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May 10, 2024

Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Under Japanese GAAP)



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 Listing: Tokyo Stock Exchange and Fukuoka Stock Exchange
 Securities code: 7130
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 Scheduled date of annual general meeting of shareholders: June 21, 2024
 Scheduled date to commence dividend payments: June 24, 2024
 Scheduled date to file annual securities report: June 21, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors)

(Amounts less than a million yen are rounded down to the nearest million yen.)

1. Consolidated financial results for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	712,717	21.2	13,919	20.2	14,757	21.4	8,456	7.5
March 31, 2023	587,982	16.7	11,575	68.3	12,156	54.0	7,868	17.1

Note: Comprehensive income For the fiscal year ended March 31, 2024: ¥15,471 million (84.6%)
 For the fiscal year ended March 31, 2023: ¥8,381 million (25.8%)

	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	347.26	—	10.9	4.7	2.0
March 31, 2023	332.57	—	12.9	6.0	2.0

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2024: ¥147 million
 For the fiscal year ended March 31, 2023: ¥20 million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	407,641	94,289	22.2	3,267.30
March 31, 2023	225,766	66,946	28.5	2,719.94

Reference: Equity
 As of March 31, 2024: ¥90,459 million
 As of March 31, 2023: ¥64,426 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	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	23,936	(36,813)	38,178	44,969
March 31, 2023	13,750	(22,055)	12,620	19,738

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2023	—	—	—	50.00	50.00	1,184	15.0	1.9
Fiscal year ended March 31, 2024	—	—	—	60.00	60.00	1,661	17.3	2.0
Fiscal year ending March 31, 2025 (Forecast)	—	—	—	60.00	60.00		18.5	

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2025 (from 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		Net profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	414,000	33.9	7,880	19.4	8,280	19.0	4,100	3.9	148.09
Full year	900,000	26.3	17,000	22.1	18,000	22.0	9,000	6.4	325.07

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in change in scope of consolidation): Yes

Newly included: 1 company (Confex Holdings Co., Ltd.)

Excluded: –

Note: Confex Holdings Co., Ltd. is excluded from the specified subsidiaries of the Company as of the date of the filing of this financial report because the amount of share capital of Confex Holdings Co., Ltd. is no longer equal to ten-hundredths or more of the amount of share capital of the Company due to a capital increase through a public offering.

- (2) Changes in accounting policies, changes in accounting estimates, and restatements

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies other than those in (i) above: None
- (iii) Changes in accounting estimates: None
- (iv) Restatements: None

- (3) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2024	27,686,752 shares
As of March 31, 2023	23,686,752 shares

- (ii) Number of treasury shares at the end of the period

As of March 31, 2024	326 shares
As of March 31, 2023	124 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2024	24,353,189 shares
Fiscal year ended March 31, 2023	23,660,558 shares

- * This consolidated financial report is not subject to review procedures by certified public accountants or an audit firm.

- * Explanation of appropriate use of earnings forecasts, and other special notes

The earnings forecasts and other forward-looking statements contained in this report are based on information currently available to us and assumptions for a certain period of time that we believe to be reasonable. Accordingly, please be advised that we do not guarantee the achievement of the forecasts. Actual results may differ significantly from the forecasts due to a variety of factors.

For the assumptions used in the earnings forecasts and notes on the use of the earnings forecasts, please refer to “1. Overview of Operating Results, etc., (4) Future Outlook” on page 4 of the Attachments of this financial report.

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1. Overview of Operating Results, etc.

The forward-looking statements contained herein are based on judgments made by management of the Company and its subsidiaries and associates (the “Group”) as of the end of the fiscal year under review.

(1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year ended March 31, 2024 (the “fiscal year under review”), the Japanese economy showed progress in the normalization of economic activity mainly due to a recovery trend in consumption, especially in the restaurant industry, reflecting the lifting of COVID-19 movement controls and rebounding demand from inbound tourism, and the Bank of Japan’s decision to end the negative interest rate policy. The situation, however, remained uncertain partly owing to the ongoing unstable international landscape as well as to increased consumer belt-tightening, affected by rising prices against the backdrop of higher raw material and energy prices and the rapid yen depreciation.

