

Translation

Notice: This is a translation of part of the original document in Japanese and is only for reference purposes. In the event of any discrepancies between this translated document and the original Japanese document, the latter shall prevail.



Consolidated Financial Results for the Nine Months Ended December 31, 2024 [Japanese GAAP]



February 13, 2025

Company name: Seika Corporation
Stock exchange listing: Tokyo Stock Exchange
Code number: 8061
URL: <https://seika.com/ir/en/>
Representative: Akihiko Sakurai, President and Chief Executive Officer
Contact: Hirohisa Masuda, Director, Managing Executive Officer in charge of administration
Phone: +81-3-5221-7101
Scheduled date of commencing dividend payments: –
Availability of supplementary briefing materials on financial results: No
Schedule of financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2024 (April 1, 2024 - December 31, 2024)

(1) Consolidated Operating Results (% indicates year-on-year change.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2024	67,735	11.7	4,319	25.2	5,879	56.1	6,051	141.9
December 31, 2023	60,630	(4.6)	3,451	32.0	3,765	56.2	2,501	39.3

(Note) Comprehensive income: Nine months ended December 31, 2024: ¥4,467 million [(16.4)%]

Nine months ended December 31, 2023: ¥5,343 million [113.2%]

Sales from agent transactions are shown net of the corresponding purchases. Sales under the old accounting standards are shown below as “Gross sales”:

Nine months ended	Gross sales	Year-on-year change
December 31, 2024	¥214,460 million	49.7%
December 31, 2023	¥143,265 million	15.6%

	Profit per share	Diluted profit per share
Nine months ended	Yen	Yen
December 31, 2024	503.78	499.60
December 31, 2023	207.54	206.54

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2024	98,711	44,923	44.9
As of March 31, 2024	118,543	43,180	35.7

(Reference) Equity: As of December 31, 2024: ¥44,273 million

As of March 31, 2024: ¥42,264 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	–	60.00	–	90.00	150.00
Fiscal year ending March 31, 2025	–	90.00	–		
Fiscal year ending March 31, 2025 (Forecast)				130.00	220.00

(Note) Revision to the forecast for dividends announced most recently: Yes

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

(% indicates year-on-year change.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	94,000	8.3	6,200	11.1	8,000	27.9	7,500	67.1	624.75

(Note) Revision to the financial results forecast announced most recently: Yes

Sales from agent transactions are shown net of the corresponding purchases. Sales under the old accounting standards are shown below as “Gross sales”:

	Gross sales	Year-on-year change
Full year	¥290,000 million	41.2%

*** Notes:**

(1) Significant changes in the scope of consolidation during the period: Yes

Newly added: Three companies (Company name: FORMOSA SEIKA CORPORATION, Shipyard Tanaka Co., Ltd., SC Group Asia Co., Ltd.)

Excluded: — (Company name:)

(2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Restatement: No

(4) Number of outstanding shares (common shares)

1) Number of outstanding shares at the end of the period (including treasury shares):

As of December 31, 2024: 12,320,650 shares

As of March 31, 2024: 12,320,650 shares

2) Number of treasury shares at the end of the period:

As of December 31, 2024: 341,358 shares

As of March 31, 2024: 270,720 shares

3) Average number of shares during the period:

Nine months ended December 31, 2024: 12,013,151 shares

Nine months ended December 31, 2023: 12,054,059 shares

(Note) The number of treasury shares excluded from the calculation of the number of treasury shares at the end of the period and average number of shares during the period include the shares of the Company owned by The Master Trust Bank of Japan, Ltd. (Trust Account) as trust assets for distributing stock to officers.

