May 13, 2025

Consolidated Financial Results (Japanese Accounting Standards) for the FY2024 (Ended March 31, 2025) (English Translation)

Company name:	KAMEDA SEIKA CO., LTD.
Stock exchange:	Tokyo Stock Exchange
Stock code:	2220
URL:	www.kamedaseika.co.jp
Representative:	Masanori Takagi, President and COO
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Scheduled date of ordinary shareholder's meeting:	June 17, 2025
Scheduled date of commencement of dividend payment:	June 18, 2025
Scheduled date for filing of securities report:	June 17, 2025
Supplementary documents for financial results:	Yes
Financial results briefing:	Yes (for analysts and institutional investors)

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the fiscal Year Ended March 31, 2025 (April 1, 2024 - March 31, 2025)

(1) Consolidated Results of Operations (Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
Year ended	¥ million	%	¥ million	%	¥ million	%	¥ million	%
March 31, 2025	103,262	8.1	5,500	23.1	6,916	1.7	5,417	140.0
March 31, 2024	95,534	0.6	4,467	25.3	6,798	30.4	2,257	19.2

(Note) Comprehensive income: ¥ 6,983 million (0.4%) for the fiscal year ended March 31, 2025
¥ 6,953 million (121.6%) for the fiscal year ended March 31, 2024

	Net income per share (basic)	Net income per share (diluted)	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
Year ended	¥	¥	%	%	%
March 31, 2025	256.98	—	7.4	5.7	5.3
March 31, 2024	107.06	—	3.3	5.9	4.7

(Reference) Equity in earnings of affiliates: ¥ 1,524 million for the fiscal year ended March 31, 2025
¥ 864 million for the fiscal year ended March 31, 2024

(2) Consolidated Results of Operations

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ million	¥ million	%	¥
As of March 31, 2025	123,862	78,908	61.0	3,585.50
As of March 31, 2024	120,510	73,718	58.0	3,317.24

(Reference) Shareholder's equity: As of March 31, 2025: ¥ 75,594 million
As of March 31, 2024: ¥ 69,938 million

(3) Consolidated Cash Flow

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of fiscal year
Year ended	¥ million	¥ million	¥ million	¥ million
March 31, 2025	9,442	-7,830	-1,215	8,120
March 31, 2024	9,730	-8,140	-1,255	7,442

2. Dividends

	Dividend per share					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual			
	¥	¥	¥	¥	¥	¥ million	%	%
Year ended March 31, 2024	—	15.00	—	41.00	56.00	1,180	52.3	1.8
Year ended March 31, 2025	—	15.00	—	42.00	57.00	1,201	22.2	1.7
Year ending March 31, 2026 (forecasts)	—	15.00	—	43.00	58.00		30.6	

3. Forecasts of Consolidated Financial Results for the Fiscal year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(Percentage figures for the fiscal year represent the changes from the previous year, while percentage figures for the six months' period represent the changes from the same period of the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Six months ending September 30, 2025	47,000	-3.2	800	-54.8	1,300	-29.3	600	-24.4	28.46
Year ending March 31, 2026	101,000	-2.2	5,500	0.0	6,900	-0.2	4,000	-26.2	189.72

* Notes

(1) Changes of in significant subsidiaries during the period: Not applicable

(2) Changes in accounting policies and changes or restatement of accounting estimates

- (i) Changes in accounting policies caused by revision of accounting standards :Not applicable
- (ii) Changes in accounting policies other than (i) :Not applicable
- (iii) Changes in accounting estimates :Not applicable
- (iv) Restatement :Not applicable

(3) Number of shares outstanding (common stock):

(i) Number of shares outstanding at end of period (including treasury stock)

As of March 31, 2025: 22,318,650 shares
As of March 31, 2024: 22,318,650 shares

(ii) Number of treasury stock at end of period

As of March 31, 2025: 1,235,320 shares
As of March 31, 2024: 1,235,240 shares

(iii) Average number of shares outstanding during the term

Year ended March 31, 2025: 21,083,376 shares
Year ended March 31, 2024: 21,083,497 shares

(Reference) Summary of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the fiscal Year Ended March 31, 2025 (April 1, 2024 – March 31, 2025)

(1) Non-Consolidated Results of Operations (Percentages show year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Year ended March 31, 2025	62,529	4.5	2,523	1.9	2,944	-41.6	3,484	—
Year ended March 31, 2024	59,812	-4.1	2,476	47.3	5,041	27.5	-532	—

	Net income Per share (basic)	Net income Per share (diluted)
	¥	¥
Year ended March 31, 2025	165.25	—
Year ended March 31, 2024	-25.27	—

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ million	¥ million	%	¥
Year ended March 31, 2025	80,800	44,294	54.8	2,100.92
Year ended March 31, 2024	80,937	42,021	51,9	1,993.09

(Reference) Shareholder’s equity: Year ended March 31, 2025: ¥ 44,294 million
Year ended March 31, 2024: ¥ 42,021 million

* These financial results are not subject to auditing.

* Statement regarding the appropriate use of operating forecasts and special notes

(Caution concerning statements, etc. regarding the future)

The forward-looking statements such as performance forecasts included in this document are based on the information available to the Company at the time of the announcement and on certain assumptions considered reasonable. Actual results may differ significantly from these forecasts due to various factors. See “1. Summary of Business Results (4) Explanation of Future Estimates ,Including Consolidated Forecasts” on p.6 of the Appendix for the conditions assumed in consolidated forecasts and notes on the use of consolidated forecasts.

(How to obtain supplementary explanatory materials on financial results and details of financial results briefing session)

The Company intends to hold a Zoom webinar for analysts and institutional investors on Monday, May 26, 2025. Any explanatory materials used on that day will be available on the Company's website before the session starts.

Contents of Appendix

1. Summary of Business Results

(1) Summary of Business Results

During the fiscal year ended March 31, 2025, although the employment and income environment continued to be strong, the Japanese economy struggled with increasingly price conscious consumer behavior due to a prolonged rise in prices, resulting in a lack of strength in the expansion of consumer spending. The global situation remained unstable, and ongoing high raw material and energy prices as well as increases in logistics costs and personnel costs are prompting concerns that these factors could further chill consumer sentiment. As a result, the future outlook for the economy remains uncertain.

Domestic food companies continue to be forced into difficult steering in light of this economic environment. Furthermore, the situation for the rice cracker industry was particularly severe as these factors combined with soaring costs of rice.

The KAMEDA SEIKA Group is working to proceed with its Medium-to-Long-Term Growth Strategy 2030. We position contributing to the healthy lifestyles of our customers through the blessings of rice to further refine the values of excellent flavor, health, and excitement, as our purpose, "Better For You." By realizing our vision of becoming a Rice Innovation Company that maximizes the potential of rice to create new value and new markets around the world, we aim to achieve sustainable growth and an improvement in our corporate value.

In FY2024, in order to realize our vision of becoming a Rice Innovation Company, we enhanced our cash generating capabilities by focusing on the unique value appeal in the Domestic Rice Cracker Business to solidify our foundation as a company creating unique value, and carried out various measures for rebuilding our business portfolio to expand the Overseas Business and Food Business, which are our growth engines.

Net sales for the fiscal year ended March 31, 2025 rose year-on-year for all of the Domestic Rice Cracker Business, Overseas Business, and Food Business, amounting to ¥103,262 million (up 8.1% year-on-year).

Operating income amounted to ¥5,500 million (up 23.1% year-on-year) due to the Overseas Business becoming profitable, as well as increased profits in the Domestic Rice Cracker Business and Food Business. Ordinary income amounted to ¥6,916 million (up 1.7% year-on-year) due to increases in operating income and equity in earnings of affiliates. As a result of recording an impairment loss related to Mary's Gone Crackers, Inc. in the previous fiscal year and recognizing a deferred tax asset in the current fiscal year, net income attributable to owners of the parent amounted to ¥5,417 million (up 140.0% year-on-year).

Results for each segment were as described below.

<Domestic Rice Cracker Business>

In the Domestic Rice Cracker Business, we focused on enhancing product value, accelerated our shift to a competitive strategy that appeals for unique value, and worked to strengthen our revenue base by focusing on priority brands.

