

# MUGEN ESTATE (3299)

Consolidated Fiscal Year (Million Yen)	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY12/2022	31,242	2,976	2,309	1,564	66.56	20.00	1,044.67
FY12/2023	51,640	5,936	5,243	3,653	155.27	63.00	1,177.77
FY12/2024CoE	60,896	6,861	6,036	3,985	168.64	68.00	-
FY12/2023	YoY	65.3%	99.4%	127.1%	133.5%	-	-
FY12/2024CoE	YoY	17.9%	15.6%	15.1%	9.1%	-	-

Source: Company Data, WRJ Calculation

## 1.0 Results Update (21 February 2024)

### Success and Surge


On 14 February 2024, MUGEN ESTATE, running operations to purchase and resell pre-owned real estate mainly in the Tokyo metropolitan area, released its FY12/2023 results. It has been revealed that operating profit doubled due mainly to the success of its focus on residential real estate (mainly purchase and resale of pre-owned condos on a unit-by-unit basis). Meanwhile, the Company, strengthening its efforts to provide proactive shareholder returns linked to business performance, has announced to raise its planned annual dividend for FY12/2023 from ¥53.00 to ¥63.00, implying payout ratio of 40.6%, at the release of the results, which is nothing but a surge, i.e., a remarkable more than threefold increase compared to the actual dividend of ¥20.00, implying payout ratio 30.0%, for FY12/2022. Meanwhile, for FY12/2024, the Company is to incrementally focus on investment-oriented real estate (mainly purchase and resale of pre-owned condos on a single building basis) in light of recent real estate market trends. The Company plans to purchase ¥44,448m (up 33.2% YoY) worth of properties for FY12/2024, while planning to purchase ¥24,947m (up 112.2%) worth of investment-oriented real estate. We are to interview with the management to obtain further details and will update our Company Report accordingly.

Company Report: [MUGEN ESTATE \(3299\) Midterm Mgt Plan to Be Met \(29 September 2023\)](#)

IR Representative: Norihito Hosokawa, Executive Officer  
Department Manager of Corporate Planning & Strategy Department  
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## 2.0 Company Profile

