

Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 [Japanese GAAP]



May 15, 2025

Company name: Vega corporation Co., Ltd.
Stock exchange listing: Tokyo Stock Exchange
Code number: 3542

URL: <https://www.vega-c.com/en/ir>

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Scheduled date of Annual General Meeting of Shareholders: June 26, 2025

Scheduled date of commencing dividend payments: June 27, 2025

Scheduled date of filing annual securities report: June 27, 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. Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024, to March 31, 2025)

(1) 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	15,935	(0.8)	926	20.1	938	18.7	591	50.0
March 31, 2024	16,063	(5.4)	771	128.1	790	116.7	394	227.4

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets	Operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	57.23	57.16	10.3	12.3	5.8
March 31, 2024	37.82	37.79	7.3	11.0	4.8

(Reference) Equity in earnings (losses) of associates: Fiscal year ended March 31, 2025 ¥- million
Fiscal year ended March 31, 2024 ¥- million

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2025	8,073	5,958	73.8	579.51
As of March 31, 2024	7,209	5,566	77.2	538.56

(Reference) Equity: As of March 31, 2025: 5,958 million yen
As of March 31, 2024: 5,566 million yen

(3) 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	Million yen	Million yen	Million yen	Million yen
March 31, 2025	715	(466)	(165)	1,922
March 31, 2024	264	(189)	(234)	1,839

2. Dividends

	Annual dividends					Total dividends	Payout ratio	Dividends to net assets
	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	—	10.00	10.00	104	26.4	1.9
March 31, 2025	—	0.00	—	11.00	11.00	114	19.2	2.0
Fiscal year ending March 31, 2026 (forecast)	—	0.00	—	12.00	12.00		18.7	

3. 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		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending September 30, 2025	8,000	12.3	400	35.6	400	33.8	240	25.6	23.34
Full year	17,500	9.8	1,100	18.7	1,100	17.3	660	11.5	64.19

*Notes:

(1) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards : No

2) Changes in accounting policies other than 1) above : No

3) Changes in accounting estimates : No

4) Retrospective restatement : No

(2) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

As of March 31, 2025: 10,692,600 shares

As of March 31, 2024: 10,669,000 shares

2) Total number of treasury shares at the end of the period:

As of March 31, 2025: 410,020 shares

As of March 31, 2024: 332,974 shares

3) Average number of shares during the period:

Fiscal year ended March 31, 2025: 10,339,172 shares

Fiscal year ended March 31, 2024: 10,426,803 shares

(Note) The number of treasury shares deducted for the purpose of calculating the total number of treasury shares at the end of the period and average number of shares during the period include the Company's shares held by Custody Bank of Japan, Ltd. (trust account E) as a trust asset under the Employee Stock Ownership Plan (JESOP).

Total number of treasury shares at the end of the period

(As of March 31, 2025: 109,750 shares; March 31, 2024: 132,750 shares)

Average number of shares during the period

(Fiscal year ended March 31, 2025: 118,402 shares; fiscal year ended March 31, 2024: 138,215 shares)

* These financial results are outside the scope of audit by certified public accountants and audit firms

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

The earnings forecasts and other forward-looking statements herein are based on information available to the Company and certain assumptions deemed reasonable as at the date of publication of this document. Actual results may differ significantly from these forecasts due to various factors. For preconditions for the financial results forecast and notes on the use thereof, etc., please refer to "1. Overview of Business Results, etc. (4) Future Outlook" on page 4 of the Appendix.

(Method of obtaining supplementary briefing materials)

Supplementary briefing materials on financial results are provided on TDnet on May 15, 2025.

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1. Overview of Business Results, etc.

(1) Overview of Business Results for the Period Under Review

During the fiscal year ended March 31, 2025, the Japanese economy showed a gradual recovery trend against the backdrop of an improved employment and income environment due to wage hikes and an increase in inbound demand. However, there is an ongoing need to keep a close eye on economic trends both in and outside of Japan, with growing concerns regarding sharp fluctuations in exchange rates caused by domestic and U.S. monetary policies as well as U.S. policy trends, soaring raw material and energy prices, and the weakening of consumer sentiment due to rising prices.

In the furniture and interior industry, the business environment continues to be challenging due to intensifying competition taking place across business categories in addition to increased raw material prices and logistics costs. Meanwhile, the scale of the sundries, furniture and interior B to C-EC market, to which the Company belongs, expanded strongly to ¥2,472.1 billion in 2023, up 5.0% year on year (source: FY2023 Digital Business Environment Improvement Project, E-Commerce Market Survey; Ministry of Economy, Trade and Industry, September 2024). The rate of e-commerce usage in the furniture and interior industry remains low compared with other industries, and further market expansion is expected, with ample room for a further shift to e-commerce.

