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August 6, 2025

Consolidated Financial Results for the Six Months Ended June 30, 2025 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 2533
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 Scheduled date to file semi-annual securities report: August 6, 2025
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and securities analysts)

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

1. Consolidated financial results for the six months ended June 30, 2025 (from January 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of the parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	42,268	5.0	2,316	47.3	2,398	40.5	1,855	46.5
June 30, 2024	40,239	(5.7)	1,572	(22.5)	1,707	(18.7)	1,266	(26.3)

Note: Comprehensive income For the six months ended June 30, 2025: ¥1,841 million [4.8%]
 For the six months ended June 30, 2024: ¥1,757 million [(16.1)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2025	32.57	—
June 30, 2024	21.81	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	53,904	25,456	45.7
December 31, 2024	55,739	24,478	42.4

Reference: Equity
 As of June 30, 2025: ¥24,628 million
 As of December 31, 2024: ¥23,637 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2024	—	—	—	10.00	10.00
Fiscal year ending December 31, 2025	—	—			
Fiscal year ending December 31, 2025 (Forecast)			—	10.00	10.00

Notes: Revisions to the forecast of cash dividends most recently announced: None

Details of the year-end dividends for the fiscal year ended December 31, 2024

Ordinary dividend: ¥8.00

Commemorative dividend: ¥2.00 (100th anniversary commemorative dividend)

3. Financial Forecast for the Year Ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending December 31, 2025	86,500	2.8	3,800	10.2	3,850	6.1	2,900	6.3	51.25

Note: Revisions to the financial forecast for this period: None

*** Notes**

- (1) Significant changes in scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	65,586,196 shares
As of December 31, 2024	65,586,196 shares

- (ii) Number of treasury shares at the end of the period

As of June 30, 2025	8,996,579 shares
As of December 31, 2024	8,576,331 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended June 30, 2025	56,987,240 shares
Six months ended June 30, 2024	58,076,049 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The earnings forecasts and future projections contained herein have are based on the information currently available and decisions the Company considers rational, but the Company makes no commitment to achieve these objectives. Actual performance may differ substantially from forecasts for a variety of reasons.

Please refer to “(3) Explanation of Consolidated financial forecast and other forward-looking information” within “1. Overview of operating results” on page 3 of the attachment to this document for cautionary statements concerning the conditions and performance forecasts that serve as the basis for these forecasts.

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First Half of the Fiscal Year Ending December 31, 2025 Financial Summary

1. Overview of operating results

(1) Overview of semi-annual operating results

During the six months ended June 30, 2025, the Japanese economy continued on a modest recovery track, supported by factors such as an increase in inbound demand and improvements in employment and income conditions. Meanwhile, the outlook for the economy remains uncertain due to the continued impact of rising prices on personal consumption, the prolonged situation in Ukraine, increasing geopolitical risks in the Middle East, and exchange rate fluctuations associated with U.S. tariff policy.

Under this business environment, the Oenon Group worked to achieve sound and sustainable growth and enhance corporate value over the medium to long term. To do so, we worked to achieve the objectives of the “Medium-Term Management Plan 2028,” with a focus on addressing the three key challenges outlined in our long-term vision, “NEXT100.”

As a result, in the six months ended June 30, 2025, net sales amounted to ¥42,268 million (up 5.0% year on year). On the profit front, the Group recorded operating income of ¥2,316 million (up 47.3% year on year) and ordinary income of ¥2,398 million (up 40.5% year on year). Profit attributable to owners of the parent was ¥1,855 million (up 46.5% year on year).

Segment performance is shown below.

Sales results

Segment name	Item		Six months ended June 30, 2025 (January 1 to June 30, 2025) (Millions of yen)	YoY change (Previous period = 100%)
Alcoholic beverages	Japanese alcohol products	Shochu	17,175	99.1
		Chu-hi (RTD)	9,433	119.9
		Sake	1,707	96.0
		Sake compounds	840	96.5
		Brewing and industrial alcohol for sale	6,884	104.8
		Mirin (rice cooking wine)	169	94.4
			36,211	104.7
	Wine and spirits	2,490	100.9	
	Others	343	108.6	
		39,044	104.4	
Enzymes and pharmaceuticals		2,517	112.0	
Real estate		660	116.5	
Others		44	109.0	
Total		42,268	105.0	

(Alcoholic beverages)

In the alcoholic beverages segment, competition is intensifying further because the population is shrinking, the birth rate is falling, the population is aging in Japan, the frequency of drinking outside the home is declining, and rising prices are driving a trend toward more frugal spending. In this environment, sales of alcoholic beverages amounted to ¥39,044 million (up 4.4% year on year). In this segment, operating income was ¥1,352 million (up 49.7% year on year).