Under such an environment, as a “provider of comprehensive distribution support,” the Group united its efforts to contribute to the development of the entire supply chain. At the same time, as a corporate group that produces businesses from upstream to downstream businesses across all sections of the supply chain, we endeavored to build a sales system that leverages our comprehensive strengths. Furthermore, the Group strived to strengthen its business foundation to achieve sustainable growth by steadily implementing four basic strategies set forth in the Medium-Term Business Plan “Progress Go’25,” namely, “Strategy for Strengthening Group Governance,” “Sustainability Strategy,” “M&A Strategy,” and “Area/Logistics Strategy,” as well as planned investments.

As a result of the above, for the fiscal year under review, the Group posted net sales of 712,717 million yen (up 21.2% year-on-year), an increase of 124,734 million yen.

In terms of profit, as a result of group-wide efforts to strengthen its management base by working to review its business operations and improve their efficiency, ordinary profit came to 14,757 million yen (up 21.4% year-on-year), with profit attributable to owners of parent of 8,456 million yen (up 7.5% year-on-year), both of which hit a record high.

Operating results by business segment are as follows.

Food Business

In the Food Business, sales and profits remained solid as we saw a recovery trend in consumption, especially in the restaurant industry, reflecting the lifting of COVID-19 movement controls and rebounding demand from inbound tourism. Meanwhile, the home-use market, which had enjoyed growth due to stay-at-home demand, faced increased consumer defensive spending patterns, resulting from successive foodstuff price increases following the sharp rises in raw material and energy prices. Nevertheless, the Group steadily negotiated selling price revisions with customers to secure appropriate profits.

Furthermore, on top of the full-year contribution from Pizza Hut Corporation Japan Ltd., which joined the Group during the previous fiscal year, and other subsidiaries, Confex Holdings Co., Ltd., which came under the Group’s umbrella during the fiscal year under review, and other subsidiaries also contributed to the segment’s performance.

As a result of the above, the business segment posted net sales of 505,412 million yen (up 28.1% year-on-year), with segment operating profit of 10,340 million yen (up 64.1% year-on-year).

Sugar/Flour, Feed, and Livestock Business

The sugar and flour business enjoyed growth in sales of food ingredients, such as sugar, flour, and cooking oil. This is attributable to growing demand for eating out and souvenirs, backed by a rise in inbound tourists, driven even further by the weaker yen, in addition to increased domestic tourists.

Meanwhile, in the feed and livestock business, chicken egg prices remained unstable throughout the fiscal year as their supply-demand balance fluctuates substantially due to the prices of mixed feed, which are largely affected by foreign exchange rates and other international circumstances, and outbreaks of avian influenza.

However, the business as a whole saw robust growth in both sales and profits.

As a result of the above, the business segment posted net sales of 103,949 million yen (up 7.3% year-on-year), with segment operating profit of 2,683 million yen (up 56.9% year-on-year).

Housing and Real Estate Business

In the Housing and Real Estate Business, while lumber prices settled down with its supply-demand balance back to pre-Wood Shock levels, total housing starts for 2023 took a downward turn for the first time in three years, resulting in fierce price competition in the pre-cut industry. This made us difficult to secure reasonable profits.

On the other hand, LUMBER ONE Co., Ltd., which joined the Group during the fiscal year under review, and other subsidiaries contributed to the segment's performance.

As a result of the above, the business segment posted net sales of 81,134 million yen (up 5.2% year-on-year), with segment operating profit of 2,455 million yen (down 51.6% year-on-year).

Other Group Businesses

The rental car business saw increased demand for rental cars, driven by recovery in use by domestic and inbound tourists, as well as in business trips and other business uses.

In the meantime, the transport business is facing an increasingly challenging business environment, such as addressing the so-called "2024 Problem," various challenges facing the logistics industry coming from work style reform laws in Japan, and higher fuel prices. Nevertheless, the Group made efforts to improve the business' performance by working proactively to improve the quality of logistics services and increase operational efficiency.

As a result of the above, the business segment posted net sales of 22,221 million yen (up 14.4% year-on-year), with segment operating profit of 659 million yen (up 292.5% year-on-year).

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

Assets, liabilities, and net assets

1) Current assets

As of the end of the fiscal year under review, current assets amounted to 224,866 million yen, a year-on-year increase of 111,569 million yen from 113,296 million yen. This is primarily attributable to year-on-year increases in cash and deposits of 26,613 million yen, notes and accounts receivable - trade, and contract assets of 54,790 million yen, merchandise and finished goods of 11,329 million yen, real estate for sale of 4,187 million yen, real estate for sale in process of 4,496 million yen, and accounts receivable - other of 9,182 million yen.

