

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on Japanese GAAP)

May 10, 2024

Company name: SUN-WA TECHNOS CORPORATION  
 Stock exchange listing: Tokyo  
 Stock code: 8137 URL <https://www.sunwa.co.jp/>  
 Representative: President and Representative Director Akihiro matsuo  
 Executive Officer and General Manager  
 Inquiries: Administration Headquarters Takamichi Matoba TEL 03-5202-4011  
 Scheduled date of ordinary general meeting of shareholders: June 25, 2024  
 Scheduled date to file Securities Report: June 25, 2024  
 Scheduled date to commence dividend payments: June 10, 2024  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for analysts)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the 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	%
Year ended March 31, 2024	166,138	(8.2)	6,215	(18.5)	6,631	(13.6)	5,007	(8.9)
Year ended March 31, 2023	181,013	17.2	7,630	58.8	7,675	47.7	5,493	53.6

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2024	329.87	–	10.8	6.5	3.7
Year ended March 31, 2023	355.08	–	13.3	7.7	4.2

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	98,707	47,966	48.6	3,174.19
As of March 31, 2023	106,581	44,484	41.7	2,873.36

#### (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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	4,226	883	(608)	18,597
Year ended March 31, 2023	(545)	(731)	906	13,661

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	–	20.00	–	70.00	90.00	1,393	25.3	3.4
Year ended March 31, 2024	–	45.00	–	50.00	95.00	1,435	28.8	3.1
Year ending March 31, 2025 (Forecast)	–	50.00	–	60.00	110.00		69.0	

3. Forecast of consolidated financial results for the 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	67,600	(23.9)	780	(77.3)	840	(77.3)	760	(75.3)	50.29
Full year	155,070	(6.7)	3,080	(50.4)	3,220	(51.4)	2,410	(51.9)	159.48

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of March 31, 2024	16,044,000 shares	As of March 31, 2023	16,044,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	932,459 shares	As of March 31, 2023	562,331 shares
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Average number of shares during the period

Year ended March 31, 2024	15,179,000 shares	Year ended March 31, 2023	15,472,177 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	14,145	19,081
Notes and accounts receivable - trade, and contract assets	48,455	38,487
Electronically recorded monetary claims - operating	10,467	8,930
Merchandise	17,488	17,417
Work in process	3	4
Other	3,871	2,570
Allowance for doubtful accounts	(167)	(141)
<b>Total current assets</b>	<b>94,263</b>	<b>86,350</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	1,379	1,354
Accumulated depreciation	(977)	(815)
Buildings and structures, net	402	539
Land	1,356	1,261
Leased assets	768	620
Accumulated depreciation	(447)	(346)
Leased assets, net	320	274
Other	715	745
Accumulated depreciation	(522)	(564)
Other, net	193	181
<b>Total property, plant and equipment</b>	<b>2,272</b>	<b>2,256</b>
<b>Intangible assets</b>		
Other	221	166
<b>Total intangible assets</b>	<b>221</b>	<b>166</b>
<b>Investments and other assets</b>		
Investment securities	8,324	8,463
Deferred tax assets	38	37
Other	1,571	1,547
Allowance for doubtful accounts	(110)	(115)
<b>Total investments and other assets</b>	<b>9,824</b>	<b>9,933</b>
<b>Total non-current assets</b>	<b>12,318</b>	<b>12,356</b>
<b>Total assets</b>	<b>106,581</b>	<b>98,707</b>

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	25,988	16,939
Electronically recorded obligations - operating	19,347	15,650
Short-term borrowings	9,557	9,007
Lease liabilities	122	114
Income taxes payable	1,378	898
Accrued expenses	2,234	1,529
Other	1,240	984
<b>Total current liabilities</b>	<b>59,870</b>	<b>45,124</b>
<b>Non-current liabilities</b>		
Long-term borrowings	–	3,000
Lease liabilities	228	188
Deferred tax liabilities	1,046	1,276
Asset retirement obligations	–	190
Long-term accounts payable - other	52	51
Provision for retirement benefits for directors (and other officers)	124	137
Retirement benefit liability	775	770
<b>Total non-current liabilities</b>	<b>2,227</b>	<b>5,615</b>
<b>Total liabilities</b>	<b>62,097</b>	<b>50,740</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	3,727	3,727
Capital surplus	3,544	3,587
Retained earnings	31,742	34,986
Treasury shares	(812)	(1,680)
<b>Total shareholders' equity</b>	<b>38,202</b>	<b>40,620</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	4,319	4,544
Foreign currency translation adjustment	1,962	2,801
<b>Total accumulated other comprehensive income</b>	<b>6,282</b>	<b>7,346</b>
<b>Total net assets</b>	<b>44,484</b>	<b>47,966</b>
<b>Total liabilities and net assets</b>	<b>106,581</b>	<b>98,707</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	181,013	166,138
Cost of sales	157,974	144,360
Gross profit	23,039	21,778
Selling, general and administrative expenses	15,408	15,562
Operating profit	7,630	6,215
Non-operating income		
Interest income	22	16
Dividend income	145	154
Purchase discounts	86	79
Rental income from buildings	140	146
Foreign exchange gains	–	11
Other	209	243
Total non-operating income	604	651
Non-operating expenses		
Interest expenses	137	183
Loss on sale of trade receivables	43	28
Foreign exchange losses	351	–
Other	27	23
Total non-operating expenses	560	235
Ordinary profit	7,675	6,631
Extraordinary income		
Gain on sale of non-current assets	–	8
Gain on sale of investment securities	12	701
Gain on sale of shares of subsidiaries and associates	21	–
Total extraordinary income	34	710
Profit before income taxes	7,709	7,341
Income taxes - current	2,290	2,201
Income taxes - deferred	(74)	133
Total income taxes	2,215	2,334
Profit	5,493	5,007
Profit attributable to owners of parent	5,493	5,007

