

AMANO Corporation and Subsidiaries

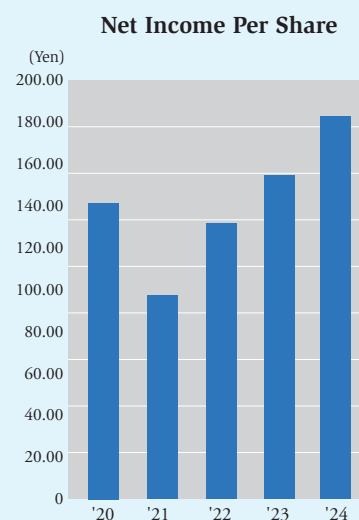
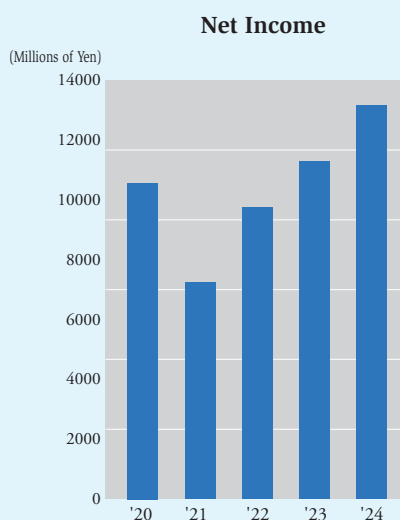
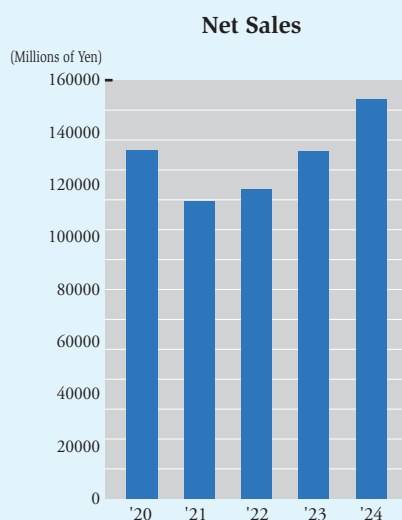
# Financial Highlights

For the year ended March 31, 2024

Yen in millions and U.S. dollars in thousands, except per share amounts  
- See Note 5 to the Consolidated Financial Statements.

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
<b>For the years ended March 31:</b>			
Net sales	¥132,810	¥152,864	\$1,009,670
Net income	11,288	13,141	86,797
<b>Per share data (Yen and U.S. Dollars):</b>			
Net income per share (Basic)	¥154.42	¥182.48	\$1.205
Cash dividends per common share	110.00	135.00	0.892
<b>At March 31:</b>			
Total assets	¥171,250	¥184,585	\$1,219,188
Working capital	75,236	75,603	499,359
Total net assets	121,638	128,103	846,123
<b>Sales by product:</b>			
Information Systems	¥31,353	¥35,757	\$236,176
Time Management Products	2,841	2,572	16,988
Parking Systems	64,708	78,510	518,560
Environmental Systems	20,838	23,089	152,503
Clean Systems	13,068	12,935	85,436

Note: U.S. dollar amounts have been translated at the rate of ¥151.40= US \$1, the rate prevailing on March 31, 2024.  
- See Note 5 to the Consolidated Financial Statements.



# Consolidated Financial Statements

As at March 31, 2024

Consolidated Balance Sheet		Millions of Yen		Thousands of U.S.dollars
	Notes	2023	2024	2024
<b>Assets</b>				
Current assets				
Cash and bank deposits	17 and 19	¥62,399	¥62,577	\$413,322
Notes and accounts receivable—trade and contract assets	7 and 8,19	30,958	36,038	238,032
Marketable securities	17 and 19	3,357	2,725	17,999
Merchandise and finished goods		4,663	5,672	37,464
Work in process		791	916	6,050
Raw materials and supplies		7,956	8,601	56,810
Other current assets		4,112	4,753	31,394
Allowance for doubtful accounts		(491)	(393)	(2,596)
Total current assets		113,749	120,892	798,494
Fixed assets				
Tangible fixed assets				
Buildings and structures		29,016	29,355	193,890
Accumulated depreciation		(20,419)	(20,985)	(138,606)
Buildings and structures (net)		8,597	8,369	55,277
Machinery and vehicles		7,807	7,993	52,794
Accumulated depreciation		(6,914)	(7,031)	(46,440)
Machinery and vehicles (net)		892	961	6,347
Tools, furniture and fixtures		16,704	17,670	116,711
Accumulated depreciation		(14,422)	(14,980)	(98,943)
Tools, furniture and fixtures (net)		2,281	2,689	17,761
Land		5,846	5,743	37,933
Lease assets	18	19,149	23,094	152,536
Accumulated depreciation		(7,995)	(10,490)	(69,287)
Lease assets (net)		11,153	12,603	83,243
Construction in progress		364	728	4,808
Total tangible fixed assets		29,135	31,096	205,390
Intangible fixed assets				
Goodwill		1,214	1,884	12,444
Software		3,194	3,241	21,407
Software in progress		702	1,421	9,386
Other		1,729	2,196	14,505
Total intangible fixed assets		6,840	8,742	57,741
Investments and other assets				
Investment securities	6 and 19	14,974	16,764	110,727
Claims in bankruptcy and similar claims		458	471	3,111
Fixed leasehold deposits		1,661	1,872	12,365
Net defined benefit assets		115	142	938
Deferred tax assets	21	2,591	2,071	13,679
Other		2,194	3,007	19,861
Allowance for doubtful accounts		(470)	(476)	(3,144)
Total investments and other assets		21,525	23,853	157,550
Total fixed assets		57,501	63,693	420,694
<b>Total assets</b>		<b>¥171,250</b>	<b>¥184,585</b>	<b>\$1,219,188</b>

**Consolidated Balance Sheet**

		Millions of Yen		Thousands of U.S.dollars
	Notes	2023	2024	2024
<b>Liabilities</b>				
Current liabilities				
Notes and accounts payable—trade		¥6,138	¥6,979	\$46,096
Electronically recorded obligations	19	6,284	6,533	43,151
Short-term bank loans		266	94	621
Lease liabilities		4,150	5,407	35,713
Accrued income taxes		3,523	4,100	27,081
Accrued bonuses		2,766	2,973	19,637
Accrued officers' bonuses		130	200	1,321
Other current liabilities		15,252	19,001	125,502
Total current liabilities		38,513	45,289	299,135
Long-term liabilities				
Lease liabilities		7,791	8,356	55,192
Deferred tax liabilities	21	16	23	152
Net defined benefit liabilities	20	2,281	1,721	11,367
Provision for stock benefit		357	407	2,688
Provision for directors' stock benefit		249	315	2,081
Asset retirement obligations		34	35	231
Other long-term liabilities		367	332	2,193
Total long-term liabilities		11,098	11,192	73,923
Total liabilities		49,612	56,482	373,065
<b>Net assets</b>				
Shareholders' equity				
Common stock		18,239	18,239	120,469
Capital surplus		19,293	19,293	127,431
Retained earnings		90,133	94,510	624,240
Treasury stock		(9,019)	(12,668)	(83,672)
Total shareholders' equity		118,646	119,374	788,468
Accumulated other comprehensive income				
Net unrealized gains (losses) on available- for-sale securities		2,237	4,740	31,308
Foreign currency translation adjustments		248	3,253	21,486
Remeasurements of defined benefit plans		(375)	231	1,526
Total accumulated other comprehensive income		2,109	8,226	54,333
Non-controlling shareholders' interests		882	502	3,316
Total net assets		121,638	128,103	846,123
Total liabilities and net assets		¥171,250	¥184,585	\$1,219,188

# Consolidated Statement of Income, and Consolidated Statement of Comprehensive Income

For the year ended March 31, 2024

Consolidated Statement of Income		Millions of Yen		Thousands of U.S.dollars
	Notes	2023	2024	2024
Net sales		¥132,810	¥152,864	\$1,009,670
Cost of sales		72,555	83,916	554,267
Gross profit		60,254	68,948	455,403
Selling, general and administrative expenses	10			
Selling expenses		40,551	45,200	298,547
General and administrative expenses		3,916	4,180	27,609
Total selling, general and administrative expenses		44,467	49,380	326,156
Operating profit		15,787	19,567	129,240
Non-operating profit				
Interest income		265	706	4,663
Dividend income		245	288	1,902
Insurance dividend income		161	114	753
Insurance income		70	35	231
Foreign exchange gains		48	47	310
Equity in earnings of affiliates		172	184	1,215
Other		440	310	2,048
Total non-operating profit		1,405	1,686	11,136
Non-operating expenses				
Interest expenses		151	284	1,876
Other		80	113	746
Total non-operating expenses		232	398	2,629
Ordinary profit		16,960	20,855	137,748
Extraordinary income				
Gain on sale of fixed assets	12	11	8	53
Total extraordinary income		11	8	53
Extraordinary losses				
Loss on disposal of fixed assets	13	58	72	476
Loss on sale of fixed assets	14	1	35	231
Office transfer expenses		11	–	–
Loss on valuation of investment securities		150	1,713	11,314
Other		–	9	59
Total extraordinary losses		220	1,831	12,094
Income before income taxes		16,752	19,032	125,707
Income taxes	21	5,584	6,608	43,646
Deferred income taxes		(186)	(837)	(5,528)
Total income taxes		5,397	5,771	38,118
Net income		11,354	13,261	87,589
Net income attributable to non-controlling shareholders		65	119	786
Net income attributable to owners of the parent company		¥11,288	¥13,141	\$86,797

