



Supplementary Material

Fourth Quarter Results for FY2024

Disclaimer:

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Earnings Summary

- In the final year of the “*future 135*” medium-term vision, both operating profit and net profit attributable to owners of the parent reached a record-high profit.
- The net profit for the fiscal year ending March 2025 is expected an increase of 1.8 billion yen, reaching a total of 25.0 billion yen.

Earnings Results

(Unit: JPY Bn)	FY2023	FY2024	YoY	Growth
Revenue	911.4	986.0	+74.6	+8%
Operating profit	38.9	43.9	+5.0	+13%
Net profit ¹⁾	18.6	23.2	+4.6	+25%
CF from operating activities	(0.3)	35.6	+35.9	
CF from investing activities	(16.7)	(12.4)	+4.3	
	End of Mar 2023	End of Mar 2024	YoY	
Net D/E ratio ²⁾	1.15x	1.00x	(0.15x)	
Equity ratio ³⁾	19.0%	22.0%	+3.0%	
ROE	12.9%	16.1%	+3.2%	
ROIC	5.6%	6.4%	+0.8%	

1) Net profit = Profit attributable to owners of the parent

2) Net D/E Ratio = Net interest-bearing debt ÷ total equity attributable to owners of the parent

3) Equity ratio = Shareholders' equity ÷ total assets

4) Assumptions for the forecast: Exchange rate assumed at USD 1 = JPY 135, with no anticipated changes in interest rates in Japan and expected decreases in interest rates overseas.

Forecast

(Unit: JPY Bn)	FY2024 (actual)	FY2025 (forecast)	YoY
Revenue	986.0	1,100.0	+114.0
Operating profit	43.9	42.5	(1.4)
Profit before tax	23.2	25.0	+1.8
Annual dividend per share	90 Yen	100 Yen	+10 Yen
Dividend payout ratio	32.4%	33.4%	

Profit and Loss

Earnings Results

(Unit: JPY Bn)	FY2023	FY2024	YoY	Growth
Revenue	911.4	986.0	74.6	+8%
Gross profit	130.9	142.6	11.7	+9%
Selling, general and administrative expenses	(96.3)	(106.2)	(9.9)	-
Other income (expenses)	4.3	7.5	3.2	-
Operating profit	38.9	43.9	5.0	+13%
Interest income (expenses)	(3.4)	(5.0)	(1.6)	-
Dividend income	1.1	1.3	0.3	-
Other finance income (costs)	(0.3)	(0.4)	(0.1)	-
Finance income (costs)	(2.7)	(4.1)	(1.4)	-
Share of profit (loss) of investments accounted for using the equity method, and impairment loss on equity method investments	(0.5)	(2.6)	(2.0)	-
Profit before tax	35.7	37.2	1.5	+4%
Income tax expense	(11.0)	(12.7)	(1.7)	-
Profit for the year	24.7	24.6	(0.1)	(1%)
Profit attributable to owners of the parent	18.6	23.2	4.6	+25%

■ Revenue

Revenue increased by 74.6 billion yen primarily driven by growth in the Electronics & Devices and Steel, Materials & Plant segments.

■ Operating profit

Operating profit increased by 5.0 billion yen as a result of the revenue growth.

■ Profit before tax

Despite increases in interest payments and impairment losses related to equity method investments, there was an increase of 1.5 billion yen due to the rise in profit from operating activities.

