

AICHI CORPORATION

Annual Securities Report

(English Translation)

March 31, 2025

5. Financial Information

1. Basis for Preparation of Consolidated and Non-consolidated Financial Statements

(1) The consolidated financial statements of AICHI CORPORATION (the “Company”) are prepared in accordance with the “Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements” (Ministry of Finance Order No. 28 of 1976).

(2) The non-consolidated financial statements of the Company are prepared in accordance with the “Regulation on Terminology, Forms, and Preparation Methods of Financial Statements” (Ministry of Finance Order No. 59 of 1963; hereinafter the “Regulation on Financial Statements”).

The Company falls under the company allowed to file specified financial statements and prepares its non-consolidated financial statements pursuant to the provision of Article 127 of the Regulation on Financial Statements.

2. Audit Certificate

The Company’s consolidated and non-consolidated financial statements for the fiscal year ended March 31, 2025 were audited by PricewaterhouseCoopers Japan LLC, in accordance with the provisions of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act.

3. Special Measures to Ensure the Appropriateness of Consolidated Financial Statements, etc.

The Company has taken special measures to ensure the appropriateness of consolidated financial statements, etc. Specifically, the Company endeavors to establish a framework that allows the Company to appropriately understand the details of accounting standards and other relevant information and accurately respond to changes in the standards by joining the Financial Accounting Standards Foundation and participating in seminars organized by the Foundation. The Company has explored the possibility of adopting the designated International Financial Reporting Standards in the future.

1. Consolidated Financial Statements, etc.

(1) Consolidated Financial Statements

(i) Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	42,131,006	46,871,546
Notes receivable - trade	*4 5,388,054	2,282,192
Accounts receivable - trade	11,690,930	13,932,423
Merchandise and finished goods	2,819,650	1,904,576
Work in process	1,643,386	1,172,573
Raw materials and supplies	1,562,785	4,011,703
Other	592,449	873,430
Total current assets	65,828,262	71,048,447
Non-current assets		
Property, plant and equipment		
Buildings and structures	20,094,861	20,160,813
Accumulated depreciation	(13,439,088)	(13,936,251)
Buildings and structures, net	6,655,773	6,224,561
Machinery, equipment and vehicles	10,243,708	10,782,454
Accumulated depreciation	(8,831,923)	(9,335,962)
Machinery, equipment and vehicles, net	1,411,784	1,446,491
Tools, furniture and fixtures	3,057,019	3,064,141
Accumulated depreciation	(2,857,974)	(2,895,682)
Tools, furniture and fixtures, net	199,044	168,458
Land	*1 8,522,521	*1 9,648,734
Leased assets	732,253	618,109
Accumulated depreciation	(505,936)	(421,673)
Leased assets, net	226,317	196,435
Construction in progress	134,614	1,519,142
Total property, plant and equipment	17,150,055	19,203,823
Intangible assets	651,201	599,350
Investments and other assets		
Investment securities	7,066,511	5,395,663
Retirement benefit asset	600,466	940,995
Other	*2 3,630,421	*2 3,175,773
Allowance for doubtful accounts	(5,301)	(5,107)
Total investments and other assets	11,292,097	9,507,325
Total non-current assets	29,093,354	29,310,499
Total assets	94,921,617	100,358,946

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,372,886	9,617,405
Lease liabilities	72,642	59,582
Income taxes payable	862,617	1,790,996
Provision for bonuses for directors (and other officers)	38,000	26,000
Provision for product warranties	133,476	125,071
Other	*3 2,430,428	*3 2,993,834
Total current liabilities	10,910,051	14,612,890
Non-current liabilities		
Lease liabilities	183,348	154,999
Deferred tax liabilities	1,383,340	913,396
Deferred tax liabilities for land revaluation	*1 616,302	*1 616,302
Other	39,511	37,787
Total non-current liabilities	2,222,503	1,722,485
Total liabilities	13,132,554	16,335,376
Net assets		
Shareholders' equity		
Share capital	10,425,325	10,425,325
Capital surplus	9,923,342	9,923,342
Retained earnings	56,428,242	59,705,918
Treasury shares	(8,939)	(9,231)
Total shareholders' equity	76,767,970	80,045,354
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,025,637	3,002,523
Revaluation reserve for land	*1 (1,624,044)	*1 (1,624,044)
Foreign currency translation adjustment	1,218,929	1,126,307
Accumulated remeasurements of defined benefit plans	1,400,570	1,473,428
Total accumulated other comprehensive income	5,021,092	3,978,215
Total net assets	81,789,062	84,023,570
Total liabilities and net assets	94,921,617	100,358,946

(ii) Consolidated Statements of Income and Consolidated Statement of Comprehensive Income**Consolidated Statements of Income**

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	*1 53,129,278	*1 59,306,955
Cost of sales	*2 41,350,074	*2 46,253,116
Gross profit	11,779,203	13,053,839
Selling, general and administrative expenses		
Packing and delivery expenses	519,553	673,292
Advertising expenses	79,936	68,069
Sales commission	18,000	17,514
Remuneration for directors (and other officers)	77,178	65,826
Salaries, allowances and bonuses	2,123,220	2,172,814
Provision for bonuses for directors (and other officers)	34,591	22,216
Retirement benefit expenses	100,998	60,963
Welfare expenses	457,976	469,569
Communication and transportation expenses	272,583	249,426
Depreciation	298,976	299,153
Repair expenses	71,925	72,510
Rent expenses	143,307	147,793
Research and development expenses	*6 424,499	*6 345,930
Other	814,839	948,546
Total selling, general and administrative expenses	5,437,588	5,613,628
Operating profit	6,341,615	7,440,210
Non-operating income		
Interest income	19,402	61,429
Dividend income	174,111	183,896
Foreign exchange gains	7,492	34,259
Share of profit of entities accounted for using equity method	443,652	469,497
Miscellaneous income	34,566	37,136
Total non-operating income	679,226	786,219
Non-operating expenses		
Miscellaneous losses	1,992	769
Total non-operating expenses	1,992	769
Ordinary profit	7,018,849	8,225,659

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Extraordinary income		
Gain on sale of non-current assets	*3 763	—
Gain on sale of investment securities	469,008	871,100
Total extraordinary income	469,771	871,100
Extraordinary losses		
Loss on retirement of non-current assets	*5 998	*5 13,296
Loss on sale of investment securities	—	765
Impairment losses	*4 415	*4 306
TOB related expenses	—	*7 101,570
Total extraordinary losses	1,414	115,939
Profit before income taxes	7,487,206	8,980,820
Income taxes - current	1,987,427	2,698,799
Income taxes - deferred	229,699	(52,624)
Total income taxes	2,217,127	2,646,174
Profit	5,270,078	6,334,645
Profit attributable to owners of parent	5,270,078	6,334,645

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	5,270,078	6,334,645
Other comprehensive income:		
Valuation difference on available-for-sale securities	142,698	(1,023,113)
Foreign currency translation adjustment	182,567	(52,603)
Remeasurements of defined benefit plans, net of tax	848,531	72,858
Share of other comprehensive income of entities accounted for using equity method	228,179	(40,018)
Total other comprehensive income	*1 1,401,977	*1 (1,042,876)
Comprehensive income	6,672,056	5,291,768
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,672,056	5,291,768
Comprehensive income attributable to non-controlling interests	—	—

(iii) Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,425,325	9,923,342	54,606,278	(313)	74,954,632
Changes during period					
Dividends of surplus			(2,858,014)		(2,858,014)
Profit attributable to owners of parent			5,270,078		5,270,078
Purchase of treasury shares				(598,726)	(598,726)
Cancellation of treasury shares		(590,100)		590,100	—
Transfer from retained earnings to capital surplus		590,100	(590,100)		—
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	1,821,963	(8,625)	1,813,337
Balance at end of period	10,425,325	9,923,342	56,428,242	(8,939)	76,767,970

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Accumulated remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	3,882,938	(1,624,044)	808,182	552,038	3,619,115	78,573,747
Changes during period						
Dividends of surplus						(2,858,014)
Profit attributable to owners of parent						5,270,078
Purchase of treasury shares						(598,726)
Cancellation of treasury shares						—
Transfer from retained earnings to capital surplus						—
Net changes in items other than shareholders' equity	142,698	—	410,747	848,531	1,401,977	1,401,977
Total changes during period	142,698	—	410,747	848,531	1,401,977	3,215,315
Balance at end of period	4,025,637	(1,624,044)	1,218,929	1,400,570	5,021,092	81,789,062

For the fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,425,325	9,923,342	56,428,242	(8,939)	76,767,970
Changes during period					
Dividends of surplus			(3,056,969)		(3,056,969)
Profit attributable to owners of parent			6,334,645		6,334,645
Purchase of treasury shares				(291)	(291)
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	3,277,676	(291)	3,277,384
Balance at end of period	10,425,325	9,923,342	59,705,918	(9,231)	80,045,354

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Accumulated remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	4,025,637	(1,624,044)	1,218,929	1,400,570	5,021,092	81,789,062
Changes during period						
Dividends of surplus						(3,056,969)
Profit attributable to owners of parent						6,334,645
Purchase of treasury shares						(291)
Net changes in items other than shareholders' equity	(1,023,113)	—	(92,621)	72,858	(1,042,876)	(1,042,876)
Total changes during period	(1,023,113)	—	(92,621)	72,858	(1,042,876)	2,234,507
Balance at end of period	3,002,523	(1,624,044)	1,126,307	1,473,428	3,978,215	84,023,570

(iv) Consolidated Statements of Cash Flows

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	7,487,206	8,980,820
Depreciation	1,440,853	1,441,055
Impairment losses	415	306
Increase (decrease) in allowance for doubtful accounts	(1,352)	(193)
Increase (decrease) in provision for product warranties	(19,588)	(8,405)
Decrease (increase) in retirement benefit asset	(600,466)	(340,529)
Increase (decrease) in retirement benefit liability	(660,461)	—
Interest and dividend income	(193,514)	(245,325)
Share of loss (profit) of entities accounted for using equity method	(443,652)	(469,497)
Loss (gain) on sale of investment securities	(469,008)	(870,334)
Foreign exchange losses (gains)	(1,187)	1,070
Loss (gain) on sale and retirement of non-current assets	234	13,296
Decrease (increase) in trade receivables	6,414,625	860,641
Decrease (increase) in inventories	(2,186,934)	(1,340,159)
Increase (decrease) in trade payables	(2,894,893)	2,248,116
TOB related expenses	—	101,570
Other, net	776,418	780,998
Subtotal	8,648,697	11,153,430
Interest and dividends received	952,113	613,488
TOB related paid	—	(88,760)
Income taxes paid	(2,489,172)	(1,806,503)
Net cash provided by (used in) operating activities	7,111,638	9,871,654
Cash flows from investing activities		
Decrease (increase) in deposits	33,300,000	—
Proceeds from sale of investment securities	565,984	1,071,562
Purchase of property, plant and equipment and intangible assets	(1,072,594)	(3,000,258)
Proceeds from sale of property, plant and equipment and intangible assets	9,085	—
Other, net	(39,166)	(26,507)
Net cash provided by (used in) investing activities	32,763,309	(1,955,203)
Cash flows from financing activities		
Purchase of treasury shares	(598,726)	(291)
Dividends paid	(2,858,014)	(3,056,969)
Other, net	(95,009)	(76,059)
Net cash provided by (used in) financing activities	(3,551,750)	(3,133,321)
Effect of exchange rate change on cash and cash equivalents	80,160	(42,589)
Net increase (decrease) in cash and cash equivalents	36,403,357	4,740,540
Cash and cash equivalents at beginning of period	5,727,648	42,131,006
Cash and cash equivalents at end of period	*1 42,131,006	*1 46,871,546

Notes to Consolidated Financial Statements

Summary of Significant Accounting Policies

1. Basis of consolidation

The accounts of the Company and all of its 2 subsidiaries are included in the consolidated financial statements.