Consolidated Statement of Comprehensive Income		Millions of Yen		Thousands of U.S.dollars
		2023	2024	2024
Net income		¥11,354	¥13,261	\$87,589
Other comprehensive income				
Net unrealized gains (losses) on available-for-sale securities		150	2,498	16,499
Foreign currency translation adjustment		3,583	3,036	20,053
Remeasurements of defined benefit plans		174	607	4,009
Share of other comprehensive income of associates accounted for the using equity method"		0	0	0
Total other comprehensive income		3,907	6,142	40,568
Comprehensive income		15,262	19,403	128,157
(Breakdown)				
Comprehensive income attributable to owners of the parent company		15,109	19,257	127,193
Comprehensive income attributable to non-controlling shareholders		¥152	¥146	\$964

# Consolidated Statement of Changes in Net Assets

For the year ended March 31, 2024

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

	Shareholders' equity					Millions of Yen
	Common stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at the beginning of period	¥18,239	¥19,293	¥86,244	(¥6,546)	¥117,230	
Changes during period						
Dividends of surplus			(7,399)		(7,399)	
Profit attributable to owners of parent company			11,288		11,288	
Purchase of treasury shares				(2,479)	(2,479)	
Disposal of treasury shares				5	5	
Net changes in items other than shareholders' equity						
Total changes during period	-	-	3,888	(2,473)	1,415	
Balance at the end of period	¥18,239	¥19,293	¥90,133	(¥9,019)	¥118,646	

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of period	¥2,088	(¥3,250)	(¥549)	(¥1,711)	¥752	¥116,271
Changes during period						
Dividends of surplus						(7,399)
Profit attributable to owners of parent company						11,288
Purchase of treasury shares						(2,479)
Disposal of treasury shares						5
Net changes in items other than shareholders' equity	148	3,498	174	3,821	129	3,951
Total changes during period	148	3,498	174	3,821	129	5,366
Balance at the end of period	¥2,237	¥248	(¥375)	¥2,109	¥882	¥121,638

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

Millions of Yen

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of period	¥18,239	¥19,293	¥90,133	(¥9,019)	¥118,646
Changes during period					
Dividends of surplus			(8,764)		(8,764)
Profit attributable to owners of parent company			13,141		13,141
Purchase of treasury shares				(3,719)	(3,719)
Disposal of treasury shares				70	70
Net changes in items other than shareholders' equity					
Total changes during period	-	-	4,377	(3,648)	728
Balance at the end of period	¥18,239	¥19,293	¥94,510	(¥12,668)	¥119,374

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of period	¥2,237	¥248	(¥375)	¥2,109	¥882	¥121,638
Changes during period						
Dividends of surplus						(8,764)
Profit attributable to owners of parent company						13,141
Purchase of treasury shares						(3,719)
Disposal of treasury shares						70
Net changes in items other than shareholders' equity	2,503	3,005	607	6,116	(379)	5,736
Total changes during period	2,503	3,005	607	6,116	(379)	6,464
Balance at the end of period	¥4,740	¥3,253	¥231	¥8,226	¥502	¥128,103

Thousands of U.S. dollars

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of period	\$120,469	\$127,431	\$595,330	(\$59,571)	\$783,659
Changes during period					
Dividends of surplus			(57,886)		(57,886)
Profit attributable to owners of parent company			86,797		86,797
Purchase of treasury shares				(24,564)	(24,564)
Disposal of treasury shares				462	462
Net changes in items other than shareholders' equity					
Total changes during period	-	-	28,910	(24,095)	4,808
Balance at the end of period	\$120,469	\$127,431	\$624,240	(\$83,672)	\$788,468

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of period	\$14,775	\$1,638	(\$2,477)	\$13,930	\$5,826	\$803,421
Changes during period						
Dividends of surplus						(57,886)
Profit attributable to owners of parent company						86,797
Purchase of treasury shares						(24,564)
Disposal of treasury shares						462
Net changes in items other than shareholders' equity	16,532	19,848	4,009	40,396	(2,503)	37,886
Total changes during period	16,532	19,848	4,009	40,396	(2,503)	42,695
Balance at the end of period	\$31,308	\$21,486	\$1,526	\$54,333	\$3,316	\$846,123

# Consolidated Statement of Cash Flows

For the year ended March 31, 2024

	Millions of Yen		Thousands of U.S.dollars
Notes	2023	2024	2024
<b>Cash flows from operating activities</b>			
Income before income taxes	¥16,752	¥19,032	\$125,707
Depreciation and amortization	9,017	10,256	67,741
Amortization of goodwill	311	293	1,935
Increase (decrease) in net defined benefit liabilities	108	97	641
Increase (decrease) in provision for stock benefit	70	120	793
Increase (decrease) in provision for directors' stock benefit	45	66	436
Increase (decrease) in allowance for doubtful accounts	(113)	(137)	(905)
Interest and dividend revenue	(511)	(995)	(6,572)
Equity in (earnings) losses of affiliates	(172)	(184)	(1,215)
Interest expenses	151	284	1,876
Foreign currency translation loss (gain)	(79)	(145)	(958)
Loss (gain) on sale of fixed assets	(10)	27	178
Loss on disposal of fixed assets	58	72	476
Loss (gain) on valuation of investment securities	150	1,713	11,314
(Increase) decrease in trade notes and accounts receivable and contract assets	(2,002)	(4,110)	(27,147)
(Increase) decrease in inventories	(2,617)	(813)	(5,370)
Increase (decrease) in trade payables	853	821	5,423
Increase (decrease) in other current liabilities	1,041	2,216	14,637
Other	591	403	2,662
Subtotal	23,644	29,021	191,684
Receipts from interest and dividends	614	1,102	7,279
Interest paid	(151)	(284)	(1,876)
Income taxes paid	(5,670)	(6,089)	(40,218)
Income taxes refunded	514	22	145
Net cash provided by operating activities	18,951	23,771	157,008
<b>Cash flows from investing activities</b>			
Payment for acquisition of securities	(3,850)	(3,450)	(22,787)
Proceeds from redemption of securities	4,050	3,950	26,090
Payment for purchase of tangible fixed assets	(2,795)	(3,417)	(22,569)
Proceeds from sale of tangible fixed assets	18	129	852
Payment for acquisition of intangible fixed assets	(1,577)	(2,439)	(16,110)
Payment for acquisition of investment securities	(306)	(306)	(2,021)
Payments for purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(1,809)	(11,948)
Increase in time deposits	(5,892)	(13,530)	(89,366)
Proceeds from withdrawal of time deposits	2,968	10,856	71,704
Other	7	(205)	(1,354)
Net cash used in investing activities	(7,376)	(10,221)	(67,510)
<b>Cash flows from financing activities</b>			
Increase in short-term loans payable	213	77	509
Repayment for short-term bank loans	(385)	(230)	(1,519)
Payment for acquisition of treasury stock	(2,479)	(3,719)	(24,564)
Repayments of lease liabilities	(5,607)	(6,785)	(44,815)
Proceeds from sale and leaseback	1,730	1,732	11,440
Dividends paid	(7,399)	(8,764)	(57,886)
Payment of dividends to non-controlling shareholders	(22)	(526)	(3,474)
Net cash flows from financing activities	(13,950)	(18,216)	(120,317)
Effect of exchange rate changes on cash and cash equivalents	1,528	1,230	8,124
Net increase (decrease) in cash and cash equivalents	(847)	(3,435)	(22,688)
Cash and cash equivalents at the beginning of period	55,931	55,084	363,831
Cash and cash equivalents at the end of period	¥55,084	¥51,648	\$341,136

# Notes to the Consolidated Financial Statements

## [Basis of Consolidated Financial Statements]

The accompanying consolidated financial statements of AMANO Corporation [hereafter, "the Company"] and its subsidiaries have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations in Japan.

The accounts of the Company and its domestic subsidiaries included in the consolidation are based on the accounting records maintained in accordance with accounting principles generally accepted in Japan, which are different in certain respects as to the application and the disclosure requirements of International Financial Reporting Standards.

As permitted by the Financial Instruments and Exchange Act, amounts of less than one million yen have been rounded down. As a result, the totals shown in the accompanying consolidated financial statements (both in Japanese yen and U.S. dollars) do not necessarily agree with the sums of the individual amounts. Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation.

## 1. Scope of Consolidation

### (1) Consolidated subsidiaries :32 companies

Name of principal consolidated subsidiaries:

#### (a) Domestic Companies

Amano Management Service Corporation, Amano Maintenance Engineering Corporation, Amano Business Solutions Corporation, Amano Musashi Electric Corporation, Amano Secure Japan Corporation, Environmental Technology Co., Ltd., Amano Agency Corporation

#### (b) Overseas Companies

AMANO USA HOLDINGS, Inc., AMANO CINCINNATI, INC., AMANO PIONEER ECLIPSE CORPORATION., AMANO MCGANN, INC., ACCU-TIME SYSTEMS, INC., AMANO TIME & ECOLOGY DE MEXICO S.A.DE C.V., AMANO EUROPE HOLDINGS, N.V., AMANO EUROPE, N.V., HOROQUARTZ S.A., AMANO MALAYSIA SDN. BHD., AMANO TIME & AIR SINGAPORE PTE. LTD., PT. AMANO INDONESIA, AMANO THAI INTERNATIONAL CO., LTD., AMANO INTERNATIONAL TRADING(SHANGHAI) CO., LTD., AMANO KOREA CORPORATION, Other 10 companies

### (2) Name of unconsolidated subsidiaries

- AMANO Software Engineering(Shanghai)Co.,Ltd.
- Mobile Parking Co.,Ltd.
- AMANO PARKING EUROPE N.V.

(The reason for excluding these subsidiaries from consolidation)

Unconsolidated subsidiaries are excluded from the scope of consolidation because these companies are small companies and the sums of each of the total assets, net sales, net income and retained earnings (equal to share interest) of these companies does not have any significant impacts on the consolidated financial statements.

## 2. Matters Concerning Application of the Equity Method

The number of an unconsolidated subsidiary accounted for by the equity method:0 company

The number of an affiliated company accounted for by the equity method:1 company

The affiliate accounted for by the equity method is listed below:

- CREO CO., LTD.