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	5,493	5,007
Other comprehensive income		
Valuation difference on available-for-sale securities	598	225
Foreign currency translation adjustment	937	838
Total other comprehensive income	1,535	1,064
Comprehensive income	7,029	6,071
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,029	6,071
Comprehensive income attributable to non-controlling interests	—	—

## Consolidated statements of changes in equity

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	3,727	3,549	26,867	(867)	33,277
Changes during period					
Dividends of surplus			(618)		(618)
Profit attributable to owners of parent			5,493		5,493
Purchase of treasury shares				(0)	(0)
Restricted stock payment		(5)		55	50
Net changes in items other than shareholders' equity					
Total changes during period	–	(5)	4,875	55	4,925
Balance at end of period	3,727	3,544	31,742	(812)	38,202

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	3,721	1,024	4,746	38,023
Changes during period				
Dividends of surplus				(618)
Profit attributable to owners of parent				5,493
Purchase of treasury shares				(0)
Restricted stock payment				50
Net changes in items other than shareholders' equity	598	937	1,535	1,535
Total changes during period	598	937	1,535	6,460
Balance at end of period	4,319	1,962	6,282	44,484

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	3,727	3,544	31,742	(812)	38,202
Changes during period					
Dividends of surplus			(1,763)		(1,763)
Profit attributable to owners of parent			5,007		5,007
Purchase of treasury shares				(1,000)	(1,000)
Restricted stock payment		43		132	175
Net changes in items other than shareholders' equity					
Total changes during period	–	43	3,243	(867)	2,418
Balance at end of period	3,727	3,587	34,986	(1,680)	40,620

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	4,319	1,962	6,282	44,484
Changes during period				
Dividends of surplus				(1,763)
Profit attributable to owners of parent				5,007
Purchase of treasury shares				(1,000)
Restricted stock payment				175
Net changes in items other than shareholders' equity	225	838	1,064	1,064
Total changes during period	225	838	1,064	3,482
Balance at end of period	4,544	2,801	7,346	47,966



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	7,709	7,341
Depreciation	398	422
Increase (decrease) in retirement benefit liability	(179)	(5)
Increase (decrease) in allowance for doubtful accounts	5	(20)
Interest and dividend income	(167)	(171)
Interest expenses	137	183
Foreign exchange losses (gains)	94	52
Loss (gain) on sale of investment securities	(12)	(701)
Loss (gain) on sale of property, plant and equipment	–	(8)
Decrease (increase) in trade receivables	(5,905)	12,412
Decrease (increase) in inventories	(5,017)	545
Decrease (increase) in other assets	508	1,530
Increase (decrease) in trade payables	3,638	(13,614)
Increase (decrease) in accrued consumption taxes	101	(87)
Increase (decrease) in other liabilities	349	(963)
Other, net	(46)	26
Subtotal	1,615	6,941
Interest and dividends received	167	133
Interest paid	(146)	(185)
Income taxes paid	(2,182)	(2,663)
Net cash provided by (used in) operating activities	(545)	4,226
Cash flows from investing activities		
Purchase of property, plant and equipment	(74)	(117)
Proceeds from sale of property, plant and equipment	–	150
Purchase of investment securities	(250)	(14)
Proceeds from sale of investment securities	15	933
Other, net	(422)	(68)
Net cash provided by (used in) investing activities	(731)	883
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	4,066	(696)
Proceeds from long-term borrowings	–	3,000
Repayments of long-term borrowings	(2,400)	–
Repayments of lease liabilities	(140)	(148)
Purchase of treasury shares	(0)	(1,000)
Dividends paid	(618)	(1,763)
Net cash provided by (used in) financing activities	906	(608)
Effect of exchange rate change on cash and cash equivalents	466	434
Net increase (decrease) in cash and cash equivalents	95	4,936
Cash and cash equivalents at beginning of period	13,565	13,661
Cash and cash equivalents at end of period	13,661	18,597