### Creating New Value in Real Estate

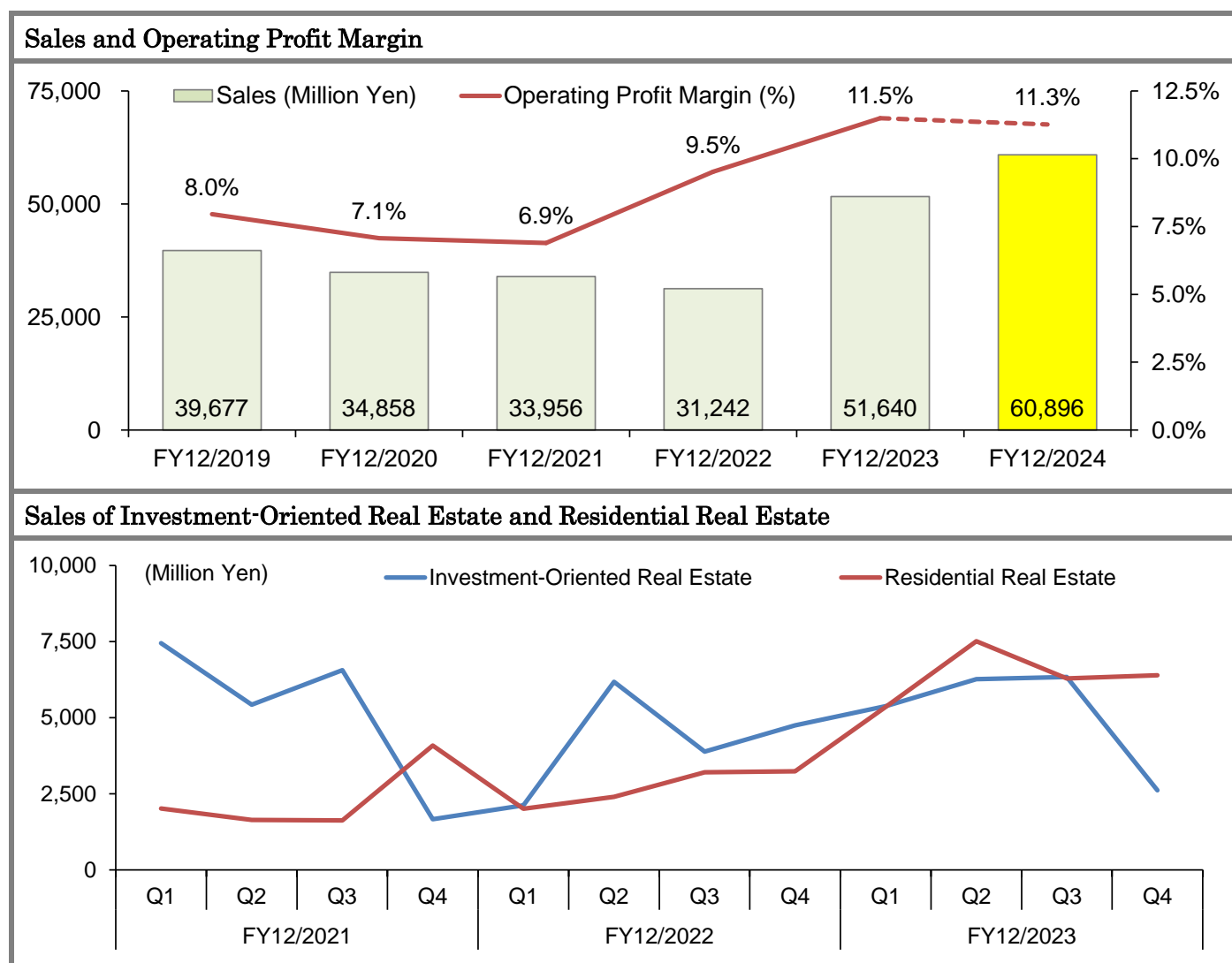
<b>Company Name</b>	MUGEN ESTATE Co., Ltd. <a href="#">Company HP</a> <a href="#">IR Information</a> <a href="#">Share Price (Japanese)</a>	 <b>MUGEN ESTATE</b>
<b>Established</b>	2 May 1990	
<b>Listing</b>	20 October 2023: Tokyo Stock Exchange Standard Market (ticker: 3299) 4 April 2022: Tokyo Stock Exchange Prime Market 5 February 2016: Tokyo Stock Exchange 1st section 18 June 2014: Tokyo Stock Exchange Mothers	
<b>Capital</b>	¥2,552m (as of the end of December 2023)	
<b>No. of Shares</b>	24,361,000 shares, including 798,325 treasury shares (as of the end of Dec. 2023)	
<b>Main Features</b>	<ul style="list-style-type: none"> <li>● Operations mainly in the Tokyo metropolitan area (Tokyo, Kanagawa, Saitama and Chiba by prefecture)</li> <li>● Solid capability to identify quality of pre-owned real estate and accumulation of knowhow</li> <li>● Purchase and resale of properties via real estate brokers</li> </ul>	
<b>Segments</b>	I . Real Estate Trading Business (mainly purchase and resale of pre-owned real estate) II . Real Estate Leasing and Other Business (mainly acquisition of income from lease)	
<b>Representatives</b>	Chairperson & Representative Director: Susumu Fujita President & Representative Director: Shinichi Fujita	
<b>Shareholders</b>	Susumu Fujita 19.3%, Shinichi Fujita 8.8%, Dream Come True Co., Ltd. 7.2%, Celanese Co., Ltd. 4.2%, Master Trust Bank of Japan, T. 3.5% (as of the end of December 2023, but for treasury shares)	
<b>Head Office</b>	Chiyoda-ku, Tokyo, JAPAN	
<b>No. of Personnel</b>	Consolidated: 363, Parent: 283 (as of the end of December 2023)	

