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

May 10, 2024

Company name: Shin Nippon Air Technologies Co., Ltd.  
 Stock exchange listing: Tokyo  
 Code number: 1952 URL: <https://www.snk.co.jp>  
 Representative: Masanori Hiroshima, President and Representative Director  
 Contact: Kiyoshi Inoue, Director, Chief Financial Officer  
 Phone: +81-3-3639-2700  
 Scheduled date of Annual General Meeting of Shareholders: June 21, 2024  
 Scheduled date of commencing dividend payments: June 24, 2024  
 Scheduled date of filing annual securities report: June 21, 2024  
 Availability of supplementary briefing material on annual financial results: Yes  
 Schedule of annual financial results briefing session: Yes (for institutional investors and analysts)

(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 to March 31, 2024)

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

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	127,978	14.0	9,235	29.6	9,725	22.9	7,168	28.1
March 31, 2023	112,234	5.2	7,124	3.5	7,914	7.4	5,597	3.6

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥ 10,863 million 78.7 %  
 Fiscal year ended March 31, 2023: ¥ 6,079 million 30.2 %

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
March 31, 2024	310.37	309.66	11.6	8.6	7.2
March 31, 2023	239.73	238.87	10.0	7.6	6.3

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

#### (2) Consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2024	117,351	65,594	55.8	2,868.22
March 31, 2023	109,146	58,212	53.2	2,487.19

(Reference) Equity: As of March 31, 2024: ¥ 65,526 million  
 As of March 31, 2023: ¥ 58,105 million

#### (3) Consolidated Cash Flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	(13,562)	(783)	2,521	13,481
March 31, 2023	12,820	(1,168)	(2,266)	24,927

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	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	Millions of yen	%	%
March 31, 2023	-	20.00	-	60.00	80.00	1,868	33.4	3.3
March 31, 2024	-	30.00	-	70.00	100.00	2,284	32.2	3.7
Fiscal year ending March 31, 2025 (Forecast)	-	60.00	-	60.00	120.00		34.3	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2023 : Special dividend 5.00 yen

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to 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
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	133,000	3.9	9,300	0.7	9,800	0.8	8,000	11.6	350.17

\* Notes:

(1) Changes in significant subsidiaries during the period under review  
(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

- 1) Changes in accounting policies due to the revision of accounting standards: No
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

- 1) Total number of issued shares at the end of the period (including treasury shares):
 

March 31, 2024:	24,282,225 shares
March 31, 2023:	24,282,225 shares
- 2) Number of treasury shares at the end of the period:
 

March 31, 2024:	1,436,453 shares
March 31, 2023:	920,226 shares
- 3) Average number of shares outstanding during the period:
 

Fiscal Year ended March 31, 2024:	23,097,867 shares
Fiscal Year ended March 31, 2023:	23,349,544 shares

(Reference) Summary of Non-consolidated Financial Results

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

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

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	106,574	12.0	5,962	11.9	7,864	12.9	6,236	19.1
March 31, 2023	95,179	3.4	5,328	2.7	6,966	5.9	5,234	(0.4)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2024	270.01	269.39
March 31, 2023	224.17	223.37

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2024	103,210	59,955	58.0	2,621.35
March 31, 2023	97,945	53,935	55.0	2,304.12

(Reference) Equity: As of March 31, 2024: ¥ 59,886 million

As of March 31, 2023: ¥ 53,828 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

Full year	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	111,000	4.2	6,000	0.6	8,300	5.5	7,100	13.8	310.78

# Consolidated Financial Statements

## Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	25,004	13,629
Notes receivable, accounts receivable from completed construction contracts and other	51,490	65,078
Electronically recorded monetary claims - operating	2,788	2,449
Costs on construction contracts in progress	1,560	1,685
Other inventories	36	43
Other	929	1,752
Allowance for doubtful accounts	(278)	(340)
Total current assets	81,530	84,297
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,267	5,502
Machinery, vehicles, tools, furniture and fixtures	1,237	1,240
Land	585	407
Leased assets	77	47
Accumulated depreciation	(5,540)	(4,944)
Total property, plant and equipment	2,628	2,253
Intangible assets	1,062	1,802
Investments and other assets		
Investment securities	21,989	27,233
Retirement benefit asset	119	197
Deferred tax assets	253	298
Other	1,743	1,426
Allowance for doubtful accounts	(181)	(158)
Total investments and other assets	23,924	28,998
Total non-current assets	27,615	33,054
Total assets	109,146	117,351