The name of a major affiliated company that do not apply the equity method is listed below:

- Preferred Robotics, Inc.

(The reason for not applying the equity method)

Unconsolidated subsidiaries (3 companies) and an affiliate (1 company) are excluded from the scope of equity method because their net income or loss (equal to share interest) and retained earnings (equal to share interest) have a minimal effect on the consolidated financial statements and they are not significant as a whole.

## 3. Accounting Periods of Consolidated Subsidiaries

The accounts of the overseas consolidated subsidiaries are consolidated using their financial statements as of their respective fiscal year end, which falls on December 31, 2023 and necessary adjustments are made to their financial statements to reflect any significant transactions from January 1 to March 31, 2024. All significant intercompany balances and transactions are eliminated in consolidation.

## 4. Summary of Significant Accounting Policies

### (1) Valuation standards and methods for significant assets

#### (a) Marketable securities

Held-to-maturity debt securities

Amortized cost method applied

Other securities for which market quotations are available are stated at fair value.

The fair value method based on the market price, etc. as of the end of the fiscal year

(Unrealized gains or losses on available-for-sale securities are included directly in the net assets, and costs of selling available-for-sale securities is calculated by the moving-average method.)

Other securities for which market quotations are unavailable are stated at cost for the moving-average method.

#### (b) Derivatives

The fair value method

#### (c) Inventories

Inventories are stated at cost (after any writedown due to reduced profitability). Cost is determined principally using the periodic average method.



## (2) Depreciation methods for significant depreciable assets

### (a) Property, plant and equipment (excluding Leased Assets)

Property, plant and equipment are stated at cost, less accumulated depreciation. Depreciation is computed on the declining balance method, based on the estimated useful lives, except for buildings acquired on or after April 1, 1998 and for facilities attached to buildings and structures acquired on or after April 1, 2016, which are computed on the straight-line method.

The ranges of the useful lives of assets are:

Buildings and structures 5-50 years

Machinery and vehicles 7-17 years

### (b) Intangible assets (excluding Leased Assets)

Intangible assets are amortized using the straight-line method.

Software developed for external sale is amortized over the estimated sales period (3 years). Software costs for internal use are amortized by the straight-line method over their expected useful lives (5 years).

### (c) Leased Assets

Leased assets in finance lease transactions not involving transfer of ownership are depreciated by the straight-line method over the term of the lease, with a residual value of zero. For some of its subsidiaries which prepare the financial statements based on IFRS or US-GAAP, in principle, lessees recognize all leases on the balance sheet as assets and liabilities.

## (3) Accounting standards for significant allowances

### (a) Allowance for doubtful accounts

In general, the Company and its subsidiaries provide the allowance based on the past receivables loss experience for a certain reference period. Furthermore, for receivables from companies with financial difficulty, which could affect the debtors' ability to perform their obligations, the allowance is provided for estimated unrecoverable amounts individually.

### (b) Accrued bonuses

In order to provide for the payment of bonuses to employees, the amount accrued for the current fiscal year is recorded based on the estimated amount of payment.

### (c) Accrued officers' bonuses

In order to provide for the payment of bonuses to directors, the amount accrued for the current fiscal year is recorded based on the estimated amount of payment.

### (d) Provision for stock benefit

In order to prepare for the payment of company stocks to employees under the stock benefit program, provision for stock benefit is recorded based on the estimated amount of stock benefit obligation corresponding to the merit points allocated to the employees in the current consolidated fiscal year.

### (e) Provision for directors' stock benefit

In order to prepare for the payment of company stocks to directors under the share payment program, provision for stock benefit is recorded based on the estimated amount of stock benefit obligation corresponding to the merit points allocated to the directors in the current consolidated fiscal year.

## (4) Retirement benefits

### (a) Method of attributing estimated amounts of retirement benefits to periods

The Company and some of its subsidiaries recognize accrued pension and severance costs to employees based on the actuarial valuation of projected benefit obligation and plan assets at their value. The retirement benefit obligation for employees is attributed to each period by the benefit formula method.

### (b) Treatment method for actuarial differences and prior service costs

Prior service costs are amortized based on the straight-line method over a period years (7-10 years) within the average remaining service period of employees. Actuarial gains and losses are amortized based on the straight-line method over a period years (7-10 years) within the average remaining service period of employees starting from the beginning of the subsequent year of when the cost is incurred.

## (5) Recognition criteria for significant revenue and expenses

The Company and its subsidiaries recognizes revenue based on the following five-step approach:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

Major businesses of the Company and its subsidiaries are the manufacturing and sales of Information Systems, Time Management Products, Parking Systems, Environmental Systems, and Clean Systems. See "Segment Information 1. Outline of Reporting Segments" for details. The Company and its subsidiaries normally recognize revenue for the sales of these products upon the completion of acceptance inspection by the customer, because the Company and its subsidiaries determine that the customer gains control over the products and its performance obligation is satisfied upon the completion of the customer's acceptance inspection. For some non-installed products and domestic sales of supplies, etc., if the period from shipment to acceptance inspection by the customer is normal, revenue is recognized at the time of shipment. Revenue is measured at the price promised to the customer in the contract, after deducting any trade discounts and/or returns, etc.

The Company and its subsidiaries may provide the customer with maintenance and other services related to these products. In this case, revenue for such services is recognized over the contract period as the performance obligations for such services are satisfied basically over the passage of time. Revenue for some of construction contracts for Parking systems and Environmental systems businesses is recognized based on the percentage of completion pertaining to the satisfaction of performance obligation because the Company and its subsidiaries have determined that the performance obligation is satisfied over a certain period. For constructions whose construction period is extremely short, revenue is recognized when the installation that fully satisfies the performance obligation is completed. The percentage of completion pertaining to the satisfaction of performance obligation is estimated based on the percentage of actual cost to estimated total cost (input method) if the result of performance obligation can be reasonably measured.

(6) Foreign currency translation

Receivables and payables in foreign currencies are translated at the foreign exchange rates prevailing at the respective balance sheet dates and the resulting transaction gains or losses are included in net profit or loss for the period. Also the assets and liabilities of foreign subsidiaries are translated at the foreign exchange rates prevailing at the respective balance sheet dates. On the other hand, all the profit and loss accounts are translated at the average foreign exchange rates for the respective periods. Differences arising from translation are presented as "Foreign currency translation adjustments" and "Non-controlling shareholders' interests" in the net assets accompanying consolidated financial statements.

(7) Goodwill amortization method and amortization periods

Goodwill is amortized over its estimated useful life. If the amount of goodwill is immaterial, It is amortized in full in the year of acquisition.

(8) Cash and cash equivalents in the consolidated statements of cash flows

Cash and cash equivalents consist of cash on hand, cash in banks which can be withdrawn at any time and short-term investments with a maturity of three months or less when purchased and which can easily be converted to cash and are subject to little risk of change in value.

(9) Other important matters for preparation of consolidated financial statements

Not applicable

**[Accounting Standard Issued but Not yet Applied]**

"Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022, Accounting Standards Board of Japan)

"Accounting Standard for Presentation of Comprehensive Income" (ASBJ Statement No. 25, October 28, 2022, Accounting Standards Board of Japan)

"Implementation Guidance on Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022, Accounting Standards Board of Japan)

(1) Overview

Provides for the treatment of income tax classification incase of income taxes are imposed for other comprehensive income and tax effects on sale of shares of subsidiaries, etc. when group corporation taxation is applied.

(2) Scheduled date of application

It will be applied from the beginning of the fiscal year ending March 31, 2025.

(3) Effect of application of the accounting standards, etc.

The effect of application of the accounting standards, etc. on the consolidated financial statements is currently under evaluation.

**[Additional Information]**

(Directors' Compensation BIP Trust and Employee Stock Ownership Plan (J-ESOP))

For the purpose of enhancing the motivation to contribute the improvement of medium to long-term business performance and to increase the corporate value, the Company and some of its subsidiaries have introduced the Compensation BIP Trust system for directors(excluding external directors and directors residing overseas) and operating officers (excluding officers residing overseas), as well as the Employee Stock Ownership Plan (J-ESOP) system for employees who meet the prescribed requirements.

(a) Outline of the system

Under the system, a trust is established with money contributed by the Company as a source, stocks of the Company are acquired by the trust, and the stocks are granted to the eligible persons. Furthermore, as for the executive compensation BIP trust, the trust period will be extended for the same period as the initial trust period as a stock compensation plan linked to the period of the 9th Medium-Term Business Plan which started in April 2023. Under the Directors' Compensation BIP Trust, in accordance with the stock distribution rules and based on points granted according to the attainment level of numerical targets related to their positions and management indicators, stocks of the Company are provided by the trust to directors and operating officers. Under the Employee Stock Ownership Plan (J-ESOP), in accordance with the stock distribution rules and based on points granted according to their positions and operating performance, stocks of the Company are provided by the trust to employees who meet certain requirements.

(b) Stocks of the Company that remain in the trust

Stocks of the Company that remain in the trust are recorded as treasury stock in the net assets section with the book value of the trust (excluding incidental expenses).

The book value and the numbers of the treasury stock at March 31, 2024 are ¥2,268 million and 793,884 shares, respectively.

**5.United States Dollar Amounts**

The Company maintains its accounting records in Japanese yen. The U.S. dollar amounts included in the consolidated financial statements and notes there to represent the arithmetical results of translating Japanese yen to U.S. dollars at a rate of ¥151.40= US\$1, the approximate effective rate of exchange prevailing on March 31, 2024. The inclusion of U.S. dollar amounts is solely for convenience of readers outside Japan and is not intended to imply that yen amounts could be converted, realized, or settled in U.S. dollars at that, or any other rate.

