

FY2023 Consolidated Financial Results [IFRS] (April 1, 2023 through March 31, 2024)

(English translation extracted from the original Japanese document)

Company Name: **EXEDY Corporation** Listing: Tokyo Stock Exchange
 Code No.: 7278 URL: <https://www.exedy.com>
 Representative: Tetsuya Yoshinaga, Representative Director, President
 Contact Person: Hiroshi Toyohara, Representative Director, Senior Executive Managing Officer,
 Executive General Manager of Administrative Headquarters
 Telephone: +81-72-822-1152
 Scheduled Date for the General Shareholders Meeting: June 24, 2024
 Scheduled Date to commence dividend payments: June 25, 2024
 Scheduled Filing Date for Annual Securities Report on EDINET: June 24, 2024
 Preparation of supplementary material on Yearly Financial Results : Yes
 Holding of Yearly financial results briefing: Yes (For Analysts and professional investors)

(Note: All amounts less than one million yen is rounded off)

1. Consolidated Financial Results for the FY2023 (April 1, 2023 to March 31, 2024)

(1) Consolidated Operating Results

(Percentage of change from previous year)

	Revenue		Operating Profit		Profit before Tax		Profit		Profit Attributable to Owners of Parent		Total Comprehensive Income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
FY2023	308,338	7.9	(15,438)	-	(13,274)	-	(9,090)	-	(10,023)	-	(158)	-
FY2022	285,639	9.4	8,760	(52.2)	9,916	(49.1)	5,236	(62.1)	4,591	(63.2)	9,643	(58.7)

	Basic Earnings per Share	Diluted Earnings per Share	Ratio of Profit to Equity Attributable to Owners of Parent	Ratio of Income before Income Taxes to Total Assets	Ratio of Operating Profit to Revenue
	yen	yen	%	%	%
FY2023	(213.43)	-	(4.5)	(4.1)	(5.0)
FY2022	97.78	-	2.1	3.0	3.1

(Reference) Equity in Earnings of Affiliates is ¥ 50 million for FY2023 and ¥ 57 million for FY2022.

(2) Consolidated Financial Position

	Total Assets	Total Equity	Equity Attributable to Owners of Parent	Ratio for Equity Attributable to Owners of Parent	Equity per Share Attributable to Owners of Parent
	millions of yen	millions of yen	millions of yen	%	yen
FY2023	321,935	233,539	218,548	67.9	4,653.32
FY2022	331,875	239,901	225,563	68.0	4,803.89

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Balance of Cash and Cash Equivalents at End of Period
	millions of yen	millions of yen	millions of yen	millions of yen
FY2023	37,609	(13,407)	(11,406)	74,043
FY2022	27,224	(12,794)	(11,179)	59,538

2. Dividends

	Annual Dividends per Share					Dividends (Total)	Payout Ratio (Consolidate)	Ratio of Dividend to Equity Attributable to Owners of Parent
	1 st Quarter	2 nd Quarter	3 rd Quarter	Fiscal Year-end	Total			
	yen	yen	yen	yen	yen			
FY2022	-	45.00	-	45.00	90.00	4,234	92.0	1.9
FY2023	-	60.00	-	60.00	120.00	5,646	-	2.6
FY2024(Forecast)	-	60.00	-	60.00	120.00	-	56.4	-

3. FY2024 Consolidated Financial Forecast (April 1, 2024 to March 31, 2025)

(Note: All amounts less than one million yen is rounded off)
(Percentage of change from previous year)

	Revenue		Operating Profit		Profit before Tax		Profit Attributable to Owners of Parent		Basic Earnings Per Share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
FY2024	300,000	(2.7)	16,000	-	15,000	-	10,000	-	212.92

Note : This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

※ General Notes

(1) Changes in important subsidiaries during the period

(Changes in specified subsidiaries due to changes in the scope of consolidation): Yes

New :1 company (name) Allegis LS 2023-10, a series of CGF2021 LLC, Excluded: - (name) -