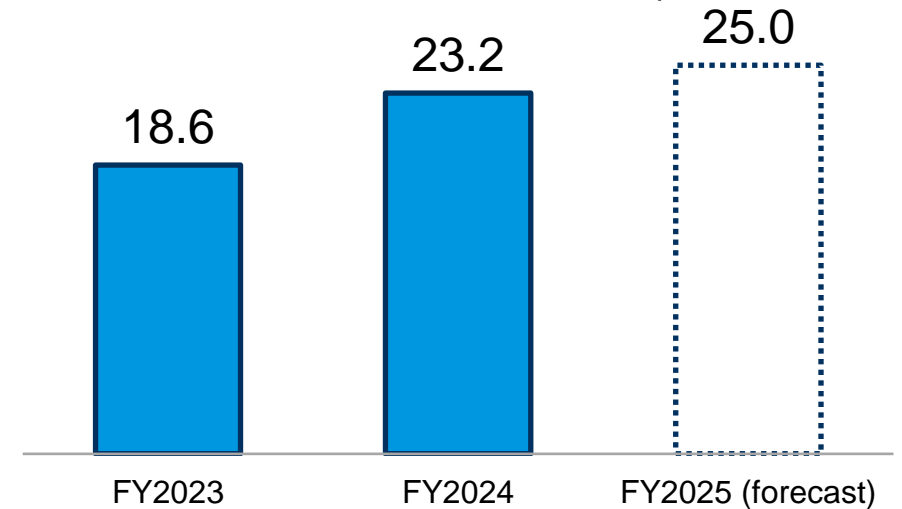
■ Profit attributable to owners of the parent

Achieved a record-high profit of 23.2 billion yen. See page 4 for more details.

Progress

(Unit: JPY Bn)	FY2024 (actual)	FY2025 (forecast)	YoY
Revenue	986.0	1,100.0	+114.0
Operating profit	43.9	42.5	(1.4)
Profit before tax	37.2	38.0	+0.8
Profit attributable to owners of the parent	23.2	25.0	+1.8