Source: Company Data

## 3.0 Recent Trading and Prospects

### FY12/2023

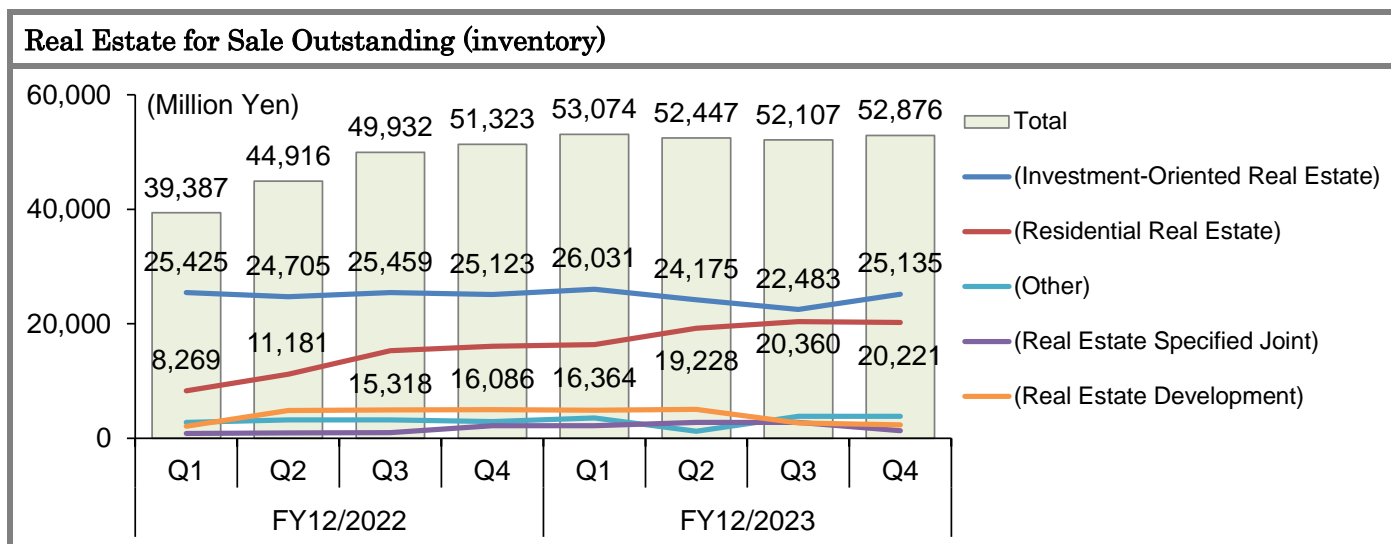
For FY12/2023, sales came in at ¥51,640m (up 65.3% YoY), operating profit ¥5,936m (up 99.4%), recurring profit ¥5,243m (up 127.1%) and profit attributable to owners of parent ¥3,653m (up 133.5%). Meanwhile, gross profit came in at ¥11,406m (up 59.5%) and SG&A expenses ¥5,469m (up 31.1%), implying gross profit margin of 22.1% (down 0.8% points) and SG&A ratio of 10.6% (down 2.8% points), having resulted in operating profit margin of 11.5% (up 2.0% points).



Source: Company Data, WRJ Calculation

### Real Estate Trading Business (95.6% of sales and 90.3% of segment profit)

On the Real Estate Trading Business side (mainly purchase and resale of pre-owned real estate), sales came in at ¥49,353m (up 70.1%), segment profit ¥7,194m (up 77.6%) and segment profit margin 14.6% (up 0.6% points). Sales of investment-oriented real estate (mainly purchase and resale of pre-owned condos on a single building basis) came in at ¥20,609m (up 21.7%) and residential real estate (mainly purchase and resale of pre-owned condos on a unit-by-unit basis) ¥25,554m (up 135.4%), while sales of real estate development ¥976m (up 428.7%), sales of real estate specified joint ¥1,919m (up 108.0%) and sales of other ¥292m (up 162.1%). In other words, sales on this side have risen ¥20,336m on a net basis, out of which residential real estate accounted for ¥14,698m, i.e., no less than 72.2% of total.



