

Translation

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

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



May 15, 2024
Tokyo Stock Exchanges in Japan

Company name : NHK SPRING CO., LTD.
Code number : 5991
URL : <https://www.nhkspg.co.jp/>
Representative : Kazuhisa Uemura, President & Chief Operating Officer, Representative Member of the Board
Contact person : Kazuko Tachibana, Director, Corporate Communications Dept, Corporate Planning & Control Division
TEL +81-45-786-7513

Date of the annual general shareholder's meeting : June 25, 2024
Payment date of cash dividends : June 26, 2024
Filing date of financial statements : June 26, 2024
Supplemental materials prepared for financial results : Yes
Earnings announcement for financial results : Yes(Intended for securities analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 through March 31, 2024)

(1) Consolidated Financial Results (Percentage indicates change from the previous fiscal year)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	766,934	10.6	34,652	20.2	47,814	28.1	39,188	82.0
March 31, 2023	693,246	18.1	28,838	35.0	37,317	21.7	21,537	(32.7)

Note: Comprehensive income
Fiscal year ended March 31, 2024 71,866 million yen (94.7 %)
Fiscal year ended March 31, 2023 36,917 million yen (19.4 %)

Fiscal year ended	Earnings per share, Basic	Earnings per share, Diluted	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to sales
	Yen	Yen	%	%	%
March 31, 2024	173.27	—	10.4	7.4	4.5
March 31, 2023	94.50	—	6.4	6.3	4.2

Reference: Equity in earnings (losses) of affiliates
Fiscal year ended March 31, 2024 1,803 million yen
Fiscal year ended March 31, 2023 979 million yen

(2) Consolidated Financial Position

As of	Total assets	Net assets	Shareholders' equity to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2024	690,289	420,574	58.7	1,828.86
March 31, 2023	606,039	365,860	57.6	1,541.70

Reference: Shareholders' equity (Net assets excluding non-controlling interests)
As of March 31, 2024 405,021 million yen
As of March 31, 2023 349,221 million yen

(3) Consolidated Cash Flows

Fiscal year ended	Net cash provided by operating activities	Net cash provided by investing activities	Net cash provided by financing activities	Cash & cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	66,706	(10,349)	(20,996)	93,065
March 31, 2023	13,656	(41,758)	(11,546)	57,845

2. Dividends

Fiscal year ended	Cash dividends per share					Amount of dividends paid (Annual)	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Full year			
March 31, 2023	—	15.00	—	17.00	32.00	7,277	33.9	2.2
March 31, 2024	—	17.00	—	25.00	42.00	9,395	24.2	2.5
Fiscal year ending March 31, 2025 (Forecast)	—	27.00	—	30.00	57.00		31.6	

3. Forecast of Consolidated Results for Fiscal Year Ending March 31, 2025

(April 1, 2024 through March 31, 2025)

(Percentage indicates change from the previous fiscal year / period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share, Basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	377,700	4.3	14,200	78.6	19,500	4.0	15,000	4.5	67.73
Full year	780,000	1.7	40,000	15.4	47,000	(1.7)	40,000	2.1	180.62

4. Others

- (1) Changes of significant subsidiaries in fiscal year ended March 31, 2024 : No
(Transfer of subsidiaries resulting in changes in the scope of consolidation)
- (2) Changes in accounting policies, procedures and methods of presentation for preparing the consolidated financial statements
- [1] Changes due to revisions of accounting standards : No
[2] Changes due to other reasons : No
[3] Changes of estimation due to accounting issues : No
[4] Restatements : No

(3) Number of outstanding shares (Common Stock)

[1] Number of outstanding shares

As of March 31, 2024	244,066,144 shares
As of March 31, 2023	244,066,144 shares

[2] Number of treasury stock

As of March 31, 2024	22,604,852 shares
As of March 31, 2023	17,548,689 shares

[3] Average number of shares (Cumulative)

Fiscal year ended March 31, 2024	226,171,913 shares
Fiscal year ended March 31, 2023	227,914,964 shares

(Reference)Non-consolidated Financial Results Highlights (April 1, 2023 through March 31, 2024)

(1) Non-consolidated Financial Results (Percentage indicates change from the previous fiscal year)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	321,540	9.7	5,664	(53.6)	23,776	(24.6)	31,910	618.3
March 31, 2023	293,223	13.7	12,195	7.1	31,533	11.5	4,442	(85.7)

Fiscal year ended	Earnings per share, Basic		Earnings per share, Diluted	
	Yen		Yen	
March 31, 2024	141.09	—	—	—
March 31, 2023	19.49	—	—	—

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Shareholders' equity to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2024	439,340	209,750	47.7	947.12
March 31, 2023	389,756	186,421	47.8	822.99

Reference: Shareholders' equity
Fiscal year ended March 31, 2024 209,750 million yen
Fiscal year ended March 31, 2023 186,421 million yen

* This earnings report is out of the scope of Audit by Independent Auditor.