As of the end of the fiscal year under review, non-current assets amounted to 182,774 million yen, a year-on-year increase of 70,305 million yen from 112,469 million yen. This is primarily due to year-on-year increases in buildings and structures, net of 11,192 million yen, land of 12,518 million yen, construction in progress of 5,633 million yen, goodwill of 20,281 million yen, and investment securities of 12,819 million yen.

As a result, assets totaled 407,641 million yen, a year-on-year increase of 181,874 million yen from 225,766 million yen.

2) Current liabilities

As of the end of the fiscal year under review, current liabilities amounted to 220,164 million yen, a year-on-year increase of 100,823 million yen from 119,341 million yen. This is primarily attributable to year-on-year increases in notes and accounts payable - trade of 64,791 million yen, short-term borrowings of 8,874 million yen, accounts payable - other of 1,714 million yen, current portion of long-term borrowings of 7,896 million yen, and other of 10,846 million yen.

As of the end of the fiscal year under review, non-current liabilities amounted to 93,187 million yen, a year-on-year increase of 53,707 million yen from 39,479 million yen. This is primarily attributable to year-on-year increases in long-term borrowings of 45,953 million yen, lease liabilities of 976 million yen, and deferred tax liabilities of 4,548 million yen.

As a result, liabilities totaled 313,351 million yen, a year-on-year increase of 154,531 million yen from 158,820 million yen.

3) Net assets

As of the end of the fiscal year under review, net assets amounted to 94,289 million yen, a year-on-year increase of 27,343 million yen from 66,946 million yen. This is primarily attributable to year-on-year increases in share capital of 6,201 million yen, capital surplus of 6,602 million yen, retained earnings of 7,272 million yen, and valuation difference on available-for-sale securities of 5,516 million yen.

As a result, as of the end of the fiscal year under review, net assets per share stood at 3,267.30 yen, a year-on-year increase of 547.36 yen from 2,719.94 yen, while the equity ratio declined year-on-year from 28.5% to 22.2%.

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

Cash and cash equivalents (“net cash”) at the end of the fiscal year under review increased 25,230 million yen year-on-year to 44,969 million yen.

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

Cash flows from operating activities

Net cash provided by operating activities increased 10,186 million yen year-on-year to 23,936 million yen (up 74.1% year-on-year). This increase is mainly due to profit before income taxes of 15,727 million yen, depreciation of 5,952 million yen, amortization of goodwill of 3,550 million yen, increase in trade payables of 7,236 million yen, partially offset by income taxes paid of 6,140 million yen.

Cash flows from investing activities

Net cash used in investing activities increased 14,758 million yen year-on-year to 36,813 million yen (up 66.9% year-on-year). This increase is mainly due to purchase of property, plant and equipment of 14,872 million yen and purchase of shares of subsidiaries resulting in change in scope of consolidation of 19,780 million yen.

Cash flows from financing activities

Net cash provided by financing activities increased 25,557 million yen year-on-year to 38,178 million yen (up 202.5% year-on-year). This increase is mainly due to proceeds from long-term borrowings of 61,112 million yen and proceeds from issuance of shares of 12,332 million yen, partially offset by repayments of long-term borrowings of 32,372 million yen.

(4) Future Outlook

As fiscal 2023 finally saw the end of the COVID-19 pandemic, which had lasted more than three years, streets in Japan are now crowded with foreign tourists following the resumption of inbound tourism. This has resulted in a rapid recovery in eating out demand after a years of struggle with the pandemic, the resumption of festivals, sports, and musical events, boosting the Japanese economy. This is evidenced by Nikkei Stock Average hitting a record high in February 2024 for the first time in 34 years after the collapse of the bubble economy. It was an uplifting topic that we rarely come across these days. In the meantime, however, circumstances surrounding the Japanese economy are still in the midst of tremendous upheaval due to uncertainties such as rising commodity and energy prices and the weakening yen, in addition to the Bank of Japan’s decision to end the negative interest rate policy in March 2024.

In these circumstances, based on the Group Philosophy “The Yamae Group will continue to contribute to the development of local communities and the realization of a sustainable society by connecting people, companies, and society to provide our customers with diverse abundance and lifestyles,” we will create businesses across all sections of the supply chain, from upstream to downstream business, and achieve sustainable growth by being a one-stop supplier that offers a wide range of products and providing unique support functions, including “retail support,” “fixed-temperature delivery and joint delivery,” “quality control and

product development,” and “single-family home orders” as a “provider of comprehensive distribution support.”

