

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

February 3, 2025

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 Third Quarter of the Year Ending March 31, 2025

(April 1, 2024- December 31, 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	%
3rd Quarter of the Year Ending March 31, 2025	234,820	16.5	9,868	42.0	9,758	39.5	6,124	22.9
3rd Quarter of the Year Ended March 31, 2024	201,614	-5.5	6,949	-14.5	6,993	-16.1	4,985	-16.4

(Note) Comprehensive Income: Third Quarter of the year ending March 31, 2025 ¥8,308million (25.5%)
 Third Quarter of the year ended March 31, 2024 ¥6,622million (13.2%)

	Profit per Share	Diluted Profit Per Share
	Yen	Yen
3rd Quarter of the Year Ending March 31, 2025	515.67	—
3rd Quarter of the Year Ended March 31, 2024	464.87	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	Million yen	Million yen	%
As at December 31,2024	192,125	66,606	33.7
As at March 31,2024	160,720	58,860	36.7

(Reference) Shareholders' Equity : As at December 31,2024 ¥64,817million
 As at March 31,2024 ¥58,976million

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: Yes

New: 5 (Company name) Pacific Scallop Co.,Ltd. and other 4 companies. Excluded: — (Company name)

(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 December 31,2024	12,078,283	As at March 31,2024	12,078,283
As at December 31,2024	200,852	As at March 31,2024	200,775
As at December 31,2024	11,877,462	As at December 31,2023	10,723,904

*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.

Overview of consolidated financial results by segment

Sales and operating profit by segment are summarized below.

Versus previous year results

(Millions of yen)

	Sales			Operating Profit		
	FY2024 3Q	Y-o-Y change	%change	FY2024 3Q	Y-o-Y change	%change
Marine Products Business	131,093	30,489	30.3%	5,737	1,415	32.7%
Freshfoods Business	51,407	2,415	4.9%	2,869	1,535	115.1%
Processed Food Business	50,645	241	0.5%	2,175	-78	-3.5%
Logistics Business	1,279	64	5.3%	241	16	7.5%
Other	395	-4	-1.2%	-1,155	30	-2.6%
Total	234,820	33,206	16.5%	9,868	2,919	42.0%

* Figures from the previous year have been converted into the changed segment in line with our business segment reconfiguration.

(1) Marine Products Business

(Domestic sales)

• Overall, the marine products market remained firm. Under these circumstances, we had strategically retained and processed commercial products for the year-end sales season. We had been making the concerted effort to sell these products, resulting in a significant increase in sales and profit.

• Sales of salmon trout and shrimp, our main fish species, were strong. In addition, sales of crab, fish roe, and scallops grew as high-value merchandise in high demand at the end of the year.

(Overseas business)

• Export sales improved due to increased demand for Japanese bluebacked fish.

• In overseas local sales, consumption in Europe and the United States recovered. And in China, demand for raw materials for export recovered.

(2) Freshfoods Business

(Sales of Tuna & Skipjack business)

• Strong sales of frozen bluefin tuna and southern bluefin tuna, especially to restaurants and mass-market retailers.

(Sushi and Sashimi business)

• Sushi toppings for the restaurant industry grew due to the inbound effect. Although sales for the conveyor-belt sushi restaurants declined due to price revisions, earnings improved.

(Overseas purse seine fishing business)

- Sales increased due to increased catch.
- Profits improved due to decrease in fuel costs and so on.

(Aquaculture business)

- Sales increased due to the expansion in sales of Japanese farmed bluefin tuna.
- Profits improved due to effect of dissolution the fully farmed bluefin tuna company and strengthen management system of other fish species.

(3) Processed Food Business

(Frozen foods for industrial use)

- Sales of imitation crab meat increased, but sales of fried seafood products and fish fillets decreased due to lower consumption caused by price revisions and competition with inexpensive overseas products.

(Frozen foods for home use)

- Sales of simmered and grilled fish and products for bento boxed lunches were on a par with the same period of the previous year.

(Canned)

- Although sales of canned mackerel improved and sales of canned tuna expanded, the cost of imported cans and other materials rose, putting pressure on earnings.

(Snacks/delicacies)

- Decrease in both sales and profit due to price revision.

(4) Logistics Business

(Cold storage business)

- Storage earnings increased as storage capacity ratio remained at high level, and the effect of the price revision in the last fiscal year led to the expansion in both sales and profits.