* Explanation about appropriate use of the financial results forecasts, and other noteworthy matters

Statements related to the future, including the forecast of financial results, were based on the information available as of the date when this document was released.

Therefore, actual results may differ considerably due to various factors that might occur in the future.

Attached Documents

Table of Contents

1.	Information related to Consolidated Financial Results	2
(1)	Explanation of Consolidated Financial Results	2
(2)	Outlook for the next fiscal year	3
(3)	Explanation of Consolidated Financial Position	4
2.	Basic Approach in Selection of Accounting Standard	6
3.	Consolidated Financial Statements and Primary Notes	7
(1)	Consolidated Balance Sheets	7
(2)	Consolidated Statement of Income and Consolidated Statement of Comprehensive Income	9
	Consolidated Statement of Income	9
	Consolidated Statement of Comprehensive Income	10
(3)	Consolidated Statements of Changes in Net Assets	11
(4)	Consolidated Statement of Cash Flows	13
(5)	Notes to Consolidated Financial Statements	15
	(Notes to Going Concern Assumption)	15
	(Business Segment Information)	15
	(Reference Information)	18
	(Per Share Information)	19
	(Significant Subsequent Events)	21

1. Information related to Consolidated Financial Results

(1) Explanation of Consolidated Financial Results

During the current consolidated fiscal year, there was uncertainty in the global economy due to factors such as the impact of financial tightening and concerns about the outlook for the Chinese economy. However, the Japanese economy maintained its gradual recovery trend, while economic growth continued in the U.S.

In the automotive market, one of the main business fields of the Group, the production volume in Japan was 8,485 thousand units, an increase of 9.5% from the same period last year. In addition, in North America (U.S. and Canada), 12,343 thousand units were manufactured, up 5.8% from the same period last year. In China, 29,864 thousand units were manufactured, up 10.4% from the same period last year, while in Thailand, 1,856 thousand units were manufactured, down 0.5% from the same period last year. (All calculations are based on the figures of each region at the end of the quarter.)

In the data communications market, the Group's other main business field, the global production volume of hard disk drives (HDD) declined year-on-year, resulting in a decrease in the total demand for suspensions, our main products.

As a result of the business environment mentioned above, the Group recorded net sales of 766,934 million yen (up 10.6% year-on-year), operating profit of 34,652 million yen (up 20.2% year-on-year), ordinary profit of 47,814 million yen (up 28.1% year-on-year), and profit attributable to owners of parent of 39,188 million yen (up 82.0% year-on-year).

Results by segment are as follows:

[Automotive Suspension Springs Business]

In the automotive suspension springs business, production recovered after slowing due to the impact of supply shortages for semiconductors and other automobile parts, and the rising prices of raw materials and other materials were passed on to product selling prices. As a result, the Company posted net sales of 171,148 million yen (up 16.5% year-on-year) and an operating profit of 1,599 million yen (compared with an operating loss of 2,734 million yen last year).

[Automotive Seating Business]

In the automotive seating business, production recovered after slowing due to the impact of supply shortages for semiconductors and other automobile parts. Net sales increased by 18.4% year-on-year to 324,122 million yen and operating profit increased by 161.5% year-on-year to 19,121 million yen.

[Precision Springs and Components Business]

In the precision springs and components business, production in the automotive-related business recovered after slowing due to the impact of supply shortages for semiconductors and other automobile parts, but in the information and data communications-related business, sales volume declined due to production adjustments by HDD manufacturers. As a result, net sales increased 1.4% year-on-year to 161,701 million

yen, and operating profit decreased by 38.0% year-on-year to 7,117 million yen.

[Industrial Machinery and Equipment, and Other Operations]

In the industrial machinery and equipment, and other operations business, net sales decreased 2.9% year-on-year to 109,962 million yen and operating profit decreased 46.7% year-on-year to 6,813 million yen, due to a decrease in the volume of semiconductor process components, affected by the sluggish semiconductor market.