Profit attributable to owners of the parent

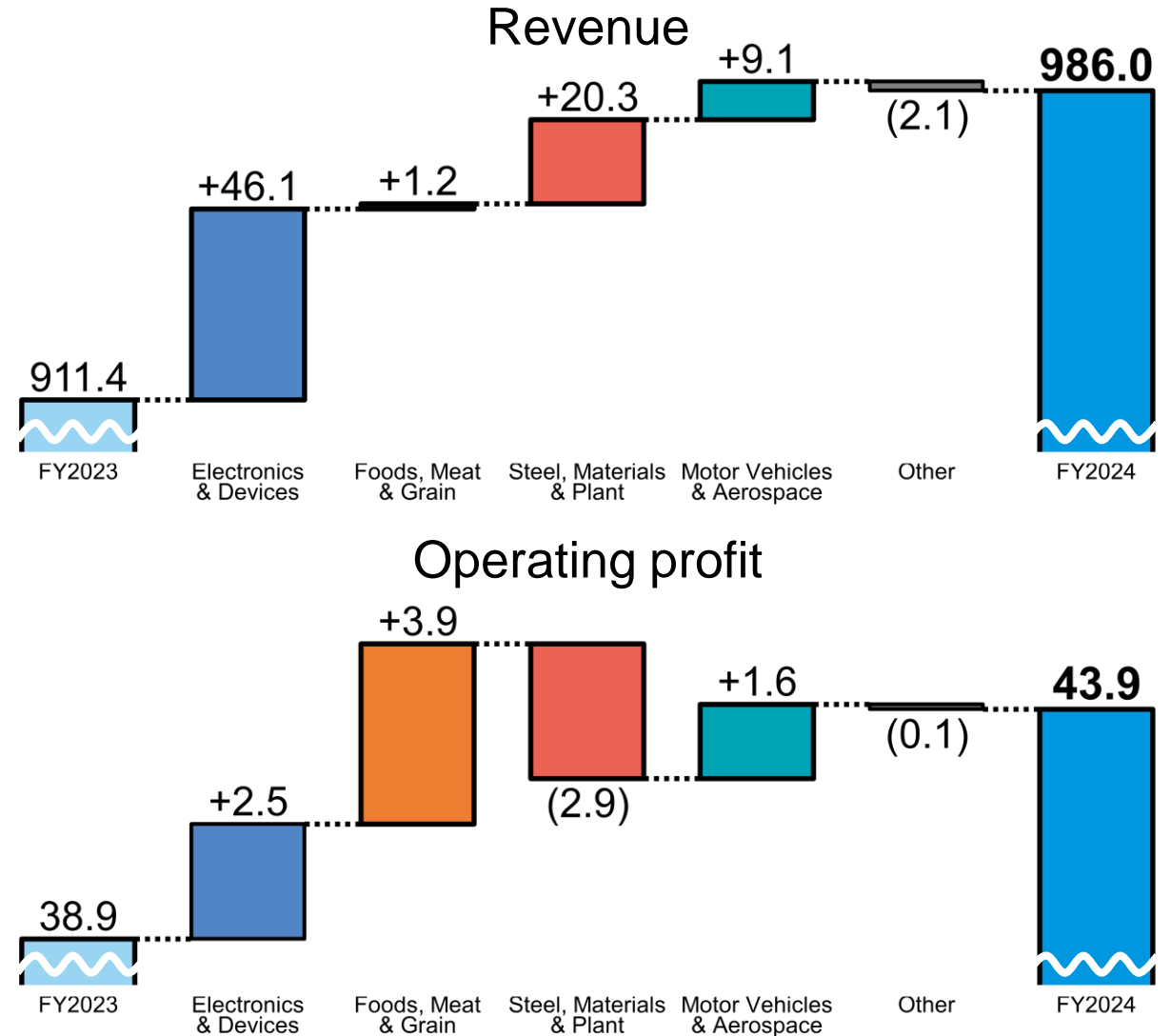


1) Assumptions for the forecast: Exchange rate assumed at USD 1 = JPY 135, with no anticipated changes in interest rates in Japan and expected decreases in interest rates overseas.

Segment Information

(Unit: JPY Bn)	FY2023	FY2024	YoY	Growth
Electronics & Devices				
Revenue	282.5	328.6	+46.1	+16%
Operating profit	20.3	22.8	+2.5	+12%
Net profit ¹⁾	8.8	14.8	+6.1	+69%
Foods, Meat & Grain				
Revenue	340.4	341.7	+1.2	+0%
Operating profit	4.1	8.0	+3.9	+96%
Net profit	2.2	3.5	+1.3	+59%
Steel, Materials & Plant				
Revenue	193.4	213.7	+20.3	+11%
Operating profit	12.3	9.4	(2.9)	(24%)
Net profit	6.7	2.6	(4.1)	(61%)
Motor Vehicles & Aerospace				
Revenue	81.3	90.5	+9.1	+11%
Operating profit	1.5	3.1	+1.6	+108%
Net profit	0.8	1.7	+0.9	+114%
Other (Including adjustment)				
Revenue	13.7	11.6	(2.1)	(16%)
Operating profit	0.7	0.6	(0.1)	(16%)
Net profit	0.1	0.5	+0.4	+398%
Total				
Revenue	911.4	986.0	+74.6	+8%
Operating profit	38.9	43.9	+5.0	+13%
Net profit	18.6	23.2	+4.6	+25%