Source: Company Data, WRJ Calculation

On the Real Estate Trading Business side, the Company is making steady progress in strengthening its sales activities through aggressive hiring of new sales representatives (both new graduates and mid-career workers), while sales of high-priced properties are steadily increasing due to the favorable conditions of the real estate market. In particular, the Company's sales growth in residential real estate, which has been achieved through the establishment of new sales offices and other measures to cultivate sales in each area, has contributed most significantly to substantially increased sales and earnings for the Company as a whole, as far as we could see. Meanwhile, as of the end of FY12/2023, the Company's real estate for sale outstanding (inventory) has remained at a high level.

#### FY12/2024 Company Forecasts

FY12/2024 Company forecasts, announced on 14 February 2024, are going for prospective sales of ¥60,896m (up 17.9% YoY), operating profit of ¥6,861m (up 15.6%), recurring profit of ¥6,036m (up 15.1%) and profit attributable to owners of parent of ¥3,985m (up 9.1%), while operating profit margin of 11.3% (down 0.2% points). At the same time, Company forecasts are going for planned annual dividend of ¥68.00 per share, implying payout ratio of 40.3%.

Company forecasts assume prospective sales of ¥58,504m (up 18.5%) on the Real Estate Trading Business side and sales of ¥2,392m (up 4.6%) on the Real Estate Leasing and Other Business side (mainly acquisition of income from lease). As for the breakdown on the mainstay Real Estate Trading Business side, Company forecasts assume sales of ¥32,304m (up 56.7%) for investment-oriented real estate and sales of ¥21,800m (down 14.7%) for residential real estate, while sales of ¥2,302m (up 135.8%) for real estate development, sales of ¥1,477m (down 23.0%) for real estate specified joint and sales of ¥619m (up 111.7%) for other.

The Company has indicated that it intends to implement measures in response to the fact that demand for investment-oriented real estate located in the Tokyo metropolitan area is beginning to be quite strong amongst investors in both Japan and overseas. Especially, demand is picking up sharply from all those investors based overseas, mainly comprising those of Greater China.

