



May 15, 2025

Summary of Financial Results for the Year Ended March 2025 [Japan GAAP] (Consolidated)

Name of Company: Yashima & Co., Ltd.
Stock Code: 7677
Representative: Title: President and Representative Director
Contact Person: Title: Director, Managing Executive Officer,
General Manager of Administrative Division
Phone: +81-3-4218-0096

Stock Exchange Listing: TSE
URL <https://www.yashima-co.co.jp>
Name: Kazuaki Takada
Name: Masahiro Abe

Date of ordinary general meeting of shareholders: June 27, 2025
Date of commencement of dividend payment: June 13, 2025
Date of filing of securities report: June 26, 2025
Preparation of supplementary materials: Yes (in Japanese)
Convening of a results meeting: Yes (in Japanese) (For analysts)

(Note: Amounts are rounded to nearest million yen.)

1. Financial results for the current fiscal year (April 1, 2024 - March 31, 2025)

(1) Operating results (consolidated) (Percentage figures represent year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 2025	29,046	4.7	(44)	—	(511)	—	(509)	—
Year ended March 2024	27,729	8.6	364	459.0	490	109.0	392	—

(Note) Comprehensive income Year ended March 2025 (344) million yen (—%)
Year ended March 2024 673 million yen (—%)

	Net income per share	Net income per share fully diluted	Return on equity	Ratio of ordinary profit to assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Year ended March 2025	(177.73)	—	(5.3)	(2.0)	(0.2)
Year ended March 2024	137.16	—	4.1	2.1	1.3

(Note) Equity in income (losses) of affiliates Year ended March 2025 (0) million yen
Year ended March 2024 (9) million yen

(2) Financial position (consolidated)

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
Year ended March 2025	25,394	9,364	36.9	3,263.42
Year ended March 2024	25,066	9,779	39.0	3,413.83

(Note) Shareholders' equity Year ended March 2025 9,364 million yen
Year ended March 2024 9,779 million yen

(3) Cash flow position (consolidated)

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Year ended March 2025	430	(114)	(77)	10,349
Year ended March 2024	3,394	(45)	(71)	10,057

2. Dividends

	Dividend per share					Total annual dividend	Payout ratio (consolidated)	Dividends/ net assets (consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of FY	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended March 2024	—	0.00	—	25.00	25.00	71	18.2	0.8
Year ended March 2025	—	0.00	—	25.00	25.00	71	—	0.7
Year ending March 2026 (forecast)	—	0.00	—	25.00	25.00		—	

3. Forecast for the fiscal year ending March 2026 (April 1, 2025 - March 31, 2026)

(Percentage figures represent year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
Full year	30,000	3.3	150	—	290	—	190	66.22

*Notice:

(1) Significant changes in the scope of consolidation during the period: No

New consolidations: — Exclusions: —

(2) Changes in accounting policies, accounting estimates, and restatements

(a) Changes in accounting policies due to revision of accounting standards: Yes

(b) Changes in accounting policies other than those in (a): None

(c) Changes in accounting estimates: None

(d) Restatements: None

(3) Number of shares outstanding (common shares)

(a) Shares outstanding (including treasury shares)

Year ended March 2025	2,880,000 shares	Year ended March 2024	2,880,000 shares
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(b) Treasury shares

Year ended March 2025	10,596 shares	Year ended March 2024	15,405 shares
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(c) Average number of shares during the term

Year ended March 2025	2,867,554 shares	Year ended March 2024	2,861,613 shares
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(Reference) Non-consolidated Financial Results

1. Non-consolidated financial results for the current fiscal year (April 1, 2024 - March 31, 2025)

(1) Operating results (non-consolidated)

(Percentage figures represent year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 2025	28,418	3.4	(212)	—	(677)	—	(691)	—
Year ended March 2024	27,479	10.1	417	356.8	566	121.4	350	122.4

	Net income per share	Net income per share fully diluted
	Yen	Yen
Year ended March 2025	(241.28)	—
Year ended March 2024	122.61	—

(2) Financial position (non-consolidated)

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
Year ended March 2025	23,648	7,890	33.4	2,749.82
Year ended March 2024	23,709	8,602	36.3	3,003.13

(Note) Shareholders' equity

Year ended March 2025 7,890 million yen
Year ended March 2024 8,602 million yen



< Reason for difference from the non-consolidated financial results of the previous fiscal year >

Despite an increase in sales volume in the railway business, provisions for allowances associated with overseas projects caused the difference in financial results for the fiscal year under review, compared to the previous fiscal year.

*Financial results summaries are not subject to audit.