1) Net profit = Profit attributable to owners of the parent

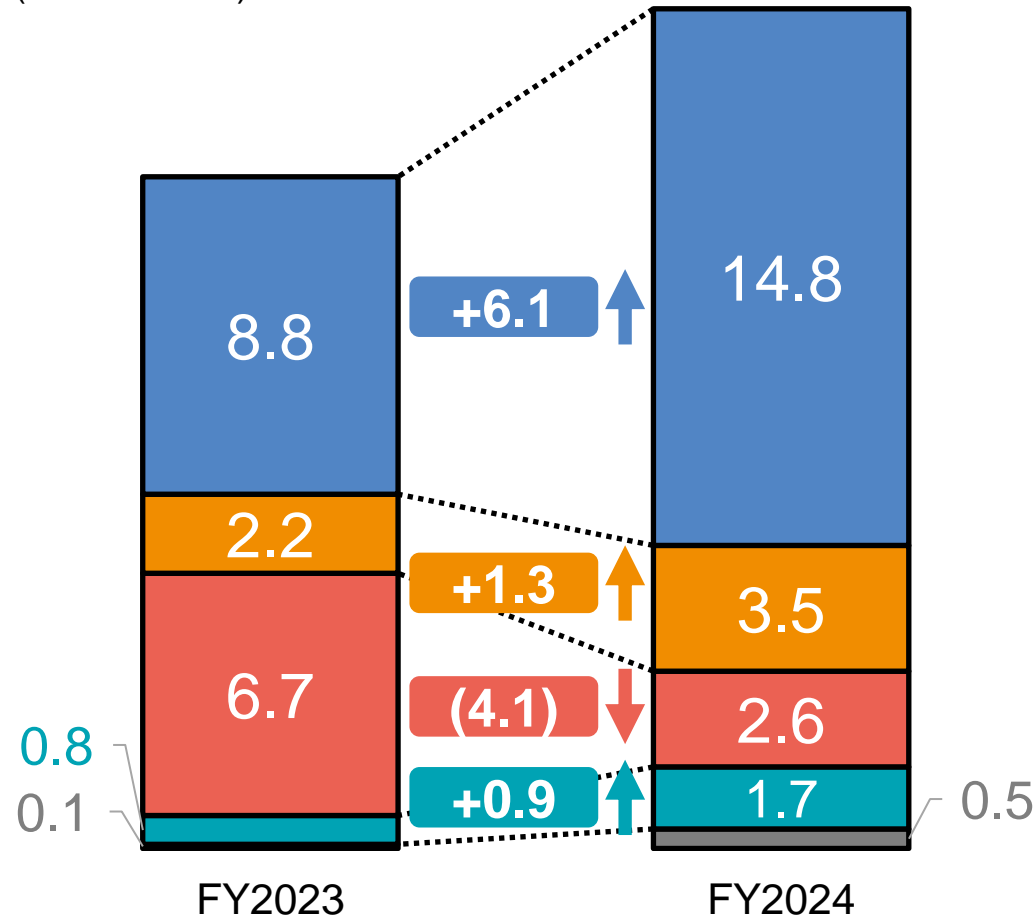


Net Profit Breakdown

Profit attributable to owners of the parent

- Electronics & Devices
- Foods, Meat & Grain
- Steel, Materials & Plant
- Motor Vehicles & Aerospace
- Other (Including adjustment)

(Unit: JPY Bn)



Electronics & Devices

increased 6.1 billion yen

- **ICT Solution:** The increase was primarily driven by the acquisition of all shares of Kanematsu Electronics, as well as solid performance in network and security-related businesses, reflecting the growing demand for security measures and DX.
- **Mobile:** The Increase was driven by the effects of store restructuring and increase in sales volume.

Foods, Meat & Grain

increased 1.3 billion yen

- **Foods:** The increase was mainly driven by robust sales of frozen fruits and beverage ingredients, as well as the overseas processed food business.
- **Meat Products:** Despite the sluggish domestic markets, profit increased compared to the underperforming previous year, partly due to sales contributions from Uruguayan beef.
- **Grain, Oilseeds & Feedstuff:** Major grain prices remained weak, leading to a decrease in profits compared to the previous year, which had performed well.

Steel, Materials & Plant

decreased 4.1 billion yen

- **Steel:** The decrease in profit primarily attributed to impairment losses on equity method investments.
- **Energy:** The decrease in profits from the previous year, which had performed well, was mainly due to a decline in domestic demand.

