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March 12, 2024

Consolidated Financial Results for the Fiscal Year Ended January 31, 2024 (Under Japanese GAAP)

Company name: Mitsui High-tec, Inc.
Listing: Tokyo Stock Exchange / Fukuoka Stock Exchange
Securities code: 6966
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Representative: Yasunari Mitsui, President and Representative Director
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Scheduled date of annual general meeting of shareholders: April 19, 2024
Scheduled date to commence dividend payments: April 15, 2024
Scheduled date to file annual securities report: April 22, 2024
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended January 31, 2024 (from February 1, 2023 to January 31, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
January 31, 2024	195,881	12.2	18,119	(19.8)	21,733	(4.1)	15,545	(11.6)
January 31, 2023	174,615	25.2	22,586	51.0	22,669	44.6	17,581	49.3

Note: Comprehensive income For the fiscal year ended January 31, 2024: ¥18,894 million [(10.9)%]
For the fiscal year ended January 31, 2023: ¥21,208 million [45.2%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
January 31, 2024	425.30	–	17.6	12.2	9.3
January 31, 2023	480.99	–	24.9	15.4	12.9

Reference: Share of profit (loss) of entities accounted for using equity method
For the fiscal year ended January 31, 2024: ¥– million
For the fiscal year ended January 31, 2023: ¥– million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
January 31, 2024	195,696	96,993	49.4	2,643.85
January 31, 2023	159,803	80,607	50.3	2,197.10

Reference: Equity
As of January 31, 2024: ¥96,633 million
As of January 31, 2023: ¥80,307 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
January 31, 2024	31,676	(36,394)	8,833	39,192
January 31, 2023	22,082	(19,593)	(665)	33,883

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended January 31, 2023	Yen –	Yen 21.00	Yen –	Yen 44.00	Yen 65.00	Millions of yen 2,379	% 13.5	% 3.4
Fiscal year ended January 31, 2024	–	24.00	–	48.00	72.00	2,635	16.9	3.0
Fiscal year ending January 31, 2025 (Forecast)	–	28.00	–	56.00	84.00		21.9	

3. Consolidated earnings forecasts for the fiscal year ending January 31, 2025 (from February 1, 2024 to January 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending January 31, 2025	237,000	21.0	21,000	15.9	20,000	(8.0)	14,000	(9.9)	383.03

Note: The Group has omitted the consolidated earnings forecasts for the six months ending July 31, 2024.

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

Newly included company: 1 (Mitsui High-tec Mexicana, S.A. DE C.V.)

Excluded company: 1 (MHT America Holdings, Inc.)

Note: For details, please refer to “4. Consolidated financial statements and significant notes thereto, (5) Notes to consolidated financial statements, Changes in significant subsidiaries” on page 16.

- (2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

- (3) Number of issued shares (common shares)

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

As of January 31, 2024	39,466,865 shares
As of January 31, 2023	39,466,865 shares

- (ii) Number of treasury shares at the end of the period

As of January 31, 2024	2,916,504 shares
As of January 31, 2023	2,915,355 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended January 31, 2024	36,550,869 shares
Fiscal year ended January 31, 2023	36,551,958 shares

Note: The Company introduced a Board Benefit Trust (BBT), and the number of treasury shares at the end of the period includes the shares of the Company held by the Board Benefit Trust (BBT) (55,700 shares as of January 31, 2024 and 55,700 shares as of January 31, 2023). Furthermore, treasury shares excluded for the calculation of the average number of shares outstanding during the period include the shares of the Company held by the Board Benefit Trust (BBT) (55,700 shares as of January 31, 2024 and 55,700 shares as of January 31, 2023).

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended January 31, 2024 (from February 1, 2023 to January 31, 2024)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
January 31, 2024	130,638	14.7	12,027	(9.7)	16,135	3.5	11,716	(6.6)
January 31, 2023	113,921	15.2	13,320	30.1	15,591	32.5	12,543	49.1

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
January 31, 2024	320.54	–
January 31, 2023	343.17	–

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
January 31, 2024	158,953	68,678	43.2	1,879.02
January 31, 2023	128,202	59,218	46.2	1,620.15

Reference: Equity

As of January 31, 2024: ¥68,678 million

As of January 31, 2023: ¥59,218 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

Caution regarding forward-looking statements and others

The above earnings forecasts are based on information currently available to the Company. These statements are not intended to be a guarantee that the forecasts will be achieved. Actual earnings results may differ from the forecasts due to various factors.

For details, please refer to “1. Overview of operating results and others, (1) Analysis of business results, (iii) Forecast for the fiscal year ending January 31, 2025” on page 3.