*Cautionary statement regarding business results forecasts and special notes

(Disclaimer regarding forward-looking statements)

The financial forecasts and other forward-looking statements in this release are based on currently available information and assumptions considered by the Company to be reasonable and do not represent a commitment from the Company that they will be achieved. Actual results may differ substantially due to various factors. Refer to “(4) Future Outlook” under “1. Analysis of Operating Performance and Financial Position” on page 7 of the supplementary material for the assumptions underlying the forecasts and precautions for using the forecasts.

(Method of obtaining supplementary information to financial results and details of the presentation of financial results)

The Company intends to hold a presentation of its financial results on Tuesday, June 3, 2025.

The Company intends to upload the meeting (stream video) together with the financial results presentation materials to its website immediately after the meeting concludes.



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1. Analysis of Operating Performance and Financial Position

(1) Overview of Operating Results

During the consolidated fiscal year under review, the Japanese economy saw a gradual rebound owing to a recovery in consumer spending as the employment and income environment improved and to improvement in corporate earnings and enthusiasm for capital investment. However, the economic outlook remains uncertain, mainly due to concerns over the risk of downward pressure on the economy caused by continuing geopolitical crises overseas, deceleration of the Chinese economy, and the change in U.S. policy due to the change in administrations in the U.S. Railway operators, the Group's main customers, also recorded growth in both sales and profits and demand showed signs of recovering due to the rebound in transit demand from the domestic travel and inbound market segments.

Amid this backdrop, the Group formulated a three-year medium-term business plan extending from fiscal year ended March 31, 2025 to fiscal year ending March 31, 2027. In the previous fiscal year, the final year of the previous medium-term business plan, we failed to accomplish all goals and will continue to pursue three basic goals in the new medium-term business plan to address issues in light of the business environment surrounding our Group: 1) put the Group back on the path to stable growth, 2) generate new corporate value, and 3) achieve an ROE exceeding 5% in fiscal year ending March 31, 2027.

A rebound in the performance of railway operators, the Group's main customers, leading to improvement in the domestic order environment, lessening of supply shortages for some products ordered, and passing costs through to prices were among the positive factors that led to improvement in consolidated operating results for fiscal year ended March 31, 2025. These positive factors were outpaced by negative factors, which included the recognition of a provision for loss on orders received in overseas projects, the recognition of a provision of allowance for doubtful accounts and a provision for loss on guarantees for partner companies overseas, and continuing inventory adjustments for connectors and electronic components, the main products of the general business segment. This resulted in net sales of ¥29,046 million (up 4.7% year on year), an operating loss of ¥44 million (compared to operating profit of ¥364 million in the previous fiscal year), and an ordinary loss of ¥511 million (compared to ordinary profit of ¥490 million in the previous fiscal year). A provision to the allowance for doubtful accounts was made in the fiscal year before last to recognize risk in the collection of debt because the new transactions begun by Yashima (Shanghai) Trading Co., Ltd. (hereafter, "Yashima Shanghai"), a consolidated subsidiary, were structured in a way that put Yashima Shanghai between the customer and the vendor, which were effectively one entity. Part of the receivables were collected in the fiscal year under review and a reversal of allowance for doubtful accounts was recorded as extraordinary income. However, examination of the profitability at each location resulted in the recognition of impairment losses as an extraordinary loss, mainly for head office assets, including overseas business. This resulted in a loss attributable to owners of parent of ¥509 million (compared to a profit of ¥392 million in the previous fiscal year).

Business results by segment are presented below:

(Railway Business)

The segment's main products include electrical components for railway cars and body equipment, which the Company sells to railway operators and railway car manufacturers. Segment net sales were firm, boosted by a rebound in the order environment as railway operators, the Group's main customers, recorded growth in both sales and profit, enthusiasm for capital investment rebounded, and progress was made on passing overall costs through to prices.

Despite this, various factors led us to expect costs to increase substantially from the level initially anticipated. These factors included the decision to make design changes to construction in the Bangladesh ODA railway infrastructure construction project for which we are the general contractor and the resulting increase in costs to accommodate these changes and for the extension of the time period to complete construction, as well as rising prices and fluctuation in exchange rates. These factors resulted in recognition of a provision for loss on orders received as a cost of sales, thereby suppressing profit.

As a result, net sales for fiscal year ended March 31, 2025 came to ¥26,605 million (up 6.0% year on year), and operating profit came to ¥92 million (down 84.2% year on year).

(General Business)

This segment includes all of the Group's non-railway businesses. For that reason, transactions span a wide range of industries, and customers include industrial equipment manufacturers, power equipment manufacturers, and automotive manufacturers, among others. The segment's main products are connectors and electronic components. While automotive manufacturers and some other industries saw a rebound due to improvement from the production cuts, industrial equipment manufacturers and other customers are still in the inventory adjustment phase from past inventory overstocking. These factors, combined with the slow recovery in overall demand for connectors and electronic components, led to a slump in net sales.