# 4.0 Financial Statements

## Income Statement (Cumulative / Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1 to Q4	Net Chg.
	12/2022	12/2022	12/2022	12/2022	12/2023	12/2023	12/2023	12/2023	12/2023	
<b>Sales</b>	<b>4,715</b>	<b>14,006</b>	<b>21,709</b>	<b>31,242</b>	<b>11,627</b>	<b>26,247</b>	<b>39,993</b>	<b>51,640</b>	<b>51,640</b>	<b>+20,398</b>
Cost of Sales	3,618	10,963	16,723	24,092	8,922	20,354	30,904	40,233	40,233	+16,141
Gross Profit	1,096	3,043	4,986	7,150	2,704	5,893	9,088	11,406	11,406	+4,256
SG&A Expenses	856	1,949	3,008	4,173	1,233	2,589	3,924	5,469	5,469	+1,296
<b>Operating Profit</b>	<b>239</b>	<b>1,093</b>	<b>1,978</b>	<b>2,976</b>	<b>1,470</b>	<b>3,303</b>	<b>5,164</b>	<b>5,936</b>	<b>5,936</b>	<b>+2,960</b>
Non Operating Balance	(139)	(300)	(487)	(667)	(191)	(385)	(577)	(693)	(693)	(26)
<b>Recurring Profit</b>	<b>100</b>	<b>793</b>	<b>1,491</b>	<b>2,309</b>	<b>1,279</b>	<b>2,918</b>	<b>4,587</b>	<b>5,243</b>	<b>5,243</b>	<b>+2,934</b>
Extraordinary Balance	-	-	-	(31)	-	(1)	(21)	(21)	(21)	+10
Profit before Income Taxes	100	793	1,491	2,278	1,279	2,917	4,566	5,222	5,222	+2,944
Total Income Taxes	(8)	205	473	713	433	988	1,519	1,568	1,568	+855
<b>Profit Attributable to Owners of Parent</b>	<b>108</b>	<b>588</b>	<b>1,017</b>	<b>1,564</b>	<b>845</b>	<b>1,929</b>	<b>3,047</b>	<b>3,653</b>	<b>3,653</b>	<b>+2,089</b>
Sales YoY	(54.0%)	(21.3%)	(18.2%)	(8.0%)	+146.6%	+87.4%	+84.2%	+65.3%	+65.3%	-
Operating Profit YoY	(63.5%)	(17.1%)	+6.7%	+27.1%	+513.0%	+202.2%	+161.1%	+99.4%	+99.4%	-
Recurring Profit YoY	(80.6%)	(24.5%)	+3.4%	+30.4%	-	+267.8%	+207.5%	+127.1%	+127.1%	-
Profit Attributable to Owners of Parent YoY	(68.8%)	(20.3%)	(5.0%)	+22.6%	+676.7%	+228.1%	+199.4%	+133.5%	+133.5%	-
Gross Profit Margin	23.3%	21.7%	23.0%	22.9%	23.3%	22.5%	22.7%	22.1%	22.1%	(0.8%)
SG&A Ratio	18.2%	13.9%	13.9%	13.4%	10.6%	9.9%	9.8%	10.6%	10.6%	(2.8%)
Operating Profit Margin	5.1%	7.8%	9.1%	9.5%	12.7%	12.6%	12.9%	11.5%	11.5%	+2.0%
Recurring Profit Margin	2.1%	5.7%	6.9%	7.4%	11.0%	11.1%	11.5%	10.2%	10.2%	+2.8%
Profit Attributable to Owners of Parent Margin	2.3%	4.2%	4.7%	5.0%	7.3%	7.3%	7.6%	7.1%	7.1%	+2.1%
Total Income Taxes / Profit before Income Taxes	(8.0%)	25.9%	31.7%	31.3%	33.9%	33.9%	33.3%	30.0%	30.0%	(1.3%)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q4	Net Chg.
	12/2022	12/2022	12/2022	12/2022	12/2023	12/2023	12/2023	12/2023	12/2023	
<b>Sales</b>	<b>4,715</b>	<b>9,291</b>	<b>7,703</b>	<b>9,533</b>	<b>11,627</b>	<b>14,620</b>	<b>13,746</b>	<b>11,647</b>	<b>11,647</b>	<b>+2,114</b>
Cost of Sales	3,618	7,345	5,760	7,369	8,922	11,432	10,550	9,329	9,329	+1,960
Gross Profit	1,096	1,947	1,943	2,164	2,704	3,189	3,195	2,318	2,318	+154
SG&A Expenses	856	1,093	1,059	1,165	1,233	1,356	1,335	1,545	1,545	+380
<b>Operating Profit</b>	<b>239</b>	<b>854</b>	<b>885</b>	<b>998</b>	<b>1,470</b>	<b>1,833</b>	<b>1,861</b>	<b>772</b>	<b>772</b>	<b>(226)</b>
Non Operating Balance	(139)	(161)	(187)	(180)	(191)	(194)	(192)	(116)	(116)	+64
<b>Recurring Profit</b>	<b>100</b>	<b>693</b>	<b>698</b>	<b>818</b>	<b>1,279</b>	<b>1,639</b>	<b>1,669</b>	<b>656</b>	<b>656</b>	<b>(162)</b>
Extraordinary Balance	-	-	-	(31)	-	(1)	(20)	-	-	+31
Profit before Income Taxes	100	693	698	787	1,279	1,638	1,649	656	656	(131)
Total Income Taxes	(8)	213	268	240	433	555	531	49	49	(191)
<b>Profit Attributable to Owners of Parent</b>	<b>108</b>	<b>480</b>	<b>429</b>	<b>547</b>	<b>845</b>	<b>1,084</b>	<b>1,118</b>	<b>606</b>	<b>606</b>	<b>+59</b>
Sales YoY	(54.0%)	+23.0%	(11.9%)	+28.6%	+146.6%	+57.4%	+78.4%	+22.2%	+22.2%	-
Operating Profit YoY	(63.5%)	+29.2%	+65.4%	+104.1%	+513.0%	+114.6%	+110.3%	(22.6%)	(22.6%)	-
Recurring Profit YoY	(80.6%)	+29.8%	+78.1%	+149.4%	-	+136.5%	+139.1%	(19.8%)	(19.8%)	-
Profit Attributable to Owners of Parent YoY	(68.8%)	+23.4%	+28.4%	+166.8%	+676.7%	+125.8%	+160.6%	+10.8%	+10.8%	-
Gross Profit Margin	23.3%	21.0%	25.2%	22.7%	23.3%	21.8%	23.2%	19.9%	19.9%	(2.8%)
SG&A Ratio	18.2%	11.8%	13.7%	12.2%	10.6%	9.3%	9.7%	13.3%	13.3%	+1.0%
Operating Profit Margin	5.1%	9.2%	11.5%	10.5%	12.7%	12.5%	13.5%	6.6%	6.6%	(3.8%)
Recurring Profit Margin	2.1%	7.5%	9.1%	8.6%	11.0%	11.2%	12.1%	5.6%	5.6%	(2.9%)
Profit Attributable to Owners of Parent Margin	2.3%	5.2%	5.6%	5.7%	7.3%	7.4%	8.1%	5.2%	5.2%	(0.5%)
Total Income Taxes / Profit before Income Taxes	(8.0%)	30.7%	38.4%	30.5%	33.9%	33.9%	32.2%	7.5%	7.5%	(23.0%)