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1. Overview of operating results and others

(1) Analysis of business results

(i) Overview of the fiscal year ended January 31, 2024

The economic environment surrounding the Group in the fiscal year ended January 31, 2024 remained uncertain due to the impact of prolonged geopolitical risks in Europe, worsening situation in the Middle East, global inflation, financial instability caused by policy rate hikes in a number of countries, a deterioration in the Chinese economy and other factors.

With regard to the Group's major customers, in the automotive industry, electric vehicle-related demand remained strong as production activities normalized with the easing of shortages in the supply of semiconductors for automobiles. On the other hand, in the semiconductor industry, difficult conditions continued mainly due to inventory adjustments for various types of semiconductors.

Under this business environment, with ultra-precise processing technology as its core, the Group sought to expand orders received for products and parts that contribute to resource and energy saving while strengthening its global supply system to respond to customer needs. Additionally, the entire Group worked to enhance productivity and to reduce costs.

As a result, net sales in the fiscal year ended January 31, 2024 amounted to ¥195,881 million (up 12.2% year on year). In terms of profit, operating profit amounted to ¥18,119 million (down 19.8% year on year) mainly due to decreased net sales from the Electronic Parts Business. Ordinary profit amounted to ¥21,733 million (down 4.1% year on year) and profit attributable to owners of parent amounted to ¥15,545 million (down 11.6% year on year) due to an increase in foreign exchange gains for foreign currency denominated financial assets.

It is difficult to predict the future trend in demand for the semiconductor industry, but the entire Group will work together to continue increasing profit.

(ii) Overview of segments

Operating results by segment are as follows.

Tooling and Machine Tools

The Tooling and Machine Tools Business responded to firm demand for the Electrical Parts Business. As a result, net sales amounted to ¥11,977 million (up 1.4% year on year) and operating profit amounted to ¥1,308 million (up 1.4% year on year).

Electronic Parts

In the Electronic Parts Business, difficult conditions continued mainly due to inventory adjustments for various types of semiconductors. As a result, net sales amounted to ¥56,675 million (down 19.1% year on year) and operating profit amounted to ¥5,745 million (down 53.0% year on year).

Electrical Parts

The Electrical Parts Business responded to firm demand for motor cores for drive and power generation applications for electric vehicles. As a result, net sales amounted to ¥133,882 million (up 33.6% year on year). Despite increases in various costs in response to upfront investment, operating profit amounted to ¥11,466 million (up 26.1% year on year) as a result of increased net sales.

Net sales for the above segment are presented including ¥6,654 million in intersegment net sales or transfers.

(iii) Forecast for the fiscal year ending January 31, 2025

We are currently in the midst of realizing a carbon neutral society and enhancing an information-oriented society. The “automotive field” and “semiconductor field,” which are the Company’s main business targets, are both included within this process. The trend of global environmental measures, including those in Japan, is rapidly progressing, and we believe that it will continue to do so over the long term.

Amid this type of environment, the Group will work to enhance productivity and expand the supply of products and parts that contribute to resource and energy saving, based on its ultra-precise processing technologies. Furthermore, the Group will use its strength of integrated production from tooling manufacturing to product supply, and differentiate itself from other companies.

The Group will analyze the business environment to respond to its change, and cooperate and work to demonstrate synergistic effects, including the characteristics and functions of each business and location, in order to establish a sound corporate structure.

Going forward, the Group will utilize a global supply structure to respond to customers’ needs with ultra-precise processing technology as its core, and continue to increase profit by enhancing productivity and reducing costs.

For the consolidated earnings forecast for the fiscal year ending January 31, 2025, the Group expects net sales of ¥237 billion (up 21.0% year on year), operating profit of ¥21 billion (up 15.9% year on year), ordinary profit of ¥20 billion (down 8.0% year on year), and profit attributable to owners of parent of ¥14 billion (down 9.9% year on year) through such efforts.

The activities of each segment will be as follows:

Tooling and Machine Tools

The Tooling and Machine Tools Business will respond to demands and changes in the market, such as the shift to resource and energy saving, and support the Electronic Parts Business and Electrical Parts Business, which are our focus businesses. The Group will continue to strengthen its technological capabilities, as well as to expand its production capacity through productivity enhancement and facility expansion and reinforcement.

Electronic Parts

In the semiconductor industry, demand for semiconductors for automobiles is on a growth trend. Although telecommunication-related demand and demand for consumer electronics were weak in the fiscal year ended January 31, 2024, it is expected to recover gradually from the second half of the next fiscal year. However, the Group considers that high demand for semiconductors will stand firm due to the advancement in electrification of automobiles, the shift toward autonomous driving, etc. Thus, the Group will focus on growth fields by proposing solutions that meet customer needs and leveraging its global supply structure, and enhance profit by continuing to enhance productivity, sell high-value-added products, and reduce costs.