As a result, net sales for fiscal year ended March 31, 2025 came in at ¥2,441 million (down 7.4% year on year), and an operating loss of ¥136 million (compared to an operating loss of ¥218 million for the previous fiscal year) was recorded.

(2) Overview of Financial Position

(Assets)

The balance of assets at the end of the fiscal year under review was ¥25,394 million, an increase of ¥328 million compared to the end of the previous fiscal year. This was mainly due to increases in notes and accounts receivable - trade, and contract assets (up ¥592 million from ¥5,254 million to ¥5,847 million), securities (up ¥500 million from ¥1,500 million to ¥2,000 million), and deferred tax assets (up ¥121 million from ¥80 million to ¥202 million); and decreases in electronically recorded monetary claims - operating (down ¥936 million from ¥2,051 million to ¥1,114 million), inventories (down ¥305 million from ¥2,007 million to ¥1,702 million), and cash and deposits (down ¥208 million from ¥9,779 million to ¥9,571 million).

(Liabilities)

The balance of liabilities at the end of the fiscal year under review was ¥16,030 million, an increase of ¥743 million from the end of the previous fiscal year. This was mainly due to increases in the provision for loss on guarantees (up ¥385 million from ¥162 million to ¥385 million), contract liabilities (up ¥325 million from ¥162 million to ¥487 million), and notes and accounts payable - trade (up ¥163 million from ¥10,814 million to ¥10,978 million); and decreases in electronically recorded obligations - operating (down ¥286 million from ¥1,294 million to ¥1,007 million), and income taxes payable (down ¥179 million from ¥198 million to ¥18 million).

(Net assets)

The balance of net assets at the end of the fiscal year under review was ¥9,364 million, down ¥415 million from the previous year. This was mainly due to increases in foreign currency translation adjustment (up ¥114 million from ¥302 million to ¥417 million) and a valuation difference on available-for-sale securities (up ¥41 million from ¥611 million to ¥652 million); and a decrease in retained earnings (down ¥581 million from ¥8,022 million to ¥7,441 million).

(3) Overview of Cash Flows

Operating cash flows increased ¥430 million year on year, investing cash flows decreased ¥114 million, and financing cash flows decreased ¥77 million. As a result, cash and cash equivalents were up ¥291 million (up 2.9% year on year) to ¥10,349 million.

(Cash flows from operating activities)

Net cash provided by operating activities in the fiscal year under review amounted to ¥430 million (compared to a net inflow of ¥3,394 million in the previous fiscal year).

Main cash inflows included a decrease of ¥383 million in trade accounts receivable, an increase in provision for loss on guarantees of ¥385 million, an increase in provision for loss on orders received of ¥356 million, and a decrease in inventories of ¥330 million. Main cash outflows included a loss before income taxes of ¥488 million, income taxes paid of ¥320 million, Increase in long-term accounts receivable of 191million and expenditures for fulfillment of guarantee obligations of ¥138 million.

(Cash flows from investing activities)

Net cash used in investing activities in the fiscal year under review amounted to ¥114 million (compared to a cash outflow of ¥45 million in the previous fiscal year).

The main cash inflow was proceeds from rental of investment property of ¥57 million. Main cash outflows were purchase of investment securities of ¥18 million and purchase of property, plant and equipment of ¥15 million.

(Cash flows from financing activities)

Net cash used in financing activities in the fiscal year under review amounted to ¥77 million (compared to an outflow of ¥71 million the previous fiscal year).

The main cash outflow was ¥71 million in dividends paid.

(4) Future Outlook

The Japanese economy is expected to maintain a gradual rebound, mainly from a rebound in corporate business performance, rising wages from a change in the employment situation, and increasing inbound demand. However, we expect the economic outlook to remain uncertain with the risk of an economic downswing due to many factors, including the geopolitical uncertainty in overseas economies, changes in policies due to the change in the U.S. government administration and accompanying trade and global financial instability, and deceleration of the Chinese economy, in addition to a steep rise in the price of raw materials and other goods, rising logistics costs, and rapid fluctuation in exchange rates.

Railway operators, the Group's main customers, are seeing signs of recovery in transportation revenue, which was depressed by the COVID-19 pandemic, as they capture inbound demand and are showing renewed enthusiasm for capital investment. The order environment for the Group is improving as the importance of investment in safety increases, and we see increasing demand for products that improve efficiency and create labor savings due to problems with securing human resources and reducing costs. Despite this, passenger transport volume is declining due to changes in people's behavior and values in a post-pandemic society and to the trend of decline in commuter passes due to an aging society and declining birthrate. Such factors are causing railway operators to debate whether to abandon railway lines that are in the red, and is accelerating movement toward securing alternative sources of revenue such as real estate development. We therefore expect the business environment to remain tough.