Name of the consolidated subsidiaries

Zhejiang Aichi Industrial Machinery Co., Ltd.

AICHI NZ LIMITED

2. Application of equity method

One affiliate is accounted for by the equity method.

Name of the affiliate

Hangzhou Aichi Engineering Vehicles Co., Ltd.

Although the fiscal year end date of Hangzhou Aichi Engineering Vehicles Co., Ltd. is December 31, when preparing the consolidated financial statements, the Company uses the affiliate's provisional financial statements, which are calculated assuming the fiscal year end date is March 31.

3. Fiscal year of consolidated subsidiaries

Although the fiscal year end date of Zhejiang Aichi Industrial Machinery Co., Ltd. is December 31, when preparing the consolidated financial statements, the Company uses the subsidiary's provisional financial statements, which are calculated assuming the fiscal year end date is March 31.

4. Accounting policies

(1) Valuation method of significant assets

(i) Securities

Available-for-sale securities

Securities other than shares, etc., that do not have a market price:

Stated at fair value

(Net unrealized gains or losses are reported as a separate component in net assets, net of applicable income taxes. Gains and losses on disposition are computed mainly based on the moving average method.)

Shares, etc., that do not have a market price:

Stated at cost, cost mainly being determined by the moving average method.

(ii) Inventories

Inventories are stated at cost (write-down due to decreased profitability).

A. Finished goods and work in process are evaluated using the specific identification method.

B. Raw materials are mainly stated at cost, cost being determined by the moving average method.

C. Supplies are stated at cost, cost being determined by the last purchase price method.

(iii) Derivatives

Derivatives are stated at fair value.

(2) Method of depreciation or amortization

(i) Property, plant and equipment (except for leased assets) are depreciated by the declining-balance method.

However, buildings (except for facilities attached to buildings) acquired on and after April 1, 1998 and facilities attached to buildings and structures acquired on and after April 1, 2016 are depreciated by the straight-line method.

(ii) Intangible assets (except for leased assets) are amortized based on the straight-line method.

In addition, software for internal use is amortized by the straight-line method over their estimated useful lives (five years).

- (iii) Depreciation of leased assets regarding finance lease transactions that do not transfer ownership is computed by the straight-line method over the lease period with no residual value.
- (3) Significant allowances and provisions
 - (i) Allowance for doubtful accounts

The Company provides for estimated losses on accounts receivable based on prior bad debt experience and a review of existing receivable balances. The Company reviews individual financial conditions for doubtful or troubled receivables and provides for losses on uncollectible amounts. In addition, a general reserve for other accounts receivable is provided based on historical loss experience for certain past periods.
 - (ii) Provision for bonuses for directors (and other officers)

The Company provides for estimated payment of bonuses to directors.
 - (iii) Provision for product warranties

The Company provides for estimated warranty costs based on the Company's prior experience and estimated costs to be incurred individually calculated for certain products.
- (4) Retirement benefits
 - (i) Method of attributing projected benefit obligation to periods

In calculating retirement benefit obligations, the projected benefit obligation attributed to the current fiscal year is determined using the benefit formula basis.
 - (ii) Calculation treatment for actuarial gains or losses and prior service costs

Actuarial gains or losses are amortized in the fiscal year following the fiscal year in which the gain or loss is recognized by the straight-line method over a fixed period (10 years), which is shorter than the average remaining years of service of the employees.

Prior service costs are amortized when the prior service costs are recognized by the straight-line method over a fixed period (10 years), which is shorter than the average remaining years of service of the employee.
- (5) Accounting standards for significant revenue and expense recognition

Followings are the main content of major performance obligations in the Company and its consolidated subsidiaries' mainstay businesses relating to revenue from contracts with customers and the timing when such performance obligations are typically satisfied (when revenue is typically recognized).

The Group manufactures and sells specially equipped vehicles such as digger derricks, aerial work platforms and skid-steer loaders, sells their parts, and provides after-sales services such as repairs. The Company also provides training in the operation of aerial work platforms, etc. The Company usually recognizes revenue from the sales of these products and the provision of these services when they are accepted by customers because customers obtain control of these products and services, and the performance obligations are satisfied when the products and services are accepted by customers. However, the Group recognizes revenue from the sole domestic sales of parts at their shipment by applying the alternative treatment as stipulated in Paragraph 98 of the "Implementation Guidance on Accounting Standard for Revenue Recognition" (ASBJ Guidance No. 30) when the period between the shipment and the transfer of control of these parts to customers falls under the usual period.

There are cases where long-term maintenance contracts are concluded with customers as an after-sales service business and customers receive benefits from the provision of these services as the performance obligations are satisfied. The Company recognizes revenue from these services over the contract periods because the performance obligations of these services are satisfied over time.

For parts supply transactions for fees relating to specially equipped vehicles for which manufacturing consignment agreements are received from customers, the Company recognizes revenue from the sales of these specially equipped vehicles at the amounts excluding the amounts of parts supplied for fees.
- (6) Hedge accounting
 - (i) Hedge accounting

Deferred hedge accounting is applied.

Designated hedge accounting ("Furiate-shori") is applied for foreign currency forward contracts that meet qualifications for designated hedge accounting.

(ii) Hedging instruments and hedged items

Hedging instruments

Foreign currency forward contracts

Hedged items

Foreign-currency-denominated monetary receivables, etc.

(iii) Hedging policy

The Group has decided to limit forward exchange contracts up to the amount of the actual volume of exports.

(iv) Method of assessing hedge effectiveness

As designated hedge accounting (“Furiate-shori”) is applied to forward exchange contracts, the assessment of hedge effectiveness is omitted.

(v) Other risk management methods

The Group concludes forward exchange contracts only with highly rated financial institutions and fulfills, manages, and reports such transactions following relevant rules and regulations.

(7) Scope of cash and cash equivalents in the consolidated statements of cash flows

Cash and cash equivalents in the consolidated statement of cash flows consist of cash on hand, demand deposits that can be withdrawn on demand, and highly liquid short-term investments with maturities of three months or less at the time of acquisition that are readily convertible into cash and are exposed to only an insignificant risk of fluctuation in value.

Significant Accounting Estimates

Provision for product warranties

(1) Amounts recognized in the consolidated financial statements as of March 31, 2025

(Thousands of yen)

As of March 31, 2024	As of March 31, 2025
133,476	125,071

(2) Information on the significant accounting estimates of the identified items

The provision for product warranties is categorized into a provision for free repairs carried out within the warranty period and a provision for free repairs to rectify defects in specific products.

For the provision for free repairs carried out within the warranty period, future product warranty expenses are estimated and recognized in a lump sum based on the actual ratio of warranty expenses incurred to sales.

For specific products subject to measures for rectifying defects, expected product warranty expenses are estimated and recognized individually based on the number of units to be rectified, the estimated cost of repair per unit, the percentage of the units that have actually been repaired, and the percentage of the liability shared with suppliers.

If liabilities arise due to product defects that were not expected when the estimates were made for the provision, or if warranty expenses exceed the provision, it may become necessary to recognize additional provision for product warranties. Meanwhile, if the actual warranty expenses turn out to be smaller than the provision, a reversal of the provision will be recognized.

Accounting Standards Issued but Not Yet Applied

- “Accounting Standard for Leases” (ASBJ Statement No. 34, September 13, 2024)
- “Implementation Guidance on Accounting Standard for Leases” (ASBJ Guidance No. 33, September 13, 2024)

Other revisions of related accounting standards, implementation guidance, practical solutions, and transferred guidance

(1) Outline

The standards and guidance prescribe the treatment of recording assets and liabilities for all leases of lessees, etc., as in international accounting standards.

(2) Scheduled application date

They are scheduled to be applied in the beginning of the fiscal year ending March 31, 2028.

(3) Effect of application of the accounting standards, etc.

The amount of impact on consolidated financial statements from the application of “Accounting Standard for Leases,” etc. is currently being evaluated.

Consolidated Balance Sheets

*1 Land revaluation

Pursuant to the “Act on Revaluation of Land” (Act No. 34, promulgated on March 31, 1998), the Company revalued land used for business activities and recorded deferred tax liabilities for land revaluation in liabilities and revaluation reserve for land in net assets.

• Revaluation method

Revaluation was carried out based on an amount rationally calculated using the land value for local government tax and roadside land assessment as prescribed in Article 2, Item 3 and Article 2, Item 4 of the “Order for Enforcement of the Act on Revaluation of Land” (No. 119 of the 1998 Cabinet Order, promulgated on March 31, 1998), respectively.

• Revaluation date

March 31, 2002

	(Thousands of yen)	
	As of March 31, 2024	As of March 31, 2025
Difference between the fair value at the end of the fiscal year ended March 31, 2025 and the book value of the land after the revaluation	(2,138,913)	(1,835,988)

*2 Investments in capital of affiliates included in “Other” were as follows:

	(Thousands of yen)	
	As of March 31, 2024	As of March 31, 2025
Other (Investments in capital)	3,465,493	2,996,470

*3 Contract liabilities under “Other” were as follows:

	(Thousands of yen)	
	As of March 31, 2024	As of March 31, 2025
Contract liabilities	226,462	158,558

*4 Notes maturing at the end of the fiscal year are settled on the clearance date of the notes. Because the last day of the previous fiscal year fell on a holiday for financial institutions, the following notes maturing on the last day of the fiscal year were included in the balance at the end of the fiscal year.

	(Thousands of yen)	
	As of March 31, 2024	As of March 31, 2025
Notes receivable - trade	814,019	—

Consolidated Statements of Income

*1 Revenue from contracts with customers

With respect to net sales, the Group does not disaggregate revenue from contracts with customers and other sources of revenue. The amount of revenue from contracts with customers is presented in “Notes to the Consolidated Financial Statements, Revenue Recognition, 1. Information about breakdown of revenue from contracts with customers.”

- *2 Write-down due to decreased profitability of inventories held for sale in the ordinary course of business was as follows:

	(Thousands of yen)	
	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cost of sales	11,872	94,914

- *3 Gain on sale of non-current assets was mainly attributable to:

For the fiscal year ended March 31, 2024

The sale of buildings, structures, and other items

For the fiscal year ended March 31, 2025

There are no applicable items.