Under such a business environment, in its Furniture E-Commerce business, the Company aggressively develops actual stores to expand touch points with customers for establishing an OMO-type direct-to-consumer (D2C) business. The Company also works on expanding distribution through its LOWYA flagship store (the Company's website) and major e-commerce marketplace stores. At the LOWYA flagship store, identified as a core pillar of growth, the Company worked on expanding distribution and improving brand recognition by strengthening its social media presence, as well as encouraging membership through mobile app downloads. Access count and distribution declined as we continued to curb sales promotion expenses and advertising expenses as profitability improvement efforts since the previous fiscal year. However, we were able to build a profitable and efficient sales structure. In terms of product lineup, the Company continued its effort to expand product categories, launch new products, and develop hit products and high-profit-margin products, under its own private brands, which is an initiative it has been working on for some time.

Regarding actual store development, the Company has gradually seen a positive impact on its LOWYA flagship store from stores already opened, and will continue verifying the establishment of an OMO-type D2C business. The Company had planned to open four to six new stores in the current fiscal year and opened five stores in Yokohama City, Kanagawa Prefecture in August 2024; in Setagaya Ward, Tokyo in September 2024; in Aki District, Hiroshima Prefecture in October 2024, and in Ibaraki City, Osaka Prefecture and Shizuoka City, Shizuoka Prefecture in November 2024. Including the actual stores opened in the previous fiscal year, the number of stores at the end of the current fiscal year was eight in total. We have decided to open new stores in Anjo City, Aichi Prefecture in April 2025, in Musashimurayama City, Tokyo in June 2025, and in Kasuya District, Fukuoka Prefecture in winter 2025. We will continue to actively engage in the development of actual stores to expand touch points with our customers.

As for profit, the Company implemented stable cost ratio control by implementing forward exchange contracts and other measures, although the trend of yen depreciation continued. In addition, profit increased significantly compared with the same period of the previous fiscal year. This resulted from efforts to control personnel expenses and fixed costs, centered on optimizing advertising costs through profit improvement initiatives that have been ongoing since the previous fiscal year.

In the new International EC Platform DOKODEMO business, total distribution volume has decreased due to continued changes in inbound consumption and the impact of optimization of advertising costs. However, as a result of initiatives such as helping store owners to enhance their product lineup and carrying out marketing measures, the number of members and app downloads is steadily increasing, and we will continue our efforts to expand the total distribution volume.

As a result of the above initiatives, the Company's business results for the fiscal year ended March 31, 2025, were ¥15,935 million in net sales (down 0.8% year on year), ¥926 million in operating profit (up 20.1% year on year), ¥938 million in ordinary profit (up 18.7% year on year) and ¥591 million in profit (up 50.0% year on year).

(2) Overview of Financial Position for the Period Under Review

Total assets as of the end of the fiscal year under review grew ¥863 million to ¥8,073 million (¥7,209 million as of the end of the previous fiscal year). Current assets rose ¥458 million to ¥6,611 million (¥6,153 million as of the end of the previous fiscal year). This was mainly due to increases of ¥277 million in accounts receivable - trade, and ¥202 million in merchandise. Non-current assets were up ¥405 million to ¥1,462 million (¥1,056 million as of the end of the previous fiscal year). This was mainly due to increases of ¥239 million in buildings, and ¥137 million in leasehold and guarantee deposits.

Liabilities grew ¥471 million to ¥2,114 million (¥1,643 million as of the end of the previous fiscal year). Current liabilities increased ¥413 million to ¥2,000 million (¥1,586 million as of the end of the previous fiscal year). This was mainly due to increases of ¥131 million in accounts payable - trade, ¥119 million in accrued expenses, and ¥97 million in accrued consumption taxes. Non-current liabilities were up ¥58 million to ¥114 million (¥56 million as of the end of the previous fiscal year).

Net assets grew ¥392 million to ¥5,958 million (¥5,566 million as of the end of the previous fiscal year). This was mainly attributable to the recording of profit of ¥591 million.

