

MORESCO (5018)

Consolidated Fiscal Year (Million Yen)	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY02/2023	30,333	523	1,046	615	66.19	40.00	2,008.49
FY02/2024	31,886	1,225	1,826	1,283	139.01	45.00	2,179.85
FY02/2025CoE	34,000	1,500	1,850	1,050	114.58	45.00	-
FY02/2024	YoY	5.1%	134.2%	74.6%	108.8%	-	-
FY02/2025CoE	YoY	6.6%	22.5%	1.3%	(18.2%)	-	-

Source: Company Data, WRJ Calculation

1.0 Results Update (12 April 2024)

Steady Growth

On 12 April 2024, MORESCO, running operations of R&D, manufacture and sale of chemical goods used in diverse applications with autos as the mainstay, released its FY02/2024 results. It has been revealed that earnings are surging and the Company is implementing measures to realize steady growth from a long-term perspective at the same time. In addition to Japan, the mainstay by region, the Company is seeing a favorable recovery in earnings in Southeast/South Asia (Thailand, Indonesia and India) and North America, far more than compensating for sluggish performance in China, where a recovery of local demand is delayed. Meanwhile, the Company has released its 10th Midterm Management Plan (FY02/2025 to FY02/2027) to focus on satisfying both of Realization of a Sustainable Society and Enhancement of Added Value of Business as the theme, implying CAGR of 6.0% in sales and 30.1% in operating profit as an anticipated rate of growth with its management performance target. Thus, it appears that the above-mentioned Enhancement of Added Value of Business has a lot to do with the Company's policy to proactively improve sales mix, going forward. We are to attend the results briefing via webcast (scheduled for 22 April 2024) and then interview the Company's management for further details, so that we should be able to update our Company Report in light of the content of both and release afresh.


Our Company Report: [MORESCO \(5018\) Upgrading Sales Mix \(14 March 2024\)](#)

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

(81-(0)78-303-9010 / hirofumi_fujimoto@moresco.co.jp)

