

MORESCO (5018)

Consolidated Fiscal Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY02/2022		27,300	1,434	2,011	1,808	192.76	40.00	1,914.94
FY02/2023		30,333	523	1,046	615	66.19	40.00	2,008.49
FY02/2024CoE		34,500	1,400	1,600	700	75.83	45.00	-
FY02/2023		YoY	11.1%	(63.5%)	(48.0%)	(66.0%)	-	-
FY02/2024CoE		YoY	13.7%	167.7%	53.0%	13.9%	-	-
Consolidated Q1 to Q3 (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 to Q3 FY02/2023		22,479	511	1,144	719	-	-	-
Q1 to Q3 FY02/2024		23,731	1,050	1,699	1,335	-	-	-
Q1 to Q3 FY02/2024		YoY	5.6%	105.5%	48.6%	85.8%	-	-

Source: Company Data, WRJ Calculation

1.0 Results Update (17 January 2024)

Recovery in Japan

On 15 January 2024, MORESCO, running operations of R&D, manufacture and sale of chemical goods used in diverse applications with autos as the mainstay, released its Q1 to Q3 FY02/2024 results. It has been revealed that the Company achieved a two-fold increase in operating profit over the same period of the previous year, due to a significant improvement in profitability in Japan, the mainstay by region. Sales volume has rather declined in Japan over the same period of the previous year, but it was far more than compensated for by the impact of an improvement in sales mix and a revision on selling prices of own products. On top of this, it appears that the Company has also benefited from a trend of settling down for raw material price hike. It has been also the case that a marked improvement in earnings was seen in Southeast/South Asia (Thailand, Indonesia and India). In addition to a steady increase in local sales volume against the backdrop of higher auto production volume, etc., the impact of a revision on selling prices of own products, as in Japan, was reportedly being felt. Nevertheless, the situation for Q4 (December to February) is unpredictable due to the possibility of initial costs associated with the start of operations at new factory in China, in addition to the inevitable deterioration in earnings due to seasonality. We are to obtain further details through our interview with the management, while planning to update our Company Report in light of such details in order to release anew.


Company Report: [MORESCO \(5018\) Growth Strategy \(11 December 2023\)](#)

IR Representative: Hirofumi Fujimoto, Director, Senior Executive Officer and CFO

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2.0 Company Profile

Interface Science Specialist

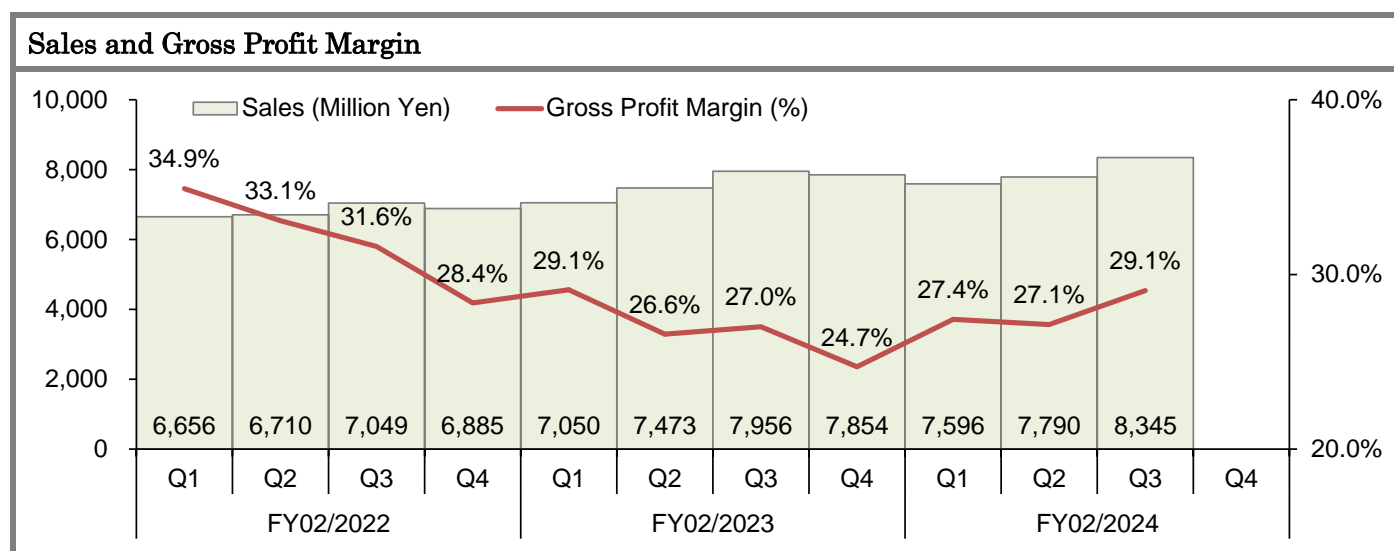
Company Name	MORESCO Corporation Company Website IR Information Share Price (Japanese) 
Established	27 October 1958
Listing	20 October 2023: Tokyo Stock Exchange Standard Market (ticker: 5018) 4 April 2022: Tokyo Stock Exchange Prime Market 14 February 2011: Tokyo Stock Exchange 1st section 29 July 2008: Tokyo Stock Exchange 2nd section 13 November 2003: Registered on the over-the-counter market of JSDA
Capital	¥2,118m (as of the end of November 2023)
No. of Shares	9,696,500 shares, including 463,720 treasury shares (as of the end of Nov. 2023)
Main Features	<ul style="list-style-type: none"> ● Independent (non-keiretsu) manufacturer of chemical goods, some 43% exposed to autos by application in terms of sales ● Specializing in “interface science” with exclusive exposure to niche markets ● R&D, manufacture and sale of chemical goods to fulfil the functionalities of lubrications, adhesives and surface protections
Segments	I . Japan II . China III. Southeast/South Asia (Thailand, Indonesia and India) IV. North America
Representative	CEO, Representative Director and President: Motohisa Morozumi
Shareholders	Matsumura Oil 11.5%, Cosmo Oil Lubricants 5.4%, Master Trust Bank of Japan, T. 4.6%, MORESCO ESOP 4.3%, (as of the end of August 2023, but for treasury shares)
Head Office	Kobe-city, Hyogo-prefecture, JAPAN
No. of Personnel	Consolidated: 784, Parent: 381 (as of the end of February 2023)