(Consigned forwarding business)

- Sales increased due to strengthened sales to external partners.

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Million yen)

	As at March 31, 2024	As at December 31, 2024
Assets		
Current assets		
Cash and deposits	8,452	7,787
Notes and accounts receivable - trade	34,677	55,843
Inventories	70,337	72,991
Other	10,840	12,086
Allowance for doubtful accounts	(10)	(13)
Total current assets	124,297	148,695
Non-current assets		
Property, plant and equipment	21,670	26,395
Intangible assets	887	1,919
Investments and other assets		
Investment securities	11,744	12,927
Deferred tax assets	568	495
Other	3,147	3,287
Allowance for doubtful accounts	(1,596)	(1,596)
Total investments and other assets	13,864	15,114
Total non-current assets	36,422	43,429
Total assets	160,720	192,125

As at March 31, 2024 As at December 31, 2024

	As at March 31, 2024	As at December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,417	14,256
Short-term borrowings	30,340	43,935
Commercial papers	15,000	15,000
Income taxes payable	1,058	1,726
Provisions	1,063	488
Accounts payable - other	7,811	7,499
Other	6,967	7,966
Total current liabilities	70,659	90,872
Non-current liabilities		
Long-term borrowings	28,975	31,590
Deferred tax liabilities	931	1,597
Provisions	402	260
Retirement benefit liability	701	914
Asset retirement obligations	16	16
Other	171	266
Total non-current liabilities	31,200	34,646
Total liabilities	101,859	125,518
Net assets		
Shareholders' equity		
Share capital	7,527	7,527
Capital surplus	3,193	3,265
Retained earnings	42,176	47,110
Treasury shares	(543)	(616)
Total shareholders' equity	52,354	57,286
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,842	5,677
Deferred gains or losses on hedges	97	214
Foreign currency translation adjustment	861	823
Remeasurements of defined benefit plans	820	815
Total accumulated other comprehensive income	6,622	7,530
Non-controlling interests	(115)	1,788
Total net assets	58,860	66,606
Total liabilities and net assets	160,720	192,125

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

(Million yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Net sales	201,614	234,820
Cost of sales	176,154	204,236
Gross profit	25,459	30,583
Selling, general and administrative expenses	18,510	20,715
Operating profit	6,949	9,868
Non-operating income		
Interest income	1	16
Dividend income	155	216
Share of profit of entities accounted for using equity method	—	15
Subsidy income	51	68
Insurance claim income	88	63
Foreign exchange gains	129	—
Other	146	256
Total non-operating income	572	636
Non-operating expenses		
Interest expenses	431	582
Share of loss of entities accounted for using equity method	10	—
Foreign exchange losses	—	49
Provision for loss on litigation	8	—
Other	77	114
Total non-operating expenses	527	746
Ordinary profit	6,993	9,758
Extraordinary income		
Gain on disposal of non-current assets	1	14
Gain on forgiveness of debts	—	1,274
Gain on sale of investment securities	8	14
National subsidy income	—	3
Gain on revision of retirement benefit plan	1,717	—
Settlement income	113	—
Total extraordinary income	1,841	1,308
Extraordinary losses		
Loss on disposal of non-current assets	10	17
Impairment losses	6	0
Loss on disaster	1,526	—
Loss on litigation	—	943
Foreign exchange losses	—	93
Loss on sale of investment securities	—	65
Loss on tax purpose reduction entry of non-current assets	—	3
Loss on valuation of investment securities	1	—
Other	—	34
Total extraordinary losses	1,544	1,158
Profit before income taxes	7,290	9,908
Income taxes - current	1,566	2,341
Income taxes - deferred	782	115
Total income taxes	2,348	2,457
Profit	4,942	7,451
Profit (loss) attributable to :		
Owners of parent	4,985	6,124
Non-controlling interests	(43)	1,326

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

(Million yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Other comprehensive income		
Valuation difference on available-for-sale securities	688	835
Deferred gains or losses on hedges	13	116
Foreign currency translation adjustment	690	(89)
Remeasurements of defined benefit plans, net of tax	288	(5)
Total other comprehensive income	1,679	857
Comprehensive income	6,622	8,308
Comprehensive income attributable to :		
Owners of parent	6,576	7,033
Non-controlling interests	45	1,275