2.0 Company Profile

Interface Science Specialist

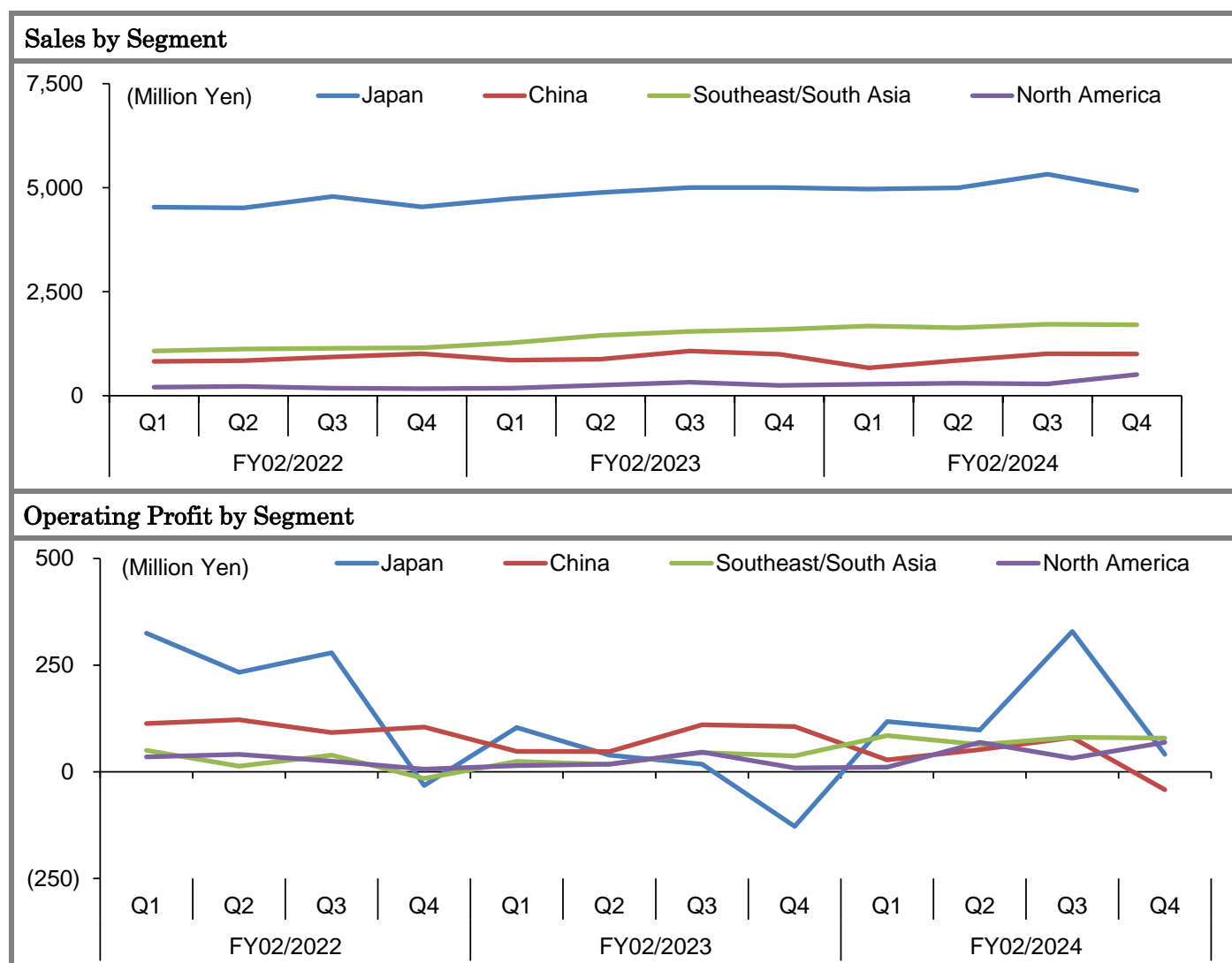
Company Name	MORESCO Corporation Company Website IR Information Share Price (Japanese) 
Established	27 October 1958
Listing	20 October 2023: Tokyo Stock Exchange Standard Market (ticker: 5018) 4 April 2022: Tokyo Stock Exchange Prime Market 14 February 2011: Tokyo Stock Exchange 1st section 29 July 2008: 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 February 2024)
No. of Shares	9,696,500 shares, including 463,720 treasury shares (as of the end of Feb. 2024)
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 11.6%, Cosmo Oil Lubricants 5.4%, MORESCO ESOP 4.5%, NIPPON SODA 4.0%, Master Trust Bank of Japan, T. 3.8%, STARLITE Co., Ltd. 3.5% (as of the end of February 2024, but for treasury shares)
Head Office	Kobe-city, Hyogo-prefecture, JAPAN
No. of Personnel	Consolidated: 821, Parent: 387 (as of the end of February 2024)

Source: Company Data

3.0 Recent Trading and Prospects

FY02/2024

For FY02/2024, sales came in at ¥31,886m (up 5.1% YoY), operating profit ¥1,225m (up 134.2%), recurring profit ¥1,826m (up 74.6%) and profit attributable to owners of parent ¥1,283m (up 108.8%), while operating profit margin 3.8% (up 2.1% points). The Company suggests that operating profit margin has risen sharply due mainly to a trend that the impact of sharp rise in raw material prices has begun to subside in Japan and overseas.



