

Financial Report 2024

For the Year Ended
March 31, 2024

Fujitec Co., Ltd.

1. Consolidated Financial Statements

(1) [Consolidated Balance Sheets]

a. [Consolidated Balance Sheets]

	(Millions of yen)	
	Previous consolidated fiscal year (March 31, 2023)	Current consolidated fiscal year (March 31, 2024)
Assets		
Current assets		
Cash and deposits	58,297	80,560
Notes and accounts receivable-trade, and contract assets	*1,*2 75,545	*1 85,141
Merchandise and finished goods	4,968	3,672
Work in process	*2 3,303	4,322
Raw materials and supplies	*2 12,382	12,922
Other	7,771	7,653
Allowance for doubtful accounts	(3,135)	(3,789)
Total current assets	159,132	190,484
Non-current assets		
Property, plant and equipment		
Buildings and structures	*2 39,870	*2 41,351
Accumulated depreciation	(19,801)	(21,507)
Buildings and structures, net	20,068	19,844
Machinery and equipment	*2 16,198	*2 17,014
Accumulated depreciation	(10,554)	(11,463)
Machinery and equipment, net	5,644	5,551
Tools, furniture and fixtures	9,851	10,529
Accumulated depreciation	(7,111)	(7,660)
Tools, furniture and fixtures, net	2,739	2,869
Land	*2 7,200	*2 7,256
Leased assets	3,233	4,219
Accumulated depreciation	(1,222)	(1,839)
Leased assets, net	2,010	2,380
Construction in progress	843	1,645
Total property, plant and equipment	38,506	39,547
Intangible assets		
Goodwill	1,503	2,210
Other	3,903	3,826
Total intangible assets	5,406	6,036
Investments and other assets		
Investments securities	*3 10,059	*3 11,770
Long-term loans receivable	1,262	1,171
Net defined benefit asset	-	980
Deferred tax assets	4,812	3,580
Other	*3 11,698	*3 3,505
Allowance for doubtful accounts	(780)	(674)
Total investments and other assets	27,052	20,334
Total non-current assets	70,965	65,917
Total assets	230,098	256,402

(Millions of yen)

	Previous consolidated fiscal year (March 31, 2023)	Current consolidated fiscal year (March 31, 2024)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	18,548	18,181
Electronically recorded obligations-operating	3,904	4,116
Short-term debt	*2 9,789	*2 5,733
Current portion of long-term debt	6	-
Accrued income taxes	1,430	4,431
Provision for bonuses	2,628	3,173
Provision for director bonuses	46	57
Provision for losses on construction contracts	8,568	10,227
Provision for warranties for completed construction	2,086	2,234
Provision for shareholder benefit program	114	127
Advances from customers	*1 21,010	*1 20,999
Other	11,752	15,021
Total current liabilities	79,888	84,304
Non-current liabilities		
Long-term debt	*2 13	*2 128
Deferred tax liabilities	173	213
Net defined benefit liability	4,232	4,595
Asset retirement obligations	53	53
Other	1,618	1,931
Total non-current liabilities	6,092	6,921
Total liabilities	85,980	91,225
Net assets		
Shareholders' equity		
Paid-in capital	12,533	12,533
Additional paid-in capital	14,475	14,565
Retained earnings	99,545	111,405
Treasury stock	(2,287)	(2,155)
Total Shareholders' equity	124,268	136,349
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,426	4,806
Deferred gains or losses on hedges	(127)	(125)
Foreign currency translation adjustments	2,098	7,473
Remeasurements of defined benefit plans	(768)	(146)
Total accumulated other comprehensive income	3,629	12,008
Stock acquisition rights	35	35
Non-controlling interests	16,185	16,783
Total net assets	144,117	165,177
Total liabilities and net assets	230,098	256,402

b. [Consolidated Statements of Income and Consolidated Statements of Comprehensive Income]

[Consolidated Statements of Income]

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Net sales	*1 207,589	*1 229,401
Cost of sales	*3,*7 165,430	*3,*7 180,994
Gross profit	42,158	48,407
Selling, general and administrative expenses	*2,*3 30,540	*2,*3 33,835
Operating income	11,618	14,571
Other income		
Interest income	1,175	2,429
Dividend income	235	261
Foreign exchange gains	649	752
Rent income	154	189
Miscellaneous income	425	999
Total other income	2,641	4,632
Other expenses		
Interest expenses	185	387
Provision of allowance for doubtful accounts	571	13
Commission for purchase of treasury shares	93	-
Miscellaneous loss	77	86
Total other expenses	928	486
Ordinary income	13,331	18,717
Special gain		
Gain on sales of non-current assets	*4 16	*4 5,363
Gain on sales of investment securities	10	466
Subsidy income	268	-
Total special gain	295	5,830
Special loss		
Loss on sales of non-current assets	*5 5	*5 4
Loss on retirement of non-current assets	*6 37	*6 19
Impairment loss	*8 1,146	*8 607
Loss on sales of investment securities	0	-
Loss on valuation of investment securities	0	-
Loss on valuation of shares of subsidiaries and associates	1	-
Total special loss	1,190	631
Profit before income taxes	12,435	23,916
Income taxes expense	2,474	4,775
Income taxes for prior periods	-	*9 605
Deferred taxes expense	522	148
Total income taxes	2,997	5,529
Profit	9,438	18,387
Profit attributable to non-controlling interests	1,005	556
Profit attributable to owners of parent	8,433	17,830

[Consolidated Statements of Comprehensive Income]

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Profit	9,438	18,387
Other comprehensive income		
Valuation difference on available-for-sale securities	(49)	2,379
Deferred gains or losses on hedges	(172)	2
Foreign currency translation adjustments	9,953	6,209
Remeasurements of defined benefit plans	(162)	622
Total other comprehensive income	*1,*2 9,568	*1,*2 9,214
Comprehensive income	19,007	27,601
Comprehensive income attributable to:		
Owners of parent	17,113	26,209
Non-controlling interests	1,894	1,391

c. [Consolidated Statements of Changes in Shareholders' Equity]

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

(Millions of yen)

	Shareholders' equity				
	Paid-in capital	Additional paid-in capital	Retained earnings	Treasury stock	Total Shareholders' equity
Balance at the beginning of the current fiscal year	12,533	14,474	104,649	(2,267)	129,391
Change during the current fiscal year					
Change in ownership interest of parent due to transactions with non-controlling interests		0			0
Dividends from surplus			(6,427)		(6,427)
Changes in scope of consolidation			1,470		1,470
Effect of hyperinflation			(19)		(19)
Profit attributable to owners of parent			8,433		8,433
Purchases of treasury stock				(8,932)	(8,932)
Disposal of treasury stock		7		345	352
Cancellation of treasury stock		(8,567)		8,567	-
Transfer from retained earnings to capital surplus		8,560	(8,560)		-
Net changes of items other than shareholders' equity					
Total changes during the current fiscal year	-	0	(5,103)	(19)	(5,123)
Balance at the end of the current fiscal year	12,533	14,475	99,545	(2,287)	124,268

	Accumulated other comprehensive income					Stock acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the current fiscal year	2,475	17	(5,794)	(607)	(3,908)	35	14,964	140,482
Change during the current fiscal year								
Change in ownership interest of parent due to transactions with non-controlling interests								0
Dividends from surplus								(6,427)
Changes in scope of consolidation								1,470
Effect of hyperinflation								(19)
Profit attributable to owners of parent								8,433
Purchases of treasury stock								(8,932)
Disposal of treasury stock								352
Cancellation of treasury stock								-
Transfer from retained earnings to capital surplus								-
Net changes of items other than shareholders' equity	(49)	(144)	7,892	(161)	7,537	-	1,220	8,758
Total changes during the current fiscal year	(49)	(144)	7,892	(161)	7,537	-	1,220	3,635
Balance at the end of the current fiscal year	2,426	(127)	2,098	(768)	3,629	35	16,185	144,117

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

(Millions of yen)

	Shareholders' equity				
	Paid-in capital	Additional paid-in capital	Retained earnings	Treasury stock	Total Shareholders' equity
Balance at the beginning of the current fiscal year	12,533	14,475	99,545	(2,287)	124,268
Change during the current fiscal year					
Change in ownership interest of parent due to transactions with non-controlling interests		81			81
Dividends from surplus			(5,852)		(5,852)
Changes in scope of consolidation			(48)		(48)
Effect of hyperinflation			(70)		(70)
Profit attributable to owners of parent			17,830		17,830
Purchases of treasury stock				(1)	(1)
Disposal of treasury stock		8		133	141
Cancellation of treasury stock					-
Transfer from retained earnings to capital surplus					-
Net changes of items other than shareholders' equity					
Total changes during the current fiscal year	-	89	11,859	132	12,081
Balance at the end of the current fiscal year	12,533	14,565	111,405	(2,155)	136,349

	Accumulated other comprehensive income					Stock acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the current fiscal year	2,426	(127)	2,098	(768)	3,629	35	16,185	144,117
Change during the current fiscal year								
Change in ownership interest of parent due to transactions with non-controlling interests								81
Dividends from surplus								(5,852)
Changes in scope of consolidation								(48)
Effect of hyperinflation								(70)
Profit attributable to owners of parent								17,830
Purchases of treasury stock								(1)
Disposal of treasury stock								141
Cancellation of treasury stock								-
Transfer from retained earnings to capital surplus								-
Net changes of items other than shareholders' equity	2,379	1	5,375	622	8,379	-	598	8,977
Total changes during the current fiscal year	2,379	1	5,375	622	8,379	-	598	21,059
Balance at the end of the current fiscal year	4,806	(125)	7,473	(146)	12,008	35	16,783	165,177

d. [Consolidated Statements of Cash Flows]

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Cash flows from operating activities		
Profit before income taxes	12,435	23,916
Depreciation and amortization	4,033	4,421
Impairment loss	1,146	607
Increase (decrease) in allowance for doubtful accounts	294	343
Increase (decrease) in provision for bonuses to employees	(785)	490
Increase (decrease) in provision for loss on construction contracts	(2,306)	1,260
Interest and dividend income	(1,411)	(2,690)
Interest expenses	185	387
Decrease (increase) in notes and accounts receivable-trade	(4,281)	(5,323)
Decrease (increase) in inventories	(4,283)	1,065
Increase (decrease) in notes and accounts payable-trade	870	(1,415)
Loss (gain) on sales of investment securities	(10)	(466)
Increase (decrease) in advances received	(3,354)	(2,277)
Loss (gain) on sale and retirement of non-current assets	25	(5,340)
Increase (decrease) in net defined benefit liability	49	180
Loss (gain) on valuation of investment securities	0	-
Other, net	(1,156)	4,270
Subtotal	1,453	19,428
Income taxes paid	(3,799)	(1,930)
Net cash provided by (used in) operating activities	(2,346)	17,498
Cash flows from investing activities		
Payments into time deposits	(17,503)	(23,659)
Proceeds from withdrawal of time deposits	25,879	19,697
Purchase of property, plant and equipment	(3,723)	(2,970)
Proceeds from sales of property, plant and equipment	32	74
Purchase of investment securities	(1,805)	(128)
Proceeds from sales of investment securities	46	689
Purchase of intangible assets	(233)	(241)
Proceeds from sale of intangible assets	-	5,405
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,756)	(528)
Collection of loans receivable	177	81
Interest and dividends received	1,116	2,161
Other, net	(281)	(147)
Net cash provided by (used in) investing activities	1,949	433

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	5,775	(4,457)
Proceeds from long-term borrowings	0	27
Repayments of long-term borrowings	(383)	(136)
Purchase of treasury shares	(8,559)	(1)
Interest paid	(152)	(339)
Cash dividends paid	(6,414)	(5,851)
Dividends paid to non-controlling interests	(806)	(595)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(1)	(254)
Other, net	(128)	(496)
Net cash provided by (used in) financing activities	(10,670)	(12,104)
Effect of exchange rate change on cash and cash equivalents	3,279	1,598
Net increase (decrease) in cash and cash equivalents	(7,788)	7,424
Cash and cash equivalents at the beginning of the fiscal year	39,042	31,463
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	209	99
Cash and cash equivalents at the end of the fiscal year	*1 31,463	*1 38,987

[Notes to consolidated financial statements]

(Material basis for preparing consolidated financial statements)

1. Scope of consolidation

(a) Number of consolidated subsidiaries: 25

Major consolidated subsidiaries:

Fujitec America, Inc. (U.S.A.)

