

Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 [IFRS]



May 13, 2021

Company name: Shinwa Co., Ltd.

Stock exchange listing: Tokyo Stock Exchange and Nagoya Stock Exchange

Code number: 3447

URL: <http://www.shinwa-jp.com/en/relation/index.html>

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Scheduled date of Annual General Meeting of Shareholders: June 25, 2021

Scheduled date of filing the annual securities report: June 28, 2021

Scheduled date of commencing dividend payments: June 10, 2021

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes (for institutional investors and analysts)

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)

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

	Revenue		Operating profit		Profit before tax		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2021	13,885	(18.7)	1,853	(16.2)	1,784	(16.6)	1,242	(15.3)
March 31, 2020	17,081	(2.5)	2,210	12.5	2,139	12.9	1,467	10.2

	Profit attributable to owners of parent		Comprehensive income	
Fiscal year ended	Million yen	%	Million yen	%
March 31, 2021	1,231	(16.0)	1,253	(14.4)
March 31, 2020	1,467	10.2	1,464	9.9

	Basic earnings per share	Diluted earnings per share	Ratio of return on equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to revenue
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2021	87.42	87.09	8.8	8.1	13.3
March 31, 2020	104.85	104.21	11.0	10.0	12.9

Reference: Share of profit (loss) of investments accounted for using equity method:

Fiscal year ended March 31, 2021: ¥- million

Fiscal year ended March 31, 2020: ¥- million

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
	Million yen	Million yen	Million yen	%	Yen
As of March 31, 2021	22,236	14,443	14,379	64.7	1,019.59
As of March 31, 2020	21,620	13,788	13,740	63.6	975.26

(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
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2021	2,892	(181)	(1,104)	4,738
March 31, 2020	3,121	(515)	(1,227)	3,120

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to equity attributable to owners of parent (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2020	—	0.00	—	44.00	44.00	619	42.0	4.6
Fiscal year ended March 31, 2021	—	0.00	—	35.00	35.00	493	40.0	3.5
Fiscal year ending March 31, 2022 (Forecast)	—	0.00	—	32.00	32.00		40.0	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Revenue		Operating profit		Profit before tax		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First half	7,182	12.5	799	7.2	763	7.2	521	6.2
Full year	15,000	8.0	1,700	(8.3)	1,629	(8.7)	1,128	(9.2)

	Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	
First half	521	7.7	Yen 36.94
Full year	1,128	(8.4)	80.00

*** Notes:**

- (1) Changes in significant subsidiaries during the year under review (changes in specified subsidiaries resulting in change in scope of consolidation): No
- (2) Changes in accounting policies and changes in accounting estimates
 - 1) Changes in accounting policies required by IFRS: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
- (3) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
 - March 31, 2021: 14,103,000 shares
 - March 31, 2020: 14,089,200 shares
 - 2) Total number of treasury shares at the end of the period:
 - March 31, 2021: - shares
 - March 31, 2020: - shares
 - 3) Average number of shares during the period:
 - Fiscal year ended March 31, 2021: 14,090,031 shares
 - Fiscal year ended March 31, 2020: 13,993,754 shares

*These consolidated financial results are outside the scope of audit by Certified Public Accountants or auditing corporations.

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

Financial results forecasts were prepared based on information available at the time of the announcement of this document, and actual results may differ from the forecasts owing to a wide range of factors. For the conditions that form the assumptions for the financial results forecasts, please refer to (1) Overview of Operating Results for the Fiscal Year under Review in 1. Overview of Operating Results, etc. on page 2 and (4) Future Outlook in 1. Overview of Operating Results, etc. on page 5 of the Attachment.

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1. Overview of Operating Results, etc.

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

During the fiscal year ended March 31, 2021, the Japanese economy faced extremely challenging conditions, with the spread of the novel coronavirus infection causing a serious slowdown across socioeconomic activity. While there are some signs of economic improvement at present, the employment situation and private consumption remain weak, and the situation continues to be unpredictable due to increasing downside risks stemming from coronavirus trends both in Japan and overseas.

In the construction industry, which is the main supply destination of products manufactured by the Company, total construction investments during the period from April 2020 to February 2021 decreased from the previous fiscal year to ¥47,600.0 billion (down 1.6% year on year), according to the “Comprehensive construction statistics” published by the Ministry of Land, Infrastructure, Transport and Tourism.