Electrical Parts

Orders are expected to be firm due to advancement in the electrification of automobiles. The Group will continue to promote business expansion using the production structure for the four main regions of Japan, Americas, China, and Europe. Within this structure, the Group will work to increase orders for automotive motor cores and expand sales of motor cores for energy-saving appliances, leveraging its swift mass production in the integrated production structure through cooperation with the Tooling Business and its stable production and supply of products that meet customer quality demands.

(2) Analysis of financial position**(i) Assets, liabilities and net assets**

Total assets as of January 31, 2024 amounted to ¥195,696 million, an increase of ¥35,892 million compared to the end of the previous fiscal year. This was mainly due to an increase in property, plant and equipment resulting from making upfront investments, etc. into growth fields.

Total liabilities amounted to ¥98,703 million, an increase of ¥19,506 million compared to the end of the previous fiscal year, mainly due to an increase in borrowings.

Total net assets amounted to ¥96,993 million, an increase of ¥16,385 million compared to the end of the previous fiscal year.

(ii) Cash flows

Cash and cash equivalents (hereinafter “net cash”) as of January 31, 2024 amounted to ¥39,192 million, an increase of ¥5,308 million compared to the end of the previous fiscal year.

The respective cash flow positions for the fiscal year under review are as follows:

Cash flows from operating activities

Net cash provided by operating activities was ¥31,676 million (up ¥9,594 million year on year).

This was mainly due to an increase in net cash from profit before income taxes of ¥21,792 million and depreciation of non-cash items of ¥11,572 million, despite a decrease in net cash of ¥5,909 million resulting from income taxes paid.

Cash flows from investing activities

Net cash used in investing activities was ¥36,394 million (up ¥16,800 million year on year).

This was mainly due to purchase of property, plant and equipment of ¥35,715 million mainly for capital investment for new products and the strengthening of production capabilities in the Electrical Parts Business.

Cash flows from financing activities

Net cash provided by financing activities was ¥8,833 million (compared to ¥665 million in net cash used in the previous fiscal year).

This was mainly due to an increase in net cash resulting from proceeds from borrowings of ¥24,000 million for capital investment, despite a decrease in net cash resulting from repayments of long-term borrowings of ¥12,614 million and dividends paid of ¥2,489 million.

(Reference) Trends in cash flow indicators

	2020/1	2021/1	2022/1	2023/1	2024/1
Equity-to-asset ratio (%)	51.0	49.4	45.6	50.3	49.4
Equity-to-asset ratio based on market value (%)	67.7	155.5	227.2	155.1	128.6
Interest-bearing debt to cash flow ratio (annual)	5.1	3.9	2.7	2.3	2.0
Interest coverage ratio (times)	72	90	147	167	185

- Equity-to-asset ratio: Equity/Total assets
- Equity-to-asset ratio based on market value: Total market capitalization/Total assets
- Interest-bearing debt to cash flow ratio: Interest-bearing debt/Cash flow
- Interest coverage ratio: Cash flow/Interest paid

Notes: 1. All figures are calculated based on consolidated financial data.

2. Total market capitalization is calculated by multiplying the closing share price on the final day of the fiscal year by the total number of issued shares on the same day (excluding treasury shares).
3. For the cash flow, the cash flows from operating activities are used.
4. Interest-bearing debts include all of those debts reported on the consolidated balance sheet on which interest is paid.

(3) Basic policy on distribution of profit and dividends for the fiscal year under review and next fiscal year

The Company recognizes that shareholder returns are an important management issue and, since it places the highest priority on expanding investments to strengthen competitiveness and acquire growth opportunities, the Company has adopted a basic policy for dividends of surplus that employs a shareholder return indicator of DOE (dividend on equity), which measures the continuous stability of dividends in relation to equity, and the Company aims for stable, continuous dividends with a target DOE of 3% or more while considering consolidated earnings, capital efficiency, and the dividend amount.

