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## Summary of Consolidated Financial Results for the Year Ended March 31, 2021 (Based on Japanese GAAP)

Company name: TAKAMIYA CO., LTD.  
 Stock exchange listing: Tokyo (1<sup>st</sup> section)  
 Stock code: 2445 URL: <https://www.takamiya.co/>  
 Representative: Representative Director, President and Chairman KAZUMASA TAKAMIYA

Scheduled date of ordinary general meeting of shareholders: June 24, 2021  
 Scheduled date to file Securities Report: June 24, 2021  
 Scheduled date to commence dividend payments: June 9, 2021  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (from the viewpoint of preventing wider spread of the new coronavirus infections, this meeting will be held by means of video streaming.)  
 (Amounts less than one million yen are rounded down)

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(1) Consolidated operating results Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 31, 2021	38,812	(15.7)	1,586	(57.2)	1,569	(55.7)	857	(63.8)
Year ended March 31, 2020	46,065	9.2	3,703	36.5	3,541	33.0	2,370	44.8

(Note) Comprehensive income Fiscal year ended March 31, 2021: 871 million yen ((61.5%))  
 Fiscal year ended March 31, 2020: 2,261 million yen (54.4%)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary income/total assets	Profit attributable to owners of parent
	Yen	Yen	%	%	%
Year ended March 31, 2021	18.41	17.89	4.7	2.7	4.1
Year ended March 31, 2020	52.74	51.28	14.7	6.2	8.0

(Reference) Equity in earnings of affiliates Fiscal year ended March 31, 2021: - million yen  
 Fiscal year ended March 31, 2020: - million yen

### (2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
Year ended March 31, 2021	56,454	18,768	32.3	391.96
Year ended March 31, 2020	59,282	18,497	30.5	387.68

(Reference) Shareholders' equity Fiscal year ended March 31, 2021: 18,253 million yen  
 Fiscal year ended March 31, 2020: 18,054 million yen

### (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
	Million yen	Million yen	Million yen	Million yen
Year ended March 31, 2021	5,035	(1,382)	(2,873)	7,712
Year ended March 31, 2020	3,771	(3,836)	1,590	6,922

### 2. Cash dividends

	Annual dividends per share					Total cash dividends	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	end 2Q	end 2Q	end 2Q	end 2Q	end 2Q			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended March 31, 2021	-	6.00	-	8.00	14.00	651	26.5	3.9
Year ended March 31, 2020	-	6.00	-	8.00	14.00	651	76.0	3.6
Year ended March 31, 2022 (Forecast)	-	6.00	-	8.00	14.00		65.2	

### 3. Forecast of consolidated financial results for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending September 30, 2021	19,700	0.8	400	(63.5)	300	(69.8)	130	(78.1)	2.79
Full year	42,000	8.2	1,800	13.5	1,580	0.7	1,000	16.6	21.47

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Notes

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

(2) Changes in accounting policies, changes in accounting estimates, and restatements  
 ① Changes in accounting policies due to revision of accounting standards, etc.: None  
 ② Changes in accounting policies other than (1) above: None  
 ③ Changes in accounting estimates: None  
 ④ Restatement: None

(3) Number of shares issued (common stock)

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

As of March 31, 2021	46,577,000 shares	As of March 31, 2020	46,577,000 shares
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② Number of treasury shares at the end of the period

As of March 31, 2021	7,020 shares	As of March 31, 2020	7,020 shares
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③ Average number of shares during the period

As of March 31, 2021	46,569,980 shares	As of March 31, 2020	44,952,624 shares
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(Reference) Summary of Non-Consolidated Financial Results

Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(1) Non-consolidated operating results Percentage figures represent changes from the previous fiscal year.

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 31, 2021	32,576	(14.4)	940	(61.4)	1,207	(51.6)	805	(53.9)
Year ended March 31, 2020	38,061	12.1	2,435	31.6	2,493	17.6	1,746	73.8

	Earnings per share	Diluted earnings per share
	Yen	Yen
Year ended March 31, 2021	17.30	16.81
Year ended March 31, 2020	38.85	37.78

(2) Non-consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
Year ended March 31, 2021	49,392	17,399	34.5	365.95
Year ended March 31, 2020	51,763	17,155	32.6	361.80

(Reference) Shareholders' equity Fiscal year ended March 31, 2021: 17,042 million yen  
Fiscal year ended March 31, 2020: 16,849 million yen

\*The financial statements are not subject to audit by certified public accountants or auditing firms.

