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

February 10, 2025

Company name: Meito Sangyo Co., Ltd.
 Listing: Tokyo, Nagoya
 Securities code: 2207
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 Representative: Masuo Mitsuya, Representative Director and President
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

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

(1) Consolidated Operating Results

(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	21,299	16.8	1,253	384.5	2,506	85.8	4,430	362.5
December 31, 2023	18,236	10.2	258	-	1,349	49.6	957	64.1

(Note) Comprehensive income: Nine months ended December 31, 2024: ¥ 5,362 million [13.0%]
 Nine months ended December 31, 2023: ¥ 4,746 million [923.2%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2024	261.81	-
December 31, 2023	56.64	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	85,409	55,912	65.5
March 31, 2024	82,247	51,068	62.1

(Reference) Equity: As of December 31, 2024: ¥ 55,912 million
 As of March 31, 2024: ¥ 51,068 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	-	13.00	-	15.00	28.00
Fiscal year ending March 31, 2025	-	17.00	-		
Fiscal year ending March 31, 2025 (Forecast)				18.00	35.00

(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 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	28,000	14.8	1,350	481.7	2,650	85.3	4,650	-	274.87

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

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - (Company name:)

Excluded: - (Company name:)

(2) Adoption of accounting treatment specific to 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 revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

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

December 31, 2024: 17,289,308 shares

March 31, 2024: 17,277,683 shares

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

December 31, 2024: 361,449 shares

March 31, 2024: 360,874 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2024: 16,923,450 shares

Nine months ended December 31, 2023: 16,912,235 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

[Disclaimer regarding forward-looking statements and other information]

Forward-looking statements, such as business forecasts, included in this document are based on management's estimates, assumptions, and projections at the time of publication. These statements do not represent a promise or commitment by the Company to achieve those forecasts. Actual operating results may differ significantly due to various factors.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	6,362	7,717
Notes and accounts receivable - trade	6,119	6,818
Securities	250	0
Merchandise and finished goods	1,756	1,762
Work in process	674	758
Raw materials and supplies	1,507	1,965
Other	331	221
Allowance for doubtful accounts	(2)	(27)
Total current assets	16,998	19,217
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,590	9,375
Machinery, equipment and vehicles, net	5,103	4,866
Other, net	4,149	4,495
Total property, plant and equipment	18,843	18,737
Intangible assets		
Trademark right	1,538	1,470
Goodwill	499	464
Other	112	125
Total intangible assets	2,149	2,060
Investments and other assets		
Investment securities	43,793	44,874
Other	492	547
Allowance for doubtful accounts	(28)	(28)
Total investments and other assets	44,256	45,393
Total non-current assets	65,249	66,191
Total assets	82,247	85,409

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,067	2,731
Short-term borrowings	3,070	-
Current portion of long-term borrowings	765	765
Income taxes payable	232	1,370
Other	3,863	4,215
Total current liabilities	10,998	9,083
Non-current liabilities		
Long-term borrowings	9,079	8,505
Deferred tax liabilities	8,058	8,769
Provision for retirement benefits for directors (and other officers)	45	13
Provision for noncurrent assets removal cost	100	100
Retirement benefit liability	2,668	2,799
Other	228	226
Total non-current liabilities	20,180	20,413
Total liabilities	31,178	29,497
Net assets		
Shareholders' equity		
Share capital	1,323	1,335
Capital surplus	86	98
Retained earnings	27,788	31,677
Treasury shares	(688)	(689)
Total shareholders' equity	28,509	32,421
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22,484	23,472
Remeasurements of defined benefit plans	74	18
Total accumulated other comprehensive income	22,559	23,490
Total net assets	51,068	55,912
Total liabilities and net assets	82,247	85,409

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

(Millions of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Net sales	18,236	21,299
Cost of sales	14,228	15,010
Gross profit	4,008	6,288
Selling, general and administrative expenses		
Promotion expenses	23	213
Transportation and storage costs	1,342	1,634
Salaries, allowances and bonuses	1,214	1,482
Retirement benefit expenses	30	31
Provision for retirement benefits for directors (and other officers)	3	4
Provision of allowance for doubtful accounts	7	25
Depreciation	63	114
Other	1,064	1,528
Total selling, general and administrative expenses	3,749	5,034
Operating profit	258	1,253
Non-operating income		
Interest income	2	1
Dividend income	924	1,111
Gain on sale of investment securities	121	1
Share of profit of entities accounted for using equity method	41	40
Bounty on establishment of new business facilities	95	140
Other	47	42
Total non-operating income	1,232	1,337
Non-operating expenses		
Interest expenses	26	37
Loss on sale and retirement of non-current assets	110	43
Other	5	4
Total non-operating expenses	142	85
Ordinary profit	1,349	2,506
Extraordinary income		
Gain on sale of investment securities	-	3,363
Gain on sale of non-current assets	-	342
Gain on sale of shares of subsidiaries and associates	29	-
Total extraordinary income	29	3,706
Profit before income taxes	1,378	6,212
Income taxes - current	248	1,605
Income taxes - deferred	172	176
Total income taxes	420	1,781
Profit	957	4,430
Profit attributable to owners of parent	957	4,430

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

(Millions of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Profit	957	4,430
Other comprehensive income		
Valuation difference on available-for-sale securities	3,844	987
Remeasurements of defined benefit plans, net of tax	(56)	(56)
Total other comprehensive income	3,788	931
Comprehensive income	4,746	5,362
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,746	5,362