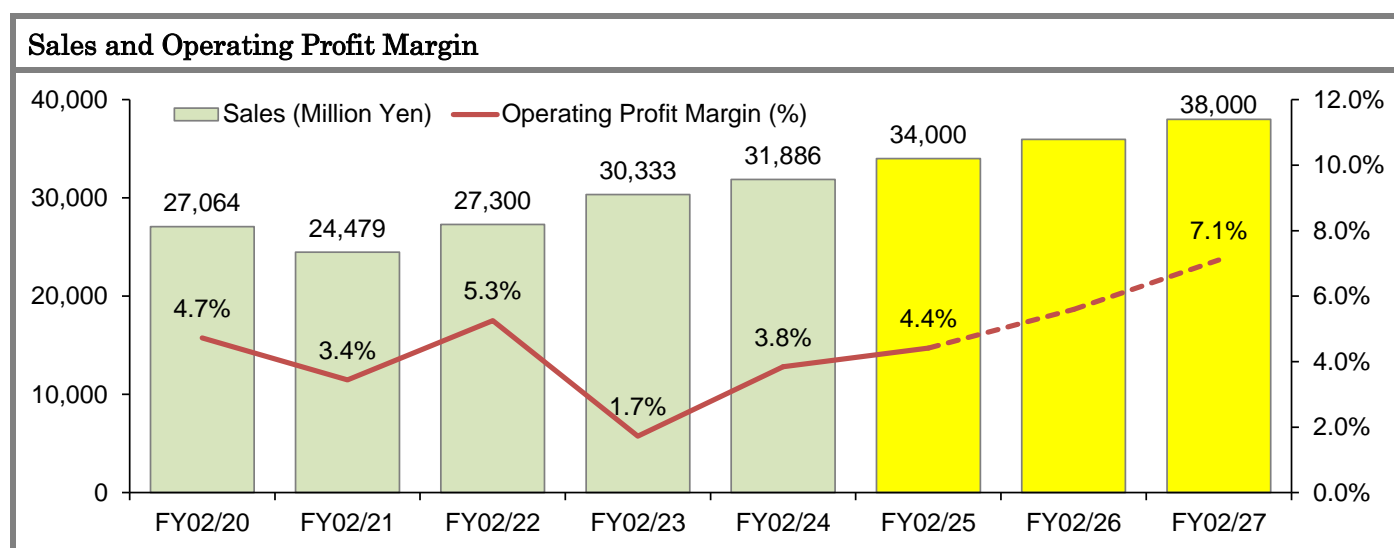
Source: Company Data, WRJ Calculation

Meanwhile, the Company saw net non-operating gain of ¥601m (versus net gain of ¥523m in the previous year) and net extraordinary gain of ¥229m (versus breakeven). The former was largely attributable to foreign exchange gain of ¥251m (versus gain of ¥295m) and investment gain on equity method of ¥314m (versus ¥148m). The factor cited for the increase in investment gain on equity method is one-time contribution from conversion of a Chinese equity-method affiliate into a subsidiary. The said conversion contributed also to the latter in that gain on negative goodwill resulting from here accounted for most of the above-mentioned net extraordinary gain.

In Japan, the mainstay by region, sales came in at ¥20,229m (up 3.0%), segment profit ¥586m (versus ¥33m in the previous year) and segment profit margin 2.9% (up 2.7% points) with 63.4% of sales and 49.1% of segment profit. Meanwhile, on the Functional Fluids side, the mainstay by business division and with a high exposure to auto application, sales came in at ¥16,247m (up 7.6%), which accounted for 51.0% of sales. As far as we could see, it is the case that an increase in auto production volume in Japan and overseas during the relevant period was contributing to the Company's performance to a large extent. However, the Company has suffered from a sluggish performance in China, where a recovery of local demand is delayed as well as suffering from lowered rate of utilization at destination of products, i.e., local factory of Japanese auto parts supplier.

FY02/2025 Company Forecasts

FY02/2024 Company forecasts are going for prospective sales of ¥34,000m (up 6.6% YoY), operating profit of ¥1,500m (up 22.5%), recurring profit of ¥1,850m (up 1.3%) and profit attributable to owners of parent of ¥1,050m (down 18.2%), while operating profit margin of 4.4% (up 0.6% points). At the same time, Company forecasts are going for planned annual dividend of ¥45.00, implying payout ratio of 39.3%. Elsewhere, the Company suggests a possibility for CROSS, Inc., the Company's subsidiary based in the United States, whose business was acquired in October 2023, to contribute to earnings earlier than currently assumed.



Source: Company Data, WRJ Calculation

By the way, The Company's 10th Midterm Management Plan (FY02/2025 to FY02/2027) is calling for prospective sales of ¥38,000m, operating profit of ¥2,700m and operating profit margin of 7.1% for FY02/2027, the final year of the plan. At the same time, the Company is also calling for prospective ROE of some 8% for FY02/2027 versus some 5% for FY02/2025 as implied with Company forecasts.