\*Explanation of the appropriate use of financial forecasts and other special notes

(Cautionary Note Regarding Forward-Looking Statements, etc.)

The forward-looking statements, including business forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed reasonable, and are not intended as a promise by the Company that they will be achieved. Actual results may differ materially due to a variety of factors. Please refer to "1. Business Results, etc. (4) Outlook for the future" on page 3 of the attached materials for the conditions that form the assumptions for business forecasts and precautions concerning the use of business forecasts.

(How to obtain supplementary explanatory materials for financial results)

Supplementary materials for financial results are scheduled to be posted on the Company's website. (Scheduled to be posted in early June)

(How to obtain information on financial results)

We are planning to distribute a video presentation of our financial results on our website. (Scheduled to be available in early June)

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Table of contents of attached documents

Summary of Business Results .....	2
(1) Summary of Business Results for the Fiscal Year .....	2
(2) Summary of Financial Position for the Fiscal Year .....	2
(3) Summary of cash flows for the fiscal year .....	2
(4) Future Outlook .....	3
Basic approach to the selection of accounting standards .....	3
Consolidated Financial Statements and Major Notes .....	4
(1) Consolidated Balance Sheet .....	4
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income .....	6
Consolidated Statements of Income .....	6
Consolidated Statements of Comprehensive Income .....	7
(3) Consolidated Statement of Changes in Net Assets .....	8
(4) Consolidated Statements of Cash Flows .....	10
(5) Notes to Consolidated Financial Statements .....	12
(Notes on Going Concern Assumption) .....	12
(Segment Information) .....	12
(Per share information) .....	14
(Significant subsequent events) .....	14

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### 1. Summary of Business Results, etc.

#### (1) Overview of business results for the current fiscal year

The global economy during the current consolidated fiscal year started off in a severe situation due to the spread of the new coronavirus infection. Although the situation and responses in each country varied, some economic activities resumed and it was expected that the economy would move toward a gradual recovery. However, economic activities have been restricted again due to the reemergence of new coronavirus infections, including mutated strains, and the situation remains severe.

In the domestic construction industry, in which our group is involved, although public works remained strong, some private construction sites were deeply affected by the suspension, delay, and postponement of construction starts through the second half of the year. Overseas, in the Philippines, where our sales subsidiary is located, the government has frequently imposed restrictions on people leaving their homes and moving around, and the outlook remains uncertain and difficult.

In this environment, the Group has been working on the following four measures under the medium-term management plan ending in the fiscal year ended March 31, 2021, with the management vision of "Create new value through transformation and aim to become a corporate group that drives qualitative development of the industry", and putting its effort into: strengthening the management base, innovating the earnings base, accelerating overseas expansion, and creating new growth businesses. We have been working on the following four measures.

As a result, for the current consolidated fiscal year, net sales were 38,812,092 thousand yen (down 15.7% year-on-year), operating income was 1,586,458 thousand yen (down 57.2% year-on-year), ordinary income was 1,569,601 thousand yen (down 55.7% year-on-year), and Profit attributable to owners of parent was 857,528 thousand yen (down 63.8% year-on-year).

Operating results by segment are as follows.

##### (Sales business)

Interest in next-generation scaffolding remained high, and inquiries for both new and ongoing projects were strong. However, uncertainty about the future has put downward pressure on corporate sentiment, and customers have been holding off on making final purchasing decisions.

As a result, net sales were 11,990,202 thousand yen (down 21.6% year on year), and operating income was 1,404,920 thousand yen (down 27.4% year on year).

##### (Rental Business)

Shipment of temporary equipment decreased due to interruptions and delays in construction and postponement of construction starts. On the earnings front, the segment profit margin declined due to an increase in equipment maintenance fees as a result of the return of temporary equipment following the completion of large-scale construction sites, and an increase in transportation costs for moving temporary equipment following the relocation of the Center.

As a result, net sales were 24,009,482 thousand yen (down 8.1% year-on-year) and operating income was 1,793,272 thousand yen (down 40.7% year-on-year).