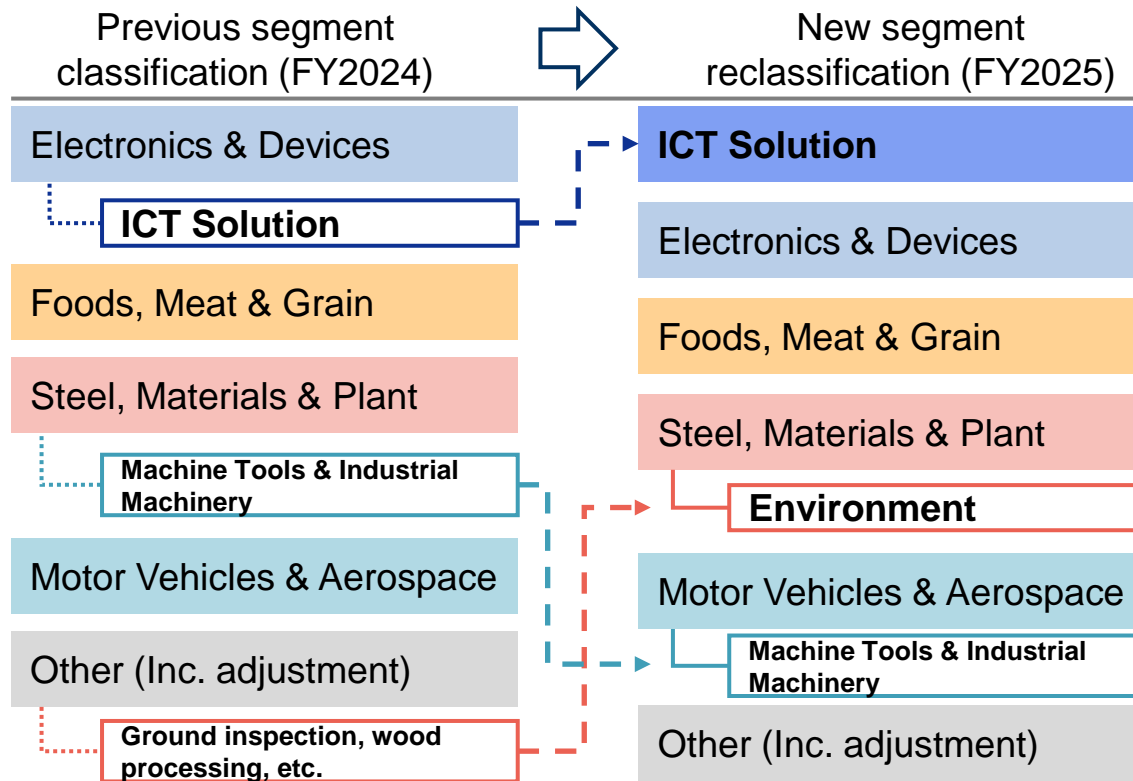
Motor Vehicles & Aerospace

increased 0.9 billion yen

- **Aerospace:** Profit increased due to robust transactions of aircraft/vessel related parts.
- **Motor Vehicles & Parts:** Profit increased due to the improved market conditions.

Segment Outlook (based on new segment)

- The ICT Solution business formerly categorized within the Electronics & Devices segment, has now been reclassified as the ICT Solution segment.
- The Machine Tools & Industrial Machinery business and Kanematsu Sustech's businesses, have been reclassified to different segments.



1) Net profit = Profit attributable to owners of the parent

2) Assumptions for the forecast: Exchange rate assumed at USD 1 = JPY 135, with no anticipated changes in interest rates in Japan and expected decreases in interest rates overseas.

(Unit: JPY Bn)	FY2024 (actual)	FY2025 (forecast)	YoY	Growth
ICT Solution				
Revenue	88.9	90.0	+1.1	+1%
Operating profit	13.8	13.7	(0.1)	(1%)
Net profit ¹⁾	9.2	9.6	+0.4	+4%
Electronics & Devices				
Revenue	236.3	280.0	+43.7	+19%
Operating profit	8.8	8.7	(0.1)	(1%)
Net profit	5.4	5.3	(0.1)	(3%)
Foods, Meat & Grain				
Revenue	341.7	410.0	+68.3	+20%
Operating profit	8.0	7.7	(0.3)	(3%)
Net profit	3.5	3.3	(0.2)	(5%)
Steel, Materials & Plant				
Revenue	211.7	195.0	(16.7)	(8%)
Operating profit	8.5	7.4	(1.1)	(13%)
Net profit	2.0	3.8	+1.8	+94%
Motor Vehicles & Aerospace				
Revenue	105.4	120.0	+14.6	+14%
Operating profit	4.9	5.0	+0.1	+3%
Net profit	2.9	3.0	+0.1	+2%
Other(Including adjustment)				
Revenue	2.0	5.0	+3.0	+154%
Operating profit	0.03	0.00	(0.03)	-
Net profit	0.16	0.00	(0.16)	-
Total				
Revenue	986.0	1,100.0	+114.0	+12%
Operating profit	43.9	42.5	(1.4)	(3%)
Net profit	23.2	25.0	+1.8	+8%