- *4 For the fiscal year ended March 31, 2024

For the fiscal year ended March 31, 2024, impairment loss was incurred on the following asset group.

Location	Use	Type	Amount
Konan-cho, Takamatsu-shi, Kagawa	Idle land	Land	¥415 thousand

The Group has categorized its assets by business into assets associated with specially equipped vehicles and rental property businesses, and idle assets.

As the land price of idle assets in Takamatsu-shi dropped compared to the book value, the Group reduced the book value to the recoverable amount and posted the reduction of ¥415 thousand as impairment loss in extraordinary losses for the fiscal year ended March 31, 2024.

The recoverable amount of such assets was measured at net sales value and determined after making reasonable adjustments to the valuation of non-current assets.

For the fiscal year ended March 31, 2025

For the fiscal year ended March 31, 2025, impairment loss was incurred on the following asset group.

Location	Use	Type	Amount
Konan-cho, Takamatsu-shi, Kagawa	Idle land	Land	¥306 thousand

The Group has categorized its assets by business into assets associated with specially equipped vehicles and rental property businesses, and idle assets.

As the land price of idle assets in Takamatsu-shi dropped compared to the book value, the Group reduced the book value to the recoverable amount and posted the reduction of ¥306 thousand as impairment loss in extraordinary losses for the fiscal year ended March 31, 2025.

The recoverable amount of such assets was measured at net sales value and determined after making reasonable adjustments to the valuation of non-current assets.

- *5 Loss on retirement of non-current assets was mainly attributable to:

For the fiscal year ended March 31, 2024

The retirement of buildings, structures, and other items

For the fiscal year ended March 31, 2025

The retirement of buildings, structures, and other items

- *6 Research and development expenses included in selling, general and administrative expenses are presented below and there were no such expenses to be included in manufacturing cost.

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Selling, general and administrative expenses	424,499thousand yen	345,930thousand yen

- *7 TOB related expenses

For the fiscal year ended March 31, 2024

There are no applicable items.

For the fiscal year ended March 31, 2025

The Company conducted a tender offer for treasury shares from March 21, 2025 to April 17, 2025 based on a resolution made at a board meeting held on March 19, 2025. TOB related expenses include advisory fees paid to securities companies and attorneys concerning the tender offer.

Consolidated Statements of Comprehensive Income

- *1 Reclassification adjustments, income taxes, and tax effects relating to other comprehensive income

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
	(Thousands of yen)	
Valuation difference on available-for-sale securities		
Amount incurred during period	673,409	(598,519)
Reclassification adjustments	(469,008)	(871,100)
Before income taxes and tax effect adjustments	204,401	(1,469,620)
Income taxes and tax effect	(61,703)	446,506
Valuation difference on available-for-sale securities	142,698	(1,023,113)
Foreign currency translation adjustment		
Amount incurred during period	182,567	(52,603)
Foreign currency translation adjustment	182,567	(52,603)
Remeasurements of defined benefit plans		
Amount incurred during period	1,327,823	319,010
Reclassification adjustments	(107,616)	(214,238)
Before income taxes and tax effect adjustments	1,220,206	104,772
Income taxes and tax effect	(371,675)	(31,913)
Remeasurements of defined benefit plans	848,531	72,858
Share of other comprehensive income of entities accounted for using equity method		
Amount incurred during period	228,179	(40,018)
Total other comprehensive income	1,401,977	(1,042,876)

Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2024

1. Class and number of issued shares

Class of shares	As of April 1, 2023	Increase	Decrease	As of March 31, 2024
Common shares (shares)	75,211,400	—	641,400	74,570,000

(Major causes of changes)

The decrease in the number was due to a cancellation of treasury shares based on a resolution made at a board meeting held on February 28, 2024.

2. Class and number of treasury shares

Class of shares	As of April 1, 2023	Increase	Decrease	As of March 31, 2024
Common shares (shares)	375	650,722	641,400	9,697

(Major causes of changes)

The increase in the number was attributable to:

Acquisition of treasury shares based on a resolution made at a board meeting held on November 29, 2023	650,000 shares
Acquisition of shares less than one unit	722 shares

The decrease in the number was attributable to:

Cancellation of treasury shares based on a resolution made at a board meeting held on February 28, 2024	641,400 shares
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3. Share acquisition rights, etc.

There are no applicable items.

4. Cash dividends

(1) Amount of cash dividends

Resolution	Class of shares	Amount of cash dividends (Thousands of yen)	Cash dividends per share (Yen)	Record date	Effective date of distribution
Board meeting on April 25, 2023	Common shares	1,429,009	19.00	March 31, 2023	June 1, 2023
Board meeting on October 27, 2023	Common shares	1,429,005	19.00	September 30, 2023	November 28, 2023

(2) Dividends whose record date fell in the fiscal year ended March 31, 2024, but the effective date of distribution falls in the fiscal year ending March 31, 2025

Resolution	Class of shares	Source of dividends	Amount of cash dividends (Thousands of yen)	Cash dividends per share (Yen)	Record date	Effective date of distribution
Board meeting on April 23, 2024	Common shares	Retained earnings	1,565,766	21.00	March 31, 2024	May 30, 2024

For the fiscal year ended March 31, 2025

1. Class and number of issued shares

Class of shares	As of April 1, 2024	Increase	Decrease	As of March 31, 2025
Common shares (shares)	74,570,000	—	—	74,570,000

2. Class and number of treasury shares

Class of shares	As of April 1, 2024	Increase	Decrease	As of March 31, 2025
Common shares (shares)	9,697	225	—	9,922

(Major causes of changes)

The increase is the result of the acquisition of shares of less than one unit.

3. Share acquisition rights, etc.

There are no applicable items.

4. Cash dividends

(1) Amount of cash dividends

Resolution	Class of shares	Amount of cash dividends (Thousands of yen)	Cash dividends per share (Yen)	Record date	Effective date of distribution
Board meeting on April 23, 2024	Common shares	1,565,766	21.00	March 31, 2024	May 30, 2024
Board meeting on October 25, 2024	Common shares	1,491,203	20.00	September 30, 2024	November 28, 2024

(2) Dividends whose record date fell in the fiscal year ended March 31, 2025, but the effective date of distribution falls in the fiscal year ending March 31, 2026

Resolution	Class of shares	Source of dividends	Amount of cash dividends (Thousands of yen)	Cash dividends per share (Yen)	Record date	Effective date of distribution
Board meeting on April 23, 2025	Common shares	Retained earnings	2,609,602	35.00	March 31, 2025	May 29, 2025

Consolidated Statements of Cash Flows

- *1 The reconciliation of the ending balance of cash and cash equivalents with the amounts of the line items presented on the consolidated balance sheets was as follows:

	(Thousands of yen)	
	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash and deposits	42,131,006	46,871,546
Cash and cash equivalents	42,131,006	46,871,546

Lease Transactions

1. Finance lease transactions

As a lessee

Finance lease transactions that do not transfer ownership

(i) Details of leased assets

- Property, plant and equipment

These assets comprise buildings, vehicles, tools, furniture and fixtures.

- Intangible assets

These assets represent software.

(ii) Method of depreciation of leased assets

Depreciation of leased assets is computed by the straight-line method over the lease period deemed as useful lives with no residual value.

2. Operating lease transactions

As a lessee

Future minimum lease payments under non-cancelable operating leases

	(Thousands of yen)	
	As of March 31, 2024	As of March 31, 2025
Within one year	6,710	6,996
Over one year	8,106	10,503
Total	14,816	17,499

Financial Instruments

1. Status of financial instruments held by the Group

(1) Policy on financial instruments

Working capital and capital investments are financed by the Group's own funds. Temporary excess funds are mainly invested through highly secure short-term deposits, fixed-term deposits, etc. The Group uses derivatives to hedge against the risk of exchange rate fluctuations in trade receivables and has a policy of not engaging in speculative transactions.

(2) Nature and risks of financial instruments

Trade receivables such as notes receivable - trade and accounts receivable - trade are exposed to the credit risk of customers. Since trade receivables denominated in foreign currencies, which arise from the global business, are exposed to the risk of exchange rate fluctuations, the Group in principle hedges this risk by means of forward exchange contracts.

Investment securities such as shares are exposed to the risk of market price fluctuations and are mainly shares in companies with which the Group has business relationships. The fair value of listed shares is verified on a quarterly basis.

Trade payables such as notes and accounts payable - trade are due within one year.

With respect to derivative transactions, the Group uses forward exchange contracts for the purpose of hedging against the risk of exchange rate fluctuations associated with trade receivables and forecast transactions denominated in foreign currencies. Hedging instruments, hedged items, hedging policy and methods for the assessment of the hedge effectiveness relating to the hedge accounting are described in "Summary of Significant Accounting Policies, 4. Accounting policies, (6) Hedge accounting."

(3) Risk management system for financial instruments

(i) Credit risk management (risk of non-performance by counterparties, etc.)

For trade receivables, the Sales Division and Administration Division regularly monitor the status of major customers and manage the due dates and outstanding balances by counterparty to detect at an early stage and mitigate concerns about the collection that would be caused by deteriorating financial conditions and other factors in accordance with the internal control measures for receivables management.

The Group trades derivatives only with highly rated financial institutions.

(ii) Market risk management (risk of exchange rate and interest rate fluctuations)

In principle, the Group hedges trade receivables and forecast transactions denominated in foreign currencies using forward exchange contracts.

For investment securities, the Group verifies the fair value of listed shares on a quarterly basis and the financial conditions of the issuers (business partners) of unlisted shares on an ongoing basis.

The Accounting Division executes derivative transactions and reconciles their balances in accordance with internal policies.

(iii) Management of liquidity risk in financing (risk of being unable to make payments on due dates)

The Group is not exposed to liquidity risk in financing because working capital is financed by the Group's own funds.

(4) Supplementary explanation on fair values of financial instruments

Variable factors are incorporated in the measurement of fair values of financial instruments, and therefore, measured values may vary depending on assumptions adopted. The contract amounts and other information of derivative transactions shown in "2 Fair value of financial instruments" do not directly represent the market risk associated with the derivative transactions.

2. Fair value of financial instruments

Consolidated balance sheet amounts, fair values and their differences are as follows.

As of March 31, 2024

(Thousands of yen)

	Consolidated balance sheet amount	Fair value	Difference
Investment securities			
Available-for-sale securities	6,710,851	6,710,851	—
Total assets	6,710,851	6,710,851	—

*1 Notes to deposits, notes receivable - trade, accounts receivable - trade, notes and accounts payable - trade, and income taxes payable are omitted, because they are settled on short-term basis and their book values approximate their fair values.

*2 Shares, etc., that do not have a market price are not included in available-for-sale securities under investment securities.

Consolidated balance sheet amounts of such financial instruments were as follows.