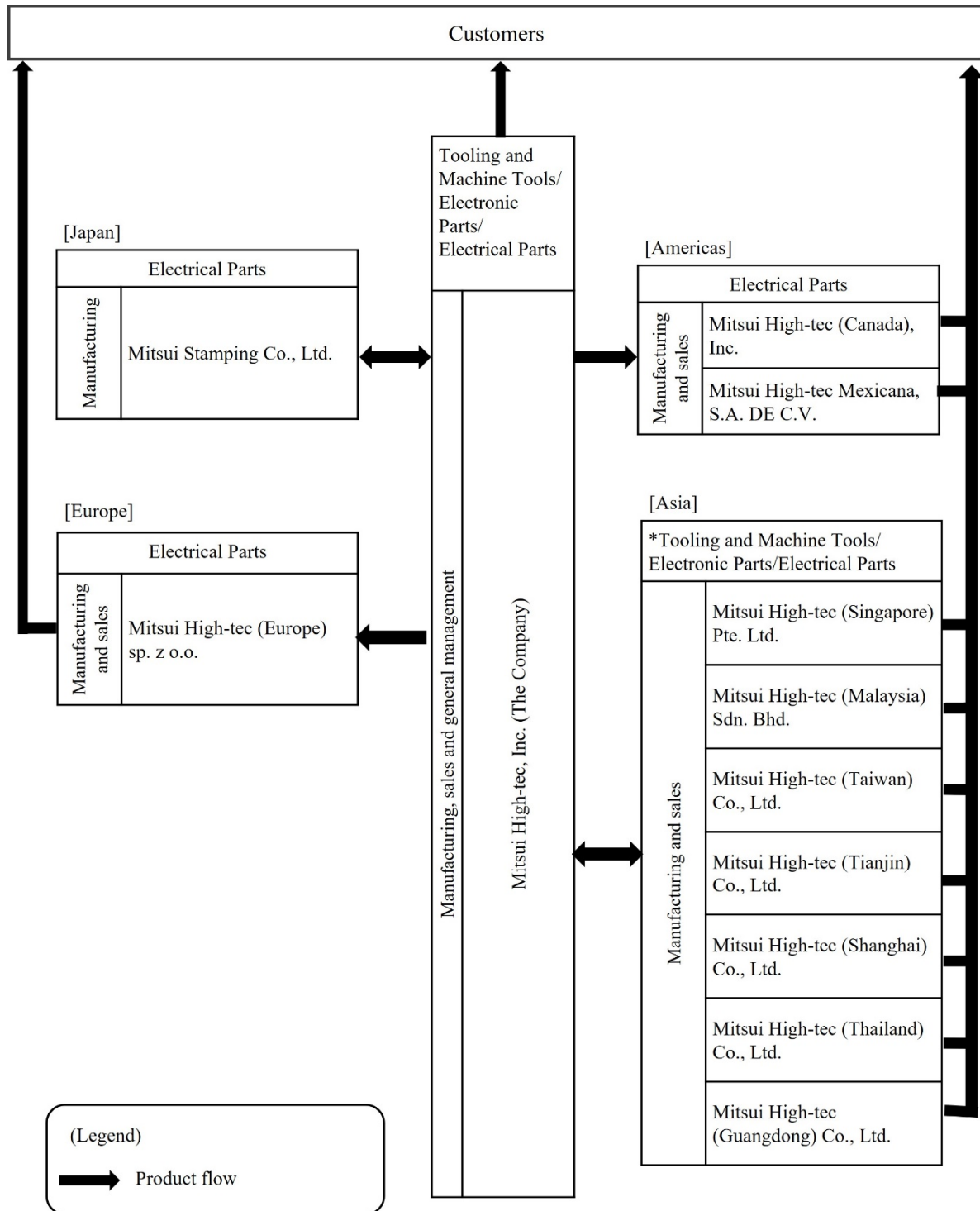
The Company distributes surplus twice annually in the form of an interim dividend and a year-end dividend. Based on Article 459 (1) of the Companies Act, the Company has established in its Articles of Incorporation that surplus may be distributed through a resolution by the Board of Directors without requiring a resolution by the General Meeting of Shareholders.

In terms of the year-end dividend for the fiscal year under review, on March 12, 2024, the Board of Directors resolved to pay a dividend of ¥48 per common share of the Company (total dividend payments: ¥1,757 million) with payments starting on April 15, 2024. As a result, combined with the interim dividend of ¥24, annual dividends totaled ¥72 per share, and DOE was 3.0%.

For the next fiscal year's annual dividends, the Company is planning ¥84 per share and expects DOE of 3.0%.

2. Corporate group

The Group consists of the Company and 14 consolidated subsidiaries, and its major businesses are the manufacture and sale of tooling and machine tools, electronic parts, and electrical parts. Major consolidated subsidiaries and a diagram of the business structure are shown below.



*Each business for tooling and machinery in the group companies in the Asia region only carries out sales.