The Group has launched a three-year medium-term business plan beginning in fiscal year ending March 31, 2025 amid such conditions. We will concentrate even harder on sales activities and enhancing organizational resilience to achieve sustainable growth of the Group and improve performance, by putting our businesses back on the path of stable growth and creating new corporate value.

Based on this, our outlook for next year (fiscal year ending March 31, 2026) is for net sales of ¥30,000 million (up 3.3% year on year), operating profit of ¥150 million (compared to a loss of ¥44 million in the previous fiscal year), ordinary profit of ¥290 million (compared to a loss of ¥511 million in the previous fiscal year), and profit attributable to owners of parent of ¥190 million (compared to a loss of ¥509 million in the previous fiscal year).

2. Basic Policy Regarding Selection of Accounting Standards

The Group intends to prepare the consolidated financial statements according to Japan GAAP for the present time, in consideration of the comparability of the consolidated financial statements for different fiscal years and comparability among companies.

We will consider adoption of the International Financial Reporting Standards after considering our management policy and various circumstances in Japan and overseas.

3. Consolidated Financial Statements and Main Notes

(1) Consolidated Balance Sheet

	(Thousands of yen)	
	Previous consolidated fiscal year (ended March 31, 2024)	Current consolidated fiscal year (ended March 31, 2025)
Assets		
Current assets		
Cash and deposits	9,779,362	9,571,185
Notes and accounts receivable - trade, and contract assets	5,254,912	5,847,651
Trade accounts receivable	719,498	808,773
Electronically recorded monetary claims - operating	2,051,503	1,114,926
Securities	1,500,000	2,000,000
Inventories	2,007,374	1,702,136
Accounts receivable - other	365,861	140,918
Other	359,386	734,084
Allowance for doubtful accounts	(355,059)	(122,853)
Total current assets	21,682,839	21,796,823
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	31,648	12,168
Machinery, equipment and vehicles, net	2,271	1,703
Leased assets, net	–	12,971
Other, net	8,945	6,406
Total property, plant and equipment	42,865	33,250
Intangible assets		
Software	73,197	53,932
Total intangible assets	73,197	53,932
Investments and other assets		
Investment securities	2,052,649	2,128,210
Deferred tax assets	80,189	202,059
Long-term loans receivable	–	333,172
Other	1,152,254	1,282,869
Allowance for doubtful accounts	(17,992)	(435,950)
Total investments and other assets	3,267,100	3,510,361
Total non-current assets	3,383,163	3,597,544
Total assets	25,066,003	25,394,367



(Thousands of yen)

	Previous consolidated fiscal year (ended March 31, 2024)	Current consolidated fiscal year (ended March 31, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,814,750	10,978,021
Operating accounts payable	1,150,371	1,116,004
Electronically recorded obligations - operating	1,294,380	1,007,604
Income taxes payable	198,536	18,688
Contract liabilities	162,283	487,753
Lease liabilities	—	8,126
Provision for bonuses	228,859	246,051
Provision for loss on orders received	6,313	362,331
Other	333,924	214,493
Total current liabilities	14,189,419	14,439,074
Non-current liabilities		
Deferred tax liabilities	137,056	171,390
Retirement benefit liability	754,174	826,512
Provision for retirement benefits for directors (and other officers)	145,726	138,412
Provision for loss on guarantees	—	385,000
Asset retirement obligations	40,571	40,868
Lease liabilities	—	8,921
Other	19,802	20,122
Total non-current liabilities	1,097,331	1,591,227
Total liabilities	15,286,750	16,030,301
Net assets		
Shareholders' equity		
Share capital	99,900	99,900
Capital surplus	746,401	755,479
Retained earnings	8,022,332	7,441,080
Treasury shares	(3,240)	(2,228)
Total shareholders' equity	8,865,393	8,294,230
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	611,736	652,746
Foreign currency translation adjustment	302,122	417,088
Total accumulated other comprehensive income	913,859	1,069,834
Total net assets	9,779,252	9,364,065
Total liabilities and net assets	25,066,003	25,394,367

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

Consolidated statement of income

(Thousands of yen)