(2) Changes in Accounting Policies, Accounting Estimations

① Changes in accounting policies required by IFRS : None

② Changes in accounting policies except ① : None

③ Changes in accounting estimates : None

(Note) For the details, refer to attachment p.12 “3. Consolidated Financial Statements and Principal Notes (5) Notes on Consolidated Financial Statements”

(3) Number of Outstanding Shares (Ordinary shares)

①Number of shares outstanding at the end of period (including treasury shares)	FY2023 Q4	48,593,736 shares	FY2022 Q4	48,593,736 shares
②Number of treasury shares at the end of period	FY2023 Q4	1,627,767 shares	FY2022 Q4	1,639,537 shares
③Average number of ordinary shares outstanding during the period	FY2023 Q4	46,961,632 shares	FY2022 Q4	46,945,427 shares

(Note) The shares held within the ESOP trust accounts (FY2023 : 81,200 shares, FY2022 : 89,800 shares) are included in the number of Treasury Shares at the end of period. Furthermore, the shares held within the ESOP trust accounts are included in Treasury Shares that are deducted in the calculation of the average number of shares for the period. (FY2023 : 84,654 shares, FY2022 : 93,708 shares)

※ This Financial Results are not subject to audit by certified accountants or audit corporations.

※ Regarding the appropriate use of Financial forecasts and other information

The above forecast is based on the information available, or the assumptions which the company thinks reasonable as of the release of this report. Actual results might be different from the above estimates due to subsequent changes in circumstances. Regarding to notes of usage and performance forecast assumptions, please refer to attachment p.4, 1. Overview of Operating Results etc. (4) Forward-Looking Information.

Table of Contents of Attachments

1. Overview of Operating Results etc.	2
(1) Overview of Operating Results for Current Period.....	2
(2) Overview of Financial Position for Current Period.....	3
(3) Overview of Cash Flow for the Current Period.....	3
(4) Forward-Looking Information.....	4
2. Basic Way of Thinking Regarding to Selection of Accounting Standard.....	4
3. Consolidated Financial Statements and Principal Notes.....	5
(1) Consolidated Statement of Financial Position.....	5
(2) Consolidated Statement of Income/Consolidated Statement of Comprehensive Income	7
(3) Consolidated Statement of Changes in Equity.....	9
(4) Consolidated Statement of Cash Flow.....	11
(5) Notes on Consolidated Financial Statements.....	12
(Notes for Going Concern)	12
(Change of Accounting Policy)	12
(Segment Information)	12
(Per Share Information)	13
(Significant Subsequent Events)	13

1. Overview of Operating Results etc.

(1) Overview of Operating Results for Current Period

In the current consolidated cumulative period, the revenue increased due to passing on raw material price increase to the selling price, and the impact of foreign exchange conversion due to depreciation of the yen. In terms of profits, despite increase in revenue, the profitability of the AT (Automatic Automotive Drivetrain related business) segment production facilities is expected to decline due to a significant change in the business environment, namely a decrease in demand resulting from the shift to EVs, and we have identified indication of impairment and tested for impairment on the subject assets. As a result, the book value of the subject assets was reduced to the recoverable value, and we recognized an impairment loss of ¥ 32.2 billion as "Other expenses".

The results for the current consolidated fiscal year were, Revenue ¥ 308.3 Billion (increased by 7.9% from the previous fiscal year), Operating Loss ¥ 15.4 billion (¥ 8.8 billion Operating profit in the previous fiscal year), Loss before tax ¥ 13.3 billion (¥ 9.9 billion Profit before tax in the previous fiscal year), Loss attributable to owners of the parent company was ¥ 10.0 billion (¥ 4.6 billion profit attributable to owners of the parent company in the previous fiscal year).

<Segment Information>

The summary by type of reportable segment is as follows.

[MT (Manual Automotive Drivetrain related business)]

Revenue was ¥71.6 billion (increased by 0.2% from the previous fiscal year). Segment profit was ¥9.5 billion (increased by 10.4% from the previous fiscal year) due to passing on higher costs caused by high inflation to the selling price etc.

