

# Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 [Japanese GAAP]



April 28, 2025

Company name: Daihatsu Diesel Mfg. Co., Ltd.

Stock exchange listing: Tokyo Stock Exchange

Code number: 6023

URL: <https://www.dhtd.co.jp>

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Scheduled date of Annual General Meeting of Shareholders: June 27, 2025

Scheduled date of commencing dividend payments: June 30, 2025

Scheduled date of filing annual securities report: June 26, 2025

Availability of supplementary briefing material on annual financial results: Available

Schedule of annual financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

## 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2025	88,781	8.6	7,634	47.0	7,603	37.1	5,717	11.0
March 31, 2024	81,775	13.4	5,194	44.2	5,546	51.5	5,149	74.7

(Note) Comprehensive income: Fiscal year ended March 31, 2025: 5,986 million yen [0.8%]

Fiscal year ended March 31, 2024: 5,941 million yen [84.7%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets	Operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	180.92	-	12.0	7.7	8.6
March 31, 2024	162.87	-	10.7	5.6	6.4

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2025: - million yen

Fiscal year ended March 31, 2024: 40 million yen

## (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2025	96,107	44,206	45.9	1,738.36
As of March 31, 2024	101,428	50,843	50.1	1,604.88

(Reference) Equity: As of March 31, 2025: 44,153 million yen

As of March 31, 2024: 50,793 million yen

## (3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2025	9,354	(6,513)	(10,797)	21,015
March 31, 2024	4,666	450	(2,101)	29,110

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2024	-	0.00	-	49.00	49.00	1,550	30.1	3.2
March 31, 2025	-	0.00	-	62.00	62.00	1,574	27.5	3.3
Fiscal year ending March 31, 2026 (Forecast)	-	0.00	-	62.00	62.00		45.0	

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	38,000	(11.4)	1,700	(46.6)	1,700	(45.0)	1,200	(43.6)	47.24
Full year	82,000	(7.6)	5,000	(34.5)	5,000	(34.2)	3,500	(38.8)	137.79

### \* Notes:

- (1) Significant changes in the scope of consolidation during the period: No
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: Yes
  - 2) Changes in accounting policies other than 1) above: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No
- (3) Total number of issued shares (common shares)
  - 1) Total number of issued shares at the end of the period (including treasury shares):
    - March 31, 2025: 31,850,000 shares
    - March 31, 2024: 31,850,000 shares
  - 2) Total number of treasury shares at the end of the period:
    - March 31, 2025: 6,450,625 shares
    - March 31, 2024: 200,830 shares
  - 3) Average number of shares during the period:
    - Fiscal Year ended March 31, 2025: 31,602,348 shares
    - Fiscal Year ended March 31, 2024: 31,619,295 shares

(Reference) Summary of Non-consolidated Financial Results

## 1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2025	78,137	8.2	4,201	71.0	5,565	22.0	4,725	10.5
March 31, 2024	72,221	12.7	2,457	113.2	4,561	71.3	4,275	54.6

	Basic earnings per share		Diluted earnings per share	
Fiscal year ended	Yen		Yen	
March 31, 2025	149.53		-	
March 31, 2024	135.21		-	

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2025	82,785	33,613	40.6	1,323.40
As of March 31, 2024	91,186	41,274	45.3	1,304.12

(Reference) Equity: As of March 31, 2025: 33,613 million yen  
As of March 31, 2024: 41,274 million yen

## 2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Yen
First half	33,000	(12.6)	3,000	(4.1)	2,700	5.0	106.30
Full year	72,000	(7.9)	4,900	(12.0)	4,100	(13.2)	161.42

\* These consolidated financial results are outside the scope of audit conducted by a certified public accountant or audit corporation.

\* Explanation of the proper use of financial results forecast and other notes

(Note on forward-looking statements)

The financial results forecasts and other forward-looking statements herein are based on information and certain assumptions deemed reasonable as of the date of publication of this document. Actual results may differ significantly from these forecasts due to a wide range of factors. Please refer to “1. Summary of Operating Results, etc. (4) Outlook for the Future” on page 4 (Japanese original) of the attached material for the assumptions the financial results forecasts are based on, and notes on their use.

(How to obtain supplementary briefing material on annual financial results and information on the briefing session)

A briefing session for institutional investors and analysts is scheduled to be held on Monday, May 19, 2025. The briefing materials will be posted on the Company’s website after the session.

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## 1. Summary of Operating Results, etc.