Fujitec Singapore Corpn. Ltd. (Singapore)

Huasheng Fujitec Elevator Co., Ltd. (China)

Fujitec (HK) Co. Ltd. (Hong Kong)

Effective as of the current consolidated fiscal year, Elevadores EV International, S.A. de C.V. was included in the scope of consolidation due to the increased importance of the company in question. In addition, Stampede Elevator INC. was included in the scope of consolidation as it became a new subsidiary following the acquisition of all its outstanding shares through Fujitec Canada, Inc., a wholly owned subsidiary.

(b) Major non-consolidated subsidiaries

Major non-consolidated subsidiaries

Fujitec Saudi Arabia Co., Ltd. (Saudi Arabia)

(Reasons for exclusion from the scope of consolidation)

Non-consolidated subsidiaries are excluded from the scope of consolidation because they are small in scale and combined total assets, net sales, net income/loss (the Company's ownership percentage), and retained earnings (the Company's ownership percentage) of said subsidiaries do not have a material impact on the consolidated financial statements.

2. Application of the equity method

(a) Non-consolidated subsidiaries accounted for under the equity method: 0 company

(b) Affiliates accounted for under the equity method: 0 company

(c) Non-consolidated subsidiaries not accounted for by the equity method (Fujitec Saudi Arabia Co., Ltd. and others) and affiliated company (Toyo Elevator Co., Ltd.) are excluded from the scope of equity method accounting as net income or loss (as calculated by the equity method) and retained earnings (as calculated by the equity method) have a minimal effect on the consolidated financial statements and are not significant as a whole.

3. Fiscal years of consolidated subsidiaries

The fiscal year end of all consolidated subsidiaries is December 31.

In preparing the consolidated financial statements, the Company use the financial statements of these subsidiaries as of that date.

Any adjustments necessary for consolidation are made for significant transactions that occurred between that date and the consolidated fiscal year-end.

4. Summary of Significant accounting policies

(a) Valuation standards and methods for significant assets

i. Valuation standards and methods for securities

Stock of non-consolidated subsidiaries and affiliated companies...Cost method based on the moving average method

Other securities

Items other than stocks, etc., with no market price: Fair value method (valuation differences charged or credited directly to net assets, and cost of sales is calculated by the moving-average method)

Stocks, etc., with no market price: Cost method based on the moving average method

ii. Valuation standards and methods for derivatives: Fair value method

iii. Valuation standards and methods for inventories:

Mainly, the company calculates costs via the specific identification method or weighted average method

(Values on the balance sheet are calculated via the book value reduction method based on decreased profitability.)

(b) Depreciation/amortization method for significant depreciable/amortizable assets

i. Property, plant and equipment (excluding leased assets)

Mainly, the company uses the straight-line method.

Note that the most common useful economic life periods are as follows.

Buildings and structures	3-60 years
Machinery and equipment	2-20 years
Tools, furniture and fixtures	2-20 years

ii. Intangible assets (excluding leased assets)

The company uses the straight-line method.

Note that for internal-use software, the Company uses the straight-line method based on the period of internal use (5 years).

iii. Leased assets

Lease assets related to finance lease transactions without transfer of ownership

The Company uses the straight-line method, with the lease period as the useful economic life and zero residual value.

Note that some overseas subsidiaries prepare financial statements based on IFRS or U.S. GAAP, and apply IFRS 16 (Leases) or ASU 2016-02 (Leases). Under IFRS 16 or ASU 2016-02 for lessees, in principle, all leases are recorded as assets and liabilities on the balance sheet.

(c) Standards for the recognition of significant allowances

i. Allowance for doubtful accounts

To prepare for bad debt expenses accounts receivable, loans receivable, etc., the Company provides an allowance for doubtful accounts based on the historical write-off rate for ordinary receivables, and the estimated amount of irrecoverable debt is booked based on the recoverability of individual cases for specified receivables such as debt with a possibility of default.

ii. Provision for bonuses

The company provides an allowance for the payment of bonuses to employees based on the estimated payment amount.

iii. Provision for director bonuses

The company provides an allowance for the payment of bonuses to directors based on the estimated payment amount.

iv. Provision for losses on construction contracts

To provide for future losses on construction contracts, the Company records estimated losses on construction contracts that have not been delivered as of the end of the current consolidated fiscal year, for which losses are expected and the amount of said losses can be reasonably estimated.

v. Provision for warranties for completed construction

To provide for warranty expenses related to completed construction, the Company estimates the amount of warranty expenses expected to be incurred in the future and records an amount representing a percentage of sales of completed construction.

vi. Provision for shareholder benefit program

The Company records an allowance for expenses expected to be incurred under the shareholder benefit program.

(d) Accounting treatment for retirement benefits

To provide for the payment of retirement benefits to employees, the Company records an amount equal to the projected retirement benefit obligation less pension assets, based on the estimated amount of retirement benefits as of the end of the current consolidated fiscal year.

i. Method of attributing projected retirement benefits to fiscal periods

When calculating retirement benefit obligations, the Company uses a method of attributing retirement benefits to the period through the end of the current consolidated fiscal year based on the benefit calculation method.

ii. Method of amortizing actuarial gains and losses and prior service cost

Actuarial gains and losses are calculated under the straight-line method over a specified number of years (10 years) within the average remaining service period of employees as of the consolidated fiscal year in which the difference arose, and

prorated and expensed in the consolidated fiscal year following the year in which such differences occurred.

Prior service costs are amortized by the straight-line method over a specified number of years (10 years) within the average remaining service period of employees at the time the cost is incurred.

Unrecognized actuarial gains and losses and unrecognized prior service cost are adjusted for tax effect, and then included in net assets as remeasurements of defined benefit plans under other accumulated comprehensive income.

Certain consolidated subsidiaries adopt a simplified method for the calculation of net defined benefit liability and retirement benefit expenses, using the amount payable at the end of the fiscal year for retirement benefits as the retirement benefit obligation.

(e) Basis for recognition of significant revenues and expenses

The major performance obligations in the principal operations of the Company and its consolidated subsidiaries related to revenues arising from contracts with customers and the general timing at which such performance obligations are satisfied (usual timing for revenue recognition) are as follows.

i. New installation work

The Company performs new installation work on elevators, escalators, and other equipment. The Company recognizes revenue for such contracts based on the percentage of completion related to the satisfaction of performance obligations over a specified period of time. This is a contract whereby the construction work in question creates an asset that cannot be converted to an alternative use and the contractor has an enforceable right to receive consideration for the portion of the work completed. Since costs are incurred in accordance with the actual progress of construction, the Company has determined that it can reasonably estimate the degree of progress in satisfying the performance obligation based on inputs based on the costs incurred. The Company measures progress based on the percentage of construction costs incurred by the end of each reporting period compared with the total expected construction costs. In addition, certain foreign subsidiaries recognize revenues from sales of equipment and installation of equipment under an integrated contract at a single point in time when the equipment is delivered to the customer, and recognize revenues related to the installation of the equipment based on percentage of completion related to the satisfaction of performance obligations over a specified period of time. This is a contract whereby the construction work in question creates an asset that cannot be converted to an alternative use and the contractor has an enforceable right to receive consideration for the portion of the work completed. Since costs are incurred in accordance with the actual progress of construction, the Company has determined that it can reasonably estimate the degree of progress in satisfying the performance obligation based on inputs based on the costs incurred. The Company measures progress based on the percentage of construction costs incurred by the end of each reporting period compared with the total expected construction costs.

ii. Modernization projects

The Company performs modernization work for elevators, escalators, and other equipment. The Company recognizes revenue for such contracts based on the percentage of completion related to the satisfaction of performance obligations over a specified period of time. This is a contract whereby the construction work in question creates an asset that cannot be converted to an alternative use and the contractor has an enforceable right to receive consideration for the portion of the work completed. Since costs are incurred in accordance with the actual progress of construction, the Company has determined that it can reasonably estimate the degree of progress in satisfying the performance obligation based on inputs based on the costs incurred. The Company measures progress based on the percentage of construction costs incurred by the end of each reporting period compared with the total expected construction costs.

iii. Maintenance

The Company provides maintenance services for elevators, escalators, and other equipment. The Company recognizes revenue for such maintenance contracts based on the percentage of completion related to the satisfaction of performance obligations over a specified period of time. The Company measures progress based on an elapsed period to charge a fixed amount according to the duration of services rendered.

iv. Repairs

The Company performs repair work on elevators, escalators, and other equipment. The Company recognizes revenue for such contracts at the point in time in which work is completed.

(f) Standards for translating material foreign currency denominated assets or liabilities into Japanese currency

Receivables and payables denominated in foreign currencies are converted into yen at the spot exchange rate on the balance sheet date and translation differences posted as profit or loss for the current period.

The assets and liabilities of overseas subsidiaries are converted to yen at the spot exchange rate on the balance sheet date, while related revenues and expenses are converted to yen at the average rate during the period. These translation differences are posted as foreign currency translation adjustments or non-controlling interests under net assets.

However, income and expenses of foreign subsidiaries in hyperinflationary economies are translated into yen at the spot exchange rate on the balance sheet date in order to apply IAS 29, "Financial Reporting in Hyperinflationary Economies".

In the event of significant changes in exchange rates between the balance sheet date of foreign subsidiaries and the consolidated balance sheet date, balance sheet items of the foreign subsidiaries are translated into yen at the exchange rates prevailing as of the consolidated balance sheet date.

(g) Important hedge accounting methods

i. Hedge accounting method

As a rule, the Company uses deferral hedge accounting.

ii. Hedge accounting methods and hedged items

Hedge accounting methods

Hedged items

Forward exchange contracts

Expected foreign-currency transactions

iii. Hedging policy

The finance division of each company enters into derivative transactions for the purpose of hedging risks, hedging within a certain range the interest rate fluctuation risks and foreign exchange fluctuation risks associated with hedged items.

iv. Evaluation of hedge effectiveness

The Company compares cumulative cash flow variations for hedged items and hedge accounting methods with market fluctuation on a semi-annual basis, and assesses the effectiveness of hedges based on the amounts of variation in both cases.