## [Consolidated Balance Sheet]

### 6. Investments in Unconsolidated Subsidiaries and Affiliates

Among investments in securities, the amount in aggregate corresponding to unconsolidated subsidiaries and affiliates are as follows:

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Investments in equity securities	¥4,389	¥2,782	\$18,375
Others	53	53	350

### 7. Notes and accounts receivable—trade and contract assets

The amounts of arising the contract with the customer included in the notes receivable, accounts receivable and contract assets, the amounts of receivables and contract assets are as follows:

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Trade notes receivable	¥1,429	¥1,070	\$7,067
Accounts receivable	28,274	32,382	213,884
Contract assets	1,254	2,585	17,074

### 8. Trade Notes Receivable at the end of the Fiscal Year

The Company recognizes settlements of trade notes receivable when the banks actually clear the notes.

As March 31, 2024 was a holiday for financial institutions, the following account includes the unsettled balance of trade notes receivable due on that date in the accompanying consolidated balance sheet as of March 31, 2024.

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Trade notes receivable	–	¥76	\$502

### 9. Other Current Liabilities

The amount of contract liability included in the others is as follows:

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Contract liability	¥5,186	¥6,979	\$46,096

## [Consolidated Statement of Income]

### 10. Selling, General and Administrative Expenses

Selling, general and administrative expenses during the years ended March 31, 2023 and 2024 principally include:

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Provision for employees' bonuses	¥1,964	¥2,031	\$13,415
Provision for directors' bonuses	130	200	1,321
Retirement Benefit Expenses	1,103	1,072	7,081
Salaries and allowances	20,137	22,729	150,125
Provision for allowance for doubtful accounts	7	(37)	(244)
Provision for stock benefit	56	106	700
Provision for directors' stock benefit	51	71	469

### 11. Research and Development Costs

Research and development costs included in selling, general and administrative expenses and manufacturing cost are as follows:

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Research and development costs	¥2,370	¥2,799	\$18,487

### 12. Gain on Sale of Fixed Assets

Details of Gain on sale of fixed assets are as follows:

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Buildings and structures	–	¥3	\$20
Machinery and equipment	¥4	5	33
Tools, Furniture and Fixtures	7	0	0
Total	¥11	¥8	\$53

### 13. Loss on Disposal of Fixed Assets

Details of Loss on disposal of fixed assets for the years ended March 31, 2023 and 2024 are as follows:

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Buildings and structures	¥8	¥5	\$33
Machinery and equipment	0	1	7
Tools, Furniture and Fixtures	17	8	53
Leased Assets	30	33	218
Software	0	23	152
Total	¥58	¥72	\$476

### 14. Loss on Sale of Fixed Assets

Details of Loss on sale of fixed assets are as follows:

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Buildings and structures	–	¥13	\$86
Machinery and equipment	–	0	0
Tools, Furniture and Fixtures	¥1	0	0
Land	–	22	145
Total	¥1	¥35	\$231

## 15. Consolidated Statement of Comprehensive Income

The following table presents reclassification adjustments and tax effects allocated to each component of other comprehensive income:

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
<b>Net unrealized gains (losses) on available-for-sale securities:</b>			
Amount arising during the year	¥227	¥3,599	\$23,771
Reclassification adjustments	–	–	–
Amount before tax effect	227	3,599	23,771
Tax effect	(76)	(1,101)	(7,272)
Net unrealized gains (losses) on other securities	150	2,498	16,499
<b>Foreign currency translation adjustments:</b>			0
Amount arising during the year	3,583	3,036	20,053
Reclassification adjustments	–	–	–
Amount before tax effect	3,583	3,036	20,053
Tax effect	–	–	–
Translation adjustments	3,583	3,036	20,053
<b>Remeasurements of defined benefit plans:</b>			0
Amount arising during the year	84	728	4,808
Reclassification adjustments	148	167	1,103
Amount before tax effect	232	895	5,911
Tax effect	(58)	(288)	(1,902)
Retirement benefits liability adjustments	174	607	4,009
<b>Share of other comprehensive income of associates accounted for the using equity method:</b>			
Amount arising during the year	0	0	0
Reclassification adjustments	–	(0)	(0)
Share of other comprehensive income of companies accounted for by the equity method	0	0	0
<b>Total other comprehensive income (loss)</b>	<b>¥3,907</b>	<b>¥6,142</b>	<b>\$40,568</b>

## 16. Consolidated Statements of Changes in Net Assets

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

### (1) Shares issued and outstanding

Share type	As of April 1, 2022	Increase	Decrease	As of March 31, 2023
Common stock (shares)	76,657,829	–	–	76,657,829

### (2) Shares of treasury stock

Share type	As of April 1, 2022	Increase	Decrease	As of March 31, 2023
Common stock (shares)	2,763,911	994,704	2,300	3,756,315

(Reason for the changes)

The increase in the number of shares is due to the purchases of 804 shares less than one unit.

Purchase of treasury stock of 993,900 shares as determined by the Board of Directors' resolution on April 26, 2022.

The decrease in the number of shares is due to benefit of 2,300 shares by Employee Stock Ownership Plan (J-ESOP).

### (3) Dividends

#### (a) Dividends paid

Resolution	Share type	Total dividend (Millions of Yen)	Dividend per share (Yen)	Date of record	Effective date
Regular shareholders meeting, June 29, 2022	Common stock	¥5,200	¥70	March 31, 2022	June 30, 2022
Board of directors meeting, October 28, 2022	Common stock	2,199	30	September 30 2022	December 2, 2022

Notes:

"Total dividend" as determined by the Ordinary general meeting of shareholders' resolution on June 29, 2022 includes ¥18 million for dividends on the Company's shares owned by Directors' Compensation BIP Trust and ¥9 million for dividends on its shares owned by Employee Stock Ownership Plan (J-ESOP).

"Total dividend" as determined by the Board of Directors' resolution on October 28, 2022 includes ¥7 million for dividends on the Company's shares owned by Directors' Compensation BIP Trust and ¥4 million for dividends on its shares owned by Employee Stock Ownership Plan (J-ESOP).

#### (b) Dividends for which the date of record falls in the current fiscal year, but the effective date will be next fiscal year.

Resolution	Share type	Dividend funding	Total dividend (Millions of Yen)	Dividend per share (Yen)	Date of record	Effective date
Regular shareholders meeting, June 29, 2023	Common stock	Retained earnings	¥5,863	¥80	March 31, 2023	June 30, 2023

Notes:

"Total dividend" includes ¥21 million for dividends on the Company's shares owned by Directors' Compensation BIP Trust and ¥10 million for dividends on its shares owned by Employee Stock Ownership Plan (J-ESOP).

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

(1) Shares issued and outstanding

Share type	As of April 1, 2023	Increase	Decrease	As of March 31, 2024
Common stock (shares)	76,657,829	–	–	76,657,829

(2) Shares of treasury stock

Share type	As of April 1, 2023	Increase	Decrease	As of March 31, 2024
Common stock (shares)	3,756,315	1,217,366	25,135	4,948,546

Notes:

Treasury stock at the end of the current consolidated fiscal year includes 793,884 shares of treasury stock held by Directors' Compensation BIP Trust and Employee Stock Ownership Plan (J-ESOP).

(Reason for the changes)

The increase in the number of shares is due to the purchases of 1,466 shares less than one unit.

Purchase of treasury stock of 795,100 shares as determined by the Board of Directors' resolution on April 26, 2023.

The increase in the number of shares is due to acquisitions of 153,400 shares by Directors' Compensation BIP Trust.

The decrease in the number of shares is due to delivery of 5,435 shares by Directors' Compensation BIP Trust.

The increase in the number of shares is due to acquisitions of 267,400 shares by Employee Stock Ownership Plan (J-ESOP).

The decrease in the number of shares is due to benefit of 19,700 shares by Employee Stock Ownership Plan (J-ESOP).

(3) Dividends

(a) Dividends paid

Resolution	Share type	Total dividend (Millions of Yen)	Total dividend (Thousands of U.S. dollars)	Dividend per share (Yen)	Dividend per share (U.S. dollars)	Date of record	Effective date
Regular shareholders meeting, June 29, 2023	Common stock	¥5,863	\$38,725	¥80	\$0.528	March 31, 2023	June 30, 2023
Board of directors meeting, October 27, 2023	Common stock	2,900	19,155	40	0.264	September 30, 2023	December 4, 2023

Notes:

"Total dividend" as determined by the Regular shareholders meeting's resolution on June 29, 2023 includes ¥21 million for dividends on the Company's shares owned by Directors' Compensation BIP Trust and ¥10 million for dividends on its shares owned by Employee Stock Ownership Plan (J-ESOP).

"Total dividend" as determined by the Board of Directors' resolution on October 27, 2023 includes ¥16 million for dividends on the Company's shares owned by Directors' Compensation BIP Trust and ¥15 million for dividends on its shares owned by Employee Stock Ownership Plan (J-ESOP).

(b) Dividends for which the date of record falls in the fiscal year, but the effective date is after the end of the fiscal year.

Resolution	Share type	Dividend funding	Total dividend (Millions of Yen)	Total dividend (Thousands of U.S. dollars)	Dividend per share (Yen)	Dividend per share (U.S. dollars)	Date of record	Effective date
Regular shareholders meeting, June 27, 2024	Common stock	Retained earnings	¥6,887	\$45,489	¥95	\$0.627	March 31, 2024	June 28, 2024

Notes:

"Total dividend" includes ¥39 million for dividends on the Company's shares owned by Directors' Compensation BIP Trust and ¥36 million for dividends on its shares owned by Employee Stock Ownership Plan (J-ESOP).