### (1) Summary of Operating Results for the Fiscal Year under Review

During the consolidated fiscal year under review, the Japanese economy generally maintained a gradual recovery trend against a backdrop of improvements in employment conditions and income levels. Meanwhile, the outlook remains uncertain due in part to the increased cost burden caused by persistently high energy prices and the prolonged weakening of the yen, putting downward pressure on corporate earnings and consumer sentiment.

Looking at the world economy, in China, the government's stimulus measures underpinned the economy amid a stagnant real estate market and a delayed recovery in domestic demand, becoming a burden on the economy. In the United States, gradual growth continued against a backdrop of solid employment and a pickup of consumer spending. Meanwhile, in Europe, the sluggish manufacturing sector facing the downturn in external demand and soaring energy prices has affected corporate activities and consumer spending, leading to growing concerns about an economic slowdown. Furthermore, in conjunction with the situation in Ukraine, geopolitical risks in the Middle East, uncertainty surrounding the U.S. trade policies, and other factors, the overall situation remained unstable.

In the shipbuilding and maritime industry, the primary industry in which the Company makes its sales, the business environment has changed significantly, against a backdrop of the strengthened environmental regulations and the growing geopolitical risks. In the shipbuilding industry, growing need to address energy efficiency and next-generation fuels led to the continued solid progress in the technology development for decarbonization and shipbuilding of new vessels. In the marine industry, through the introduction of LNG and other fuel vessels, efforts have been made to replace or upgrade aging vessels, contributing to the ongoing renewal of vessels.

Under such a corporate environment, the Group has steadily captured the growing demand for small- and medium-sized engines mainly for bulk carriers, while there has been a continued solid demand for maintenance. Also, in-sourcing production is underway aimed at strengthening cost competitiveness amid the continued surge in resource prices, thereby striving to improve production efficiency and profitability. Furthermore, with a view to future growth, the Group has been systematically implementing capital investments with the aim of developing engines that are compatible with next-generation fuels and building a flexible production system, and working to strengthen sustainable revenue base by increasing the capacity to address demand for new vessels.

As a result, consolidated net sales for the fiscal year under review increased by 8.6% year-on-year to 88,781 million yen. In terms of profit, operating profit increased by 47.0% year-on-year to 7,634 million yen, ordinary profit increased by 37.1% year-on-year to 7,603 million yen, and profit attributable to owners of parent increased by 11.0% year-on-year to 5,717 million yen.

Performance by business segment of the Company and the consolidated Group for the fiscal year under review are as follows.

#### <Internal combustion engines>

##### 1. Marine-use

Net sales increased by 6.9% year-on-year to 72,950 million yen and segment income increased by 48.3% year-on-year to 9,223 million yen, due to increases in sales of engines and maintenance-related sales, an effect of fluctuation of foreign exchange rates, and other factors.

##### 2. Land-use

Net sales increased by 15.9% year-on-year to 11,543 million yen while segment income decreased by 3.7% year-on-year to 1,712 million yen, due to deterioration of the profitability of some properties and other factors, despite an increase in sales of engines.

Consequently, net sales for the segment increased by 8.0% year-on-year to 84,493 million yen, and segment income increased by 36.8% year-on-year to 10,936 million yen.

#### <Other>

##### 1. Industrial machinery-related

In the aluminum wheel division, both net sales and segment income increased due to an increase in sales volume.

##### 2. Real estate leasing-related

In real estate leasing-related, net sales decreased slightly and segment income decreased.

##### 3. Electricity sales-related

In electricity sales-related, both net sales and segment income increased.

##### 4. Precision parts-related

In precision parts-related, net sales increased and segment income increased slightly.

Consequently, net sales for the segment increased by 20.9% year-on-year to 4,287 million yen, and segment income increased by 9.3% year-on-year to 477 million yen.

Based on the Corporate Philosophy “We will hone our robust creativity and superior technology, offer value that enriches society, and seek coexistence with people as we move forward without limitations.” we have been supporting the safety and security of people’s lives from both sea and land with our efforts, including securing marine logistics with our marine-use engines and electric power for permanent and emergency use with our land-use engines.

With this commitment, even in a rapidly changing external environment, we have steadily advanced the deepening of our business structure and the strengthening of our management foundation, with a view to achieving both sustainable growth and our social mission.

As for human resources, which are fundamental to corporate competitiveness, we aim for the embedding of a corporate culture that encourages autonomy and initiative among them, as well as promoting an environment where individuals with diverse backgrounds can fully demonstrate their abilities, thereby driving full-scale strategic investment in human capital.

In addition, we have also focused on promoting digital transformation (DX) to enhance operational efficiency through the utilization of AI and IoT and to expand support functions, while also addressing development of new solutions utilizing digital technologies, thereby boosting our competitiveness with both operational reform and business transformation in parallel.

