

**Third Quarter of the  
Fiscal Year Ending March 31, 2024**

# **Financial Statements Briefing Materials**



Matsuda Sangyo Co., Ltd.  
February 9, 2024





This document was prepared for the purpose of deepening understanding of our company, and is not intended to solicit investment. The contents in this document were prepared based on various materials, including press releases, that have been published to date. However, we do not take any responsibility for the accuracy, completeness, relevance, or any other aspects of these contents.

Please note that we also do not take responsibility for any omissions, errors, or inaccuracies in the published text, graphs, or other contents.

This document contains forward-looking statements related to future performance. These statements do not guarantee future performance and are subject to risks and uncertainties. Future performance may differ from the targets due to changes in the business environment and other factors.

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original version shall prevail.

<Inquiries>

Matsuda Sangyo Co., Ltd.  
CSR IR Dept.

Inquiry form: <https://www.matsuda-sangyo.co.jp/ja/contact/contact4.html>

# Overview of Financial Results for FY3/24 3Q



# Consolidated Financial Results

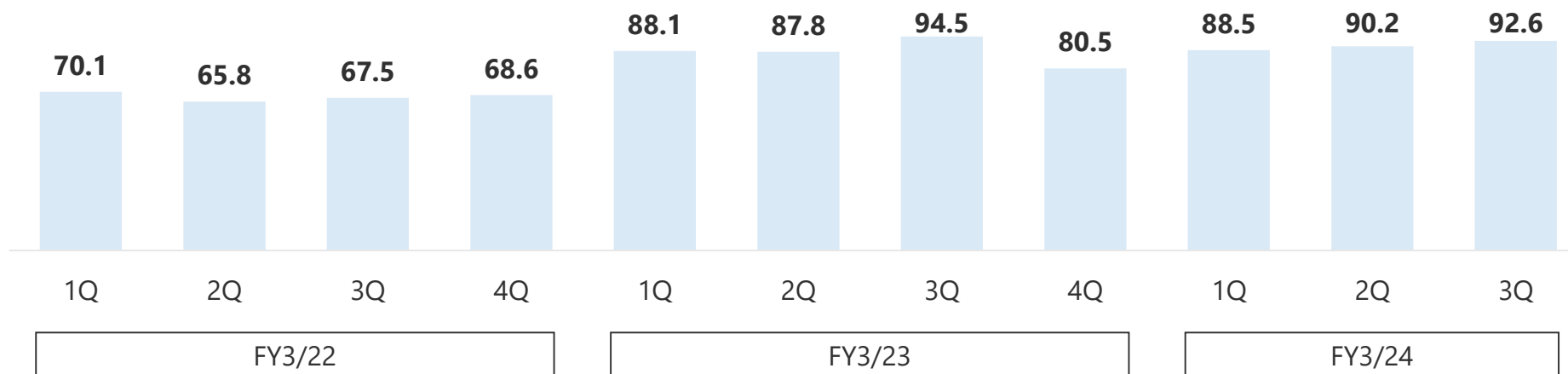
- Amidst challenging market conditions for both the Precious Metals Business Segment and Food Business Segment, net sales were ¥271.3 billion (an increase of ¥0.8 billion year-on-year) and operating profit was ¥7.1 billion (a decrease of ¥4.2 billion year-on-year).

	FY3/23 3Q	FY3/24 3Q	Year-on-year increase (decrease)		FY3/24 Forecasts
					(billion yen)
<b>Net sales</b>	270.5	<b>271.3</b>	+0.8	+0.3%	360.0
<b>Operating profit</b>	11.4	<b>7.1</b>	(4.2)	(37.1)%	10.0
<b>Operating margin</b>	4.2%	<b>2.6%</b>	(1.6)pt	-	2.8%
<b>Ordinary profit</b>	11.3	<b>7.9</b>	(3.4)	(30.0)%	11.0
<b>Profit attributable to owners of parent</b>	7.9	<b>5.3</b>	(2.6)	(33.0)%	7.6
<b>Earnings per share (yen)</b>	305.7	<b>205.2</b>	(100.4)	(32.9)%	291.4