## 17. Consolidated Statement of Cash Flows

(1) Reconciliations of cash and cash equivalents to the amounts shown in the consolidated balance sheet are as follows:

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Cash and bank deposits	¥62,399	¥62,577	\$413,322
Marketable securities	3,357	2,725	17,999
Sub total	65,757	65,303	431,328
Time deposits due over three months	(8,275)	(11,294)	(74,597)
Marketable securities due over three months	(2,350)	(2,359)	(15,581)
Bank overdraft	(47)	–	–
Cash and cash equivalents	¥55,084	¥51,648	\$341,136

(2) Supplemental disclosure of non-cash transactions

The significant non-cash transactions for the years ended March 31, 2023 and 2024 are as follows:

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Leased assets	¥7,061	¥7,482	\$49,419
Lease obligations	7,606	8,091	53,441

## 18. Lease Commitments

(1) Finance lease

Finance lease transactions not involving transfer of ownership

(a) Leased assets

Tangible assets: Mainly operating equipment for the parking system business.

(b) Depreciation method

Leased assets are depreciated by the straight-line method over the term of the lease, with a residual value of zero.

(2) Operating lease

(a) Lessees' accounting

Minimum future lease payments for non-cancelable operating leases are as follows:

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Due within 1 year	¥63	¥61	\$403
Due over 1 year	61	–	–
Total	¥125	¥61	\$403

(b) Lessors' accounting

Minimum future lease payments for non-cancelable operating leases are as follows:

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Due within 1 year	¥101	¥98	\$647
Due over 1 year	98	–	–
Total	¥199	¥98	\$647



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## 19. Financial Instruments

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### (1) Matters concerning the status of financial instruments

#### (a) Management policy

The management policy of the Company is to invest surplus funds into highly secure financial assets. The Company does not have any speculative trading.

#### (b) Financial instruments and their risks

Both notes receivable and accounts receivable as operating receivables are exposed to credit-related losses in the event of nonperformance by customers. Marketable securities and investments in securities are exposed to changes in market price. The Company holds marketable securities and investments in securities mainly as held-to-maturity or due to relationship-building with business clients. Notes payable, accounts payable and electronically recorded monetary claims as trade liabilities are due and payable within one year.

#### (c) Risk management policies

##### ① Management policy for credit risks (losses in the event of nonperformance by business clients)

The Company has an established credit management policy, whereby credit risks exposure arising from both notes and accounts receivable is monitored on an ongoing basis in order to detect credit deterioration as well as to trigger appropriate minimizing measures at its early stages.

Held-to-maturity investments are subject to the examination and decision of the Funds Management Review Committee and accordingly, investments largely consist of negotiable deposits and high graded securities, which are considered to have minimal credit risk.

##### ② Management policy for market risks (foreign currency exchanges and interest rates)

Marketable securities and investments in securities are marked to market and the financial condition of the issuer (client company) is monitored periodically.

In addition, the holdings of bonds and securities, other than held-to-maturity investments, are reviewed continuously, taking into consideration the relationship and other factors with the issuer.

##### ③ Management policy for liquidity risk (in default on its financial obligations)

The Company has managed liquidity risk by holding appropriate funds based on the forecasts, and actual cash flow is monitored by the management.

#### (d) Supplementary explanation on the fair value of financial instruments

The fair values of financial instruments are based on quoted market prices. If quoted market prices are unavailable, the fair values are estimated based on the prices which are assessed as reasonable by the Company. Since the Company takes contingent variable factors into account when estimating the fair value, it would vary depending on the different preconditions.

(2) Estimated fair value of financial instruments

Differences between carrying value and estimated fair value as of March 31, 2023 and 2024 are as follows:

Millions of Yen				Thousands of U.S.dollars		
2023				2024		
	Carrying value	Estimated fair value	Difference in amounts	Carrying value	Estimated fair value	Difference in amounts
Marketable securities and investments in securities						
① Held-to-maturity	¥5,034	¥5,029	(¥4)	\$31,922	\$31,863	(\$59)
② Subsidiaries and affiliates	2,331	2,367	35	15,918	18,692	2,768
③ Other securities	8,735	8,735	–	77,279	77,279	–
Total (Assets)	¥16,101	¥16,132	¥30	\$125,132	\$127,834	\$2,701

(NOTES)

"Cash and bank deposits," "Notes and accounts receivable—trade and contract assets," "Notes and accounts payable—trade," and "Electronically recorded obligations" are omitted as they are cash and their fair value is close to the book value since these items are settled in a short period of time. Financial instruments whose fair values are difficult to estimate are not included in "Marketable securities and investments in securities". These financial instruments are recorded in consolidated balance sheets as follows:

Millions of Yen		Thousands of U.S.dollars
2023	2024	2024
Unlisted securities (Carrying value)	¥2,230	\$3,593

Note1: Redemption schedule for monetary claims and securities with maturities subsequent to the balance sheet date is as follows:

		Millions of Yen			
		2023			
		Due 1 Year or Less	Due after 1 year through 5 years	Due after 5 year through 10 years	Due after 10 years
Cash and bank deposits		¥62,399	–	–	–
Notes and accounts receivable		29,703	–	–	–
Marketable securities and investments in securities:					
Held-to-maturity securities		2,350	¥859	¥1,724	¥100
Total		¥94,452	¥859	¥1,724	¥100

		Millions of Yen			
		2024			
		Due 1 Year or Less	Due after 1 year through 5 years	Due after 5 year through 10 years	Due after 10 years
Cash and bank deposits		¥62,577	–	–	–
Notes and accounts receivable		33,453	–	–	–
Marketable securities and investments in securities:					
Held-to-maturity securities		2,359	¥450	¥2,023	–
Total		¥100,976	¥450	¥2,023	–

		Thousands of U.S. dollars			
		2024			
		Due 1 Year or Less	Due after 1 year through 5 years	Due after 5 year through 10 years	Due after 10 years
Cash and bank deposits		\$413,322	–	–	–
Notes and accounts receivable		220,958	–	–	–
Marketable securities and investments in securities:		0	\$0	\$0	\$0
Held-to-maturity securities		15,581	2,972	13,362	–
Total		\$666,948	\$2,972	\$13,362	–

Note2: Repayment schedule for long-term loans payable, lease obligations and other interest-bearing liabilities subsequent to the balance sheet date is as follows:

		Millions of Yen					
		2023					
		Due 1 Year or Less	Due after 1 year through 2 years	Due after 2 year through 3 years	Due after 3 year through 4 years	Due after 4 year through 5 years	Due after 5 Years
Long-term loans payable		–	–	–	–	–	–
Lease obligations		¥4,150	¥3,278	¥2,262	¥1,036	¥670	¥543
Total		¥4,150	¥3,278	¥2,262	¥1,036	¥670	¥543

		Millions of Yen					
		2024					
		Due 1 Year or Less	Due after 1 year through 2 years	Due after 2 year through 3 years	Due after 3 year through 4 years	Due after 4 year through 5 years	Due after 5 Years
Long-term loans payable		–	–	–	–	–	–
Lease obligations		¥5,407	¥4,373	¥1,953	¥1,056	¥470	¥502
Total		¥5,407	¥4,373	¥1,953	¥1,056	¥470	¥502

		Thousands of U.S. dollars					
		2024					
		Due 1 Year or Less	Due after 1 year through 2 years	Due after 2 year through 3 years	Due after 3 year through 4 years	Due after 4 year through 5 years	Due after 5 Years
Long-term loans payable		–	–	–	–	–	–
Lease obligations		\$35,713	\$28,884	\$12,900	\$6,975	\$3,104	\$3,316
Total		\$35,713	\$28,884	\$12,900	\$6,975	\$3,104	\$3,316

### (3) Matters concerning the breakdown of financial instruments by fair value level

The fair value of financial instruments is classified into the following three levels according to the observability and importance of the input related to the calculation of the fair value.

Level 1: quoted prices in active markets for identical assets or liabilities that are observable by the entity at the measurement date are used

Level 2: inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly are used

Level 3: Unobservable inputs are used

If the inputs used to measure fair value are categorized into different levels of the fair value hierarchy, the fair value measurement is categorized in its entirety in the level of the lowest level input that is significant to the entire measurement (based on the application of judgement).

(a) Financial instruments recorded on the consolidated balance sheet at fair value are as follows:

		2023			
		Fair values (Millions of Yen)			
		Level 1	Level 2	Level 3	Total
Marketable securities and investments in securities:					
Other securities		¥7,728	¥1,007	—	¥8,735
	Total	¥7,728	¥1,007	—	¥8,735
		2024			
		Fair values (Millions of Yen)			
		Level 1	Level 2	Level 3	Total
Marketable securities and investments in securities:					
Other securities		¥11,334	¥365	—	¥11,700
	Total	¥11,334	¥365	—	¥11,700
		Thousands of U.S. dollars			
		2024			
		Level 1	Level 2	Level 3	Total
Marketable securities and investments in securities:					
Other securities		\$74,861	\$2,411	—	\$77,279
	Total	\$74,861	\$2,411	—	\$77,279

(b) Financial instruments that are not recorded on the consolidated balance sheet at fair value are as follows:

		2023			
		Fair values (Millions of Yen)			
		Level 1	Level 2	Level 3	Total
Marketable securities and investments in securities:					
Held-to-maturity		—	¥5,029	—	¥5,029
Subsidiaries and affiliates		¥2,367	—	—	2,367
	Total	¥2,367	¥5,029	—	¥7,396
		2024			
		Fair values (Millions of Yen)			
		Level 1	Level 2	Level 3	Total
Marketable securities and investments in securities:					
Held-to-maturity		—	¥4,824	—	¥4,824
Subsidiaries and affiliates		¥2,830	—	—	2,830
	Total	¥2,830	¥4,824	—	¥7,654
		Thousands of U.S. dollars			
		2024			
		Level 1	Level 2	Level 3	Total
Marketable securities and investments in securities:					
Held-to-maturity		—	\$31,863	—	\$31,863
Subsidiaries and affiliates		\$18,692	—	—	18,692
	Total	\$18,692	\$31,863	—	\$50,555

Notes: Explanation of the valuation technique used to calculate the fair value and the inputs related to the measurement of the fair value.