- (1) Dormant consolidated subsidiary Mitsui High-tec (USA), Inc. and its general management company, consolidated subsidiary MHT America Holdings, Inc., were resolved to be dissolved and liquidated at each company's general meeting of shareholders held on January 31, 2023, and the liquidation procedures were completed in July 2023.
- (2) Mitsui High-tec Mexicana, S.A. DE C.V. was established as of August 11, 2023, and is preparing to begin operations for the manufacture and sale of motor core products.
- (3) Mitsui Asia Headquarters Pte. Ltd., is not shown because it is a general management company, and Mitsui High-tec North America, Inc., established on August 1, 2023, is not shown because its business activity is sales support.
- (4) Mitsui High-tec (Hong Kong), Ltd. is not shown because it is under liquidation procedures as of January 31, 2024.

3. Basic rationale for selection of accounting standards

The Group has prepared the consolidated financial statements in accordance with the generally accepted accounting principles in Japan (Japanese GAAP), giving consideration to the possibility of comparing the consolidated financial statements between terms.

The Group will continue to give careful consideration to the International Financial Reporting Standards (IFRS) after taking into account circumstances in and outside Japan.

4. Consolidated financial statements and significant notes thereto

(1) Consolidated balance sheet

(Millions of yen)

	As of January 31, 2023	As of January 31, 2024
Assets		
Current assets		
Cash and deposits	28,938	39,248
Notes and accounts receivable - trade, and contract assets	27,466	29,452
Electronically recorded monetary claims - operating	3,210	3,782
Securities	5,000	–
Merchandise and finished goods	8,105	7,605
Work in process	2,664	2,989
Raw materials and supplies	4,206	3,662
Other	5,564	5,362
Allowance for doubtful accounts	(17)	(13)
Total current assets	85,139	92,089
Non-current assets		
Property, plant and equipment		
Buildings and structures	41,996	50,271
Accumulated depreciation	(25,588)	(26,938)
Buildings and structures, net	16,408	23,333
Machinery, equipment and vehicles	89,676	112,667
Accumulated depreciation	(57,140)	(64,367)
Machinery, equipment and vehicles, net	32,536	48,300
Tools, furniture and fixtures	24,464	26,551
Accumulated depreciation	(20,210)	(21,451)
Tools, furniture and fixtures, net	4,254	5,099
Land	6,688	7,408
Right-of-use assets	1,750	1,963
Accumulated depreciation	(1,123)	(1,283)
Right-of-use assets, net	626	679
Construction in progress	8,891	13,470
Total property, plant and equipment	69,405	98,290
Intangible assets	1,148	1,524
Investments and other assets		
Investment securities	1,130	1,451
Retirement benefit asset	559	870
Deferred tax assets	2,207	1,283
Other	212	186
Total investments and other assets	4,110	3,791
Total non-current assets	74,664	103,607
Total assets	159,803	195,696

(Millions of yen)

	As of January 31, 2023	As of January 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	16,272	21,000
Short-term borrowings	–	4,000
Current portion of long-term borrowings	11,503	9,563
Income taxes payable	4,173	2,983
Lease liabilities	36	44
Other	5,349	9,140
Total current liabilities	37,334	46,733
Non-current liabilities		
Long-term borrowings	39,402	48,726
Retirement benefit liability	154	144
Provision for share awards for directors (and other officers)	85	42
Lease liabilities	104	145
Deferred tax liabilities	1,104	1,820
Long-term advances received	–	387
Long-term accounts payable - other	1,010	703
Total non-current liabilities	41,861	51,970
Total liabilities	79,196	98,703
Net assets		
Shareholders' equity		
Share capital	16,403	16,403
Capital surplus	15,251	15,251
Retained earnings	47,575	60,631
Treasury shares	(3,646)	(3,655)
Total shareholders' equity	75,584	88,630
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	323	546
Deferred gains or losses on hedges	(23)	(3)
Foreign currency translation adjustment	4,627	7,601
Remeasurements of defined benefit plans	(205)	(141)
Total accumulated other comprehensive income	4,722	8,003
Non-controlling interests	300	359
Total net assets	80,607	96,993
Total liabilities and net assets	159,803	195,696

(2) Consolidated statement of income and consolidated statement of comprehensive income
(Consolidated statement of income)

(Millions of yen)

	Fiscal year ended January 31, 2023	Fiscal year ended January 31, 2024
Net sales	174,615	195,881
Cost of sales	138,674	163,199
Gross profit	35,941	32,682
Selling, general and administrative expenses	13,354	14,563
Operating profit	22,586	18,119
Non-operating income		
Interest income	157	509
Dividend income	35	43
Foreign exchange gains	156	3,624
Other	182	231
Total non-operating income	532	4,408
Non-operating expenses		
Interest expenses	133	172
Loss on sale and retirement of non-current assets	286	529
Other	30	91
Total non-operating expenses	449	793
Ordinary profit	22,669	21,733
Extraordinary income		
Subsidy income	380	571
Gain on sale of non-current assets	*1 1,336	-
Total extraordinary income	1,717	571
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	283	511
Non-recurring loss	*2 377	-
Loss on revision of retirement benefit plan	*3 1,203	-
Loss on reversal of foreign currency translation adjustment	269	-
Total extraordinary losses	2,134	511
Profit before income taxes	22,252	21,792
Income taxes - current	5,864	4,727
Income taxes - deferred	(1,235)	1,451
Total income taxes	4,629	6,178
Profit	17,623	15,613
Profit attributable to non-controlling interests	42	68
Profit attributable to owners of parent	17,581	15,545