Category	As of March 31, 2024 (Thousands of yen)
Unlisted shares	355,660

As of March 31, 2025

(Thousands of yen)

	Consolidated balance sheet amount	Fair value	Difference
Investment securities			
Available-for-sale securities	5,075,003	5,075,003	—
Total assets	5,075,003	5,075,003	—

*1 Notes to deposits, notes receivable - trade, accounts receivable - trade, notes and accounts payable - trade, and income taxes payable are omitted, because they are settled on short-term basis and their book values approximate their fair values.

*2 Shares, etc., that do not have a market price are not included in available-for-sale securities under investment securities.

Consolidated balance sheet amounts of such financial instruments were as follows.

Category	As of March 31, 2025 (Thousands of yen)
Unlisted shares	320,660

(Note) Redemption schedule for monetary receivables after the consolidated balance sheet date

As of March 31, 2024

(Thousands of yen)

	Within one year	Due after one year but within five years	Due after five years but within ten years	Due after ten years
Cash and deposits	42,131,006	—	—	—
Notes receivable - trade	5,388,054	—	—	—
Accounts receivable - trade	11,690,930	—	—	—
Total	59,209,991	—	—	—

As of March 31, 2025

(Thousands of yen)

	Within one year	Due after one year but within five years	Due after five years but within ten years	Due after ten years
Cash and deposits	46,871,546	—	—	—
Notes receivable - trade	2,282,192	—	—	—
Accounts receivable - trade	13,932,423	—	—	—
Total	63,086,162	—	—	—

3. Breakdown of fair value by level within the fair value hierarchy

The fair value of financial instruments is classified into the following three levels according to the observability and materiality of inputs used to measure fair value.

Level 1 fair value: Fair value measured using observable inputs, i.e. quoted prices in active markets for assets or liabilities that are the subject of the measurement.

Level 2 fair value: Fair value measured using observable inputs other than Level 1 inputs.

Level 3 fair value: Fair value measured using unobservable inputs.

If multiple inputs are used that are significant to the fair value measurement, the fair value measurement is categorized in its entirety in the level of the lowest level input that is significant to the entire measurement.

(1) Financial instruments measured at fair value

As of March 31, 2024

Category	Fair value (Thousands of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities	6,710,851	—	—	6,710,851

As of March 31, 2025

Category	Fair value (Thousands of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities	5,075,003	—	—	5,075,003

(2) Financial instruments other than those measured at fair value

Notes are omitted due to their insignificance.

Securities

1. Available-for-sale securities

As of March 31, 2024

(Thousands of yen)

Category	Consolidated balance sheet amount	Acquisition cost	Fair value
Securities whose consolidated balance sheet amount exceeds the acquisition cost:			
Shares	6,710,851	1,091,310	5,619,540
Subtotal	6,710,851	1,091,310	5,619,540
Securities whose consolidated balance sheet amount does not exceed the acquisition cost:			
Shares	—	—	—
Subtotal	—	—	—
Total	6,710,851	1,091,310	5,619,540

As of March 31, 2025

(Thousands of yen)

Category	Consolidated balance sheet amount	Acquisition cost	Fair value
Securities whose consolidated balance sheet amount exceeds the acquisition cost:			
Shares	5,075,003	925,083	4,149,920
Subtotal	5,075,003	925,083	4,149,920
Securities whose consolidated balance sheet amount does not exceed the acquisition cost:			
Shares	—	—	—
Subtotal	—	—	—
Total	5,075,003	925,083	4,149,920

2. Available-for-sale securities sold during the fiscal year

For the fiscal year ended March 31, 2024

(Thousands of yen)

Category	Proceeds from sale	Total gain on sale	Total loss on sale
Shares	565,984	469,008	—
Total	565,984	469,008	—

For the fiscal year ended March 31, 2025

(Thousands of yen)

Category	Proceeds from sale	Total gain on sale	Total loss on sale
Shares	1,071,562	871,100	—
Total	1,071,562	871,100	—

Derivative Transactions

1. Derivative transactions to which hedge accounting is not applied

As of March 31, 2024 and 2025

There are no applicable items.

2. Derivative transactions to which hedge accounting is applied

Currency-related derivatives

As of March 31, 2024

(Thousands of yen)

Hedge accounting	Type of derivative transactions	Main hedged items	Contract amount, etc.	Contract amount, etc., due after one year	Fair value
Designated hedge accounting (“Furiate-shori”) for foreign currency forward contracts, etc.	Forward exchange contracts Selling US\$	Accounts receivable - trade	13,519	—	(Note)
Total			13,519	—	(Note)

(Note) Since items subject to the designated hedge accounting (“Furiate-shori”) for foreign currency forward contracts, etc. are accounted for synthetically with accounts receivable - trade that are hedged items, their fair values are included in the fair values of the corresponding accounts receivable - trade.

As of March 31, 2025

(Thousands of yen)

Hedge accounting	Type of derivative transactions	Main hedged items	Contract amount, etc.	Contract amount, etc., due after one year	Fair value
Designated hedge accounting (“Furiate-shori”) for foreign currency forward contracts, etc.	Forward exchange contracts Selling US\$	Accounts receivable - trade	107,885	—	(Note)
Total			107,885	—	(Note)

(Note) Since items subject to the designated hedge accounting (“Furiate-shori”) for foreign currency forward contracts, etc. are accounted for synthetically with accounts receivable - trade that are hedged items, their fair values are included in the fair values of the corresponding accounts receivable - trade.

Retirement Benefits

1. Overview of retirement benefit plans adopted

The Company has adopted a defined benefit pension plan. In addition, the Company participates in a multi-employer plan, the Japan Industrial Machine and Allied Products Employees' Corporate Pension Fund.

The multi-employer corporate pension fund plan is accounted for in the same manner as the defined contribution plans because the amount of pension plan assets corresponding to the Company's own contributions cannot be reasonably calculated.

2. Multi-employer plan

The required contributions to the multi-employer employees' pension fund and corporate pension fund plans, which are accounted for in the same manner as the defined contribution plans, were ¥211 million for the fiscal year ended March 31, 2024 and ¥208 million for the fiscal year ended March 31, 2025.

(1) Most recent funding status of multi-employer plan

	(Millions of yen)	
	As of March 31, 2024	As of March 31, 2025
Amount of plan assets	15,832	18,848
Total amount of actuarial liability and minimum actuarial reserve for the purpose of pension financing calculation	19,987	19,558
Net amount	(4,155)	(710)

(2) The Group's ratio of total contributions to the multi-employer plan

11.0% for the fiscal year ended March 31, 2024

10.6% for the fiscal year ended March 31, 2025

(3) Supplementary explanation

The net amount presented in (1) above was mainly due to the balance of prior service liability (negative ¥6,096 million for the fiscal year ended March 31, 2024 and negative ¥4,899 million for the fiscal year ended March 31, 2025) and surplus (¥1,941 million for the fiscal year ended March 31, 2024 and ¥1,941 million for the fiscal year ended March 31, 2025) for the purpose of pension financing calculation. Under the plan, prior service liability is amortized using the straight-line method over a period of 10 years and six months. The percentage shown in (2) above does not correspond to the Group's actual contribution ratio.

3. Defined benefit plan

(1) Reconciliation of beginning and ending balances of retirement benefit obligations

	(Thousands of yen)	
	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Retirement benefit obligations at beginning of period	6,997,648	6,259,386
Service cost	324,220	278,491
Interest cost	34,154	81,881
Actuarial gains and losses incurred	(676,621)	(474,166)
Accrual for prior service costs	(157,833)	—
Retirement benefits paid	(262,181)	(377,749)
Retirement benefit obligations at end of period	6,259,386	5,767,843

(2) Reconciliation of beginning and ending balances of plan assets

	(Thousands of yen)	
	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Plan assets at beginning of period	6,337,187	6,859,852
Expected return on plan assets	31,685	89,864
Actuarial gains and losses incurred	509,151	(139,372)
Contributions from employer	244,008	267,344
Retirement benefits paid	(262,181)	(368,849)
Plan assets at end of period	6,859,852	6,708,838

(3) Reconciliation of retirement benefit obligations and plan assets at end of period with defined benefit liability and benefit assets on the consolidated balance sheets

	(Thousands of yen)	
	As of March 31, 2024	As of March 31, 2025
Funded retirement benefit obligations	6,259,386	5,767,843
Plan assets	(6,859,852)	(6,708,838)
Net amount of liability and asset recorded in consolidated balance sheets	(600,466)	(940,995)
Retirement benefit asset	(600,466)	(940,995)
Net amount of liability and asset recorded in consolidated balance sheets	(600,466)	(940,995)

(4) Components of retirement benefit expenses

	(Thousands of yen)	
	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Service cost	324,220	278,491
Interest cost	34,154	81,881
Expected return on plan assets	(31,685)	(89,864)
Amortization of actuarial gains and losses	(107,616)	(214,238)
Amortization of prior service costs	(15,783)	(15,783)
Retirement benefit expenses on defined benefit plans	203,288	40,487

(5) Remeasurements of defined benefit plans

Components of items recorded in remeasurements of defined benefit plans (before tax effect) were as follows:

	(Thousands of yen)	
	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Prior service cost	142,050	(15,783)
Actuarial gains and losses	1,078,156	120,555
Total	1,220,206	104,772

(6) Accumulated remeasurements of defined benefit plans

Components of items recorded in accumulated remeasurements of defined benefit plans (before deducting tax effect) were as follows:

	(Thousands of yen)	
	As of March 31, 2024	As of March 31, 2025
Unrecognized prior service cost	142,050	126,266
Unrecognized actuarial gains and losses	1,872,650	1,993,206
Total	2,014,700	2,119,473

(7) Plan assets

(i) Major components of plan assets

Classification of major plan assets and their composition within the total plan assets was as follows:

	As of March 31, 2024	As of March 31, 2025
Bonds	37%	48%
Shares	25%	24%
Alternatives	29%	20%
Life insurance company general account	6%	6%
Cash and deposits	3%	2%
Other	(0)%	0%
Total	100%	100%

(Notes) 1. Alternatives consist primarily of hedge fund investments.

2. The retirement benefit trust set up for the lump-sum payment plans represents 0% and 0% of the total plan assets as of March 31, 2024 and 2025, respectively.

(ii) Determination procedure of long-term expected rate of return on plan assets

In determining the long-term expected rate of return on plan assets, the Group considers the current and projected asset allocations as well as the current and future expected long-term rates of return on diverse assets that constitute the plan assets.