Specifically, from the perspectives of pursuing customer value and improving investment efficiency, we enhanced our consumer communication and brand value, focusing on the six priority brands of "KAMEDA Kaki-no-Tane," "Happy Turn," "KAMEDA Tsumami Dane," the "Mugen" series, "Waza-no-KodaWari," and "Kotsubukko."

In order to expand "KAMEDA Kaki-no-Tane" to meet demand for snacks that can be enjoyed by parents and children, we focused our promotion on "Umashio," while strengthening in-store exposure in association with this promotion to deepen our brand value. We renewed "Happy Turn" for the first time in five years. In addition to expanding the brand to meet demand for snacks to enjoy with drinks through the strengthening of "Happy Turn Spice," we also enhanced the brand's appeal to younger consumers through initiatives such as collaborations between "Happy Turn," the "Mugen" series, and a popular TV anime. For "KAMEDA Tsumami Dane" products, in addition to the sales of seasonal-limited products, we worked to capture new customers by launching a TV commercial of "Gogo-no-Tsumami Dane ." We also broadcasted a TV commercial that conveyed our commitment to the production methods for "Waza-no-KodaWari," and we launched limited-time "Kotsubukko" products. Through these efforts, we have worked to enhance the value of our six priority brands. Furthermore, we worked to refine the uniqueness of our brands and products through a customer-oriented approach, including the enhancement of CVS channels through product development that emphasizes the value of rice and the launch of rice crackers that are a functional food product containing the rice-derived plant origin lactic acid bacteria K-1, which we have been researching and developing for many years. In addition, in conjunction with our product strategy, we have engaged in activities that are focused on value appeal, such as increasing our production capacity, sales at reasonable prices, and effective execution of sales promotion expenses.

As a result of these initiatives for the six priority brands, while net sales for the "Mugen" series was lower year-on-year, net sales were higher year-on-year for "KAMEDA Kaki-no-Tane," "Happy Turn," "KAMEDA Tsumami Dane," "Waza-no-KodaWari" and "Kotsubukko."

Group companies that manufacture and sell products for department stores and souvenirs remained strong, partly due to the opening of new stores, despite the tailing off of the recovery in demand following the COVID-19 pandemic. As a result of these efforts, overall net sales in the Domestic Rice Cracker Business totaled ¥69,748 million (up 5.2% year-on-year).

In terms of operating income, to respond to the rise in raw material and energy prices, we implemented price revisions for 17 products including "Happy Turn" in October in KAMEDA SEIKA's Rice Cracker Business. In addition, we continued to carry out various measures such as a shift to a lean portfolio by focusing on the six priority brands, efficient execution of sales promotion expenses, and improvement of production efficiency by reorganizing and consolidating unprofitable lines and utilizing outsourced production. With the addition of the strong performance of Group companies that manufacture and sell products for department stores and souvenirs, operating income for the Domestic Rice Cracker Business as a whole totaled ¥4,442 million (up 2.6% year-on-year).

<Overseas Business>

In the Overseas Business, we worked to strengthen profitability through continued expansion of sales in North America and Asia and through business structural reforms. Mary's Gone Crackers, Inc. in North America, saw a recovery in sales during the second half of the consolidated fiscal year under review thanks to the adoption of small-sized products—launched to encourage consumer purchases—by major retailers, as well as progress in cultivating new sales channels. The Asian region also generally performed well, with Singha Kameda (Thailand) Co., Ltd. in Thailand remaining strong due to expanded exports, and THIEN HA KAMEDA, JSC. in Vietnam focusing on strengthening its mainstay brand "ICHi." As a result, overall net sales in the Overseas Business amounted to ¥17,239 million (up 14.2% year-on-year).

In terms of operating income, as a result of factors including expanded exports at Singha Kameda (Thailand) Co., Ltd. in Thailand and improvements in business performance of Qingdao Kameda Foods Co., Ltd. in China, the Asian region generally performed well, and significant profit growth in the region was achieved. Furthermore, Mary's Gone Crackers, Inc. achieved profitability during the second half of the consolidated fiscal year under review thanks to its manufacturing cost reduction activities. As a result, the Overseas Business as a whole recorded an operating income of ¥135 million (compared to an operating loss of ¥413 million in the previous fiscal year), reaching full year profitability for the first time.

<Food Business>

In the Food Business, we strengthened collaboration between KAMEDA SEIKA and Group companies and strove for growth. Sales of long-life preserved foods rose significantly year-on-year, due in part to an increase in stockpiling demand in preparation for potential disasters. For rice flour bread, we started regular production at the new plant and are working to expand sales channels. Moreover, we have worked to expand sales channels for plant origin lactic acid bacteria by promoting its functionality and differentiating it from other products, and as a result of these efforts, revenue rose year-on-year. Meanwhile, although we continued to work to expand sales channels and develop a new BtoB market for "Plant Based Green Chicken," which is made with 100% plant-based raw materials, revenue of plant-based food decreased. However, we have implemented measures focused on the next fiscal year, such as rebranding "Plant Based Green Chicken" and launching new product for instant noodle use. As a result, overall net sales in the Food Business amounted to ¥9,068 million (up 24.6% year-on-year).

In terms of operating income, an increase in revenue of long-life preserved foods supplemented an increase in the amount spent in investment aimed at expanding the rice flour bread business, resulting in operating income of ¥654 million (up 323.2% year-on-year).

Supplementary Information

(Unit: ¥ million)

	Year ended March 31, 2024	Year ended March 31, 2025	〔Reference〕 YoY	
			Change	Change (%)
Net sales	95,534	103,262	7,727	8.1%
Domestic Rice Cracker Business	66,307	69,748	3,441	5.2%
Overseas Business *1	15,096	17,239	2,142	14.2%
Food Business *2	7,278	9,068	1,790	24.6%
Other (Freights transport etc.) *3	6,852	7,205	353	5.2%
Operating income	4,467	5,500	1,032	23.1%
Operating income margin	4.7%	5.3%		
Domestic Rice Cracker Business	4,330	4,442	111	2.6%
Overseas Business *1	-413	135	548	—
Food Business *2	154	654	499	323.2%
Other (Freights transport etc.) *3	395	268	-127	-32.2%

*1. Overseas business includes domestic import and export transactions in addition to those of overseas subsidiaries.

*2. Food business is mainly comprised of long-life preserved foods and plant origin lactic acid bacteria as well as rice flour bread and plant-based food.

*3. “Other (Freights transport etc.)” consists mainly of the subsidiary’s logistic business.

(2) Summary of Financial Position

(Assets)

Current assets stood at ¥33,275 million at the end of the consolidated fiscal year under review, a decrease of ¥932 million from the end of the previous fiscal year. This was mainly due to decreases of ¥655 million in “Notes, accounts receivable-trade and contract assets,” ¥738 million in “Raw materials and suppliers,” and ¥1,158 million in “Other,” which were partly offset by increases of ¥881 million in “Cash and deposits” and ¥633 million in “Merchandise and finished goods.” Fixed assets stood at ¥90,587 million, an increase of ¥4,284 million from the end of the previous fiscal year. This was mainly attributable to increases of ¥833 million in “Lease assets,” ¥2,145 million in “Construction in progress,” ¥760 million in “Investment securities,” and ¥1,602 million in “Net defined benefit assets,” which were partly offset by a decrease of ¥777 million in “Machinery, equipment and vehicles.”

As a result, total assets stood at ¥123,862 million, an increase of ¥3,352 million from the end of the previous fiscal year.

(Liabilities)

Current liabilities stood at ¥25,081 million at the end of the consolidated fiscal year under review, a decrease of ¥4,775 million from the end of the previous fiscal year. This was mainly due to decreases of ¥3,251 million in “Short-term loans payable,” and ¥1,787 million in “Other.” Long-term liabilities stood at ¥19,873 million, an increase of ¥2,938 million from the end of the previous fiscal year. This was mainly due to increases of ¥4,228 million in “Long-term loans payable” and a decrease of ￥1,190 million in "Deferred tax liabilities.”

As a result, total liabilities stood at ¥44,954 million, a decrease of ¥1,837 million from the end of the previous fiscal year.