In the *shochu* category (within Japanese alcohol products), sales were favorable for *kou-otsu* blended *shochu* products in the *SUGO-MUGI* and *SUGO-IMO* series. However, due to the discontinuation of the *Kaito* series of *otsu*-type *shochu* and a decline in store-brand products of *otsu*-type *shochu*, sales remained at the same level as the previous fiscal year. In the same category, three products were recognized for their high quality and received the Gold Quality Award at Monde Selection 2025, an international food and beverage competition: the *shiso shochu Tantakatan* (10th consecutive year), the *otsu-type shochu Hakata no Hana Sannen Chozo* (14th consecutive year),

and the *otsu-type shochu CANBASY* (first-time recipient).

In *chu-hi* and other RTD products, sales increased due to strong performance of store-brand products and the packer business operated by Oenon Product Support. In addition, in own brand product lines within the same category, *NIPPON PREMIUM Nagano Shine Muscat Chu-hi*—part of the *NIPPON PREMIUM chu-hi* series, which uses strictly Japanese-sourced ingredients and had been offered in limited quantities over the past two years—has this year been made available year-round in response to its consistent sell-out popularity.

In the *sake* category, sales declined for both own-brand and store-brand products, causing category sales to fall. In this category, *Taisetsu no Kura Housetsu* won a gold medal for the second consecutive year at the 2024 National Research Institute of Brewing Awards.

In brewing and industrial alcohol for sale, sales increased, supported by strong performance in sales of alcohol for beverage production and of industrial-use alcohol.

In wine and spirits, wine sales declined but sales were strong for *chu-hi* base spirits, which allow consumers to just add carbonated water to enjoy drinking at home while replicating the feeling of being in an *izakaya* (Japanese-style pub). Sales also grew for *WHISKY KOHKUN*, a type of whisky that is ideal for mixing in highballs. As a result, category sales were flat year on year.

(Enzymes and pharmaceuticals)

Sales in the enzymes and pharmaceuticals segment were ¥2,517 million (up 12.0% year on year), supported by growth in the contract manufacturing business in Japan, as well as to favorable overseas sales in the enzymes category. Operating income came to ¥568 million (up 56.3% year on year).

(Real estate)

In the real estate segment, sales amounted to ¥660 million (up 16.5% year on year) due to factors such as rent revisions for leased properties. Operating income was ¥389 million (up 30.5% year on year).

(2) Financial conditions

1) Assets, liabilities and net assets

As of June 30, 2025, total assets amounted to ¥53,904 million, down ¥1,834 million from December 31, 2024, due to a decline in trade notes and accounts receivable, while inventories increased.

Liabilities amounted to ¥28,448 million, down ¥2,812 million from the end of the previous fiscal year. Short-term loans payable increased, but accrued liquor tax and accounts payable—other decreased.

Net assets were up ¥977 million, to ¥25,456 million, mainly because of an increase in retained earnings.

2) Cash flows

As of June 30, 2025, cash and cash equivalents were ¥797 million, down ¥85 million from their level on December 31, 2024.

Net cash used in operating activities amounted to ¥377 million (up ¥873 million from the same period of the previous fiscal year). Major sources of cash were income before income taxes and minority interests of ¥2,495 million, and a ¥1,609 million decrease in trade notes and accounts receivable. Key uses of cash were a ¥3,130 million decrease in accrued liquor tax, a ¥538 million of income taxes paid, a ¥371 million increase in inventories, and a ¥344 million decrease in trade notes and accounts payable.