Cash Flows

■ Cash flows from operating activities

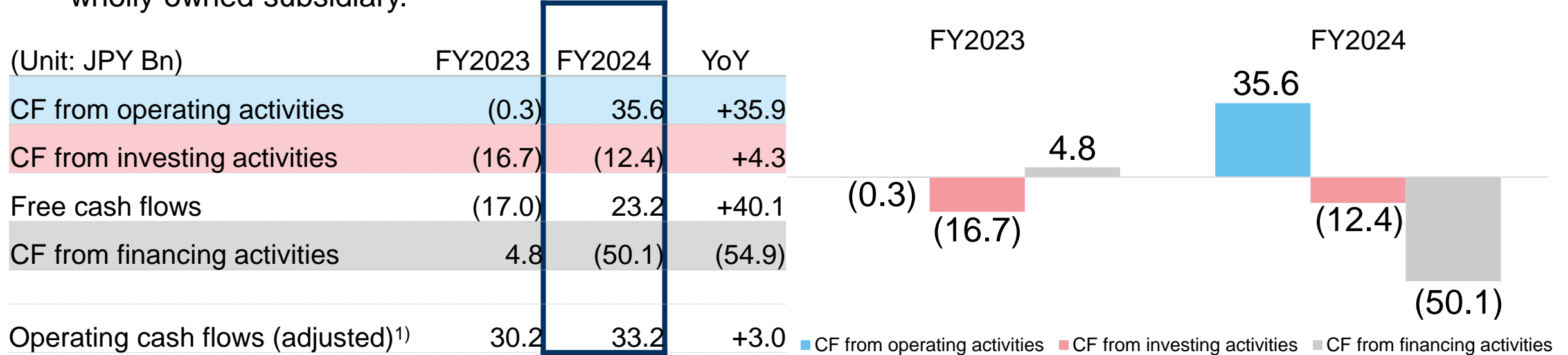
The cash inflow of 35.6 billion yen was primarily due to the accumulation of operating revenue.

■ Cash flows from investing activities

The cash outflow of 12.4 billion yen was mainly due to the execution of new business investments, while there was cash inflow from the sale of property, plant and equipment.

■ Cash flows from financing activities

The cash outflow of 50.1 billion yen was primarily due to the repayment of short-term borrowings obtained for the tender offer for Kanematsu Electronics, and payments for the acquisition of its shares to make it a wholly owned subsidiary.



1) Operating cash flows (adjusted) = Operating cash flows ± Change in working capital – Repayment of lease liabilities

Financial Position

■ Total assets

The increase of 47.8 billion yen was primarily due to the increase in trade receivables, reflecting the rise in commodity prices and the depreciation of the yen.