(Consolidated statement of comprehensive income)

(Millions of yen)

	Fiscal year ended January 31, 2023	Fiscal year ended January 31, 2024
Profit	17,623	15,613
Other comprehensive income		
Valuation difference on available-for-sale securities	(10)	223
Deferred gains or losses on hedges	17	19
Foreign currency translation adjustment	3,587	2,974
Remeasurements of defined benefit plans, net of tax	(9)	63
Total other comprehensive income	3,584	3,280
Comprehensive income	21,208	18,894
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	21,165	18,825
Comprehensive income attributable to non-controlling interests	42	68

(3) Consolidated statement of changes in equity

Fiscal year ended January 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	16,403	14,661	31,962	(3,047)	59,980
Cumulative effects of changes in accounting policies			811		811
Restated balance	16,403	14,661	32,773	(3,047)	60,791
Changes during period					
Dividends of surplus			(2,779)		(2,779)
Profit attributable to owners of parent			17,581		17,581
Purchase of treasury shares				(657)	(657)
Disposal of treasury shares		590		58	648
Net changes in items other than shareholders' equity					
Total changes during period	–	590	14,801	(598)	14,793
Balance at end of period	16,403	15,251	47,575	(3,646)	75,584

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	333	(40)	1,040	(195)	1,137	265	61,383
Cumulative effects of changes in accounting policies							811
Restated balance	333	(40)	1,040	(195)	1,137	265	62,194
Changes during period							
Dividends of surplus							(2,779)
Profit attributable to owners of parent							17,581
Purchase of treasury shares							(657)
Disposal of treasury shares							648
Net changes in items other than shareholders' equity	(10)	17	3,587	(9)	3,584	34	3,619
Total changes during period	(10)	17	3,587	(9)	3,584	34	18,412
Balance at end of period	323	(23)	4,627	(205)	4,722	300	80,607

Fiscal year ended January 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	16,403	15,251	47,575	(3,646)	75,584
Cumulative effects of changes in accounting policies					–
Restated balance	16,403	15,251	47,575	(3,646)	75,584
Changes during period					
Dividends of surplus			(2,489)		(2,489)
Profit attributable to owners of parent			15,545		15,545
Purchase of treasury shares				(9)	(9)
Disposal of treasury shares					–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	13,055	(9)	13,046
Balance at end of period	16,403	15,251	60,631	(3,655)	88,630

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	323	(23)	4,627	(205)	4,722	300	80,607
Cumulative effects of changes in accounting policies							–
Restated balance	323	(23)	4,627	(205)	4,722	300	80,607
Changes during period							
Dividends of surplus							(2,489)
Profit attributable to owners of parent							15,545
Purchase of treasury shares							(9)
Disposal of treasury shares							–
Net changes in items other than shareholders' equity	223	19	2,974	63	3,280	59	3,339
Total changes during period	223	19	2,974	63	3,280	59	16,385
Balance at end of period	546	(3)	7,601	(141)	8,003	359	96,993

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended January 31, 2023	Fiscal year ended January 31, 2024
Cash flows from operating activities		
Profit before income taxes	22,252	21,792
Depreciation	9,531	11,572
Increase (decrease) in provision for bonuses for directors (and other officers)	(84)	–
Increase/decrease in retirement benefit asset or liability	(214)	(237)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(180)	–
Increase (decrease) in provision for share awards for directors (and other officers)	86	(43)
Interest and dividend income	(193)	(552)
Interest expenses	133	172
Foreign exchange losses (gains)	(261)	(2,880)
Loss (gain) on sale and retirement of non-current assets	(1,053)	498
Decrease (increase) in trade receivables	(1,107)	(1,429)
Decrease (increase) in inventories	(2,651)	1,320
Increase (decrease) in trade payables	1,368	3,996
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	(8)	(803)
Loss on tax purpose reduction entry of non-current assets	283	511
Subsidy income	(380)	(571)
Loss on reversal of foreign currency translation adjustment	269	–
Other, net	(1,106)	3,206
Subtotal	26,683	36,553
Interest and dividends received	189	545
Interest paid	(120)	(184)
Income taxes paid	(5,151)	(5,909)
Subsidies received	480	671
Net cash provided by (used in) operating activities	22,082	31,676
Cash flows from investing activities		
Net decrease (increase) in time deposits	137	–
Purchase of property, plant and equipment	(21,431)	(35,715)
Proceeds from sale of property, plant and equipment	2,219	61
Purchase of intangible assets	(546)	(742)
Loan advances	(2)	(1)
Proceeds from collection of loans receivable	3	3
Other, net	24	1
Net cash provided by (used in) investing activities	(19,593)	(36,394)