Source: Company Data, WRJ Calculation

## Segmented Information (Cumulative/Quarterly)

Segmented Information	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY	
(Million Yen)	12/2022	12/2022	12/2022	12/2022	12/2023	12/2023	12/2023	12/2023	12/2023	Net Chg.
Real Estate Trading	4,175	12,925	20,052	29,016	11,067	25,121	38,287	49,353		+20,337
Real Estate Leasing and Other	540	1,080	1,657	2,226	560	1,126	1,706	2,286		+60
<b>Sales</b>	<b>4,715</b>	<b>14,006</b>	<b>21,709</b>	<b>31,242</b>	<b>11,627</b>	<b>26,247</b>	<b>39,993</b>	<b>51,640</b>		<b>+20,398</b>
Real Estate Trading	438	1,616	2,751	4,051	1,757	4,001	6,153	7,194		+3,143
Real Estate Leasing and Other	186	362	584	780	182	374	579	771		(9)
<b>Segment Profit</b>	<b>624</b>	<b>1,978</b>	<b>3,335</b>	<b>4,831</b>	<b>1,939</b>	<b>4,375</b>	<b>6,732</b>	<b>7,965</b>		<b>+3,134</b>
Adjustment	(384)	(885)	(1,357)	(1,854)	(468)	(1,071)	(1,568)	(2,030)		(176)
<b>Operating Profit</b>	<b>239</b>	<b>1,093</b>	<b>1,978</b>	<b>2,976</b>	<b>1,470</b>	<b>3,303</b>	<b>5,164</b>	<b>5,936</b>		<b>+2,960</b>
Real Estate Trading	10.5%	12.5%	13.7%	14.0%	15.9%	15.9%	16.1%	14.6%		+0.6%
Real Estate Leasing and Other	34.4%	33.5%	35.2%	35.1%	32.5%	33.2%	33.9%	33.7%		(1.4%)
Adjustment	(8.1%)	(6.3%)	(6.3%)	(5.9%)	(4.0%)	(4.1%)	(3.9%)	(3.9%)		+2.0%
<b>Operating Profit Margin</b>	<b>5.1%</b>	<b>7.8%</b>	<b>9.1%</b>	<b>9.5%</b>	<b>12.6%</b>	<b>12.6%</b>	<b>12.9%</b>	<b>11.5%</b>		<b>+2.0%</b>