(2) Outlook for the Next Fiscal Year

While there is uncertainty in the global economic outlook due to factors such as the impact of financial tightening and concerns about the outlook for the Chinese economy, the overall recovery trend is expected to continue. There are signs that the shift toward electric automobiles will slow down somewhat, but with advances in the development of data communications, it is anticipated that the semiconductor market will ramp up again. The business environment surrounding the Group is also undergoing major changes, including soaring raw material prices, logistics, and energy costs and the increasing difficulty of securing stable personnel. Growing in a sustained manner while responding more quickly to this drastically changing business environment is an issue for the Group.

In FY2024, the Group launched a new Medium-Term Management Plan with the following slogans: “Respect for People and Contributing to society” and “Further promotion of sustainability” The Group also set forth “Value of People: Employees and Stakeholders” “Social Value: Contributing to solving social issues” “Economic Value: Aiming to become a profitable company” and “Product Value: Providing indispensable key parts” as its management principles in FY2024. The entire Group will work together to further advance these four values.

Furthermore, recognizing the importance of corporate ethics in order to remain a company that is trusted by all stakeholders, the Company will strive to implement thorough corporate governance and rigorous legal compliance.

In this business environment, for the fiscal year ending March 31, 2025, the Company forecasts net sales of 780,000 million yen (up 1.7% year-on-year), operating profit of 40,000 million yen (up 15.4% year-on-year), ordinary profit of 47,000 million yen (down 1.7% year-on-year), and profit attributable to owners of parent of 40,000 million yen (up 2.1% year-on-year).

(The main exchange rates are assumed to be JPY 148.0/US dollar and JPY 4.0/Thai Baht.)

(3) Explanation of Consolidated Financial Position

① <Assets, Liabilities and Net Assets>

With regard to total assets at the end of the current consolidated fiscal year, in addition to the continued impact of the weak yen exchange rate, operating receivables increased due to recovery in the automobile-related business, investment securities and retirement benefit asset increased due to an increase in the fair value of listed shares owned, and cash and deposits increased due to the sale of investment securities. As a result, total assets increased by 84,249 million yen from the end of the previous consolidated fiscal year to 690,289 million yen.

Liabilities increased by 29,536 million yen from the end of the previous consolidated fiscal year to 269,715 million yen due to an increase in trade payables resulting from recovery in the automobile-related business, an increase in income taxes payable resulting from the sale of investment securities, and an increase in deferred tax liabilities accompanying a rise in the fair value of investment securities.

Net assets increased by 54,713 million yen from the end of the previous consolidated fiscal year to 420,574 million yen due to an increase in retained earnings owing to profit attributable to owners of parent, as well as an increase in valuation difference on available-for-sale securities and remeasurements of defined benefit plans, due to a rise in the fair value of listed shares owned and an increase in foreign currency translation adjustment due to the continued impact of the weak yen exchange rate.

② <Cash flows Data>

	The Fiscal year ended		Net Increase (Decrease)
	March 31, 2023	March 31, 2024	
	(Million of yen)		
Cash Flows from Operating Activities	13,656	66,706	53,049
Cash Flows from Investing Activities	(41,758)	(10,349)	31,408
Cash Flows from Financing Activities	(11,546)	(20,996)	(9,450)
Effect of Exchange Rate Change on Cash and Cash Equivalents	5,598	(139)	(5,737)
Net Increase (Decrease) in Cash and Cash Equivalents	(34,049)	35,220	69,270
Cash and Cash Equivalents at Beginning of Period	91,894	57,845	(34,049)
Cash and Cash Equivalents at End of Period	57,845	93,065	35,220
Interest-Bearing Debt	50,016	47,414	(3,086)

Cash and cash equivalents (“Funds”) at the end of the current consolidated fiscal year were 93,065 million yen, up 60.9% year-on-year.

<Cash Flows from Operating Activities>

Cash flows from operating activities increased by 66,706 million yen (compared with an increase of 13,656 million yen in the previous fiscal year) due to posting ordinary profit resulting from recovery in the automobile-related industry and posting depreciation.

<Cash Flows from Investing Activities>

Cash flows from investing activities decreased by 10,349 million yen (compared with a decrease of 41,758 million yen in the previous fiscal year) due to purchase of property, plant, and equipment, despite proceeds from the sale of investment securities.

<Cash Flows from Financing Activities>

Cash flows from financing activities decreased by 20,996 million yen (compared with a decrease of 11,546 million yen in the previous fiscal year) due to a net decrease in short-term borrowings, dividends paid, and purchase of treasury shares.

Free cash flows, which are cash flows from operating activities and investing activities, increased by 56,356 million yen.

As a result of the above, cash and cash equivalents at the end of the current consolidated fiscal year increased by 35,220 million yen from the end of the previous consolidated fiscal year to 93,065 million yen. In addition, interest-bearing liabilities were 47,414 million yen, a decrease of 3,086 million yen from the end of the previous consolidated fiscal year.