In such a business environment, aiming to improve operating efficiency while prioritizing the health of its employees and customers, the Group has strived to prevent the spread of the disease and carry out efficient business operations through measures such as promoting working from home at all its facilities and encouraging the use of web conferences. In addition, the spread of the novel coronavirus infection caused a delay in the launch of GUANGDONG NISSHINCHUANGFU ADVANCED CONSTRUCTION MATERIALS Co., Ltd., a Chinese manufacturing subsidiary established in November 2019, but the subsidiary commenced manufacturing and selling from June 2020.

In terms of profit, the Group has worked to improve profitability primarily by focusing on the manufacture and supply of safety equipment and other high value-added products, which remained in high demand despite the coronavirus crisis. In terms of costs, the Group has also endeavored to reduce costs and control expenditure through all sorts of measures such as reducing directors’ compensation and other fixed costs and reviewing new investment projects. As a result, the gross profit ratio for the fiscal year ended March 31, 2021 came to 26.1% (improved by 0.8 percentage points year on year) and the operating profit ratio came to 13.3% (improved by 0.4 percentage points year on year).

As a result, revenue for the fiscal year ended March 31, 2021 amounted to ¥13,885 million (down 18.7% year on year), operating profit was ¥1,853 million (down 16.2% year on year), profit before tax came to ¥1,784 million (down 16.6% year on year), and profit attributable to owners of parent amounted to ¥1,231 million (down 16.0% year on year).

As the Group is comprised of a single business segment of the manufacturing and sales business of scaffolding equipment and logistics equipment, information by segment is not provided. The performance of each business Division is as follows.

1) Scaffolding Equipment Division

The Scaffolding Equipment Division develops two product groups: “wedge binding type scaffolding” primarily targeted at low- to mid-rise structures such as detached housing; and “next generation scaffolding” for mid- to high-rise large structures and public works.

During the fiscal year ended March 31, 2021, the overall demand in scaffolding equipment declined affected by the suspension and postponement of construction work as well as the postponement of new construction investment projects due to the spread of the novel coronavirus infection causing the declaration of a state of emergency. Meanwhile, revenue found support by focusing on the supply of safety equipment aimed at enhancing safety at construction sites, which remained in high demand.

As a result of these factors, revenue for the Scaffolding Equipment Division amounted to ¥10,818 million (down 25.6% year on year).

2) Logistics Equipment Division

The Logistics Equipment Division offers made-to-order transportation and storage solutions to wide range of industries, including the construction industry, as well as the automobile and distribution warehouses.

During the fiscal year ended March 31, 2021, the Logistics Equipment Division performed strongly as business activity recovered, primarily in the automobile and semiconductor industries, and the Company was able to secure new projects in the distribution warehouse field as well, despite a decline in demand in some areas because of the adverse effects of a decline in distribution, mainly overseas, due to the spread of the novel coronavirus infection.

As a result of these factors, revenue for the Logistics Equipment Division was ¥3,066 million (up 20.9% year on year).

(Thousand yen)

Name of product and service		For the fiscal year ended March 31, 2020	For the fiscal year ended March 31, 2021
Scaffolding equipment	Wedge binding type scaffolding	8,748,857	5,821,252
	Next generation scaffolding	2,160,471	1,798,219
	Other scaffolding equipment	3,635,628	3,199,455
	Subtotal	14,544,958	10,818,926
Logistics equipment	Pallets	2,536,591	3,066,831
	Subtotal	2,536,591	3,066,831
Total		17,081,549	13,885,758

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

(Assets)

Current assets at the end of the fiscal year under review increased by ¥945 million from the end of the previous fiscal year to ¥9,290 million, mainly due to an increase in cash and cash equivalents of ¥1,617 million, despite a decrease in inventories of ¥922 million. Additionally, non-current assets decreased by ¥328 million from the end of the previous fiscal year to ¥12,945 million. The decrease was primarily attributable to factors such as a decrease in property, plant and equipment of ¥316 million. As a result, total assets increased by ¥616 million from the end of the previous fiscal year to ¥22,236 million.