[AT (Automatic Automotive Drivetrain related business)]

Revenue was ¥201.7 billion (increased by 11.1% from the previous fiscal year). This was due to passing on raw material price increase to the selling price, and the impact of foreign exchange conversion due to depreciation of the yen. Despite sales increase the segment loss was ¥25.9 billion (¥ 1.1 billion Segment loss in the previous fiscal year) due to impairment loss. The profitability of the AT segment production facilities is expected to decline due to a significant change in the business environment, namely a decrease in demand resulting from the shift to EVs, and we have identified indication of impairment and tested for impairment on the subject assets. As a result, the book value of the subject assets was reduced to the recoverable value, and we recognized an impairment loss of ¥ 32.2 billion as "Other expenses".

[TS (Industrial machine Drivetrain operations)]

Revenue was ¥15.0 billion (increased by 6.7% from the previous fiscal year). Segment profit was ¥2.1 billion (increased by 32.2% from the previous fiscal year), due to increase in sales and cost reduction efforts.

[Others]

Revenue was ¥20.0 billion (increased by 7.8% from the previous fiscal year). Segment profit was ¥0.8 billion (increased by 1.5% from the previous fiscal year) due to increase in sales of motorcycle clutches in the ASEAN region and cost reduction efforts.

<Location Information>

The summary by location is as follows.

[Japan]

Revenue was ¥125.6 billion (increased by 2.5% from the previous fiscal year). Operating loss was ¥6.4 billion (¥ 7.0 billion profit in the previous fiscal year) due to recognition of impairment loss on the company.

[Americas]

Revenue was ¥59.3 billion (increased by 17.4% from the previous fiscal year). Despite revenue increased by the impact of exchange conversion due to depreciation of the yen, the operating loss was ¥4.2 billion (¥4.6 billion operating loss in the previous year) due to higher costs caused by productivity decline and high inflation etc.

[Asia and Oceania]

Revenue was ¥112.2 billion (increased by 8.2% from the previous fiscal year). Operating loss was ¥5.3 billion (¥ 6.9 billion profit in the previous fiscal year) due to recognition of impairment loss on Chinese subsidiary of the company.

[Others]

Revenue was ¥11.3 billion (increased by 25.6% from the previous fiscal year). Operating profit was ¥0.5 billion (increased by 89.4% from the previous fiscal year) due to increase in sales etc.

(2) Overview of Financial Position for Current Period.

In terms of the assets at the end of this consolidated accounting period, the total assets were ¥321.9 billion (¥331.9 billion at the end of the previous consolidated fiscal year), it decreased by ¥9.9 billion (3.0%) from the end of the previous fiscal year. The main contents are ¥36.8 billion decrease in Tangible fixed assets and ¥10.2 billion increased in Deferred tax assets due to recognition of impairment loss, ¥14.5 billion increased in Cash and cash equivalents, ¥3.0 billion increased in Investments in Equity Instruments.

Total liabilities were ¥88.4 billion (¥92.0 billion at the end of the previous consolidated fiscal year), it decreased by ¥3.6 billion (3.9%) from the end of the previous fiscal year. The main contents are ¥3.7 billion decrease in corporate Bonds and borrowings due to repayment of borrowings, ¥0.6 billion decrease in Trade and other payables and ¥1.1 billion increased in Income taxes payable.

Total equity was ¥233.5 billion (¥239.9 billion in the previous consolidated fiscal year), it decreased by ¥6.4 billion (2.7%) from the end of the previous fiscal year. The main contents are ¥14.7 billion decreased in Retained earnings (¥10.0 billion decreased due to loss attributable to owners of the parent company, and ¥4.9 billion decrease due to Appropriation of surplus (dividend)), ¥7.6 billion increased in Other components of equity due to increase in the conversion difference of foreign operation due to depreciation of the yen and ¥0.7 billion increase in Non-controlling interests. The ownership equity ratio attributable to owners of the parent company was 67.9% (68.0% at the end of the previous consolidated fiscal year).

(3) Overview of Cash Flow for the Current Period

Funds earned from cash flows from operating activities in the current consolidated fiscal year was ¥ 37.6 billion which increased by ¥ 10.4 billion (38.1%) from the same period of the previous year (¥ 27.2 billion). This is because Income before Income Taxes decreased by ¥ 23.2 billion, the changes in Trade and other payables decreased by ¥ 3.0 billion, however, the impairment loss increased by ¥ 28.0 billion, the changes in inventories increased by ¥ 3.9 billion, changes in income tax paid increased by ¥ 3.1 billion, and the changes in Trade and other receivables increased by ¥ 1.9 billion.

