

Summary of Consolidated Financial Results
For the First Quarter of the Year Ending March 31, 2025
(Based on Japanese GAAP)

August 5, 2024

Company name: KYOKUYO CO., LTD.
 Stock exchange listing: Tokyo Stock Exchange
 Stock code: 1301 URL <https://www.kyokuyo.co.jp/en/>

(Yen in millions, rounded down)

1. Consolidated Financial Results for the First Quarter of the Year Ending March 31, 2025

(April 1, 2024- June 30, 2024)

(1) Consolidated Result of Operations (cumulative)

(% figures denote change from the same period in the previous fiscal year)

	Net Sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
1st Quarter of the Year Ending March 31, 2025	68,204	9.4	3,102	28.1	3,295	29.3	2,412	32.1
1st Quarter of the Year Ended March 31, 2024	62,367	-4.5	2,421	-0.4	2,548	-4.0	1,827	-0.1

(Note) Comprehensive Income: First Quarter of the year ending March 31, 2025 ¥3,017million (48.7%)
 First Quarter of the year ended March 31, 2024 ¥2,028million (-2.0%)

	Profit per Share	Diluted Profit Per Share
	Yen	Yen
1st Quarter of the Year Ending March 31, 2025	203.14	—
1st Quarter of the Year Ended March 31, 2024	170.48	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	Million yen	Million yen	%
As at June 30, 2024	167,991	60,668	36.2
As at March 31, 2024	160,720	58,860	36.7

(Reference) Shareholders' Equity : As at June 30, 2024 ¥60,742million
 As at March 31, 2024 ¥58,976 million

2. Dividends

	Dividend per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year End	Total
	Yen	Yen	Yen	Yen	Yen
Year Ended March 31, 2024	—	—	—	100.00	100.00
Year Ending March 31, 2025	—				
Year Ending March, 2025 (Forecast)		—	—	110.00	110.00

(Note) Revisions to the most recently announced dividends : None

3. Forecast for the Year Ending March 31, 2025 (April 1, 2024 - March 31, 2025)

(% figures denote change from the previous fiscal year)

	Net sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent		Profit Per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year Ending March 31,2025	300,000	14.7	10,000	13.6	10,000	12.9	7,000	17.9	589.35

(Note) Revisions to the most recently announced forecast : None

* Notes

- (1) Significant changes in the scope of consolidation during the period under review: None
- (2) Application of specific accounting treatments in the preparation of quarterly consolidated financial statements:
None
- (3) Changes in accounting principles and accounting estimates, retrospective restatements:
- (i) Changes due to revisions in accounting standards, etc.: Yes
 - (ii) Changes other than (i) : None
 - (iii) Changes in accounting estimates : None
 - (iv) Retrospective restatements : None
- (4) Number of shares issued (common shares)
- (i) Number of shares issued at the end of the period
(including treasury shares)
 - (ii) Number of treasury shares at the end of the period
 - (iii) Average number of shares during the period

As at June 30,2024	12,078,283	As at March 31,2024	12,078,283
As at June 30,2024	200,766	As at March 31,2024	200,775
As at June 30,2024	11,877,510	As at June 30,2023	10,716,618

*Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

*Explanation about the appropriate use of the forecasts of financial results, and other noteworthy matters.

The projections and other statements with respect to the future included in this material are based on currently available information and certain assumptions that are judged reasonable by the Company. Please be advised that the Company does not guarantee in any way the achievement of the projections and other goals in this material and that cases may occur where the actual results and other situations differ materially from the projections due to various factors.

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Million yen)

	As at March 31, 2024	As at June 30, 2024
Assets		
Current assets		
Cash and deposits	8,452	10,000
Notes and accounts receivable - trade	34,677	36,467
Inventories	70,337	74,219
Other	10,840	9,386
Allowance for doubtful accounts	(10)	(10)
Total current assets	124,297	130,062
Non-current assets		
Property, plant and equipment	21,670	22,006
Intangible assets	887	886
Investments and other assets		
Investment securities	11,744	12,904
Deferred tax assets	568	492
Other	3,147	3,235
Allowance for doubtful accounts	(1,596)	(1,596)
Total investments and other assets	13,864	15,035
Total non-current assets	36,422	37,928
Total assets	160,720	167,991

(Million yen)

	As at March 31, 2024	As at June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,417	11,015
Short-term borrowings	30,340	36,844
Commercial papers	15,000	15,000
Income taxes payable	1,058	761
Provisions	1,063	595
Accounts payable - other	7,811	5,253
Other	6,967	6,651
Total current liabilities	70,659	76,122
Non-current liabilities		
Long-term borrowings	28,975	28,615
Provisions	402	425
Retirement benefit liability	701	726
Asset retirement obligations	16	16
Other	1,103	1,416
Total non-current liabilities	31,200	31,200
Total liabilities	101,859	107,323
Net assets		
Shareholders' equity		
Share capital	7,527	7,527
Capital surplus	3,193	3,193
Retained earnings	42,176	43,398
Treasury shares	(543)	(544)
Total shareholders' equity	52,354	53,575
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,842	5,044
Deferred gains or losses on hedges	97	158
Foreign currency translation adjustment	861	1,145
Remeasurements of defined benefit plans	820	818
Total accumulated other comprehensive income	6,622	7,167
Non-controlling interests	(115)	(74)
Total net assets	58,860	60,668
Total liabilities and net assets	160,720	167,991

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the three months)

(Million yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Net sales	62,367	68,204
Cost of sales	53,945	58,430
Gross profit	8,421	9,774
Selling, general and administrative expenses	6,000	6,672
Operating profit	2,421	3,102
Non-operating income		
Interest income	0	9
Dividend income	80	100
Share of profit of entities accounted for using equity method	25	4
Foreign exchange gains	88	201
Other	107	76
Total non-operating income	302	391
Non-operating expenses		
Interest expenses	150	174
Provision for loss on litigation	2	2
Other	22	21
Total non-operating expenses	175	198
Ordinary profit	2,548	3,295
Extraordinary income		
Gain on disposal of non-current assets	0	2
Gain on sale of investment securities	—	14
National subsidies and other subsidies income	—	3
Settlement income	73	—
Total extraordinary income	74	20
Extraordinary losses		
Loss on disposal of non-current assets	2	0
Impairment losses	2	—
Loss on sale of investment securities	—	65
Loss on tax purpose reduction entry of non-current assets	—	3
Total extraordinary losses	5	69
Profit before income taxes	2,617	3,245
Income taxes - current	299	543
Income taxes - deferred	496	283
Total income taxes	795	827
Profit	1,821	2,418
Profit (loss) attributable to :		
Owners of parent	1,827	2,412
Non-controlling interests	(5)	5

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Million yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Other comprehensive income		
Valuation difference on available-for-sale securities	(95)	201
Deferred gains or losses on hedges	201	60
Foreign currency translation adjustment	77	337
Remeasurements of defined benefit plans, net of tax	22	(1)
Total other comprehensive income	206	598
Comprehensive income	2,028	3,017
Comprehensive income attributable to :		
Owners of parent	2,032	2,957
Non-controlling interests	(3)	59