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	31,886		+1,553
Cost of Sales	4,997	10,484	16,291	22,204	5,513	11,188	17,108	22,902		+698
Gross Profit	2,053	4,039	6,188	8,129	2,083	4,197	6,623	8,984		+855
SG&A Expenses	1,852	3,744	5,677	7,606	1,826	3,669	5,572	7,759		+153
Operating Profit	201	295	511	523	257	528	1,050	1,225		+702
Non-Operating Balance	270	551	633	523	138	405	649	601		+78
Recurring Profit	471	846	1,144	1,046	395	933	1,699	1,826		+780
Extraordinary Balance	-	-	-	-	-	-	250	229		+229
Profit before Income Taxes	471	846	1,144	1,046	395	933	1,949	2,055		+1,009
Total Income Taxes	116	286	347	320	125	262	455	606		+286
Profit Attributable to Non-Controlling Interests	38	56	78	112	47	102	159	165		+53
Profit Attributable to Owners of Parent	317	504	719	615	224	569	1,335	1,283		+668
Sales YoY	+5.9%	+8.7%	+10.1%	+11.1%	+7.7%	+5.9%	+5.6%	+5.1%		-
Operating Profit YoY	(61.4%)	(68.0%)	(62.8%)	(63.5%)	+28.0%	+78.8%	+105.5%	+134.2%		-
Recurring Profit YoY	(34.7%)	(27.3%)	(34.0%)	(48.0%)	(16.1%)	+10.4%	+48.6%	+74.6%		-
Profit Attributable to Owners of Parent YoY	(71.0%)	(62.9%)	(58.5%)	(66.0%)	(29.5%)	+13.0%	+85.8%	+108.8%		-
Gross Profit Margin	29.1%	27.8%	27.5%	26.8%	27.4%	27.3%	27.9%	28.2%		+1.4%
SG&A Ratio	26.3%	25.8%	25.3%	25.1%	24.0%	23.8%	23.5%	24.3%		(0.7%)
Operating Profit Margin	2.9%	2.0%	2.3%	1.7%	3.4%	3.4%	4.4%	3.8%		+2.1%
Recurring Profit Margin	6.7%	5.8%	5.1%	3.4%	5.2%	6.1%	7.2%	5.7%		+2.3%
Profit Attributable to Owners of Parent Margin	4.5%	3.5%	3.2%	2.0%	2.9%	3.7%	5.6%	4.0%		+2.0%
Total Income Taxes / Profit before Income Taxes	24.6%	33.8%	30.3%	30.6%	31.6%	28.1%	23.3%	29.5%		(1.1%)
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	8,155		+301
Cost of Sales	4,997	5,487	5,807	5,913	5,513	5,675	5,920	5,794		(119)
Gross Profit	2,053	1,986	2,149	1,941	2,083	2,114	2,426	2,361		+420
SG&A Expenses	1,852	1,892	1,933	1,929	1,826	1,843	1,903	2,187		+258
Operating Profit	201	94	216	12	257	271	522	175		+163
Non-Operating Balance	270	281	82	(110)	138	267	244	(48)		+62
Recurring Profit	471	375	298	(98)	395	538	766	127		+225
Extraordinary Balance	-	-	-	-	-	-	250	(21)		(21)
Profit before Income Taxes	471	375	298	(98)	395	538	1,016	106		+204
Total Income Taxes	116	170	61	(27)	125	137	193	151		+178
Profit Attributable to Non-Controlling Interests	38	18	22	34	47	55	57	6		(28)
Profit Attributable to Owners of Parent	317	187	215	(104)	224	345	766	(52)		+52
Sales YoY	+5.9%	+11.4%	+12.9%	+14.1%	+7.7%	+4.2%	+4.9%	+3.8%		-
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%	29.0%		+4.2%
SG&A Ratio	26.3%	25.3%	24.3%	24.6%	24.0%	23.7%	22.8%	26.8%		+2.3%
Operating Profit Margin	2.9%	1.3%	2.7%	0.2%	3.4%	3.5%	6.3%	2.1%		+2.0%
Recurring Profit Margin	6.7%	5.0%	3.7%	(1.2%)	5.2%	6.9%	9.2%	1.6%		+2.8%
Profit Attributable to Owners of Parent Margin	4.5%	2.5%	2.7%	(1.3%)	2.9%	4.4%	9.2%	(0.6%)		+0.7%
Total Income Taxes / Profit before Income Taxes	24.6%	45.3%	20.5%	27.6%	31.6%	25.5%	19.0%	142.5%		+114.9%