(8) Actuarial assumptions

Major actuarial assumptions

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Discount rate	1.3%	2.0%
Long-term expected rate of return on plan assets	0.5%	1.3%

Deferred Tax Assets and Liabilities

1. The significant components of deferred tax assets and liabilities were as follows:

	(Thousands of yen)	
	As of March 31, 2024	As of March 31, 2025
Deferred tax assets:		
Inventories	156,820	232,731
Accrued enterprise tax and business office tax	61,950	104,210
Unrealized gain on non-current assets	1,296	851
Provision for product warranties	40,657	38,096
Accrued bonuses	300,654	316,907
Land	569,871	569,965
Investment securities	120,482	119,843
Tax loss carryforwards (Note)	2,206	—
Other	142,303	138,724
Subtotal of deferred tax assets	1,396,242	1,521,330
Valuation allowance for deductible temporary differences	(691,996)	(690,838)
Subtotal of valuation allowance	(691,996)	(690,838)
Total deferred tax assets	704,246	830,492
Deferred tax liabilities:		
Valuation difference on available-for-sale securities	(1,593,903)	(1,147,396)
Retirement benefit asset	(176,403)	(280,127)
Other	(317,279)	(316,364)
Total deferred tax liabilities	(2,087,586)	(1,743,888)
Deferred tax liabilities (Net)	(1,383,340)	(913,396)

(Note) Tax loss carryforwards and resulting deferred tax assets by expiration period

As of March 31, 2024

	(Thousands of yen)						
	Within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years	Due after five years	Total
Tax loss carryforwards	—	—	—	2,206	—	—	2,206
Deferred tax assets	—	—	—	2,206	—	—	2,206

Tax loss carryforwards were calculated by applying the effective statutory tax rate.

As of March 31, 2025

There are no applicable items.

2. The significant components of deferred tax assets and liabilities in relation to revaluation reserve for land were as follows:

	(Thousands of yen)	
	As of March 31, 2024	As of March 31, 2025
Deferred tax assets:		
Unrealized loss on land revaluation	923,260	923,260
Subtotal of deferred tax assets	923,260	923,260
Valuation allowance	(923,260)	(923,260)
Total deferred tax assets	—	—
Deferred tax liabilities:		
Unrealized gain on land revaluation	(616,302)	(616,302)
Total deferred tax liabilities	(616,302)	(616,302)
Deferred tax liabilities (Net)	(616,302)	(616,302)

3. The reconciliation between the effective statutory tax rate and the actual effective tax rate after applying tax effect accounting was as follows:

The description on the reconciliation of the significant difference between the effective statutory tax rate and the actual effective tax rate after applying tax effect accounting is omitted, as the difference was five percent or less of the effective statutory tax rate.

Asset Retirement Obligations

Notes are omitted due to their insignificance.

Properties for Rent, etc.

Notes are omitted due to their insignificance.

Revenue Recognition

1. Information about breakdown of revenue from contracts with customers

For the fiscal year ended March 31, 2024

Major regional markets

(Thousands of yen)

	Reportable segment			Other (Note)	Total
	Specially equipped vehicles	Parts & repair	Subtotal		
Japan	37,378,672	11,416,852	48,795,525	610,387	49,405,912
Asia	1,451,896	778,507	2,230,403	—	2,230,403
Other	1,372,048	120,913	1,492,961	—	1,492,961
Revenue from contracts with customers	40,202,618	12,316,273	52,518,891	610,387	53,129,278
Net sales to external customers	40,202,618	12,316,273	52,518,891	610,387	53,129,278

(Note) The category “Other” is a business segment not included in the reportable segment and includes the used vehicles sales of aerial work platforms, etc., and education business, etc.

Timing of revenue recognition

(Thousands of yen)

	Reportable segment			Other (Note 1)	Total
	Specially equipped vehicles	Parts & repair	Subtotal		
Goods transferred at a point in time	40,202,618	12,261,918	52,464,537	610,387	53,074,924
Goods transferred over time (Note 2)	—	54,354	54,354	—	54,354
Revenue from contracts with customers	40,202,618	12,316,273	52,518,891	610,387	53,129,278
Net sales to external customers	40,202,618	12,316,273	52,518,891	610,387	53,129,278

(Notes) 1. The category “Other” is a business segment not included in the reportable segment and includes the used vehicles sales of aerial work platforms, etc., and education business, etc.

2. Goods transferred over time are those related to maintenance contracts.

For the fiscal year ended March 31, 2025

Major regional markets

(Thousands of yen)

	Reportable segment			Other (Note)	Total
	Specially equipped vehicles	Parts & repair	Subtotal		
Japan	42,946,627	11,728,860	54,675,488	590,661	55,266,150
Asia	1,252,084	824,234	2,076,319	—	2,076,319
Other	1,828,377	136,108	1,964,485	—	1,964,485
Revenue from contracts with customers	46,027,090	12,689,203	58,716,293	590,661	59,306,955
Net sales to external customers	46,027,090	12,689,203	58,716,293	590,661	59,306,955

(Note) The category “Other” is a business segment not included in the reportable segment and includes the used vehicles sales of aerial work platforms, etc., and education business, etc.

Timing of revenue recognition

(Thousands of yen)

	Reportable segment			Other (Note 1)	Total
	Specially equipped vehicles	Parts & repair	Subtotal		
Goods transferred at a point in time	46,027,090	12,634,183	58,661,273	590,661	59,251,934
Goods transferred over time (Note 2)	—	55,020	55,020	—	55,020
Revenue from contracts with customers	46,027,090	12,689,203	58,716,293	590,661	59,306,955
Net sales to external customers	46,027,090	12,689,203	58,716,293	590,661	59,306,955

(Notes) 1. The category “Other” is a business segment not included in the reportable segment and includes the used vehicles sales of aerial work platforms, etc., and education business, etc.

2. Goods transferred over time are those related to maintenance contracts.

2. Useful information in understanding revenue from contracts with customers

Revenue is measured at consideration promised in contracts with customers less discounts, etc. The amounts of discounts are determined at the conclusion of the said contracts and therefore do not alter consideration in relation with revenue in the current fiscal year.

Consideration for these performance obligations is received generally within one year after the performance obligations are satisfied under separately prescribed payment terms, and includes no significant financing components. Under sales contracts related to specially equipped vehicles, the Group has warranty obligations that promise to repair faults that arise within the warranty period without fee. The warranty provides assurance that the product complies with agreed-upon specifications and will operate as promised, and thus, is recognized as a provision for product warranties.

3. Reconciliation of satisfaction of performance obligations under contracts with customers and cash flows arising from such contracts, and the amount and timing of revenue expected to be recognized in the next fiscal year and thereafter arising from contracts with customers that existed at the end of the current fiscal year

For the fiscal year ended March 31, 2024

(1) Balance of contract liabilities

(Thousands of yen)

	As of March 31, 2024
Receivables from contracts with customers (balance at beginning of period)	23,471,637
Receivables from contracts with customers (balance at end of period)	17,078,985
Contract assets (balance at beginning of period)	—
Contract assets (balance at end of period)	—
Contract liabilities (balance at beginning of period)	174,141
Contract liabilities (balance at end of period)	226,462

Contract liabilities are recorded under other of current liabilities. Contract liabilities are related to advances received from customers based on the payment terms agreed with customers for contracts in which revenue from the sales, repair, etc., of specially equipped vehicles or their parts is recognized when those products or services are accepted by customers, and for contracts in which revenue is recognized over time as the performance obligations for after-sales services are satisfied. Contract liabilities are reversed upon recognition of revenue. Revenue recognized in the fiscal year ended March 31, 2024 that was included in the contract liability balance at the beginning of the period was ¥122,012 thousand.

The amount of revenue recognized in the fiscal year ended March 31, 2025 from performance obligations that were satisfied in previous periods is immaterial.

(2) Transaction price allocated to the remaining performance obligations

The Company and its consolidated subsidiaries have applied the practical expedient to the notes on transaction prices allocated to the remaining performance obligations, and do not disclose transaction prices related to contracts with an original expected duration of one year or less. For maintenance contracts with servicing periods longer than one year, the total transaction price allocated to the remaining performance obligations and the time frame the Company expects to recognize the amount as revenue are as follows:

(Thousands of yen)

	As of March 31, 2024
Within one year	533,377
Due after one year but within two years	454,902
Due after two years but within three years	267,706
Due after three years	559,642
Total	1,815,628

For the fiscal year ended March 31, 2025

(1) Balance of contract liabilities

(Thousands of yen)

	As of March 31, 2025
Receivables from contracts with customers (balance at beginning of period)	17,078,985
Receivables from contracts with customers (balance at end of period)	16,214,616
Contract assets (balance at beginning of period)	—
Contract assets (balance at end of period)	—
Contract liabilities (balance at beginning of period)	226,462
Contract liabilities (balance at end of period)	158,558

Contract liabilities are recorded under other of current liabilities. Contract liabilities are related to advances received from customers based on the payment terms agreed with customers for contracts in which revenue from the sales, repair, etc., of specially equipped vehicles or their parts is recognized when those products or services are accepted by customers, and for contracts in which revenue is recognized over time as the performance obligations for after-sales services are satisfied. Contract liabilities are reversed upon recognition of revenue. Revenue recognized in the fiscal year ended March 31, 2025 that was included in the contract liability balance at the beginning of the period was ¥226,335 thousand.

The amount of revenue recognized in the fiscal year ended March 31, 2025 from performance obligations that were satisfied in previous periods is immaterial.

(2) Transaction price allocated to the remaining performance obligations

The Company and its consolidated subsidiaries have applied the practical expedient to the notes on transaction prices allocated to the remaining performance obligations, and do not disclose transaction prices related to contracts with an original expected duration of one year or less. For maintenance contracts with servicing periods longer than one year, the total transaction price allocated to the remaining performance obligations and the time frame the Company expects to recognize the amount as revenue are as follows:

(Thousands of yen)

	As of March 31, 2025
Within one year	475,468
Due after one year but within two years	495,076
Due after two years but within three years	279,295
Due after three years	633,531
Total	1,883,372

Segment Information, etc.

Segment Information

1. Overview of reportable segments

Method for determining reportable segments

The reportable segments of the Company are constituent units of the Company, for which separate financial information is available. The Board of Directors of the Company examines these units regularly to determine the allocation of management resources and to assess segment performance.

The Group engages in businesses associated with the manufacturing and selling of aerial work platforms and other vehicles, as well as providing after-sales services therefor. The Group's reportable segments comprise specially equipped vehicles, their parts and repair services based on sales from the manufacture and sale of aerial work platforms and other vehicles, after-sales service, and so forth.

The Specially Equipped Vehicles segment engages in the business of new vehicle sales, including aerial work platforms. The Parts & Repair segment engages in the business of after-sales services for aerial work platforms and other vehicles.

2. Method for calculating net sales, profit and loss, assets, liabilities, and other amounts by reportable segment

The accounting treatment of reportable business segments is generally consistent with those described in "Summary of Significant Accounting Policies."

Intra-group sales or transfers are based on the arm's length principle.

3. Information on net sales, profit and loss, assets, liabilities, and other items by reportable segment

For the fiscal year ended March 31, 2024

(Thousands of yen)

	Reportable segment			Other (Note 1)	Total
	Specially equipped vehicles	Parts & repair	Subtotal		
Net sales					
Net sales to external customers	40,202,618	12,316,273	52,518,891	610,387	53,129,278
Intra-group sales or transfers	2,289,186	81,237	2,370,424	—	2,370,424
Subtotal	42,491,804	12,397,510	54,889,315	610,387	55,499,702
Segment profit	7,518,120	4,122,891	11,641,011	109,065	11,750,076
Segment assets	—	—	—	—	94,921,617
Segment liabilities	—	—	—	—	13,132,554
Other items					
Depreciation	801,308	136,687	937,995	4,537	942,533
Increase in property, plant and equipment and intangible assets	—	—	—	—	969,319

(Notes) 1. The category "Other" is a business segment not included in the reportable segment and includes the used vehicles sales of aerial work platforms, etc., and education business, etc.