For the fiscal year ending March 31, 2025, the Group expects to post consolidated net sales of 900,000 million yen, consolidated operating profit of 17,000 million yen, consolidated ordinary profit of 18,000 million yen, and profit attributable to owners of parent of 9,000 million yen.

2. Basic Policy on Selection of Accounting Standards

For the time being, the Group intends to continue preparing its consolidated financial statements in accordance with Japanese generally accepted accounting principles (Japanese GAAP), taking into account comparability of consolidated financial statements between different accounting periods and different companies.

The Group will work on the adoption of the International Financial Reporting Standards (IFRS) in an appropriate manner, taking into consideration various domestic and international circumstances.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	20,388	47,001
Notes and accounts receivable - trade, and contract assets	63,250	118,041
Electronically recorded monetary claims - operating	2,215	2,047
Merchandise and finished goods	12,064	23,394
Work in process	935	877
Costs on uncompleted construction contracts	49	99
Raw materials and supplies	2,429	2,959
Real estate for sale	256	4,444
Real estate for sale in process	1,699	6,196
Accounts receivable - other	8,532	17,715
Other	2,701	3,344
Allowance for doubtful accounts	(1,227)	(1,254)
Total current assets	113,296	224,866
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	20,784	31,976
Machinery, equipment and vehicles, net	3,235	3,665
Tools, furniture and fixtures, net	980	1,517
Vessels, net	69	63
Land	29,736	42,254
Leased assets, net	6,624	7,325
Construction in progress	6,034	11,668
Other, net	22	22
Total property, plant and equipment	67,488	98,493
Intangible assets		
Software	1,081	1,447
Goodwill	21,275	41,557
Other	947	2,363
Total intangible assets	23,304	45,368
Investments and other assets		
Investment securities	11,629	24,448
Long-term loans receivable	69	1,262
Retirement benefit asset	943	1,745
Deferred tax assets	1,371	2,092
Other	8,198	9,935
Allowance for doubtful accounts	(534)	(571)
Total investments and other assets	21,677	38,913
Total non-current assets	112,469	182,774
Total assets	225,766	407,641

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	70,072	134,864
Electronically recorded obligations - operating	6,347	9,017
Short-term borrowings	11,599	20,474
Current portion of bonds payable	48	300
Current portion of long-term borrowings	6,417	14,314
Lease liabilities	1,803	2,206
Accounts payable - other	4,703	6,418
Income taxes payable	3,352	5,159
Accrued consumption taxes	1,212	1,800
Contract liabilities	259	748
Provision for bonuses	2,415	2,904
Other	11,109	21,955
Total current liabilities	119,341	220,164
Non-current liabilities		
Bonds	52	403
Long-term borrowings	25,240	71,194
Lease liabilities	5,527	6,504
Deferred tax liabilities	2,049	6,597
Provision for retirement benefits for directors (and other officers)	725	910
Retirement benefit liability	958	1,608
Asset retirement obligations	839	1,053
Long-term leasehold deposits received	408	652
Long-term deposits received	2,757	3,107
Other	920	1,155
Total non-current liabilities	39,479	93,187
Total liabilities	158,820	313,351
Net assets		
Shareholders' equity		
Share capital	2,974	9,175
Capital surplus	542	7,144
Retained earnings	57,106	64,378
Treasury shares	(0)	(0)
Total shareholders' equity	60,623	80,698
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,920	9,437
Foreign currency translation adjustment	(100)	(170)
Remeasurements of defined benefit plans	(17)	494
Total accumulated other comprehensive income	3,803	9,761
Non-controlling interests	2,519	3,829
Total net assets	66,946	94,289
Total liabilities and net assets	225,766	407,641

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales	587,982	712,717
Cost of sales	519,789	623,182
Gross profit	68,192	89,535
Selling, general and administrative expenses		
Employees' salaries and bonuses	11,317	14,101
Provision for bonuses	1,530	1,806
Retirement benefit expenses	524	602
Provision for retirement benefits for directors (and other officers)	108	127
Welfare expenses	2,383	3,027
Packing and transportation costs	17,185	22,547
Taxes and dues	771	917
Depreciation	980	1,502
Other	21,815	30,982
Total selling, general and administrative expenses	56,617	75,615
Operating profit	11,575	13,919
Non-operating income		
Interest and dividend income	215	262
Purchase discounts	88	84
Share of profit of entities accounted for using equity method	20	147
Subsidy income	235	249
Other	606	1,063
Total non-operating income	1,166	1,807
Non-operating expenses		
Interest expenses	218	480
Provision of allowance for doubtful accounts	212	84
Share issuance costs	—	70
Other	155	333
Total non-operating expenses	585	968
Ordinary profit	12,156	14,757