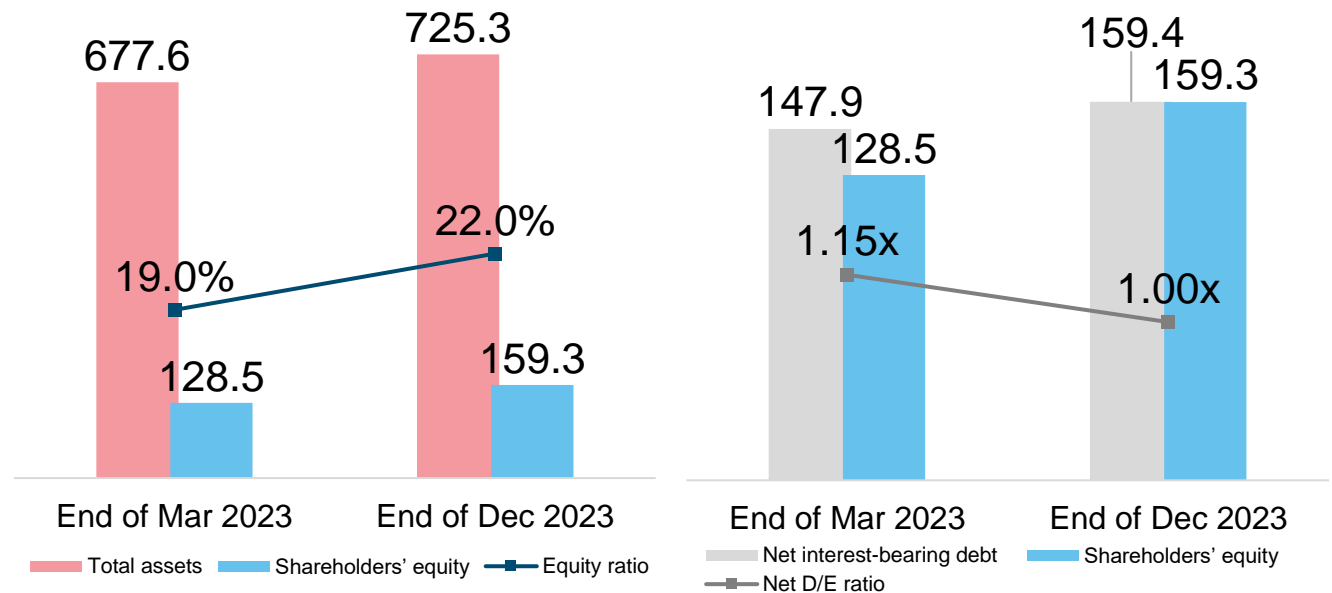
■ Net interest-bearing debt

The increase of 11.5 billion yen was primarily due to the rise in operating capital, despite repaying debts.

■ Shareholders' equity

The increase of 30.8 billion yen was mainly from the accumulation of profit attributable to owners of the parent and other equity components, driven by the yen depreciation and rising share prices. The equity ratio reached 22.0%, with a net D/E ratio of 1.00x.

(Unit: JPY Bn)	End of Mar 2023	End of Mar 2024	YoY
Total assets	677.6	725.3	+47.8
Net interest-bearing debt	147.9	159.4	+11.5
Shareholders' equity ¹⁾	128.5	159.3	+30.8
Equity ratio ²⁾	19.0%	22.0%	+3.0%
Net D/E ratio ³⁾	1.15x	1.00x	(0.15x)
PBR ⁴⁾	1.08x	1.37x	+0.29x



1) Shareholders' equity = Total equity attribute to owners of the parent

2) Net D/E ratio = Net interest-bearing debt ÷ total equity attributable to owners of the parent

3) Equity ratio = Shareholders' equity ÷ total assets

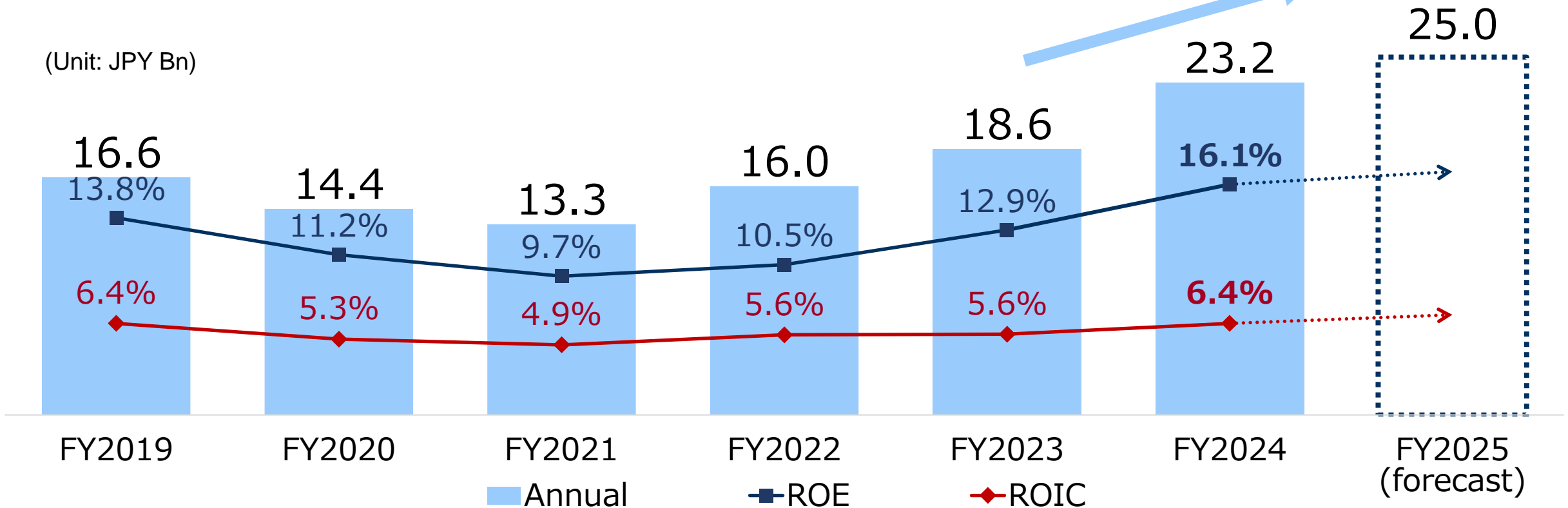
4) PBR = Market cap at the end of the period (end stock price x number of issued shares) ÷ Equity capital

