

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Based on Japanese GAAP)

February 14, 2025

Company name: TOYO KANETSU K.K.
 Stock exchange listing: Tokyo
 Stock code: 6369 URL <https://www.toyokanetsu.co.jp>
 Representative: President and Representative Director Takashi Owada
 Senior Executive Officer Division Manager Takeshi Yonehara
 Inquiries: Corporate Division TEL 03-5857-3333
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2024	42,808	15.7	2,488	131.8	2,694	76.9	2,063	21.8
Nine months ended December 31, 2023	37,012	11.3	1,073	(6.9)	1,523	(4.2)	1,693	48.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2024	267.51		–	
Nine months ended December 31, 2023	216.58		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2024	61,695	37,249	60.4	4,827.64
As of March 31, 2024	67,891	37,752	55.6	4,894.51

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2024	–	0.00	–	229.00	229.00
Year ending March 31, 2025	–	50.00	–		
Year ending March 31, 2025 (Forecast)				132.00	182.00

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	59,500	10.6	3,900	26.2	4,100	14.5	2,800	(21.2)	363.02

4. Notes

- (1) Significant changes in the scope of consolidation during the nine months ended December 31, 2024: No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
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|--|-----|
| Changes in accounting policies due to revisions to accounting standards and other regulations: | Yes |
| Changes in accounting policies due to other reasons: | No |
| Changes in accounting estimates: | No |
| Restatement of prior period financial statements: | No |

(4) Number of issued shares (common shares)

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

As of December 31, 2024	8,023,074 shares	As of March 31, 2024	8,323,074 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	308,592 shares	As of March 31, 2024	611,100 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2024	7,713,711 shares	Nine months ended December 31, 2023	7,820,528 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	8,351	6,592
Notes and accounts receivable - trade, and contract assets	25,571	21,074
Merchandise and finished goods	26	46
Work in process	1,476	1,716
Raw materials and supplies	5,163	4,859
Other	1,420	1,047
Allowance for doubtful accounts	(34)	(14)
Total current assets	41,975	35,322
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,634	5,807
Machinery, equipment and vehicles, net	698	651
Tools, furniture and fixtures, net	484	543
Land	10,092	10,146
Construction in progress	598	454
Other, net	43	34
Total property, plant and equipment	16,551	17,638
Intangible assets	634	633
Investments and other assets		
Investment securities	6,971	6,506
Deferred tax assets	205	158
Retirement benefit asset	820	718
Other	948	908
Allowance for doubtful accounts	(216)	(190)
Total investments and other assets	8,729	8,101
Total non-current assets	25,915	26,372
Total assets	67,891	61,695

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	997	775
Short-term borrowings	11,375	7,075
Current portion of long-term borrowings	2,480	2,580
Accrued expenses	5,197	3,780
Income taxes payable	1,384	176
Contract liabilities	584	1,945
Provision for bonuses	410	161
Provision for loss on orders received	104	72
Provision for warranties for completed construction	106	243
Other	1,043	1,627
Total current liabilities	23,685	18,439
Non-current liabilities		
Bonds payable	1,000	1,000
Long-term borrowings	2,160	2,000
Deferred tax liabilities	858	882
Deferred tax liabilities for land revaluation	1,095	1,095
Retirement benefit liability	420	415
Asset retirement obligations	820	525
Other	99	87
Total non-current liabilities	6,454	6,006
Total liabilities	30,139	24,445
Net assets		
Shareholders' equity		
Share capital	18,580	18,580
Capital surplus	1,273	1,273
Retained earnings	17,722	16,778
Treasury shares	(1,704)	(868)
Total shareholders' equity	35,871	35,763
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,835	1,498
Deferred gains or losses on hedges	21	7
Revaluation reserve for land	684	684
Foreign currency translation adjustment	(958)	(948)
Remeasurements of defined benefit plans	291	236
Total accumulated other comprehensive income	1,874	1,479
Non-controlling interests	5	7
Total net assets	37,752	37,249
Total liabilities and net assets	67,891	61,695

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	37,012	42,808
Cost of sales	29,518	33,651
Gross profit	7,494	9,157
Selling, general and administrative expenses	6,420	6,669
Operating profit	1,073	2,488
Non-operating income		
Interest income	3	5
Dividend income	202	190
Foreign exchange gains	161	29
Gain on sale of scraps	27	22
Other	132	61
Total non-operating income	527	308
Non-operating expenses		
Interest expenses	59	82
Share of loss of entities accounted for using equity method	–	2
Other	17	18
Total non-operating expenses	77	103
Ordinary profit	1,523	2,694
Extraordinary income		
Gain on sale of non-current assets	440	27
Gain on sale of investment securities	1,210	406
Other	0	–
Total extraordinary income	1,651	433
Extraordinary losses		
Loss on valuation of investment securities	7	0
Impairment losses	333	–
Loss on disaster	517	10
Other	5	1
Total extraordinary losses	864	12
Profit before income taxes	2,310	3,116
Income taxes - current	579	789
Income taxes - deferred	36	262
Total income taxes	615	1,051
Profit	1,694	2,064

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit attributable to		
Profit attributable to owners of parent	1,693	2,063
Profit attributable to non-controlling interests	1	1
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,575)	(348)
Deferred gains or losses on hedges	(13)	(13)
Foreign currency translation adjustment	(41)	10
Remeasurements of defined benefit plans, net of tax	(32)	(54)
Share of other comprehensive income of entities accounted for using equity method	–	11
Total other comprehensive income	(1,662)	(395)
Comprehensive income	32	1,669
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	31	1,668
Comprehensive income attributable to non-controlling interests	1	1