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Extraordinary income		
Gain on sale of non-current assets	1,463	928
Gain on sale of investment securities	25	312
Surrender value of insurance policies	28	91
Subsidy income	236	180
Gain on step acquisitions	56	–
Total extraordinary income	1,810	1,512
Extraordinary losses		
Loss on sale and retirement of non-current assets	76	222
Impairment losses	159	320
Total extraordinary losses	235	542
Profit before income taxes	13,731	15,727
Income taxes - current	5,666	7,041
Income taxes - deferred	(144)	(728)
Total income taxes	5,521	6,313
Profit	8,209	9,414
Profit attributable to non-controlling interests	341	957
Profit attributable to owners of parent	7,868	8,456

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit	8,209	9,414
Other comprehensive income		
Valuation difference on available-for-sale securities	326	5,543
Foreign currency translation adjustment	(68)	(51)
Remeasurements of defined benefit plans, net of tax	(87)	511
Share of other comprehensive income of entities accounted for using equity method	1	53
Total other comprehensive income	171	6,057
Comprehensive income	8,381	15,471
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	8,042	14,414
Comprehensive income attributable to non-controlling interests	338	1,056

(3) Consolidated Statements of Changes in Equity

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

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,974	1,185	50,235	(0)	54,395
Changes during period					
Dividends of surplus			(947)		(947)
Profit attributable to owners of parent			7,868		7,868
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				34	34
Gain on disposal of treasury shares		9			9
Change in scope of consolidation			(50)	(34)	(84)
Change in ownership interest of parent due to transactions with non-controlling interests		(652)			(652)
Net changes in items other than shareholders' equity					
Total changes during period	—	(642)	6,870	(0)	6,227
Balance at end of period	2,974	542	57,106	(0)	60,623

	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	3,595	(37)	70	3,628	2,511	60,535
Changes during period						
Dividends of surplus						(947)
Profit attributable to owners of parent						7,868
Purchase of treasury shares						(0)
Disposal of treasury shares						34
Gain on disposal of treasury shares						9
Change in scope of consolidation						(84)
Change in ownership interest of parent due to transactions with non-controlling interests						(652)
Net changes in items other than shareholders' equity	325	(63)	(87)	174	8	182
Total changes during period	325	(63)	(87)	174	8	6,410
Balance at end of period	3,920	(100)	(17)	3,803	2,519	66,946

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

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,974	542	57,106	(0)	60,623
Changes during period					
Issuance of new shares	6,201	6,201			12,402
Dividends of surplus			(1,184)		(1,184)
Profit attributable to owners of parent			8,456		8,456
Purchase of treasury shares				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests		401			401
Net changes in items other than shareholders' equity					
Total changes during period	6,201	6,602	7,272	(0)	20,075
Balance at end of period	9,175	7,144	64,378	(0)	80,698

	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	3,920	(100)	(17)	3,803	2,519	66,946
Changes during period						
Issuance of new shares						12,402
Dividends of surplus						(1,184)
Profit attributable to owners of parent						8,456
Purchase of treasury shares						(0)
Change in ownership interest of parent due to transactions with non-controlling interests						401
Net changes in items other than shareholders' equity	5,516	(70)	511	5,958	1,309	7,267
Total changes during period	5,516	(70)	511	5,958	1,309	27,343
Balance at end of period	9,437	(170)	494	9,761	3,829	94,289