Marketable securities and investments in securities:

The fair value of listed stocks is evaluated using the price of the exchange. Listed stocks are traded in active markets and are therefore classified as Level 1 fair value.

Bonds and investment trusts are classified as Level 2 since they are evaluated using the prices offered by the financial institutions.

Since certificates of deposit are short-term, their fair value is almost equal to their book value, so they are classified as Level 2 although they are based on the book value.

## [Marketable securities]

### (1) Held-to-maturity securities

		Millions of Yen					
		2023					
		Carrying value	Fair value	Unrealized gains (losses)			
Held-to-maturity securities with fair value exceeding carrying value		¥609	¥611	¥1			
Held-to-maturity securities with fair value not exceeding carrying value		4,424	4,417	(6)			
Total		¥5,034	¥5,029	(¥4)			
		Millions of Yen			Thousands of U.S.dollars		
		2024			2024		
		Carrying value	Fair value	Unrealized gains (losses)	Carrying value	Fair value	Unrealized gains (losses)
Held-to-maturity securities with fair value exceeding carrying value		¥509	¥510	¥0	\$3,362	\$3,369	\$0
Held-to-maturity securities with fair value not exceeding carrying value		4,323	4,313	(10)	28,554	28,487	(66)
Total		¥4,833	¥4,824	(¥9)	\$31,922	\$31,863	(\$59)

### (2) Other securities

			Millions of Yen		
			2023		
			Carrying value	Acquisition cost	Unrealized gains (losses)
Other securities with carrying value exceeding acquisition cost					
Stocks			¥6,417	¥2,858	¥3,558
Other			787	776	10
Subtotal			7,204	3,635	3,569
Other securities with carrying value not exceeding acquisition cost					
Stocks			1,310	1,616	(305)
Other			220	247	(26)
Subtotal			1,531	1,863	(332)
Total			¥8,735	¥5,498	¥3,236

			Thousands of U.S.dollars		
			2024		
			Carrying value	Acquisition cost	Unrealized gains (losses)
Other securities with carrying value exceeding acquisition cost					
Stocks			¥11,007	¥4,081	¥6,926
Other			110	107	2
Subtotal			11,117	4,188	6,928
Other securities with carrying value not exceeding acquisition cost					
Stocks			327	400	(72)
Other			255	274	(18)
Subtotal			582	674	(91)
Total			¥11,700	¥4,863	¥6,837


### (3) Other securities sold

No sale of other securities was recorded for the year ended March 31, 2023 and 2024.

### (4) Impaired securities

If the market value at the end of the period falls by 50% or more compared to the acquisition cost, the entire amount will be treated as impairment loss, and if it falls by 30% to 50%, the amount deemed necessary in consideration of the possibility of recovery will be treated as impairment loss.

Not applicable for the year ended March 31, 2023, impaired securities were omitted due to lack of significance.

For the year ended March 31, 2024, impairment loss of 1,713 million yen was recognized on a portion of investment securities.

## [Derivative transaction]

Not applicable

## 20. Retirement Benefits

### (1) Outline of the retirement benefit plans adopted

The Company adopted a defined benefit corporate pension scheme and a defined contribution pension scheme as part of its retirement benefit plan. In addition, several subsidiaries have lump-sum payment plans and a defined benefit corporate pension plan. They calculate assets and liabilities for retirement benefits, and the retirement benefit expenses by means of a simplified method.

### (2) Defined benefit plans (excluding plans to which the simplified method is applied)

#### (a) Reconciliation of balance of retirement benefit obligation at the beginning and the end of the year

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Balance at the beginning of the year	¥14,055	¥12,847	\$84,855
Service cost	994	960	6,341
Interest cost	87	137	905
Actuarial loss	(618)	(251)	(1,658)
Retirement benefits paid	(1,747)	(334)	(2,206)
Prior service cost	–	–	–
Increase amount resulting from changes in scope of consolidation	–	219	
Other	76	27	178
Balance at the end of the year	¥12,847	¥13,606	\$89,868

#### (b) Reconciliation of balance of pension assets at the beginning and the end of the year

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Balance at the beginning of the year	¥11,892	¥10,794	\$71,295
Expected return on plan assets	293	289	1,909
Actuarial loss	(534)	478	3,157
Contributions by the Company	757	738	4,875
Retirement benefits paid	(1,672)	(239)	(1,579)
Other	57	38	251
Balance at the end of the year	¥10,794	¥12,099	\$79,914

#### (c) Reconciliation of balance of retirement benefit obligation and pension assets at the end of year and net defined benefit liabilities and assets recognized on the consolidated balance sheet

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Funded retirement benefit obligation	¥12,751	¥13,276	\$87,688
Plan assets at fair value	(10,794)	(12,099)	(79,914)
	1,956	1,177	7,774
Unfunded retirement benefit obligation	96	330	2,180
Net liability for retirement benefits in the balance sheet	2,053	1,507	9,954
			0
Liability for retirement benefits	2,053	1,507	9,954
Asset for retirement benefits	–	–	–
Net defined benefit liabilities in the balance sheet	¥2,053	¥1,507	\$9,954

(d) Retirement benefit expenses and a detailed breakdown

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Service cost	¥994	¥960	\$6,341
Interest cost	87	137	905
Expected return on plan assets	(293)	(289)	(1,909)
Amortization of actuarial loss	149	166	1,096
Amortization of prior service cost	-	-	-
Retirement benefit expense	¥937	¥974	\$6,433

(e) Reconciliation related to retirement benefits

Breakdown of items (prior to tax effect deduction) recognized as adjustments related to retirement benefits are as follows.

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Prior service cost	-	-	-
Actuarial loss (gain)	¥234	¥895	\$5,911
Total	¥234	¥895	\$5,911

(f) Cumulative adjustments related to retirement benefits

Breakdown of items (prior to tax effect deduction) recognized as cumulative adjustments related to retirement benefits are as follows.

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Unrecognized prior service cost	-	-	-
Unrecognized actuarial loss	(¥562)	¥333	\$2,199
Total	(¥562)	¥333	\$2,199

(g) Pension assets

① Breakdown of principal pension assets

The main categories by percentage of total pension assets are as follows.

	Millions of Yen	
	2023	2024
General accounts	10%	16%
Bonds	54%	48%
Stocks	17%	21%
Other	19%	15%
Total	100%	100%

② Method for setting long-term expected rate of return

The current and projected allocation of pension assets and the current and future long-term rates of return for the diverse assets that comprise the pool of pension assets are considered when determining the long-term expected rate of return on pension assets.

(h) Actuarial assumptions

Major actuarial assumptions (weighted-average) used are as follows.

	Millions of Yen	
	2023	2024
Discount rate	1.4%	1.7%
Expected long-term rate of return on plan assets	2.7%	2.7%
Expected rates of salary increases	5.0%	4.2%

(3) Defined benefit plans to which the simplified method is applied

(a) Adjustment of balance of defined benefit plans to which the simplified method is applied in the retirement benefit obligation at the beginning and the end of the year

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Balance at the beginning of the year	¥85	¥112	\$740
Retirement benefit expense	67	39	258
Retirement benefits paid	(17)	(57)	(376)
Contributions to plans	(25)	(24)	(159)
Other	2	1	7
Balance at the end of the year	¥112	¥71	\$469

Note:

The Balances of the Retirement benefit obligations are shown as the amounts after offsetting the balances of the Net defined benefit assets (2023 ¥ 115 million, 2024 ¥ 142 million).

(b) Adjustment of balance of Retirement Benefit Obligations and Pension Assets at the End of the Year and Retirement Benefit Liabilities and Retirement Benefit assets recorded on the Consolidated Balance Sheets

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Funded retirement benefit obligation	¥336	¥349	\$2,305
Plan assets at fair value	(400)	(447)	(2,952)
	(63)	(97)	(641)
Unfunded retirement benefit obligation	176	169	1,116
Net liability for retirement benefits in the balance sheet	112	71	469
Liability for retirement benefits	227	213	1,407
Asset for retirement benefits	(115)	(142)	(938)
Net liability for retirement benefits in the balance sheet	¥112	¥71	\$469

(c) Retirement Benefit Expenses

Retirement benefit expenses calculated using the simplified method are as follows:

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Retirement benefit expenses	¥67	¥39	\$258

(4) Defined Contribution Plan

Contributions to defined contribution plans of the Company and its consolidated subsidiaries are as follows:

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Contributions to defined contribution plans	¥606	¥635	\$4,194

**[Information on "Stock Option Related"]**

Not applicable for the year ended March 31, 2023 and 2024.



## 21. Tax Effect Accounting

(1) The principal components of deferred tax assets and deferred tax liabilities are as follows:

	Millions of Yen		Thousands of U.S.dollars
	2023	2024	2024
Deferred tax assets:			
Accrued enterprise tax	¥194	¥216	\$1,427
Accrued employees' bonuses	821	925	6,110
Net liability for retirement benefits	681	431	2,847
Loss carried forward(Note2)	1,719	1,828	12,074
Loss on write-down of investments in securities	245	643	4,247
Surplus on allowance for doubtful accounts	127	120	793
Unrealized gains	584	659	4,353
Others	2,355	2,717	17,946
Subtotal deferred tax assets	6,729	7,543	49,822
Less: valuation allowance for tax loss carryforwards(Note2)	(1,585)	(1,679)	(11,090)
Less: valuation allowance for deductible temporary difference	(1,520)	(1,925)	(12,715)
Subtotal valuation allowance(Note1)	(3,105)	(3,604)	(23,804)
Total deferred tax assets	3,624	3,939	26,017
Deferred tax liabilities:			
Unrealized loss on other securities	(889)	(1,864)	(12,312)
Others	(160)	(26)	(172)
Total deferred tax liabilities	(1,049)	(1,891)	(12,490)
Net deferred tax assets	¥2,574	¥2,048	\$13,527

Note1: Valuation allowance increased by ¥498 million, but there are no main reason.