(h) Goodwill amortization method and period

The Company amortizes goodwill on a straight-line method between 5 and 14 years.

(i) Scope of funds reported on the consolidated statement of cash flows

The company reports cash on hand, deposits drawable at will, deposits readily convertible to cash, and price change-insensitive short-term investments whose redemption period is within three months.

(j) Other significant matters for preparing consolidated financial statements

Not applicable.

(Significant accounting estimates)

The following are estimated items expected to have a particularly large impact on the Company's consolidated financial statements in the following fiscal year.

Provision for losses on construction contracts

(1) Amount recorded in the consolidated financial statements for the current fiscal year

(Millions of yen)

	Previous consolidated fiscal year (March 31, 2023)	Current consolidated fiscal year (March 31, 2024)
Provision for losses on construction contracts	8,568	10,227

(2) Information related to details of significant accounting estimates for specific items

The Group recognizes estimated losses on undelivered construction contracts at the end of the consolidated fiscal year when

it is probable that the total construction costs, of such construction will exceed the amount of the revenue and when the expected loss can be reasonably estimated. Calculations of the total construction costs are based on information available, including contract details and past cost performance of identical models. The assumptions used in the calculations are subject to continuous verification and revisions of estimates, since assumptions vary due to various factors, including contract changes, construction conditions, and trends in material and subcontracting costs.

Revisions to these estimates and actual production costs that differ from estimates may have a significant impact on the provision for losses on construction contracts and gross profit in the following consolidated fiscal year.

(Changes in Accounting Policies)

(Adoption of Accounting Standards Update (ASU) 2016-13, *Financial Instruments—Credit Losses*)

Effective as of current consolidated fiscal year, one Fujitec Group subsidiary utilizing U.S. GAAP has adopted ASU 2016-13, *Financial Instruments—Credit Losses*. With this change, The Company revised our method for measuring financial instruments. The aforementioned ASU also requires the recognition of write-downs for financial assets using an expected credit loss model. The adoption of this accounting standard update has no effect on consolidated financial statements or per-share information.

(Unapplied accounting standards)

- Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022)
- Accounting Standard for Presentation of Comprehensive Income (ASBJ Statement No. 25, October 28, 2022)
- Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022)

(1) Overview

This standard establishes the treatment of tax effects related to the sale of shares of subsidiaries in the case when the accounting classification of tax expenses and the group corporate taxation for other comprehensive income are applied.

(2) Scheduled date of application

Scheduled to be applied from the beginning of the fiscal year ending March 31, 2025.

(3) Effect of application of the aforementioned accounting standards

As of the preparation of these consolidated financial statements, the amount of impact is under evaluation.

(Changes in Presentation Methods)

(Consolidated statements of cash flows)

The Company revised the account title for “loss (gain) on sales and retirement of property, plant and equipment”, which had been presented under cash flows from operating activities in the previous consolidated fiscal year, to for the current consolidated fiscal year due to the recording of a gain on sale related to intangible assets arising during the current consolidated fiscal year.

As a result, the 25 million yen disclosed under “loss (gain) on sales and retirement of property, plant and equipment” in the consolidated statements of cash flows for the previous consolidated fiscal year are presented as 25 million yen in “loss (gain) on sale and retirement of non-current assets”.

(Supplemental Information)

(Transaction to deliver Fujitec Co., Ltd. shares to employees, etc. via trust)

At a meeting held November 6, 2020, the Fujitec Co., Ltd. board of directors resolved to adopt a Trust-Type Employee Shareholding Incentive Plan (E-Ship). The purpose of this plan is to incentivize employees to raise corporate value over the medium and long term, to expand employee welfare benefits, and to encourage steady company growth by motivating employees through equity participation. However, the company terminated this trust on August 29, 2023.

(Hyperinflation Accounting)

The Group applied IAS 29, *Financial Reporting in Hyperinflationary Economies*, for adjustments in connection with the consolidation of the financial statements of Fujitec Argentina S.A.. The economy of Argentina indicated a cumulative inflation rate exceeding 100% over a three-year period.

(Consolidated balance sheets)

*1 The amount of receivables and contract assets from contracts with customers among notes and account receivable-trade and contract assets, and the amount of contract liabilities among advances from customers are as described under the Notes to Consolidated Financial Statements (revenue recognition) 3.(1) Balance of contract assets, contract liabilities, etc..

*2 Collateral assets and secured debt

The following describes assets pledged as collateral and secured debts.

	(Millions of yen)	
	Previous consolidated fiscal year (March 31, 2023)	Current consolidated fiscal year (March 31, 2024)
Notes and accounts receivable-trade, and contract assets	346	-
Work in process	24	-
Raw materials and supplies	147	-
Buildings and structures	2,318	2,292
Machinery and equipment	75	58
Land	529	295
Total	3,441	2,646

	(Millions of yen)	
	Previous consolidated fiscal year (March 31, 2023)	Current consolidated fiscal year (March 31, 2024)
Short-term debt	654	369
Long-term debt	13	91

*3 The following describes items related to non-consolidated subsidiaries and affiliated companies.

	(Millions of yen)	
	Previous consolidated fiscal year (March 31, 2023)	Current consolidated fiscal year (March 31, 2024)
Investments securities (stock)	2,244	846
Investments and other assets, other (investments in capital)	708	708

(Consolidated statements of income)

*1 Revenues arising from contracts with customers

The Company do not separately provide revenues as revenues arising from contracts with customers and other revenues. The amounts of revenues arising from contracts with customers are presented in Notes to consolidated financial statements (revenue recognition) 1. Disaggregation of revenues arising from contracts with customers.

*2 The following describes the major components of selling, general and administrative expenses.

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Salaries and allowances	11,559	12,559
Provision for bonuses	2,559	2,274
Provision for director bonuses	46	47
Retirement benefit expenses	517	597
Provision of allowance for doubtful accounts	93	611
Provision of allowance for shareholder benefits	114	127

*3 Total research and development expenses included in general and administrative expenses and manufacturing expenses for the period under review are as follows.

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
	2,590	2,974

*4 The details of gain on sales of non-current assets are as follows.

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Machinery and equipment	10	5
Tools, furniture and fixtures	0	0
Leased assets	6	28
Other (Intangible assets)	-	5,330
Total	16	5,363

*5 The details of loss on sales of non-current assets are as follows.

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Machinery and equipment	5	4
Tools, furniture and fixtures	0	0
Total	5	4

*6 The details of loss on retirement of non-current assets are as follows.

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Buildings and structures	21	1
Machinery and equipment	4	4
Tools, furniture and fixtures	11	10
Demolition and removal costs	-	3
Total	37	19

*7 The provision for loss on construction contracts included in cost of sales is as follows.

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
	6,470	10,188

*8 Impairment loss

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

Significant impairment losses are as follows

Place	Usage	Class	Impairment loss (millions of yen)
The U.K.	-	Goodwill	1,046

The Group's assets are grouped based on management accounting categories in which profit and loss are continuously monitored.

As a result of reviewing the business plan of Amalgamated Lifts Limited, the Company reduced the carrying value of goodwill arising from the acquisition of shares of Amalgamated Lifts Limited to the recoverable amount because the Company no longer expects the goodwill to generate the initially anticipated earnings. The recoverable amount is measured from value in use, which is calculated by discounting future cash flows at a rate of 13.3%.

Impairment losses other than the above are not significant and are therefore omitted.

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

Significant impairment losses are as follows

Place	Usage	Class	Impairment loss (millions of yen)
India	-	Goodwill	464

The Group's assets are grouped based on management accounting categories in which profit and loss are continuously monitored.

The Group reduced the carrying value of goodwill arising from the acquisition of Express Lifts Limited (currently Fujitec Express Limited) to the recoverable amount after reviewing the discount rate and other factors. The Company recorded the reduction as impairment loss under special loss. The recoverable amount is measured from value in use, which is calculated by discounting future cash flows at a rate of 15.2%.

Impairment losses other than the above are not significant and are therefore omitted.

*9 Income taxes for prior periods

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

As a result of an income tax audit conducted for taxable years from the fiscal year ended March 31, 2020 to the fiscal year ended March 31, 2023, the Company recorded 605 million yen in income taxes for prior periods.

(Consolidated statements of comprehensive income)

*1 Reclassifications and adjustments related to other comprehensive income

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Valuation difference on available-for-sale securities		
Gains (losses) arising during the year	32	3,796
Reclassifications and adjustments	(9)	(466)
Total	23	3,329
Deferred gains or losses on hedges		
Gains (losses) arising during the year	(168)	15
Reclassifications and adjustments	(4)	(12)
Total	(172)	2
Foreign currency translation adjustments		
Gains (losses) arising during the year	9,953	6,209
Reclassifications and adjustments	-	-
Total	9,953	6,209
Remeasurements of defined benefit plans		
Gains (losses) arising during the year	(468)	704
Reclassifications and adjustments	132	240
Total	(335)	945
Total before tax effect adjustments	9,467	10,486
Tax effect	100	(1,272)
Total other comprehensive income	9,568	9,214

*2 Tax effect related to other comprehensive income

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Valuation difference on available-for-sale securities		
Before tax effect adjustments	23	3,329
Tax effect	(72)	(950)
After tax effect adjustments	(49)	2,379
Deferred gains or losses on hedges		
Before tax effect adjustments	(172)	2
Tax effect	-	-
After tax effect adjustments	(172)	2
Foreign currency translation adjustments		
Before tax effect adjustments	9,953	6,209
Tax effect	-	-
After tax effect adjustments	9,953	6,209
Remeasurements of defined benefit plans		
Before tax effect adjustments	(335)	945
Tax effect	173	(322)
After tax effect adjustments	(162)	622
Total other comprehensive income		
Before tax effect adjustments	9,467	10,486
Tax effect	100	(1,272)
After tax effect adjustments	9,568	9,214

(Consolidated statements of change in shareholders' equity)

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

1. Issued shares

Class of stock	Beginning of the fiscal year (consolidated)	Increase	Decrease	End of the fiscal year (consolidated)
Common stock (thousand shares)	82,400	-	3,500	78,900

(Summary of reasons for change)

The following provides details of increases and decreases.

Cancellation of treasury stock by resolution of the Board of Directors on February 8, 2023: 3,500 thousand shares

2. Treasury stock

Class of stock	Beginning of the fiscal year (consolidated)	Increase	Decrease	End of the fiscal year (consolidated)
Common stock (thousand shares)	1,434	3,147	3,654	927

(Note) The number of shares of common stock in treasury stock at the end of the current consolidated fiscal year was 51 thousand shares of Company stock held as a Trust-Type Employee Shareholding Incentive Plan (E-Ship), and 876 thousand shares due to the acquisition of treasury stock.

(Summary of reasons for change)

The following provides details of increases and decreases.