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
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		
	02/2023	02/2023	02/2023	02/2023	02/2024	02/2024	02/2024	02/2024	02/2024	Net Chg.
Japan	4,738	9,624	14,629	19,637	4,968	9,966	15,295	20,229		+592
China	854	1,737	2,813	3,814	670	1,522	2,532	3,536		(278)
Southeast/South Asia (Thailand, Indonesia and India)	1,276	2,726	4,274	5,870	1,679	3,313	5,031	6,737		+867
North America	182	436	762	1,011	278	584	872	1,384		+373
Sales	7,050	14,523	22,479	30,333	7,596	15,386	23,731	31,886		+1,553
Japan	104	143	161	33	118	216	545	586		+553
China	48	95	205	311	28	80	160	118		(193)
Southeast/South Asia (Thailand, Indonesia and India)	24	41	86	123	85	149	230	309		+186
North America	14	32	78	87	11	80	112	181		+94
Segment Profit	189	311	531	553	242	525	1,046	1,194		+641
Adjustments	11	(16)	(20)	(30)	15	3	4	31		+61
Operating Profit	201	295	511	523	257	528	1,050	1,225		+702
Japan	2.2%	1.5%	1.1%	0.2%	2.4%	2.2%	3.6%	2.9%		+2.7%
China	5.6%	5.5%	7.3%	8.2%	4.2%	5.3%	6.3%	3.3%		(4.8%)
Southeast/South Asia (Thailand, Indonesia and India)	1.9%	1.5%	2.0%	2.1%	5.1%	4.5%	4.6%	4.6%		+2.5%
North America	7.7%	7.3%	10.2%	8.6%	4.0%	13.7%	12.8%	13.1%		+4.5%
Segment Profit Margin	2.7%	2.1%	2.4%	1.8%	3.2%	3.4%	4.4%	3.7%		+1.9%
Adjustments	0.2%	(0.1%)	(0.1%)	(0.1%)	0.2%	0.0%	0.0%	0.1%		+0.2%
Operating Profit Margin	2.9%	2.0%	2.3%	1.7%	3.4%	3.4%	4.4%	3.8%		+2.1%

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
	02/2023	02/2023	02/2023	02/2023	02/2024	02/2024	02/2024	02/2024	02/2024	Net Chg.
Japan	4,738	4,886	5,005	5,008	4,968	4,998	5,329	4,934		(74)
China	854	883	1,076	1,001	670	852	1,010	1,004		+3
Southeast/South Asia (Thailand, Indonesia and India)	1,276	1,450	1,548	1,596	1,679	1,634	1,718	1,706		+110
North America	182	254	326	249	278	306	288	512		+263
Sales	7,050	7,473	7,956	7,854	7,596	7,790	8,345	8,155		+301
Japan	104	39	18	(128)	118	98	329	41		+169
China	48	47	110	106	28	52	80	(42)		(148)
Southeast/South Asia (Thailand, Indonesia and India)	24	17	45	37	85	64	81	79		+42
North America	14	18	46	9	11	69	32	69		+60
Segment Profit	189	122	220	22	242	283	521	148		+126
Adjustments	11	(27)	(4)	(10)	15	(12)	1	27		+37
Operating Profit	201	94	216	12	257	271	522	175		+163
Japan	2.2%	0.8%	0.4%	(2.6%)	2.4%	2.0%	6.2%	0.8%		+3.4%
China	5.6%	5.3%	10.2%	10.6%	4.2%	6.1%	7.9%	(4.2%)		(14.8%)
Southeast/South Asia (Thailand, Indonesia and India)	1.9%	1.2%	2.9%	2.3%	5.1%	3.9%	4.7%	4.6%		+2.3%
North America	7.7%	7.1%	14.1%	3.6%	4.0%	22.5%	11.1%	13.5%		+9.9%
Segment Profit Margin	2.7%	1.6%	2.8%	0.3%	3.2%	3.6%	6.2%	1.8%		+1.5%
Adjustments	0.2%	(0.4%)	(0.1%)	(0.1%)	0.2%	(0.2%)	0.0%	0.3%		+0.5%
Operating Profit Margin	2.9%	1.3%	2.7%	0.2%	3.4%	3.5%	6.3%	2.1%		+2.0%