Source: Company Data

3.0 Recent Trading and Prospects

Q1 to Q3 FY02/2024

For Q1 to Q3 FY02/2024, sales came in at ¥23,731m (up 5.6% YoY), operating profit ¥1,050m (up 105.5%), recurring profit ¥1,699m (up 48.6%) and profit attributable to owners of parent ¥1,335m (up 85.8%). Meanwhile, gross profit came in at ¥6,623m (up 7.0%) and SG&A expenses ¥5,572m (down 1.8%), implying gross profit margin of 27.9% (up 0.4% points) and SG&A ratio of 23.5% (down 1.8% points), having resulted in operating profit margin of 4.4% (up 2.2% points).

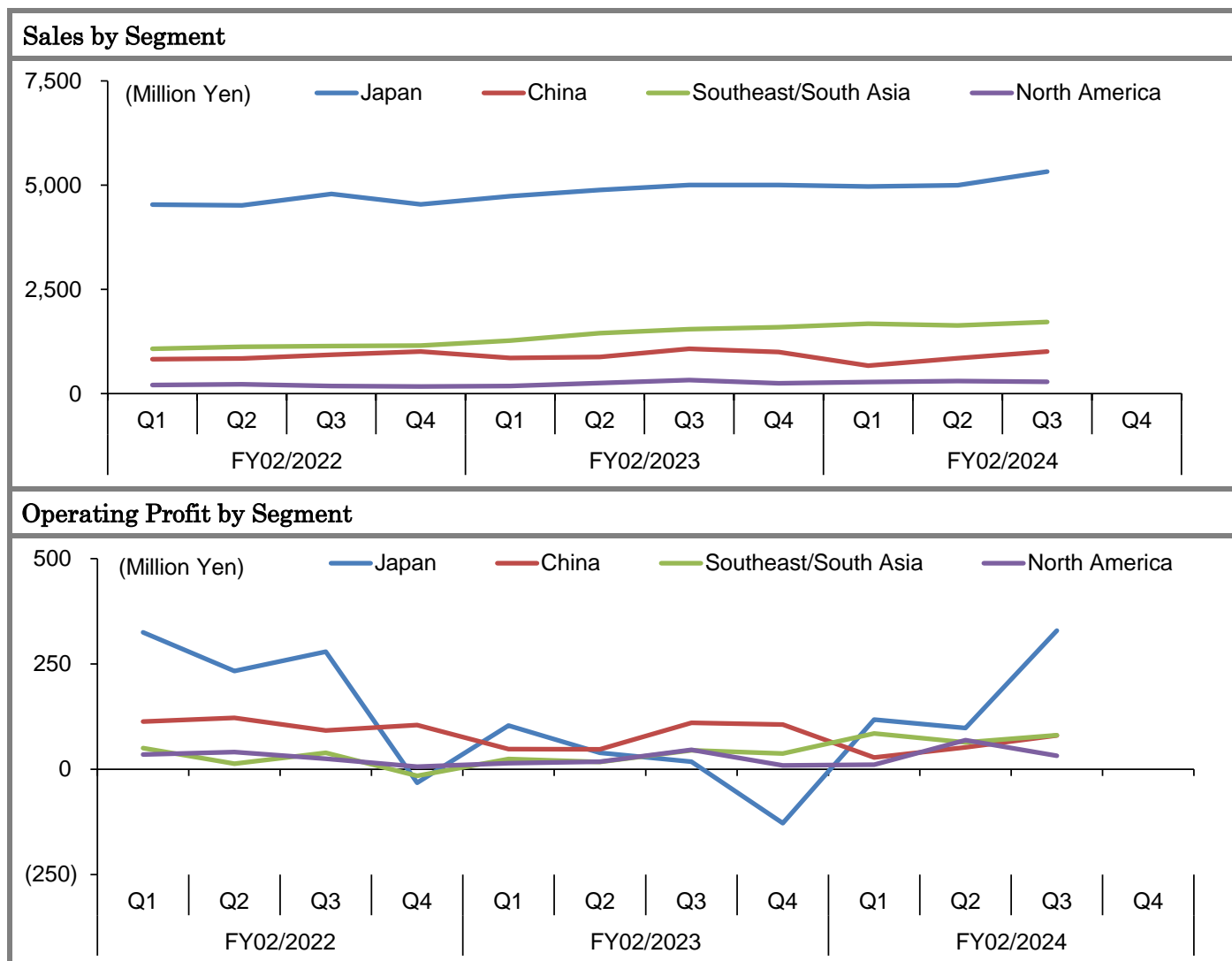


Source: Company Data, WRJ Calculation

On a quarterly basis, the Company's gross profit margin continued to show a V-shaped recovery. The Company is seeing sales expanding favorably for high-value-added products, represented by water-soluble minimum quantity spray type lubricants, which is driving an improvement in sales mix, while the impact of a revision on selling prices of own products is appearing at the same time, according to the Company. On top of this, it appears that the Company is also benefiting from a trend of settling down for raw material price hike in line with that of crude oil prices, yen's depreciation and naphtha prices. Meanwhile, the Company is seeing a substantial improvement in operating profit margin, given a curbed contribution of SG&A expenses, although it has something to do with delays in recognition of some expenses, completion of amortization for goodwill associated with the past acquisition and other factors.

At the non-operating level, the Company saw net gain of ¥649m, roughly unchanged from the same period of the previous year. Currency gain has declined, which was basically compensated for by an increase in investment gain on equity method. According to the Company, the latter is attributable to a gain of ¥151m for compensation money from the Chinese government, as a result of expropriation of factory space owned by its local affiliate. By the way, initial Company forecasts have not assumed any currency gain/loss nor the compensation money.