(Net assets)

Total net assets stood at ¥78,908 million at the end of the consolidated fiscal year under review, an increase of ¥5,189 million from the end of the previous fiscal year. This was mainly due to an increase of ¥4,237 million in “Retained earnings” resulting from “Net income attributable to owners of the parent” of ¥5,417 million and “Dividends from surplus” of ¥1,180 million, and an increase of ¥811 million in “Foreign currency translation adjustments.” In addition, “Capital surplus” increased by ¥548 million due to the additional acquisition of shares in LYLY KAMEDA CO., LTD. in April 2024, and “Non-controlling interests” decreased by ¥1,032 million.

As a result, the equity ratio was 61.0%, up from 58.0% at the end of the previous fiscal year.

(3) Summary of Cash Flows

Cash and cash equivalents (“funds”) at the end of the fiscal year stood at ¥8,120 million, an increase of ¥678 million from the end of the previous fiscal year.

Cash flows at the end of the consolidated fiscal year under review and factors relating to these are as follows.

(Cash Flows from Operating Activities)

Funds from operating activities totaled ¥9,442 million (a decrease of ¥288 million in income from the previous fiscal year).

This was primarily attributable to changes in income before income taxes due to increases and decreases in non-cash items such as depreciation and amortization and impairment losses, changes in assets and liabilities related to operating activities such as net defined benefit asset and notes and accounts receivable-trade, and income taxes paid.

(Cash Flows from Investment Activities)

Funds used in investing activities totaled ¥7,830 million (a decrease of ¥309 million in spending from the previous fiscal year).

This was mainly due to expenditure for the purchase of property, plant and equipment and subsidy income.

(Cash Flows from Financing Activities)

Funds used in financing activities totaled ¥1,215 million (a decrease of ¥40 million in spending from the previous fiscal year).

This was mainly attributable to proceeds from long-term loans payable, a net increase (decrease) in short-term loans payable, repayment of long-term loans payable, cash dividends paid, and purchase of shares of subsidiaries not resulting in change in scope of consolidation.

Free cash flow, which is computed by subtracting the net cash used in investing activities from the net cash provided by operating activities, totaled ¥1,611 million.

(Reference) Cash Flow Indicators

	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2025
Equity ratio (%)	62.7	61.3	58.3	58.0	61.0
Equity ratio based on market value (%)	109.4	81.0	83.3	74.7	66.5
Interest bearing debt to cash flow (annual)	1.8	2.3	2.8	2.4	2.6
Interest coverage ratio (×)	91.6	191.4	71.0	131.1	73.9

Equity ratio: Equity capital/total assets
Equity ratio based on market value: Market capitalization/total assets
Interest bearing debt to cash flow: Interest bearing debt/cash flow from operating activities
Interest coverage ratio: Cash flow from operating activities/interest payments

1. Each indicator is calculated based on consolidated financial figures.
2. Market capitalization is calculated based on the share closing price at the end of the fiscal year × total number of shares issued at the end of the fiscal year (after deducting treasury stock).
3. Cash flow from operating activities is used as cash flow. Interest bearing debt includes all liabilities for which interest is paid among the liabilities listed on the balance sheet. Also, the interest expenses paid in the consolidated statements of cash flows are used in interest payment.

(4) Explanation of Future Estimates, Including Consolidated Forecasts

Under the Medium-to-Long-Term Growth Strategy 2030, the KAMEDA SEIKA Group has set its vision of becoming a Rice Innovation Company that maximizes the potential of rice to create new value and new markets around the world. In so doing, we aim to achieve sustainable growth and to improve our corporate value.

In the fiscal year ending March 31, 2026, positive factors are expected, including a recovery in personal consumption due to improvements in real wages and an increase in demand from inbound tourism. On the other hand, uncertainty regarding the future still lingers, including concerns about stagnation in personal consumption due to rising prices associated with ongoing high raw material and energy prices and rising uncertainty caused by trade issues, primarily related to the U.S.A.

Amid such an environment, in order to continue the shift from quantitative growth (price appeal) to qualitative growth (value appeal) in the Domestic Rice Cracker Business, we will work to strengthen our six priority brands, increase our production capacity by improving production efficiency and implementing DX, and build an efficient sales structure by carrying out sales activities focused on appropriate pricing. We will also carry out measures to build a revenue base that can respond to changes in the external environment, such as rising raw material and energy prices. In the Overseas Business, to make further progress in the transformation of the segment into a revenue-generating business, building on the profitability that we achieved during the previous fiscal year, we will focus on improving profitability by maximizing the use of our production capacity while controlling capital expenditure in Asia. In North America, we will leverage the conversion of TH FOODS, INC. into a subsidiary to build a new growth strategy and attempt to expand the rice cracker market. In the Food Business, we will work to expand sales channels and smoothly launch a new plant for long-life preserved foods centered on private-sector demand, such as retail demand. We will also expand sales of rice flour bread and plant-based food by updating existing products and developing new products. With respect to functional foods, we will develop sales channels in Japan utilizing the anti-obesity benefits of K-2, and overseas, we will grow our business by expanding sales channels through closer coordination with Kerry Group plc.

The Company projects the following consolidated forecasts for FY2025: net sales of ¥101,000 million (down 2.2% year-on-year); operating income of ¥5,500 million (up 0.0% year-on-year); ordinary income of ¥6,900 million (down 0.2% year-on-year); and net income attributable to owners of the parent of ¥4,000 million (down 26.2% year-on-year).

The assumptions for exchange rates on which the earnings forecasts are based are: 1 USD = 145.0 JPY; 1 CNY = 21.0 JPY; 1 THB = 4.4 JPY; 1 VND = 0.0060 JPY.

* Notes concerning performance forecasts

Statements regarding the future business environment and performance forecasts are based on information available to the Company at the time of their announcement and on assumptions made for planning purposes. Actual results may differ from the forecast values depending on a range of factors.

2. Basic View Concerning Choice of Accounting Standards

In its accounting standards, the KAMEDA SEIKA Group takes into consideration the comparability of financial statements among domestic companies in the same industry, and has adopted Japanese Accounting Standards.

In the future, however, the Group will consider applying International Financial Reporting Standards, while considering various circumstances such as trends regarding the application of such Standards.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

(¥ million)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	9,217	10,098
Notes, accounts receivable-trade and contract assets	*1 15,114	*1 14,459
Merchandise and finished goods	2,987	3,620
Work in process	757	865
Raw materials and supplies	4,038	3,300
Other	2,106	947
Allowance for doubtful accounts	(13)	(16)
Total current assets	34,208	33,275
Fixed assets		
Property, plant and equipment		
Buildings and structures	48,261	49,576
Accumulated depreciation	(29,270)	(30,766)
Buildings and structures, net	*3 18,990	*3 18,810
Machinery, equipment and vehicles	69,100	70,539
Accumulated depreciation	(48,820)	(51,037)
Machinery, equipment and vehicles, net	20,279	19,501
Land	*3 7,269	*3 7,263
Lease assets	3,689	4,670
Accumulated depreciation	(1,203)	(1,351)
Lease assets, net	2,485	3,318
Construction in progress	1,978	4,123
Other	4,512	4,753
Accumulated depreciation	(3,444)	(3,738)
Other, net	1,068	1,015
Total property, plant and equipment	52,071	54,034
Intangible assets		
Goodwill	2,085	1,911
Lease assets	9	4
Customer related assets	816	712
Trademark assets	730	631
Technology assets	453	391
Other	1,159	1,388
Total intangible assets	5,255	5,039
Investments and other assets		
Investment securities	*2 17,336	*2 18,096
Deferred tax assets	275	301
Net defined benefit assets	*3 10,053	*3 11,656
Other	1,354	1,492
Allowance for doubtful accounts	(43)	(34)
Total investments and other assets	28,975	31,513
Total fixed assets	86,302	90,587
Total assets	120,510	123,862