(Millions of yen)

	Fiscal year ended January 31, 2023	Fiscal year ended January 31, 2024
Cash flows from financing activities		
Proceeds from short-term borrowings	–	4,000
Proceeds from long-term borrowings	9,500	20,000
Repayments of long-term borrowings	(7,330)	(12,614)
Purchase of treasury shares	(8)	(9)
Dividends paid	(2,779)	(2,489)
Repayments of lease liabilities	(39)	(43)
Other, net	(7)	(9)
Net cash provided by (used in) financing activities	(665)	8,833
Effect of exchange rate change on cash and cash equivalents	919	1,193
Net increase (decrease) in cash and cash equivalents	2,742	5,308
Cash and cash equivalents at beginning of period	31,140	33,883
Cash and cash equivalents at end of period	33,883	39,192

(5) Notes to consolidated financial statements**Notes on premise of going concern**

Not applicable.

Changes in significant subsidiaries

MHT America Holdings, Inc., which was a consolidated subsidiary, has been excluded from the scope of consolidation from the fiscal year ended January 31, 2024 due to the completion of liquidation.

Although it does not constitute a change in specified subsidiaries, Mitsui High-tec (USA), Inc., which was a consolidated subsidiary, has been excluded from the scope of consolidation due to the completion of liquidation.

In addition, Mitsui High-tec Mexicana, S.A. DE C.V., was newly established in the fiscal year ended January 31, 2024. Mitsui High-tec Mexicana, S.A. DE C.V. is a specified subsidiary of the Company.

Changes in accounting policies**Application of Implementation Guidance on Accounting Standard for Fair Value Measurement**

The Company has applied the “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 31, June 17, 2021) from the beginning of the fiscal year ended January 31, 2024, and in accordance with the transitional treatment prescribed in paragraph 27-2 of the Implementation Guidance on Accounting Standard for Fair Value Measurement, the new accounting policies set forth in the Implementation Guidance on Accounting Standard for Fair Value Measurement have been applied prospectively. This has no effect on consolidated financial statements.

Consolidated balance sheet**Overdraft agreement**

The Company has executed an overdraft agreement with transactional financial institutions in order to enhance funding stability.

Unused lines of credit based on the agreements as of January 31, 2024 are as follows:

	Fiscal year ended January 31, 2023	Fiscal year ended January 31, 2024
Total overdraft limit	¥9,000 million	¥12,000 million
Drawn balance	-	4,000
Available balance	9,000	8,000

Consolidated statement of income***1 Gain on sale of non-current assets**

	Fiscal year ended January 31, 2023	Fiscal year ended January 31, 2024
Land (core industrial park site in Ozu-machi, Kumamoto Prefecture)	¥1,336 million	¥- million

*2 Non-recurring loss

At the Group's overseas consolidated subsidiary Mitsui High-tec (Shanghai) Co., Ltd., the fixed expenses for the period in which the Chinese government requested that operations be suspended to prevent the spread of COVID-19 have been recorded as extraordinary losses.

*3 Loss on revision of retirement benefit plan

The Company and some of its consolidated subsidiaries revised their retirement benefit plan in the fiscal year ended January 31, 2024 and transitioned to a new plan on February 1, 2023. Past service costs produced through this revision have been recorded as extraordinary losses.

Segment information, etc.

[Segment information]

1. Overview of reportable segments

The reportable segments of the Group are components of the Group for which discrete financial information is available and regularly reviewed by the Company's Board of Directors to make decisions about allocation of managerial resources and to assess their performance.

The Group drafts comprehensive strategies for Japan and overseas by business classification for products, and undertakes business activities.

Therefore, the Group is composed of product segments based on these business classifications. The three reportable segments are "Tooling and Machine Tools," "Electronic Parts," and "Electrical Parts."

"Tooling and Machine Tools" manufactures and sells tooling for presses, surface grinders, etc.

"Electronic Parts" manufactures and sells leadframes, etc. "Electrical Parts" manufactures and sells motor core products, etc.

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

The accounting method for reportable operating segments is almost the same as those described in "Notes - Significant accounting policies for preparation of consolidated financial statements."