(Reference)

Trends in cash flow-related indicators

	Fiscal year ended				
	March 31, 2020	March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024
Shareholders' Equity to Total Assets Ratio (%)	50.9	50.6	54.9	57.6	58.7
Shareholders' Equity to Total Assets Ratio Based on Fair Value (%)	31.3	33.7	34.3	35.4	48.0
Ratio of Cash Flow to Interest-Bearing Liabilities (year)	1.5	2.3	1.5	3.7	0.7
Interest Coverage Ratio (times)	121.1	83.3	92.1	47.3	295.9

*Shareholders' equity to total assets: (Net assets-Subscription rights to shares-Non-controlling interests)/Total assets

Shareholders' equity to total assets based on fair value: Total fair value of shares/Total assets

Ratio of cash flows to interest-bearing liabilities: Interest-bearing liabilities/Cash flows

Interest coverage ratio: Cash flows/Interest payments

1. All indicators are calculated based on the consolidated financial figures.
2. The total fair value of shares is calculated by multiplying the closing price of shares at the end of the fiscal year by the number of shares issued and outstanding at the end of the fiscal year (after deducting treasury stock).
3. “Cash flows” means the cash flows from operating activities stated on the Consolidated Statements of Cash Flows. “Interest-bearing liabilities” include all liabilities recorded on the Consolidated Balance Sheets for which interests are payable. In addition, the amount of interest payments is equivalent to “Interest paid” on the Consolidated Statements of Cash Flows.

2. Basic Approach in Selection of Accounting Standard

In order to ensure comparability with other domestic companies in the same industry, the Group applies Japanese GAAP for accounting standards.

However, the Company’s policy is to apply IFRS as appropriate, taking into consideration various conditions in Japan and overseas.

3. Consolidated Financial Statements and Primary Notes
 (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	72,948	103,216
Notes and accounts receivable - trade, and contract assets	146,793	165,639
Merchandise and finished goods	33,396	27,621
Work in process	13,114	14,073
Raw materials and supplies	33,339	33,395
Partly-finished goods	11,648	11,806
Other	26,024	26,996
Allowance for doubtful accounts	△27	△58
Total current assets	337,237	382,690
Non-current assets		
Property, plant and equipment		
Buildings and structures	160,712	172,525
Accumulated depreciation	△108,933	△114,904
Buildings and structures, net	51,779	57,621
Machinery, equipment and vehicles	296,394	311,687
Accumulated depreciation	△237,348	△254,127
Machinery, equipment and vehicles, net	59,045	57,560
Land	31,520	32,131
Leased assets	1,258	1,281
Accumulated depreciation	△787	△721
Leased assets, net	470	560
Construction in progress	14,314	15,985
Other	86,964	96,081
Accumulated depreciation	△77,825	△85,244
Other, net	9,138	10,836
Total property, plant and equipment	166,269	174,694
Intangible assets	3,317	3,257
Investments and other assets		
Investment securities	62,287	73,491
Long-term loans receivable	1,796	1,953
Deferred tax assets	10,161	10,068
Retirement benefit asset	14,410	33,426
Other	12,200	12,211
Allowance for doubtful accounts	△1,642	△1,504
Total investments and other assets	99,214	129,646
Total non-current assets	268,801	307,599
Total assets	606,039	690,289

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	91,525	97,241
Electronically recorded obligations - operating	18,147	18,677
Short-term borrowings	21,167	11,985
Lease liabilities	484	550
Income taxes payable	4,400	12,087
Provision for bonuses	10,038	10,593
Provision for bonuses for directors (and other officers)	261	256
Notes payable - facilities	1,273	3,674
Other	24,316	27,551
Total current liabilities	171,615	182,618
Non-current liabilities		
Bonds payable	11,000	12,000
Long-term borrowings	17,090	22,009
Lease liabilities	759	869
Deferred tax liabilities	12,351	22,193
Retirement benefit liability	22,506	23,366
Provision for retirement benefits for directors (and other officers)	578	522
Provision for officers' retirement benefits	843	881
Other	3,435	5,253
Total non-current liabilities	68,563	87,096
Total liabilities	240,179	269,715
Net assets		
Shareholders' equity		
Share capital	17,009	17,009
Capital surplus	19,826	19,903
Retained earnings	275,386	306,866
Treasury shares	△15,703	△23,055
Total shareholders' equity	296,518	320,723
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	27,217	34,336
Foreign currency translation adjustment	21,018	32,801
Remeasurements of defined benefit plans	4,468	17,160
Total accumulated other comprehensive income	52,703	84,297
Non-controlling interests	16,638	15,552
Total net assets	365,860	420,574
Total liabilities and net assets	606,039	690,289