Increase due to purchase of fractional shares:	0 thousand shares
Acquisition of treasury stock by resolution of the Board of Directors on March 1, 2022:	3,147 thousand shares
Disposal of treasury stock by resolution of the Board of Directors on July 22, 2022:	8 thousand shares
Cancellation of treasury stock by resolution of the Board of Directors on February 8, 2023:	3,500 thousand shares
Decrease due to the sale of shares to the Trust-Type Employee Shareholding Incentive Plan (E-Ship):	146 thousand shares

3. Stock acquisition rights

Company Name	Details	Class of shares eligible for stock acquisition rights	Number of shares eligible (shares)				Balance at the end of the year (consolidated) (Millions of yen)
			Beginning of the fiscal year (consolidated)	Increase	Decrease	End of the fiscal year (consolidated)	
FUJITEC CO., LTD.	Stock acquisition rights as stock options resolved by the Board of Directors on November 8, 2013	-	-	-	-	-	21
FUJITEC CO., LTD.	Stock acquisition rights as stock options resolved by the Board of Directors on August 7, 2014	-	-	-	-	-	11
FUJITEC CO., LTD.	Stock acquisition rights as stock options resolved by the Board of Directors on August 7, 2015	-	-	-	-	-	2
Total			-	-	-	-	35

4. Dividends

(1) Cash dividends paid

Resolution	Class of stock	Total Dividend Value (Millions of yen)	Dividend per Share (Yen)	Record date	Effective Date
Ordinary General Meeting of Shareholders on June 23, 2022	Common stock	3,652	45.00	March, 31, 2022	June 24, 2022
Board of Directors Meeting on November 8, 2022	Common stock	2,775	35.00	September, 30, 2022	December 1, 2022

(Notes) 1. The total amount of dividends resolved at the Ordinary General Meeting of Shareholders on June 23, 2022 included 8 million yen in dividends for Company shares held for the Trust-Type Employee Shareholding Incentive Plan (E-Ship).
2. The total amount of dividends resolved at the Board of Directors Meeting on November 8, 2022 included 4 million yen in dividends for Company shares held for the Trust-Type Employee Shareholding Incentive Plan (E-Ship).

(2) Dividends with a record date during the fiscal year, but an effective date subsequent to the current consolidated fiscal year

Resolution	Class of stock	Source of Dividend	Total Dividend Value (Millions of yen)	Dividend per Share (Yen)	Record date	Effective Date
Ordinary General Meeting of Shareholders on June 21, 2023	Common stock	Retained earnings	3,120	40.00	March, 31, 2023	June 21, 2023

(Notes) 1. The total amount of dividends resolved at the Ordinary General Meeting of Shareholders on June 21, 2023 included 2 million yen in dividends for Company shares held for the Trust-Type Employee Shareholding Incentive Plan (E-Ship).
2. Dividends per share include a commemorative dividend of 5 yen per share for the 75th anniversary of the Company's founding.

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

1. Issued shares

Class of stock	Beginning of the fiscal year (consolidated)	Increase	Decrease	End of the fiscal year (consolidated)
Common stock (thousand shares)	78,900	-	-	78,900

2. Treasury stock

Class of stock	Beginning of the fiscal year (consolidated)	Increase	Decrease	End of the fiscal year (consolidated)
Common stock (thousand shares)	927	0	58	869

(Note) The number of common shares held as treasury stock as of the end of the current fiscal year consists of 0 shares from fractional purchases and 869,000 shares from share buybacks.

(Summary of reasons for change)

The following provides details of increases and decreases.

Increase due to purchase of fractional shares	0 thousand shares
Disposal of treasury stock by resolution of the board of directors on July 21, 2023	7 thousand shares
Decrease due to the sale of shares to the Trust-Type Employee Shareholding Incentive Plan (E-Ship):	51 thousand shares

3. Stock acquisition rights

Company Name	Details	Class of shares eligible for stock acquisition rights	Number of shares eligible (shares)				Balance at the end of the year (consolidated) (Millions of yen)
			Beginning of the fiscal year (consolidated)	Increase	Decrease	End of the fiscal year (consolidated)	
FUJITEC CO., LTD.	Stock acquisition rights as stock options resolved by the Board of Directors on November 8, 2013	-	-	-	-	-	21
FUJITEC CO., LTD.	Stock acquisition rights as stock options resolved by the Board of Directors on August 7, 2014	-	-	-	-	-	11
FUJITEC CO., LTD.	Stock acquisition rights as stock options resolved by the Board of Directors on August 7, 2015	-	-	-	-	-	2
Total			-	-	-	-	35

4. Dividends

(1) Cash dividends paid

Resolution	Class of stock	Total Dividend Value (Millions of yen)	Dividend per Share (Yen)	Record date	Effective Date
Ordinary General Meeting of Shareholders on June 21, 2023	Common stock	3,120	40.00	March, 31, 2023	June 21, 2023
Board of Directors Meeting on November 8, 2023	Common stock	2,731	35.00	September, 30, 2023	December 1, 2023

(Note) The total amount of dividends resolved at the Ordinary General Meeting of Shareholders on June 23, 2023 included 2 million yen in dividends for Company shares held for the Trust-Type Employee Shareholding Incentive Plan (E-Ship). In addition, dividends per share included a commemorative dividend of 5 yen per share for the 75th anniversary of the Company's founding.

(2) Dividends with a record date during the fiscal year, but an effective date subsequent to the current consolidated fiscal year

Resolution	Class of stock	Source of Dividend	Total Dividend Value (Millions of yen)	Dividend per Share (Yen)	Record date	Effective Date
Ordinary General Meeting of Shareholders on June 26, 2024	Common stock	Retained earnings	9,363	120.00	March, 31, 2024	June 27, 2024

(Consolidated statements of cash flows)

*1 The relationship between the period-end balance in cash and deposits and items listed on the consolidated balance sheet is as follows.

	(Millions of yen)	
	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Cash and deposits	58,297	80,560
Time deposits with maturities of more than three months	(26,833)	(41,572)
Cash and cash equivalents	31,463	38,987

(Lease transactions)

1. Finance lease transactions

Finance lease transactions without transfer of ownership

(1) Lease asset details

Property, plant and equipment

Property, plant and equipment are mainly office buildings (buildings and structures), business vehicles (machinery, equipment and vehicles), production facilities (machinery, equipment and vehicles) and office fixtures (tools, furniture and fixtures).

(2) Depreciation method for lease assets

Depreciation for lease assets is as described under Material basis for preparing consolidated financial statements 4. Summary of Significant accounting policies (b) Depreciation/amortization method for significant depreciable/amortizable assets.

2. Operating lease transactions

Future minimum lease payments for noncancelable operating leases

	(Millions of yen)	
	Previous consolidated fiscal year (March 31, 2023)	Current consolidated fiscal year (March 31, 2024)
Due within one year	1,563	1,287
Over one year	3,325	2,224
Total	4,889	3,512

(Financial instruments)

1. Matters on the status of financial instruments

(1) Policy on financial instruments

The Fujitec Group raises funds for capital investment needs for the production, sales, installation, and maintenance of elevators, escalators, and electric transport equipment through internal funds or debt financing. Cash surpluses are invested in highly secure financial assets, and short-term operating funds are financed by internal funds or short-term debt financing. Derivatives financial instruments are used to mitigate the risk of foreign exchange or interest rate fluctuations, and the Company's policy is to not engage in speculative transactions.

(2) Details and risks of financial instruments and risk management structure

Notes and accounts receivable-trade are exposed to customer credit risk. The Company manage this risk according to the credit management rules, conducting collection date management and balance management for each customer. The Company also monitor the credit status of major customers on a regular basis. Consolidated subsidiaries engage in similar management. Foreign currency-denominated trade receivables arising from the Group's global operations are exposed to foreign exchange fluctuation risk. The Group use foreign currency forward contracts to hedge fluctuation risk, if necessary. As investment securities, stocks are exposed to market price fluctuation risk. However, the Group owns stocks mainly in companies with which the Group has business relationships. The Group periodically assesses the fair value of these stocks and reviews holdings on an ongoing basis in consideration of relationships with business partners. As trade payables, trade notes and accounts payable-trade, electronically recorded obligations are mainly due within one

year. A portion trade notes and accounts payable arising from the import of raw materials, etc., is denominated in foreign currency and is exposed to market risk fluctuation for foreign currency exchange rates. However, the balance of payables denominated in foreign currencies is always less than the balance of receivables denominated in foreign currencies. Of debt payables, short-term debt is mainly related to operating activities and long-term debt is incurred mainly for financing necessary capital investments.

Derivatives consists of foreign currency forward contracts used to manage the market risk of fluctuations in foreign currency exchange rates. The finance departments of each Group company enters into derivative transactions for the purpose of hedging risks. The results of derivative transactions are reported to the Company's Finance HQ and the director in charge of finance. Derivative transactions are limited to financial institutions with high credit ratings to reduce credit risk.

Hedge accounting methods, hedged items, hedging policies, and evaluations of hedging effectiveness are as described in Material basis for preparing consolidated financial statements 4.(g) Important hedge accounting methods.

(3) Supplementary information on fair values of financial instruments

As fair value calculations for financial instruments incorporate variable factors, values may fluctuate if different assumptions are used. Nominal contract amounts related to derivative transactions under Derivatives in the notes to these financial statements do not indicate the market risk of derivative transactions.

2. Fair value, etc., of financial instruments

The following table describes the carrying amount, fair value, and gains or losses related to financial instruments on consolidated financial statements.

Previous consolidated fiscal year (March 31, 2023)

(Millions of yen)

	Carrying value on consolidated balance sheets	Fair value	Difference
(1) Cash and deposits (*1)	66,373	66,229	(144)
(2) Notes and accounts receivable-trade and contract assets (Before deducting allowance for doubtful accounts) (*2)	59,128	56,914	(2,213)
(3) Investments securities			
Investments securities, other	7,695	7,695	-
(4) Long-term loans receivable (Before deducting allowance for doubtful accounts)	1,262	1,259	(3)
Total assets	134,461	132,099	(2,361)
(1) Notes and accounts payable-trade	18,548	18,548	-
(2) Electronically recorded obligations-operating	3,904	3,904	-
(3) Short-term debt	9,789	9,789	-
(4) Long-term debt (*4)	20	18	(1)
(5) Lease obligations (*5)	2,076	1,963	(112)
Total liabilities	34,339	34,224	(114)
Derivatives (*6)			
Derivatives with hedge accounting	(151)	(151)	-
Total derivative transactions	(151)	(151)	-

(*1) Cash and deposits also includes long-term time deposits (8,076 million yen on the consolidated balance sheets), which are included in other under investments and other assets on the consolidated balance sheets.

(*2) Contract assets are not included.

(*3) Stocks, etc. without market prices are not included in (3) Investments securities.

The amounts of relevant financial instruments on the consolidated balance sheet are as follows.

Classification	Previous consolidated fiscal year (Millions of yen)
Unlisted stocks	118
Stocks of subsidiaries and affiliates	2,244

(*4) Current portion of long-term debt under current liabilities and long-term debt under non-current liabilities are combined.

(*5) Lease obligations included in current liabilities, other and non-current liabilities, other have been combined.

(*6) Net claims and liabilities arising from derivative transactions are presented at net value, and the total of net liabilities are shown in parentheses.