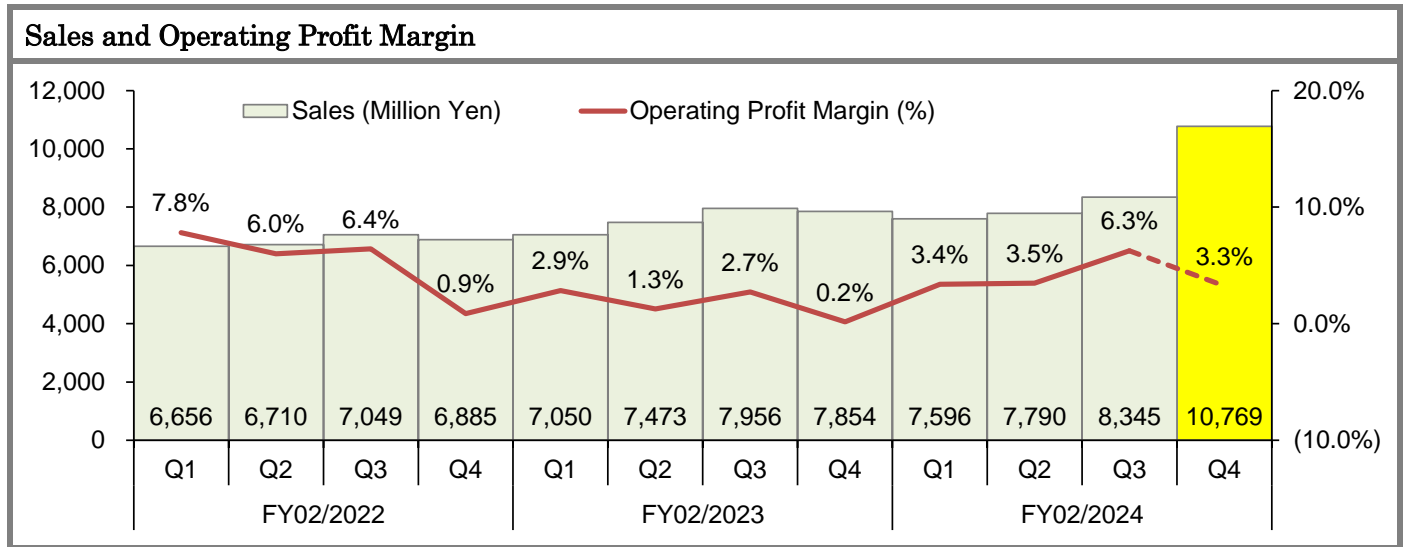
In the Company's consolidated accounts, the above-mentioned affiliate was made a wholly-owned subsidiary as of the end of Q3 (September to November) and an extraordinary gain of ¥250m on a net basis was recorded as a result of this, i.e., loss on step acquisitions of ¥34m and gain on negative goodwill of ¥285m, which was a key driver for surging profit attributable to owners of parent. By the way, it is also the case that initial Company forecasts have not assumed such extraordinary gain not loss.



Source: Company Data, WRJ Calculation

FY02/2024 Company Forecasts

FY02/2024 initial Company forecasts, announced on 11 April 2023, have remained unchanged, going for prospective sales of ¥34,500m (up 13.7% YoY), operating profit of ¥1,400m (up 167.7%), recurring profit of ¥1,600m (up 53.0%) and profit attributable to owners of parent of ¥700m (up 13.9%), while operating profit margin of 4.1% (up 2.3% points). Company forecasts have remained unchanged also for planned annual dividend, going for ¥45.00 per share, implying payout ratio of 59.3%.



Source: Company Data, WRJ Calculation (Q4 FY02/2024: full-year Company forecasts less Q1 to Q3 results).