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	16,247	16,247	+1,142
Synthetic Lubricants	502	991	1,381	1,703	301	607	957	1,337	1,337	(366)
Liquid Paraffins & Sulfonates	902	1,855	2,849	3,793	998	1,940	2,993	3,909	3,909	+116
Hot Melt Adhesives	1,809	3,754	5,801	7,664	2,108	4,194	6,419	8,430	8,430	+766
Energy Device Materials	45	84	128	209	30	54	124	200	200	(9)
Other	372	812	1,239	1,859	470	856	1,272	1,764	1,764	(95)
Sales	7,050	14,523	22,479	30,333	7,596	15,386	23,731	31,886	31,886	+1,553
Functional Fluids	+10.9%	+10.8%	+14.4%	+16.0%	+7.8%	+10.1%	+8.0%	+7.6%	+7.6%	-
Synthetic Lubricants	(0.1%)	(4.1%)	(9.7%)	(13.7%)	(40.0%)	(38.7%)	(30.7%)	(21.5%)	(21.5%)	-
Liquid Paraffins & Sulfonates	+11.9%	+11.0%	+10.5%	+9.0%	+10.6%	+4.6%	+5.1%	+3.1%	+3.1%	-
Hot Melt Adhesives	+8.2%	+12.9%	+14.1%	+13.0%	+16.6%	+11.7%	+10.7%	+10.0%	+10.0%	-
Energy Device Materials	(21.3%)	(34.5%)	(35.1%)	(11.8%)	(31.9%)	(35.7%)	(3.3%)	(4.6%)	(4.6%)	-
Other	(29.5%)	(5.4%)	(6.7%)	+3.6%	+26.4%	+5.3%	+2.6%	(5.1%)	(5.1%)	-
Sales (YoY)	+5.9%	+8.7%	+10.1%	+11.1%	+7.7%	+5.9%	+5.6%	+5.1%	+5.1%	-
Functional Fluids	48.5%	48.4%	49.3%	49.8%	48.6%	50.3%	50.4%	51.0%	51.0%	-
Synthetic Lubricants	7.1%	6.8%	6.1%	5.6%	4.0%	3.9%	4.0%	4.2%	4.2%	-
Liquid Paraffins & Sulfonates	12.8%	12.8%	12.7%	12.5%	13.1%	12.6%	12.6%	12.3%	12.3%	-
Hot Melt Adhesives	25.7%	25.8%	25.8%	25.3%	27.8%	27.3%	27.0%	26.4%	26.4%	-
Energy Device Materials	0.6%	0.6%	0.6%	0.7%	0.4%	0.4%	0.5%	0.6%	0.6%	-
Other	5.3%	5.6%	5.5%	6.1%	6.2%	5.6%	5.4%	5.5%	5.5%	-
Sales (Component Percentages)	100.0%	100.0%	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	4,282	4,282	+258
Synthetic Lubricants	502	489	390	322	301	306	350	380	380	+58
Liquid Paraffins & Sulfonates	902	953	994	944	998	942	1,053	916	916	(28)
Hot Melt Adhesives	1,809	1,945	2,047	1,863	2,108	2,086	2,225	2,011	2,011	+148
Energy Device Materials	45	39	44	81	30	24	70	76	76	(5)
Other	372	440	427	620	470	386	416	492	492	(128)
Sales	7,050	7,473	7,956	7,854	7,596	7,790	8,345	8,155	8,155	+301
Functional Fluids	+10.9%	+10.7%	+21.2%	+20.7%	+7.8%	+12.2%	+4.3%	+6.4%	+6.4%	-
Synthetic Lubricants	(0.1%)	(7.7%)	(21.4%)	(27.6%)	(40.0%)	(37.4%)	(10.3%)	+18.0%	+18.0%	-
Liquid Paraffins & Sulfonates	+11.9%	+10.2%	+9.6%	+4.8%	+10.6%	(1.2%)	+5.9%	(3.0%)	(3.0%)	-
Hot Melt Adhesives	+8.2%	+17.6%	+16.2%	+9.7%	+16.6%	+7.2%	+8.7%	+7.9%	+7.9%	-
Energy Device Materials	(21.3%)	(45.1%)	(37.1%)	+107.7%	(31.9%)	(38.5%)	+59.1%	(6.2%)	(6.2%)	-
Other	(29.5%)	+32.9%	(9.0%)	+33.0%	+26.4%	(12.3%)	(2.6%)	(20.6%)	(20.6%)	-
Sales (YoY)	+5.9%	+11.4%	+12.9%	+14.1%	+7.7%	+4.2%	+4.9%	+3.8%	+3.8%	-
Functional Fluids	48.5%	48.3%	51.0%	51.2%	48.6%	52.0%	50.7%	52.5%	52.5%	-
Synthetic Lubricants	7.1%	6.5%	4.9%	4.1%	4.0%	3.9%	4.2%	4.7%	4.7%	-
Liquid Paraffins & Sulfonates	12.8%	12.8%	12.5%	12.0%	13.1%	12.1%	12.6%	11.2%	11.2%	-
Hot Melt Adhesives	25.7%	26.0%	25.7%	23.7%	27.8%	26.8%	26.7%	24.7%	24.7%	-
Energy Device Materials	0.6%	0.5%	0.6%	1.0%	0.4%	0.3%	0.8%	0.9%	0.9%	-