2. Each entity of the Group engages in businesses associated with the manufacturing and selling of aerial work platforms and other vehicles, as well as providing ancillary services such as after-sales services. The Group classifies its reportable segments on a net sales basis. As a result, the Group considers it difficult to report assets, liabilities, and other items by reportable segment. Therefore, only the total amount is presented.

3. Segment profit was reconciled to gross profit in the consolidated statements of income after eliminating intercompany transactions.

For the fiscal year ended March 31, 2025

(Thousands of yen)

	Reportable segment			Other (Note 1)	Total
	Specially equipped vehicles	Parts & repair	Subtotal		
Net sales					
Net sales to external customers	46,027,090	12,689,203	58,716,293	590,661	59,306,955
Intra-group sales or transfers	2,614,276	178,474	2,792,751	—	2,792,751
Subtotal	48,641,367	12,867,678	61,509,045	590,661	62,099,707
Segment profit	8,620,989	4,407,016	13,028,006	104,646	13,132,653
Segment assets	—	—	—	—	100,358,946
Segment liabilities	—	—	—	—	16,335,376
Other items					
Depreciation	991,208	142,302	1,133,510	7,040	1,140,550
Increase in property, plant and equipment and intangible assets	—	—	—	—	3,452,975

(Notes) 1. The category “Other” is a business segment not included in the reportable segment and includes the used vehicles sales of aerial work platforms, etc., and education business, etc.

2. Each entity of the Group engages in businesses associated with the manufacturing and selling of aerial work platforms and other vehicles, as well as providing ancillary services such as after-sales services. The Group classifies its reportable segments on a net sales basis. As a result, the Group considers it difficult to report assets, liabilities, and other items by reportable segment. Therefore, only the total amount is presented.

3. Segment profit was reconciled to gross profit in the consolidated statements of income after eliminating intercompany transactions.

4. Reconciliation between the total of reportable segments and the amounts on consolidated financial statements

(Thousands of yen)

Net sales	As of March 31, 2024	As of March 31, 2025
Total of reportable segments	54,889,315	61,509,045
Net sales in the category “Other”	610,387	590,661
Elimination of intercompany transactions	(2,370,424)	(2,792,751)
Net sales on consolidated financial statements	53,129,278	59,306,955

(Thousands of yen)

Profit	As of March 31, 2024	As of March 31, 2025
Total of reportable segments	11,641,011	13,028,006
Profit in the category “Other”	109,065	104,646
Elimination of intercompany transactions	29,126	(78,814)
Corporate expenses (Note)	(5,437,588)	(5,613,628)
Operating profit on consolidated financial statements	6,341,615	7,440,210

(Note) Corporate expenses mainly comprise selling, general and administrative expenses that are not allocated to reportable segments.

Related Information

For the fiscal year ended March 31, 2024

1. Information by product and service

(Thousands of yen)

	Aerial work platforms	Inspection & repair	Other	Total
Net sales to external customers	35,568,391	5,821,565	11,739,321	53,129,278

2. Information by geographic area

(1) Net sales

This information is omitted because net sales to external customers in Japan account for more than 90% of net sales shown in the consolidated statements of income.

(2) Property, plant and equipment

This information is omitted because the amount of property, plant and equipment in Japan accounts for more than 90% of that in the consolidated balance sheets.

3. Information by major customer

This information is omitted because no net sales from external customers accounted for 10% or more of that on the consolidated statements of income.

For the fiscal year ended March 31, 2025

1. Information by product and service

(Thousands of yen)

	Aerial work platforms	Inspection & repair	Other	Total
Net sales to external customers	38,734,765	5,890,104	14,682,085	59,306,955

2. Information by geographic area

(1) Net sales

This information is omitted because net sales to external customers in Japan account for more than 90% of net sales shown in the consolidated statements of income.

(2) Property, plant and equipment

This information is omitted because the amount of property, plant and equipment in Japan accounts for more than 90% of that in the consolidated balance sheets.

3. Information by major customer

This information is omitted because no net sales from external customers accounted for 10% or more of that on the consolidated statements of income.

Information on Impairment Loss on Non-current Assets by Reportable Segment

For the fiscal year ended March 31, 2024

(Thousands of yen)

	Reportable segment			Other	Elimination/ Corporate	Total
	Specially equipped vehicles	Parts & repair	Subtotal			
Impairment losses	—	—	—	—	—	415

- (Notes) 1. “Other” represents the used vehicles sales such as aerial work platforms, education business, and so forth.
2. Although impairment loss was incurred on idle assets, it is difficult to allocate the loss to each reportable segment. Therefore, only the total amount is presented.

For the fiscal year ended March 31, 2025

(Thousands of yen)

	Reportable segment			Other	Elimination/ Corporate	Total
	Specially equipped vehicles	Parts & repair	Subtotal			
Impairment losses	—	—	—	—	—	306

- (Notes) 1. “Other” represents the used vehicles sales such as aerial work platforms, education business, and so forth.
2. Although impairment loss was incurred on idle assets, it is difficult to allocate the loss to each reportable segment. Therefore, only the total amount is presented.

Information on Amortization and Unamortized Balance of Goodwill by Reportable Segment

As of March 31, 2024 and 2025

There are no applicable items.

Information on Gain on Bargain Purchase by Reportable Segment

As of March 31, 2024 and 2025

There are no applicable items.

Related Parties

1. Related party transactions

Transactions between the Company filing the consolidated financial statements and its related parties

Parent company and major shareholders (limited to companies, etc.) of the Company filing consolidated financial statements

For the fiscal year ended March 31, 2024

Type	Name of the related company	Location	Capital (Thousands of yen)	Description of business	Equity ownership percentage	Relationship with the related party	Nature of transactions	Transaction amount (Thousands of yen)	Account	Balance at year-end (Thousands of yen)
Parent company	Toyota Industries Corporation	Kariya-shi, Aichi	80,462,672	Manufacture and sale of automobiles, industrial vehicles, and textile machinery, etc.	54.3	Sale of specially equipped vehicles as well as sale and purchase of their parts; concurrent appointments of officers; and deposits of funds	Deposits paid (Net)*	37,865,486	—	—

(Note) Commercial terms and conditions

* With regards to deposits paid, the Company conducted transactions using CMS (Cash Management Service) operated by Toyota Industries Corporation, and charged a reasonable interest on deposits paid in accordance with market interest rates. After full consideration of future capital needs and the environment surrounding the Company, the entire amount deposited with CMS has been transferred to a bank. The transaction amount is indicated on a net value basis.

For the fiscal year ended March 31, 2025

There are no applicable items.

2. Notes on the parent company and significant affiliates

(1) Information about the parent company

Toyota Industrial Corporation ceased to be the Company's parent company as of May 14, 2025 by tendering shares in the tender offer for treasury shares based on a resolution made at a board meeting held on March 19, 2025. For details, please refer to "Notes to Consolidated Financial Statements, Subsequent Events" in 1. Consolidated Financial Statements, etc. under 5. Financial Information.

(2) Condensed financial information of significant affiliates

There are no applicable items.

Per Share Information

(Yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net assets per share	1,096.95	1,126.92
Basic earnings per share	70.26	84.96

(Notes) 1. Basic earnings per share (diluted) is not stated as there are no shares with a dilutive effect.

2. The basis for the calculation of basic earnings per share was as follows:

(Thousands of yen unless otherwise stated)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit attributable to owners of parent	5,270,078	6,334,645
Amount not attributable to common shareholders	—	—
Profit attributable to common shareholders of parent	5,270,078	6,334,645
Average number of common shares outstanding during the period	75,010	74,560

Subsequent Events

Acquisition of treasury shares and tender offer for treasury shares

The Company resolved at its board meeting held on March 19, 2025 to acquire treasury shares pursuant to the provisions of Article 156, Paragraph 1 of the Companies Act as applied *mutatis mutandis* pursuant to the provisions of Article 165, Paragraph 3 of the same Act and the Company's Articles of Incorporation and, as a specific method thereof, conduct a tender offer for treasury shares (the "Tender Offer"), and conducted the acquisition of treasury shares on May 14, 2025.

1. Purpose of the acquisition of treasury shares and the tender offer

The Company considers not only dividends but also acquisition of treasury stock as an important means of returning profits to shareholders, and has been considering such acquisition as necessary, taking into account stock price trends and financial conditions.

In addition, the Company has continuously had wide-ranging discussions with Toyota Industries Corporation ("Toyota Industries"), its major shareholder and parent company, regarding a review of the capital relationship of the parent-subsidary listing in order to maximize the corporate value of both companies.

In the course of continuing such discussions, the Company received an offer from Toyota Industries, in which Toyota Industries proposed selling a portion of the Company's shares to ITOCHU Corporation ("ITOCU") in order to dissolve the parent-subsidary listing relationship with the company. The aim of this offer was to enhance the corporate value of the Company, Toyota Industries, and ITOCHU, and the Company was asked to consider accepting it.

As a result of consideration, consensus was reached that the acquisition of a portion of the Company's shares as treasury shares, in addition to the sale of the Company's shares held by Toyota Industries to ITOCHU, would contribute to improving the Company's capital efficiency, including basic earnings per share (EPS) and return on equity (ROE), leading to a return to shareholders, and would be a more rational measure for the Company. Following that, the Company conducted the purchase of treasury shares.

2. Details of the resolution at the board meeting regarding the purchase of treasury shares

(1) Class of shares to be acquired	Common shares
(2) Total number of shares to be acquired	10,000,100 shares (upper limit)
(3) Total cost of acquisition	12,830,128,300 yen (upper limit)
(4) Period of acquisition	From March 21, 2025 to June 30, 2025

3. Overview of the tender offer

(1) Period of purchase	From March 21, 2025 to April 17, 2025
(2) Price of purchase	1,283 yen per share of common shares
(3) Number of shares planned for purchase	10,000,000 shares
(4) Date of publication for commencement of tender offer	March 21, 2025
(5) Commencement date of settlement	May 14, 2025

4. Results of the tender offer

(1) Class of shares acquired	Common shares
(2) Total number of shares tendered	44,567,227 shares
(3) Total number of shares acquired	10,000,000 shares
(4) Total cost of acquisition	12,830,000,000 yen

Toyota Industries, which was the Company's parent company, transferred 9,092,100 shares of the Company's common shares to the Company by tendering shares in the tender offer and ceased to be the Company's parent company as of May 14, 2025, the commencement date of settlement for the tender offer.

Toyota Industries transferred 17,608,900 shares of the Company's common shares to ITOCHU on May 15, 2025. As a result, the number of voting rights of the Company's common shares held by Toyota Industries after the share transfer (13,820,000 shares) is 138,200 (21.41% of the voting rights). The number of voting rights of the Company's common shares held by ITOCHU after the share transfer (17,608,900 shares) is 176,089 (27.28% of the voting rights).