Note2: A breakdown of net operating loss carryforwards and valuation allowance by expiry as follows:

	Millions of Yen						
	2023						
	Due in 1 Year or Less	Due after 1 Year through 2 Years	Due after 2 Years through 3 Years	Due after 3 Years through 4 Years	Due after 4 Years through 5 Years	Due after 5 Years	Total
Net operating loss carryforwards (a)	—	—	—	—	—	¥1,719	¥1,719
Valuation allowance	—	—	—	—	—	(1,585)	(1,585)
Deferred tax assets	—	—	—	—	—	¥134	¥134

(b)

	Millions of Yen						
	2024						
	Due in 1 Year or Less	Due after 1 Year through 2 Years	Due after 2 Years through 3 Years	Due after 3 Years through 4 Years	Due after 4 Years through 5 Years	Due after 5 Years	Total
Net operating loss carryforwards (a)	—	—	—	—	—	¥1,828	¥1,828
Valuation allowance	—	—	—	—	—	(1,679)	(1,679)
Deferred tax assets	—	—	—	—	—	¥149	¥149

(b)

	Thousands of U.S. dollars						
	2024						
	Due in 1 Year or Less	Due after 1 Year through 2 Years	Due after 2 Years through 3 Years	Due after 3 Years through 4 Years	Due after 4 Years through 5 Years	Due after 5 Years	Total
Net operating loss carryforwards (a)	—	—	—	—	—	\$12,074	\$12,074
Valuation allowance	—	—	—	—	—	(11,090)	(11,090)
Deferred tax assets	—	—	—	—	—	\$984	\$984

(b)

(a)The amount is determined by multiplying the corresponding net operating loss carryforwards by the effective statutory tax rate.

(b)Deferred tax assets of ¥149 million are related to tax loss carryforwards of ¥1,828 million. The tax loss carryforwards for which the Company recognized deferred tax assets are determined to be recoverable by expected future taxable income.

- (2) The reconciliation between the Statutory Effective Tax Rate and the Actual Effective Tax Rate when there is a difference between the statutory effective tax rate and the actual effective tax rate after the application of tax effect accounting is as follows.

	2023	2024
Effective statutory tax rate	30.6%	—
Adjustments:		
Entertainment and other nondeductible expenses	0.7	—
Dividends and other nontaxable income	(6.1)	—
Inhabitant tax on per capita levy	0.5	—
Nondeductible amortization of goodwill	0.6	—
Eliminated dividend received from subsidiaries	6.1	—
Effect of North Americas CARES Act.	(0.2)	—
Tax credit for research and development expenses	(0.2)	—
Valuation allowance	0.2	—
Difference of foreign subsidiaries' taxation rates	(0.1)	—
Equity in earnings of affiliates	(0.3)	—
Others	0.4	—
Actual effective tax rate after adoption of tax effect accounting	32.2%	—

Notes:

Fiscal Year ended March 31, 2024 are omitted as the difference between the effective statutory tax rates and the actual effective tax rates after adoption of tax effect accounting is five one-hundredths or less of the effective statutory tax rates.

**[Information on "Business Combinations Related"]**

Not applicable for the year ended March 31, 2023.

Omitted due to lack of importance for the year ended March 31, 2024.

**[Information on "Asset retirement obligations"]**

Omitted due to lack of importance for the year ended March 31, 2023 and 2024.

**[Information on "Rental and other real estate related"]**

Omitted due to lack of importance for the year ended March 31, 2023 and 2024.

## 22. Revenue Recognition

### (1) Disaggregated information for revenue generated from contracts with customers

Millions of Yen			
2023			
Reportable segments			
	Time Information System business	Environment System business	Total
Information Systems	¥31,353	–	¥31,353
Time Management Products	2,841	–	2,841
Parking Systems	64,708	–	64,708
Environmental Systems	–	¥20,838	20,838
Clean Systems	–	13,068	13,068
Revenue generated from contracts with customers	¥98,903	¥33,906	¥132,810

Millions of Yen			
2024			
Reportable segments			
	Time Information System business	Environment System business	Total
Information Systems	¥35,757	–	¥35,757
Time Management Products	2,572	–	2,572
Parking Systems	78,510	–	78,510
Environmental Systems	–	¥23,089	23,089
Clean Systems	–	12,935	12,935
Revenue generated from contracts with customers	¥116,840	¥36,024	¥152,864

Thousands of U.S. dollars			
2024			
Reportable segments			
	Time Information System business	Environment System business	Total
Information Systems	\$236,176	–	\$236,176
Time Management Products	16,988	–	16,988
Parking Systems	518,560	–	518,560
Environmental Systems	–	\$152,503	152,503
Clean Systems	–	85,436	85,436
Revenue generated from contracts with customers	\$771,731	\$237,939	\$1,009,670

#### Notes

Some revenues from lease transactions are included, but they are included in revenue generated from contracts with customers because they are immaterial.

### (2) Basis for understanding the revenue generated from contracts with customers

The information that is the basis for understanding the revenue generated from contracts with customers is described in the "4. Summary of Significant Accounting Policies (5) Recognition criteria for significant revenue and expenses" in "Notes to Consolidated Financial Statements".

- (3) Information about the relationship between the fulfillment of performance obligations based on the contract with customers and cash flow generated from the contract, and the amount and timing of revenue expected to be recognized from the contract with customers existing at the end of the current consolidated fiscal year after the next consolidated fiscal year.

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

(a) Balance of contract assets and contract liabilities, etc.

	Millions of Yen
	2023
Receivables generated from contracts with customers (Balance at the beginning of the year)	¥27,237
Receivables generated from contracts with customers (Balance at the end of the year)	¥29,703
Contract assets (Balance at the beginning of the year)	¥757
Contract assets (Balance at the end of the year)	¥1,254
Contract liability (Balance at the beginning of the year)	¥4,540
Contract liability (Balance at the end of the year)	¥5,186

On the consolidated balance sheet, contract assets are recorded in "Notes and accounts receivable—trade and contract assets", and contract liabilities are recorded in "Other current liabilities".

Contract assets are unbilled accounts receivable related to revenue recognized based on progress measurement in construction contracts for some Parking Systems and Environmental Systems businesses, and are transferred to trade receivables at the time of customer acceptance. Consideration for these performance obligations is generally received within one year after the performance obligation is satisfied, according to separately determined payment conditions, and does not include any significant financing components.

In addition, there are no significant financial factors in the receivables arising from contracts with the Company group's customers.

Contract liabilities are primarily customer advance payments in contracts that continue to provide services. Of the outstanding contract liabilities at the beginning of the period, the amount of revenue recognized in the current consolidated fiscal year is 3,636 million yen. Also, the amount of revenue recognized from performance obligations that have been satisfied(or partially satisfied) in previous periods, are immaterial.

(b) Transaction price allocated to residual performance obligations

The Company group applies practical expedients, and the above amounts do not include transaction prices related to unsatisfied performance obligations with an initially expected remaining period of one year or less.

As of March 31, 2023, the total transaction price allocated to the remaining performance obligations is 2,263 million yen. The remaining performance obligation is related to construction contracts for some Parking Systems and Environmental Systems business, and is expected to be recognized as revenue typically within two years depending on the progress of construction.

Also, there are no significant amounts not included in the transaction price in the consideration arising from the contract with the customer.

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

(a) Balance of contract assets and contract liabilities, etc.

	Millions of Yen	Thousands of U.S. dollars
	2024	2024
Receivables generated from contracts with customers (Balance at the beginning of the year)	¥29,703	\$196,189
Receivables generated from contracts with customers (Balance at the end of the year)	¥33,453	\$220,958
Contract assets (Balance at the beginning of the year)	¥1,254	\$8,283
Contract assets (Balance at the end of the year)	¥2,585	\$17,074
Contract liability (Balance at the beginning of the year)	¥5,186	\$34,254
Contract liability (Balance at the end of the year)	¥6,979	\$46,096

On the consolidated balance sheet, contract assets are recorded in "Notes and accounts receivable—trade and contract assets", and contract liabilities are recorded in "Other current liabilities".

Contract assets are unbilled accounts receivable related to revenue recognized based on progress measurement in construction contracts for some Parking Systems and Environmental Systems businesses, and are transferred to trade receivables at the time of customer acceptance. Consideration for these performance obligations is generally received within one year after the performance obligation is satisfied, according to separately determined payment conditions, and does not include any significant financing components.

In addition, there are no significant financial factors in the receivables arising from contracts with the Company group's customers.

Contract liabilities are primarily customer advance payments in contracts that continue to provide services. Of the outstanding contract liabilities at the beginning of the period, the amount of revenue recognized in the current consolidated fiscal year is 3,835 million yen.

Also, the amount of revenue recognized from performance obligations that have been satisfied(or partially satisfied) in previous periods, are immaterial.

(b) Transaction price allocated to residual performance obligations

The Company group applies practical expedients, and the above amounts do not include transaction prices related to unsatisfied performance obligations with an initially expected remaining period of one year or less.

As of March 31, 2024, the total transaction price allocated to the remaining performance obligations is 3,242 million yen. The remaining performance obligation is related to construction contracts for some Parking Systems and Environmental Systems business, and is expected to be recognized as revenue typically within two years depending on the progress of construction.

Also, there are no significant amounts not included in the transaction price in the consideration arising from the contract with the customers.

## 23. Segment Information

### (1) Outline of reporting segments

The reporting segments are defined as those business units which constitute the Company and from which separate financial information can be obtained. The reporting segments are periodically reviewed by the Company's highest decision-making body to determine the allocation of management resources and evaluate financial results.