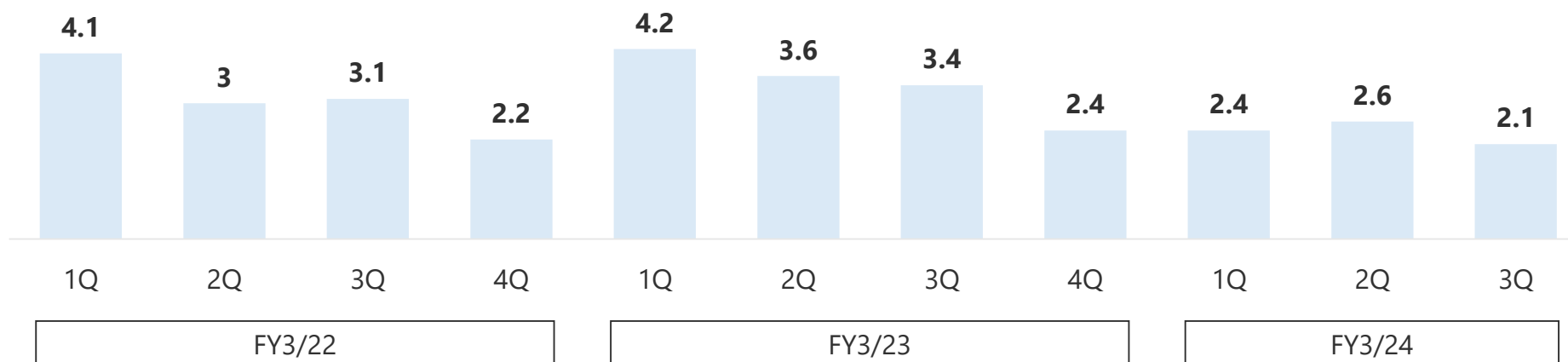
# Quarterly Trend for Consolidated Financial Results

(billion yen)

## Net Sales



## Operating Profit



# Consolidated Balance Sheet

Assets		(billion yen)		
	March 31, 2023	December 31, 2023	Increase (decrease)	Main reasons for change
Current assets	89.3	99.2	+9.9	(+) Increase in notes and accounts receivable-trade, inventories
Non-current assets	39.8	44.9	+5.0	(+) New installation of factory equipment (Kitakyushu, Iruma)
<b>Total assets</b>	129.2	<b>144.2</b>	+15.0	
<b>Liabilities</b>				
	March 31, 2023	December 31, 2023	Increase (decrease)	Main reasons for change
Current liabilities	27.8	40.0	+12.1	(+) Increase in accounts payable-trade and short-term loans payable
Non-current liabilities	16.6	14.5	(2.1)	(-) Repayment of long-term loans payable
Interest bearing debt	19.2	29.1	+9.8	
<b>Total liabilities</b>	44.5	<b>54.5</b>	+9.9	
<b>Net assets</b>				
	March 31, 2023	December 31, 2023	Increase (decrease)	Main reasons for change
<b>Total net assets</b>	84.6	<b>89.7</b>	+5.0	(+) Increase in retained earnings
<b>Total liabilities and net assets</b>	129.2	<b>144.2</b>	+15.0	
<b>Shareholder's equity ratio</b>	65.4%	<b>62.0%</b>		

# Consolidated Cash Flow Statements

			(billion yen)	
	FY3/23 3Q	FY3/24 3Q	Increase (decrease)	Summary
<b>Cash flows from operating activities</b>	(4.2)	<b>(2.7)</b>	+1.4	Increase in cash from depreciation, and accounts payable-trade Decrease in cash from an increase in notes and accounts receivable-trade and inventories
<b>Cash flows from investing activities</b>	(10.3)	<b>(5.0)</b>	+5.2	New installation of factory equipment (Kitakyusyu, Iruma)
<b>Free cash flows</b>	(14.6)	<b>(7.8)</b>	+6.7	
<b>Cash flows from financing activities</b>	12.2	<b>7.8</b>	(4.4)	Increase in cash from an Increase in short-term loans payable Decrease in cash from the repayment of long-term loans payable, cash dividends paid, and purchase of treasury shares
<b>Net increase (decrease) in cash and cash equivalents</b>	(1.5)	<b>0.7</b>	+2.2	
<b>Cash and cash equivalents at end of period</b>	9.8	<b>12.4</b>	+2.6	

## Precious Metals Business Segment (Overview of Financial Results)

- In the electronic devices field of the electronics sector, despite signs of new demand associated with artificial intelligence (AI) technology, market conditions were challenging as the overall production situation remained sluggish.
- The Precious Metals Business Segment recorded a decrease in both precious metals recycling volume and product sales volume in the electronic devices field and an increase in precious metals recycling volume from the jewelry sector.
- Although the market price of gold remained steady, due to a decrease in sales volume of each item, overall net sales decreased by 4.4 billion yen year-on-year.