4.0 Financial Statements

Income Statement (Cumulative / Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		Net Chg.
	02/2023	02/2023	02/2023	02/2023	02/2024	02/2024	02/2024	02/2024	02/2024	
Sales	7,050	14,523	22,479	30,333	7,596	15,386	23,731	-	-	+1,252
Cost of Sales	4,997	10,484	16,291	22,204	5,513	11,188	17,108	-	-	+817
Gross Profit	2,053	4,039	6,188	8,129	2,083	4,197	6,623	-	-	+435
SG&A Expenses	1,852	3,744	5,677	7,606	1,826	3,669	5,572	-	-	(105)
Operating Profit	201	295	511	523	257	528	1,050	-	-	+539
Non-Operating Balance	270	551	633	523	138	405	649	-	-	+16
Recurring Profit	471	846	1,144	1,046	395	933	1,699	-	-	+555
Extraordinary Balance	-	-	-	-	-	-	250	-	-	+250
Profit before Income Taxes	471	846	1,144	1,046	395	933	1,949	-	-	+805
Total Income Taxes	116	286	347	320	125	262	455	-	-	+108
Profit Attributable to Non-Controlling Interests	38	56	78	112	47	102	159	-	-	+81
Profit Attributable to Owners of Parent	317	504	719	615	224	569	1,335	-	-	+616
Sales YoY	+5.9%	+8.7%	+10.1%	+11.1%	+7.7%	+5.9%	+5.6%	-	-	-
Operating Profit YoY	(61.4%)	(68.0%)	(62.8%)	(63.5%)	+28.0%	+78.8%	+105.5%	-	-	-
Recurring Profit YoY	(34.7%)	(27.3%)	(34.0%)	(48.0%)	(16.1%)	+10.4%	+48.6%	-	-	-
Profit Attributable to Owners of Parent YoY	(71.0%)	(62.9%)	(58.5%)	(66.0%)	(29.5%)	+13.0%	+85.8%	-	-	-
Gross Profit Margin	29.1%	27.8%	27.5%	26.8%	27.4%	27.3%	27.9%	-	-	+0.4%
SG&A Ratio	26.3%	25.8%	25.3%	25.1%	24.0%	23.8%	23.5%	-	-	(1.8%)
Operating Profit Margin	2.9%	2.0%	2.3%	1.7%	3.4%	3.4%	4.4%	-	-	+2.2%
Recurring Profit Margin	6.7%	5.8%	5.1%	3.4%	5.2%	6.1%	7.2%	-	-	+2.1%
Profit Attributable to Owners of Parent Margin	4.5%	3.5%	3.2%	2.0%	2.9%	3.7%	5.6%	-	-	+2.4%
Total Income Taxes / Profit before Income Taxes	24.6%	33.8%	30.3%	30.6%	31.6%	28.1%	23.3%	-	-	(7.0%)
Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Net Chg.
	02/2023	02/2023	02/2023	02/2023	02/2024	02/2024	02/2024	02/2024	02/2024	
Sales	7,050	7,473	7,956	7,854	7,596	7,790	8,345	-	-	+389
Cost of Sales	4,997	5,487	5,807	5,913	5,513	5,675	5,920	-	-	+113
Gross Profit	2,053	1,986	2,149	1,941	2,083	2,114	2,426	-	-	+277
SG&A Expenses	1,852	1,892	1,933	1,929	1,826	1,843	1,903	-	-	(30)
Operating Profit	201	94	216	12	257	271	522	-	-	+306
Non-Operating Balance	270	281	82	(110)	138	267	244	-	-	+162
Recurring Profit	471	375	298	(98)	395	538	766	-	-	+468
Extraordinary Balance	-	-	-	-	-	-	250	-	-	+250
Profit before Income Taxes	471	375	298	(98)	395	538	1,016	-	-	+718