##### (Overseas Business)

(Philippines), a sales subsidiary, experienced a significant decrease in sales due to restrictions on business activities imposed in the first half of the current fiscal year due to the restrictions on travel and movement in Metro Manila. (Philippines) saw a significant decrease in sales due to restrictions on business activities imposed in the first half of the current consolidated fiscal year due to the curfews and restrictions on movement in the Manila metropolitan area. At manufacturing subsidiaries Hory Korea (Korea) and Hory Vietnam (Vietnam), there was no significant impact on the procurement of raw materials and parts, and manufacturing and sales of temporary equipment for the Japanese market were steady.

As a result, net sales were 5,300,447 thousand yen (down 27.5% year on year) and operating loss was 99,772 thousand yen (compared to operating income of 410,481 thousand yen in the same period of the previous fiscal year).

#### (2) Summary of financial position for the current fiscal year

Total assets at the end of the current consolidated fiscal year were 56,454,848 thousand yen, a decrease of 2,827,689 thousand yen compared to the end of the previous consolidated fiscal year. This was mainly due to a decrease of 2,425,996 thousand yen in notes and accounts receivable - trade.

Total liabilities amounted to 37,685,969 thousand yen, a decrease of 3,098,762 thousand yen from the end of the previous consolidated fiscal year. This was mainly due to a decrease in notes and accounts payable - trade of 758,541 thousand yen, a decrease in short-term loans payable of 1,922,040 thousand yen, and a decrease in income taxes payable of 412,761 thousand yen.

Total net assets amounted to 18,768,878 thousand yen, an increase of 271,072 thousand yen from the end of the previous fiscal year. This was mainly due to an increase in retained earnings of 205,548 thousand yen.

#### (3) Summary of cash flows for the current fiscal year

Cash and cash equivalents at the end of the current fiscal year increased by 789,784 thousand yen compared to the end of the previous fiscal year to 7,712,422 thousand yen (up 11.4% year on year), mainly due to an increase in income before income taxes and minority interests.

The status of each cash flow and their factors during the current consolidated fiscal year are as follows.

##### Net cash provided by (used in) operating activities

Net cash provided by operating activities totaled 5,035,416 thousand yen (3,771,941 thousand yen in the previous fiscal year). This was mainly due to income before income taxes and minority interests of 1,458,518 thousand yen, depreciation and amortization of 4,815,929 thousand yen, and a decrease in notes and accounts receivable-trade of 2,546,411 thousand yen, which offset expenditures of 909,651 thousand yen for the acquisition of rental assets, an increase in inventories of 1,596,657 thousand yen, and a decrease in notes and accounts payable-trade of 800,724 thousand yen, (2) Changes in accounting policies, changes in accounting estimates and restatements

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(Net cash provided by (used in) investing activities)

Net cash used in investing activities was 1,382,642 thousand yen (compared to 3,836,821 thousand yen used in the previous consolidated fiscal year). This was mainly due to expenditures of 1,209,040 thousand yen for the acquisition of tangible fixed assets.

(Net cash provided by (used in) financing activities)

Net cash used in financing activities was 2,873,810 thousand yen (compared to 1,590,981 thousand yen provided in the previous fiscal year). The main factors were a decrease in short-term loans payable of 1,992,350 thousand yen, repayment of long-term loans payable of 5,831,283 thousand yen, and cash dividends paid of 651,979 thousand yen, despite proceeds from long-term loans payable of 5,820,000 thousand yen.

### (4) Outlook for the future

As for the outlook for the future, the outlook for the global economy is expected to remain uncertain due to the impact of the spread of the new coronavirus infection, and this is expected to continue to affect business results.