				(billion yen)					
	FY3/23 3Q	FY3/24 3Q	Increase (decrease)			FY3/24 3Q	Increase (decrease)		Reasons for increase (decrease)
<b>Net sales</b>	191.1	<b>186.7</b>	(4.4)	(2.4)%	<b>Gold</b>	<b>126.2</b>	+15.7	+14.3%	Quantity decreased by 0.1% and prices increased by 14.4%
<b>Operating profit</b>	9.4	<b>5.3</b>	(4.0)	(43.5)%	<b>Silver</b>	<b>12.3</b>	(0.3)	(2.9)%	Quantity decreased by 19.3% and prices increased by 16.3%
<b>Operating margin</b>	4.9%	<b>2.8%</b>	(2.1)pt	-	<b>Platinum group</b>	<b>34.5</b>	(16.7)	(32.7)%	Quantity decreased by 14.8% and prices decreased by 17.9%
					<b>Other</b>	<b>13.5</b>	(3.1)	(18.7)%	Non-ferrous metal products decreased, etc.



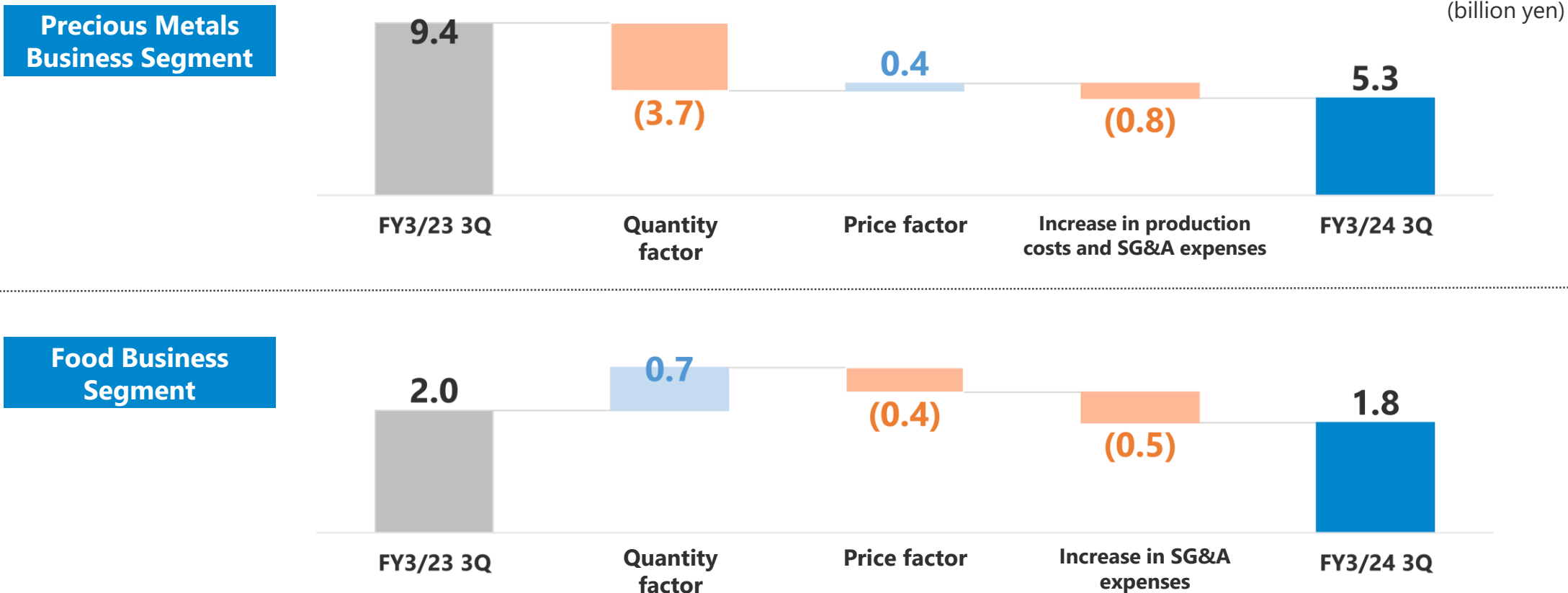
## Food Business Segment (Overview of Financial Results)

- The food production sector saw a gradual recovery due to an increase in selling prices and other factors, although there were no significant changes on the demand side. However, market conditions were challenging as raw material prices and logistics costs remain persistently high.
- Although there was no significant change in volume for each item, due to higher sales prices of livestock and agricultural products, overall net sales increased by 5.3 billion yen year-on-year.