Total Income Taxes	116	170	61	(27)	125	137	193	-	-	+132
Profit Attributable to Non-Controlling Interests	38	18	22	34	47	55	57	-	-	+35
Profit Attributable to Owners of Parent	317	187	215	(104)	224	345	766	-	-	+551
Sales YoY	+5.9%	+11.4%	+12.9%	+14.1%	+7.7%	+4.2%	+4.9%	-	-	-
Operating Profit YoY	(61.4%)	(76.7%)	(52.2%)	(79.7%)	+28.0%	+188.3%	+141.7%	-	-	-
Recurring Profit YoY	(34.7%)	(15.2%)	(47.6%)	-	(16.1%)	+43.5%	+157.0%	-	-	-
Profit Attributable to Owners of Parent YoY	(71.0%)	(29.2%)	(42.0%)	-	(29.5%)	+84.5%	+256.3%	-	-	-
Gross Profit Margin	29.1%	26.6%	27.0%	24.7%	27.4%	27.1%	29.1%	-	-	+2.1%
SG&A Ratio	26.3%	25.3%	24.3%	24.6%	24.0%	23.7%	22.8%	-	-	(1.5%)
Operating Profit Margin	2.9%	1.3%	2.7%	0.2%	3.4%	3.5%	6.3%	-	-	+3.5%
Recurring Profit Margin	6.7%	5.0%	3.7%	(1.2%)	5.2%	6.9%	9.2%	-	-	+5.4%
Profit Attributable to Owners of Parent Margin	4.5%	2.5%	2.7%	(1.3%)	2.9%	4.4%	9.2%	-	-	+6.5%
Total Income Taxes / Profit before Income Taxes	24.6%	45.3%	20.5%	27.6%	31.6%	25.5%	19.0%	-	-	(1.5%)

Source: Company Data, WRJ Calculation

Segmented Information (Cumulative / Quarterly)

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 02/2023	Q1 to Q2 02/2023	Q1 to Q3 02/2023	Q1 to Q4 02/2023	Q1 02/2024	Q1 to Q2 02/2024	Q1 to Q3 02/2024	Q1 to Q4 02/2024		
Japan	4,738	9,624	14,629	19,637	4,968	9,966	15,295	-	+666	
China	854	1,737	2,813	3,814	670	1,522	2,532	-	(281)	
Southeast/South Asia (Thailand, Indonesia and India)	1,276	2,726	4,274	5,870	1,679	3,313	5,031	-	+757	
North America	182	436	762	1,011	278	584	872	-	+110	
Sales	7,050	14,523	22,479	30,333	7,596	15,386	23,731	-	+1,252	
Japan	104	143	161	33	118	216	545	-	+384	
China	48	95	205	311	28	80	160	-	(45)	
Southeast/South Asia (Thailand, Indonesia and India)	24	41	86	123	85	149	230	-	+144	
North America	14	32	78	87	11	80	112	-	+34	
Segment Profit	189	311	531	553	242	525	1,046	-	+515	
Adjustments	11	(16)	(20)	(30)	15	3	4	-	+24	
Operating Profit	201	295	511	523	257	528	1,050	-	+539	
Japan	2.2%	1.5%	1.1%	0.2%	2.4%	2.2%	3.6%	-	+2.5%	
China	5.6%	5.5%	7.3%	8.2%	4.2%	5.3%	6.3%	-	(1.0%)	
Southeast/South Asia (Thailand, Indonesia and India)	1.9%	1.5%	2.0%	2.1%	5.1%	4.5%	4.6%	-	+2.6%	
North America	7.7%	7.3%	10.2%	8.6%	4.0%	13.7%	12.8%	-	+2.6%	
Segment Profit Margin	2.7%	2.1%	2.4%	1.8%	3.2%	3.4%	4.4%	-	+2.0%	
Adjustments	0.2%	(0.1%)	(0.1%)	(0.1%)	0.2%	0.0%	0.0%	-	+0.1%	
Operating Profit Margin	2.9%	2.0%	2.3%	1.7%	3.4%	3.4%	4.4%	-	+2.2%	