Funds used for cash flows from investing activities was ¥ 13.4 billion which increased by ¥ 0.6 billion (4.8%) from the same period of the previous year (¥ 12.8 billion). This was due to the increase of ¥ 2.9 billion in Purchase of investment securities, the decrease of ¥ 0.9 billion in Proceeds from sale of investment securities, and the decrease of ¥ 3.1 billion in expenditures for the acquisition of tangible fixed assets.

Funds used for cash flows from financing activities was ¥ 11.4 billion which increased by ¥ 0.2 billion (2.0%) from the same period of the previous year (¥ 11.2 billion). This was due to the increase in expenditure of ¥ 0.5 billion due to the dividend payment.

In addition to the above, there was the increase of ¥ 1.7 billion (¥ 0.9 billion increase in the same period of the previous year) due to the conversion difference for cash and cash equivalents, as the results the balance of cash and cash equivalents in the current consolidated fiscal year was ¥ 74.0 billion which increased by ¥ 14.5 billion (24.4%) from ¥ 59.5 billion at the end of the previous consolidated fiscal year.

(4) Forward-Looking Information

Regarding the forward-Looking information, the outlook remains uncertain due to rising geopolitical risks and high inflation rates.

We expect consolidated revenue for the fiscal year ending March 31, 2025 to be slightly below the previous year's level, as we anticipate a decrease in sales in AT (Automatic Automotive Drivetrain related business) due to the progress of electrification, while orders mainly in MT (Manual Automotive Drivetrain related business) are expected to remain firm.

In terms of profits, we will strive to secure profits by improving overall management efficiency, such as improving capacity utilization rates and reducing overhead costs, along with reducing amortization costs associated with impairment losses for the fiscal year ending March 31, 2024, and passing on higher parts, raw material, and energy cost to selling prices.

As a result, we expect the revenue for the fiscal year ended March 2025 will be ¥300.0 billion (2.7% decrease from this fiscal year), operating income will be ¥16.0 billion (¥ 15.4 billion Operating loss in this fiscal year), and income before income taxes will be ¥15.0 billion (¥ 13.3 billion Loss before income taxes in this fiscal year). Profit attributable to owners of the parent company is expected to be ¥10.0 billion (¥ 10.0 billion Loss attributable to owners of the parent company in this fiscal year).

The exchange rate is assumed to be ¥148 yen per US dollar.

2. Basic Way of Thinking Regarding to Selection of Accounting Standard

The Group applies IFRS for the purpose of improving the international comparability of financial information in capital markets.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Statement of Financial Position

	As of March 31, 2023	As of March 31, 2024
	Millions of yen	Millions of yen
Assets		
Current assets		
Cash and cash equivalents	59,538	74,043
Trade and other receivables	53,929	53,513
Other financial assets	2,155	2,105
Inventories	44,198	44,278
Other current assets	3,634	2,949
Total current assets	163,454	176,889
Non-current assets		
Property, plant and equipment	154,632	117,824
Goodwill and intangible assets	2,939	2,412
Investments accounted for using equity method	272	1,043
Investments in Equity Instruments	1,810	4,767
Other financial assets	96	80
Deferred tax assets	6,366	16,592
Retirement benefit asset	1,206	1,418
Other non-current assets	1,100	909
Total non-current assets	168,421	145,047
Total assets	331,875	321,935