(Sales business, rental business)

During the fiscal year ended March 31, 2022, following the declaration of the state of emergency in April 2020, construction work in urban areas was temporarily suspended, and plans for large-scale repair and maintenance work on condominiums were postponed, which had a strong impact on the private construction sector through the second half of the fiscal year. Although we expect this situation to continue to a certain extent through the first half of the fiscal year ending March 31, 2022, we expect orders for planned construction projects in urban areas to resume in the second half of the fiscal year, including the construction of new large-scale logistics warehouses and the resumption of maintenance and repair work on buildings and condominiums. In anticipation of a recovery in demand in the second half of the fiscal year, we expect sales demand to be high from the second half of the second quarter and rental demand to increase in the third quarter, as is the trend in previous years. In the third quarter, we expect rental demand to increase, as is the trend in previous years. In addition, demand for solar power generation panel mounts, which the Group is working on in fields other than temporary equipment-related fields, especially environment-related fields, will be revitalized by the promotion of the government's renewable energy policy, and in the agriculture business, demand for the high-performance agricultural greenhouses that we supply will increase as major companies are working on advanced agriculture using IT technology. In the agribusiness, major companies are working on advanced agriculture using information technology, and we believe that demand for our high-performance agricultural greenhouses will increase. In addition, the government's DX (Digital Transformation) in construction is expected to increase demand for 3D drawing data and spatial measurement, and we believe that this will be a great business opportunity for our group, which has been actively involved in these activities. In order to capture this demand, we will continue to review and develop services that meet customer needs more quickly and increase customer satisfaction.

(Overseas Business)

At our subsidiary in the Philippines, where the impact of the new coronavirus infection is expected to continue, the restrictions on going out in urban areas have not been lifted and business activities are restricted, and we expect the situation to remain as severe as in the current fiscal year. The South Korean subsidiary is expected to see construction investment in South Korea and economic recovery in neighboring countries to which it exports, but a dramatic recovery is not expected and the situation is expected to remain flat. As our subsidiary in Vietnam mainly manufactures products for the Japanese domestic market, we expect a gradual upturn along with the recovery of the sales business in Japan. In our overseas business in general, we will aim for further growth by re-examining and improving our management system and promoting alliance measures, with an eye on After Corona.

In addition to the above, since the products supplied by the Group are mainly steel products, a rise in manufacturing costs due to a sharp rise in global steel prices is unavoidable. In order to stabilize the profit margin, we will review our purchasing system, diversify our suppliers, and develop an optimal production system.

In addition, we have formulated a new medium-term management plan, the "2021 Medium-Term Management Plan," which begins in the next fiscal year and ends in the fiscal year ending March 2024. In addition, the Group will promote the development of new products and services and complete the transformation of its business model by firmly grasping apparent and latent customer demand.

As a result of these activities, for the full fiscal year ending March 31, 2022, we expect consolidated net sales of 42,000,000,000 yen, operating income of 1,800,000,000 yen, ordinary income of 1,580,000,000 yen, and net income attributable to shareholders of the parent company of 1,000,000,000 yen.

## 2. Basic approach to the selection of accounting standards

For the time being, the Group's policy is to prepare its consolidated financial statements in accordance with Japanese GAAP, taking into consideration the comparability of consolidated financial statements from period to period and from company to company.

Regarding the application of international accounting standards, the Company intends to respond appropriately in consideration of various domestic and international circumstances.

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## 3. Consolidated Financial Statements and Major Notes

## (1) Consolidated Balance Sheet

(Thousand yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	7,242,638	8,032,422
Notes and accounts receivable - trade	14,101,176	11,675,180
Merchandise and finished goods	2,933,259	3,184,970
Work in process	781,907	893,682
Raw materials and supplies	1,002,598	1,023,908
Other	695,502	525,382
Allowance for doubtful accounts	(348,400)	(427,877)
Total current assets	26,408,683	24,907,670
Non-current assets		
Property, plant and equipment		
Assets for rent	39,486,729	38,687,118
Accumulated depreciation - Assets for rent	(24,579,285)	(25,475,054)
Assets for rent, net	14,907,443	13,212,063
Buildings and structures	7,236,727	7,904,069
Accumulated depreciation and impairment loss	(3,438,205)	(3,755,608)
Buildings and structures (net)	3,798,521	4,148,461
Machinery, equipment and vehicles	2,579,935	2,839,333
Accumulated depreciation	(1,320,016)	(1,608,096)
Machinery, equipment and vehicles (net)	1,259,918	1,231,236
Land	7,839,049	7,849,773
Lease assets	1,063,278	1,091,184
Accumulated depreciation	(512,240)	(611,879)
Lease assets, net	551,038	479,304
Construction in progress	132,830	195,654
Other	1,133,860	1,354,238
Accumulated depreciation	(823,339)	(990,274)
Other (net)	310,521	363,963
Total tangible assets	28,799,323	27,480,458
Intangible assets		
Leasehold right	327,821	327,821
Goodwill	159,124	-
Other	452,911	498,433
Total intangible fixed assets	939,858	826,255
Investments and other assets		
Investment securities	444,763	504,898
Guarantee deposits	691,564	710,277
Net defined benefit asset	42,700	84,768
Deferred tax assets	799,903	774,723
Other	1,189,853	1,199,293
Allowance for doubtful accounts	(34,112)	(33,497)
Total investments and other assets	3,134,672	3,240,463
Total non-current assets	32,873,854	31,547,177
<b>Total assets</b>	<b>59,282,537</b>	<b>56,454,848</b>