Current consolidated fiscal year (March 31, 2024)

(Millions of yen)

	Carrying value on consolidated balance sheets	Fair value	Difference
(1) Cash and deposits (*1)	80,565	80,565	(0)
(2) Notes and accounts receivable-trade and contract assets (Before deducting allowance for doubtful accounts) (*2)	64,119	61,078	(3,041)
(3) Investments securities			
Investments securities, other	10,805	10,805	-
(4) Long-term loans receivable (Before deducting allowance for doubtful accounts)	1,171	1,169	(2)
Total assets	156,661	153,617	(3,044)
(1) Notes and accounts payable-trade	18,181	18,181	-
(2) Electronically recorded obligations-operating	4,116	4,116	-
(3) Short-term debt	5,733	5,733	-
(4) Long-term debt	128	128	-
(5) Lease obligations (*4)	2,487	2,371	(115)
Total liabilities	30,646	30,531	(115)
Derivatives (*5)			
Derivatives with hedge accounting	(149)	(149)	-
Total derivative transactions	(149)	(149)	-

(*1) Cash and deposits also includes long-term time deposits (4 million yen on the consolidated balance sheets), which are included in other under investments and other assets on the consolidated balance sheets.

(*2) Contract assets are not included.

(*3) Stocks, etc. without market prices are not included in (3) Investments securities.

The amounts of relevant financial instruments on the consolidated balance sheet are as follows.

Classification	Current consolidated fiscal year (Millions of yen)
Unlisted stocks	118
Stocks of subsidiaries and affiliates	846

(*4) Lease obligations included in current liabilities, other and non-current liabilities, other have been combined.

(*5) Net claims and liabilities arising from derivative transactions are presented at net value, and the total of net liabilities are shown in parentheses.

(Note1) Scheduled redemption value of monetary claims and securities with maturity dates after the consolidated balance sheet date

Previous consolidated fiscal year (March 31, 2023)

	Within one year (Millions of yen)	Between one and five years (Millions of yen)	Between five and ten years (Millions of yen)	Over ten years (Millions of yen)
Cash and deposits (*1)	58,297	8,076	-	-
Notes and accounts receivable-trade and contract assets (*2)	54,853	4,265	9	-
Long-term loans receivable	1,235	27	-	-
Total	114,386	12,370	9	-

(*1) Long-term time deposits (8,076 million yen on the consolidated balance sheets) included in investments and other assets, other on the consolidated balance sheets are also included.

(*2) Contract assets are not included.

Current consolidated fiscal year (March 31, 2024)

	Within one year (Millions of yen)	Between one and five years (Millions of yen)	Between five and ten years (Millions of yen)	Over ten years (Millions of yen)
Cash and deposits (*1)	80,560	4	-	-
Notes and accounts receivable-trade and contract assets (*2)	58,236	5,883	-	-
Long-term loans receivable	-	1,171	-	-
Total	138,796	7,059	-	-

(*1) Long-term time deposits (4 million yen on the consolidated balance sheets) included in investments and other assets, other on the consolidated balance sheets are also included.

(*2) Contract assets are not included.

(Note2) Long-term debt, lease obligations, and other interest-bearing debt scheduled after the consolidated balance sheet date
Previous consolidated fiscal year (March 31, 2023)

	Within one year (Millions of yen)	Between one and five years (Millions of yen)	Between five and ten years (Millions of yen)	Over ten years (Millions of yen)
Short-term debt	9,789	-	-	-
Long-term debt	6	13	-	-
Lease obligations	560	1,149	366	-
Total	10,356	1,163	366	-

Current consolidated fiscal year (March 31, 2024)

	Within one year (Millions of yen)	Between one and five years (Millions of yen)	Between five and ten years (Millions of yen)	Over ten years (Millions of yen)
Short-term debt	5,733	-	-	-
Long-term debt	-	128	-	-
Lease obligations	727	1,580	179	-
Total	6,461	1,708	179	-

3. Details, etc., of the fair value of financial instruments by level

The Company classifies the fair value of financial instruments into the following three levels based on the observability and materiality of the inputs used to calculate fair value.

Level 1 Fair Value: Fair value measured using observable inputs that are quoted prices for identified assets or liabilities in active markets

Level 2 Fair Value: Fair value measured using observable inputs other than those included within Level 1.

Level 3 Fair Value: Fair value measured using unobservable inputs.

When multiple inputs that have a significant effect on the calculation of fair value are used, fair value is classified into the level with the lowest priority in the calculation of fair value among the levels to which each of those inputs belongs.

(1) Financial instruments carried at fair value on the consolidated balance sheets

Previous consolidated fiscal year (March 31, 2023)

Classification	Fair value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Investments securities				
Investments securities, other				
Corporate bonds	-	43	-	43
Stocks	7,652	-	-	7,652
Total assets	7,652	43	-	7,695
Derivative transactions				
Currency-related derivatives	-	151	-	151
Total liabilities	-	151	-	151

Current consolidated fiscal year (March 31, 2024)

Classification	Fair value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Investments securities				
Investments securities, other				
Corporate bonds	-	43	-	43
Stocks	10,761	-	-	10,761
Total assets	10,761	43	-	10,805
Derivative transactions				
Currency-related derivatives	-	149	-	149
Total liabilities	-	149	-	149

(2) Financial instruments other than those carried at fair value on the consolidated balance sheets

Previous consolidated fiscal year (March 31, 2023)

Classification	Fair value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Cash and deposits	-	66,229	-	66,229
Notes and accounts receivable-trade and contract assets (Before deducting allowance for doubtful accounts) (*)	-	56,914	-	56,914
Long-term loans receivable (Before deducting allowance for doubtful accounts)	-	1,259	-	1,259
Total assets	-	124,403	-	124,403
Notes and accounts payable-trade	-	18,548	-	18,548
Electronically recorded obligations-operating	-	3,904	-	3,904
Short-term debt	-	9,789	-	9,789
Long-term debt	-	18	-	18
Lease obligations	-	1,963	-	1,963
Total liabilities	-	34,224	-	34,224

(*) Contract assets are not included.

Current consolidated fiscal year (March 31, 2024)

Classification	Fair value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Cash and deposits	-	80,565	-	80,565
Notes and accounts receivable-trade and contract assets (Before deducting allowance for doubtful accounts) (*)	-	61,078	-	61,078
Long-term loans receivable (Before deducting allowance for doubtful accounts)	-	1,169	-	1,169
Total assets	-	142,812	-	142,812
Notes and accounts payable-trade	-	18,181	-	18,181
Electronically recorded obligations-operating	-	4,116	-	4,116
Short-term debt	-	5,733	-	5,733
Long-term debt	-	128	-	128
Lease obligations	-	2,371	-	2,371
Total liabilities	-	30,531	-	30,531

(*) Contract assets are not included.

(Note) Explanation of valuation techniques used and inputs related to the calculation of fair value

Investments securities

Listed stocks are valued based on quoted market prices. Since listed stocks are traded in active markets, fair value is classified as Level 1 fair value. Corporate bonds are classified as Level 2 fair value, calculated based on the present value of the estimated amount of principal and interest to be received, reflecting the likelihood of collection and discounted at a safe interest rate for the remaining period.

Derivative transactions

The fair value of forward exchange contracts is classified as Level 2 fair value, as the fair value of forward exchange contracts is based on prices, etc., provided by financial institutions with which the Company enters transactions.

Cash and deposits

Fair values of cash and short-term deposits classified as Level 2 fair value, as these items are settled over a short period of time and fair values approximate carrying value. The fair value of long-term time deposits is classified as Level 2 fair value. The fair value is based on the present value of the estimated amount of principal and interest to be received discounted by the interest rate assumed in the case of a similar new contract.

Notes and accounts receivable-trade, and contract assets

Fair values are classified as Level 2 fair value, as these items are based on the present value of receivables discounted by interest rates, etc., taking into account the period until maturity and credit risk for each receivable classified by certain periods of time.

Long-term loans receivable

Fair values are classified as Level 2 fair value, calculated based on the present value of the estimated amount of principal and interest to be received, reflecting the likelihood of collection and discounted at a safe interest rate for the remaining period.

Notes and accounts payable-trade, electronically recorded obligations, and short-term debt

Fair values classified as Level 2 fair value, as these items are settled over a short period of time and fair values approximate carrying value.

Long-term debt

Long-term debt payable in floating interest rates is classified as Level 2 fair value, as interest rates reflect market interest rates over a short period of time and fair value approximates book value. Long-term debt payable under fixed interest rates is classified as Level 2 fair value, as fair value is calculated by discounting total principal and interest rate applicable to new similar transactions.

Lease obligations

Fair value classified as Level 2 fair value, as fair value is calculated by discounting total principal and interest rate applicable to new similar transactions.

(Investments securities)

1. Trading securities

Previous and current consolidated fiscal years

Not applicable.

2. Held-to-maturity securities

Previous and current consolidated fiscal years

Not applicable.

3. Other securities

Previous consolidated fiscal year (March 31, 2023)

	Class	Carrying value on consolidated balance sheets (Millions of yen)	Purchase price (Millions of yen)	Difference (Millions of yen)
Items whose carrying value on the consolidated balance sheets exceeds purchase price	Stock	6,578	2,708	3,870
	Subtotal	6,578	2,708	3,870
Items whose carrying value on the consolidated balance sheets do not exceed purchase price	Stock	1,073	1,402	(328)
	Bonds	43	43	-
	Subtotal	1,117	1,446	(328)
Total		7,695	4,154	3,541

(Note) These stocks are not included in investments securities, other as unlisted stocks and stocks of subsidiaries and affiliates are carried on the balance sheet at purchase price. The carrying amounts of these stocks on the consolidated balance sheets are as described under Notes to the consolidated financial statements (Financial instruments) 2. Fair value, etc., of financial instruments.

Current consolidated fiscal year (March 31, 2024)

	Class	Carrying value on consolidated balance sheets (Millions of yen)	Purchase price (Millions of yen)	Difference (Millions of yen)
Items whose carrying value on the consolidated balance sheets exceeds purchase price	Stock	10,675	3,790	6,884
	Subtotal	10,675	3,790	6,884
Items whose carrying value on the consolidated balance sheets do not exceed purchase price	Stock	86	100	(13)
	Bonds	43	43	-
	Subtotal	129	143	(13)
Total		10,805	3,934	6,870

(Note) These stocks are not included in investments securities, other as unlisted stocks and stocks of subsidiaries and affiliates are carried on the balance sheet at purchase price. The carrying amounts of these stocks on the consolidated balance sheets are as described under Notes to the consolidated financial statements (Financial instruments) 2. Fair value, etc., of financial instruments.

4. Investments securities, other sold during the consolidated fiscal year

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

(Millions of yen)

Class	Sales proceeds	Total gains on sales	Total losses on sales
Stock	46	10	0
Total	46	10	0

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

(Millions of yen)

Class	Sales proceeds	Total gains on sales	Total losses on sales
Stock	689	466	-
Total	689	466	-

5. Securities subject to impairment losses

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

The Company recognized impairment losses of 0 million yen related to other securities and 1 million yen related to stock of subsidiaries and affiliates.