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

* Explanation of the proper use of financial results forecast and other notes

The financial results forecasts in this document are based on information available to the Company as of the date of disclosure of this document. Actual results may differ from these forecasts due to various factors in the future.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	10,428	14,258
Notes and accounts receivable - trade, and contract assets	53,475	44,522
Investments in leases	34	20
Securities	100	100
Merchandise and finished goods	7,805	8,141
Work in process	442	608
Raw materials and supplies	1,708	1,891
Advance payments to suppliers	21,021	5,748
Other	736	911
Allowance for doubtful accounts	(153)	(149)
Total current assets	95,599	76,052
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,084	1,173
Machinery, equipment and vehicles	252	280
Tools, furniture and fixtures	441	451
Fixed assets for rent, net	674	681
Leased assets	163	140
Land	2,039	2,108
Construction in progress	2	54
Total property, plant and equipment	4,658	4,890
Intangible assets		
Goodwill	156	89
Right to use facilities	118	116
Software	348	291
Other	18	14
Total intangible assets	642	513
Investments and other assets		
Investment securities	16,413	16,031
Long-term loans receivable	34	31
Deferred tax assets	586	582
Other	637	646
Allowance for doubtful accounts	(30)	(37)
Total investments and other assets	17,642	17,254
Total non-current assets	22,943	22,658
Total assets	118,543	98,711

(Million yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	44,588	38,037
Short-term borrowings	7	11
Lease liabilities	41	42
Accounts payable – other	1,861	1,559
Income taxes payable	788	1,438
Advances received	20,791	6,326
Provision for bonuses	940	579
Provision for bonuses for directors	123	155
Other	1,003	969
Total current liabilities	70,146	49,119
Non-current liabilities		
Long-term borrowings	18	23
Lease liabilities	133	109
Retirement benefit liability	2,558	2,649
Provision for retirement benefits for directors	22	43
Provision for share awards	–	53
Deferred tax liabilities	2,012	1,327
Other	470	460
Total non-current liabilities	5,216	4,667
Total liabilities	75,362	53,787
Net assets		
Shareholders' equity		
Share capital	6,728	6,728
Capital surplus	2,040	2,083
Retained earnings	25,992	29,866
Treasury shares	(415)	(648)
Total shareholders' equity	34,345	38,030
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,509	4,738
Foreign currency translation adjustment	1,370	1,515
Remeasurements of defined benefit plans	38	(11)
Total accumulated other comprehensive income	7,918	6,242
Share acquisition rights	250	225
Non-controlling interests	666	425
Total net assets	43,180	44,923
Total liabilities and net assets	118,543	98,711

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
 Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Net sales	60,630	67,735
Cost of sales	44,707	49,676
Gross profit	15,923	18,059
Selling, general and administrative expenses	12,471	13,739
Operating profit	3,451	4,319
Non-operating income		
Interest income	12	13
Dividend income	119	127
Gain on sale of securities	3	2
Share of profit of entities accounted for using equity method	157	1,267
Foreign exchange gains	22	60
Other	69	120
Total non-operating income	385	1,591
Non-operating expenses		
Interest expenses	10	5
Other	61	26
Total non-operating expenses	71	31
Ordinary profit	3,765	5,879
Extraordinary income		
Gain on sale of investment securities	77	2,779
Gain on sale of shares of subsidiaries and associates	16	–
Compensation income	56	–
Total extraordinary income	150	2,779
Extraordinary losses		
Loss on valuation of investment securities	85	–
Total extraordinary losses	85	–
Profit before income taxes	3,830	8,659
Income taxes - current	1,127	2,376
Income taxes - deferred	141	161
Total income taxes	1,269	2,537
Net Profit	2,560	6,121
Profit attributable to		
Profit attributable to owners of parent	2,501	6,051
Profit attributable to non-controlling interests	58	69
Other comprehensive income		
Valuation difference on available-for-sale securities	1,894	(1,836)
Foreign currency translation adjustment	829	162
Remeasurements of defined benefit plans, net of tax	(11)	(51)
Share of other comprehensive income of entities accounted for using equity method	71	70
Total other comprehensive income	2,782	(1,654)
Comprehensive income	5,343	4,467
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,240	4,376
Comprehensive income attributable to non-controlling interests	103	91