	Previous consolidated fiscal year (April 1, 2023 - March 31, 2024)	Current consolidated fiscal year (April 1, 2024 - March 31, 2025)
Net sales	27,729,860	29,046,781
Cost of sales	23,759,002	25,414,451
Gross profit	3,970,857	3,632,329
Selling, general and administrative expenses	3,605,998	3,676,342
Operating profit (loss)	364,859	(44,012)
Non-operating income		
Interest income	5,244	9,043
Dividend income	36,990	43,583
Lease income	57,944	56,947
Secondment income	58,570	58,328
Other	9,185	21,965
Total non-operating income	167,935	189,868
Non-operating expenses		
Interest expenses	18	18
Share of loss of entities accounted for using equity method	9,382	771
Provision of allowance for doubtful accounts	—	226,081
Provision for loss on guarantees	—	385,000
Cost of lease revenue	13,127	13,698
Foreign exchange losses	16,315	14,832
Other	2,978	17,423
Total non-operating expenses	41,822	657,826
Ordinary profit (loss)	490,972	(511,970)
Extraordinary income		
Reversal of allowance for doubtful accounts	114,136	67,360
Total extraordinary income	114,136	67,360
Extraordinary losses		
Impairment losses	—	43,460
Total extraordinary losses	—	43,460
Profit (Loss) before income taxes	605,108	(488,070)
Income taxes - current	244,732	143,771
Income taxes - deferred	(32,109)	(122,204)
Total income taxes	212,623	21,566
Profit (Loss)	392,484	(509,637)
Profit (Loss) attributable to owners of parent	392,484	(509,637)



Consolidated statement of comprehensive income

(Thousands of yen)

	Previous consolidated fiscal year (April 1, 2023 - March 31, 2024)	Current consolidated fiscal year (April 1, 2024 - March 31, 2025)
Profit (Loss)	392,484	(509,637)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	226,965	41,009
Foreign currency translation adjustment	54,400	114,965
Total other comprehensive income	281,365	155,975
Comprehensive income	673,850	(353,661)
(Breakdown)		
Comprehensive income attributable to owners of parent	673,850	(353,661)

(3) Consolidated Statement of Changes in Equity

Previous consolidated fiscal year
(April 1, 2023 - March 31, 2024)

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income			Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	99,900	735,783	7,701,323	(4,405)	8,532,602	384,771	247,721	632,493	9,165,095
Changes in items during period									
Dividends of surplus			(71,476)		(71,476)				(71,476)
Profit (Loss) attributable to owners of parent			392,484		392,484				392,484
Disposal of treasury shares		10,618		1,164	11,782				11,782
Net changes in items other than shareholders' equity						226,965	54,400	281,365	281,365
Total changes in items during period	—	10,618	321,008	1,164	332,791	226,965	54,400	281,365	614,156
Balance at end of period	99,900	746,401	8,022,332	(3,240)	8,865,393	611,736	302,122	913,859	9,779,252

Current consolidated fiscal year
(April 1, 2024 - March 31, 2025)

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income			Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	99,900	746,401	8,022,332	(3,240)	8,865,393	611,736	302,122	913,859	9,779,252
Changes in items during period									
Dividends of surplus			(71,614)		(71,614)				(71,614)
Profit (Loss) attributable to owners of parent			(509,637)		(509,637)				(509,637)
Disposal of treasury shares		9,077		1,011	10,089				10,089
Net changes in items other than shareholders' equity						41,009	114,965	155,975	155,975
Total changes in items during period	—	9,077	(581,252)	1,011	(571,162)	41,009	114,965	155,975	(415,187)
Balance at end of period	99,900	755,479	7,441,080	(2,228)	8,294,230	652,746	417,088	1,069,834	9,364,065



(4) Consolidated Statement of Cash Flows

(Thousands of yen)

