

May 10, 2024

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

Company name: ESLEAD CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 8877
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 Scheduled date of annual general meeting of shareholders: June 27, 2024
 Scheduled date to commence dividend payments: June 28, 2024
 Scheduled date to file annual securities report: June 28, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2024	80,286	0.5	11,631	22.7	11,346	21.1	7,518	22.3
March 31, 2023	79,913	7.1	9,481	9.5	9,368	9.2	6,147	13.2

Note: Comprehensive income For the fiscal year ended March 31, 2024: ¥ 7,605 million [22.8 %]
 For the fiscal year ended March 31, 2023: ¥ 6,193 million [13.4 %]

	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
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2024	487.27	-	11.8	7.4	14.5
March 31, 2023	398.40	-	10.5	7.5	11.9

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	168,954	66,873	39.6	4,334.08
March 31, 2023	135,867	60,965	44.9	3,951.19

Reference: Equity
 As of March 31, 2024: ¥ 66,873 million
 As of March 31, 2023: ¥ 60,965 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 end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	(32,213)	(603)	22,506	15,716
March 31, 2023	(12,860)	(4,819)	16,708	26,027

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2023	-	40.00	-	50.00	90.00	1,388	22.6	2.4
March 31, 2024	-	60.00	-	90.00	150.00	2,314	30.8	3.6
March 31, 2025 (Forecast)		85.00		85.00	170.00		30.1	

Note: Revision of dividend forecast from the most recent announcement: Yes For details, please refer to the "Notice Concerning Differences between Forecast and Actual Results for the fiscal year ending March 31, 2024 and Dividend of Surplus (Dividend Increase)" released today (May 10, 2024).

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	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	%	
Six months ending September 30, 2024	62,000	71.0	10,300	75.4	10,000	73.3	6,200	69.2	401.83
Fiscal year ending March 31, 2025	98,500	22.7	14,200	22.1	13,700	20.7	8,700	15.7	563.85

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2024	15,465,600 shares
As of March 31, 2023	15,465,600 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2024	36,015 shares
As of March 31, 2023	35,826 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2024	15,429,704 shares
Fiscal year ended March 31, 2023	15,429,774 shares

[Reference] Overview of non-consolidated financial results

1. Non-Consolidated financial results for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Non-Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2024	60,248	1.6	8,289	27.4	8,518	26.1	5,832	26.9
March 31, 2023	59,291	0.8	6,505	8.0	6,754	5.2	4,595	9.5

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended March 31, 2024	378.02	-
March 31, 2023	297.86	-

(2) Non-Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	143,833	55,880	38.9	3,621.62
March 31, 2023	116,370	51,658	44.4	3,347.99

Reference: Equity

As of March 31, 2024: ¥ 55,880 million

As of March 31, 2023: ¥ 51,658 million

2. Non-Consolidated Financial Forecast for the fiscal year ending March 31, 2025 (April 1, 2024 - March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	
Six months ending September 30, 2024	48,000	74.5	8,800	87.2	5,800	80.5	375.90
Fiscal year ending March 31, 2025	69,500	15.4	10,200	19.7	6,950	19.2	450.43

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. Please refer to “(4) Future outlook” of “1. Overview of Operating Results and Others” on page 5 of the attached materials for the conditions that form the assumptions for the forecasts of financial results and cautions concerning the use thereof.

(Method of accessing supplementary material on financial results)

Supplementary material on financial results is disclosed via TDnet on the same day.