In the technological development, we have been accelerating development through a company-wide, cross-functional structure, aiming for the early commercialization and market launch of engines that are compatible with next-generation fuels. Furthermore, we have also been working to ensure a stable supply of highly reliable products, focusing on strengthening our quality control system.

At the same time, we have also made efforts to strengthen our governance structure and enhance the transparency of management, aiming to build strong relationships of trust with stakeholders in Japan and overseas.

As part of a symbolic initiative for such changes, the Company has decided that its name will be changed to DAIHATSU INFINEARTH MFG. CO.,LTD. on May 2, 2025. This name is a coined term for “Infinity” and “Earth,” representing our commitment that we will pursue technological innovation and bring limitless new possibilities to the global environment.

The Group will continue to strengthen its global competitiveness, with an emphasis on environmental and social considerations in all of its business activities, to fulfill its responsibilities as a sustainable company.

## (2) Summary of Financial Position for the Fiscal Year under Review

In assets as of the end of the fiscal year under review, cash and deposits decreased by 8,095 million yen from the end of the previous fiscal year. Notes and accounts receivable - trade, and contract assets decreased by 456 million yen, while the turnover period of accounts receivable was 87.2 days (compared with 94.7 days at the end of the previous fiscal year). Inventories decreased by 729 million yen while the turnover period was 71.0 days (compared with 72.0 days at the end of the previous fiscal year). Meanwhile, property, plant and equipment increased by 3,775 million yen from the end of the previous fiscal year, along with the construction of additional facilities at the Himeji Factory to manufacture engines that are compatible with next-generation fuels and other factors. As a result, total assets as of March 31, 2025 amounted to 96,107 million yen, a decrease of 5,320 million yen compared with the end of the previous fiscal year.

In liabilities, due in part to impacts of the shortened payment period for relevant business partners under the Subcontract Act, notes and accounts payable - trade and electronically recorded obligations - operating in total decreased by 4,152 million yen from the end of the previous fiscal year while their turnover period was 59.4 days (compared with 71.5 days at the end of the previous fiscal year). Meanwhile, owing in part to refinancing of long-term working capital, borrowings in total increased by 2,032 million yen. “Other” under current liabilities increased by 1,918 million yen mainly due to an increase in advances received. In addition, accrued expenses increased by 811 million yen. As a result, total liabilities increased by 1,316 million yen from the end of the previous fiscal year to 51,901 million yen.

In net assets, retained earnings increased by 4,166 million yen compared to the end of the previous fiscal year to 49,298 million yen. Meanwhile, treasury shares were acquired for 11,124 million yen through the implementation of a tender offer. As a result, total net assets decreased by 6,636 million yen compared to the end of the previous fiscal year to 44,206 million yen. The equity ratio at the end of the fiscal year under review was 45.9% (compared with 50.1% at the end of the previous fiscal year).

### (3) Summary of Cash Flows for the Fiscal Year under Review

Changes in cash and cash equivalents (hereinafter referred to as “capital”) at the end of the fiscal year under review are as follows.

Cash flows from operating activities resulted in a cash inflow of 9,354 million yen, cash flows from investing activities resulted in a cash outflow of 6,513 million yen, and cash flows from financing activities resulted in a cash outflow of 10,797 million yen. As a result, capital decreased by 8,095 million yen (an increase of 3,295 million yen as of the end of the previous fiscal year).

#### - Cash flows from operating activities

Cash flows from operating activities resulted in a cash inflow of 9,354 million yen (a cash inflow of 4,666 million yen as of the end of the previous fiscal year) due in part to securing profit before income taxes of 7,588 million yen by recording sales primarily of marine-use internal combustion engines, recording of depreciation of 2,984 million yen, an increase in trade receivables of 456 million yen, and an increase in inventories of 729 million yen while recording a decrease in trade payables of 4,134 million yen and a decrease in income taxes paid of 1,673 million yen.

#### - Cash flows from investing activities

Cash flows from investing activities resulted in a cash outflow of 6,513 million yen (a cash inflow of 450 million yen as of the end of the previous fiscal year) due in part to purchase of property, plant and equipment of 6,326 million yen as a result of ongoing capital investment carried out with the aim of developing engines that are compatible with next-generation fuels.

#### - Cash flows from financing activities

Cash flows from financing activities resulted in a cash outflow of 10,797 million yen (a cash outflow of 2,101 million yen as of the end of the previous fiscal year) due in part to purchase of treasury shares of 11,185 million yen, repayments of long-term borrowings of 2,972 million yen, and dividends paid of 1,549 million yen despite proceeds from long-term borrowings of 5,300 million yen.

