



June 26, 2024

Company name: DKK Co., Ltd.  
Representative: Tadatoshi Kondo, President & Representative Director  
(Securities code: 6706, Tokyo Stock Exchange Prime Market)  
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(Recorrection/numerical data recorrection) Partial correction to the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Under Japanese GAAP)”

We found errors in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Under Japanese GAAP)” announced May 10, 2024 and corrected May 30, 2024. As such, we are announcing the following corrections. As some numerical data (XBRL data) have also been corrected, we are also sending the corrected numerical data.

#### 1 . Reason for correction

We found errors in the amounts of securities and investment securities stated in the consolidated balance sheet and errors in the calculations between each subject of consolidated statement of cash flows resulting of “Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Under Japanese GAAP)” after we submitted it. We are thus correcting them.

Note that these corrections have no impact on the consolidated statement of income, the consolidated statement of comprehensive income, and the consolidated statement of changes in equity.

#### 2 . Corrections

Underlines indicate corrections.

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

< Summary information >

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

(3) Consolidated cash flows

**【Before】**

	Cash flows from business activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2024	(688)	<u>3,797</u>	(770)	17,330
Fiscal year ended March 31, 2023	(870)	497	976	14,253

**【After】**

	Cash flows from business activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2024	(754)	<u>3,863</u>	(770)	17,330
Fiscal year ended March 31, 2023	(870)	497	976	14,253

(Page 3 of Attachment)

1. Summary of operating results, etc.

(2) Summary of financial position for the fiscal year

**【Before】**

Total assets at the end of the current consolidated fiscal year increased 103 million yen from a year earlier to 55,237 million yen. Current assets decreased 2,360 million yen from the end of the previous fiscal year to 38,302 million yen. The main factors were decreases of 693 million yen in cash and deposits and 1,948 million yen in accounts receivable including notes receivable, despite an increase of 659 million yen in inventories.

Non-current assets increased 2,463 million yen from the end of the previous fiscal year to 16,935 million yen. The main factors were increases of 1,689 million yen in intangible assets, 285 million yen in deferred tax assets, 599 million yen in net defined benefit assets, and 1,000 million yen in long-term time deposits, despite a decrease of 1,341 million yen in property, plant, and equipment.

Current liabilities increased 1,170 million yen from the end of the previous fiscal year to 10,338 million yen. The main factors were increases of 2,200 million yen in short-term loans payable, despite decreases of 693 million yen in accounts payable including notes payable and 515 million yen in contract liabilities.

Fixed liabilities increased 2,011 million yen from the end of the previous fiscal year to 6,175 million yen. The main factors were increases of 339 million yen in deferred tax liabilities and 1,781 million yen in long-term unearned revenue, despite a decrease of 106 million yen in net defined benefit liability.

Net assets decreased 3,078 million yen from the end of the previous fiscal year to 38,723 million yen. The main factors were decreases of 5,448 million yen in retained earnings, despite increases in net assets due to increases of 479 million yen in valuation difference on available-for-sale securities, 375 million yen in foreign currency translation adjustment, and 978 million yen in treasury stock due to purchase and cancellation of treasury stock.

**【After】**

Total assets at the end of the current consolidated fiscal year increased 103 million yen from a year earlier to 55,237 million yen. Current assets decreased 1,958 million yen from the end of the previous fiscal year to 38,703 million yen. The main factors were decreases of 693 million yen in cash and deposits and 1,948 million yen in accounts receivable including notes receivable, despite an increase of 659 million yen in inventories.

Non-current assets increased 2,062 million yen from the end of the previous fiscal year to 16,534 million yen. The main factors were increases of 1,689 million yen in intangible assets, 285 million yen in deferred tax assets, 599 million yen in net defined benefit assets, and 1,000 million yen in long-term time deposits, despite a decrease of 1,341 million yen in property, plant, and equipment.

Current liabilities increased 1,170 million yen from the end of the previous fiscal year to 10,338 million yen. The main factors were increases of 2,200 million yen in short-term loans payable, despite decreases of 693 million yen in accounts payable including notes payable and 515 million yen in contract liabilities.

Fixed liabilities increased 2,011 million yen from the end of the previous fiscal year to 6,175 million yen. The main factors were increases of 339 million yen in deferred tax liabilities and 1,781 million yen in long-term unearned revenue, despite a decrease of 106 million yen in net defined benefit liability.