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

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	693,246	766,934
Cost of sales	612,410	677,519
Gross profit	80,835	89,415
Selling, general and administrative expenses	51,997	54,763
Operating profit	28,838	34,652
Non-operating income		
Interest income	735	1,696
Dividend income	2,108	2,823
Share of profit of entities accounted for using equity method	979	1,803
Foreign exchange gains	4,865	6,529
Other	1,927	2,095
Total non-operating income	10,616	14,948
Non-operating expenses		
Interest expenses	260	184
Loss on retirement of non-current assets	291	475
Expenses for product compensation	173	219
Other	1,411	906
Total non-operating expenses	2,137	1,786
Ordinary profit	37,317	47,814
Extraordinary income		
Gain on sale of investment securities	—	16,398
Total extraordinary income	—	16,398
Extraordinary losses		
Impairment losses	5,537	7,034
Loss on sale of investment securities	26	3
Loss on valuation of investment securities	53	—
Litigation settlement	1,388	—
Loss on valuation of investments in capital of subsidiaries and associates	—	349
Total extraordinary losses	7,006	7,387
Profit before income taxes	30,311	56,825
Income taxes - current	8,339	15,519
Income taxes - deferred	△1,097	1,552
Total income taxes	7,241	17,072
Profit	23,069	39,752
Profit attributable to non-controlling interests	1,532	564
Profit attributable to owners of parent	21,537	39,188

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	23,069	39,752
Other comprehensive income		
Valuation difference on available-for-sale securities	1,931	7,142
Foreign currency translation adjustment	9,309	11,344
Remeasurements of defined benefit plans, net of tax	1,923	12,689
Share of other comprehensive income of entities accounted for using equity method	683	936
Total other comprehensive income	13,847	32,113
Comprehensive income	36,917	71,866
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	34,720	70,785
Comprehensive income attributable to non-controlling interests	2,196	1,081

(3) Consolidated Statement of Changes in Net Assets
Fiscal Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	17,009	19,679	260,692	△14,296	283,085
Changes during period					
Dividends of surplus			△6,843		△6,843
Profit attributable to owners of parent			21,537		21,537
Purchase of treasury shares				△1,584	△1,584
Disposal of treasury shares		4		177	181
Change in ownership interest of parent due to transactions with non-controlling interests		141			141
Net changes in items other than shareholders' equity					
Total changes during period	—	146	14,693	△1,407	13,432
Balance at end of period	17,009	19,826	275,386	△15,703	296,518

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	25,292	11,592	2,644	39,529	16,232	338,847
Changes during period						
Dividends of surplus						△6,843
Profit attributable to owners of parent						21,537
Purchase of treasury shares						△1,584
Disposal of treasury shares						181
Change in ownership interest of parent due to transactions with non-controlling interests						141
Net changes in items other than shareholders' equity	1,924	9,426	1,824	13,174	406	13,580
Total changes during period	1,924	9,426	1,824	13,174	406	27,013
Balance at end of period	27,217	21,018	4,468	52,703	16,638	365,860

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

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	17,009	19,826	275,386	△15,703	296,518
Changes during period					
Dividends of surplus			△7,708		△7,708
Profit attributable to owners of parent			39,188		39,188
Purchase of treasury shares				△7,355	△7,355
Disposal of treasury shares				3	3
Change in ownership interest of parent due to transactions with non-controlling interests		76			76
Net changes in items other than shareholders' equity					
Total changes during period	—	76	31,480	△7,351	24,205
Balance at end of period	17,009	19,903	306,866	△23,055	320,723

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	27,217	21,018	4,468	52,703	16,638	365,860
Changes during period						
Dividends of surplus						△7,708
Profit attributable to owners of parent						39,188
Purchase of treasury shares						△7,355
Disposal of treasury shares						3
Change in ownership interest of parent due to transactions with non-controlling interests						76
Net changes in items other than shareholders' equity	7,119	11,783	12,692	31,594	△1,085	30,508
Total changes during period	7,119	11,783	12,692	31,594	△1,085	54,713
Balance at end of period	34,336	32,801	17,160	84,297	15,552	420,574