### (4) Outlook for the Future

Concerning the outlook of the Group for the next fiscal year, an overall year-on-year decrease is expected in net sales.

Regarding sales of marine-use engines, we expect the number of units of commercial-use engines to be on the same level as the previous fiscal year. By type of engines, although we expect a year-on-year decrease in the number of units of large-sized engines and dual fuel engines, that of small- and medium-sized engines is expected to increase with the continued strong performance. Consequently, the average sales price per unit is expected to decline year on year, resulting in a decrease in sales.

Sales of engines to the Ministry of Defense are expected to decrease year on year according to the shipbuilding process of the Ministry.

Maintenance-related sales remain robust. Although the maintenance for ocean-going vessels achieved a record high in the previous fiscal year against a backdrop of the depreciation of the yen, it is expected to fall short that level, due to heightened uncertainty surrounding maritime trade market conditions and a trend in foreign exchange rates.

Regarding sales of land-use engines, we expect a year-on-year decrease.

Regarding sales in the other segment, we expect sales to be on the same level as the previous fiscal year, driven

by robust sales for precision parts-related business.

The Company has been steadily executing the growth investment under the mid- to long-term vision “POWER! FOR ALL beyond 2030” formulated in November 2023.

In capital investment, the expansion of the area at the Himeji Factory is underway in preparation for the addition of assembling and commissioning processes of the engines that are compatible with next-generation fuels scheduled in 2026. At the same time, process improvements are progressing with the aim of improving productivity at the Moriyama Factory in order to respond flexibly to robust demand for engines. Furthermore, the Company has decided to relocate the precision parts production base of its subsidiary, Nippon Nozzle Seiki Co., Ltd., from Saitama Prefecture to Gunma Prefecture, and has also advanced capital investment to accommodate next-generation fuels, including ammonia, as well as to significantly enhance production efficiency.

In terms of R&D, we will continue R&D related to engines that are compatible with next-generation fuels, aiming for the completion of development for methanol dual-fuel engines in 2026 and ammonia dual-fuel engines in 2028.

In terms of DX, phased investments are also being made in information technology for operational efficiency through management of shipping components through automated identification, etc. and for human capital management. The Company has traditionally leveraged the data infrastructure of a revenue model base on the 30-year vessel lifecycle, and has advanced data management for each vessel and proposal-based sales. Going forward, we will expand the building and utilization of the integrated data platform across the entire value chain, and strive to strengthen our competitiveness and promote the servitization business.

To further accelerate such initiatives, we position the next fiscal year as a year for preparation for achieving the mid- to long-term vision and will promote growth investment as well as enhance organizational capabilities.

Moreover, the Company will change its name to DAIHATSU INFINEARTH MFG. CO.,LTD. this year. To this end, we will restructure the Group’s management structure and governance befitting the new company name.

For the six months ending September 30, 2025, the Group forecasts net sales of 38,000 million yen, operating profit of 1,700 million yen, ordinary profit of 1,700 million yen, and profit attributable to owners of parent of 1,200 million yen. For the fiscal year ending March 31, 2026, the Group forecasts net sales of 82,000 million yen, operating profit of 5,000 million yen, ordinary profit of 5,000 million yen, and profit attributable to owners of parent of 3,500 million yen.

## 2. Basic Stance Concerning Choice of Accounting Standards

Taking into consideration the comparability of consolidated financial statements among companies, the Group prepares its consolidated financial statements using Japanese GAAP.

With regard to International Financial Reporting Standards, the Group’s policy is to respond appropriately based on consideration of the situation in Japan and overseas.

### 3. Consolidated Financial Statements and Primary Notes

#### (1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	29,616	21,521
Notes and accounts receivable - trade, and contract assets	21,432	20,976
Inventories	17,636	16,907
Other	4,137	4,177
Allowance for doubtful accounts	(8)	(10)
Total current assets	72,814	63,573
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,866	8,834
Machinery, equipment and vehicles, net	6,222	5,950
Land	5,084	5,960
Construction in progress	768	3,862
Other, net	1,171	1,281
Total property, plant and equipment	22,113	25,889
Intangible assets	521	535
Investments and other assets		
Investment securities	1,351	1,472
Deferred tax assets	4,116	4,077
Other	512	562
Allowance for doubtful accounts	(3)	(2)
Total investments and other assets	5,977	6,109
Total non-current assets	28,613	32,534
<b>Total assets</b>	<b>101,428</b>	<b>96,107</b>

(Million yen)