Net assets decreased 3,078 million yen from the end of the previous fiscal year to 38,723 million yen. The main factors were decreases of 5,448 million yen in retained earnings, despite increases in net assets due to increases of 479 million yen in valuation difference on available-for-sale securities, 375 million yen in foreign currency translation adjustment, and 978 million yen in treasury stock due to purchase and cancellation of treasury stock.

(Page 3 of Attachment)

1. Summary of operating results, etc.

(3) Summary of cash flows for the fiscal year

**【Before】**

Cash and cash equivalents (hereinafter, "Funds") at the end of the current consolidated fiscal year increased by 3,077 million yen from a year earlier to 17,330 million yen.

Cash flow situations and factors behind them in the current consolidated fiscal year are as follows.

(Cash flows from business activities)

Funds provided by business activities totaled 688 million yen (870 million yen a year earlier). This is mainly due to decrease factors such as net loss before income taxes of 2,306 million yen and gain on sales of investment securities of 1,331 million yen, which were more than increase factors such as an increase of 2,078 million yen in notes and accounts receivable-trade and impairment losses of 1,860 million yen.

(Cash flows from investing activities)

Funds provided by investing activities totaled 3,797 million yen (497 million yen a year earlier). This is mainly due to increase factors such as a net increase in time deposits of 2,776 million yen, proceeds from sales of investment securities of 2,015 million yen, and proceeds from sales of property, plant, equipment and intangible assets of 1,829 million yen, which were more than decrease factors such as expenses for purchase of property, plant, and equipment and intangible assets of 1,292 million yen and expenses for purchase of shares of subsidiaries resulting in changes in scope of consolidation of 950 million yen.

(Cash flows from financing activities)

Funds provided by business activities totaled 770 million yen (976 million yen a year earlier). This is mainly due to decrease factors such as purchase of treasury stock of 1,873 million yen and cash dividends paid of 616 million yen, which exceeded increase factors such as net increase in short-term loans payable of 2,059 million yen and increase in deposits for purchase of treasury stock of 119 million yen.

**【After】**

Cash and cash equivalents (hereinafter, "Funds") at the end of the current consolidated fiscal year increased by 3,077 million yen from a year earlier to 17,330 million yen.

Cash flow situations and factors behind them in the current consolidated fiscal year are as follows.

(Cash flows from business activities)

Funds provided by business activities totaled 754 million yen (870 million yen a year earlier). This is mainly due to decrease factors such as net loss before income taxes of 2,306 million yen and gain on sales of investment securities of 1,331 million yen, which were more than increase factors such as an increase of 2,078 million yen in notes and accounts receivable-trade and impairment losses of 1,860 million yen.

(Cash flows from investing activities)

Funds provided by investing activities totaled 3,863 million yen (497 million yen a year earlier). This is mainly due to increase factors such as a net increase in time deposits of 2,776 million yen, proceeds from sales of investment securities of 2,015 million yen, and proceeds from sales of property, plant, equipment and intangible assets of 1,829 million yen, which were more than decrease factors such as expenses for purchase of property, plant, and equipment and intangible assets of 1,215 million yen and expenses for purchase of shares of subsidiaries resulting in changes in scope of consolidation of 950 million yen.

(Cash flows from financing activities)

Funds provided by business activities totaled 770 million yen (976 million yen a year earlier). This is mainly due to decrease factors such as purchase of treasury stock of 1,873 million yen and cash dividends paid of 616 million yen, which exceeded increase factors such as net increase in short-term loans payable of 2,059 million yen and increase in deposits for purchase of treasury stock of 119 million yen.

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3. Consolidated financial statements and major notes

(1) Consolidated balance sheet

【Before】

(Millions of yen)

	Previous consolidated fiscal year (March 31, 2023)	Current consolidated fiscal year (March 31, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	19,759	19,066
Notes receivable-trade	419	292
Electronically recorded monetary claims-operating	1,537	1,394
Accounts receivable from completed construction contracts	5,108	3,759
Accounts receivable-trade	3,175	3,974
Contract assets	3,715	2,586
Costs on uncompleted construction contracts	17	39
Other inventories	5,720	6,358
Other Businesses	1,211	890
Allowance for doubtful accounts	(2)	(59)
Total current assets	40,662	<u>38,302</u>
Non-current assets		
Property, plant, and equipment		
Buildings and structures	11,179	10,824
Machinery, equipment, and vehicles	9,799	9,474
Tools, furniture, and fixtures	7,475	6,604
Land	2,251	2,221
Lease assets	268	245
Construction in progress	169	88
Accumulated depreciation	(24,614)	(24,269)
Total property, plant, and equipment	6,529	5,188
Intangible assets		
Goodwill	-	936
Technology-related assets	-	965
Other Businesses	598	386
Total Intangible assets	598	2,287
Investments and other assets		
Investment securities	4,549	4,554
Long-term loans receivable	1	1
Net defined benefit assets	831	1,431
Long-term time deposits	-	1,000
Deferred tax assets	886	1,172
Other Businesses	1,123	1,347
Allowance for doubtful accounts	(47)	(47)
Total investments and other assets	7,344	<u>9,459</u>
Total non-current assets	14,472	<u>16,935</u>
Total assets	55,134	55,237