(3) Overview of Cash Flows for the Period Under Review

Cash and cash equivalents (hereinafter referred to as “cash”) at the end of the fiscal year under review amounted to ¥1,922 million, an increase of ¥83 million compared with the previous fiscal year as a result of an inflow of ¥715 million from operating activities, an outflow of ¥466 million from investing activities, and an outflow of ¥165 million from financing activities. A summary of each category of cash flows and main causes of changes are presented as follows.

(Cash flows from operating activities)

Cash provided by operating activities during the fiscal year under review was ¥715 million (an inflow of ¥264 million during the previous fiscal year).

This was mainly attributable to a decline in cash due to an increase in trade receivables of ¥277 million and an increase in inventories of ¥202 million, and the recording of profit before income taxes of ¥938 million and depreciation of ¥206 million.

(Cash flows from investing activities)

Cash used in investing activities during the fiscal year under review was ¥466 million (an outflow of ¥189 million during the previous fiscal year).

This was mainly attributable to a decline in cash due to outflows of ¥298 million for the purchase of property, plant and equipment and ¥154 million for the payments of leasehold and guarantee deposits.

As a result, free cash flow (total amount of cash flows from operating activities and cash flows from investing activities) was positive ¥248 million (positive ¥74 million for the previous fiscal year).

(Cash flows from financing activities)

Cash used in financing activities during the fiscal year under review was ¥165 million (an outflow of ¥234 million during the previous fiscal year).

This was mainly attributable to a decline in cash due to an outflow of ¥73 million due to the purchase of treasury shares and dividends paid of ¥104 million.

(4) Future Outlook

The outlook in the environment surrounding the Company is expected to remain uncertain due to changes in economic and consumption trends, including a risk of cooling personal consumption in response to significant price rises, rising costs following the depreciation of the yen, and soaring delivery expenses on the back of logistics issues in 2024.

Amid this business environment, the Company will strive to deliver its unique and new standards, and pursue service innovation, underpinned by its vision of “Infinite possibilities for EC.” The Company will continue to provide customers with new value and service excellence in its key business, the Furniture E-Commerce business, involving furniture and interiors, as well as in one other new business, the International EC Platform business.

In the Furniture E-Commerce business, we at the Company will work to thoroughly enhance customer experience (CX) to build opportunities for encounters, and to meet the needs of our customers, then focus on building an OMO-type D2C business. More specifically, the Company will (1) strengthen its points of contact with customers by developing actual stores (channels) to build touch points with customers that could not be reached online alone, (2) expand product categories to increase the share of LOWYA products in the living space, and (3) increase the number of fans and improve customer satisfaction (engagement) through SNS and community-focused measures, and strengthen infrastructure such as logistics, IT systems, and human resources to support the implementation of these measures.

As for sales for the fiscal year ending March 31, 2026, we will expand our channels with a goal of opening at least five new actual stores. We will also continue our efforts to operate our business efficiently by optimizing advertising costs, which we have been working on since the fiscal year ended March 31, 2024, and will continue to aim for sales growth, with a focus on the flagship store and stores in major e-commerce marketplaces, including the impact from opening actual stores. Regarding product lineups, in our own private brands, we will continue to expand categories and the number of products, and develop high-profit-margin products. Regarding costs, we face the challenge of dealing with rising costs due to high resource prices and the weak yen, as well as soaring delivery costs. We will continue our efforts to optimize advertising costs and improve logistics efficiency to optimize cost control and conduct efficient management. In addition, there will be a time when upfront investment is required to promote various measures, such as channel enhancement measures by opening new actual stores, product enhancement, and engagement enhancement. By boosting the sales growth rate with OMO-type D2C business through expanding actual stores, etc., in the medium term, we aim to maximize free cash flow over the long term.

In the International EC Platform business, transaction value from repeat users, mainly in Taiwan, remains strong, and the GMV remains stable by maintaining a certain level of upfront investment. We will continue to acquire new members by having efficient business operations with optimized advertising costs and greater product genres handled, and take measures to increase GMV. At the same time, we will focus on fortifying our earnings structure.

Under these policies, the forecast for the fiscal year ending March 31, 2026, is as follows.

(Million yen, unless otherwise specified)

	Fiscal year ending March 31, 2026 Forecast	Fiscal year ended March 31, 2025 Result	Change (%)
Net sales	17,500	15,935	9.8
Operating profit	1,100	926	18.7
Ordinary profit	1,100	938	17.3
Profit	660	591	11.5
Basic earnings per share (yen)	64.19	57.23	—

2. Basic Stance Concerning Choice of Accounting Standards

Taking into consideration the fact that the Company is currently developing businesses with its operational base in Japan, the Company’s policy is to prepare financial statements in accordance with Japanese GAAP for the time being.