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

Not applicable.

(Derivative transactions)

1. Derivative transactions not treated under hedge accounting

Currency-related derivatives

Previous consolidated fiscal year (March 31, 2023)

Not applicable.

Current consolidated fiscal year (March 31, 2024)

Not applicable.

2. Derivative transactions treated under hedge accounting

Currency-related derivatives

Previous consolidated fiscal year (March 31, 2023)

(Millions of yen)

Hedge accounting method	Transaction type	Main hedge items	Contract value	Due after one year	Fair value
Principle method	Foreign currency forward contracts	Expected foreign currency transaction			
	Buying				
	USD		2,182	743	(92)
	RMB		2,815	1,089	(58)
Total			4,998	1,832	(151)

Current consolidated fiscal year (March 31, 2024)

(Millions of yen)

Hedge accounting method	Transaction type	Main hedge items	Contract value	Due after one year	Fair value
Principle method	Foreign currency forward contracts	Expected foreign currency transaction			
	Buying				
	USD		1,546	-	(47)
	RMB		1,850	492	(101)
Total			3,397	492	(149)

(Retirement benefits)

1. Overview of retirement benefits plans

The Company and consolidated subsidiaries have adopted both funded and non-funded defined benefit plans, as well as a defined contribution plan to provide for employee retirement benefits.

Of these plans, the Company has adopted a defined benefit pension plan and a lump-sum severance payment plan, while consolidated subsidiaries mainly adopt a lump-sum severance payment plan and a defined contribution pension plan.

Certain consolidated subsidiaries calculate net defined benefit liability and retirement benefit expenses using the simplified accounting method.

2. Defined benefit plans

(1) Changes to the balance of retirement benefit obligations at the beginning and end of the period as of March 31, 2024 and 2023 (excluding plans adopting the simplified accounting method)

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Retirement benefit obligations at the beginning of the period	16,954	17,119
Service cost	1,080	1,043
Interest cost	74	108
Actuarial gains and losses	(121)	302
Retirement benefits paid	(1,018)	(1,072)
Other	149	73
Retirement benefit obligations at the end of the period	17,119	17,575

(2) Changes to the balance of pension assets at the beginning and end of the period as of March 31, 2024 and 2023 (excluding plans adopting the simplified accounting method)

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Pension assets at the beginning of the period	13,345	12,966
Expected return on plan assets	266	259
Actuarial gains and losses	(589)	1,006
Employer contributions	501	490
Retirement benefits paid	(558)	(594)
Pension assets at the end of the period	12,966	14,128

- (3) Changes to the balance of net defined benefit liability for plans adopting the simplified accounting method at the beginning and end of the period as of March 31, 2024 and 2023

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Net defined benefit liability at the beginning of the period	64	80
Retirement benefit expenses	8	33
Retirement benefits paid	(2)	(9)
Other	9	64
Net defined benefit liability at the end of the period	80	168

- (4) Changes to the balance of retirement benefit obligations and pension assets at the end of the period as of March 31, 2024 and 2023, and net defined liabilities and assets recorded in the consolidated balance sheets

(Millions of yen)

	Previous consolidated fiscal year (March 31, 2023)	Current consolidated fiscal year (March 31, 2024)
Funded retirement benefit obligations	12,995	13,148
Pension assets	(12,966)	(14,128)
	29	(980)
Non-funded retirement benefit obligations	4,203	4,595
Net liabilities and assets recorded in the consolidated balance sheets	4,232	3,614
Net defined benefit liability	4,232	4,595
Net defined benefit asset	-	(980)
Net liabilities and assets recorded in the consolidated balance sheets	4,232	3,614

(Note) Includes plans adopting the simplified accounting method.

- (5) Retirement benefit expenses and details

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Service cost	1,080	1,043
Interest cost	74	108
Expected return on plan assets	(266)	(259)
Amortization of actuarial gains and losses	132	240
Retirement benefit expenses calculated by the simplified accounting method	8	33
Retirement benefit expenses under defined benefit plans	1,028	1,167

- (6) Remeasurements of defined benefit plans

The details of remeasurements of defined benefit plans (before deductions of tax effects) are as follows:

(Millions of yen)

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Actuarial gains and losses	(335)	945
Total	(335)	945

(7) Cumulative remeasurements of defined benefit plans

The details of cumulative remeasurements of defined benefit plans (before deductions of tax effects) are as follows:

(Millions of yen)

	Previous consolidated fiscal year (March 31, 2023)	Current consolidated fiscal year (March 31, 2024)
Unrecognized actuarial gains and losses	1,213	268
Total	1,213	268

(8) Items related to pension assets

a. Details of main pension assets items

Ratios for each main classification of pension assets are as described below.

	Previous consolidated fiscal year (March 31, 2023)	Current consolidated fiscal year (March 31, 2024)
Bonds	59%	52%
Stocks	23%	35%
General accounts	5%	4%
Other	13%	9%
Total	100%	100%

b. Method for determining expected long-term rate of return on plan assets

In determining the expected long-term rate of return on plan assets, the Company considers current and expected distributions of pension assets and the current and expected long-term rate of return from the various assets that comprise pension assets.

(9) Items related to the basis for actuarial calculations

The main basis for actuarial calculations is as described below.

	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Discount rate	0.2%	0.2%
Expected long-term rate of return	2.0%	2.0%

3. Defined contribution plans

Required contributions to defined contribution plans amounted to 109 million yen for the previous consolidated fiscal year and 119 million yen for the current consolidated fiscal year under review.

(Stock options)

1 Stock option details, scope, and variability

(1) Stock option details

Date of Resolution	Classification and Number of Eligible Individuals	Number of stock options by type of stock	Grant date	Vesting terms	Eligible service period	Exercise period
November 8, 2013	4 directors of the Company excluding outside directors	Common stock: 36,000 shares	November 25, 2013	Not granted	Not determined	November 26, 2013 to November 25, 2043
August 7, 2014	4 directors of the Company excluding outside directors	Common stock: 24,000 shares	August 25, 2014	Not granted	Not determined	August 26, 2014 to August 25, 2044
August 7, 2015	4 directors of the Company excluding outside directors	Common stock: 7,000 shares	August 25, 2015	Not granted	Not determined	August 26, 2015 to August 25, 2045

(2) Stock option details, scope, and variability

The Company converted the number of stock options to a number of shares for eligible stock options existing as of the current consolidated fiscal year.

a. Number of stock options

Date of resolution	Unvested Shares (Shares)					Vested Shares (Shares)				
	End of the previous consolidated fiscal year	Granted	Expired	Vested	Balance of unvested shares	End of the previous consolidated fiscal year	Vested	Exercised	Expired	Unexercised
November 8, 2013	-	-	-	-	-	21,000	-	-	-	21,000
August 7, 2014	-	-	-	-	-	14,000	-	-	-	14,000
August 7, 2015	-	-	-	-	-	4,000	-	-	-	4,000

b. Unit price information

Date of Resolution	Exercise Price (yen)	Average Stock Price at Time of Exercise (yen)	Fair Unit Value Price on Grant Date (yen)
November 8, 2013	1	-	1,016
August 7, 2014	1	-	815
August 7, 2015	1	-	696

2. Method of estimating fair value per unit of stock options granted for the fiscal year ended March 31, 2024

Not applicable.

3. Estimation method for number of vested stock options

As there are no vesting terms, all stock acquisition rights are vested when granted.

(Tax effect accounting)

1. Details of deferred tax assets and general deferred tax liabilities by major source

	(Millions of yen)	
	Previous consolidated fiscal year (March 31, 2023)	Current consolidated fiscal year (March 31, 2024)
Deferred tax assets		
Tax loss carryforwards (Note) 1	2,090	1,611
Net defined benefit liability	1,132	703
Provision for bonuses	567	791
Provision for losses on construction contracts	1,622	1,405
Allowance for doubtful accounts	973	1,149
Other	2,144	2,455
Subtotal of deferred tax assets	8,530	8,116
Valuation allowance related to net tax loss carryforwards (Note) 1.	(1,299)	(945)
Valuation allowance related to total future deductible amounts, etc.	(586)	(490)
Subtotal of valuation allowances	(1,886)	(1,435)
Total deferred tax assets	6,643	6,681
Deferred tax liabilities		
Valuation difference on available-for-sale securities	(1,114)	(2,064)
Retained earnings of foreign consolidated subsidiaries	(446)	(551)
Other	(405)	(697)
Total deferred tax liabilities	(1,966)	(3,313)
Deferred tax assets net	4,677	3,367

(Notes) 1. Net tax loss carryforwards and deferred tax assets by carryforward period

Previous consolidated fiscal year (March 31, 2023)

(Millions of yen)

	Within one year	Between one and two years	Between two and three years	Between three and four years	Between four and five years	Over five years	Total
Net tax loss carryforwards (a)	77	47	101	97	250	1,515	2,090
Valuation allowance	(75)	(31)	(60)	(46)	(177)	(908)	(1,299)
Deferred tax assets	2	16	41	50	73	606	790

(a) Net tax loss carryforward is the amount multiplied by the statutory tax rate.

Current consolidated fiscal year (March 31, 2024)

(Millions of yen)

	Within one year	Between one and two years	Between two and three years	Between three and four years	Between four and five years	Over five years	Total
Net tax loss carryforwards (a)	65	48	56	174	138	1,128	1,611
Valuation allowance	(64)	(38)	(40)	(89)	(62)	(650)	(945)
Deferred tax assets	1	10	15	85	76	478	666

(a) Net tax loss carryforward is the amount multiplied by the statutory tax rate.

2. Reconciliation between the statutory tax rate and the effective income tax rate after applying tax effect accounting, and main causes of said differences

	Previous consolidated fiscal year (March 31, 2023)	Current consolidated fiscal year (March 31, 2024)
Effective statutory tax rate	30.62%	30.62%
(Adjustments)		
Non-deductible entertainment expenses	0.54%	0.36%
Valuation allowances	1.84%	(0.40)%
Per capita inhabitant tax	1.08%	0.58%
Net loss of consolidated subsidiaries	0.73%	0.27%
Effect of foreign tax rate differences	(10.07)%	(8.11)%
Income taxes for prior periods	-%	2.53%
Non-taxable gain on sales of non-current assets of foreign subsidiaries	-%	(3.65)%
Other	(0.63)%	0.92%
Income tax rate after application of tax effect accounting	24.11%	23.12%

(Business combinations)

Business combination through acquisition

1. Overview of business combination

(1) Name of acquired company and its business lines

Name of Acquired Company Stampede Elevator Inc.

Business Lines Maintenance, repair and modernization of elevators and escalators

(2) Major reasons for business combination

The Company's M&A strategy as outlined in Vision24 Medium-Term Management Plan is to strengthen our maintenance business in mature markets. The Group has decided to increase our presence in Canada by acquiring Stampede Elevator Inc., which operates a maintenance business in the Calgary area and is in good financial condition.

(3) Date of business combination

April, 1, 2023

(4) Legal form of business combination

Acquisition of shares for cash

(5) Name of company after combination

No change.

(6) Percentage of voting rights acquired

100%

(7) Main basis for deciding on the company for acquisition

The Company acquired the shares for cash through wholly owned subsidiary Fujitec Canada, Inc.