(4) Consolidated Statements of Cash Flows

(Millions of 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	13,731	15,727
Depreciation	4,825	5,952
Impairment losses	159	320
Amortization of goodwill	2,724	3,550
Increase (decrease) in allowance for doubtful accounts	680	(72)
Increase (decrease) in provision for bonuses	595	164
Increase (decrease) in retirement benefit liability	(127)	(908)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	37	(35)
Interest and dividend income	(215)	(262)
Share of loss (profit) of entities accounted for using equity method	(20)	(147)
Subsidy income	(235)	(249)
Interest expenses	218	480
Share issuance costs	—	70
Loss (gain) on sale and retirement of non-current assets	(1,387)	(706)
Loss (gain) on sale and valuation of investment securities	(25)	(312)
Surrender value of insurance policies	(28)	(91)
Subsidy income	(236)	(180)
Loss (gain) on step acquisitions	(56)	—
Decrease (increase) in trade receivables	(5,262)	(6,131)
Decrease (increase) in inventories	(55)	2,412
Increase (decrease) in trade payables	4,990	7,236
Increase (decrease) in accounts payable - other	299	697
Increase (decrease) in refund liabilities	16	1,109
Increase (decrease) in accrued consumption taxes	(40)	359
Other, net	(1,525)	329
Subtotal	19,062	29,313
Interest and dividends received	212	272
Interest paid	(216)	(478)
Subsidies received	235	249
Income taxes refund	446	720
Income taxes paid	(5,990)	(6,140)
Net cash provided by (used in) operating activities	13,750	23,936

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from investing activities		
Payments into time deposits	(644)	(490)
Proceeds from withdrawal of time deposits	357	269
Purchase of property, plant and equipment	(11,124)	(14,872)
Proceeds from sale of property, plant and equipment	2,950	1,953
Purchase of intangible assets	(415)	(1,784)
Proceeds from sale of intangible assets	–	36
Purchase of investment securities	(70)	(2,193)
Proceeds from sale of investment securities	58	864
Loan advances	(472)	(1,406)
Proceeds from collection of loans receivable	282	314
Subsidies received	236	180
Proceeds from cancellation of insurance funds	81	222
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(12,292)	(19,780)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	108	530
Purchase of stocks of equity method affiliate	(501)	–
Purchase of stocks of non-equity method affiliate	(255)	–
Purchase of shares of unconsolidated subsidiaries	–	(10)
Other, net	(354)	(648)
Net cash provided by (used in) investing activities	(22,055)	(36,813)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	4,725	237
Proceeds from long-term borrowings	20,172	61,112
Repayments of long-term borrowings	(8,383)	(32,372)
Proceeds from issuance of shares	–	12,332
Repayments of lease liabilities	(1,685)	(1,983)
Proceeds from sale of treasury shares	49	–
Purchase of treasury shares	(0)	(0)
Dividends paid	(946)	(1,184)
Proceeds from sale and leaseback transactions	–	563
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(1,262)	(288)
Other, net	(48)	(237)
Net cash provided by (used in) financing activities	12,620	38,178
Effect of exchange rate change on cash and cash equivalents	(63)	(70)
Net increase (decrease) in cash and cash equivalents	4,251	25,230
Cash and cash equivalents at beginning of period	15,477	19,738
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	10	–
Cash and cash equivalents at end of period	19,738	44,969

(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 components of the Group for which separate financial information is available and which are regularly reviewed by the Board of Directors to determine the allocation of management resources and evaluate financial results.

The Group has business units grouped by products and services, and each business unit trades goods, manufactures and sells various products, and provides services.

Accordingly, the Group is comprised of segments grouped by business units based on products and services, and has three reportable segments: Food Business, Sugar/Flour, Feed, and Livestock Business, and Housing and Real Estate Business.

The Food Business mainly sells processed foods for general consumer use, confectioneries, alcoholic beverages, frozen foods, etc., produces shochu, produces boxed meals, produces, processes and sells agricultural and marine products, and provides food and beverage delivery service. The Sugar/Flour, Feed, and Livestock Business mainly sells food ingredients, feed, livestock products, and marine products, and operates livestock farming. The Housing and Real Estate Business mainly sells housing construction materials, housing equipment, lumber, etc., undertakes construction, and sells and leases real estate.

2. Calculation of net sales, profit (loss), assets, and other items by reportable segment

The profit of the reportable segments is based on operating profit. Intersegment sales and transfers are based on prevailing market prices.