	As of March 31, 2023	As of March 31, 2024
	Millions of yen	Millions of yen
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	8,228	6,348
Trade and other payables	37,789	37,149
Other financial liabilities	545	664
Income taxes payable	1,664	2,739
Employee benefits accruals	2,336	2,591
Provisions	2,186	2,061
Other current liabilities	3,379	3,121
Total current liabilities	56,127	54,674
Non-current liabilities		
Bonds and borrowings	25,423	23,630
Other financial liabilities	1,076	943
Retirement benefit liability	6,609	6,566
Deferred tax liabilities	697	30
Other non-current liabilities	2,042	2,552
Total non-current liabilities	35,848	33,723
Total liabilities	91,975	88,396
Equity		
Share capital	8,284	8,284
Capital surplus	7,541	7,543
Treasury shares	(3,709)	(3,682)
Other components of equity	10,639	18,274
Retained earnings	202,808	188,129
Total equity attributable to owners of parent	225,563	218,548
Non-controlling interests	14,338	14,991
Total equity	239,901	233,539
Total liabilities and equity	331,875	321,935

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

	FY2022 (April 1, 2022 through March 31, 2023)	FY2023 (April 1, 2023 through March 31, 2024)
	Millions of yen	Millions of yen
Revenue	285,639	308,338
Cost of sales	240,872	254,489
Gross profit	44,767	53,850
Selling, general and administrative expenses	32,895	37,425
Other income	2,431	1,326
Other expenses	5,544	33,189
Operating profit (loss)	8,760	(15,438)
Finance income	2,149	3,277
Finance costs	1,051	1,162
Share of profit of investments accounted for using equity method	57	50
Profit (loss) before tax	9,916	(13,274)
Income tax expense	4,680	(4,184)
Profit (loss)	5,236	(9,090)
Profit (loss) attributable to		
Owners of parent	4,591	(10,023)
Non-controlling interests	646	933
Profit (loss)	5,236	(9,090)
Earnings (loss) per share		
Basic and diluted earnings (loss) per share	97.78	(213.43)

(Consolidated Statement of Comprehensive Income)

	FY2022 (April 1, 2022 through March, 2023)	FY2023 (April 1, 2023 through March 31, 2024)
	Millions of yen	Millions of yen
Profit (loss)	5,236	(9,090)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(736)	(276)
Remeasurements of defined benefit plans	187	275
Total of items that will not be reclassified to profit or loss	(549)	(1)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	4,952	8,923
Share of other comprehensive income of investments accounted for using equity method	4	9
Total of items that may be reclassified to profit or loss	4,956	8,932
Total other comprehensive income	4,406	8,931
Comprehensive income	9,643	(158)
Comprehensive income attributable to		
Owners of parent	8,222	(2,113)
Non-controlling interests	1,421	1,954
Comprehensive income	9,643	(158)

(3) Consolidated Statement of Changes in Equity

Previous consolidated cumulative period

(April 1, 2022 through March 31, 2023)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Treasury shares	Other components of equity		
				Exchange differences on translation of foreign operations	Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
Balances as of April 1, 2022	8,284	7,555	(3,768)	7,274	250	-
Profit	-	-	-	-	-	-
Other comprehensive income	-	-	-	4,181	(736)	187
Total	-	-	-	4,181	(736)	187
Purchase of treasury shares	-	-	(0)	-	-	-
Disposal of treasury shares	-	(15)	59	-	-	-
Dividends of surplus	-	-	-	-	-	-
Share-based payment transactions	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	(329)	(187)
Total transactions with owners	-	(15)	59	-	(329)	(187)
Total changes in equity	-	(15)	59	4,181	(1,066)	-
Balances as of March 31, 2023	8,284	7,541	(3,709)	11,454	(815)	-

	Equity attributable to owners of parent				
	Other components of equity	Retained earnings	Total	Non-controlling interests	Total
	Total				
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
Balances as of April 1, 2022	7,524	202,160	221,756	14,267	236,023
Profit	-	4,591	4,591	646	5,236
Other comprehensive income	3,631	-	3,631	775	4,406
Total	3,631	4,591	8,222	1,421	9,643
Purchase of treasury shares	-	-	(0)	-	(0)
Disposal of treasury shares	-	-	44	-	44
Dividends of surplus	-	(4,459)	(4,459)	(1,350)	(5,809)
Share-based payment transactions	-	-	-	-	-
Transfer to retained earnings	(516)	516	-	-	-
Total transactions with owners	(516)	(3,943)	(4,415)	(1,350)	(5,765)
Total changes in equity	3,115	647	3,807	71	3,878
Balances as of March 31, 2023	10,639	202,808	225,563	14,338	239,901