2. Period of the acquired company's results included in the consolidated financial statements

From April 1, 2023 to December 31, 2023

3. Acquisition cost of the acquired company and breakdown by type of consideration

Consideration for acquisition:	Cash	656 million yen
Total acquisition cost:		656 million yen

4. Description and amount of major acquisition-related expenses

Fees and commissions paid to advisory firms: 24 million yen

5. Amount of goodwill incurred, reason for goodwill, amortization method, and amortization period

(1) Amount of goodwill incurred

626 million yen

The balance of goodwill is based on a provisional calculation since the Company have not completed identification of identifiable assets and liabilities as of the date of the business combination and the estimation of fair value, and the allocations of acquisition cost is not completed as of the end of the current consolidated fiscal year.

(2) Reason for goodwill

This is the excess earning power expected from future business development.

(3) Amortization method and amortization period

Straight-line amortization over 5 years

6. Amounts of assets acquired and liabilities assumed on the date of business combination and their breakdown

(Millions of yen)

Current assets	126
Non-current assets	10
Total assets	137
Current liabilities	42
Non-current liabilities	0
Total liabilities	42

7. Estimated amount and calculation method of the effect of the business combination on the consolidated statements of income for the current consolidated fiscal year if the business combination were to have been completed at the beginning of the consolidated fiscal year

This information is not significant and is therefore omitted.

Finalization of provisional accounting treatment for business combinations

The business combination with Express Lifts Limited (currently Fujitec Express Limited) on September 20, 2022, subject to provisional accounting treatment in the previous consolidated fiscal year, was finalized in the current consolidated fiscal year. With the finalization of this provisional accounting treatment, the Group reflected a significant revision in the preliminary allocation of acquisition costs, allocating 150 million yen to intangible assets and 39 million yen to deferred tax liabilities. As a

result, the amount of goodwill calculated provisionally decreased 111 million yen from 1,496 million yen to 1,385 million yen. Other under intangible assets and foreign currency translation adjustments increased 146 million yen and 0 million yen, respectively, while goodwill, other under investments and other assets, retained earnings, and non-controlling interests decreased 108 million yen, 38 million yen, 0 million yen, and 0 million yen, respectively, as of the end of the previous consolidated fiscal year.

(Revenue recognition)

1. Disaggregation of revenues arising from contracts with customers

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

(Millions of yen)

	Reportable Segments				Total
	Japan	East Asia	South Asia	The Americas and Europe	
New Installations	25,183	48,750	9,183	9,324	92,442
Aftermarket	49,821	22,204	14,693	26,981	113,700
Other	30	1,148	246	20	1,445
Revenues arising from contracts with customers	75,035	72,103	24,123	36,326	207,589
Sales to external customers	75,035	72,103	24,123	36,326	207,589

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

(Millions of yen)

	Reportable Segments				Total
	Japan	East Asia	South Asia	The Americas and Europe	
New Installations	31,410	39,667	13,236	11,844	96,158
Aftermarket	54,122	25,462	17,358	32,602	129,545
Other	33	1,963	404	1,294	3,696
Revenues arising from contracts with customers	85,565	67,094	30,999	45,741	229,401
Sales to external customers	85,565	67,094	30,999	45,741	229,401

2. Basic Information for Understanding Revenues

(1) New Installations

The Company performs new construction of elevators, escalators, and other equipment, recognizing revenue over a specified period of time based primarily on the percentage of completion measured as a ratio of actual costs incurred compared to total construction costs. The Company takes this approach as the construction work in question creates assets that cannot be converted to an alternative use and the contract has an enforceable right to receive consideration for the completed portion of the work. Further, costs are incurred in accordance with the actual progress of the work, and the Company has determined that the degree of progress in satisfying performance obligations can be estimated reasonably based on inputs tied to costs incurred. The Company's new installation contracts include free maintenance services to be performed for a certain period of time after completion and delivery. The Company allocates the transaction price for such maintenance services as a separate performance obligation and recognizes revenue over time. Arm's length sales prices are estimated based on various factors, including market conditions and cost performance. Consideration for transactions is generally received within approximately one year from of the satisfaction of performance obligations.

(2) Aftermarket

The Company provides maintenance, repair and modernization services for elevators, escalators and other equipment. For maintenance work, the Company recognizes revenue over time, as the Company charge a fixed amount based on the duration of services rendered. For repair work, the Company recognizes revenue at the point in time in which work is completed. For modernization projects, the Company recognizes revenue over a specified period of time based primarily on the percentage of completion measured as a ratio of actual costs incurred compared to total construction costs. The Company takes this approach as the construction work in question creates assets that cannot be converted to an alternative use and the contract has an enforceable right to receive consideration for the completed portion of the work. Further, costs are incurred in accordance with the actual progress of the work, and the Company has determined that the degree of progress in satisfying performance obligations can be estimated reasonably based on inputs tied to costs incurred. The Company's modernization contracts include free maintenance services to be performed for a certain period of time after completion and delivery. The Company allocates the transaction price for such maintenance services as a separate performance obligation and recognizes revenue over time. Arm's length sales prices are estimated based on various factors, including market conditions and cost performance. Consideration for transactions is generally received within approximately one year from of the satisfaction of performance obligations.

(3) Other

The Company sells products primarily to foreign customers and recognizes revenue at a point in time in which delivery is completed.

3. Information for Understanding Revenue for the Current and Next Fiscal Years

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

(1) Balance of contract assets, contract liabilities, etc.

(Millions of yen)

	Previous consolidated fiscal year	
	Beginning of period	End of period
Receivables arising from contracts with customers	52,718	59,128
Contract assets	13,629	16,416
Contract liabilities	22,693	21,010

Contract assets relate to the rights of the Company or subsidiaries to consideration for goods or services for which the Company or subsidiaries have satisfied or partially satisfied performance obligations under new installation and modernization contracts as of the balance sheet date, but for which invoices have yet to be issued. The Company or subsidiaries reclassifies contract assets to accounts receivable when the rights to consideration become unconditional. Consideration for new installation and modernization contracts is billed on a milestone basis. Some amounts may be received prior to the satisfaction of performance obligations.

Contract liabilities represent unearned consideration received from customers in advance of the performance of contracts for goods or services provided by the Company and consolidated subsidiaries. The liability is reversed as revenue is recognized for the contracts related to said unearned consideration.

Of the beginning balance of contract liabilities, 15,074 million yen was recognized as revenue during the period.

(2) Transaction prices allocated to remaining performance obligations

The total transaction price allocated to the remaining performance obligations as of March 31, 2023 was 172,848 million yen. The Company expects the remaining performance obligations to be satisfied generally within three years. The Company applied the practical expedient method in the notes related to transaction prices allocated to remaining performance obligations. The notes do not include contracts for fixed amounts based on service time rendered for services for which revenue is recognized in accordance with Paragraph 19 of Implementation Guidance on Accounting Standard for Revenue Recognition.

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

(1) Balance of contract assets, contract liabilities, etc.

(Millions of yen)

	Current consolidated fiscal year	
	Beginning of period	End of period
Receivables arising from contracts with customers	59,922	64,119
Contract assets	16,416	21,021
Contract liabilities	22,025	20,999

Contract assets relate to the rights of the Company or subsidiaries to consideration for goods or services for which the Company or subsidiaries have satisfied or partially satisfied performance obligations under new installation and modernization contracts as of the balance sheet date, but for which invoices have yet to be issued. The Company or subsidiaries reclassifies contract assets to accounts receivable when the rights to consideration become unconditional. Consideration for new installation and modernization contracts is billed on a milestone basis. Some amounts may be received prior to the satisfaction of performance obligations.

Contract liabilities represent unearned consideration received from customers in advance of the performance of contracts for goods or services provided by the Company and consolidated subsidiaries. The liability is reversed as revenue is recognized for the contracts related to said unearned consideration.

Of the beginning balance of contract liabilities, 17,587 million yen was recognized as revenue during the period.

The material changes in contract assets for the current consolidated fiscal year are due mainly to the recognition of revenue associated with the progress of construction and other activities.

(2) Transaction prices allocated to remaining performance obligations

The total transaction price allocated to the remaining performance obligations as of March 31, 2024 was 179,533 million yen. The Company expects the remaining performance obligations to be satisfied generally within three years. The Company applied the practical expedient method in the notes related to transaction prices allocated to remaining performance obligations. The notes do not include contracts for fixed amounts based on service time rendered for services for which revenue is recognized in accordance with Paragraph 19 of Implementation Guidance on Accounting Standard for Revenue Recognition.

(Segment and Other Information)

[Segment Information]

1. Overview of reportable segments

The Fujitec Group's reportable segments are units of the group whose financial information is available separately and are reviewed regularly by the Fujitec Co., Ltd. board of directors for determining the distribution of management resources and the evaluation of business performance.

The Fujitec Group is engaged mainly in the production, sales, installation, and maintenance of elevators, escalators, and other products. Fujitec Co., Ltd. is in charge of businesses in Japan, while independent local subsidiaries are in charge of overseas businesses in East Asia (China, Hong Kong, Taiwan, and South Korea), South Asia (mainly Singapore and India), and The Americas and Europe (the United States, Canada, Argentina, Mexico, and the United Kingdom).

Accordingly, the Fujitec Group consists of regional segments based on an integrated system of production, sales, installation, and maintenance, representing four reportable segments: (1) Japan, (2) East Asia, (3) South Asia, and (4) The Americas and Europe.

Effective as of the current consolidated fiscal year, Elevadores EV International, S.A. de C.V. is included in the scope of consolidation under The Americas and Europe due to its increased importance.

2. Method of calculating net sales, profit (loss), assets, liabilities, and other items of each reportable segment

The accounting treatment for each reportable segment is essentially the same as that described under Material basis for preparing consolidated financial statements. Profit for each reportable segment reflects figures based on operating income.

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

Further, during the current consolidated fiscal year, the Company finalized the provisional accounting treatment for business combinations. The segment information disclosed for the previous consolidated fiscal year represents amounts subsequent to reflecting a significant revision of the allocation of acquisition costs after finalizing the provisional accounting treatment of the previous consolidated fiscal year.

3. Information on net sales, profit (loss), assets, liabilities, and other items of each reportable segment

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

(Millions of yen)

	Reportable Segments					Adjustments (Note 1)	Amount Recorded on Consolidated Financial Statements (Note 2)
	Japan	East Asia	South Asia	The Americas and Europe	Total		
Net sales							
Sales to external customers	75,035	72,103	24,123	36,326	207,589	-	207,589
Intersegment sales/transfers	2,471	10,824	5	35	13,336	(13,336)	-
Total	77,507	82,927	24,128	36,361	220,925	(13,336)	207,589
Segment income	2,111	4,486	3,543	1,525	11,667	(48)	11,618
Segment assets	94,584	106,178	35,659	23,642	260,065	(29,967)	230,098
Other items							
Depreciation and amortization	2,143	957	342	590	4,033	-	4,033
Amortization of goodwill	-	-	32	81	114	-	114
Impairment loss	99	-	-	1,046	1,146	-	1,146
Increase in property, plant and equipment and intangible assets	2,703	178	851	793	4,527	-	4,527

(Notes) 1 Adjustments are as follows:

- (1) Segment income adjustments of (48) million yen include eliminations of intersegment transactions of 6 million yen and inventory adjustments of (55) million yen.
- (2) Segment asset adjustments of (29,967) million yen include eliminations of intersegment transactions of (29,766) million yen and inventory adjustments of (201) million yen.
- 2 Segment income has been adjusted to operating income on the consolidated statements of income.
- 3 The increase in property, plant and equipment and intangible assets does not include an increase in amounts stemming from new consolidations.