Consolidated balance sheet

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	26,551,575	16,240,751
Accounts receivable - trade	960,965	3,009,632
Real estate for sale	33,371,873	58,527,159
Real estate for sale in process	59,296,802	73,932,894
Other	3,273,802	4,515,978
Total current assets	123,455,019	156,226,416
Non-current assets		
Property, plant and equipment		
Buildings and structures	2,406,492	2,751,333
Accumulated depreciation	(1,265,433)	(1,324,381)
Buildings and structures, net	1,141,058	1,426,951
Machinery, equipment and vehicles	2,172,164	2,172,164
Accumulated depreciation	(346,391)	(477,650)
Machinery, equipment and vehicles, net	1,825,772	1,694,513
Land	2,966,303	3,169,777
Leased assets	2,122,371	2,170,922
Accumulated depreciation	(867,159)	(986,399)
Leased assets, net	1,255,212	1,184,523
Construction in progress	1,393,885	1,393,885
Other	171,556	187,802
Accumulated depreciation	(135,875)	(150,629)
Other, net	35,680	37,172
Total property, plant and equipment	8,617,912	8,906,824
Intangible assets	331,854	311,940
Investments and other assets		
Investment securities	421,531	556,027
Deferred tax assets	625,761	601,441
Other	2,415,400	2,351,513
Total investments and other assets	3,462,693	3,508,982
Total non-current assets	12,412,460	12,727,747
Total assets	135,867,479	168,954,164

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,726,648	2,146,631
Electronically recorded obligations - operating	3,029,180	5,659,852
Current portion of bonds payable	500,000	-
Short-term borrowings	2,044,800	3,660,000
Current portion of long-term borrowings	24,315,897	18,287,392
Lease liabilities	137,372	135,943
Income taxes payable	2,733,555	2,303,275
Advances received	1,872,259	2,564,618
Provision for bonuses	237,297	230,873
Other	1,376,903	1,932,080
Total current liabilities	38,973,913	36,920,666
Non-current liabilities		
Bonds payable	-	500,000
Long-term borrowings	34,141,409	62,889,471
Lease liabilities	1,213,583	1,152,891
Retirement benefit liability	148,968	155,280
Provision for retirement benefits for directors (and other officers)	233,562	239,187
Asset retirement obligations	23,320	23,320
Other	166,797	200,291
Total non-current liabilities	35,927,640	65,160,442
Total liabilities	74,901,554	102,081,108
Net assets		
Shareholders' equity		
Share capital	1,983,000	1,983,000
Capital surplus	2,871,307	2,871,307
Retained earnings	56,015,448	61,836,559
Treasury shares	(64,324)	(64,924)
Total shareholders' equity	60,805,431	66,625,942
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	160,493	247,113
Total accumulated other comprehensive income	160,493	247,113
Total net assets	60,965,925	66,873,055
Total liabilities and net assets	135,867,479	168,954,164

Consolidated statement of income

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	79,913,787	80,286,796
Cost of sales	61,779,692	59,933,630
Gross profit	18,134,095	20,353,165
Selling, general and administrative expenses		
Advertising expenses	807,829	662,237
Salaries and bonuses	3,234,284	3,151,465
Provision for bonuses	231,205	218,651
Retirement benefit expenses	50,780	51,161
Provision for retirement benefits for directors (and other officers)	6,062	5,625
Taxes and dues	1,288,498	1,597,161
Commission expenses	1,101,965	963,652
Depreciation	123,010	127,733
Other	1,809,064	1,944,474
Total selling, general and administrative expenses	8,652,701	8,722,161
Operating profit	9,481,393	11,631,003
Non-operating income		
Interest income	401	382
Dividend income	12,517	31,994
Cancelation penalty income	16,575	36,710
Gain on guarantee deposits received	60,017	92,536
Subsidy income	21,103	14,173
Insurance claim income	40,569	34,415
Administrative service fee income	50,070	55,920
Other	64,843	53,592
Total non-operating income	266,099	319,727
Non-operating expenses		
Interest expenses	374,074	518,698
Commission expenses	-	78,000
Other	5,272	7,478
Total non-operating expenses	379,347	604,176
Ordinary profit	9,368,145	11,346,554
Extraordinary income		
Insurance claim income	315,583	-
Total extraordinary income	315,583	-
Extraordinary losses		
Loss on retirement of non-current assets	15,075	3,403
Loss on tax purpose reduction entry of non-current assets	20,770	-
Loss on disaster	279,229	-
Total extraordinary losses	315,074	3,403
Profit before income taxes	9,368,654	11,343,151
Income taxes - current	3,279,690	3,838,948
Income taxes - deferred	(58,259)	(14,180)
Total income taxes	3,221,430	3,824,768
Profit	6,147,224	7,518,383
Profit attributable to owners of parent	6,147,224	7,518,383