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 02/2023	Q2 02/2023	Q3 02/2023	Q4 02/2023	Q1 02/2024	Q2 02/2024	Q3 02/2024	Q4 02/2024		
Japan	4,738	4,886	5,005	5,008	4,968	4,998	5,329	-	+324	
China	854	883	1,076	1,001	670	852	1,010	-	(66)	
Southeast/South Asia (Thailand, Indonesia and India)	1,276	1,450	1,548	1,596	1,679	1,634	1,718	-	+170	
North America	182	254	326	249	278	306	288	-	(38)	
Sales	7,050	7,473	7,956	7,854	7,596	7,790	8,345	-	+389	
Japan	104	39	18	(128)	118	98	329	-	+311	
China	48	47	110	106	28	52	80	-	(30)	
Southeast/South Asia (Thailand, Indonesia and India)	24	17	45	37	85	64	81	-	+36	
North America	14	18	46	9	11	69	32	-	(14)	
Segment Profit	189	122	220	22	242	283	521	-	+301	
Adjustments	11	(27)	(4)	(10)	15	(12)	1	-	+5	
Operating Profit	201	94	216	12	257	271	522	-	+306	
Japan	2.2%	0.8%	0.4%	(2.6%)	2.4%	2.0%	6.2%	-	+5.8%	
China	5.6%	5.3%	10.2%	10.6%	4.2%	6.1%	7.9%	-	(2.3%)	
Southeast/South Asia (Thailand, Indonesia and India)	1.9%	1.2%	2.9%	2.3%	5.1%	3.9%	4.7%	-	+1.8%	
North America	7.7%	7.1%	14.1%	3.6%	4.0%	22.5%	11.1%	-	(3.0%)	
Segment Profit Margin	2.7%	1.6%	2.8%	0.3%	3.2%	3.6%	6.2%	-	+3.5%	
Adjustments	0.2%	(0.4%)	(0.1%)	(0.1%)	0.2%	(0.2%)	0.0%	-	+0.1%	
Operating Profit Margin	2.9%	1.3%	2.7%	0.2%	3.4%	3.5%	6.3%	-	+3.5%	

Source: Company Data, WRJ Calculation

Sales by Business Division (Cumulative / Quarterly)