(Liabilities)

Current liabilities at the end of the fiscal year under review increased by ¥410 million from the end of the previous fiscal year to ¥2,428 million. This was mainly due to factors such as an increase in income taxes payable of ¥161 million, an increase in other current liabilities of ¥90 million, an increase in borrowings of ¥85 million, and an increase in trade and other payables of ¥63 million. Additionally, non-current liabilities decreased by ¥449 million from the end of the previous fiscal year to ¥5,364 million. This was primarily attributable to a decrease in borrowings of ¥485 million, despite an increase in other financial liabilities of ¥53 million. As a result, total liabilities decreased by ¥38 million from the end of the previous fiscal year to ¥7,793 million.

(Equity)

Total equity at the end of the fiscal year under review increased by ¥655 million from the end of the previous fiscal year to ¥14,443 million. This was mainly attributable to factors such as the posting of profit of ¥1,242 million

and dividends paid of ¥619 million leading to an increase in retained earnings of ¥611 million.

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

Cash and cash equivalents (hereinafter “cash”) at the end of the fiscal year under review was ¥4,738 million, an increase of ¥1,617 million from the end of the previous fiscal year.

Cash flows from each activity for the fiscal year ended March 31, 2021 and their primary factors are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities for the fiscal year ended March 31, 2021 was ¥2,892 million, a decrease of ¥229 million year on year. The main factors affecting cash inflows are profit before tax of ¥1,784 million, depreciation and amortization of ¥655 million, and a decrease in inventories of ¥923 million. The main factors affecting cash outflows are an increase in trade and other receivables of ¥234 million and income taxes paid of ¥435 million.

(Cash flows from investing activities)

Net cash used in investing activities for the fiscal year ended March 31, 2021 was ¥181 million, a decrease of ¥334 million year on year. The main factor affecting cash outflows is purchase of property, plant and equipment of ¥221 million.

(Cash flows from financing activities)

Net cash used in financing activities for the fiscal year ended March 31, 2021 was ¥1,104 million, a decrease of ¥123 million year on year. The main factors affecting cash outflows are dividends paid of ¥618 million and repayments of long-term borrowings of ¥500 million.

(4) Future Outlook

As for the forecast for the fiscal year ending March 31, 2022, an outlook over the future is still uncertain due to the effects of the novel coronavirus infection. Although the construction industry, which is the main supply destination of our products, continues to face a difficult environment, the construction work itself is expected to remain firm. In addition, the prices of steel materials, which are the main raw material of our products, are in the midst of a sharp rise worldwide. As prices are expected to continue rising toward the end of the fiscal year, it is expected to have a significant impact on the profitability of companies that deal with steel products.

1) Scaffolding Equipment Division

Regarding the Scaffolding Equipment Division, demand for high value-added products such as safety equipment continues to be high, and the Company anticipates that demand will continue to exceed a certain level, including other product lines. On the other hand, since the impact of soaring raw material prices is extremely large, the Company will work to maintain profitability by reviewing the prices of products.

Based on these assumptions, the Company expects revenue of the Scaffolding Equipment Division in full year to amount to ¥11,751 million (up 8.6% year on year).

2) Logistics Equipment Division

Regarding the Logistics Equipment Division, in addition to sales continuing to perform steadily in bulk containers for liquid shipping, and warehouse racks for distribution warehouses, the Company will work to increase revenue by expanding sales of new projects in a wide range of fields. On the other hand, due to the impact of soaring raw material prices, in the same manner as the Scaffolding Equipment Division, the Company will work to maintain profitability by reviewing the prices of products.

Based on these assumptions, the Company expects revenue of the Logistics Equipment Division in full year to come to ¥3,248 million (up 5.9% year on year).

The Company plans to endeavor to reduce costs and control expenditure through all sorts of measures such as reviewing fixed costs and new investment projects.

Based on the above, the Company expects consolidated revenue of ¥15,000 million (up 8.0% year on year) for the fiscal year ending March 31, 2022, operating profit of ¥1,700 million (down 8.3% year on year), profit before tax of ¥1,629 million (down 8.7% year on year), and profit attributable to owners of parent of ¥1,128 million (down 8.4% year on year).

The above forecasts were prepared based on the information available at the time of the announcement of this document, and the actual results, therefore, may differ from the forecasts due to various factors in future.

(5) Basic Policy for Distribution of Profits and Dividends for the Fiscal Year under Review and Next Fiscal Year
The Group positions the return of profits to shareholders as one of its most important management issues.

1) Basic policy

The Company's basic policy is to return profits to its shareholders in accordance with operating results, while ensuring internal reserves necessary for stable corporate growth and to respond to changes in the business environment, with a target payout ratio of at least 40%.