	As of March 31, 2024	As of March 31, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	8,145	5,656
Electronically recorded obligations - operating	8,371	6,707
Short-term borrowings	6,234	3,743
Lease liabilities	89	60
Income taxes payable	1,069	1,357
Provision for bonuses	956	1,286
Provision for bonuses for directors (and other officers)	138	156
Accrued expenses	5,479	6,291
Other	4,543	6,462
Total current liabilities	35,028	31,722
Non-current liabilities		
Long-term borrowings	5,961	10,485
Lease liabilities	107	60
Provision for retirement benefits for directors (and other officers)	46	58
Retirement benefit liability	6,784	6,930
Asset retirement obligations	202	269
Other	2,453	2,374
Total non-current liabilities	15,556	20,179
<b>Total liabilities</b>	<b>50,584</b>	<b>51,901</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,434	2,434
Capital surplus	2,199	2,236
Retained earnings	45,131	49,298
Treasury shares	(93)	(11,202)
Total shareholders' equity	49,672	42,766
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	588	676
Deferred gains or losses on hedges	(88)	61
Foreign currency translation adjustment	220	223
Remeasurements of defined benefit plans	401	426
Total accumulated other comprehensive income	1,121	1,386
Non-controlling interests	49	53
<b>Total net assets</b>	<b>50,843</b>	<b>44,206</b>
<b>Total liabilities and net assets</b>	<b>101,428</b>	<b>96,107</b>

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

## Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	81,775	88,781
Cost of sales	64,766	67,879
Gross profit	17,009	20,901
Selling, general and administrative expenses		
Selling expenses	8,575	9,487
General and administrative expenses	3,238	3,780
Total selling, general and administrative expenses	11,814	13,267
Operating profit	5,194	7,634
Non-operating income		
Interest income	28	36
Dividend income	37	54
Share of profit of entities accounted for using equity method	40	-
Foreign exchange gains	90	-
Outsourcing service income	53	41
Reversal of allowance for doubtful accounts	0	0
Miscellaneous income	211	211
Total non-operating income	463	344
Non-operating expenses		
Interest expenses	78	133
Commission for purchase of treasury shares	-	60
Foreign exchange losses	-	43
Miscellaneous losses	32	136
Total non-operating expenses	111	374
Ordinary profit	5,546	7,603
Extraordinary income		
Gain on sale of non-current assets	3	0
Gain on sale of investment securities	1,012	-
National subsidies	65	23
Total extraordinary income	1,081	24
Extraordinary losses		
Loss on abandonment of non-current assets	63	39
Total extraordinary losses	63	39
Profit before income taxes	6,564	7,588
Income taxes - current	1,689	1,965
Income taxes - deferred	(279)	(97)
Total income taxes	1,410	1,867
Profit	5,154	5,720
Profit attributable to non-controlling interests	4	3
Profit attributable to owners of parent	5,149	5,717

## Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	5,154	5,720
Other comprehensive income		
Valuation difference on available-for-sale securities	243	87
Deferred gains or losses on hedges	(54)	150
Foreign currency translation adjustment	72	3
Remeasurements of defined benefit plans, net of tax	669	25
Share of other comprehensive income of entities accounted for using equity method	(143)	-
Total other comprehensive income	787	265
Comprehensive income	5,941	5,986
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,937	5,983
Comprehensive income attributable to non-controlling interests	4	3

(3) Consolidated Statements of Changes in Equity  
For the fiscal year ended March 31, 2024

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,434	2,175	40,865	(130)	45,344
Changes during period					
Dividends of surplus			(883)		(883)
Profit attributable to owners of parent			5,149		5,149
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		24		37	61
Net changes in items other than shareholders' equity					
Total changes during period	-	24	4,265	37	4,327
Balance at end of period	2,434	2,199	45,131	(93)	49,672

	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	344	(27)	284	(267)	333	45	45,724
Changes during period							
Dividends of surplus							(883)
Profit attributable to owners of parent							5,149
Purchase of treasury shares							(0)
Disposal of treasury shares							61
Net changes in items other than shareholders' equity	243	(61)	(63)	669	787	4	791
Total changes during period	243	(61)	(63)	669	787	4	5,119
Balance at end of period	588	(88)	220	401	1,121	49	50,843

For the fiscal year ended March 31, 2025

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,434	2,199	45,131	(93)	49,672
Changes during period					
Dividends of surplus			(1,550)		(1,550)
Profit attributable to owners of parent			5,717		5,717
Purchase of treasury shares				(11,124)	(11,124)
Disposal of treasury shares		36		14	51
Net changes in items other than shareholders' equity					
Total changes during period	-	36	4,166	(11,109)	(6,905)
Balance at end of period	2,434	2,236	49,298	(11,202)	42,766