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts	27,836	23,197
Electronically recorded obligations - operating	3,810	2,493
Short-term borrowings	3,267	9,650
Current portion of long-term borrowings	166	166
Lease liabilities	24	20
Income taxes payable	1,573	2,057
Advances received on construction contracts in progress	2,889	3,582
Provision for bonuses for directors (and other officers)	185	169
Provision for warranties for completed construction	92	129
Provision for loss on construction contracts	1,033	337
Other	7,739	6,421
Total current liabilities	48,618	48,226
Non-current liabilities		
Long-term borrowings	249	83
Lease liabilities	28	45
Deferred tax liabilities	1,693	3,013
Retirement benefit liability	318	360
Other	24	27
Total non-current liabilities	2,315	3,530
Total liabilities	50,933	51,756
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,158	5,158
Capital surplus	6,918	6,963
Retained earnings	38,130	43,212
Treasury shares	(1,456)	(2,856)
Total shareholders' equity	48,751	52,477
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,950	12,271
Foreign currency translation adjustment	403	776
Total accumulated other comprehensive income	9,354	13,048
Share acquisition rights	106	68
Total net assets	58,212	65,594
Total liabilities and net assets	109,146	117,351

# Consolidated Statements of Income and Comprehensive Income

## Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales of completed construction contracts	112,234	127,978
Cost of sales of completed construction contracts	96,558	109,278
Gross profit on completed construction contracts	15,676	18,699
Selling, general and administrative expenses		
Employees' salaries and allowances	3,749	4,120
Provision for bonuses for directors (and other officers)	185	169
Retirement benefit expenses	240	242
Provision of allowance for doubtful accounts	33	43
Rent expenses on land and buildings	745	881
Depreciation	306	366
Other	3,291	3,640
Total selling, general and administrative expenses	8,551	9,464
Operating profit	7,124	9,235
Non-operating income		
Interest income	64	94
Dividend income	427	428
Electricity sale income	19	20
Foreign exchange gains	314	-
Other	43	30
Total non-operating income	868	574
Non-operating expenses		
Interest expenses	21	15
Electricity sale expenses	20	20
Foreign exchange losses	-	38
Provision of allowance for doubtful accounts	27	-
Guarantee commission	4	4
Other	4	4
Total non-operating expenses	78	84
Ordinary profit	7,914	9,725
Extraordinary income		
Gain on sale of non-current assets	7	-
Gain on sale of investment securities	-	505
Total extraordinary income	7	505
Extraordinary losses		
Loss on sale of non-current assets	-	13
Loss on retirement of non-current assets	7	10
Loss on valuation of investment securities	21	-
Total extraordinary losses	29	23
Profit before income taxes	7,892	10,207
Income taxes - current	2,670	3,171
Income taxes - deferred	(375)	(132)
Total income taxes	2,294	3,038
Profit	5,597	7,168
Profit attributable to owners of parent	5,597	7,168

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit (loss)	5,597	7,168
Other comprehensive income		
Valuation difference on available-for-sale securities	473	3,320
Foreign currency translation adjustment	8	373
Other comprehensive income	482	3,694
Comprehensive income	6,079	10,863
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,079	10,863

Consolidated Statements of Changes in Equity  
For the fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,158	6,913	34,282	(1,528)	44,826
Changes during period					
Dividends of surplus			(1,749)		(1,749)
Profit attributable to owners of parent			5,597		5,597
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares-exercise of subscription rights to shares		(1)		9	8
Restricted stock compensation		7		62	70
Net changes in items other than shareholders' equity					
Total changes during period	-	5	3,847	71	3,925
Balance at end of period	5,158	6,918	38,130	(1,456)	48,751