2) Number of dividend payments and decision-making body

The Company's basic policy for dividends of surplus is to pay year-end dividends once per year. The Company's Articles of Incorporation stipulate that the matters provided in each item of Article 459, Paragraph 1 of the Companies Act, such as dividends of surplus, shall be resolved by the Board of Directors, unless otherwise stipulated by laws and regulations. In addition, the Articles of Incorporation stipulate that an interim dividend as provided in provisions of Article 454, Paragraph 5 of the Companies Act may be paid depending on the circumstances. The Board of Directors is the decision-making body for the interim dividend.

3) Use of internal reserves

The Company intends to use internal reserves to strengthen its financial structure, and as effective investment capital, including capital investment and the development of human resources for further business growth, as it strives to enhance corporate value.

At the Board of Directors meeting held on May 13, 2021, the Company resolved the appropriation of surplus for the fiscal year ended March 31, 2021 with a year-end dividend of ¥35 per share. As a result, the payout ratio is 40.0%.

The Company expects to pay an annual dividend of ¥32.00 per share (payout ratio: 40.0%) for the fiscal year ending March 31, 2022, taking into account the payout ratio target of 40% or more and the outlook for the fiscal year including the impact of the coronavirus pandemic, but the dividend amount may change depending on when the pandemic subsides, the economic trend, and the Company's business performance.

2. Basic Stance Concerning Choice of Accounting Standards

The Group positions overseas expansion of its business as one of its key business strategies. Accordingly, the Group applies the International Financial Reporting Standards (IFRS) in order to expand trading opportunities by making it easier for overseas corporations to understand the Group.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Statement of Financial Position

	(Thousand yen)	
	As of March 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and cash equivalents	3,120,411	4,738,197
Trade and other receivables	2,777,446	3,006,431
Inventories	2,405,597	1,483,489
Other current assets	42,132	62,739
Total current assets	8,345,587	9,290,857
Non-current assets		
Property, plant and equipment	2,370,577	2,054,202
Right-of-use assets	353,196	380,906
Goodwill	9,221,769	9,221,769
Intangible assets	1,258,021	1,237,608
Other financial assets	59,617	41,194
Other non-current assets	11,760	10,303
Total non-current assets	13,274,943	12,945,985
Total assets	21,620,530	22,236,842

(Thousand yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	739,649	803,637
Borrowings	495,430	581,206
Income taxes payable	432,829	593,931
Other financial liabilities	83,340	92,854
Other current liabilities	267,084	357,363
Total current liabilities	2,018,335	2,428,993
Non-current liabilities		
Borrowings	5,202,637	4,717,504
Provisions	45,561	45,518
Other financial liabilities	240,131	293,969
Deferred tax liabilities	321,913	303,835
Other non-current liabilities	3,900	3,900
Total non-current liabilities	5,814,144	5,364,727
Total liabilities	7,832,479	7,793,721
Equity		
Share capital	150,125	153,576
Capital surplus	6,951,814	6,969,569
Retained earnings	6,640,266	7,252,148
Other components of equity	(1,534)	4,010
Total equity attributable to owners of parent	13,740,672	14,379,305
Non-controlling interests	47,378	63,816
Total equity	13,788,051	14,443,121
Total liabilities and equity	21,620,530	22,236,842

(2) Consolidated Statements of Profit or Loss and Comprehensive Income
Consolidated Statement of Profit or Loss

(Thousand yen)

	For the fiscal year ended March 31, 2020	For the fiscal year ended March 31, 2021
Revenue	17,081,549	13,885,758
Cost of sales	(12,751,849)	(10,263,817)
Gross profit	4,329,699	3,621,941
Selling, general and administrative expenses	(2,127,932)	(1,809,707)
Other income	15,139	70,928
Other expenses	(6,761)	(30,132)
Operating profit	2,210,144	1,853,029
Finance income	139	575
Finance costs	(70,972)	(69,462)
Profit before tax	2,139,310	1,784,142
Income tax expense	(671,534)	(541,238)
Profit	1,467,776	1,242,903
Profit attributable to		
Owners of parent	1,467,274	1,231,806
Non-controlling interests	502	11,097
Profit	1,467,776	1,242,903
Earnings per share		
Basic earnings per share (yen)	104.85	87.42
Diluted earnings per share (yen)	104.21	87.09

Consolidated Statement of Comprehensive Income

(Thousand yen)