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

(Millions of yen)

	Reportable segments				Other Group Businesses (Note 1)	Total	Adjustments (Note 2)	Amount recorded in Consolidated Statements of Income (Note 3)
	Food Business	Sugar/Flour, Feed, and Livestock Business	Housing and Real Estate Business	Subtotal				
Net sales								
Sales to external customers	394,586	96,862	77,111	568,560	19,421	587,982	—	587,982
Intersegment sales or transfers	93	953	675	1,722	7,042	8,765	(8,765)	—
Total	394,680	97,815	77,787	570,283	26,464	596,747	(8,765)	587,982
Segment profit	6,301	1,709	5,073	13,085	167	13,253	(1,677)	11,575
Segment assets	120,144	22,676	68,455	211,276	16,243	227,519	(1,753)	225,766
Other items								
Depreciation	2,090	228	828	3,148	1,662	4,811	14	4,825
Amortization of goodwill	1,614	194	737	2,546	178	2,724	—	2,724
Impairment losses	37	—	—	37	121	159	—	159
Unamortized balance of goodwill	13,827	1,366	4,359	19,552	1,723	21,275	—	21,275
Increase in property, plant and equipment and intangible assets	2,650	220	9,063	11,934	1,658	13,592	789	14,382

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

(Millions of yen)

	Reportable segments				Other Group Businesses (Note 1)	Total	Adjustments (Note 2)	Amount recorded in Consolidated Statements of Income (Note 3)
	Food Business	Sugar/Flour, Feed, and Livestock Business	Housing and Real Estate Business	Subtotal				
Net sales								
Sales to external customers	505,412	103,949	81,134	690,496	22,221	712,717	–	712,717
Intersegment sales or transfers	232	1,014	498	1,745	7,459	9,205	(9,205)	–
Total	505,644	104,963	81,632	692,241	29,681	721,922	(9,205)	712,717
Segment profit	10,340	2,683	2,455	15,478	659	16,138	(2,218)	13,919
Segment assets	227,788	33,837	117,476	379,102	17,451	396,553	11,088	407,641
Other items								
Depreciation	2,538	334	1,195	4,068	1,839	5,907	44	5,952
Amortization of goodwill	2,097	244	970	3,313	237	3,550	–	3,550
Impairment losses	320	–	–	320	–	320	–	320
Unamortized balance of goodwill	28,041	4,843	7,187	40,071	1,485	41,557	–	41,557
Increase in property, plant and equipment and intangible assets	4,858	103	13,343	18,306	2,011	20,317	1,340	21,657

Notes: 1. The “Other Group Businesses” category is a business segment not included in the reportable segments and includes Transport Business, Fuel Business, Rental Car Business, and Information Processing Service Business.

2. Adjustments are as follows.

(1) Adjustments of segment profit of negative 1,677 million yen and negative 2,218 million yen for the fiscal years ended March 31, 2023 and 2024, respectively, include the elimination of intersegment transactions of 1,557 million yen and 2,191 million yen, and corporate expenses of negative 3,235 million yen and negative 4,410 million yen that are not allocated to any reportable segments. Corporate expenses are mainly general and administrative expenses that are not attributable to any reportable segments.

(2) Adjustments of segment assets of negative 1,753 million yen and 11,088 million yen for the fiscal years ended March 31, 2023 and 2024, respectively, include elimination of intersegment receivables and payables of negative 29,738 million yen and negative 36,588 million yen, and corporate assets of 27,985 million yen and 47,676 million yen that are not allocated to any reportable segments. Corporate assets mainly include cash and deposits, investment securities, and assets related to administrative departments (e.g., human resources, general affairs, and accounting), all of which are not attributable to any reportable segments.

(3) Adjustments of increase in property, plant and equipment and intangible assets of 789 million yen and 1,340 million yen for the fiscal years ended March 31, 2023 and 2024, respectively, are capital investment in administrative departments.

3. Segment profit is adjusted with operating profit in the Consolidated Statements 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 (Yen)	2,719.94	3,267.30
Basic earnings per share (Yen)	332.57	347.26

Notes: 1. Diluted earnings per share is not presented because no potential shares exist.

2. Basis for calculation of basic earnings per share is as follows.

(Millions of yen, unless otherwise indicated)

Item	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit attributable to owners of parent	7,868	8,456
Amount not attributable to common shareholders	—	—
Profit attributable to owners of parent relating to common shares	7,868	8,456
Average number of common shares outstanding during the period (Shares)	23,660,558	24,353,189

3. Basis for calculation of net assets per share is as follows.

(Millions of yen, unless otherwise indicated)

Item	As of March 31, 2023	As of March 31, 2024
Total net assets	66,946	94,289
Deductions from total net assets	2,519	3,829
(of which, non-controlling interests)	(2,519)	(3,829)
Net assets applicable to common shares at end of period	64,426	90,459
Number of common shares at end of period used for the calculation of net assets per share (Shares)	23,686,628	27,686,426

(Significant subsequent events)

Not applicable.