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	8,477	394	8,871	114	53,813
Changes during period					
Dividends of surplus					(1,749)
Profit attributable to owners of parent					5,597
Purchase of treasury shares					(0)
Disposal of treasury shares-exercise of subscription rights to shares					8
Restricted stock compensation					70
Net changes in items other than shareholders' equity	473	8	482	(8)	474
Total changes during period	473	8	482	(8)	4,399
Balance at end of period	8,950	403	9,354	106	58,212



For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,158	6,918	38,130	(1,456)	48,751
Changes during period					
Dividends of surplus			(2,087)		(2,087)
Profit attributable to owners of parent			7,168		7,168
Purchase of treasury shares				(1,577)	(1,577)
Disposal of treasury shares-exercise of subscription rights to shares		(9)		48	38
Restricted stock compensation		54		129	183
Net changes in items other than shareholders' equity					
Total changes during period	-	44	5,081	(1,400)	3,726
Balance at end of period	5,158	6,963	43,212	(2,856)	52,477

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	8,950	403	9,354	106	58,212
Changes during period					
Dividends of surplus					(2,087)
Profit attributable to owners of parent					7,168
Purchase of treasury shares					(1,577)
Disposal of treasury shares-exercise of subscription rights to shares					38
Restricted stock compensation					183
Net changes in items other than shareholders' equity	3,320	373	3,694	(38)	3,655
Total changes during period	3,320	373	3,694	(38)	7,382
Balance at end of period	12,271	776	13,048	68	65,594

## Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	7,892	10,207
Depreciation	444	507
Loss (gain) on sale of non-current assets	(7)	13
Loss on retirement of non-current assets	7	10
Loss (gain) on sale of investment securities	-	(505)
Loss (gain) on valuation of investment securities	21	-
Increase (decrease) in allowance for doubtful accounts	(14)	36
Increase (decrease) in provision for bonuses for directors (and other officers)	24	(16)
Increase (decrease) in retirement benefit liability	62	(42)
Increase (decrease) in provision for loss on construction contracts	477	(695)
Interest and dividend income	(491)	(523)
Interest expenses	21	15
Foreign exchange losses (gains)	129	(36)
Decrease (increase) in trade receivables	1,017	(12,860)
Decrease (increase) in inventories	(222)	(115)
Increase (decrease) in trade payables	1,222	(6,099)
Increase (decrease) in advances received on construction contracts in progress	298	558
Increase (decrease) in accrued consumption taxes	2,496	(1,784)
Decrease (increase) in consumption taxes refund receivable	936	(12)
Other, net	549	31
Subtotal	14,866	(11,311)
Interest and dividends received	491	511
Interest paid	(11)	(19)
Income taxes paid	(2,526)	(2,742)
Net cash provided by (used in) operating activities	12,820	(13,562)
<b>Cash flows from investing activities</b>		
Payments into time deposits	(126)	(69)
Proceeds from withdrawal of time deposits	185	-
Purchase of property, plant and equipment	(217)	(174)
Purchase of intangible assets	(491)	(980)
Proceeds from sale of non-current assets	16	326
Purchase of investment securities	(107)	(816)
Proceeds from sale of investment securities	-	818
Loan advances	(20)	(22)
Proceeds from collection of loans receivable	16	26
Other, net	(423)	108
Net cash provided by (used in) investing activities	(1,168)	(783)

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(700)	6,382
Proceeds from long-term borrowings	500	-
Repayments of long-term borrowings	(283)	(166)
Repayments of lease liabilities	(33)	(30)
Dividends paid	(1,749)	(2,087)
Purchase of treasury shares	(0)	(1,577)
Other, net	0	0
Net cash provided by (used in) financing activities	(2,266)	2,521
Effect of exchange rate change on cash and cash equivalents	106	379
Net increase (decrease) in cash and cash equivalents	9,491	(11,445)
Cash and cash equivalents at beginning of period	15,435	24,927
Cash and cash equivalents at end of period	24,927	13,481