	For the fiscal year ended March 31, 2020	For the fiscal year ended March 31, 2021
Profit	1,467,776	1,242,903
Other comprehensive income		
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(3,007)	10,885
Total of items that may be reclassified to profit or loss	(3,007)	10,885
Other comprehensive income, net of tax	(3,007)	10,885
Comprehensive income	1,464,769	1,253,788
Comprehensive income attributable to		
Owners of parent	1,465,740	1,237,351
Non-controlling interests	(970)	16,437
Comprehensive income	1,464,769	1,253,788

(3) Consolidated Statement of Changes in Equity
For the Fiscal Year Ended March 31, 2020 (From April 1, 2019 to March 31, 2020)

(Thousand yen)

	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity		Total equity attributable to owners of parent	Non-controlling interests	Equity
					Exchange differences on translation of foreign operations	Other components of equity			
Balance at beginning of period	150,125	6,915,576	5,793,305	–	–	–	12,859,007	–	12,859,007
Cumulative effect of accounting change	–	–	(4,805)	–	–	–	(4,805)	–	(4,805)
Restated balance	150,125	6,915,576	5,788,499	–	–	–	12,854,201	–	12,854,201
Profit	–	–	1,467,274	–	–	–	1,467,274	502	1,467,776
Other comprehensive income	–	–	–	–	(1,534)	(1,534)	(1,534)	(1,472)	(3,007)
Comprehensive income	–	–	1,467,274	–	(1,534)	(1,534)	1,465,740	(970)	1,464,769
Purchase of treasury shares	–	–	–	(112,500)	–	–	(112,500)	–	(112,500)
Disposal of treasury shares - exercise of subscription rights to shares	–	(12,300)	–	112,500	–	–	100,200	–	100,200
Dividends	–	–	(615,507)	–	–	–	(615,507)	–	(615,507)
Share-based payment transactions	–	48,538	–	–	–	–	48,538	–	48,538
Increase (decrease) by business combination	–	–	–	–	–	–	–	48,349	48,349
Total transactions with owners	–	36,238	(615,507)	–	–	–	(579,268)	48,349	(530,919)
Balance at end of period	150,125	6,951,814	6,640,266	–	(1,534)	(1,534)	13,740,672	47,378	13,788,051

For the Fiscal Year Ended March 31, 2021 (From April 1, 2020 to March 31, 2021)

(Thousand yen)

	Share capital	Capital surplus	Retained earnings	Other components of equity		Total equity attributable to owners of parent	Non-controlling interests	Equity
				Exchange differences on translation of foreign operations	Other components of equity			
Balance at beginning of period	150,125	6,951,814	6,640,266	(1,534)	(1,534)	13,740,672	47,378	13,788,051
Profit	–	–	1,231,806	–	–	1,231,806	11,097	1,242,903
Other comprehensive income	–	–	–	5,544	5,544	5,544	5,340	10,885
Comprehensive income	–	–	1,231,806	5,544	5,544	1,237,351	16,437	1,253,788
Exercise of share acquisition rights	3,451	3,445	–	–	–	6,897	–	6,897
Dividends	–	–	(619,924)	–	–	(619,924)	–	(619,924)
Share-based payment transactions	–	14,308	–	–	–	14,308	–	14,308
Total transactions with owners	3,451	17,754	(619,924)	–	–	(598,718)	–	(598,718)
Balance at end of period	153,576	6,969,569	7,252,148	4,010	4,010	14,379,305	63,816	14,443,121

(4) Consolidated Statement of Cash Flows

(Thousand yen)

