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Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 [Japanese GAAP]



May 14, 2024

Company name: KATO WORKS CO., LTD.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 6390
 URL: <https://www.kato-works.co.jp>
 Representative: Kimiyasu Kato, President and Representative Director
 Contact: Hidetada Yanagihara, Executive Officer and General Manager, Finance Control Department
 Phone: +81-3-3458-1130
 Scheduled date of general shareholders' meeting: June 27, 2024
 Scheduled date of commencing dividend payments: June 28, 2024
 Scheduled date of filing securities report: June 28, 2024
 Availability of supplementary briefing materials on annual financial results: Available
 Schedule of annual financial results briefing session: Not scheduled

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

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

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2024	57,498	(0.1)	1,654	31.4	2,575	38.1	4,235	76.3
March 31, 2023	57,530	(9.5)	1,258	–	1,865	–	2,403	–

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥5,230 million [88.3%]

Fiscal year ended March 31, 2023: ¥2,777 million [–%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended					
March 31, 2024	361.49	–	8.8	2.5	2.9
March 31, 2023	205.09	–	5.4	1.9	2.2

(Reference) Equity in earnings of affiliated companies: Fiscal year ended March 31, 2024: ¥92 million
 Fiscal year ended March 31, 2023: ¥42 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2024	105,330	51,551	47.9	4,302.82
As of March 31, 2023	98,799	46,906	46.2	3,899.40

(Reference) Equity: As of March 31, 2024: ¥50,414 million
 As of March 31, 2023: ¥45,689 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year-end
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2024	(696)	1,627	1,401	22,366
March 31, 2023	6,471	1,369	(6,606)	19,977

2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2023	–	0.00	–	30.00	30.00	351	14.6	0.7
March 31, 2024	–	20.00	–	45.00	65.00	761	18.0	1.5
March 31, 2025 (Forecast)	–	–	–	–	–		–	

(Note) We are now examining the impact of the fundamental readjustments of our businesses assuming the rationalization of two subsidiaries in China, including the negotiation regarding the dissolution and liquidation of the joint venture (subsidiary) which is engaged in the mini excavator business in China, on the dividends of the fiscal year ending March 31, 2025. The dividends of such fiscal year are to be determined as the impact is difficult to reasonably estimate it at this moment.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 - March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	70,000	21.7	2,100	27.0	1,500	(41.8)	–	–	–

(Note) We are now examining the impact of the fundamental readjustments of our businesses assuming the rationalization of two subsidiaries in China, including the negotiation regarding the dissolution and liquidation of the joint venture (subsidiary) which is engaged in the mini excavator business in China, on the profit attributable to owners of parent of the consolidated financial results forecast for the fiscal year ending March 31, 2025. The profit attributable to owners of parent of the forecast will be published as soon as the impact is known as it is difficult to reasonably estimate it at this moment.

*** Notes:**

- (1) Changes in significant subsidiaries during the fiscal year under review: None
(Changes in specified subsidiaries resulting in changes in scope of consolidation)
Newly included: – (), Excluded: – ()
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (3) Total number of shares issued and outstanding (common stock)
- 1) Total number of shares issued and outstanding at the end of the year (including treasury shares):

March 31, 2024:	11,743,587 shares
March 31, 2023:	11,743,587 shares

 - 2) Total number of treasury shares at the end of the year:

March 31, 2024:	26,853 shares
March 31, 2023:	26,508 shares

 - 3) Average number of shares during the year:

Year ended March 31, 2024:	11,716,934 shares
Year ended March 31, 2023:	11,717,130 shares

(Reference) Summary of Non-consolidated Financial Results**1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024)**

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2024	51,190	0.4	2,022	16.2	4,152	71.8	6,054	64.9
March 31, 2023	50,974	(6.3)	1,741	—	2,417	—	3,672	—

Year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2024	516.76	—
March 31, 2023	313.45	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2024	92,228	43,256	46.9	3,691.86
As of March 31, 2023	84,584	37,696	44.6	3,217.25

(Reference) Equity: As of March 31, 2024: ¥43,256 million

As of March 31, 2023: ¥37,696 million

* These consolidated financial results are outside the scope of audit by certified public accountants or an audit firm.

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

The financial results forecast and other forward-looking statements described herein are based on the information currently available to the Company and certain assumptions that the Company considers reasonable, and actual financial results may significantly differ from the forecast and statements due to various factors.

For the assumptions underlying the financial results forecast and the notes on the use of the financial results forecast, please see “(4) Future Outlook” under “1. Overview of Operating Results, etc.” on page 5 of the Attachment.