	Previous consolidated fiscal year (April 1, 2023 - March 31, 2024)	Current consolidated fiscal year (April 1, 2024 - March 31, 2025)
Cash flows from operating activities		
Profit (Loss) before income taxes	605,108	(488,070)
Depreciation	79,981	45,098
Increase (decrease) in allowance for doubtful accounts	(93,152)	157,803
Increase (decrease) in provision for bonuses	(1,966)	17,191
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(2,000)	(7,314)
Increase (decrease) in retirement benefit liability	37,322	72,337
Interest and dividend income	(42,234)	(52,626)
Interest expenses	18	53
Loss (gain) on sales of investment securities	–	(1,553)
Decrease (increase) in trade receivables	(243,606)	383,876
Decrease (increase) in operating accounts receivable	750,651	(89,274)
Decrease (increase) in inventories	(6,319)	330,956
Increase (decrease) in trade payables	2,720,281	(128,384)
Increase (decrease) in provision for loss on orders received	6,313	356,018
Increase (decrease) in provision for loss on guarantees	–	385,000
Increase (decrease) in operating accounts payable	(538,008)	(34,366)
Increase (decrease) in accounts payable - other	116,931	(56,059)
Increase (decrease) in contract liabilities	81,712	324,883
Decrease (increase) in accounts receivable - other	86,006	249,144
Increase in long-term accounts receivable	–	(191,990)
Increase (decrease) in accrued consumption taxes	(19,286)	(91,545)
Other	(151,670)	(344,183)
Subtotal	3,386,079	(836,992)
Interest and dividends received	42,234	52,626
Interest paid	(18)	(53)
Income taxes paid	(33,559)	(320,461)
Expenditures for fulfillment of guarantee obligations	–	(138,655)
Cash flows from operating activities	3,394,736	430,449
Cash flows from investing activities		
Proceeds from rental of investment property	57,870	57,233
Payments for rental of investment property	(5,580)	(6,378)
Purchase of property, plant and equipment	(5,251)	(15,856)
Purchase of intangible assets	(44,938)	(5,276)
Purchase of investment securities	(8,823)	(18,799)
Proceeds from sales of investment securities	15	2,453
Loan advances	–	(91,000)
Income from the collection of loans	–	4,280
Other	(38,888)	(36,560)
Cash flows from investing activities	(45,597)	114,184
Cash flows from financing activities		
Dividends paid	(71,476)	(71,614)
Repayments of lease liabilities	–	(6,251)
Cash flows from financing activities	(71,476)	(77,866)
Effect of exchange rate change on cash and cash equivalents	21,755	53,425
Net increase (decrease) in cash and cash equivalents	3,299,419	291,823
Cash and cash equivalents at beginning of period	6,757,943	10,057,362
Cash and cash equivalents at end of period	10,057,362	10,349,185

(5) Notes to the Consolidated Financial Statements

(Notes Related to Going Concern Assumptions)

Not applicable.

(Changes in Accounting Policies)

(Application of Accounting Standard for Current Income Taxes and related guidance)

The revised Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, revised October 28, 2022) and related guidance have been applied from the beginning of the fiscal year ended March 31, 2025. This had no effect on the consolidated financial statements.

(Notes related to Consolidated Balance Sheet)

Guarantee Obligations

The following guarantees were provided for borrowing from financial institutions by non-affiliated companies.

(Thousands of yen)

	Previous consolidated fiscal year (ended March 31, 2024)	Current consolidated fiscal year (ended March 31, 2025)
QUATRO YASHIMA PRIVATE LIMITED* ¹		
Jointly guaranteed amount	¥145,565 (INR 79,981)	¥— (INR —)
(Amount assumed by the Group under contract)	¥72,782 (INR 39,990)	¥— (INR —)
RENMAKCH INDIA PRIVATE LIMITED* ²		
Jointly guaranteed amount	¥309,400 (INR 170,000)	¥— (INR —)
(Amount assumed by the Group under contract)	¥309,400 (INR 170,000)	¥— (INR —)

*1 The Group fulfilled its guarantee obligations in the consolidated fiscal year under review. The details are recorded in “(Notes related to Consolidated Statement of Income), (Provision of allowance for doubtful accounts, Provision for loss on guarantees).”

*2 Shows the amount after deduction of the amount recorded as provision for loss on guarantees in the consolidated fiscal year under review. The details are recorded in “(Notes related to Consolidated Statement of Income), (Provision of allowance for doubtful accounts, Provision for loss on guarantees).”

(Notes related to Consolidated Statement of Income)

(Provision of allowance for doubtful accounts, Provision for loss on guarantees)

Previous consolidated fiscal year

(April 1, 2023 - March 31, 2024)

Not applicable.

Current consolidated fiscal year

(April 1, 2024 - March 31, 2025)

In the consolidated fiscal year under review, the Group expended ¥138,655 thousand to fulfill its guarantee obligation on a loan made to Quatro Yashima Private Limited (hereafter, “QYPL”), an equity method affiliate. We therefore recognized accounts receivable – other in an amount equivalent to the fulfillment amount in the fiscal year under review. After estimating the potential for recovery of the accounts receivable – other, a provision of allowance for doubtful accounts of ¥141,181 thousand was recognized as a non-operating expense.

The Company provides financing assistance by issuing standby letters of credit for RENMAKCH India Private Limited (hereafter, “RENMAKCH”), our corporate partner in the Indian market, when RENMAKCH undertakes Indian subway projects and other projects that will provide a track record for participating in future ODA projects. Guarantee obligations for standby letters of credit for RENMAKCH stood at INR 220 million as of March 31, 2025.