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

(Millions of yen)

	Reportable Segments					Adjustments (Note 1)	Amount Recorded on Consolidated Financial Statements (Note 2)
	Japan	East Asia	South Asia	The Americas and Europe	Total		
Net sales							
Sales to external customers	85,565	67,094	30,999	45,741	229,401	-	229,401
Intersegment sales/transfers	2,506	12,284	0	35	14,826	(14,826)	-
Total	88,072	79,378	31,000	45,776	244,228	(14,826)	229,401
Segment income	6,645	1,630	5,010	1,455	14,741	(169)	14,571
Segment assets	106,211	107,063	42,378	29,709	285,362	(28,960)	256,402
Other items							
Depreciation and amortization	2,183	970	564	702	4,421	-	4,421
Amortization of goodwill	-	-	124	160	284	-	284
Impairment loss	142	-	464	-	607	-	607
Increase in property, plant and equipment and intangible assets	2,737	297	498	585	4,120	-	4,120

(Notes) 1 Adjustments are as follows:

- (1) Segment income adjustments of (169) million yen include eliminations of intersegment transactions of (0) million yen and inventory adjustments of (169) million yen.
- (2) Segment asset adjustments of (28,960) million yen include eliminations of intersegment transactions of (28,625) million yen and inventory adjustments of (334) million yen.
- 2 Segment income has been adjusted to operating income on the consolidated statements of income.
- 3 The increase in property, plant and equipment and intangible assets does not include an increase in amounts stemming from new consolidations.

[Related Information]

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

1. Information by product and service

The main business of the Fujitec Group is the production, sales, installation, and maintenance of elevators, escalators, and electric transport equipment. In the elevator and escalator market, the Group provides equipment from new installation to maintenance as an integrated service. Information by product and service is omitted, as sales to external customers in the related business exceed 90% of net sales in the consolidated statements of income.

2. Information by region

(1) Net sales

(Millions of yen)

Japan	East Asia	South Asia	The Americas, Europe and Others	Total
75,005	71,053	24,370	37,159	207,589

(Notes) 1. Net sales are classified into the country or region where the customer in question is located.

2. China accounts for 49,150 million yen of East Asia results.

3. The United States accounts for 25,177 million yen of the Americas, Europe and Others results.

(2) Property, plant and equipment

(Millions of yen)

Japan	East Asia	South Asia	The Americas and Europe	Total
23,889	8,594	3,691	2,330	38,506

(Note) China accounts for 4,964 million yen of East Asia results.

3. Information by major customer

This information is omitted as there are no external customers who accounted for over 10% of sales in the consolidated statements of income.

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

1. Information by product and service

The main business of the Fujitec Group is the production, sales, installation, and maintenance of elevators, escalators, and electric transport equipment. In the elevator and escalator market, the Group provides equipment from new installation to maintenance as an integrated service. Information by product and service is omitted, as sales to external customers exceed 90% of net sales in the consolidated statements of income.

2. Information by region

(1) Net sales

(Millions of yen)

Japan	East Asia	South Asia	The Americas, Europe and Others	Total
85,532	65,175	31,875	46,818	229,401

(Notes) 1. Net sales are classified into the country or region where the customer in question is located.

2. China accounts for 41,020 million yen of East Asia results.

3. The United States accounts for 31,422 million yen of the Americas, Europe and Others results.

(2) Property, plant and equipment

(Millions of yen)

Japan	East Asia	South Asia	The Americas and Europe	Total
24,382	8,484	3,893	2,786	39,547

(Note) China accounts for 4,867 million yen of East Asia results.

3. Information by major customer

This information is omitted as there are no external customers who accounted for over 10% of sales in the consolidated statements of income.

[Information related to impairment of non-current assets by reportable segment]

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

(Millions of yen)

	Japan	East Asia	South Asia	The Americas and Europe	Corporate and Eliminations	Total
Impairment loss	99	-	-	1,046	-	1,146

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

(Millions of yen)

	Japan	East Asia	South Asia	The Americas and Europe	Corporate and Eliminations	Total
Impairment loss	142	-	464	-	-	607

[Information on Amortization and Unamortized Balance of Goodwill per Reporting Segment]

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

(Millions of yen)

	Japan	East Asia	South Asia	The Americas and Europe	Corporate and Eliminations	Total
Balance at the end of the previous fiscal year	-	-	1,353	149	-	1,503

(Note) Information on amortization of goodwill is omitted as similar information is provided under segment information.

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

(Millions of yen)

	Japan	East Asia	South Asia	The Americas and Europe	Corporate and Eliminations	Total
Balance at the end of the current fiscal year	-	-	854	1,355	-	2,210

(Note) Information on amortization of goodwill is omitted as similar information is provided under segment information.

Information on gain on negative goodwill by reporting segment

Previous consolidated fiscal year and current consolidated fiscal year

Not applicable.

[Related-Party Information]

1. Related-party transactions

(1) Transactions between the company submitting consolidated financial statements and related parties

Officers and major shareholders(restricted to individuals only.) of the company submitting consolidated financial statements

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

Not applicable.

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

Not applicable.

(2) Transactions between the consolidated subsidiaries of the company submitting consolidated financial statements and related parties

Previous consolidated fiscal year and current consolidated fiscal year

Not applicable.

2. Notes on parent company or significant affiliates

Not applicable.

(Per-Share Information)

(Yen)

Item	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Net assets per share	1,640.29	1,901.28
Net income per share	106.67	228.55
Diluted net income per share	106.61	228.44

Note 1. In calculating the number of shares of common stock and average number of shares of common stock during the period used as a basis for the calculation per-share information, treasury shares deducted for said calculation include Fujitec Co., Ltd. stock (51,400 shares as of the end of the previous consolidated fiscal year; - shares as of the end of the current consolidated fiscal year under review) held as a trust-type employee shareholding incentive plan (E-Ship). The average number of Fujitec Co., Ltd. shares held in the trust was 124,154 shares in the previous consolidated fiscal year and 12,583 shares in the current consolidated fiscal year under review.

2. The basis for calculating net income per share and diluted net income per share is shown in the table below.

Item	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Net income per share		
Profit attributable to owners of parent (Millions of yen)	8,433	17,830
Amounts not attributable to shareholders of common stock (Millions of yen)	-	-
Profit attributable to common stock owners of parent (Millions of yen)	8,433	17,830
Average number of outstanding shares of common stock (Thousand shares)	79,062	78,015
Diluted net income per share		
Adjustment of net income attributable to owners of parent (Millions of yen)	-	-
Increase in number of common stock (Thousand shares)	38	38
(Stock acquisition rights included) (Thousand shares)	(38)	(38)
Outline of dilutive stock not included in calculation of diluted net income per share due to anti-dilutive effect	-	-

3. The basis for calculating net assets per share is shown in the table below.

Item	Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (April 1, 2023 to March 31, 2024)
Total net assets (Millions of yen)	144,117	165,177
Amount deducted from total net assets (Millions of yen)	16,220	16,819
(Stock acquisition rights included) (Millions of yen)	(35)	(35)
(Non-controlling interests included) (Millions of yen)	(16,185)	(16,783)
Net assets attributable to common stock at the end of the fiscal year (Millions of yen)	127,897	148,358
Number of common stock at the end of the fiscal year used to calculate net assets per share (Thousand shares)	77,972	78,030

(Significant subsequent events)

Not applicable.

e. [Consolidated Supplementary Schedules]

[Corporate Bond Schedule]

Not applicable.

[Schedule of Borrowings]

Classification	Beginning of period (Millions of yen)	End of period (Millions of yen)	Average interest rate (%)	Due date
Short-term debt	9,789	5,733	4.30	-
Current portion of long-term debt	6	-	-	-
Current portion of lease obligations	560	727	-	-
Long-term debt (excludes current portion)	13	128	3.34	January 2025
Lease obligations (excludes current portion)	1,515	1,759	-	August 2032
Other interest-bearing debt	-	-	-	-
Total	11,886	8,349	-	-

(Notes) 1. Average interest rate is the weighted average interest rate for the borrowings fiscal end of the period.

2. Average interest rate for lease obligations omitted, as lease obligations are recorded on the consolidated balance sheets at the amount before deducting amounts equivalent to interest included in total lease payments.

3. Scheduled repayments for long-term debt and lease obligations (excluding current portion) for the five years following the consolidated balance sheet date are as described below.

Classification	Between one and two years (Millions of yen)	Between two and three years (Millions of yen)	Between three and four years (Millions of yen)	Between four and five years (Millions of yen)
Long-term debt	128	-	-	-
Lease obligations	488	419	383	288

[Schedule of Asset Retirement Obligations]

Information is omitted pursuant to Article 92-2 of the Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements, as the amount of asset retirement obligations at the beginning and end of the current consolidated fiscal year is less than 1/100 of the total liabilities and net assets at the beginning and end of the current consolidated fiscal year.

(2) [Other]

Quarterly information for the current consolidated fiscal year:

(Year-to-date)	1st quarter	2nd quarter	3rd quarter	Year end
Net sales (Millions of yen)	50,453	107,024	166,902	229,401
Profit before income taxes (Millions of yen)	4,627	10,769	19,371	23,916
Profit attributable to owners of parent (Millions of yen)	3,546	7,722	15,681	17,830
Net income per share (Yen)	45.48	99.01	201.02	228.55

(Fiscal year)	1st quarter	2nd quarter	3rd quarter	4th quarter
Net income per share (Yen)	45.48	53.53	102.00	27.54

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Fujitec Co., Ltd.

Report on the Audit of the Consolidated Financial Statements Opinion

We have audited the consolidated financial statements of Fujitec Co., Ltd. and its consolidated subsidiaries (the Group), which comprise the Consolidated Balance Sheets as at March 31, 2024, and the Consolidated Statements of Income, Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Shareholder's Equity and Consolidated Statements of Cash Flows for the year then ended, and Notes to consolidated financial statements, including a Summary of Significant accounting policies, all expressed in Japanese yen.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the information included in the Integrated Report and Financial Report, but does not include the consolidated financial statements and our auditor's report thereon. The Integrated Report and Financial Report is expected to be made available to us after the date of this auditor's report. Management is responsible for the other information. Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's other information reporting process.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures of the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Fee-related Information

Fees paid or payable to our firm and to other firms within the same network as our firm for the audit of the financial statements of the Company and its subsidiaries and other non-audit fees charged in the audit period to the Company and its subsidiaries are 77 million yen and 2 million yen, respectively.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Grant Thornton Taiyo LLC

Grant Thornton Taiyo LLC

Osaka, Japan

2, August, 2024