Thousand yen

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	6,427,178	5,668,637
Short-term loans payable	5,400,480	3,478,440
Current portion of bonds	421,000	871,000
Current portion of long term loans payable	5,810,651	6,308,335
Lease obligations	359,292	368,997
Income taxes payable	766,520	353,758
Provision for bonuses	292,189	296,172
Provision for directors' bonuses	8,630	-
Notes payable - facilities	136,537	344,524
Other	2,107,963	1,864,477
Total current liabilities	21,730,443	19,554,343
Non-current liabilities		
Bonds payable	3,599,000	3,278,000
Long-term debt	11,823,485	11,354,482
Lease obligations	1,377,246	1,145,426
Provision for directors' retirement benefits	945,664	1,001,355
Asset retirement obligations	12,800	13,113
Other	1,296,091	1,339,248
Total non-current liabilities	19,054,288	18,131,625
Total liabilities	40,784,731	37,685,969
<b>Net assets</b>		
Shareholders' equity		
Capital stock	1,050,114	1,050,114
Capital surplus	1,908,539	1,908,539
Retained earnings	15,186,825	15,392,373
Treasury stock	(3,331)	(3,331)
Total shareholders' equity	18,142,147	18,347,696
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	16,282	55,362
Deferred gains or losses on hedges	(15,334)	(6,436)
Foreign currency translation adjustments	(23,183)	(104,388)
Accumulated adjustment for retirement benefits	(65,508)	(38,613)
Total accumulated other comprehensive income	(87,743)	(94,076)
Subscription rights to shares	306,115	357,461
Non-controlling interests	137,286	157,797
Total net assets	18,497,805	18,768,878
Total liabilities and net assets	59,282,537	56,454,848

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

	(Thousand yen)	
	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net sales	46,065,498	38,812,092
Cost of sales	32,051,298	27,815,478
Gross profit	14,014,199	10,996,614
Selling, general and administrative expenses	10,311,033	9,410,155
Operating income	3,703,166	1,586,458
Non-operating income		
Interest income	10,809	7,498
Dividend income	15,304	13,895
Rent income	66,179	75,269
Insurance income	21,177	72,481
Contribution for Assets for rent	19,370	14,099
Income from sale of scrap	79,373	85,799
Foreign exchange gains	24,569	47,426
Other	92,034	69,212
Total non-operating income	328,819	385,682
Non-operating expenses		
Interest expense	274,839	239,144
Payment fee	64,444	75,414
Bond issuance expenses	22,367	9,392
Bad debt loss	63,206	-
Other	65,990	78,586
Total non-operating expenses	490,848	402,539
Ordinary income	3,541,137	1,569,601
Extraordinary gains		
Gain on sales of fixed assets	156,535	11,551
Total extraordinary income	156,535	11,551
Extraordinary loss		
Loss on disposal of fixed assets	3,822	14,118
Impairment loss	53,134	108,517
Total extraordinary loss	56,956	122,635
Profit before income taxes	3,640,716	1,458,518
Income taxes - current	1,118,331	582,996
Income taxes - deferred	122,865	(2,509)
Total income taxes	1,241,196	580,487
Profit	2,399,519	878,031
Profit attributable to non-controlling interests	28,582	20,502
Profit attributable to owners of parent	2,370,937	857,528



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(Consolidated Statements of Comprehensive Income)