(¥ million)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable-trade	4,563	4,862
Electronic-recording liabilities	3,014	2,895
Short-term loans payable	*3, *4 9,652	*3, *4 6,401
Lease obligations	609	713
Income taxes payable	1,101	828
Provision for bonuses	1,516	1,704
Provision for directors' bonuses	94	148
Asset retirement obligations	70	78
Other	9,234	7,446
Total current liabilities	29,856	25,081
Long-term liabilities		
Long-term loans payable	*3 11,189	*3 15,417
Lease obligations	2,331	2,188
Deferred tax liabilities	2,509	1,319
Liabilities for retirement benefits	582	613
Asset retirement obligations	298	303
Other	23	29
Total long-term liabilities	16,934	19,873
Total liabilities	46,791	44,954
Net assets		
Shareholders' equity		
Capital stock	1,946	1,946
Capital surplus	170	719
Retained earnings	60,260	64,498
Treasury stock	(1,903)	(1,903)
Total shareholders' equity	60,474	65,260
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,023	1,001
Deferred gains (losses) on hedges	—	(0)
Foreign currency translation adjustment	5,846	6,657
Remeasurements of defined benefit plans	2,594	2,674
Total accumulated other comprehensive income	9,463	10,333
Non-controlling interests	3,780	3,314
Total net assets	73,718	78,908
Total liabilities and net assets	120,510	123,862

(2) Consolidated Income Statement and Consolidated Comprehensive Income Statement

(Consolidated Income Statement)

(¥ million)

	Year ended March 31, 2024	Year ended March 31, 2025
Net sales	*1 95,534	*1 103,262
Cost of sales	69,760	75,197
Gross profit	25,774	28,064
Selling, general and administrative expenses	*2, *3 21,307	*2, *3 22,564
Operating income	4,467	5,500
Non-operating income		
Interest income	131	130
Dividend income	59	71
Equity in earnings of affiliates	864	1,524
Foreign exchange gains	1,065	—
Others	373	298
Total non-operating income	2,494	2,024
Non-operating expenses		
Interest expenses	89	136
Foreign exchange losses	—	180
Settlement payments	—	63
Miscellaneous losses	—	121
Others	73	106
Total non-operating expenses	163	608
Ordinary income	6,798	6,916
Extraordinary income		
Subsidy income	*4 914	—
Total extraordinary income	914	—
Extraordinary losses		
Loss on disposal of noncurrent assets	*5 237	*5 193
Impairment loss	*6 2,368	*6 643
Total extraordinary losses	2,606	837
Income before income taxes	5,106	6,079
Income taxes-current	1,460	1,543
Income taxes-deferred	871	(1,345)
Total income taxes	2,332	197
Net income	2,774	5,882
Net income attributable to non-controlling interests	517	464
Net income attributable to owners of the parent	2,257	5,417

(Consolidated Comprehensive Income Statement)

(¥ million)

	Year ended March 31, 2024	Year ended March 31, 2025
Net income	2,774	5,882
Other comprehensive income		
Valuation difference on available-for-sale securities	357	(21)
Deferred gains (losses) on hedges	(1)	(0)
Foreign currency translation adjustment	(46)	1,216
Adjustment for retirement benefits	2,228	80
Share of other comprehensive income of associates accounted for using equity method	1,642	(173)
Total other comprehensive income	*1 4,179	*1 1,101
Comprehensive income	6,953	6,983
(Breakdown)		
Comprehensive income attributable to owners of the parent	6,243	6,287
Comprehensive income attributable to non-controlling interests	709	696

(3) Consolidated Statement of Changes in Shareholders' Equity

Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)

(¥ million)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
As of April 1, 2023	1,946	170	59,163	(1,901)	59,378
Changes during the period					
Dividends from surplus			(1,159)		(1,159)
Net income attributable to owners of the parent			2,257		2,257
Purchase of treasury stock				(1)	(1)
Change in items other than shareholders' equity (net)					
Total changes during the period	—	—	1,097	(1)	1,096
As of March 31, 2024	1,946	170	60,260	(1,903)	60,474

	Comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains (losses) on hedges	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income		
As of April 1, 2023	665	1	4,443	366	5,477	3,141	67,996
Changes during the period							
Dividends from surplus							(1,159)
Net income attributable to owners of the parent							2,257
Purchase of treasury stock							(1)
Change in items other than shareholders' equity (net)	357	(1)	1,402	2,228	3,986	638	4,625
Total changes during the period	357	(1)	1,402	2,228	3,986	638	5,722
As of March 31, 2024	1,023	—	5,846	2,594	9,463	3,780	73,718

Current consolidated fiscal year (from April 1, 2024 to March 31, 2025)

(¥ million)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
As of April 1, 2024	1,946	170	60,260	(1,903)	60,474
Changes during the period					
Dividends from surplus			(1,180)		(1,180)
Net income attributable to owners of the parent			5,417		5,417
Purchase of treasury stock				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests		548			548
Change in items other than shareholders' equity (net)					
Total changes during the period	—	548	4,237	(0)	4,785
As of March 31, 2025	1,946	719	64,498	(1,903)	65,260

	Comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains (losses) on hedges	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income		
As of April 1, 2024	1,023	—	5,846	2,594	9,463	3,780	73,718
Changes during the period							
Dividends from surplus							(1,180)
Net income attributable to owners of the parent							5,417
Purchase of treasury stock							(0)
Change in ownership interest of parent due to transactions with non-controlling interests							548
Change in items other than shareholders' equity (net)	(21)	(0)	811	80	869	(465)	403
Total changes during the period	(21)	(0)	811	80	869	(465)	5,189
As of March 31, 2025	1,001	(0)	6,657	2,674	10,333	3,314	78,908

(4) Consolidated Cash Flow Statement

(¥ million)

	Year ended March 31, 2024	Year ended March 31, 2025
Cash flows from operating activities		
Income before income taxes	5,106	6,079
Depreciation and amortization	6,008	6,174
Impairment loss	2,368	643
Amortization of goodwill	173	175
Increase (decrease) in bonus provisions	55	180
Increase (decrease) in provision for directors' bonuses	30	54
Increase (decrease) in net defined benefit liability	39	24
Decrease (increase) in net defined benefit asset	(990)	(1,434)
Interest and dividend income	(191)	(201)
Interest expenses	89	136
Equity in losses (earnings) of affiliates	(864)	(1,524)
Foreign exchange loss (gain)e	(1,103)	112
Loss (gain) on disposal of noncurrent assets	237	193
Subsidy income	(914)	—
Settlement payments	—	63
Miscellaneous losses	—	121
Decrease (increase) in notes and accounts receivable-trade	(1,348)	888
Decrease (increase) in inventories	(198)	182
Increase (decrease) in notes and accounts payable-trade	50	110
Decrease (increase) in other assets	676	287
Increase (decrease) in other liabilities	52	(760)
Increase (decrease) in accrued consumption taxes	613	(564)
Other	(14)	(399)
Subtotal	9,877	10,543
Interest and dividend income received	815	766
Interest expenses paid	(74)	(127)
Income taxes paid	(887)	(1,739)
Net cash provided by (used in) operating activities	9,730	9,442

(¥ million)

	Year ended March 31, 2024	Year ended March 31, 2025
Cash flows from investing activities		
Net decrease (increase) in time deposits	(368)	(280)
Purchase of property, plant and equipment	(7,303)	(7,789)
Proceeds from sales of property, plant and equipment	7	2
Payments for retirement of property, plant and equipment	(119)	(110)
Purchase of investment securities	(13)	(15)
Proceeds from sales of investment securities	0	10
Purchase of intangible assets and investments	(347)	(568)
Proceeds from sales of intangible assets and investments, etc.	3	5
Subsidies received	—	914
Other	1	—
Net cash provided by (used in) investing activities	(8,140)	(7,830)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	2,833	(3,534)
Proceeds from long-term loans payable	—	7,000
Repayment of long-term loans payable	(2,531)	(2,531)
Repayments of lease obligations	(325)	(355)
Purchase of treasury stock	(1)	(0)
Cash dividends paid	(1,159)	(1,180)
Dividends paid to non-controlling interests	(71)	(129)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	(484)
Net cash provided by (used in) financing activities	(1,255)	(1,215)
Effect of exchange rate changes on cash and cash equivalents	133	282
Net increase (decrease) in cash and cash equivalents	467	678
Cash and cash equivalents, beginning of term	6,974	7,442
Cash and cash equivalents, end of term	*1 7,442	*1 8,120

(5) Notes to the Consolidated Financial Statements

(Notes to the Assumption of a Going Concern)

Not applicable.