(v) Annexed Consolidated Detailed Schedules**Annexed Consolidated Detailed Schedule of Corporate Bonds**

There are no applicable items.

Annexed Consolidated Detailed Schedule of Borrowings

(Thousands of yen unless otherwise stated)

Category	Balance at beginning of period	Balance at end of period	Average interest rate (%)	Repayment due
Short-term borrowings	—	—	—	—
Current portion of long-term borrowings	—	—	—	—
Current portion of lease liabilities	72,642	59,582	—	—
Long-term borrowings (except for current portion)	—	—	—	—
Lease liabilities (except for current portion)	183,348	154,999	—	April 29, 2026 through August 23, 2032
Other interest-bearing debt	—	—	—	—
Total	255,990	214,581	—	—

- (Notes) 1. The average interest rate on lease liabilities is not stated because these liabilities are recorded on the consolidated balance sheets in the amount before deducting the amount equivalent to interest included in the total lease payments.
2. Annual repayment schedule of lease liabilities (except for the current portion) and other interest-bearing debt over a period of five years from the fiscal year-end is as follows:

(Thousands of yen)

Category	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years
Lease liabilities	47,765	40,783	34,020	11,414

Annexed Consolidated Detailed Schedule of Asset Retirement Obligations

This information is omitted as the beginning and ending balances of asset retirement obligations for the fiscal year ended March 31, 2025 were one percent or less of the total beginning and ending balances of liabilities and net assets of the fiscal year ended March 31, 2025.

(2) Other

Semi-annual financial information for the fiscal year ended March 31, 2025

Cumulative period		Consolidated cumulative period for the first three months	Interim consolidated accounting period	Consolidated cumulative period for the first nine months	Full year
Net sales	(Thousand of yen)	12,746,334	28,079,257	41,375,171	59,306,955
Profit before income taxes	(Thousand of yen)	1,183,489	3,152,824	5,345,961	8,980,820
Profit attributable to owners of parent	(Thousand of yen)	831,913	2,218,140	3,767,114	6,334,645
Basic earnings per share	(Yen)	11.16	29.75	50.52	84.96

Accounting period		First Quarter consolidated accounting period	Second Quarter consolidated accounting period	Third Quarter consolidated accounting period	Fourth Quarter consolidated accounting period
Basic earnings per share	(Yen)	11.16	18.59	20.77	34.44

(Note) Review of financial information for the consolidated cumulative periods for first three months and for the first nine months: None

2. Non-consolidated Financial Statements, etc.

(1) Non-consolidated Financial Statements

(i) Non-consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	40,839,768	45,376,900
Notes receivable - trade	*2 3,301,753	336,440
Electronically recorded monetary claims - operating	2,086,301	1,945,752
Accounts receivable - trade	11,715,904	13,923,669
Merchandise and finished goods	2,770,963	1,789,780
Work in process	1,570,699	1,110,777
Raw materials and supplies	1,329,006	3,802,888
Other	550,542	1,123,609
Total current assets	*1 64,164,939	*1 69,409,818
Non-current assets		
Property, plant and equipment		
Buildings	5,907,638	5,592,468
Structures	473,129	398,285
Machinery and equipment	1,209,509	1,292,293
Vehicles	28,069	22,112
Tools, furniture and fixtures	177,207	147,716
Land	8,522,521	9,648,734
Construction in progress	134,614	1,519,142
Other	226,317	196,435
Total property, plant and equipment	16,679,007	18,817,187
Intangible assets		
Right to use water facilities	658	564
Software	265,866	242,521
Other	20,156	10,462
Total intangible assets	286,680	253,547

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Investments and other assets		
Investment securities	7,066,511	5,395,663
Investments in capital	1,080	1,080
Investments in capital of subsidiaries and associates	1,420,530	1,420,530
Long-term prepaid expenses	94,767	65,763
Guarantee deposits	53,455	80,925
Other	15,625	31,533
Allowance for doubtful accounts	(5,301)	(5,107)
Total investments and other assets	8,646,668	6,990,389
Total non-current assets	25,612,356	26,061,124
Total assets	89,777,295	95,470,943
Liabilities		
Current liabilities		
Notes payable - trade	1,097,968	64,904
Electronically recorded obligations - operating	2,817,383	5,521,450
Accounts payable - trade	3,590,069	4,161,669
Accounts payable - other	611,060	603,597
Accrued expenses	1,349,944	1,445,789
Income taxes payable	862,617	1,775,706
Accrued consumption taxes	—	391,212
Deposits received	324,503	274,685
Unearned revenue	475	470
Provision for bonuses for directors (and other officers)	38,000	26,000
Provision for product warranties	133,476	125,071
Notes payable - facilities	48,617	83,582
Electronically recorded obligations-operating-facilities	12,569	140,576
Other	72,642	59,582
Total current liabilities	*1 10,959,328	*1 14,674,297
Non-current liabilities		
Deferred tax liabilities	526,201	46,680
Deferred tax liabilities for land revaluation	616,302	616,302
Provision for retirement benefits	1,414,234	1,178,477
Other	222,859	192,786
Total non-current liabilities	2,779,599	2,034,246
Total liabilities	13,738,927	16,708,543

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Net assets		
Shareholders' equity		
Share capital	10,425,325	10,425,325
Capital surplus		
Legal capital surplus	9,941,842	9,941,842
Total capital surplus	9,941,842	9,941,842
Retained earnings		
Other retained earnings		
Retained earnings brought forward	53,278,547	57,025,983
Total retained earnings	53,278,547	57,025,983
Treasury shares	(8,939)	(9,231)
Total shareholders' equity	73,636,774	77,383,919
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	4,025,637	3,002,523
Revaluation reserve for land	(1,624,044)	(1,624,044)
Total valuation and translation adjustments	2,401,593	1,378,479
Total net assets	76,038,368	78,762,399
Total liabilities and net assets	89,777,295	95,470,943

(ii) Non-consolidated Statements of Income

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	*1 52,956,747	*1 59,235,838
Cost of sales	*1 41,562,121	*1 46,674,399
Gross profit	11,394,626	12,561,438
Selling, general and administrative expenses	*1,2 5,176,021	*1,2 5,325,960
Operating profit	6,218,605	7,235,477
Non-operating income		
Interest and dividend income	186,590	1,377,650
Foreign exchange gains	16,175	—
Miscellaneous income	33,385	30,051
Total non-operating income	*1 236,152	*1 1,407,701
Non-operating expenses		
Foreign exchange gains	—	5,935
Miscellaneous losses	1,987	571
Total non-operating expenses	*1 1,987	*1 6,506
Ordinary profit	6,452,770	8,636,672
Extraordinary income		
Gain on sale of non-current assets	763	—
Gain on sale of investment securities	469,008	871,100
Total extraordinary income	469,771	871,100
Extraordinary losses		
Loss on retirement of non-current assets	998	12,686
Loss on sale of investment securities	—	765
Impairment losses	415	306
TOB related expenses	—	*3 101,570
Total extraordinary losses	1,414	115,329
Profit before income taxes	6,921,127	9,392,443
Income taxes - current	1,984,865	2,621,052
Income taxes - deferred	234,780	(33,014)
Total income taxes	2,219,645	2,588,037
Profit	4,701,481	6,804,406

(iii) Non-consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity					
	Share capital	Capital surplus			Retained earnings	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at beginning of period	10,425,325	9,941,842	—	9,941,842	52,025,180	52,025,180
Changes during period						
Dividends of surplus					(2,858,014)	(2,858,014)
Profit					4,701,481	4,701,481
Purchase of treasury shares						
Cancellation of treasury shares			(590,100)	(590,100)		
Transfer from retained earnings to capital surplus			590,100	590,100	(590,100)	(590,100)
Net changes in items other than shareholders' equity						
Total changes during period	—	—	—	—	1,253,366	1,253,366
Balance at end of period	10,425,325	9,941,842	—	9,941,842	53,278,547	53,278,547

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	(313)	72,392,034	3,882,938	(1,624,044)	2,258,894	74,650,928
Changes during period						
Dividends of surplus		(2,858,014)				(2,858,014)
Profit		4,701,481				4,701,481
Purchase of treasury shares	(598,726)	(598,726)				(598,726)
Cancellation of treasury shares	590,100	—				—
Transfer from retained earnings to capital surplus		—				—
Net changes in items other than shareholders' equity			142,698	—	142,698	142,698
Total changes during period	(8,625)	1,244,740	142,698	—	142,698	1,387,439
Balance at end of period	(8,939)	73,636,774	4,025,637	(1,624,044)	2,401,593	76,038,368

For the fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus		Retained earnings	
		Legal capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at beginning of period	10,425,325	9,941,842	9,941,842	53,278,547	53,278,547
Changes during period					
Dividends of surplus				(3,056,969)	(3,056,969)
Profit				6,804,406	6,804,406
Purchase of treasury shares					
Net changes in items other than shareholders' equity					
Total changes during period	—	—	—	3,747,436	3,747,436
Balance at end of period	10,425,325	9,941,842	9,941,842	57,025,983	57,025,983

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	(8,939)	73,636,774	4,025,637	(1,624,044)	2,401,593	76,038,368
Changes during period						
Dividends of surplus		(3,056,969)				(3,056,969)
Profit		6,804,406				6,804,406
Purchase of treasury shares	(291)	(291)				(291)
Net changes in items other than shareholders' equity			(1,023,113)	—	(1,023,113)	(1,023,113)
Total changes during period	(291)	3,747,144	(1,023,113)	—	(1,023,113)	2,724,031
Balance at end of period	(9,231)	77,383,919	3,002,523	(1,624,044)	1,378,479	78,762,399

Notes to Consolidated Financial Statements

Significant Accounting Policies

1. Valuation of securities

(1) Available-for-sale securities

Securities other than shares, etc., that do not have a market price:

Stated at fair value

(Net unrealized gains or losses are reported as a separate component in net assets, net of applicable income taxes. Gains and losses on disposition are computed mainly based on the moving average method.)

Shares, etc., that do not have a market price:

Stated at cost, cost mainly being determined by the moving average method.

(2) Shares of subsidiaries and affiliates

Stated at cost, cost being determined by the moving average method.

2. Valuation of inventories

Inventories are stated at cost (write-down due to decreased profitability).

(1) Finished goods and work in process are evaluated using the specific identification method.

(2) Raw materials are evaluated using the moving average method.

(3) Supplies are stated at cost, cost being determined by the last purchase price method.

3. Valuation of derivatives

Derivatives are stated at fair value.

4. Method of depreciation or amortization of non-current assets

(1) Property, plant and equipment (except for leased assets) are depreciated by the declining-balance method.

However, buildings (except for facilities attached to buildings) acquired on and after April 1, 1998 and facilities attached to buildings and structures acquired on and after April 1, 2016 are depreciated by the straight-line method.

(2) Intangible assets (except for leased assets) are amortized based on the straight-line method.