With regard to the application of International Financial Reporting Standards (IFRS), the Company will consider whether to apply them by taking into account its future business development and the situation in Japan and overseas.

3. Financial Statements and Primary Notes

(1) Balance Sheets

(Thousand yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	1,750,184	1,835,809
Accounts receivable - trade	1,739,849	2,016,942
Merchandise	2,110,508	2,312,560
Advance payments to suppliers	124,944	139,515
Prepaid expenses	143,768	143,958
Consumption taxes refund receivable	69,149	—
Forward exchange contracts	94,614	—
Other	120,073	162,575
Total current assets	6,153,093	6,611,361
Non-current assets		
Property, plant and equipment		
Buildings, net	113,368	353,141
Vehicles, net	5,466	4,784
Tools, furniture and fixtures, net	115,075	101,116
Construction in progress	288	35,358
Total property, plant and equipment	234,199	494,401
Intangible assets		
Software	261,438	181,376
Software in progress	—	20
Trademark right	22,993	18,181
Other	75	75
Total intangible assets	284,507	199,654
Investments and other assets		
Investment securities	91,703	93,663
Long-term loans receivable from employees	85	—
Long-term prepaid expenses	8,696	10,737
Deferred tax assets	186,921	275,903
Leasehold and guarantee deposits	250,498	387,796
Other	3,226	3,226
Allowance for doubtful accounts	(3,200)	(3,200)
Total investments and other assets	537,930	768,128
Total non-current assets	1,056,637	1,462,183
Total assets	7,209,731	8,073,545

(Thousand yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	242,433	373,720
Accounts payable - other	787,139	823,125
Accrued expenses	58,763	178,355
Income taxes payable	264,602	285,483
Accrued consumption taxes	—	97,248
Contract liabilities	80,240	56,013
Refund liabilities	9,527	11,235
Forward exchange contracts	—	1,172
Deposits received	33,956	20,359
Provision for bonuses	101,112	141,112
Provision for product warranties	6,337	6,337
Other	2,638	6,134
Total current liabilities	1,586,752	2,000,299
Non-current liabilities		
Provision for share awards	56,349	47,025
Asset retirement obligations	—	67,377
Total non-current liabilities	56,349	114,403
Total liabilities	1,643,101	2,114,702
Net assets		
Shareholders' equity		
Share capital	1,037,128	1,043,559
Capital surplus		
Legal capital surplus	997,128	1,003,559
Other capital surplus	23,625	23,625
Total capital surplus	1,020,753	1,027,184
Retained earnings		
Other retained earnings		
Retained earnings brought forward	3,747,515	4,234,497
Total retained earnings	3,747,515	4,234,497
Treasury shares	(319,237)	(359,715)
Total shareholders' equity	5,486,159	5,945,525
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	14,694	14,131
Deferred gains or losses on hedges	65,757	(814)
Total valuation and translation adjustments	80,451	13,317
Share acquisition rights	18	—
Total net assets	5,566,629	5,958,842
Total liabilities and net assets	7,209,731	8,073,545

(2) Statements of Income

(Thousand yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	16,063,441	15,935,215
Cost of sales		
Beginning merchandise inventory	1,819,594	2,110,508
Cost of purchased goods	8,358,749	7,974,247
Total	10,178,344	10,084,755
Ending merchandise inventory	2,110,508	2,312,560
Cost of goods sold	8,067,835	7,772,195
Gross profit	7,995,605	8,163,019
Selling, general and administrative expenses	7,223,815	7,236,424
Operating profit	771,789	926,595
Non-operating income		
Foreign exchange gains	128	1,750
Compensation income	7,074	7,330
Consumption tax difference	-	1,861
Other	12,425	5,264
Total non-operating income	19,628	16,208
Non-operating expenses		
Loss on investments in investment partnerships	989	1,634
Loss on sale of goods	—	3,026
Other	175	54
Total non-operating expenses	1,165	4,715
Ordinary profit	790,253	938,088
Extraordinary income		
Gain on sale of non-current assets	76	—
Total extraordinary income	76	—
Extraordinary losses		
Loss on valuation of investment securities	110,003	—
Total extraordinary losses	110,003	—
Profit before income taxes	680,326	938,088
Income taxes - current	305,393	405,939
Income taxes - deferred	(19,425)	(59,520)
Total income taxes	285,968	346,418
Profit	394,358	591,669