Consolidated statement of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	6,147,224	7,518,383
Other comprehensive income		
Valuation difference on available-for-sale securities	45,849	86,619
Total other comprehensive income	45,849	86,619
Comprehensive income	6,193,073	7,605,003
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,193,073	7,605,003
Comprehensive income attributable to non-controlling interests	-	-

Consolidated statement of changes in equity

Fiscal year ended March 31, 2023

(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	Total accumulated other comprehensive income	
Balance at beginning of period	1,983,000	2,871,307	50,794,010	(64,324)	55,583,994	114,643	114,643	55,698,637
Dividends of surplus			(925,786)		(925,786)			(925,786)
Profit attributable to owners of parent			6,147,224		6,147,224			6,147,224
Purchase of treasury shares								
Net changes in items other than shareholders' equity						45,849	45,849	45,849
Total changes during period	-	-	5,221,437	-	5,221,437	45,849	45,849	5,267,287
Balance at end of period	1,983,000	2,871,307	56,015,448	(64,324)	60,805,431	160,493	160,493	60,965,925

Consolidated statement of changes in equity

Fiscal year ended 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	Total accumulated other comprehensive income	
Balance at beginning of period	1,983,000	2,871,307	56,015,448	(64,324)	60,805,431	160,493	160,493	60,965,925
Dividends of surplus			(1,697,272)		(1,697,272)			(1,697,272)
Profit attributable to owners of parent			7,518,383		7,518,383			7,518,383
Purchase of treasury shares				(600)	(600)			(600)
Net changes in items other than shareholders' equity						86,619	86,619	86,619
Total changes during period	-	-	5,821,110	(600)	5,820,510	86,619	86,619	5,907,130
Balance at end of period	1,983,000	2,871,307	61,836,559	(64,924)	66,625,942	247,113	247,113	66,873,055

Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	9,368,654	11,343,151
Depreciation	380,232	512,895
Amortization of goodwill	35,000	35,000
Loss on valuation of inventories	1,179,040	-
Increase (decrease) in retirement benefit liability	16,965	6,312
Increase (decrease) in provision for retirement benefits for directors (and other officers)	3,062	5,625
Interest and dividend income	(12,919)	(32,377)
Interest expenses	374,074	518,698
Decrease (increase) in trade receivables	2,219,177	(2,048,666)
Decrease (increase) in inventories	(20,871,413)	(39,791,378)
Increase (decrease) in trade payables	(589,989)	2,050,655
Increase (decrease) in advances received	(333,761)	692,358
Increase (decrease) in accrued consumption taxes	(8,480)	161,983
Other, net	(1,113,743)	(901,040)
Subtotal	(9,354,100)	(27,446,783)
Interest and dividends received	12,861	32,321
Proceeds from insurance income	314,528	34,415
Interest paid	(526,559)	(574,946)
Income taxes paid	(3,307,685)	(4,258,878)
Net cash provided by (used in) operating activities	(12,860,955)	(32,213,870)
Cash flows from investing activities		
Payments into time deposits	(438,380)	(519,742)
Proceeds from withdrawal of time deposits	639,439	519,742
Purchase of property, plant and equipment	(2,953,119)	(556,269)
Purchase of intangible assets	(2,051,969)	(32,820)
Purchase of investment securities	(8,800)	(9,683)
Other, net	(7,084)	(4,443)
Net cash provided by (used in) investing activities	(4,819,913)	(603,217)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,578,000	1,615,200
Repayments of lease liabilities	(134,686)	(125,985)
Proceeds from long-term borrowings	33,417,800	49,621,200
Repayments of long-term borrowings	(17,226,724)	(26,901,643)
Proceeds from issuance of bonds	-	494,360
Redemption of bonds	-	(500,000)
Purchase of treasury shares	-	(600)
Dividends paid	(925,761)	(1,696,323)
Net cash provided by (used in) financing activities	16,708,627	22,506,207
Net increase (decrease) in cash and cash equivalents	(972,241)	(10,310,880)
Cash and cash equivalents at beginning of period	26,999,274	26,027,033
Cash and cash equivalents at end of period	26,027,033	15,716,152