				(billion yen)				
	FY3/23 3Q	FY3/24 3Q	Increase (decrease)			FY3/24 3Q	Increase (decrease)	Reasons for increase (decrease)
<b>Net sales</b>	79.3	<b>84.7</b>	+5.3	+6.7%	<b>Marine products</b>	<b>30.9</b>	(2.1) (6.5)%	Quantity decreased by 6.7% and prices increased by 0.3%
<b>Operating profit</b>	2.0	<b>1.8</b>	(0.1)	(7.3)%	<b>Livestock products</b>	<b>36.6</b>	+4.5 +14.1%	Quantity increased by 1.1% and prices increased by 13.0%
<b>Operating margin</b>	2.5%	<b>2.2%</b>	(0.3)pt	-	<b>Agricultural products</b>	<b>10.9</b>	+1.1 +12.1%	Quantity increased by 2.6% and prices increased by 9.5%
					<b>Other</b>	<b>6.0</b>	+1.7 +41.3%	Quantity increased by 62.5% and prices decreased by 21.2%

## Changes in Operating Profit

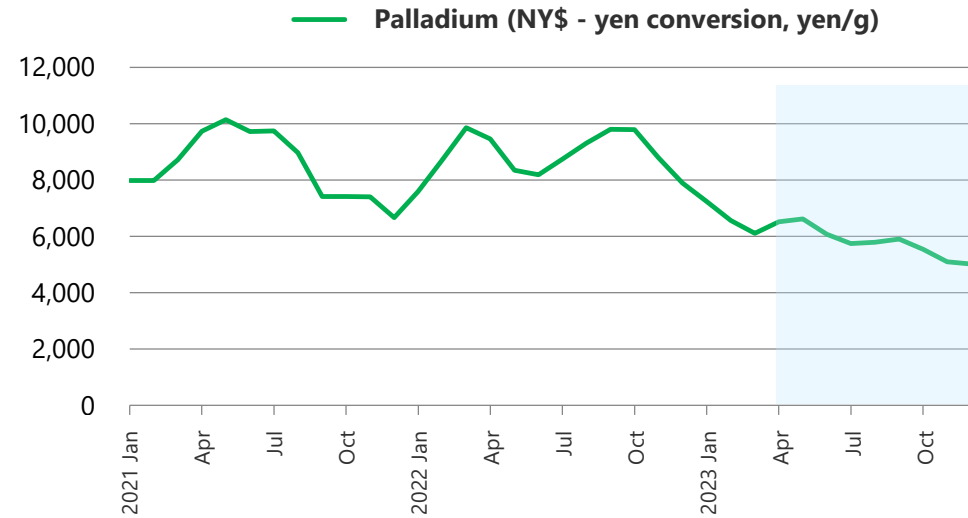
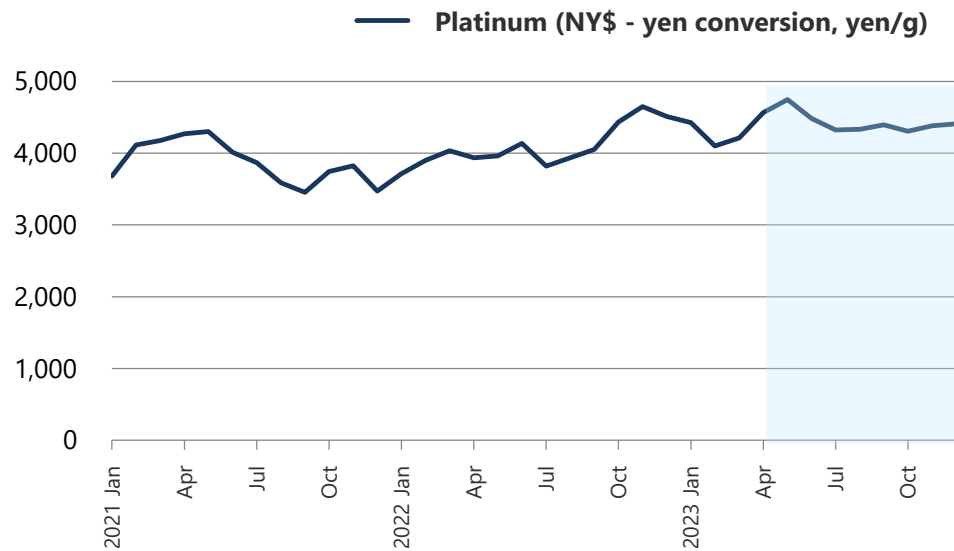
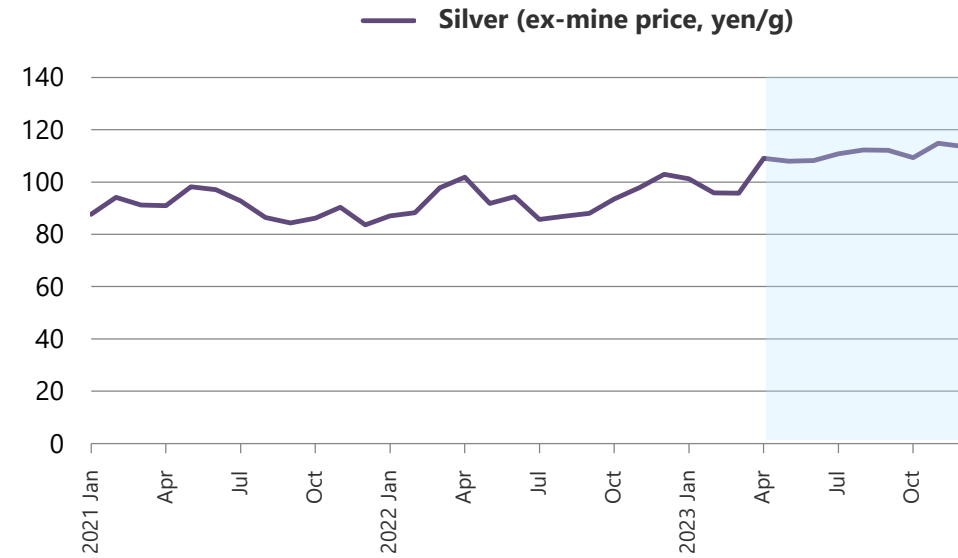
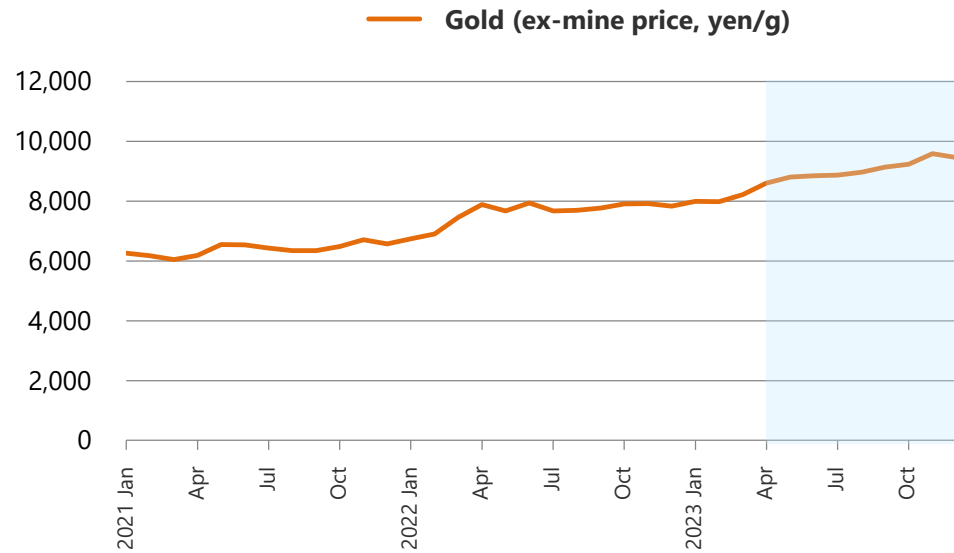
- In the Precious Metals Business Segment, operating profit was impacted by a fall in quantity due to the decline in operations in the electronic devices field.
- In the Food Business Segment, while an increase in sales volume contributed to profits, it was unable to counter the rising procurement prices and increase in SG&A expenses.



# Appendix



# Trends of Precious Metals Market Prices





**松田産業株式会社**

MATSUDA SANGYO CO., LTD.