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	30,311	56,825
Depreciation	28,879	28,671
Impairment losses	5,537	7,034
Increase (decrease) in net defined benefit asset(debt)	△558	△1,173
Interest and dividend income	△2,844	△4,520
Interest expenses	260	184
Foreign exchange losses (gains)	△4,510	△692
Share of loss (profit) of entities accounted for using equity method	△979	△1,803
Loss (gain) on sale and retirement of property, plant and equipment	124	119
Loss (gain) on sale of investment securities	26	△16,394
Loss (gain) on valuation of investments in capital of subsidiaries and associates	—	349
Litigation settlement	1,388	—
Decrease (increase) in trade receivables	△3,665	△12,988
Decrease (increase) in inventories	△14,238	8,640
Increase (decrease) in trade payables	△4,579	2,905
Other, net	△5,508	1,589
Subtotal	29,643	68,747
Interest and dividends received	3,330	5,774
Interest paid	△288	△225
Litigation settlement paid	△1,388	—
Income taxes paid	△17,639	△7,590
Net cash provided by (used in) operating activities	13,656	66,706
Cash flows from investing activities		
Decrease (increase) in time deposits	△14,650	5,858
Purchase of property, plant and equipment	△26,543	△33,320
Proceeds from sale of property, plant and equipment	323	578
Purchase of intangible assets	△450	△600
Purchase of investment securities	△1,221	△474
Proceeds from sale of investment securities	75	17,464
Loan advances	△400	△449
Proceeds from collection of loans receivable	1,264	583
Other, net	△155	9
Net cash provided by (used in) investing activities	△41,758	△10,349

Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	△946	△8,547
Proceeds from long-term borrowings	14,000	14,000
Repayments of long-term borrowings	△15,101	△9,817
Proceeds from issuance of bonds	1,000	1,000
Proceeds from issuance of commercial papers	25,000	8,000
Redemption of commercial papers	△25,000	△8,000
Purchase of treasury shares	△1,402	△7,355
Proceeds from sale of treasury shares	0	—
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	△1,030	△1,618
Repayments of lease liabilities	△604	△478
Dividends paid	△6,843	△7,708
Dividends paid to non-controlling interests	△618	△471
Net cash provided by (used in) financing activities	△11,546	△20,996
Effect of exchange rate change on cash and cash equivalents	5,598	△139
Net increase (decrease) in cash and cash equivalents	△34,049	35,220
Cash and cash equivalents at beginning of period	91,894	57,845
Cash and cash equivalents at end of period	57,845	93,065

(5) Notes to Consolidated Financial Statements

(Notes to Going Concern Assumption)

Not applicable

(Business Segment Information)

1. Overview of Business Segments

The Company's business segments are components of the Company for which separate financial information is available and which are subject to periodic review by the Board of Directors for the purpose of determining the allocation of management resources and evaluating performance.

The Company has four business segments based on the Company's Production Division: Automotive Suspension Springs; Automotive Seating; Precision Springs and Components; and Industrial Machinery and Equipment, and Others Operations.

The major products in each business segment are as follows.

Reportable Segments	The Main Products
Automotive Suspension Springs	Coil springs, leaf springs, stabilizer bars, accumulators, torsion bars, stabilizer links, stabilinker and others
Automotive Seating	Seats, mechanical seating components, trim parts and others
Precision Springs and Components	HDD suspensions and mechanical components, wire springs, flat springs, motor cores, LCD/semiconductor testing probe units, fastener (screw), precision machine components and others
Industrial Machinery and Equipment, and Others Operations	Semiconductor processing products, ceramic products, spring mechanisms, pipe support systems, polyurethane products, metal substrates, automatic parking systems, security products, lighting equipment, golf club shafts and others

2. Calculation of Net Sales, Profit or Loss, Assets and Other Items by Business Segment

The accounting method used for the business segments is in accordance with the accounting policies adopted for the preparation of the consolidated financial statements.

Profit by business segment is based on operating profit.

(1) Previous fiscal year (April 1, 2022 through March 31, 2023)

① Information on net sales, profit or loss, assets and other items by business segment

	Reportable Segment				Total	Adjustments	Consolidated Total
	Automotive Suspension Springs	Automotive Seating	Precision Springs & Components	Industrial Machinery & Equipment, & Other Operations			
Sales:	(Millions of yen)						
Sales to External Customers	146,847	273,787	159,415	113,196	693,246	-	693,246
Inter-segment Sales	1,785	281	1,549	12,361	15,977	(15,977)	-
Net Sales	148,633	274,069	160,964	125,557	709,223	(15,977)	693,246
Segment Profit (Loss)	(2,734)	7,311	11,471	12,557	28,838	-	28,838
Segments Assets	139,572	131,404	137,765	106,702	515,445	90,594	606,039
Other Items:							
Depreciation and Amortization	6,656	5,516	11,384	3,550	27,107	1,772	28,879
Investments in affiliated companies accounted for by the equity-method	2,787	5,516	3,079	-	11,175	-	11,175
Increase in property, plant and equipment and intangible and other assets	4,561	4,637	12,126	5,827	27,153	924	28,078

(Note) Adjustments are as follows.