Segmented Information	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY	
(Million Yen)	12/2022	12/2022	12/2022	12/2022	12/2023	12/2023	12/2023	12/2023	12/2023	Net Chg.
Real Estate Trading	4,175	8,750	7,127	8,964	11,067	14,054	13,166	11,066		+2,102
Real Estate Leasing and Other	540	540	577	569	560	566	580	580		+11
<b>Sales</b>	<b>4,715</b>	<b>9,291</b>	<b>7,703</b>	<b>9,533</b>	<b>11,627</b>	<b>14,620</b>	<b>13,746</b>	<b>11,647</b>		<b>+2,114</b>
Real Estate Trading	438	1,178	1,135	1,300	1,757	2,244	2,152	1,041		(259)
Real Estate Leasing and Other	186	176	222	196	182	192	205	192		(4)
<b>Segment Profit</b>	<b>624</b>	<b>1,354</b>	<b>1,357</b>	<b>1,496</b>	<b>1,939</b>	<b>2,436</b>	<b>2,357</b>	<b>1,233</b>		<b>(263)</b>
Adjustment	(384)	(501)	(472)	(497)	(468)	(603)	(497)	(462)		+35
<b>Operating Profit</b>	<b>239</b>	<b>854</b>	<b>885</b>	<b>998</b>	<b>1,470</b>	<b>1,833</b>	<b>1,861</b>	<b>772</b>		<b>(226)</b>
Real Estate Trading	10.5%	13.5%	15.9%	14.5%	15.9%	16.0%	16.3%	9.4%		(5.1%)
Real Estate Leasing and Other	34.4%	32.6%	38.5%	34.4%	32.5%	33.9%	35.3%	33.1%		(1.3%)
Adjustment	(8.1%)	(5.4%)	(6.1%)	(5.2%)	(4.0%)	(4.1%)	(3.6%)	(4.0%)		+1.2%
<b>Operating Profit Margin</b>	<b>5.1%</b>	<b>9.2%</b>	<b>11.5%</b>	<b>10.5%</b>	<b>12.6%</b>	<b>12.5%</b>	<b>13.5%</b>	<b>6.6%</b>		<b>(3.8%)</b>