(Important Notes on the Basis of Preparation of the Financial Statements)

1. Scope of consolidation

Number of consolidated subsidiaries: 17

Names of consolidated subsidiaries:

Ajicul Co., Ltd.
Toyosu Co., Ltd.
Nisshin Seika Co., Ltd.
Mary's Gone Crackers, Inc.
KAMEDA USA, INC.
THAI KAMEDA CO., LTD.
Singha Kameda (Thailand) Co., Ltd.
Qingdao Kameda Foods Co., Ltd.
LYLY KAMEDA CO., LTD.
THIEN HA KAMEDA, JSC.
Onisi Foods Co., Ltd.
Maisen Co., Ltd.
Maisen Fine Foods Co., Ltd.
TAINAI Co., Ltd.
Niigata Yuso Co., Ltd.
Kameda Transport Co., Ltd.
N. A. S. Co., Ltd.

2. Scope of the Use of Equity Accounting

(1)Number of affiliates accounted for by the equity method: 3

Names of affiliated companies:

MASUYA CO., Ltd.
TH FOODS, INC.
KAMEDA LT FOODS (INDIA) PRIVATE LIMITED

(2)Among the affiliates accounted for by the equity method, MASUYA Co., Ltd. has a balance sheet date of September 30. In preparing the consolidated financial statements, we use financial statements prepared by provisional settlement of accounts as of the consolidated balance sheet date. All other affiliates accounted for by the equity method have the same balance sheet date as the consolidated balance sheet date.

3. Matters related to the fiscal year, etc. of consolidated subsidiaries

Among the consolidated subsidiaries, Mary's Gone Crackers, Inc., KAMEDA USA, INC., Singha Kameda (Thailand) Co., Ltd., Qingdao Kameda Foods Co., Ltd. and LYLY KAMEDA CO., LTD. have a balance sheet date of December 31.

In preparing the consolidated financial statements, financial statements as of that date are used, and adjustments necessary for consolidation are made for any material transactions that occur between that date and the consolidated balance sheet date.

The balance sheet dates of the other consolidated subsidiaries are all the last day of the consolidated fiscal year.

4. Accounting Standards and Methods

(1) Valuation

(i) Securities

Available-for-sale securities

Other than stocks that do not have fair market values

Mark-to-market method (total net unrealized gains or losses after tax effect adjustments are directly recorded in shareholders' equity, and the cost of securities sold is calculated based on the moving-average method)

Stocks that do not have fair market values

Moving-average method

(ii) Inventories

(a) Finished goods, raw materials and work-in-process

These inventory items are mainly recorded at cost as determined by the periodic average method (values on the balance sheet are subject to the book value reduction method based on decreased profitability).

(b) Supplies

The value of supplies is mainly calculated using the last purchase price method (values on the balance sheet are subject to the book value reduction method based on decreased profitability).

(iii) Derivatives

Derivatives are stated using the mark-to-market method

(2) Depreciation and amortization of major depreciable assets

(i) Property, plant and equipment (excluding lease assets)

The straight-line method for depreciation is used.

Useful lives used in the computation of depreciations are listed below for the main assets.

Buildings and structures	3 to 60 years
Machinery, equipment and vehicles	4 to 20 years
Other (tools, furniture and fixtures)	3 to 15 years

(ii) Intangible fixed assets (excluding lease assets)

The straight-line method for amortization is used.

Useful lives used in the computation of amortization are listed below for the main assets.

Software	Period usable within the company (5 years)
Customer assets	11 to 20 years
Trademark assets	10 to 20 years
Technology assets	10 to 20 years

(iii) Lease assets

Lease assets related to non-transferrable finance lease transactions are depreciated using a useful life of the lease term by the straight-line method with zero residual value.

(3) Basis of material allowances

(i) Allowance for doubtful accounts

To prepare for possible losses on uncollectable receivables, for general receivables, an amount is provided according to the historical percentage of uncollectable. For specific receivables for which there is some concern regarding recoverability, an amount is recorded by investigating the recoverability for each individual amount.

(ii) Provision for bonuses

To prepare for the payment of employees' bonuses, an amount corresponding to the estimated amount of payments is recorded as the basis.

(iii) Provision for directors' bonuses

To prepare for the payment of directors' bonuses, an amount corresponding to the estimated amount of payments for the current consolidated fiscal year is recorded as the basis.

(4) Accounting treatment of retirement benefits

(i) Service period attribution method for projected amount of retirement benefits

In the calculation of retirement benefit liabilities, the projected amount of retirement benefits is attributed to the period until the end of the consolidated fiscal year by the salary calculation formula standard.

(ii) Treatment of actuarial gains and losses and prior service costs

Prior service costs are amortized by the straight-line method over a fixed period (10 years) that is shorter than the average remaining years of service of employees at the time that they are incurred.

Actuarial gains and losses are amortized by the straight-line method over a period (10 years) that is shorter than the average remaining years of service of employees in proportional amounts in the consolidated fiscal year following the year in which the gains or losses are realized.

(iii) Accounting treatment of actuarial gains and losses and prior service costs that are yet to be recognized

Actuarial gains and losses and prior service costs that are yet to be recognized are recorded as remeasurement of defined benefit plans of accumulated comprehensive income under net assets after adjusting for tax effects.

(5) Basis of material revenue and expenses

The Group's businesses are primarily engaged in the manufacture and sales of rice crackers, long-life preserved foods, allergen-free food products, and other products. In domestic sales, performance obligations are deemed to have been satisfied at the time of delivery of merchandise or finished goods, when they are inspected by customers, and the legal ownership, physical possession, and significant risks and economic value associated with ownership of the goods are transferred to the customers. Accordingly, the Company recognizes revenue at the time when such goods are delivered to the customers. However, with respect to certain sales transactions in Japan, the Company recognizes revenue at the time of shipment, if the period from the time of shipment to the time when control of the goods is transferred to the customers is a normal period. In export sales, the Company recognizes revenue at the time when significant risks and economic value associated with ownership of the goods are transferred to customers, based on the terms of contracts with the customers, and performance obligations are satisfied.

The transaction price is measured as the amount determined by deducting the price, which takes into account discounts, rebates, and returns, etc., from the consideration promised in the contract with the customer. The Company estimates variable consideration, including variable discounts, rebates, and returns based on reasonably available information including past results and forecasts.

Regarding transactions involving certain products in the Food Business in which the Group acts as an agent in providing the products to customers, the Company recognizes revenue at the net amount after deducting the amount to be paid to suppliers from the amount to be received from customers.

The promised consideration is generally collected within six months from the time performance obligations are satisfied, and the amount of consideration contains no significant financing component.

(6) Standard for conversion of main foreign currency-denominated assets and liabilities into Japanese yen

Foreign currency-denominated monetary receivables and payables are translated into Japanese yen at the spot exchange rate on the consolidated balance sheet date and treated as translation gains and losses. Assets and liabilities of foreign subsidiaries are translated into Japanese yen at the spot exchange rate on the balance sheet date, while revenue and expenses are translated at the average exchange rate during the reporting period, and translation gains and losses are recorded as foreign currency translation adjustments under net assets and included in non-controlling interests in the equity component.

(7) Principal accounting methods for hedge transactions

(i) Hedge accounting methods

The deferred hedge method is used. Forward exchange contracts which meet the criteria of the allocation method are accounted for by the allocation method.

(ii) Hedge methods and hedge targets

Hedge method	Forward exchange contracts
Hedge targets	Scheduled transactions denominated in foreign currencies

(iii) Hedge policy

The Company carries out hedge transactions to hedge against the risk of fluctuations in foreign currency, in conformity with its internal rules.

(iv) Methods for evaluating the effectiveness of hedges

The effectiveness of the hedge is judged by comparing the cumulative total of the market fluctuations or the cash flow fluctuations for the hedge target and that of the market fluctuations or the cash flow fluctuations for the hedge method.

(8) Amortization method and period for goodwill

Goodwill is amortized over a period of 14 to 20 years by the straight-line method.