- 1 . The adjustment of 90,594 million yen for segment assets includes corporate assets that are not allocated to each business segment. Corporate assets consist mainly of cash and deposits that do not belong to a particular business segment.
- 2 . Depreciation and amortization represent the amortization of the headquarters building, etc.
- 3 . The adjustment of 924 million yen for increase in property, plant and equipment and intangible assets represents an increase in corporate assets that do not belong to a particular business segment.

② Information on impairment loss on non-current assets and goodwill by business segment

Impairment loss of 5,537 million yen was recorded for assets in the precision springs and components business.

(2) Current fiscal year (April 1, 2023 through March 31, 2024)

① Information on net sales, profit or loss, assets and other items by business segment

	Reportable Segment				Total	Adjustments	Consolidated Total
	Automotive Suspension Springs	Automotive Seating	Precision Springs & Components	Industrial Machinery & Equipment, & Other Operations			
Sales:	(Millions of yen)						
Sales to External Customers	171,148	324,122	161,701	109,962	766,934	-	766,934
Inter-segment Sales	1,877	274	1,640	12,623	16,415	(16,415)	-
Net Sales	173,025	324,396	163,342	122,585	783,350	(16,415)	766,934
Segment Profit (Loss)	1,599	19,121	7,117	6,813	34,652	-	34,652
Segments Assets	151,148	147,766	149,955	115,103	563,972	126,316	690,289
Other Items:							
Depreciation and Amortization	6,348	5,648	11,129	3,573	26,698	1,972	28,671
Investments in affiliated companies accounted for by the equity-method	3,127	6,074	3,933	-	13,134	-	13,134
Increase in property, plant and equipment and intangible and other assets	5,802	4,922	15,360	8,201	34,287	2,713	37,000

(Note) Adjustments are as follows.

- 1 . The adjustment of 126,316 million yen for segment assets includes corporate assets that are not allocated to each business segment. Corporate assets consist mainly of cash and deposits that do not belong to a particular business segment.
- 2 . Depreciation and amortization represent the amortization of the headquarters building, etc.
- 3 . The adjustment of 2,713 million yen for increase in property, plant and equipment and intangible assets represents an increase in corporate assets that do not belong to a particular business segment.

② Information on impairment loss on non-current assets and goodwill by business segment

Impairment loss of 3,819 million yen was recorded for assets in the automotive suspension springs business.
 Impairment loss of 1,043 million yen was recorded for assets in the automotive seating business.
 Impairment loss of 2,112 million yen was recorded for assets in the precision springs and components business.
 Impairment loss of 58 million yen was recorded for assets in the industrial machinery and equipment, and other operations.

(Reference Information)

<Region Segment Information>

1. Previous fiscal year (April 1, 2022 through March 31, 2023)

	Japan	Asia	America, Europe & Others	Total	Adjustments	Consolidated Total
Sales:	(Millions of yen)					
Sales to External Customers	391,076	186,796	115,373	693,246	-	693,246
Inter-segment Sales	30,574	4,099	1,727	36,401	(36,401)	-
Net Sales	421,651	190,895	117,100	729,647	(36,402)	693,246
Segment Profit (Loss)	24,737	10,438	(6,338)	28,838	-	28,838
Segments Assets	474,041	158,924	83,753	716,719	(110,679)	606,039

(Note)

- 1 . The countries are grouped depending on the geographical proximity.
- 2 . Countries in the groups except Japan
 - (1) Asia Thailand, Malaysia, China, India
 - (2) America, Europe & Others ... U.S., Mexico, Netherlands, Hungary

2. Current fiscal year (April 1, 2023 through March 31, 2024)

	Japan	Asia	America, Europe & Others	Total	Adjustments	Consolidated Total
Sales:	(Millions of yen)					
Sales to External Customers	437,703	186,929	142,301	766,934	-	766,934
Inter-segment Sales	30,030	3,998	1,940	35,968	(35,968)	-
Net Sales	467,733	190,927	144,241	802,903	(35,968)	766,934
Segment Profit (Loss)	29,914	7,919	(3,181)	34,652	-	34,652
Segments Assets	543,029	172,996	94,727	810,753	(120,464)	690,289

(Note)

- 1 . The countries are grouped depending on the geographical proximity.
- 2 . Countries in the groups except Japan
 - (1) Asia Thailand, Malaysia, China, India
 - (2) America, Europe & Others ... U.S., Mexico, Netherlands, Hungary

(Per Share Information)

Net assets per share, basis for calculation of net assets per share, net income per share and basis for calculation of net income per share are as follows.