	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	588	(88)	220	401	1,121	49	50,843
Changes during period							
Dividends of surplus							(1,550)
Profit attributable to owners of parent							5,717
Purchase of treasury shares							(11,124)
Disposal of treasury shares							51
Net changes in items other than shareholders' equity	87	150	3	25	265	3	269
Total changes during period	87	150	3	25	265	3	(6,636)
Balance at end of period	676	61	223	426	1,386	53	44,206

## (4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	6,564	7,588
Depreciation	2,838	2,984
Increase (decrease) in allowance for doubtful accounts	(1)	1
Increase (decrease) in provision for bonuses	165	330
Increase (decrease) in provision for bonuses for directors (and other officers)	82	18
Increase (decrease) in retirement benefit liability	243	146
Increase (decrease) in provision for retirement benefits for directors (and other officers)	0	11
Interest and dividend income	(65)	(91)
Interest expenses	78	133
Loss (gain) on sale of property, plant and equipment	(3)	(0)
Loss on abandonment of non-current assets	63	39
Loss (gain) on sale of investment securities	(1,012)	-
Decrease (increase) in trade receivables	(405)	456
Decrease (increase) in inventories	(3,088)	729
Increase (decrease) in trade payables	825	(4,134)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	(425)	416
Increase (decrease) in guarantee deposits received	1	1
Other, net	0	2,438
Subtotal	5,861	11,069
Interest and dividends received	66	91
Interest paid	(78)	(132)
Income taxes paid	(1,182)	(1,673)
Net cash provided by (used in) operating activities	4,666	9,354
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(2,425)	(6,326)
Proceeds from sale of property, plant and equipment	3	1
Purchase of intangible assets	(194)	(206)
Proceeds from sale of investment securities	2,715	-
Proceeds from withdrawal of time deposits	1,396	525
Payments into time deposits	(1,044)	(525)
Other, net	-	18
Net cash provided by (used in) investing activities	450	(6,513)

(Million yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from financing activities		
Proceeds from long-term borrowings	100	5,300
Repayments of long-term borrowings	(1,159)	(2,972)
Purchase of treasury shares	(0)	(11,185)
Dividends paid	(883)	(1,549)
Net increase (decrease) in short-term borrowings	-	(300)
Repayments of finance lease liabilities	(158)	(90)
Net cash provided by (used in) financing activities	(2,101)	(10,797)
Effect of exchange rate change on cash and cash equivalents	280	(139)
Net increase (decrease) in cash and cash equivalents	3,295	(8,095)
Cash and cash equivalents at beginning of period	25,815	29,110
Cash and cash equivalents at end of period	29,110	21,015

## (5) Notes to the Consolidated Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Changes in accounting policies)

(Application of “Accounting Standard for Current Income Taxes” and other standards)

The “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the “2022 Revised Accounting Standard”) and other standards have been applied from the beginning of the fiscal year under review.

As for the revision related to accounting category of income taxes (taxation on other comprehensive income), the Company follows the transitional treatment provided for in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment provided for in the proviso to Paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the “2022 Revised Guidance”). These changes in accounting policies do not affect the consolidated financial statements.

In addition, the 2022 Revised Guidance has been applied from the beginning of the fiscal year under review concerning the revision related to the changes in treatment in consolidated financial statements of losses or gains arising from sale of subsidiaries’ shares between consolidated companies in case they are deferred for tax purposes. These changes in accounting policies are applied retrospectively, and the consolidated financial statements for the previous fiscal year have been adjusted retrospectively. These changes in accounting policies do not affect the consolidated financial statements for the previous fiscal year.

(Segment information, etc.)

(Segment information)

### 1. Description of reportable segments

The reportable segments of the Company categorize the business composition of the Company with respect to financial information and are based on the financial reporting for performance evaluation with regard to annual business plan for each business at periodical meetings of the Board of Directors.

The Company’s main business is the manufacture and sale of internal combustion engines; it also provides products that are not related to internal combustion engines to certain affiliates, and conducts business to utilize the real estate held by the Company.

The operative conditions of internal combustion engines, which comprise the majority of the Company’s business, are significantly different between marine-use and land-use, and the Company conducts management and evaluation by categorizing production, sales, and after-sales service business activities for engines into marine-use and land-use.

As a result, the Company’s reportable segments are Marine-use engines and Land-use engines.

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

The accounting method used for reportable business segments is a method that is in compliance with the accounting principles and procedures adopted for the preparation of consolidated financial statements.