Profits of the reportable segments are amounts based on operating profit.

Intersegment net sales and transfers are based on current market price.

3. Information on the amounts of net sales, profit or loss, assets, and other items by reportable segment, and information on disaggregation of revenue

Fiscal year ended January 31, 2023

	Reportable segment				Adjustments (Note) 1	Consolidated financial statement amounts (Note) 2
	Tooling and Machine Tools	Electronic Parts	Electrical Parts	Total		
Net sales						
Revenue from contracts with customers	4,392	70,041	100,181	174,615	–	174,615
Net sales to external customers	4,392	70,041	100,181	174,615	–	174,615
Intersegment net sales or transfers	7,415	–	2	7,418	(7,418)	–
Total	11,808	70,041	100,184	182,034	(7,418)	174,615
Segment profit	1,290	12,222	9,093	22,605	(19)	22,586
Segment assets	7,116	37,000	95,757	139,874	19,929	159,803
Others						
Depreciation	754	3,066	5,512	9,333	198	9,531
Increase in property, plant and equipment and intangible assets	502	4,816	15,324	20,643	402	21,045

Notes: 1. Adjustments are as follows:

- (1) Adjustment to segment profit of negative ¥19 million mainly consists of general and administrative expenses not attributable to the reportable segments.
 - (2) Adjustment to segment assets of ¥19,929 million is mainly corporate assets that are not allocated to segments.
 - (3) Adjustment to depreciation of ¥198 million is depreciation for corporate assets.
 - (4) Adjustment to increase in property, plant and equipment and intangible assets of ¥402 million is an increase in corporate assets.
2. Segment profit is adjusted to operating profit in the consolidated statement of income.

Fiscal year ended January 31, 2024

(Millions of yen)

	Reportable segment				Adjustments (Note) 1	Consolidated financial statement amounts (Note) 2
	Tooling and Machine Tools	Electronic Parts	Electrical Parts	Total		
Net sales						
Revenue from contracts with customers	5,323	56,675	133,882	195,881	–	195,881
Net sales to external customers	5,323	56,675	133,882	195,881	–	195,881
Intersegment net sales or transfers	6,654	0	–	6,654	(6,654)	–
Total	11,977	56,675	133,882	202,535	(6,654)	195,881
Segment profit	1,308	5,745	11,466	18,520	(401)	18,119
Segment assets	7,460	39,487	132,158	179,105	16,590	195,696
Others						
Depreciation	723	3,453	7,151	11,328	243	11,572
Increase in property, plant and equipment and intangible assets	957	5,020	30,445	36,423	1,138	37,562

Notes: 1. Adjustments are as follows:

- (1) Adjustment to segment profit of negative ¥401 million mainly consists of general and administrative expenses not attributable to the reportable segments.
 - (2) Adjustment to segment assets of ¥16,590 million is mainly corporate assets that are not allocated to segments.
 - (3) Adjustment to depreciation of ¥243 million is depreciation for corporate assets.
 - (4) Adjustment to increase in property, plant and equipment and intangible assets of ¥1,138 million is an increase in corporate assets.
2. Segment profit is adjusted to operating profit in the consolidated statement of income.

Per share information

(Yen)

Fiscal year ended January 31, 2023		Fiscal year ended January 31, 2024	
Net assets per share	2,197.10	Net assets per share	2,643.85
Basic earnings per share	480.99	Basic earnings per share	425.30
Diluted earnings per share is not provided because there are no potential shares.		Diluted earnings per share is not provided because there are no potential shares.	

Notes: 1. The Company introduced a Board Benefit Trust (BBT), and the number of treasury shares at the end of the period includes the shares of the Company held by the Board Benefit Trust (BBT) (55 thousand shares as of January 31, 2024 and 55 thousand shares as of January 31, 2023). Furthermore, treasury shares excluded for the calculation of the average number of shares outstanding during the period include the shares of the Company held by the Board Benefit Trust (BBT) (55 thousand shares as of January 31, 2024 and 55 thousand shares as of January 31, 2023).

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

	Fiscal year ended January 31, 2023	Fiscal year ended January 31, 2024
Profit attributable to owners of parent (Millions of yen)	17,581	15,545
Profit not attributable to common shareholders (Millions of yen)	–	–
Profit attributable to owners of parent pertaining to common shares (Millions of yen)	17,581	15,545
Average number of outstanding common shares during the period (Thousands of shares)	36,551	36,550

Significant events after the period

Not applicable.

5. Other**Changes in Directors (and other officers)**

Please refer to the “Notice Regarding Appointment of Directors (and Other Officers)” (in Japanese only) released today regarding the changes in Directors (and other officers).