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

(Thousand yen)

	Shareholders' equity			
	Share capital	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of period	1,030,551	990,551	23,625	1,014,176
Changes during period				
Issuance of new shares - exercise of share acquisition rights	6,576	6,576		6,576
Dividends of surplus				
Profit				
Purchase of treasury shares				
Disposal of treasury shares by stock payment trust				
Net changes in items other than shareholders' equity				
Total changes during period	6,576	6,576	—	6,576
Balance at end of period	1,037,128	997,128	23,625	1,020,753

	Shareholders' equity			
	Retained earnings		Treasury shares	Total shareholders' equity
	Other retained earnings	Total retained earnings		
	Retained earnings brought forward			
Balance at beginning of period	3,459,597	3,459,597	(196,233)	5,308,091
Changes during period				
Issuance of new shares - exercise of share acquisition rights				13,153
Dividends of surplus	(106,439)	(106,439)		(106,439)
Profit	394,358	394,358		394,358
Purchase of treasury shares			(141,704)	(141,704)
Disposal of treasury shares by stock payment trust			18,700	18,700
Net changes in items other than shareholders' equity				
Total changes during period	287,918	287,918	(123,004)	178,067
Balance at end of period	3,747,515	3,747,515	(319,237)	5,486,159

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at beginning of period	14,202	(17,919)	(3,716)	18	5,304,393
Changes during period					
Issuance of new shares - exercise of share acquisition rights					13,153
Dividends of surplus					(106,439)
Profit					394,358
Purchase of treasury shares					(141,704)
Disposal of treasury shares by stock payment trust					18,700
Net changes in items other than shareholders' equity	492	83,676	84,168	(0)	84,168
Total changes during period	492	83,676	84,168	(0)	262,235
Balance at end of period	14,694	65,757	80,451	18	5,566,629

For the fiscal year ended March 31, 2025

(Thousand yen)

	Shareholders' equity			
	Share capital	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of period	1,037,128	997,128	23,625	1,020,753
Changes during period				
Issuance of new shares - exercise of share acquisition rights	6,431	6,431		6,431
Dividends of surplus				
Profit				
Purchase of treasury shares				
Disposal of treasury shares by stock payment trust				
Net changes in items other than shareholders' equity				
Total changes during period	6,431	6,431	—	6,431
Balance at end of period	1,043,559	1,003,559	23,625	1,027,184

	Shareholders' equity			
	Retained earnings		Treasury shares	Total shareholders' equity
	Other retained earnings	Total retained earnings		
	Retained earnings brought forward			
Balance at beginning of period	3,747,515	3,747,515	(319,237)	5,486,159
Changes during period				
Issuance of new shares - exercise of share acquisition rights				12,862
Dividends of surplus	(104,687)	(104,687)		(104,687)
Profit	591,669	591,669		591,669
Purchase of treasury shares			(73,801)	(73,801)
Disposal of treasury shares by stock payment trust			33,324	33,324
Net changes in items other than shareholders' equity				
Total changes during period	486,981	486,981	(40,477)	459,366
Balance at end of period	4,234,497	4,234,497	(359,715)	5,945,525

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at beginning of period	14,694	65,757	80,451	18	5,566,629
Changes during period					
Issuance of new shares - exercise of share acquisition rights					12,862
Dividends of surplus					(104,687)
Profit					591,669
Purchase of treasury shares					(73,801)
Disposal of treasury shares by stock payment trust					33,324
Net changes in items other than shareholders' equity	(562)	(66,571)	(67,134)	(18)	(67,152)
Total changes during period	(562)	(66,571)	(67,134)	(18)	392,213
Balance at end of period	14,131	(814)	13,317	—	5,958,842