【After】

(Millions of yen)

	Previous consolidated fiscal year (March 31, 2023)	Current consolidated fiscal year (March 31, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	19,759	19,066
Notes receivable-trade	419	292
Electronically recorded monetary claims-operating	1,537	1,394
Accounts receivable from completed construction contracts	5,108	3,759
Accounts receivable-trade	3,175	3,974
Contract assets	3,715	2,586
<u>Securities</u>	-	<u>401</u>
Costs on uncompleted construction contracts	17	39
Other inventories	5,720	6,358
Other Businesses	1,211	890
Allowance for doubtful accounts	(2)	(59)
Total current assets	40,662	<u>38,703</u>
Non-current assets		
Property, plant, and equipment		
Buildings and structures	11,179	10,824
Machinery, equipment, and vehicles	9,799	9,474
Tools, furniture, and fixtures	7,475	6,604
Land	2,251	2,221
Lease assets	268	245
Construction in progress	169	88
Accumulated depreciation	(24,614)	(24,269)
Total property, plant, and equipment	6,529	5,188
Intangible assets		
Goodwill	-	936
Technology-related assets	-	965
Other Businesses	598	386
Total Intangible assets	598	2,287
Investments and other assets		
Investment securities	4,549	<u>4,152</u>
Long-term loans receivable	1	1
Net defined benefit assets	831	1,431
Long-term time deposits	-	1,000
Deferred tax assets	886	1,172
Other Businesses	1,123	1,347
Allowance for doubtful accounts	(47)	(47)
Total investments and other assets	7,344	<u>9,058</u>
Total non-current assets	14,472	<u>16,534</u>
Total assets	55,134	<u>55,237</u>

## 3. Consolidated financial statements and major notes

## (4) Consolidated statement of cash flows

【Before】

(Millions of yen)

	Previous consolidated fiscal year (from April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (from April 1, 2023 to March 31, 2024)
<b>Cash flows from business activities</b>		
Net loss before income taxes	(1,190)	(2,306)
Depreciation	1,232	1,203
Depreciation of goodwill	-	85
Impairment losses	251	1,860
Increase (decrease) in allowance for employees' bonuses	41	(144)
Increase (decrease) in allowances for directors' bonuses	3	1
Increase (decrease) in net defined benefit liability	(131)	24
Increase (decrease) in allowances for share-based remuneration to officers for directors and corporate auditors	26	24
Increase (decrease) in allowances for doubtful accounts	(1)	56
Increase (decrease) in allowances for loss on construction contracts	(40)	20
Increase (decrease) in allowances for product warranties	(71)	(54)
Allowances for losses on liquidation of subsidiaries and affiliates	76	(62)
Increase (decrease) in allowances for environmental measures	-	199
Interest and dividend income	(193)	(163)
Interest expenses	33	40
Foreign exchange losses (gains)	(230)	(22)
Loss (gain) on sales of investment securities	(476)	(1,331)
Loss (gain) on valuation of investment securities	121	-
Decrease (increase) in notes and accounts receivable-trade	(1,109)	2,078
Decrease (increase) in costs on uncompleted construction contracts	105	(21)
Decrease (increase) in inventories	220	(582)
Decrease (increase) in other assets	(247)	(453)
Increase (decrease) in notes and accounts payable-trade	83	(787)
Increase (decrease) in contract liabilities	401	(519)
Increase (decrease) in accrued consumption taxes	235	(36)
Increase (decrease) in other liabilities	71	109
Other Businesses	35	30
Subtotal	(753)	(750)
Interest and dividend income received	195	163
Interest expenses paid	(65)	(40)
Income taxes paid	(246)	(60)
Cash flows from business activities	(870)	(688)

(Millions of yen)