(Thousand yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net income (loss)	2,399,519	878,031
Other comprehensive income		
Valuation difference on available-for-sale securities	(32,217)	39,087
Deferred gains (losses) on hedges	15,381	8,897
Foreign currency translation adjustments	(78,248)	(81,204)
Remeasurements of defined benefit plans, net of tax	(42,760)	26,894
Total other comprehensive income (loss)	(137,845)	(6,325)
Comprehensive income	2,261,674	871,705
(Breakdown)		
Comprehensive income attributable to owners of parent	2,233,085	851,195
Comprehensive income attributable to non controlling interests	28,589	20,510

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## (3) Consolidated Statement of Changes in Net Assets

Previous consolidated fiscal year (April 1, 2019 to March 31, 2020)

(Thousand yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	732,130	1,226,217	13,395,332	(1,233,173)	14,120,506
Changes during the period					
Issuance of new shares	306,580	306,580			613,160
Issuance of new shares (exercise of stock acquisition rights)	11,403	11,403			22,807
Dividends from Surplus			(579,444)		(579,444)
Profit attributable to owners of parent			2,370,937		2,370,937
Acquisition of treasury stock				(36)	(36)
Disposal of treasury stock		364,338		1,229,878	1,594,216
Changes in items other than shareholders' equity (net)					
Total changes of items during the period	317,983	682,321	1,791,493	1,229,841	4,021,640
Balance at the end of current period	1,050,114	1,908,539	15,186,825	(3,331)	18,142,147

	Accumulated other comprehensive income (loss)					Stock acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income (loss)			
Balance at the beginning of current period	48,507	(30,715)	55,101	(22,747)	50,145	296,346	108,696	14,575,695
Changes during the period								
Issuance of new shares								613,160
Issuance of new shares (exercise of stock acquisition rights)								22,807
Dividends of Surplus								(579,444)
Profit attributable to owners of parent								2,370,937
Acquisition of treasury stock								(36)
Disposal of treasury stock								1,594,216
Changes in items other than shareholders' equity (net)	(32,224)	15,381	(78,285)	(42,760)	(137,888)	9,768	28,589	(99,530)
Total changes of items during the period	(32,224)	15,381	(78,285)	(42,760)	(137,888)	9,768	28,589	3,922,110
Balance at the end of current period	16,282	(15,334)	(23,183)	(65,508)	(87,743)	306,115	137,286	18,497,805

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Current consolidated fiscal year (From April 1, 2020 to March 31, 2021)

(Thousand yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	1,050,114	1,908,539	15,186,825	(3,331)	18,142,147
Changes during the period					
Issuance of new shares					-
Issuance of new shares (exercise of stock acquisition rights)					-
Dividends from Surplus			(651,979)		(651,979)
Profit attributable to owners of parent			857,528		857,528
Acquisition of treasury stock					-
Disposal of treasury stock					-
Changes in items other than shareholders' equity (net)					-
Total changes of items during the period	-	-	205,548	-	205,548
Balance at the end of current period	1,050,114	1,908,539	15,392,373	(3,331)	18,347,696

	Accumulated other comprehensive income (loss)					Stock acquisition rights Deferred gains or losses on hedges	Non-controlling interests Foreign currency translation adjustments	Total net assets Remeasurements of defined benefit plans
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Valuation difference on available-for-sale securities			
Balance at the beginning of current period	16,282	(15,334)	(23,183)	(65,508)	(87,743)	306,115	137,286	18,497,805
Changes during the period								
Issuance of new shares								-
Issuance of new shares (exercise of stock acquisition rights)								-
Dividends from Surplus								(651,979)
Profit attributable to owners of parent								857,528
Acquisition of treasury stock								-
Disposal of treasury stock								-
Changes in items other than shareholders' equity (net)	39,079	8,897	(81,204)	26,894	(6,333)	51,346	20,510	65,524
Total changes of items during the period	39,079	8,897	(81,204)	26,894	(6,333)	51,346	20,510	271,072
Balance at the end of current period	55,362	(6,436)	(104,388)	(38,613)	(94,076)	357,461	157,797	18,768,878

## FOR TRANSLATION PURPOSE ONLY

## (4) Consolidated Statements of Cash Flows

(Thousand yen)