(9) Scope of cash in consolidated cash flow statement

Cash on hand, deposits that can be withdrawn on demand and short-term investments that will mature in three months or less that can be easily converted into cash with little risk of a change in value.

(Changes in the Method of Presentation)

(Consolidated Comprehensive Income Statement)

In the previous consolidated fiscal year, “Commitment fee” and “Depreciation of inactive fixed assets” were presented separately. However, as the respective amounts in the current consolidated fiscal year account for less than 10% of total non-operating expenses, they are included in “Other” under “Non-operating expenses.”

Accordingly, the consolidated financial statements for the previous consolidated fiscal year have been reclassified to reflect this change in presentation.

As a result, ¥16 million previously presented as “Commitment fee” and ¥21 million as “Depreciation of inactive fixed assets” under “Non-operating expenses” in the previous consolidated fiscal year have been reclassified to “Other.”

In the current consolidated fiscal year, “Other” under “Non-operating expenses” includes ¥21 million in “Commitment fee” and ¥21 million in “Depreciation of inactive fixed assets.”

(Notes to the Consolidated Balance Sheet)

*1 Of notes, accounts receivable-trade and contract assets, the amounts of liabilities arising from contracts with customers and contract assets are as shown below.

(¥ million)

	Previous consolidated fiscal year (ended March 31, 2024)	Current consolidated fiscal year (ended March 31, 2025)
Notes receivable-trade	19	11
Accounts receivable-trade	15,069	14,420
Contract assets	25	26
Total	15,114	14,459

*2 The items regarding non-consolidated subsidiaries and affiliates are as shown below.

(¥ million)

	Previous consolidated fiscal year (ended March 31, 2024)	Current consolidated fiscal year (ended March 31, 2025)
Investment securities (stocks)	14,711	15,497

*3 Assets provided as collateral and collateralized loans

Assets provided as collateral are as shown below.

(¥ million)

	Previous consolidated fiscal year (ended March 31, 2024)	Current consolidated fiscal year (ended March 31, 2025)
Buildings and structures, net	1,608	1,531
Land	71	71
Other under Investments and other assets (Long-term deposits)	584	651
Total	2,264	2,254

Collateralized loans are as shown below.

(¥ million)

	Previous consolidated fiscal year (ended March 31, 2024)	Current consolidated fiscal year (ended March 31, 2025)
Short-term loans payable	31	21
Long-term loans payable	189	167
Total	220	189

*4 The Kameda Seika Group has entered into a commitment line agreement (syndicate type) with four banks so that funds for operating capital can be raised efficiently. The balance of unused loans under these arrangements as of the end of the consolidated fiscal year is shown below.

(¥ million)

	Previous consolidated fiscal year (ended March 31, 2024)	Current consolidated fiscal year (ended March 31, 2025)
Commitment amount	12,500	15,000
Loan balance	7,000	3,500
Difference	5,500	11,500

(Notes to the Consolidated Income Statement)

*1 Revenue from contracts with customers

Regarding net sales, revenue from contracts with customers and revenue from other sources are not separately presented. The amount of revenue from contracts with customers is stated in "Notes (Revenue Recognition) 1. Information on disaggregation of revenue from contracts with customers" in the consolidated financial statements.

*2 The amounts of the main components of selling, general and administrative expenses are as shown below.

(¥ million)

	Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)	Current consolidated fiscal year (from April 1, 2024 to March 31, 2025)
Sales promotion expenses	829	917
Salaries and allowances	5,022	5,428
Provisions for bonuses	465	572
Provision for directors' bonuses	94	148
Retirement benefit expenses	(80)	(197)
Storage and shipping expenses	5,222	5,260

*3 The total amount of research and development expenses included in selling, general and administrative expenses

(¥ million)

	Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)	Current consolidated fiscal year (from April 1, 2024 to March 31, 2025)
	1,124	1,004

*4 Subsidy income

Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)

The subsidy income represents the subsidy for the project to support expansion of rice flour use, granted for expansion of the plant of the Company's domestic consolidated subsidiary, TAINAI Co., Ltd.

*5 Loss on disposal of noncurrent assets are as shown below.

(¥ million)

	Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)	Current consolidated fiscal year (from April 1, 2024 to March 31, 2025)
Loss on sale of noncurrent assets		
Buildings and structures	—	0
Machinery, equipment and vehicles	0	0
Other property, plant and equipment	0	0
Loss on retirement of noncurrent assets		
Buildings and structures	49	52
Machinery, equipment and vehicles	179	119
Other property, plant and equipment	5	8
Other intangible assets	2	9
Other investments and other assets	1	2
Total	237	193

*6 Impairment losses

The Kameda Seika Group recorded impairment losses for the following asset groups.

Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)

Use	Type	Location
Assets for business use	Buildings and structures Machinery, equipment and vehicles Lease assets Construction in progress Other property, plant and equipment	U.S.A.
Idle assets	Buildings and structures Machinery, equipment and vehicles Other property, plant and equipment, etc.	Niigata, etc.

With regard to assets for business use, we have placed the business of the manufacture and sale of rice crackers in the core group, and lease assets and idle assets in groups for individual property units. In addition, we have placed consolidated subsidiaries as a general rule in one unit for each company.

With regard to assets for business use in the U.S., our consolidated subsidiary Mary's Gone Crackers, Inc. has recorded an operating loss due to changes in the business environment and delays in implementing initiatives designed to improve profitability. Under these circumstances, as a result of the impairment test conducted in accordance with U.S. GAAP, their fair values were lower than their book values. Accordingly, their book values were reduced to their fair values, and the amount of that reduction was recorded as an impairment loss of ¥1,883 million under extraordinary losses. The breakdown is ¥116 million in buildings and structures, ¥1,162 million in machinery, equipment and vehicles, ¥492 million in lease assets under property, plant and equipment, ¥104 million in construction in progress, and ¥6 million in other property, plant and equipment.

Their fair value was calculated by discounting future cash flows, and the discount rate used was 3.88%.

With regard to idle assets, their book values were reduced to their recoverable values, and the amount of that reduction was recorded as an impairment loss of ¥485 million under extraordinary losses. The breakdown is ¥31 million in buildings and structures, ¥450 million in machinery, equipment and vehicles, and ¥2 million in other property, plant and equipment.

The recoverable value of idle assets was calculated from the net realizable value, taking into consideration examples of transactions, etc.

Current consolidated fiscal year (from April 1, 2024 to March 31, 2025)

Use	Type	Location
Assets for business use	Buildings and structures Machinery, equipment and vehicles Land Other property, plant and equipment Other intangible assets	Fukui
Idle assets	Buildings and structures Machinery, equipment and vehicles Other property, plant and equipment	Niigata Kingdom of Thailand

With regard to assets for business use, we have placed the business of the manufacture and sale of rice crackers in the core group, and lease assets and idle assets in groups for individual property units. In addition, we have placed consolidated subsidiaries as a general rule in one unit for each company.

With regard to assets for business use in Fukui Prefecture, our consolidated subsidiaries, Maisen Co., Ltd. and Maisen Fine Foods Co., Ltd. were behind schedule in achieving their initially estimated revenue targets, and it was determined that reaching the planned figures would take longer than anticipated. Accordingly, the book values of fixed assets owned by these subsidiaries were reduced to their recoverable values, and the amount of that reduction was recorded as an impairment loss of ¥451 million under extraordinary losses. The breakdown is ¥56 million in buildings and structures, ¥384 million in machinery, equipment and vehicles, ¥5 million in land, ¥3 million in other property, plant and equipment, and ¥2 million in other intangible assets.

With regard to idle assets, their book values were reduced to their recoverable values, and the amount of that reduction was recorded as an impairment loss of ¥191 million under extraordinary losses. The breakdown is ¥10 million in buildings and structures, ¥165 million in machinery, equipment and vehicles, and ¥15 million in other property, plant and equipment.

The recoverable value of idle assets was calculated from the net realizable value, taking into consideration examples of transactions, etc.