	Previous fiscal year	Current fiscal year
	April 1, 2022 through March 31, 2023	April 1, 2023 through March 31, 2024
Net assets per share (yen)	1,541.70	1,828.86
(Basis for Calculation)		
Total Net Assets (Million of yen)	365,860	420,574
Amount deducted from total net assets (Million of yen)	16,638	15,552
Non-controlling interest included the above	(16,638)	(15,552)
Net assets related to common stock at the end of the fiscal year (Million of yen)	349,221	405,021
Number of shares of common stock issued (Thousand shares)	244,066	244,066
Number of common shares held in treasury (Thousand shares)	17,548	22,604
Number of shares of common stock used in the calculation of net assets per share at the end of the fiscal year (Thousand shares)	226,517	221,461

	Previous fiscal year	Current fiscal year
	April 1, 2022 through March 31, 2023	April 1, 2023 through March 31, 2024
Earnings per share (yen)	94.50	173.27
(Basis for Calculation)		
Profit attributable to owners of parent (Million of yen)	21.537	39.188
Amount not attributable to common stock (Million of yen)	-	-
Profit attributable to owners of parent for common stock (Million of yen)	21,537	39,188
Average number of shares (Thousand shares)	227,914	226,171

(Note)

- 1 . Diluted net income per share is not shown in the above table, as there are no diluted shares.
- 2 . The Company has introduced a stock compensation plan using a trust for its directors (excluding external directors) starting the previous consolidated fiscal year.

The Company's shares held by the Stock Benefit Trust Account are included in treasury stock which are deducted from the total number of shares issued and outstanding at the end of the fiscal year in the calculation of "net assets per share" (200,000 shares in the previous consolidated fiscal year, 196,000 shares in the current consolidated fiscal year). In the calculation of "net income per share," such shares are included in treasury stock which are deducted from the calculation of the average number of shares

during the period (121,000 shares in the previous consolidated fiscal year, 197,000 shares in the current consolidated fiscal year).

(Significant Subsequent Events)

(Change in Segment Classification)

The Company resolved to implement the 2026 Medium-Term Management Plan, covering the period from FY2024 to FY2026, at the Board of Directors meeting on May 15, 2024.

The Group has set forth “Respect for People and Contributing to society” and “Further promotion of sustainability” as its new basic principles. Based on the Medium-Term Management Plan, decision-making on resource allocation, performance management classification, and the structure for reporting to management will be revised to a form more aligned with business realities. The classification of reporting segments will change from the existing “Automotive Suspension Springs Business,” “Automotive Seating Business,” “Precision Springs and Components Business,” and “Industrial Machinery and Equipment, and Other Operations” to “Automotive Suspension Springs Business,” “Automotive Seating Business,” “Precision Springs and Components Business,” “DDS (Disk Drive Suspension) Business,” and “Industrial Machinery and Equipment, and Other Operations.”

Information related to net sales and profit or loss by reporting segment in the current consolidated fiscal year based on the segment classification after the change is as follows.

Current fiscal year (April 1, 2023 through March 31, 2024)

Information on net sales, profit or loss, assets and other items by business segment

	Reportable Segment						Adjustments	Consolidated Total
	Automotive Suspension Springs	Automotive Seating	Precision Springs & Components	DDS	Industrial Machinery & Equipment, & Other Operations	Total		
Sales:	(Millions of yen)							
Sales to External Customers	171,148	324,122	94,501	67,199	109,962	766,934	-	766,934
Inter-segment Sales	1,877	274	2,202	-	12,623	16,977	(16,977)	-
Net Sales	173,025	324,396	96,704	67,199	125,585	783,912	(16,977)	766,934
Segment Profit (Loss)	1,599	19,121	660	6,456	6,813	34,652	-	34,652
Segments Assets	151,148	147,766	95,092	54,862	115,103	563,972	126,316	690,289
Other Items:								
Depreciation and Amortization	6,348	5,648	4,771	6,357	3,573	26,698	1,972	28,671
Investments in affiliated companies accounted for by the equity-method	3,127	6,074	3,933	-	-	13,134	-	13,134
Increase in property, plant and equipment and intangible and other assets	5,802	4,922	10,766	4,594	8,201	34,287	2,713	37,000