Fiscal year ended March 31, 2020 Fiscal year ended March 31, 2021

Cash flows from operating activities		
Profit before income taxes	3,640,716	1,458,518
Depreciation	4,804,902	4,815,929
Impairment loss	53,134	108,517
Amortization of goodwill	53,616	53,619
Loss on retirement of Assets for rent	99,696	83,000
Loss on sales of Assets for rent	257,622	45,793
Purchase of assets for lease	(898,676)	(909,651)
Contribution for Assets for rent	(19,370)	(14,099)
Increase (decrease) in allowance for doubtful accounts	70,391	64,735
Increase (decrease) in provision for bonuses	68,773	3,982
Increase (decrease) in net defined benefit liability	51,436	47,648
Share-based compensation expenses	26,347	51,346
Interest and dividends income	(26,114)	(21,394)
Interest expense	274,839	239,144
Foreign exchange loss (gain)	(31,347)	(69,239)
Loss (gain) on sales of property, plant and equipment	(156,535)	(11,551)
Loss on retirement of property, plant and equipment	3,822	13,975
Decrease (increase) in notes and accounts receivable - trade	(2,798,510)	2,546,411
Decrease (increase) in inventories	(1,166,920)	(1,596,657)
Increase (decrease) in notes and accounts payable - trade	772,705	(800,724)
Bad debts expenses	63,206	-
Other	3,503	120,944
Subtotal	5,147,239	6,230,249
Interest and dividend income received	14,060	25,729
Interest expenses paid	(274,743)	(240,859)
Income taxes paid	(1,114,615)	(979,704)
Net cash provided by (used in) operating activities	3,771,941	5,035,416

(Thousand yen)

Fiscal year ended March 31, 2020 Fiscal year ended March 31, 2021

Cash flows from investing activities		
Payments into time deposits	(460,000)	(460,000)
Proceeds from withdrawal of time deposits	460,000	460,000
Purchase of property, plant and equipment	(4,075,425)	(1,209,040)
Proceeds from sales of tangible fixed assets	596,401	13,192
Payments for acquisition of intangible fixed assets	(226,998)	(188,259)
Purchase of investment securities	(39,650)	(3,115)
Proceeds from sales of investment securities	2,134	-
Purchase of memberships	250	-
Payments for loans receivable	(106,860)	(110,686)
Collection of loans receivable	13,827	115,266
Net cash provided by (used in) investing activities	(3,836,821)	(1,382,642)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	805,750	(1,992,350)
Repayments of lease obligations	(345,694)	(336,865)
Proceeds from long-term loans payable	4,320,000	5,820,000
Repayments of long-term loans payable	(5,948,594)	(5,831,283)
Proceeds from issuance of bonds	1,285,395	539,667
Redemption of bonds	(160,000)	(421,000)
Proceeds from issuance of common shares	619,389	-
Purchase of treasury stock	(36)	-
Proceeds from disposal of treasury stock	1,594,216	-
Cash dividends paid	(579,444)	(651,979)
Net cash provided by (used in) financing activities	1,590,981	(2,873,810)
Effect of exchange rate changes on cash and cash equivalents	(17,647)	10,821
Net increase (decrease) in cash and cash equivalents	1,508,454	789,784
Cash and cash equivalents at beginning of period	5,414,184	6,922,638
Cash and cash equivalents at end of period	6,922,638	7,712,422

FOR TRANSLATION PURPOSE ONLY

(5) Notes to Consolidated Financial Statements

(Going concern assumption)

Not applicable.

(Segment Information)

1. Overview of reportable segments

The reportable segments of the Group are the constituent units of the Company for which separate financial information is available and which are subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate business performance.

The Group's three reportable segments are the "sales business," which mainly consists of the manufacture and sale of temporary equipment for construction, the "rental business," which mainly consists of the rental of temporary equipment for construction, and the "overseas business," which mainly consists of the sale and rental of temporary equipment for construction overseas.

2. How to calculate amount of net sales and profit/loss for each reportable segment

The accounting method for the reported business segments is generally the same as the accounting method used to prepare the consolidated financial statements.

Income of reportable segments is based on operating income.

Inter-segment internal revenues and transfers are based on prevailing market prices.

Assets are not allocated to business segments, but depreciation is allocated to them.