Current consolidated cumulative period
(April 1, 2023 through March 31, 2024)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Treasury shares	Other components of equity		
				Exchange differences on translation of foreign operations	Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
Balances as of April 1, 2023	8,284	7,541	(3,709)	11,454	(815)	-
Profit (Loss)	-	-	-	-	-	-
Other comprehensive income	-	-	-	7,911	(276)	275
Total	-	-	-	7,911	(276)	275
Purchase of treasury shares	-	-	(1)	-	-	-
Disposal of treasury shares	-	2	27	-	-	-
Dividends of surplus	-	-	-	-	-	-
Share-based payment transactions	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	(275)
Total transactions with owners	-	2	27	-	-	(275)
Total changes in equity	-	2	27	7,911	(276)	-
Balances as of March 31, 2024	8,284	7,543	(3,682)	19,365	(1,091)	-

	Equity attributable to owners of parent				
	Other components of equity	Retained earnings	Total	Non-controlling interests	Total
	Total				
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
Balances as of April 1, 2023	10,639	202,808	225,563	14,338	239,901
Profit (Loss)	-	(10,023)	(10,023)	933	(9,090)
Other comprehensive income	7,910	-	7,910	1,021	8,931
Total	7,910	(10,023)	(2,113)	1,954	(158)
Purchase of treasury shares	-	-	(1)	-	(1)
Disposal of treasury shares	-	-	29	-	29
Dividends of surplus	-	(4,931)	(4,931)	(1,301)	(6,232)
Share-based payment transactions	-	-	-	-	-
Transfer to retained earnings	(275)	275	-	-	-
Total transactions with owners	(275)	(4,656)	(4,902)	(1,301)	(6,203)
Total changes in equity	7,635	(14,679)	(7,015)	653	(6,362)
Balances as of March 31, 2024	18,274	188,129	218,548	14,991	233,539

(4) Consolidated Statement of Cash Flows

	FY2022 (April 1, 2022 to March 31, 2023)	FY2023 (April 1, 2023 to March 31, 2024)
	Millions of yen	Millions of yen
Cash flows from operating activities		
Profit (Loss) before tax	9,916	(13,274)
Depreciation and amortization	19,923	19,269
Impairment losses	4,222	32,183
Interest and dividend income	(284)	(407)
Interest expenses	833	682
Share of loss (profit) of investments accounted for using equity method	(57)	(50)
Foreign exchange loss (gain)	9	4
Decrease (increase) in inventories	(549)	3,392
Decrease (increase) in trade and other receivables	1,258	3,157
Increase (decrease) in trade and other payables	308	(2,708)
Other	31	344
Subtotal	35,610	42,592
Interest and dividends received	292	475
Interest paid	(853)	(737)
Income taxes paid	(7,826)	(4,722)
Net cash provided by (used in) operating activities	27,224	37,609
Cash flows from investing activities		
Payments into time deposits	(4,912)	(5,978)
Proceeds from withdrawal of time deposits	4,796	6,151
Purchase of property, plant and equipment	(11,973)	(8,900)
Proceeds from sale of property, plant and equipment	82	67
Purchase of intangible assets	(472)	(576)
Purchase of investment securities	(517)	(3,430)
Proceeds from sale of investment securities	944	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(746)	-
Other	4	(742)
Net cash provided by (used in) investing activities	(12,794)	(13,407)
Cash flows from financing activities		
Proceeds from short-term borrowings	9,857	9,398
Repayments of short-term borrowings	(7,933)	(10,523)
Proceeds from long-term borrowings	1,468	491
Repayments of long-term borrowings	(8,225)	(3,998)
Dividends paid	(4,468)	(4,927)
Other	(1,877)	(1,848)
Net cash provided by (used in) financing activities	(11,179)	(11,406)
Effect of exchange rate changes on cash and cash equivalents	881	1,706
Net increase (decrease) in cash and cash equivalents	4,131	14,505
Cash and cash equivalents at beginning of period	55,407	59,538
Cash and cash equivalents at end of period	59,538	74,043

(5) Notes on y Consolidated Financial Statements

(Notes for Going Concern)

Not applicable

(Change in Accounting Policy)

Not applicable

(Segment Information)

(1) Overview of Reportable Segments

The reportable segments are components of business activities for which discrete, and such information is regularly reviewed by the Company's Board of Directors to make decisions about the allocation of resources and assess its performance.