Source: Company Data, WRJ Calculation

## Balance Sheet (Quarterly)

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 12/2022	Q2 12/2022	Q3 12/2022	Q4 12/2022	Q1 12/2023	Q2 12/2023	Q3 12/2023	Q4 12/2023		
Cash and Deposit	14,539	17,836	16,651	17,754	18,033	18,450	20,803	20,420	+2,666	
Accounts Receivables	27	23	32	23	44	39	65	35	+12	
Real Estate for Sale	39,206	44,759	49,739	51,116	52,874	52,234	51,898	52,644	+1,528	
Real Estate for Sale in Process	479	438	498	517	553	644	342	477	(40)	
Other	731	642	629	764	760	539	440	613	(151)	
<b>Current Assets</b>	<b>54,982</b>	<b>63,698</b>	<b>67,549</b>	<b>70,174</b>	<b>72,264</b>	<b>71,906</b>	<b>73,548</b>	<b>74,189</b>	<b>+4,015</b>	
Tangible Assets	7,596	7,604	7,569	6,430	6,397	6,373	6,346	5,156	(1,274)	
Intangible Assets	91	92	89	84	82	80	79	81	(3)	
Investments and Other Assets	715	624	679	698	720	738	810	880	+182	
<b>Fixed Assets</b>	<b>8,403</b>	<b>8,320</b>	<b>8,338</b>	<b>7,213</b>	<b>7,201</b>	<b>7,192</b>	<b>7,236</b>	<b>6,119</b>	<b>(1,094)</b>	
<b>Deferred Assets</b>	<b>43</b>	<b>66</b>	<b>62</b>	<b>60</b>	<b>54</b>	<b>49</b>	<b>55</b>	<b>53</b>	<b>(7)</b>	
<b>Total Assets</b>	<b>63,429</b>	<b>72,086</b>	<b>75,950</b>	<b>77,448</b>	<b>79,520</b>	<b>79,148</b>	<b>80,840</b>	<b>80,362</b>	<b>+2,914</b>	
Accounts Payables	436	472	583	495	472	625	499	466	(29)	
Short Term Debt	5,793	6,120	6,005	6,023	9,091	9,745	8,980	9,153	+3,130	
Current Portion of Bonds Payable	865	1,007	3,052	3,091	3,068	3,095	980	1,041	(2,050)	
Current Portion of Long-term Debt	3,882	4,791	6,806	6,520	5,926	3,589	4,718	5,407	(1,113)	
Other	1,342	1,503	1,792	2,372	2,291	3,197	3,552	3,417	+1,045	
<b>Current Liabilities</b>	<b>12,318</b>	<b>13,893</b>	<b>18,238</b>	<b>18,501</b>	<b>20,848</b>	<b>20,251</b>	<b>18,729</b>	<b>19,484</b>	<b>+983</b>	
Bonds Payable	3,436	6,861	4,637	4,623	4,467	4,315	6,101	6,150	+1,527	
Long Term Debt	23,870	27,072	28,384	29,049	28,538	27,769	28,088	25,894	(3,155)	
Other	649	631	633	670	686	693	684	990	+320	
<b>Fixed Liabilities</b>	<b>27,955</b>	<b>34,564</b>	<b>33,654</b>	<b>34,342</b>	<b>33,691</b>	<b>32,777</b>	<b>34,873</b>	<b>33,034</b>	<b>(1,308)</b>	
<b>Total Liabilities</b>	<b>40,273</b>	<b>48,458</b>	<b>51,893</b>	<b>52,843</b>	<b>54,540</b>	<b>53,028</b>	<b>53,603</b>	<b>52,518</b>	<b>(325)</b>	
<b>Shareholders' Equity</b>	<b>23,063</b>	<b>23,535</b>	<b>23,964</b>	<b>24,511</b>	<b>24,887</b>	<b>26,027</b>	<b>27,144</b>	<b>27,751</b>	<b>+3,240</b>	
Other	93	92	93	93	93	93	93	93	0	
<b>Net Assets</b>	<b>23,156</b>	<b>23,627</b>	<b>24,057</b>	<b>24,604</b>	<b>24,980</b>	<b>26,120</b>	<b>27,237</b>	<b>27,844</b>	<b>+3,240</b>	
<b>Total Liabilities &amp; Net Assets</b>	<b>63,429</b>	<b>72,086</b>	<b>75,950</b>	<b>77,448</b>	<b>79,520</b>	<b>79,148</b>	<b>80,840</b>	<b>80,362</b>	<b>+2,914</b>	
Equity Capital	23,063	23,535	23,964	24,511	24,887	26,027	27,144	27,751	+3,240	
Interest Bearing Debt	37,846	45,851	48,884	49,306	51,090	48,513	48,867	47,645	(1,661)	
Net Debt	23,307	28,015	32,233	31,552	33,057	30,063	28,064	27,225	(4,327)	
Equity Ratio	36.4%	32.6%	31.6%	31.6%	31.3%	32.9%	33.6%	34.5%	-	
Net Debt Equity Ratio	101.1%	119.0%	134.5%	128.7%	132.8%	115.5%	103.4%	98.1%	-	
ROE (12 months)	4.5%	4.8%	5.2%	6.5%	9.6%	11.7%	14.1%	14.0%	-	
ROA (12 months)	2.2%	2.3%	2.6%	3.3%	4.9%	5.9%	6.9%	6.6%	-	
Days for Inventory Turnover	1,000	561	795	639	546	422	451	519	-	
Quick Ratio	118%	129%	91%	96%	87%	91%	111%	105%	-	
Current Ratio	446%	458%	370%	379%	347%	355%	393%	381%	-	

Source: Company Data, WRJ Calculation

## Cash Flow Statement (Cumulative)

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 12/2022	Q1 to Q2 12/2022	Q1 to Q3 12/2022	Q1 to Q4 12/2022	Q1 12/2023	Q1 to Q2 12/2023	Q1 to Q3 12/2023	Q1 to Q4 12/2023		
Operating Cash Flow	-	(8,042)	-	(11,491)	-	2,006	-	5,374	+16,865	
Investing Cash Flow	-	(185)	-	(157)	-	(128)	-	(498)	(341)	
<b>Operating Cash Flow and Investing Cash Flow</b>	<b>-</b>	<b>(8,227)</b>	<b>-</b>	<b>(11,648)</b>	<b>-</b>	<b>1,878</b>	<b>-</b>	<b>4,876</b>	<b>+16,524</b>	
Financing Cash Flow	-	8,399	-	11,847	-	(1,266)	-	(2,153)	(14,000)	

Source: Company Data, WRJ Calculation

**Disclaimer**

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

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