3. Information on net sales and income or loss by reportable segment

Previous consolidated fiscal year (April 1, 2019 to March 31, 2020)

(Thousand yen)						
	Sales Business	Rental Business	Overseas Business	Total	Adjustment (see Note 1&2)	Amount allocated on consolidated statements of income (see Note 3)
Net sales						
Net sales to external customers	15,064,653	26,073,191	4,927,653	46,065,498	-	46,065,498
Intersegment sales and transfers	235,184	45,440	2,378,586	2,659,210	(2,659,210)	-
Net sales or transfer amount						
Total	15,299,838	26,118,631	7,306,239	48,724,709	(2,659,210)	46,065,498
Segment profit (loss)	1,934,971	3,025,751	410,481	5,371,205	(1,668,038)	3,703,166
Other items						
Depreciation and amortization	290,455	3,887,841	553,694	4,731,992	72,910	4,804,902
Amortization of goodwill	-	53,616	-	53,616	-	53,616

- Notes 1. Adjusted segment profit of minus 1,668,038 thousand yen includes elimination of inter-segment transactions of 309,555 thousand yen and corporate expenses of minus 1,977,594 thousand yen that are not allocated to each reportable segment. Corporate expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.
2. The adjustment of 72,910 thousand yen for depreciation and amortization is depreciation and amortization for corporate assets that do not belong to any reportable segment.
3. Segment income is adjusted with operating income in the consolidated statements of income.

## FOR TRANSLATION PURPOSE ONLY

Current consolidated fiscal year (From April 1, 2020 to March 31, 2021)

(Thousand yen)

	Sales Business	Rental Business	Overseas Business	Total	Adjustment (see Note 1&2)	Amount allocated on consolidated statements of income (see Note 3)
Net sales						
Net sales to external customers	11,732,166	23,891,852	3,188,073	38,812,092	-	38,812,092
Intersegment sales and transfers	258,036	117,630	2,112,373	2,488,040	(2,488,040)	-
Net sales or transfer amount						
Total	11,990,202	24,009,482	5,300,447	41,300,133	(2,488,040)	38,812,092
Segment profit (loss)	1,404,920	1,793,272	(99,772)	3,098,420	(1,511,961)	1,586,458
Other items						
Depreciation and amortization	298,106	3,878,775	519,008	4,695,891	120,038	4,815,929
Amortization of goodwill	-	53,619	-	53,619	-	53,619

- Notes 1. Adjusted segment profit (loss) of (1,511,961) thousand yen includes elimination of inter-segment transactions of 209,213 thousand yen and corporate expenses of (1,721,174) thousand yen that are not allocated to each reportable segment. Corporate expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.
2. The adjustment of 120,038 thousand yen for depreciation and amortization is depreciation and amortization for corporate assets that do not belong to any reportable segment.
3. Segment income (loss) is adjusted with operating income in the consolidated statements of income.

FOR TRANSLATION PURPOSE ONLY

(Per share information)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net assets per share	387.68 yen	391.96 yen
Net income per share	52.74 yen	18.41 yen
Diluted earnings per share	51.28 yen	17.89 yen

Notes: 1. The basis for calculation of net income per share and diluted net income per share is as follows.

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net income per share		
Profit attributable to owners of parent (thousand yen)	2,370,937	857,528
Amount not attributable to common shareholders (thousand yen)	-	-
Profit attributable to owners of parent applicable to common stock (thousand yen)	2,370,937	857,528
Average number of shares of common stock during the period (thousand shares)	44,952	46,569
Diluted earnings per share		
Adjusted profit attributable to owners of parent (thousand)	-	-
Increase in number of common stock (thousand shares)	1,279	1,360
(number of (thousand) shares with subscription rights)	(1,279)	(1,360)
Summary of residual securities not included in calculating diluted earnings per share, because of having no dilution effect	-	-

2. The basis for the calculation of net assets per share is as follows.

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Total net assets (thousand yen)	18,497,805	18,768,878
Deduction from total net assets (thousand yen)	443,401	515,258
(with subscription rights (thousand yen))	(306,115)	(357,461)
(for non-controlling shareholders (thousand yen))	(137,286)	(157,797)
End of period net assets applicable to common stock (thousand yen)	18,054,404	18,253,619
End of period number of (thousand) shares used for calculating net assets per share	46,569	46,569

(Significant subsequent events)

Not applicable.