The Company and its consolidated subsidiaries are mainly engaged in the manufacture and sale of automotive parts. From the aspects of function, technological specification and productive structure, the product lines of the Company are classified roughly into 3 group, "Manual Transmission Parts", "Automatic Transmission Parts" and "Industrial machine Drivetrain Parts". The Company, in corporation with its consolidated subsidiaries, design business strategy and conduct business for these 3 product lines inside Japan and overseas. Accordingly, the reportable segments of the Company are composed of 3 segments, "MT (Manual Automotive Drivetrain related business)" which manufactures and sells Manual Transmission Parts, "AT (Automatic Automotive Drivetrain related business)" which manufactures and sells Automatic Transmission Parts and "TS (Industrial machine Drivetrain operations)" which manufactures and sells parts for construction machinery and industrial vehicles.

(2) Information of Revenue, Profit and Loss by Segment and The Amount of Other Important Items.

Previous consolidated cumulative period (April 1, 2022 to March 31, 2023)

(Million Yen)

	Reportable Segment				Other (Note 1)	Adjustments (Note 4)	Consolidated
	MT	AT	TS	Total			
Revenue							
External Customers	71,464	181,593	14,023	267,080	18,559	-	285,639
Intersegments (Note 2)	298	556	52	907	5,383	(6,289)	-
Total	71,762	182,149	14,076	267,987	23,942	(6,289)	285,639
Segment Profit(Loss) (Note 3)	8,627	(1,138)	1,580	9,068	772	(1,080)	8,760
Finance Income							2,149
Finance Costs							1,051
Share of profit of investments accounted for using equity method							57
Profit before Tax							9,916

(Note) 1. Other includes businesses which is not part of any of the reportable segments, and contain clutches for motorcycle operation, transport operation, etc.

2. Amount of intersegments transactions is based on market price.

3. Segment profit (Loss) is based on operating profit on consolidated income statement.

4. Elimination of intersegment transactions and corporate expenses are included in adjustments.

Current consolidated cumulative period (April 1, 2023 to March 31, 2024)

(Million Yen)

	Reportable Segment				Other (Note 1)	Adjustments (Note 4)	Consolidated	
	MT	AT	TS	Total				
Revenue								
External Customers	71,611	201,745	14,970	288,326	20,012	-	308,338	
Intersegments (Note 2)	286	578	61	924	5,225	(6,150)	-	
Total	71,897	202,323	15,031	289,250	25,238	(6,150)	308,338	
Segment Profit (Loss)(Note 3)	9,525	(25,898)	2,088	(14,284)	783	(1,938)	(15,438)	
Finance Income								3,277
Finance Costs								1,162
Share of profit of investments accounted for using equity method								50
Loss before Tax								(13,274)

(Note) 1. Other includes businesses which is not part of any of the reportable segments, and contain clutches for motorcycle operation, transport operation, etc.

2. Amount of intersegments transactions is based on market price.

3. Segment profit (Loss) is based on operating Loss on consolidated income statement.

4. Elimination of intersegment transactions and corporate expenses are included in adjustments.

(Per Share Information)

Basis for calculating profit per share is as follows. There are no potentially dilutive ordinary shares during previous consolidated fiscal year and current consolidated fiscal year.

1. Profit Attributable to Owners of Parent

(Millions of yen)

	FY2022 (April 1, 2022 to March 31, 2023)	FY2023 (April 1, 2023 to March 31, 2024)
Profit Attributable to Owners of Parent	4,591	(10,023)

2. Average Number of Shares Outstanding during the Period

	FY2022 (April 1, 2022 to March 31, 2023)	FY2023 (April 1, 2023 to March 31, 2024)
Average Number of Shares Outstanding during the Period	46,945,427	46,961,632

(Significant Subsequent Events)

Not applicable.