number of common shares outstanding during the fiscal year	12,010 thousand shares	11,978 thousand shares

(Significant subsequent events)

Not applicable.