Annual Net Profit

- Achieved the 20 billion yen target of the revised medium-term vision, “*future 135*.”
- The net profit¹⁾ for the fiscal year 2025 is expected to be 25.0 billion yen.

Net profit attributable to owners of the parent

(Unit: JPY Bn)



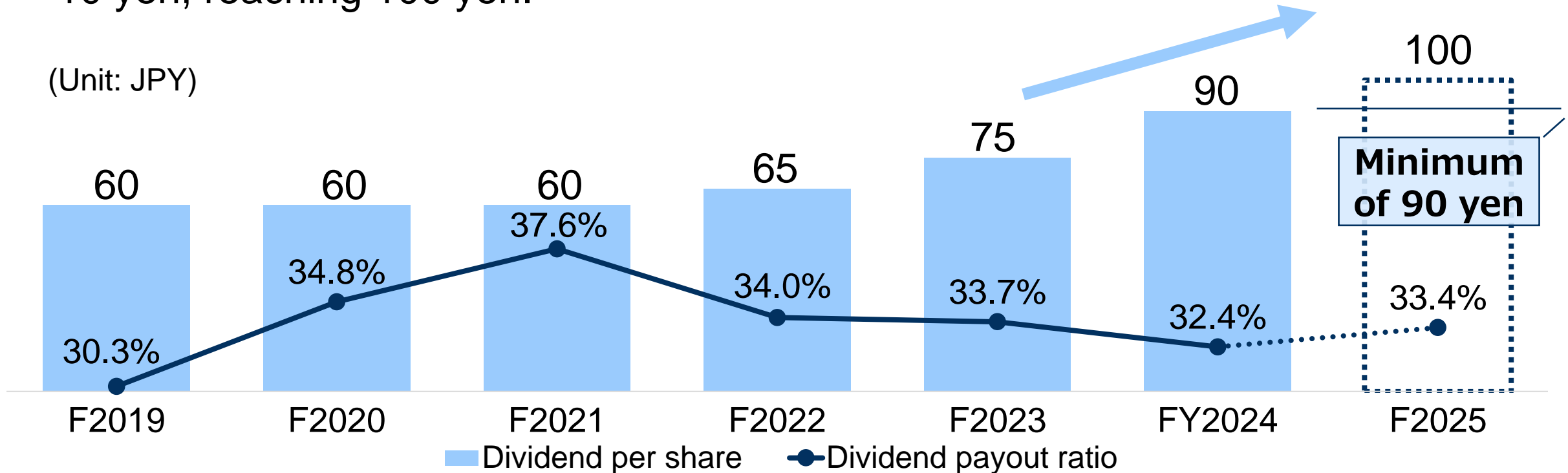
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Dividends

- An annual dividend of a minimum of 90 yen, with progressive dividends.
- With a target total return ratio of 30–35%, the policy is to increase dividends in accordance with the growth of net profit¹⁾.
- The annual dividend per share for the fiscal year 2025 is expected to increase by 10 yen, reaching 100 yen.

(Unit: JPY)



1) Net profit = Profit attributable to owners of the parent