Sales by Business Division	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1 to Q4	Net Chg.
	02/2023	02/2023	02/2023	02/2023	02/2024	02/2024	02/2024	02/2024	02/2024	
Functional Fluids	3,420	7,027	11,081	15,105	3,688	7,736	11,965	-	-	+884
Synthetic Lubricants	502	991	1,381	1,703	301	607	957	-	-	(424)
Liquid Paraffins & Sulfonates	902	1,855	2,849	3,793	998	1,940	2,993	-	-	+144
Hot Melt Adhesives	1,809	3,754	5,801	7,664	2,108	4,194	6,419	-	-	+618
Energy Device Materials	45	84	128	209	30	54	124	-	-	(4)
Other	372	812	1,239	1,859	470	856	1,272	-	-	+33
Sales	7,050	14,523	22,479	30,333	7,596	15,386	23,731	-	-	+1,252
Functional Fluids	+10.9%	+10.8%	+14.4%	+16.0%	+7.8%	+10.1%	+8.0%	-	-	-
Synthetic Lubricants	(0.1%)	(4.1%)	(9.7%)	(13.7%)	(40.0%)	(38.7%)	(30.7%)	-	-	-
Liquid Paraffins & Sulfonates	+11.9%	+11.0%	+10.5%	+9.0%	+10.6%	+4.6%	+5.1%	-	-	-
Hot Melt Adhesives	+8.2%	+12.9%	+14.1%	+13.0%	+16.6%	+11.7%	+10.7%	-	-	-
Energy Device Materials	(21.3%)	(34.5%)	(35.1%)	(11.8%)	(31.9%)	(35.7%)	(3.3%)	-	-	-
Other	(29.5%)	(5.4%)	(6.7%)	+3.6%	+26.4%	+5.3%	+2.6%	-	-	-
Sales (YoY)	+5.9%	+8.7%	+10.1%	+11.1%	+7.7%	+5.9%	+5.6%	-	-	-
Functional Fluids	48.5%	48.4%	49.3%	49.8%	48.6%	50.3%	50.4%	-	-	-
Synthetic Lubricants	7.1%	6.8%	6.1%	5.6%	4.0%	3.9%	4.0%	-	-	-
Liquid Paraffins & Sulfonates	12.8%	12.8%	12.7%	12.5%	13.1%	12.6%	12.6%	-	-	-
Hot Melt Adhesives	25.7%	25.8%	25.8%	25.3%	27.8%	27.3%	27.0%	-	-	-
Energy Device Materials	0.6%	0.6%	0.6%	0.7%	0.4%	0.4%	0.5%	-	-	-
Other	5.3%	5.6%	5.5%	6.1%	6.2%	5.6%	5.4%	-	-	-
Sales (Component Percentages)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-
Sales by Business Division	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q4	Net Chg.
	02/2023	02/2023	02/2023	02/2023	02/2024	02/2024	02/2024	02/2024	02/2024	
Functional Fluids	3,420	3,607	4,054	4,024	3,688	4,048	4,229	-	-	+175
Synthetic Lubricants	502	489	390	322	301	306	350	-	-	(40)
Liquid Paraffins & Sulfonates	902	953	994	944	998	942	1,053	-	-	+59
Hot Melt Adhesives	1,809	1,945	2,047	1,863	2,108	2,086	2,225	-	-	+178
Energy Device Materials	45	39	44	81	30	24	70	-	-	+26
Other	372	440	427	620	470	386	416	-	-	(11)
Sales	7,050	7,473	7,956	7,854	7,596	7,790	8,345	-	-	+389
Functional Fluids	+10.9%	+10.7%	+21.2%	+20.7%	+7.8%	+12.2%	+4.3%	-	-	-
Synthetic Lubricants	(0.1%)	(7.7%)	(21.4%)	(27.6%)	(40.0%)	(37.4%)	(10.3%)	-	-	-
Liquid Paraffins & Sulfonates	+11.9%	+10.2%	+9.6%	+4.8%	+10.6%	(1.2%)	+5.9%	-	-	-
Hot Melt Adhesives	+8.2%	+17.6%	+16.2%	+9.7%	+16.6%	+7.2%	+8.7%	-	-	-
Energy Device Materials	(21.3%)	(45.1%)	(37.1%)	+107.7%	(31.9%)	(38.5%)	+59.1%	-	-	-
Other	(29.5%)	+32.9%	(9.0%)	+33.0%	+26.4%	(12.3%)	(2.6%)	-	-	-
Sales (YoY)	+5.9%	+11.4%	+12.9%	+14.1%	+7.7%	+4.2%	+4.9%	-	-	-
Functional Fluids	48.5%	48.3%	51.0%	51.2%	48.6%	52.0%	50.7%	-	-	-
Synthetic Lubricants	7.1%	6.5%	4.9%	4.1%	4.0%	3.9%	4.2%	-	-	-
Liquid Paraffins & Sulfonates	12.8%	12.8%	12.5%	12.0%	13.1%	12.1%	12.6%	-	-	-
Hot Melt Adhesives	25.7%	26.0%	25.7%	23.7%	27.8%	26.8%	26.7%	-	-	-
Energy Device Materials	0.6%	0.5%	0.6%	1.0%	0.4%	0.3%	0.8%	-	-	-
Other	5.3%	5.9%	5.4%	7.9%	6.2%	5.0%	5.0%	-	-	-
Sales (Component Percentages)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-

Source: Company Data, WRJ Calculation

Balance Sheet (Quarterly)