After we provided our partner RENMAKCH with financial assistance, we continued to monitor the status of project order receipt and fulfillment, financial status, and other factors. Amid that, RENMAKCH's cash flow deteriorated and we received a request for additional assistance with funds. When we confirmed the details, we found that RENMAKCH had a high amount of accounts receivable from the railway operators and other entities under the umbrella of the India government, but had not collected on these over a long period of time. We determined that there were concerns that RENMAKCH could not fulfill the projects without additional assistance from the Group and therefore lent RENMAKCH operating capital. The loan balance stood at INR 50 million as of March 31, 2025. We examined the potential of recovering the receivables from RENMAKCH and determined that it was appropriate to estimate a provision of allowance for doubtful accounts and the guarantee via standby letters of credit for RENMAKCH when viewed conservatively from a system accounting perspective, given the potential that, even though a plan for payment dates had been presented, RENMAKCH could again encounter concerns over cash management, due in part to the fact that it has customers for which there are long delays in collection. We therefore recognized a provision of allowance for doubtful accounts of ¥87 million (INR 50 million) and a provision of loss on guarantees of ¥385 million (INR 220 million) for loan guarantees via standby letters of credit as non-operating expenses.

(Provision of allowance for doubtful accounts, Reversal of allowance for doubtful accounts)

Previous consolidated fiscal year

(April 1, 2023 - March 31, 2024)

During the investigation of improprieties at Yashima (Shanghai) Trading Co., Ltd. ("Yashima (Shanghai)"), a consolidated subsidiary in China, it became clear that the vendor and customer were effectively operating as one entity and the Group identified transactions suspected of lacking substantiveness. However, we were not able to obtain sufficient cooperation from the customer and could not sufficiently verify that the transactions were substantive. The Group therefore recognized the transactions reviewed as improper transactions. We cancelled the sales transactions and Yashima (Shanghai) ceased transactions with the vendor and customer in June 2023.

A provision of allowance for doubtful accounts was made for all net expenditures that could not be confirmed as recoverable. This amount was calculated by deducting payments received from payments made during January through June 2023, the entire period during which Yashima (Shanghai) engaged in such transactions.

Although the amount collected from the customer was collected before February 14, 2024, the date on which the financial statements for the third quarter were submitted, the Board of Directors of Yashima (Shanghai) approved two options to ensure a smooth recovery in the business performance of Yashima (Shanghai) and credit for the customer, and ensure full recovery of net expenditures. The two options were to establish a stand-by letter of credit for the maximum recovery amount or post cash deposits of Yashima (Shanghai) as collateral for providing credit to the customer, and the reversal of allowance for doubtful accounts was therefore postponed.

However, issuance of a stand-by letter of credit is considered to be a cross-border guarantee in China and it became clear that there was a maximum cap on lending, which could not provide sufficient support. Yashima (Shanghai) also discussed posting its cash deposits as collateral and providing credit with the customer, but decided to forego this because they could not reach an agreement on terms concerning monitoring of new orders, restrictions on purposes for which funds would be used, guarantors, and other terms until the customer's financial position was stable. Yashima (Shanghai) consequently did not provide credit to the customer. It continued to support business by extending a grace period for the collection deadline to reduce the financial burden on the customer and aimed to recover the full amount of the accounts receivable – other.

Due to this policy, the recovered amount was not put at risk again and we therefore reversed the allowance for doubtful accounts by ¥114,136 thousand, the net amount recovered by the date of the financial results announcement (May 15, 2024).

Current consolidated fiscal year

(April 1, 2024 - March 31, 2025)

During the investigation of improprieties at Yashima (Shanghai) Trading Co., Ltd. ("Yashima (Shanghai)"), a consolidated subsidiary in China, in fiscal year ended March 31, 2023, it became clear that the vendor and customer were effectively operating as one entity and the Group identified transactions suspected of lacking substantiveness. However, we were not able to obtain sufficient cooperation from the customer and could not sufficiently verify that the transactions were substantive. The Group therefore recognized the transactions reviewed as improper transactions. We cancelled the sales transactions and Yashima (Shanghai) ceased transactions with the vendor and customer in June 2023.



A provision of allowance for doubtful accounts was made for all net expenditures that could not be confirmed as recoverable. This amount was calculated by deducting payments received from payments made through June 2023, the period during which Yashima (Shanghai) engaged in such transactions.

We continued to support business by providing a grace period on the accounts receivable collection date and reducing the cash management burden for the customer with the aim of recovering the entire amount of net expenditures.

Due to this policy, we reversed the allowance for doubtful accounts by ¥67,360 thousand, the net amount recovered by the date of the financial results announcement (May 15, 2025).

(Segment Information)

[Segment Information]

1. Overview of Reporting Segments

(1) Method of Determining Reporting Segments

The reporting segments of the Company are constituent units for which separate financial information is available and that are subject to periodic review by the Board of Directors to determine the allocation of management resources and assess their respective operating results.