The Company maintains several business units at its head office, separated into product and service types. The role of these business units is to formulate and implement domestic business strategies for similar types of products and services. In overseas business, meanwhile, local subsidiaries in each region develop strategies in their respective business fields in cooperation with the relevant business unit at its head office and carry out business activities in accordance with such strategy.

Based on the above, the Company divides its business into two segments, from which separate financial information can be obtained on a consolidated basis: the Time Information System business and the Environment System business. The operating results of these two segments are periodically reviewed by the Company's highest decision-making body to determine the allocation of management resources and evaluate financial results.

As described above, the Company's reporting segments consist of the Time Information System business and the Environment System business.

The Time Information System business and the Environment System business manufacture and sell the following products:

Business segment	Sales category	Principal products
Time Information System business	Information Systems	Time & Attendance (T&A), Human Resource (HR) systems, payroll information systems, access control, proximity IC card solutions, system time recorders, T&A and HR and payroll ASP services, time distribution and authentication services (digital time stamps)
	Time Management Products	PC-linked time recorders, online time recorders, computerized time recorders, standard electronic time recorders, electronic time stamps, patrol recorders
	Parking Systems	Automatic fee settlement systems, access control systems, parking lot management systems, bicycle parking lot management systems, automatic time registers, parking tower management systems, Internet-based parking guidance systems, commissioned parking lot management business
Environment System business	Environmental Systems	Industrial vacuum cleaners, standard dust collectors, mist collectors, fume collectors, large dust collection systems, deodorization systems, high-temperature hazardous-gas removal systems, pneumatic powder conveyance systems, environmental equipment monitoring/maintenance support systems, industrial air purifiers
	Clean Systems	Commercial vacuum cleaners, automatic floor scrubbers, robotic floor scrubbers, road and industrial sweepers, high-speed burnishers, polisher chemical products, supplies and accessories, wooden floor sanding machines, consigned janitorial management services, electrolytic water cleaning systems, alkaline electrolytic water

### (2) Methodology for determining Net Sales, Profit/Loss, Assets, Liabilities, and other Line Item amounts by reporting segment

The accounting methods of the reported business segments are in accordance with the accounting policies adopted to prepare the consolidated financial statements.

Profits for the reporting segments are reported at the operating profit level.

Intersegment internal earnings and transfers are based on prevailing market prices.

(3) Sales, profits or losses, assets and other items by reportable segments

		Millions of Yen			
		2023			
		Reportable segments			Adjustments/ Eliminations
		Time information system business	Environment system business	Total	
Net sales:					
Sales to third parties		¥98,903	¥33,906	¥132,810	–
Intersegment sales and transfers		–	–	–	–
	Total	98,903	33,906	132,810	–
Segment profit or loss		14,927	4,705	19,632	(¥3,844)
Segment assets		79,509	30,935	110,444	60,806
Depreciation and amortization		7,773	748	8,521	496
Investment in equity-method affiliates		2,331	–	2,331	–
Increase in tangible and intangible fixed assets		9,363	781	10,145	257

		Millions of Yen			
		2024			
		Reportable segments			Adjustments/ Eliminations
		Time information system business	Environment system business	Total	
Net sales:					
Sales to third parties		¥116,840	¥36,024	¥152,864	–
Intersegment sales and transfers		–	–	–	–
	Total	116,840	36,024	152,864	–
Segment profit or loss		19,029	4,548	23,578	(¥4,010)
Segment assets		92,044	30,330	122,374	62,210
Depreciation and amortization		8,979	784	9,763	493
Investment in equity-method affiliates		2,410	–	2,410	–
Increase in tangible and intangible fixed assets		11,711	1,887	13,599	366

		Thousands of U.S. dollars			
		2024			
		Reportable segments			Adjustments/ Eliminations
		Time information system business	Environment system business	Total	
Net sales:					
Sales to third parties		\$771,731	\$237,939	\$1,009,670	–
Intersegment sales and transfers		–	–	–	–
	Total	771,731	237,939	1,009,670	–
Segment profit or loss		125,687	30,040	155,733	(\$26,486)
Segment assets		607,952	200,330	808,283	410,898
Depreciation and amortization		59,306	5,178	64,485	3,256
Investment in equity-method affiliates		15,918	–	15,918	–
Increase in tangible and intangible fixed assets		77,351	12,464	89,822	2,417

Notes

Adjustments/Eliminations represent general and administrative expenses and assets related to administrative divisions which are not allocated to each reportable segment.

## [Related Information]

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

### (1) Information by product and service

Since similar information is disclosed in the segment information the description is omitted.

### (2) Geographic Segments

(a) Net sales				Millions of Yen
Japan	America	Korea	Others	Total
¥77,492	¥16,919	¥16,060	¥22,338	¥132,810

Note: Sales are based on the location of customers and are classified by country or region.

(b) Tangible fixed assets			Millions of Yen
Japan	China	Others	Total
¥17,621	¥6,292	¥5,221	¥29,135

### (3) Information by major customer

Not applicable because there is no single customer who accounts for more than 10% of net sales shown in the consolidated statement of income.

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

### (1) Information by product and service

Since similar information is disclosed in the segment information the description is omitted.

### (2) Geographic Segments

(a) Net sales				Millions of Yen
Japan	America	Korea	Others	Total
¥85,909	¥18,829	¥21,154	¥26,970	¥152,864

Note: Sales are based on the location of customers and are classified by country or region.

				Thousands of U.S. dollars
Japan	America	Korea	Others	Total
\$567,431	\$124,366	\$139,723	\$178,137	\$1,009,670

(b) Tangible fixed assets			Millions of Yen
Japan	China	Others	Total
¥17,677	¥7,200	¥6,218	¥31,096

				Thousands of U.S. dollars
Japan	North America	Others	Total	
\$116,757	\$47,556	\$41,070	\$205,390	

### (3) Information by major customer

Not applicable because there is no single customer who accounts for more than 10% of net sales shown in the consolidated statement of income.

**[Information on "Impairment loss of fixed assets" by reportable segments]**

Not applicable for the year ended March 31, 2023 and 2024.

**[Information on both "Amortization of goodwill" and "Unamortized balance" by reportable segments]**

Information on both "Amortization of goodwill" and "Unamortized balance" by reportable segments as at and for the years ended March 31, 2023 and 2024 are as follows:

		Millions of Yen			
		2023			
		Reportable segments			Eliminations/ Corporate
		Time Information System business	Environment System business	Total	
Amortization of goodwill		¥311	–	¥311	–
Unamortized balance		1,214	–	1,214	–

		Millions of Yen			
		2024			
		Reportable segments			Eliminations/ Corporate
		Time Information System business	Environment System business	Total	
Amortization of goodwill		¥282	¥10	¥293	–
Unamortized balance		1,695	189	1,884	–

		Thousands of U.S. dollars			
		2024			
		Reportable segments			Eliminations/ Corporate
		Time Information System business	Environment System business	Total	
Amortization of goodwill		\$1,863	\$66	¥1,935	–
Unamortized balance		11,196	1,248	12,444	–

**[Information on "Gain on negative goodwill" by reportable segments]**

Not applicable for the year ended March 31, 2023 and 2024.

**[Information on "Related Party Information"]**

Not applicable for the year ended March 31, 2023 and 2024.



## 24. Per Share Data

	Yen		U.S. dollars
	2023	2024	2024
Net assets per share	¥1,656.43	¥1,779.42	\$11.753
Net income per share	154.42	182.48	1.21

Note1: Details for the diluted net income per share are not stated, because there are no potential shares.

Note2: The basis for these calculations is as follows:

	Millions of Yen		Thousands of U.S. dollars
	2023	2024	2024
Net income in the consolidated statement of income	¥11,288	¥13,141	\$86,797
Net income relating to common stock	11,288	13,141	86,797
Average number of shares of common stock outstanding during the year	73,104,399	72,019,048	

Note3: The basis for these calculations is as follows:

	Millions of Yen		Thousands of U.S. dollars
	2023	2024	2024
Total net assets in consolidated balance sheet	¥121,638	¥128,103	\$846,123
Amount to be deducted from total net assets	882	502	3,316
(Out of the above non-controlling interest portion)	(882)	(502)	(3,316)
Net assets relating to common stock	120,756	127,600	842,801
Number of shares of common stock used to compute net assets per share	72,901,514	71,709,283	

Note4:

Shares remaining in trust of the Director's Compensation BIP Trust and the Employee Stock Ownership Plan (J-ESOP) recognized in shareholders' equity as treasury stock are included in treasury stock to be deducted in the calculation of the average number of shares outstanding over the period to calculate net income per share and also included in treasury stock to be deducted in the calculation of the number of shares of treasury stock at the end of the period to calculate net assets per share. The average number of shares of such treasury stock outstanding over the period that was deducted to calculate net income per share was 398,794 shares for the previous fiscal year and 639,679 shares for the current fiscal year. The number of shares of treasury stock at the end of the period that was deducted to calculate net assets per share was 398,219 shares for the previous fiscal year and 793,884 shares for the current fiscal year.

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## 25. Significant Subsequent Events

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### [Acquisition of treasury stock]

On April 25, 2024, the Board of Directors of the Company approved the resolution to acquire treasury stock pursuant to the provisions of Article 156 of the Companies Act as applied by replacing certain terms under the provisions of Article 165, Paragraph 3 of the same Act.

#### (1) Reasons for acquisition of treasury stock

While strengthening shareholder returns, treasury stock is acquired in order to flexibly carry out its capital management strategies and to improve capital efficiency in response to changes in the business environment.

#### (2) Details of the acquisition

① Class of shares to be acquired	:Common stock of the Company
② Total number of shares to be acquired	:Up to 500,000 shares (upper limit) [Representing 0.69% of the Total number of shares issued (excluding treasury stock)]
③ Total acquisition cost	:Up to JPY2,000 Million (upper limit) [Up to 13,210 Thousands of U.S. dollars]
④ Acquisition period	:From April 26, 2024 to July 31, 2024