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 02/2023	Q2 02/2023	Q3 02/2023	Q4 02/2023	Q1 02/2024	Q2 02/2024	Q3 02/2024	Q4 02/2024		
Cash and Deposit	3,812	4,166	4,172	4,256	3,935	3,756	5,952	-	-	+1,780
Accounts Receivables	7,046	7,524	7,831	7,595	7,462	7,453	8,016	-	-	+185
Inventory	5,727	6,102	6,311	6,306	6,451	6,378	6,505	-	-	+194
Other	580	493	614	653	564	566	1,399	-	-	+785
Current Assets	17,165	18,285	18,928	18,810	18,412	18,153	21,872	-	-	+2,944
Tangible Assets	8,330	8,395	8,537	8,610	8,666	9,114	9,540	-	-	+1,003
Intangible Assets	614	649	643	589	749	744	735	-	-	+92
Investments and Other Assets	3,583	3,764	3,820	4,002	4,068	4,166	4,370	-	-	+550
Fixed Assets	12,527	12,808	13,001	13,202	13,483	14,024	14,645	-	-	+1,644
Deferred Assets	-	-	-	6	18	32	42	-	-	+42
Total Assets	29,691	31,092	31,929	32,017	31,913	32,208	36,559	-	-	+4,630
Accounts Payables	4,419	4,926	5,173	5,144	4,828	4,467	4,581	-	-	(592)
Short-Term Debt	857	1,546	1,549	2,381	2,145	2,096	2,806	-	-	+1,257
Other	2,052	1,611	2,245	2,074	1,787	1,629	2,176	-	-	(69)
Current Liabilities	7,328	8,083	8,967	9,599	8,760	8,192	9,563	-	-	+596
Long-Term Debt	457	382	307	472	942	887	2,994	-	-	+2,687
Other	785	910	834	707	667	748	814	-	-	(20)
Fixed Liabilities	1,242	1,292	1,141	1,179	1,609	1,635	3,808	-	-	+2,667
Total Liabilities	8,570	9,375	10,108	10,778	10,369	9,827	13,371	-	-	+3,263
Shareholders' Equity	17,357	17,361	17,392	17,287	17,327	17,678	18,254	-	-	+862
Other	3,764	4,356	4,428	3,953	4,217	4,703	4,934	-	-	+506
Net Assets	21,121	21,717	21,820	21,240	21,544	22,381	23,188	-	-	+1,368
Total Liabilities & Net Assets	29,691	31,092	31,929	32,017	31,913	32,208	36,559	-	-	+4,630
Equity Capital	18,492	18,945	19,016	18,533	18,743	19,418	20,143	-	-	+1,127
Interest Bearing Debt	1,314	1,928	1,856	2,853	3,087	2,983	5,800	-	-	+3,944
Net Debt	(2,498)	(2,238)	(2,316)	(1,403)	(848)	(773)	(152)	-	-	+2,164
Equity Ratio	62.3%	60.9%	59.6%	57.9%	58.7%	60.3%	55.1%	-	-	-
Net Debt Equity Ratio	(13.5%)	(11.8%)	(12.2%)	(7.6%)	(4.5%)	(4.0%)	(0.8%)	-	-	-
ROE (12 months)	5.8%	5.2%	4.4%	3.4%	2.8%	3.5%	6.3%	-	-	-
ROA (12 months)	6.1%	5.8%	4.7%	3.4%	3.1%	3.6%	4.7%	-	-	-
Days for Inventory Turnover	104	101	99	97	106	102	100	-	-	-
Quick Ratio	148%	145%	134%	123%	130%	137%	146%	-	-	-
Current Ratio	234%	226%	211%	196%	210%	222%	229%	-	-	-

Source: Company Data, WRJ Calculation

Cash Flow Statement (Cumulative)

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 02/2023	Q1 to Q2 02/2023	Q1 to Q3 02/2023	Q1 to Q4 02/2023	Q1 02/2024	Q1 to Q2 02/2024	Q1 to Q3 02/2024	Q1 to Q4 02/2024		
Operating Cash Flow	-	535	-	515	-	1,004	-	-	-	-
Investing Cash Flow	-	(718)	-	(1,172)	-	(1,305)	-	-	-	-
Operating Cash Flow and Investing Cash Flow	-	(183)	-	(657)	-	(301)	-	-	-	-
Financing Cash Flow	-	487	-	1,227	-	(115)	-	-	-	-

Source: Company Data, WRJ Calculation

Disclaimer

Information here is a summary of “IR Information” of the Company, compiled by Walden Research Japan, from a neutral and professional standing point, in the form of a report. “IR Information” of the Company comprises a) contents of our interview with the Company, b) contents of presentations for institutional investors, c) contents of timely disclosed information and d) contents of the homepage, etc.

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