(Notes to the Consolidated Comprehensive Income Statement)

*1 Reclassification adjustment amounts related to other comprehensive income and the amount of their tax effects

(¥ million)

	Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)	Current consolidated fiscal year (from April 1, 2024 to March 31, 2025)
Valuation difference on available-for-sale securities:		
In current fiscal year	513	(30)
Reclassification adjustment amount	—	18
Before tax effect adjustment	513	(11)
Income taxes and tax effect	(156)	(9)
Valuation difference on available-for-sale securities	357	(21)
Deferred gains (losses) on hedges:		
In current fiscal year	(2)	(1)
Income tax and tax effect	0	0
Deferred gains (losses) on hedges	(1)	(0)
Foreign currency translation adjustment:		
In current fiscal year	(46)	1,237
Income tax and tax effect	—	(20)
Foreign currency translation adjustment	(46)	1,216
Adjustment for retirement benefits:		
In current fiscal year	3,280	510
Reclassification adjustment amount	(73)	(342)
Before tax effect adjustment	3,207	167
Tax effect	(978)	(87)
Adjustment for retirement benefits	2,228	80
Share of other comprehensive income of associates accounted for using equity method:		
In current fiscal year	1,642	(173)
Reclassification adjustment	—	(0)
Share of other comprehensive income of associates accounted for using equity method	1,642	(173)
Other comprehensive income	4,179	1,101

(Notes to the Consolidated Statement of Changes in Shareholder Equity)

Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)

1. Type and total number of shares outstanding and the type and total number of treasury stock

	Number of shares at the beginning of the consolidated fiscal year (shares)	Increase in number of shares in consolidated fiscal year (shares)	Decrease in number of shares in consolidated fiscal year (shares)	Number of shares at the end of the consolidated fiscal year (shares)
Number of shares outstanding				
Common stock	22,318,650	–	–	22,318,650
Total	22,318,650	–	–	22,318,650
Treasury stock				
Common stock (Note)	1,234,981	259	–	1,235,240
Total	1,234,981	259	–	1,235,240

(Note) The increase of 259 shares in the number of shares of common stock under treasury stock is the increase that resulted from the purchase of fractional shares.

2. Dividends

(1) Amount of dividends paid

(Resolution)	Type of stock	Total amount of dividends (¥ million)	Dividend per share (yen)	Record date	Effective date
Annual General Meeting of Shareholders June 14, 2023	Common stock	843	40	March 31, 2023	June 15, 2023
Board of Directors Meeting November 1, 2023	Common stock	316	15	September 30, 2023	December 4, 2023

(2) Dividends for which the record date is in the current consolidated fiscal year and the effective date of the dividend is in the next consolidated fiscal year

(Resolution)	Type of stock	Total amount of dividends (¥ million)	Source of dividends	Dividend per share (¥)	Record date	Effective date
Annual General Meeting of Shareholders June 18, 2024	Common stock	864	Retained earnings	41	March 31, 2024	June 19, 2024

Current consolidated fiscal year (from April 1, 2024 to March 31, 2025)

1. Type and total number of shares outstanding and the type and total number of treasury stock

	Number of shares at the beginning of the consolidated fiscal year (shares)	Increase in number of shares in consolidated fiscal year (shares)	Decrease in number of shares in consolidated fiscal year (shares)	Number of shares at the end of the consolidated fiscal year (shares)
Number of shares outstanding				
Common stock	22,318,650	–	–	22,318,650
Total	22,318,650	–	–	22,318,650
Treasury stock				
Common stock (Note)	1,235,240	80	—	1,235,320
Total	1,235,240	80	—	1,235,320

(Note) The increase of 80 shares in the number of shares of common stock under treasury stock is the increase that resulted from the purchase of fractional shares.

2. Dividends

(1) Amount of dividends paid

(Resolution)	Type of stock	Total amount of dividends (¥ million)	Dividend per share (yen)	Record date	Effective date
Annual General Meeting of Shareholders June 18, 2024	Common stock	864	41	March 31, 2024	June 19, 2024
Board of Directors Meeting October 29, 2024	Common stock	316	15	September 30, 2024	December 3, 2024

(2) Dividends for which the record date is in the current consolidated fiscal year and the effective date of the dividend is in the next consolidated fiscal year

The following is to be approved.

(Resolution)	Type of stock	Total amount of dividends (¥ million)	Source of dividends	Dividend per share (yen)	Record date	Effective date
Annual General Meeting of Shareholders June 17, 2025	Common stock	885	Retained earnings	42	March 31, 2025	June 18, 2025

(Notes to the Consolidated Cash Flow Statement)

*1 Year-end balance of cash and cash equivalents and amounts of items stated in the consolidated balance sheet

	Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)	Current consolidated fiscal year (from April 1, 2024 to March 31, 2025)
Cash and deposits	9,217 ¥million	10,098 ¥million
Fixed term deposits exceeding 3 months	(1,775)	(1,977)
Cash and cash equivalents	7,442	8,120

(Business Combinations, etc.)

Transactions under common control, etc.

Acquisition of additional shares of a subsidiary

1. Outline of the transaction

(1) Name and business of the combined company

Name of the combined company: LYLY KAMEDA CO., LTD.

Business: Manufacture and sales of confectionery

(2) Date of the business combination

March 31, 2024 (deemed acquisition date)

(3) Legal form of the business combination

Acquisition of shares from non-controlling shareholders

(4) Name of the company after combination

No change.

(5) Other matters related to an outline of the transaction

The purpose of this additional acquisition was to further enhance synergies as a Group company and to further improve the management efficiency of the entire Group.

2. Summary of the accounting treatment performed

The transaction has been accounted for as a transaction with non-controlling shareholders, under transactions under common control, etc. based on the “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, January 16, 2019) and the “Implementation Guideline on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guideline No. 10, January 16, 2019).

3. Measures related to acquisition of additional shares of a subsidiary

Consideration for acquisition	Cash	¥484 million
Acquisition cost	¥484	

4. Matters related to changes in the Company’s equity due to transactions with non-controlling shareholders

(1) Main factors for changes in capital surplus

Acquisition of additional shares of a subsidiary

(2) Amount of capital surplus increased by transactions with non-controlling shareholders

¥548 million

(Segment Information)

1. Overview of reportable segment

The Group's reportable segments are those components of the Group for which separate financial information is available, and which are evaluated regularly by the Board of Directors in order to determine the allocation of management resources and assess operating results.

The Group is divided into business segments based on the Company's Domestic Rice Cracker Business, Overseas Business, and Food Business, and the units of consolidated subsidiaries, and these business segments are primarily composed of the Domestic Rice Cracker Business, Overseas Business, and Food Business. Accordingly, these three segments are adopted as the Company's reportable segments.

The Domestic Rice Cracker Business is engaged in the manufacture and sale of rice crackers in Japan. The Overseas Business is engaged in the manufacture and sale of rice crackers overseas. The Food Business is engaged in the manufacture and sale of long-term preserved foods, 28-allergen-free rice flour bread and plant origin lactic acid bacteria.

2. Calculation method for the amount of net sales, income (loss), assets, liabilities, and other items by reportable segment

The accounting methods for the reportable segments are, in general, the same as those described in "Important notes on the basis of preparation of the financial statements."

The segment income for each reportable segment is an amount based on operating income.

Internal sales or transfers between segments are based on prevailing market prices.

3. Information regarding the amount of net sales, income (loss), assets, liabilities, and other items by reportable segment

Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)

(¥ million)

	Reportable segment				Other (Note) 1	Total	Adjustment (Note) 2	The amount statedin quarterly consolidated income statement (Note) 3
	Domestic Rice Cracker	Overseas	Food	Total				
Net sales								
Revenue from contracts with customers	66,307	15,096	7,278	88,682	6,852	95,534	—	95,534
Other income	—	—	—	—	—	—	—	—
Net sales to outside customers	66,307	15,096	7,278	88,682	6,852	95,534	—	95,534
Internal sales or transfers between segments	8	1,113	7	1,129	5,501	6,631	(6,631)	—
Total	66,315	16,209	7,286	89,811	12,354	102,166	(6,631)	95,534
Segment income (loss)	4,330	(413)	154	4,072	383	4,455	12	4,467
Other								
Depreciation and amortization	4,055	982	586	5,624	384	6,008	—	6,008
Depreciation of goodwill	—	96	77	173	—	173	—	173

(Note) 1. "Other" includes Freights transport etc.