The Company has two reporting segments, namely the Railway Business and the General Business, based on target industries.

(2) Types of Products and Services in Each Reporting Segment

In the Railway Business, the main products are electrical components for railway cars, body equipment, built-in equipment, connectors, and electronic components, which we sell to the markets of railway operators, railway car manufacturers, and manufacturers of electrical components for railway cars.

The main product in the General Business is connectors, which we sell to customers outside the railway industry. Our customers in the General Business include industrial equipment manufacturers, automotive manufacturers, and commercial equipment mail order business operators. Because it is a catch-all for everything outside the Railway Business, the industries and markets are not limited to a single field, and the customers are diverse.

2. Method Used for Calculating Net Sales, Profit, Loss, Assets, Liabilities, and Other Items for Each Reporting Segment

Accounting treatment of the reported business segments is, for the most part, as set forth in “Notes - Significant accounting policies for preparation of consolidated financial statements.”

Figures for reporting segment profit are based on operating profit.

3. Information Regarding Amounts of Net Sales, Profit, Loss, Assets, Liabilities, and Other Items in Each Reporting Segment

Previous consolidated fiscal year
(April 1, 2023 - March 31, 2024)

(Thousands of yen)

	Reporting Segment			Adjustment*1	Total
	Railway Business	General Business	Total		
Net sales					
Net sales to unaffiliated customers	25,094,492	2,635,367	27,729,860	—	27,729,860
Transactions with other segments	—	—	—	—	—
Total	25,094,492	2,635,367	27,729,860	—	27,729,860
Segment profit (loss)	582,999	(218,140)	364,859	—	364,859
Segment assets	15,500,087	1,657,584	17,157,672	7,908,330	25,066,003
Other items					
Depreciation	65,878	9,351	75,229	4,751*2	79,981
Increase in property, plant and equipment and intangible assets	43,951	6,238	50,190	200	50,390

*1 The adjustment for segment assets includes the Company's surplus funds (securities), long-term investments (investment securities), unallocated accounts receivable - other, and assets related to real estate for investment and administrative operations.

*2 The ¥4,751 thousand in depreciation is related to real estate for investment.

Current consolidated fiscal year
(April 1, 2024 - March 31, 2025)

(Thousands of yen)

	Reporting Segment			Adjustment*1	Total
	Railway Business	General Business	Total		
Net sales					
Net sales to unaffiliated customers	26,605,672	2,441,108	29,046,781	—	29,046,781
Transactions with other segments	—	—	—	—	—
Total	26,605,672	2,441,108	29,046,781	—	29,046,781
Segment profit (loss)	92,347	(136,359)	(44,012)	—	(44,012)
Segment assets	15,286,605	1,402,898	16,689,503	8,704,863	25,394,367
Other items					
Depreciation	36,841	3,732	40,574	4,524*2	405.98
Increase in property, plant and equipment and intangible assets	19,188	1,944	21,133	1,964	23,097

*1 The adjustment for segment assets includes the Company's surplus funds (securities), long-term investments (investment securities), unallocated accounts receivable - other, and assets related to real estate for investment and administrative operations.

*2 The ¥4,524 thousand in depreciation is related to real estate for investment.

4. Differences between total amount of reporting segment and the amount in the consolidated financial statements as well as the details these differences (items in relation to adjustment of differences)

Not applicable



(Per Share Information)

	Previous consolidated fiscal year (April 1, 2023 - March 31, 2024)	Current consolidated fiscal year (April 1, 2024 - March 31, 2025)
Net assets per share	3,413.83 yen	3,263.42 yen
Net income (loss) per share	137.16 yen	(177.73) yen

*1 Diluted net income per share is not provided because there are no dilutive shares.

*2 The basis for calculating net income per share is as follows:

Item	Previous consolidated fiscal year (April 1, 2023 - March 31, 2024)	Current consolidated fiscal year (April 1, 2024 - March 31, 2025)
Net income per share		
Profit (Loss) attributable to owners of parent (thousands of yen)	392,484	(509,637)
Income not attributable to common shareholders (thousands of yen)	—	—
Profit (Loss) attributable to owners of parent associated with common shares (thousands of yen)	392,484	(509,637)
Average number of shares during the term (shares)	2,861,613	2,867,554

*3 The basis for calculating net assets per share is as follows:

Item	Previous consolidated fiscal year (ended March 31, 2024)	Current consolidated fiscal year (ended March 31, 2025)
Total net assets (thousands of yen)	9,779,252	9,364,065
Net assets associated with common shares (thousands of yen)	9,779,252	9,364,065
Number of common shares used for calculation of net assets per share (shares)	2,864,595	2,869,404

(Significant Subsequent Events)

Not applicable.