	Previous consolidated fiscal year (from April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (from April 1, 2023 to March 31, 2024)
Cash flows from investing activities		
Payments into time deposits	(18,520)	(14,113)
Proceeds from withdrawal of time deposits	18,799	16,889
Expenses for purchase of property, plant, and equipment and intangible assets	(768)	(1,292)
Proceeds from sale of property, plant, and equipment and intangible assets	11	1,829
Purchase of investment securities	(734)	(655)
Proceeds from sales of investment securities	1,108	2,015
Proceeds from redemption of investment securities	603	-
Expenses for purchase of shares of subsidiaries resulting in changes in scope of consolidation	-	(950)
Payments of loans receivable	(0)	(1)
Collection of loans receivable	1	1
Other Businesses	(2)	75
Cash flows from investing activities	497	3,797
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	2,120	2,059
Proceeds from long-term loans payable	1,030	-
Repayment of long-term loans payable	(188)	(224)
Repayments of lease obligations	(69)	(63)
Proceeds from sales of treasury stock	0	-
Purchase of treasury stock	(2,800)	(1,873)
Decrease (increase) in deposits for purchase of treasury stock	2,051	119
Cash dividends paid	(1,030)	(616)
Dividends paid to non-controlling interests	(175)	(171)
Income from sale of shares of subsidiaries not resulting in changes in scope of consolidation	40	-
Cash flows from financing activities	976	(770)
Effect of exchange rate change on cash and cash equivalents	508	222
Net increase (decrease) in cash and cash equivalents	1,112	2,562
Cash and cash equivalents at beginning of term	13,140	14,253
Increase in cash and cash equivalents resulting from newly consolidated subsidiaries	-	514
Cash and cash equivalents at end of term	14,253	17,330

【After】

(Millions of yen)

	Previous consolidated fiscal year (from April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (from April 1, 2023 to March 31, 2024)
<b>Cash flows from business activities</b>		
Net loss before income taxes	(1,190)	(2,306)
Depreciation	1,232	1,203
Depreciation of goodwill	-	85
Impairment losses	251	1,860
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Increase (decrease) in allowances for share-based remuneration to officers for directors and corporate auditors	26	24
Increase (decrease) in allowances for doubtful accounts	(1)	56
Increase (decrease) in allowances for loss on construction contracts	(40)	20
Increase (decrease) in allowances for product warranties	(71)	(54)
Allowances for losses on liquidation of subsidiaries and affiliates	76	(62)
Increase (decrease) in allowances for environmental measures	-	199
Interest and dividend income	(193)	(163)
Interest expenses	33	40
Foreign exchange losses (gains)	(230)	(22)
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Loss (gain) on valuation of investment securities	121	-
Decrease (increase) in notes and accounts receivable-trade	(1,109)	2,078
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Decrease (increase) in inventories	220	(582)
Decrease (increase) in other assets	(247)	(453)
Increase (decrease) in notes and accounts payable-trade	83	(787)
Increase (decrease) in contract liabilities	401	(519)
Increase (decrease) in accrued consumption taxes	235	(36)
Increase (decrease) in other liabilities	71	109
Other Businesses	35	(35)
<b>Subtotal</b>	<b>(753)</b>	<b>(816)</b>
Interest and dividend income received	195	163
Interest expenses paid	(65)	(40)
Income taxes paid	(246)	(60)
<b>Cash flows from business activities</b>	<b>(870)</b>	<b>(754)</b>

(Millions of yen)

	Previous consolidated fiscal year (from April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (from April 1, 2023 to March 31, 2024)
Cash flows from investing activities		
Payments into time deposits	(18,520)	(14,113)
Proceeds from withdrawal of time deposits	18,799	16,889
Expenses for purchase of property, plant, and equipment and intangible assets	(768)	(1,215)
Proceeds from sale of property, plant, and equipment and intangible assets	11	1,829
Purchase of investment securities	(734)	(611)
Proceeds from sales of investment securities	1,108	2,015
Proceeds from redemption of investment securities	603	-
Expenses for purchase of shares of subsidiaries resulting in changes in scope of consolidation	-	(950)
Payments of loans receivable	(0)	(1)
Collection of loans receivable	1	1
Other Businesses	(2)	19
Cash flows from investing activities	497	3,863
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	2,120	2,059
Proceeds from long-term loans payable	1,030	-
Repayment of long-term loans payable	(188)	(224)
Repayments of lease obligations	(69)	(63)
Proceeds from sales of treasury stock	0	-
Purchase of treasury stock	(2,800)	(1,873)
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End