Reportable segment income figures are based on operating profit.

Assets and liabilities are not stated because they are not subject to review by the Board of Directors to determine the allocation of management resources and evaluate achievement.

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

For the fiscal year ended March 31, 2024

(Million yen)

	Reportable segment			Other (Notes)*1	Total	Adjustment (Notes)*2	Amount recorded in Consolidated Financial Statements (Notes)*3
	Marine-use engines	Land-use engines	Total				
Net sales							
(1) Net sales to outside customers	68,269	9,959	78,229	3,546	81,775	-	81,775
(2) Inter-segment net sales or transfers	-	-	-	-	-	-	-
Total	68,269	9,959	78,229	3,546	81,775	-	81,775
Segment income	6,218	1,777	7,996	437	8,433	(3,238)	5,194
Other							
Depreciation	2,105	296	2,402	344	2,746	91	2,838

(Notes) \*1 The “Other” category is a business segment that is not included in reportable segments, and includes the industrial machinery-related business, the real estate leasing-related business, the electricity sales-related business and the precision parts-related business.

\*2 The adjustment for segment income represents corporate expenses, largely consisting of selling, general and administrative expenses not attributable to the reportable segments.

\*3 Segment income is adjusted with operating profit on the Consolidated Statements of Income.

\*4 Assets are not allocated to the business segments.

For the fiscal year ended March 31, 2025

(Million yen)

	Reportable segment			Other (Notes)*1	Total	Adjustment (Notes) *2	Amount recorded in Consolidated Financial Statements (Notes)*3
	Marine-use engines	Land-use engines	Total				
Net sales							
(1) Net sales to outside customers	72,950	11,543	84,493	4,287	88,781	-	88,781
(2) Inter-segment net sales or transfers	-	-	-	-	-	-	-
Total	72,950	11,543	84,493	4,287	88,781	-	88,781
Segment income	9,223	1,712	10,936	477	11,414	(3,780)	7,634
Other							
Depreciation	2,169	322	2,491	371	2,863	120	2,984

(Notes) \*1 The “Other” category is a business segment that is not included in reportable segments, and includes the industrial machinery-related business, the real estate leasing-related business, the electricity sales-related business and the precision parts-related business.

\*2 The adjustment for segment income represents corporate expenses, largely consisting of selling, general and administrative expenses not attributable to the reportable segments.

\*3 Segment income is adjusted with operating profit on the Consolidated Statements of Income.

\*4 Assets are not allocated to the business segments.

(Related information)

For the fiscal year ended March 31, 2024

1. Information by product and service

This is omitted as similar information is disclosed in Segment information.

2. Information by geographical area

1) Net sales

(Million yen)

Japan	Asia	Latin America	Other	Total
38,169	32,910	1,941	8,755	81,775

(Note) Country and region categories are based on geographic proximity.

2) Property, plant and equipment

This is omitted as the amount of property, plant and equipment located in Japan exceeds 90% of that stated in the consolidated balance sheet.

3. Information by major customer

This is omitted as there were no external customers whose net sales account for more than 10% of net sales in the consolidated statements of income.

For the fiscal year ended March 31, 2025

1. Information by product and service

This is omitted, as similar information is disclosed in Segment information.

2. Information by geographical area

1) Net sales

(Million yen)

Japan	Asia	Latin America	Other	Total
40,986	34,662	2,442	10,688	88,781

(Note) Country and region categories are based on geographic proximity.

2) Property, plant and equipment

This is omitted as the amount of property, plant and equipment located in Japan exceeds 90% of that stated in the consolidated balance sheet.

3. Information by major customer

This is omitted as there were no external customers whose net sales account for more than 10% of net sales in the consolidated statements of income.

(Per share information)

Category	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net assets per share	1,604.88 yen	1,738.36 yen
Basic earnings per share	162.87 yen	180.92 yen

(Note) The basis for the calculation of basic earnings per share is as follows.

Category	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Basic earnings per share		
Profit attributable to owners of parent (Million yen)	5,149	5,717
Amount not attributable to shareholders of common shares (Million yen)	-	-
Profit attributable to owners of parent relating to common shares (Million yen)	5,149	5,717
Average number of shares of common shares outstanding during each fiscal year	31,619,295 shares	31,602,348 shares

(Note) Diluted earnings per share are not presented as there is no share outstanding with dilutive effect.

(Significant subsequent events)

Not applicable.