(4) Statements of Cash Flows

(Thousand yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	680,326	938,088
Depreciation	153,357	206,005
Increase (decrease) in provision for bonuses	20,002	40,000
Increase (decrease) in provision for product warranties	(406)	—
Increase (decrease) in provision for share awards	24,000	24,000
Interest and dividend income	(28)	(1,175)
Loss (gain) on investments in investment partnerships	989	1,634
Compensation income	(7,074)	(7,330)
Foreign exchange losses (gains)	(1)	(0)
Loss on valuation of investment securities	110,003	—
Decrease (increase) in trade receivables	75,759	(277,092)
Decrease (increase) in inventories	(290,914)	(202,051)
Increase (decrease) in trade payables	(26,033)	131,287
Loss (gain) on sale of non-current assets	(76)	—
Increase (decrease) in accounts payable - other	(163,957)	29,310
Other	(239,371)	210,049
Subtotal	336,574	1,092,724
Interest and dividends received	4,534	4,150
Proceeds from compensation	7,878	7,808
Income taxes paid	(92,991)	(389,109)
Income taxes refund	8,008	—
Net cash provided by (used in) operating activities	264,004	715,573
Cash flows from investing activities		
Purchase of property, plant and equipment	(74,620)	(298,863)
Proceeds from sale of property, plant and equipment	—	3,643
Purchase of intangible assets	(83,297)	(14,958)
Purchase of investment securities	(13,500)	(6,000)
Payments of leasehold and guarantee deposits	(18,536)	(154,806)
Proceeds for lease and guarantee deposits	540	3,977
Loan advances to employees	(668)	(360)
Proceeds from collection of loans receivable from employees	467	759
Net cash provided by (used in) investing activities	(189,615)	(466,607)
Cash flows from financing activities		
Purchase of treasury shares	(141,704)	(73,801)
Dividends paid	(106,308)	(104,894)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	13,152	12,843
Net cash provided by (used in) financing activities	(234,860)	(165,852)
Effect of exchange rate change on cash and cash equivalents	1	0
Net increase (decrease) in cash and cash equivalents	(160,470)	83,114
Cash and cash equivalents at beginning of period	2,000,052	1,839,582
Cash and cash equivalents at end of period	1,839,582	1,922,697

(5) Notes to the Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Notes to revenue recognition)

The Company has a single e-commerce business segment, and the following information breaks down the revenue generated from contracts with major customers into service categories.

Fiscal year ended March 31, 2024 (April 1, 2023, to March 31, 2024)

(Thousand yen)

Service category	Reportable segment
	E-commerce business
OMO-type D2C* business	15,647,128
Platform business	416,313
Revenue generated from customer contracts	16,063,441
Other revenue	—
Net sales to external customers	16,063,441

* OMO: Online Merges with Offline.

D2C (Direct to Consumer) is a format of business that involves direct sales exclusively online.

Fiscal year ended March 31, 2025 (April 1, 2024, to March 31, 2025)

(Thousand yen)

Service category	Reportable segment
	E-commerce business
OMO-type D2C* business	15,588,913
Platform business	346,302
Revenue generated from customer contracts	15,935,215
Other revenue	—
Net sales to external customers	15,935,215

* OMO: Online Merges with Offline.

D2C (Direct to Consumer) is a format of business that involves direct sales exclusively online.

(Segment information, etc.)

(Segment information)

Description is omitted as the Company engages in the single segment of the e-commerce business.

(Equity in earnings (losses) of associates, etc.)

There is no relevant information.

(Per share information)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net assets per share	¥538.56	¥579.51
Basic earnings per share	¥37.82	¥57.23
Diluted earnings per share	¥37.79	¥57.16

(Notes) 1. For the purpose of calculating net assets per share, basic earnings per share, and diluted earnings per share for the fiscal year ended March 31, 2024, and the fiscal year ended March 31, 2025, the Company's shares held by Custody Bank of Japan, Ltd. (trust account E) as a trust asset under the Employee Stock Ownership Plan (J-ESOP) are included in the number of treasury shares deducted in the calculation of the number of common shares at the end of the period and the average number of shares during the period.

2. The basis for the calculation of net assets per share

(Thousand yen, unless otherwise specified)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net assets	5,566,629	5,958,842
Amount excluded from net assets	18	—
Year-end net assets attributable to common shares	5,566,610	5,958,842
Number of common shares at the year-end used to calculate net assets per share (shares)	10,336,026	10,282,580

3. The basis for the calculation of basic earnings per share and diluted earnings per share

(Thousand yen, unless otherwise specified)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Basic earnings per share		
Profit	394,358	591,669
Amount not attributable to common shareholders	—	—
Profit relating to common shares	394,358	591,669
Average number of common shares outstanding during the period (shares)	10,426,803	10,339,172
Diluted earnings per share		
Adjustment for profit	37.79	57.16
Increase in the number of common shares (shares)	8,244	11,701
Overview of residual shares not included in the calculation of diluted earnings per share due to not having a dilutive effect	Two types of share acquisition rights (number of share acquisition rights: 394)	One type of share acquisition right (number of share acquisition rights: 212)

(Significant subsequent events)

There is no relevant information.