2. ¥12 million of adjustment of segment income (loss) is ¥12 million of elimination of intersegment transactions.

3. Segment income (loss) is adjusted with operating income reported on quarterly consolidated income statement.

4. The amount of segment assets has been omitted since the Company has not allocated the assets to the reportable segment.

Current consolidated fiscal year (from April 1, 2024 to March 31, 2025)

(¥ million)

	Reportable segment				Other (Note) 1	Total	Adjustments (Note) 2	The amount stated in quarterly consolidated income statement (Note) 3
	Domestic Rice Cracker	Overseas	Food	Total				
Net sales								
Revenue from contracts with customers	69,748	17,239	9,068	96,056	7,205	103,262	—	103,262
Other income	—	—	—	—	—	—	—	—
Net sales to outside customers	69,748	17,239	9,068	96,056	7,205	103,262	—	103,262
Internal sales or transfers between segments	11	1,675	73	1,759	5,537	7,296	(7,296)	—
Total	69,759	18,914	9,141	97,816	12,743	110,559	(7,296)	103,262
Segment income (loss)	4,442	135	654	5,232	249	5,481	18	5,500
Other items								
Depreciation and amortization	4,135	921	701	5,757	416	6,174	—	6,174
Amortization of goodwill	—	98	77	175	—	175	—	175

(Note) 1. "Other" includes Freights transport etc.
2. ¥18 million of adjustment of segment income (loss) is ¥18 million of elimination of intersegment transactions.
3. Segment income (loss) is adjusted with operating income reported on quarterly consolidated income statement.
4. The amount of segment assets has been omitted since the Company has not allocated the assets to the reportable segment.

(Notes to Per Share Information)

	Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)	Current consolidated fiscal year (from April 1, 2024 to March 31, 2025)
Net assets per share	¥ 3,317.24	¥ 3,585.50
Net income per share	¥ 107.06	¥256.98

(Notes) 1. Diluted net income per share is not listed because there are no dilutive shares.

2. The basis for calculating net assets per share is shown below.

	Previous consolidated fiscal year (ended March 31, 2024)	Current consolidated fiscal year (ended March 31, 2025)
Total net assets (¥ million)	73,718	78,908
Amounts deducted from total net assets (¥ million)	3,780	3,314
(of which non-controlling interests) (¥ million)	(3,780)	(3,314)
Net assets at end of fiscal year associated with shares of common stock (¥ million)	69,938	75,594
Number of common shares at the end of the fiscal year used in the calculation of net assets per share (thousand shares)	21,083	21,083

3. The basis for calculating net income per share is shown below.

	Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)	Current consolidated fiscal year (from April 1, 2024 to March 31, 2025)
Net income attributable to owners of the parent (¥ million)	2,257	5,417
Amount not attributable to common shareholders (¥ million)	–	—
Net income attributable to owners of the parent associated with shares of common stock (¥ million)	2,257	5,417
Average number of common shares during the fiscal year (thousand shares)	21,083	21,083

(Material Subsequent Events)

Notice Regarding the Transfer of Shares of a Consolidated Subsidiary

（Mary’s Gone Crackers, Inc.）

We hereby announce that on April 30, 2025, our company has resolved to transfer all of the shares we hold in Mary’s Gone Crackers, Inc., a consolidated subsidiary, to ROSSEAU INCORPORATED, a U.S. subsidiary of Dare Foods LTD.

As a result of this share transfer, Mary’s Gone Cracker, Inc. will no longer be a consolidated subsidiary of our company starting from the fiscal year ending March 2026.

1.Reason for the Share Transfer

As part of a review of our business strategy in the United States, we have determined that focusing our management resources on the growth of TH FOODS, INC. will generate more effective synergies. Based on this decision, we have resolved to proceed with the share transfer.

2.Name of the Share Transfer Counterparty

ROSSEAU INCORPORATED

3.Schedule of the Transfer

Date of Resolution	April 30, 2025
Date of Contract Execution	April 30, 2025
Date of Share Transfer Execution	May 1, 2025

4.Overview of the Subsidiary to Be Transferred

Company Name	Mary’s Gone Crackers, Inc.
Business Description	Manufacture and sales of snacks
Capital	40 thousand U.S. dollars

5.Number of Shares to Be Transferred, Transfer Value, Gains or Losses on Transfer, and Shareholding Ratio After Transfer

Number of shares to be transferred	Common shares: 2,043 shares (Number of voting rights: 2,043 units)
Transfer Value	18,000 thousand U.S. dollars
Gains/Losses on Transfer	Currently being calculated
Number of Shares Held After Transfer	０shares（Number of voting rights：０units、Voting Rights Ownership：０%）

Please note that the above transfer price is provisional, as the share transfer agreement includes a price adjustment clause. Since a price adjustment is expected, the final transfer price is subject to change.

Business Combination through Acquisition

(TH FOODS, INC.)

At the Board of Directors meeting held on March 27, 2025, our company resolved to enter into a basic agreement to acquire all shares of TH FOODS, INC., an equity-method affiliate, and to make it a subsidiary. The agreement has been duly executed.

1.Overview of the Business Combination

(1) Name and Business Description of the Acquired Company

Name of the acquired company　TH FOODS, INC.

Business description: Manufacturing and sales of confectionery products

(2) Main Reason for the Business Combination

Our group has identified the United States as the most important region for overseas expansion in our “Mid- to Long-Term Growth Strategy 2030.” The gluten-free food market is expanding in this region, and further opportunities are expected in the rice-based snack sector, including rice crackers.

Founded in 1984, SESMARK FOODS, INC. (currently TH FOODS, INC.) has served as the starting point of our group’s overseas expansion. Since 1989, we have made gradual investments in collaboration with Mitsubishi Corporation, the current major shareholder, and TH FOODS, INC. has manufactured and sold thin rice crackers for over 30 years using our rice snack production technologies.

Following discussions among shareholders, we have agreed that in order to promote TH FOODS, INC.’s further growth, our company should make it a consolidated subsidiary. We will support the company’s development of new products and improvements in productivity by offering even more of our expertise and rice snack production technologies.

Through these efforts, our group will expand rice snack offerings in the U.S. market and strive to become a 'Rice Innovation Company' that creates new value and new markets globally by maximizing the potential of rice, in line with our 'Better For You' purpose stated in the growth strategy.

(3) Date of the Business Combination

April 1, 2025 (Deemed combination date)

(4) Legal Form of the Business Combination

Acquisition of shares with cash consideration and share buyback by TH FOODS, INC..

(5) Name of the Company After the Combination

No change.

(6) Voting Rights Acquired

Our voting rights before combination : 50.0%

Acquired voting right at combination : 50.0%

Our voting rights after combination　:100.0%

TH FOODS, INC. will become a wholly owned subsidiary through our acquisition of shares held by Mitsubishi Corporation and Mitsubishi Corporation (America), as well as through TH FOODS, INC.'s acquisition and subsequent cancellation of its own shares held by Mitsubishi Corporation.

(7) Basis for Determining the Acquiring Company

Our company was determined to be the acquiring entity as we acquired 100.0% of the voting rights of TH FOODS, INC. through a cash transaction.

2.Acquisition Cost of the Acquired Company and Breakdown by Type of Consideration

The fair value of the common shares of TH FOODS, INC. held immediately before the business combination	¥ 32,044 million
Consideration for the additional acquisition	¥ 32,044 million
Total acquisition cost	¥ 64,089 million

The above yen-converted amount is a reference value, calculated by converting the additional acquisition cost of USD 220,999 thousand at an exchange rate of 145 yen to the dollar. This additional acquisition cost includes the consideration paid by TH FOODS, INC. for the acquisition of its own shares.

3.Details and Amount of Major Acquisition-Related Costs

Not yet determined.

4.Difference Between Acquisition Cost and Total of Consideration by Transaction

Not yet determined.

5.Amount of Goodwill, Cause of Occurrence, Amortization Method, and Amortization Period

Not yet determined.

6.Assets Acquired and Liabilities Assumed and Their Major Components on the Combination Date

Not yet determined.

7.Allocation of Acquisition Cost

Not yet determined.