#### 4. Other

##### (1) Status of Production, Orders Received, and Sales

For the fiscal year under review (from April 1, 2024 to March 31, 2025)

##### 1) Production

Production by segment for the current fiscal year is as follows:

(Million yen)

Segment	Volume	Amount	Year-on-year change
			%
	Horsepower		
Internal combustion engines			
Marine-use engines	1,214,550	72,950	6.9
Land-use engines	73,238	11,543	15.9
Other	-	3,661	25.8
Total		88,154	8.6

(Notes)

\*1 Amounts are based on sales prices.

\*2 The figures above do not include consumption taxes.

##### 2) Orders received

Orders by segment for the current fiscal year are as follows:

(Million yen)

Segment	Orders received			Order backlogs		
	Volume	Amount	Year-on-year change	Volume	Amount	Year-on-year change
	Horsepower		%	Horsepower		%
Internal combustion engine						
Marine-use engines	1,408,583	83,324 [56,895]	25.8	1,805,967	66,605 [37,338]	18.4
Land-use engines	38,967	11,613 [213]	(1.2)	67,424	7,159 [369]	1.0
Other	-	3,920 [-]	27.0	-	1,300 [-]	24.9
Total		98,859 [57,109]	21.9		75,064 [37,707]	16.6

(Notes)

\*1 Amounts are based on sales prices.

\*2 Figures in brackets [ ] indicate export orders received and the balance of export orders outstanding, and are included in totals.

\*3 The figures above do not include consumption taxes.

##### 3) Sales results

Sales by segment for the current fiscal year are as follows:

(Million yen)

Segment	Volume	Amount	Export ratio	Year-on-year change
	Horsepower		%	%
Internal combustion engine				
Marine-use engines	1,214,550	72,950 [47,586]	65.2	6.9
Land-use engines	73,238	11,543 [208]	1.8	15.9
Other	-	4,287 [-]	-	20.9
Total		88,781 [47,794]	53.8	8.6

(Notes)

\*1 Figures in brackets [ ] indicate export volume, and are included in totals.

\*2 Major export destinations and compositions are as follows:

Asia (72.6%), Europe (19.1%), Latin America (5.1%), North America (2.3%), Others (0.9%)

\*3 The "Other" segment includes precision parts-related (2,474 million yen), industrial machinery-related (1,186 million yen) and real estate leasing-related (626 million yen).

\*4 The figures above do not include consumption taxes.

(2) Changes in Directors and Corporate Auditors (Scheduled on June 27, 2025)

1. Candidate for new Director:

Hideo Kanno

2. Candidate for new Statutory Auditor:

Koichi Kohori (currently Representative, Koichi Kohori CPA Office)

3. Retiring Director:

Tamon Tsuda (currently Director, Representative, Tsuda CPA Office)

4. Retiring Statutory Auditor:

Nobuki Nakatani (currently Statutory Auditor,  
General Manager, Accounting Division, Corporate Management Division,  
Daihatsu Motor Co., Ltd.)

(Reference)

New Management Team (Scheduled on June 27, 2025)

(Directors)

President and Representative	Yoshinobu Hotta
Director	
Vice President and Representative	Kunihiro Morimoto
Director	
Director and Senior Managing Executive Officer	Toshiki Sanaga
Director and Managing Executive Officer	Takashi Mizushina
Director and Managing Executive Officer	Yoichi Hayata
Director and Managing Executive Officer	Hideki Asada
Outside Director	Chiho Takeda (currently Partner, Miyake & Partners; currently Director, Audit and Supervisory Board Member (outside), NICHIDAI CORPORATION; currently Director (outside), Keihanshin Building Co., Ltd.)
Outside Director	Hiroaki Sato
Outside Director	Hiroyuki Sakaida (currently Vice President, Executive Officer, Strategy Advisors Co., Ltd.)
Outside Director	Hideo Kanno

(Statutory Auditors)

Standing Statutory Auditor	Atsumi Masada
Outside Statutory Auditor	Yoshihiro Matsubara (currently Director, Audit Committee Member (outside), KeePer Technical Laboratory Co., Ltd.; currently Adviser (part-time), Niterra Co., Ltd.)
Outside Statutory Auditor	Koichi Kohori (currently Representative, Koichi Kohori CPA Office)

(Executive Officers)

Managing Executive Officer	Masaki Hama
Executive Officer	Tomohiro Miyoshi
Executive Officer	Tetsuya Bando
Executive Officer	Shunji Minami
Executive Officer	Norihiko Kashimura
Executive Officer	Hideharu Nagasawa
Executive Officer	Takashi Hanamure
Executive Officer	Shuichi Shimomura
Executive Officer	Naoki Otsuji
Executive Officer	Tetsuji Yamada
Executive Officer	Keisuke Shimokawa