	For the fiscal year ended March 31, 2020	For the fiscal year ended March 31, 2021
Cash flows from operating activities		
Profit before tax	2,139,310	1,784,142
Depreciation and amortization	674,658	655,444
Finance income and finance costs	70,833	68,887
Loss (gain) on sale of fixed assets	(4,667)	(115)
Loss on disposal of property, plant and equipment	0	4,652
Share-based payment expenses	48,538	14,306
Decrease (increase) in inventories	(23,267)	923,264
Decrease (increase) in trade and other receivables	1,002,828	(234,845)
Increase (decrease) in trade and other payables	(421,254)	41,770
Other	112,482	111,317
Subtotal	3,599,462	3,368,823
Interest and dividends received	139	575
Interest paid	(41,061)	(41,456)
Income taxes paid	(486,329)	(435,540)
Income taxes refund	49,482	—
Net cash provided by (used in) operating activities	3,121,693	2,892,402
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	50,035	—
Proceeds from sale of property, plant and equipment	1,701	19,510
Purchase of property, plant and equipment	(570,475)	(221,376)
Purchase of intangible assets	(6,175)	(6,944)
Other	9,273	27,479
Net cash provided by (used in) investing activities	(515,640)	(181,331)
Cash flows from financing activities		
Proceeds from short-term borrowings	—	116,325
Repayments of short-term borrowings	—	(35,426)
Repayments of long-term borrowings	(500,000)	(500,000)
Payments of financial expenditures	(11,303)	(12,167)
Capital contribution from non-controlling interests	14,795	34,191
Proceeds from exercise of share acquisition rights	100,200	6,900
Dividends paid	(612,930)	(618,922)
Purchase of treasury shares	(112,500)	—
Repayments of lease liabilities	(106,184)	(95,484)
Net cash provided by (used in) financing activities	(1,227,922)	(1,104,583)
Effect of exchange rate changes on cash and cash equivalents	(381)	11,298
Net increase (decrease) in cash and cash equivalents	1,377,748	1,617,786
Cash and cash equivalents at beginning of period	1,742,662	3,120,411
Cash and cash equivalents at end of period	3,120,411	4,738,197

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Segment information)

(1) General information

The Group's main businesses are the manufacturing and sales of scaffolding equipment and logistics equipment. There is a single reporting segment of the manufacturing and sales business of scaffolding equipment and logistics equipment.

(2) Information regarding revenue, profit and loss, and other matters of the reporting segment

This information is omitted, because the Group has a single segment of the manufacturing and sales business of scaffolding equipment and logistics equipment.

(3) Information regarding products and services

Revenue from external customers for each product and service is as follows.

(Thousand yen)

Name of product and service		For the fiscal year ended March 31, 2020	For the fiscal year ended March 31, 2021
Scaffolding equipment	Wedge binding type scaffolding	8,748,857	5,821,252
	Next generation scaffolding	2,160,471	1,798,219
	Other scaffolding equipment	3,635,628	3,199,455
	Subtotal	14,544,958	10,818,926
Logistics equipment	Pallets	2,536,591	3,066,831
	Subtotal	2,536,591	3,066,831
Total		17,081,549	13,885,758

(4) Regional information

The information regarding revenue by region is omitted, because revenue in Japan from external customers account for the majority of revenue in the Consolidated Statement of Profit or Loss. In addition, the information regarding non-current assets by region is omitted, because non-current assets belonging to locations in Japan account for the majority of the carrying amount of non-current assets in the Consolidated Statement of Financial Position.

(5) Information regarding major customers

This information is omitted, because no single external customer accounts for more than 10% of the Group's revenue.

(Per share information)

	For the fiscal year ended March 31, 2020	For the fiscal year ended March 31, 2021
Profit attributable to common shareholders of parent (thousand yen)	1,467,274	1,231,806
Diluted profit (thousand yen)	1,467,274	1,231,806
Weighted average number of common shares issued (shares)	13,993,754	14,090,031
Weighted average number of common shares used to calculate diluted earnings per share (shares)	14,079,685	14,143,958
Basic earnings per share	¥104.85	¥87.42
Diluted earnings per share	¥104.21	¥87.09

Note: Basic earnings per share is calculated by dividing profit attributable to common shareholders of parent by the weighted average number of common shares issued during the fiscal year.

(Significant subsequent events)

Decision on the matters regarding the repurchase of own shares

The Company decided at the Board of Directors meeting held on May 13, 2021, on matters regarding the repurchase of its own shares pursuant to the provisions of the Articles of Incorporation in accordance with Article 459, Paragraph 1 of the Companies Act as follows.

(1) Reason for share repurchase

The Company's own shares are to be repurchased for the purpose of implementing agile capital policies in response to changes in the business environment and returning profits to shareholders.

(2) Details of the matters regarding the repurchase

Class of shares to be repurchased:	Common shares
Total number of shares to be repurchased:	Up to 380,000 shares (Proportion of the total number of issued shares excluding treasury shares: 2.69%)
Total value of shares to be repurchased:	Up to ¥300,000,000
Repurchase period:	From May 14, 2021 to August 31, 2021
Method of repurchase:	Market purchase on the Tokyo Stock Exchange