In addition, software for internal use is amortized by the straight-line method over their estimated useful lives (five years).

(3) Leased assets

Leased assets related to finance lease transactions that do not transfer ownership

Depreciation of leased assets is computed by the straight-line method over the lease period deemed as useful lives with no residual value.

(4) Long-term prepaid expenses are amortized by the straight-line method.

5. Allowances and provisions

(1) Allowance for doubtful accounts

The Company provides for estimated losses on accounts receivable based on prior bad debt experience and a review of existing receivable balances. The Company reviews individual financial conditions for doubtful or troubled receivables and provides for losses on uncollectible amounts. In addition, a general reserve for other accounts receivable is provided based on historical loss experience for certain past periods.

(2) Provision for bonuses for directors (and other officers)

The Company provides for estimated payment of bonuses to directors.

(3) Provision for product warranties

The Company provides for estimated warranty costs based on the Company's prior experience and estimated costs to be incurred individually calculated for certain products.

(4) Provision for retirement benefits

The Company provides for estimated cost for future severance payments to employees based on the actuarial present value of retirement benefit obligations and pension plan assets.

(i) Method of attributing projected benefit obligation to periods

In calculating retirement benefit obligations, the projected benefit obligation attributed to the current fiscal year is determined using the benefit formula basis.

(ii) Calculation treatment for actuarial gains or losses and prior service costs

Actuarial gains or losses are amortized in the fiscal year following the fiscal year in which the gain or loss is recognized by the straight-line method over a fixed period (10 years), which is shorter than the average remaining years of service of the employees.

Prior service costs are amortized when the prior service costs are recognized by the straight-line method over a fixed period (10 years), which is shorter than the average remaining years of service of the employee.

6. Accounting standards for revenue and expense recognition

The Company manufactures and sells specially equipped vehicles such as digger derricks, aerial work platforms and skid-steer loaders, sells their parts, and provides after-sales services such as repairs. The Company also provides training in the operation of aerial work platforms, etc. The Company usually recognizes revenue from the sales of these products and the provision of these services when they are accepted by customers because customers obtain control of these products and services, and the performance obligations are satisfied when the products and services are accepted by customers. However, the Company recognizes revenue from the sole domestic sales of parts at their shipment by applying the alternative treatment as stipulated in Paragraph 98 of the “Implementation Guidance on Accounting Standard for Revenue Recognition” (ASBJ Guidance No. 30) when the period between the shipment and the transfer of control of these parts to customers falls under the usual period.

There are cases where long-term maintenance contracts are concluded with customers as an after-sales service business and customers receive benefits from the provision of these services as the performance obligations are satisfied. The Company recognizes revenue from these services over the contract periods because the performance obligations of these services are satisfied over time.

For parts supply transactions for fees relating to specially equipped vehicles for which manufacturing consignment agreements are received from customers, the Company recognizes revenue from the sales of these specially equipped vehicles at the amounts excluding the amounts of parts supplied for fees.

7. Hedge accounting

Deferred hedge accounting is applied.

Designated hedge accounting (“Furiate-shori”) is applied for foreign currency forward contracts that meet qualifications for designated hedge accounting.

8. Summary of Other Significant Accounting Policies

Retirement benefits

The accounting treatment for unrecognized actuarial differences for retirement benefits differ from that of the consolidated financial statements.

Significant Accounting Estimates

Provision for product warranties

(1) Amounts recognized in the non-consolidated financial statements as of March 31, 2025

(Thousands of yen)

As of March 31, 2024	As of March 31, 2025
133,476	125,071

(2) Information on the significant accounting estimates of the identified items

The provision for product warranties is categorized into a provision for free repairs carried out within the warranty period and a provision for free repairs to rectify defects in specific products.

For the provision for free repairs carried out within the warranty period, future product warranty expenses are estimated and recognized in a lump sum based on the actual ratio of warranty expenses incurred to sales.

For specific products subject to measures for rectifying defects, expected product warranty expenses are estimated and recognized individually based on the number of units to be rectified, the estimated cost of repair per unit, the percentage of the units that have actually been repaired, and the percentage of the liability shared with suppliers. If liabilities arise due to product defects that were not expected when the estimates were made for the provision, or if warranty expenses exceed the provision, it may become necessary to recognize additional provision for product warranties.

Meanwhile, if the actual warranty expenses turn out to be smaller than the provision, a reversal of the provision will be recognized.

Non-consolidated Balance Sheets

*1 Investments in capital of affiliates included in “Other” were as follows: (excluding those presented as separate lines)

	(Thousands of yen)	
	As of March 31, 2024	As of March 31, 2025
Short-term receivables	608,596	1,436,336
Short-term payables	284,312	295,552

*2 Notes maturing at the end of the fiscal year are settled on the clearance date of the notes. Because the last day of the previous fiscal year fell on a holiday of financial institutions, the following notes maturing on the last day of the fiscal year were included in the balance at the end of the fiscal year.

	(Thousands of yen)	
	As of March 31, 2024	As of March 31, 2025
Notes receivable - trade	814,019	—

Non-consolidated Statements of Income

*1 Transactions with subsidiaries and affiliates were as follows:

	(Thousands of yen)	
	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	2,684,052	3,004,454
Goods purchased	3,111,991	3,585,127
Selling, general and administrative expenses	12,506	11,801
Non-operating transactions	13,006	400

*2 Major items of selling, general and administrative expenses, their amounts and approximate composition were as follows:

	(Thousands of yen)	
	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Salaries, allowances and bonuses	2,073,022	2,116,775
Provision for bonuses for directors (and other officers)	34,591	22,216
Retirement benefit expenses	100,998	60,963
Depreciation	277,148	276,783
Packing and delivery expenses	504,437	657,241
Approximate composition		
Selling expenses	44%	42%
General and administrative expenses	56%	58%

*3 TOB related expenses

For the fiscal year ended March 31, 2024

There are no applicable items.

For the fiscal year ended March 31, 2024

The Company conducted a tender offer for treasury shares from March 21, 2025 to April 17, 2025 based on a resolution made at a board meeting held on March 19, 2025. TOB related expenses include advisory fees paid to securities companies and attorneys concerning the tender offer.

Deferred Tax Assets and Liabilities

1. The significant components of deferred tax assets and liabilities were as follows:

	(Thousands of yen)	
	As of March 31, 2024	As of March 31, 2025
Deferred tax assets:		
Inventories	99,715	152,736
Accrued enterprise tax and business office tax	61,950	104,210
Provision for product warranties	40,657	38,096
Accrued bonuses	300,654	316,907
Provision for retirement benefits	437,727	365,916
Land	569,871	569,965
Investment securities	120,482	119,843
Other	375,213	370,451
Subtotal of deferred tax assets	2,006,271	2,038,128
Valuation allowance	(929,690)	(928,531)
Total deferred tax assets	1,076,581	1,109,596
Deferred tax liabilities:		
Valuation difference on available-for-sale securities	(1,593,903)	(1,147,396)
Other	(8,880)	(8,880)
Total deferred tax liabilities	(1,602,783)	(1,156,276)
Deferred tax liabilities (Net)	(526,201)	(46,680)

2. The significant components of deferred tax assets and liabilities in relation to revaluation reserve for land were as follows:

	(Thousands of yen)	
	As of March 31, 2024	As of March 31, 2025
Deferred tax assets:		
Unrealized loss on land revaluation	923,260	923,260
Subtotal of deferred tax assets	923,260	923,260
Valuation allowance	(923,260)	(923,260)
Total deferred tax assets	—	—
Deferred tax liabilities:		
Unrealized gain on land revaluation	(616,302)	(616,302)
Total deferred tax liabilities	(616,302)	(616,302)
Deferred tax liabilities (Net)	(616,302)	(616,302)

3. The reconciliation between the effective statutory tax rate and the actual effective tax rate after applying tax effect accounting was as follows:

	As of March 31, 2024	As of March 31, 2025
Effective statutory tax rate	30.5%	30.5%
Adjustments:		
Expenses not deductible for income tax purposes (e.g., entertainment expenses)	0.3%	0.2%
Income not taxable for income tax purposes (e.g., dividend income)	(0.2%)	(0.1%)
Corporate inhabitant tax on per capita basis	0.6%	0.4%
Withholding tax, etc. on dividends from foreign affiliates	1.1%	0.4%
Other	(0.2%)	(3.8%)
Effective tax rate after applying tax effect accounting	32.1%	27.5%

Revenue Recognition

The description on the useful information in understanding revenue arising from contracts with customers is omitted as it is stated in “Notes to the Consolidated Financial Statements, Revenue Recognition.”

Subsequent Events

Acquisition of treasury shares and tender offer for treasury shares

The description on the acquisition of treasury shares and tender offer for treasury shares is omitted as it is stated in “Notes to Consolidated Financial Statements, Subsequent Events.”

(iv) Annexed Consolidated Detailed Schedules**Annexed Non-consolidated Detailed Schedule of Property, Plant and Equipment, etc.**

(Thousands of yen)

Category	Type of assets	Balance at beginning of period	Increase during period	Decrease during period	Amortization for the period	Balance at end of period	Accumulated depreciation
Property, plant and equipment	Buildings	5,907,638	83,878	601	398,447	5,592,468	10,959,968
	Structures	473,129	16,820	0	91,662	398,285	2,411,894
	Machinery and equipment	1,209,509	666,092	2,361	580,946	1,292,293	8,690,156
	Vehicles	28,069	9,338	0	15,295	22,112	94,804
	Tools, furniture and fixtures	177,207	56,052	261	85,281	147,716	2,680,463
	Land	8,522,521 [(1,007,741)]	1,126,519	306 (306)	—	9,648,734 [(1,007,741)]	—
	Construction in progress	134,614	1,707,383	322,855	—	1,519,142	—
	Other	226,317	33,814	—	63,695	196,435	421,673
	Subtotal	16,679,007	3,699,899	326,388 (306)	1,235,329	18,817,187	25,258,961
Intangible assets	Right to use water facilities	658	—	—	94	564	—
	Software	265,866	138,120	68,675	92,790	242,521	—
	Other	20,156	—	—	9,693	10,462	—
	Subtotal	286,680	138,120	68,675	102,577	253,547	—

- (Notes) 1. The figure shown in parentheses for decrease during period of land represents the amount of impairment loss recorded.
2. The figures shown in square brackets for balance at beginning of period and balance at end of period of land represent differences from the book value before the revaluation of land for business use performed pursuant to the “Act on Revaluation of Land” (Act No. 34, promulgated on March 31, 1998).

Annexed Non-consolidated Detailed Schedule of Provisions

(Thousands of yen)

Category	Balance at beginning of period	Increase during period	Decrease during period	Balance at end of period
Allowance for doubtful accounts	5,301	74	268	5,107
Provision for bonuses for directors (and other officers)	38,000	22,216	34,216	26,000
Provision for product warranties	133,476	35,538	43,943	125,071

(2) Components of Major Assets and Liabilities

This information is omitted because the Group has prepared the consolidated financial statements.

(3) Other

There are no applicable items.