Other	5.3%	5.9%	5.4%	7.9%	6.2%	5.0%	5.0%	6.0%	6.0%	-
Sales (Component Percentages)	100.0%	100.0%	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	5,636	+1,380	
Accounts Receivables	7,046	7,524	7,831	7,595	7,462	7,453	8,016	7,942	+347	
Inventory	5,727	6,102	6,311	6,306	6,451	6,378	6,505	6,687	+381	
Other	580	493	614	653	564	566	1,399	724	+71	
Current Assets	17,165	18,285	18,928	18,810	18,412	18,153	21,872	20,989	+2,179	
Tangible Assets	8,330	8,395	8,537	8,610	8,666	9,114	9,540	10,140	+1,530	
Intangible Assets	614	649	643	589	749	744	735	1,228	+639	
Investments and Other Assets	3,583	3,764	3,820	4,002	4,068	4,166	4,370	4,695	+693	
Fixed Assets	12,527	12,808	13,001	13,202	13,483	14,024	14,645	16,063	+2,861	
Deferred Assets	-	-	-	6	18	32	42	-	(6)	
Total Assets	29,691	31,092	31,929	32,017	31,913	32,208	36,559	37,053	+5,036	
Accounts Payables	4,419	4,926	5,173	5,144	4,828	4,467	4,581	4,908	(236)	
Short-Term Debt	857	1,546	1,549	2,381	2,145	2,096	2,806	3,040	+659	
Other	2,052	1,611	2,245	2,074	1,787	1,629	2,176	1,912	(162)	
Current Liabilities	7,328	8,083	8,967	9,599	8,760	8,192	9,563	9,860	+261	
Long-Term Debt	457	382	307	472	942	887	2,994	3,065	+2,593	
Other	785	910	834	707	667	748	814	1,006	+299	
Fixed Liabilities	1,242	1,292	1,141	1,179	1,609	1,635	3,808	4,071	+2,892	
Total Liabilities	8,570	9,375	10,108	10,778	10,369	9,827	13,371	13,931	+3,153	
Shareholders' Equity	17,357	17,361	17,392	17,287	17,327	17,678	18,254	18,202	+915	
Other	3,764	4,356	4,428	3,953	4,217	4,703	4,934	4,920	+967	
Net Assets	21,121	21,717	21,820	21,240	21,544	22,381	23,188	23,122	+1,882	
Total Liabilities & Net Assets	29,691	31,092	31,929	32,017	31,913	32,208	36,559	37,053	+5,036	
Equity Capital	18,492	18,945	19,016	18,533	18,743	19,418	20,143	20,126	+1,593	
Interest Bearing Debt	1,314	1,928	1,856	2,853	3,087	2,983	5,800	6,105	+3,252	
Net Debt	(2,498)	(2,238)	(2,316)	(1,403)	(848)	(773)	(152)	469	+1,872	
Equity Ratio	62.3%	60.9%	59.6%	57.9%	58.7%	60.3%	55.1%	54.3%	-	
Net Debt Equity Ratio	(13.5%)	(11.8%)	(12.2%)	(7.6%)	(4.5%)	(4.0%)	(0.8%)	2.3%	-	
ROE (12 months)	5.8%	5.2%	4.4%	3.4%	2.8%	3.5%	6.3%	6.6%	-	
ROA (12 months)	6.1%	5.8%	4.7%	3.4%	3.1%	3.6%	4.7%	5.3%	-	
Days for Inventory Turnover	104	101	99	97	106	102	100	105	-	
Quick Ratio	148%	145%	134%	123%	130%	137%	146%	138%	-	
Current Ratio	234%	226%	211%	196%	210%	222%	229%	213%	-	

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	-	2,675	+2,160	
Investing Cash Flow	-	(718)	-	(1,172)	-	(1,305)	-	(4,222)	(3,050)	
Operating Cash Flow and Investing Cash Flow	-	(183)	-	(657)	-	(301)	-	(1,547)	(890)	
Financing Cash Flow	-	487	-	1,227	-	(115)	-	2,819	+1,592	

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.

Company name: Walden Research Japan Incorporated

Head office: Level 4 Ginza Ishii Building, 6-14-8 Ginza Chuo-ku Tokyo 104-0061, JAPAN

URL: <https://walden.co.jp/>

E-mail: info@walden.co.jp

Tel: 81-(0)3-3553-3769