Net cash used in investing activities came to ¥1,241 million (up ¥489 million from the same period of the previous year), mainly as the result of ¥1,234 million used in the purchase of noncurrent assets.

Net cash provided by financing activities was ¥1,534 million (up ¥1,119 million), mainly because of a ¥2,800 million increase in short-term loans payable.

(3) Explanation of Consolidated financial forecast and other forward-looking information

The full-year financial forecast remains unchanged from the figures announced on July 30, 2025.

2. Semi-annual consolidated financial statements and notes

(1) Semi-annual consolidated balance sheets

	(Millions of yen)	
	Fiscal year 2024 (As of Dec. 31, 2024)	Six months ended June 30, 2025 (As of June. 30, 2025)
ASSETS		
Current assets		
Cash and deposits	887	802
Notes and accounts receivable–trade	16,733	15,123
Merchandise and finished goods	6,880	7,160
Work in process	273	369
Raw materials and supplies	1,110	1,106
Other	302	233
Allowance for doubtful accounts	(13)	(10)
Total current assets	26,175	24,785
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	29,807	29,819
Accumulated depreciation	(20,358)	(20,588)
Buildings and structures, net	9,449	9,231
Machinery, equipment and vehicles	35,872	35,957
Accumulated depreciation	(30,787)	(31,193)
Machinery, equipment and vehicles, net	5,084	4,763
Land	9,546	9,518
Construction in progress	39	136
Other	1,854	1,917
Accumulated depreciation	(1,515)	(1,553)
Other, net	338	363
Total property, plant and equipment	24,458	24,013
Intangible assets		
Goodwill	1	—
Other	428	377
Total intangible assets	429	377
Investments and other assets		
Investment securities	3,654	3,753
Deferred tax assets	590	516
Other	436	462
Allowance for doubtful accounts	(5)	(5)
Total investments and other assets	4,675	4,727
Total noncurrent assets	29,563	29,118
Total assets	55,739	53,904

	(Millions of yen)	
	Fiscal year 2024 (As of Dec. 31, 2024)	Six months ended June 30, 2025 (As of June. 30, 2025)
LIABILITIES		
Current liabilities		
Notes and accounts payable–trade	4,928	4,880
Electronically recorded obligations	1,905	1,608
Short-term loans payable	1,850	4,650
Accounts payable–other	4,753	3,798
Accrued liquor tax	8,249	5,119
Income taxes payable	634	674
Provision for bonuses	66	64
Provision for directors’ bonuses	39	15
Provision for shareholder benefit program	24	—
Notes payable–facilities	562	38
Electronically recorded obligations–facilities	136	102
Other	1,745	1,428
Total current liabilities	24,897	22,380
Noncurrent liabilities		
Long-term loans payable	1,200	900
Long-term deposits received	3,182	3,221
Deferred tax liabilities	183	206
Provision for directors’ stock benefits	169	91
Net defined benefit liabilities	1,499	1,522
Asset retirement obligation	41	40
Other	85	85
Total noncurrent liabilities	6,363	6,067
Total liabilities	31,260	28,448
NET ASSETS		
Shareholders’ equity		
Share capital	6,946	6,946
Capital surplus	5,637	5,639
Retained earnings	12,230	13,508
Treasury stock	(2,414)	(2,692)
Total shareholders’ equity	22,399	23,402
Total accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,236	1,345
Deferred gains on hedges	104	(21)
Remeasurements of defined benefit plans	(102)	(97)
Total accumulated other comprehensive income	1,238	1,225
Non-controlling interests	840	827
Total net assets	24,478	25,456
Total liabilities and net assets	55,739	53,904

(2) Semi-annual consolidated statement of income and
semi-annual consolidated statement of comprehensive income
Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended June 30, 2024 (Jan. 1, 2024–Jun. 30, 2024)	Six months ended June 30, 2025 (Jan. 1, 2025–Jun. 30, 2025)
Net Sales	40,239	42,268
Cost of sales	33,589	34,553
Gross profit	6,649	7,714
Selling, general and administrative expenses	5,077	5,397
Operating income	1,572	2,316
Nonoperating income		
Interest income	0	0
Dividend income	29	46
Share of profit of entities accounted for using equity method	72	69
Rent income	30	29
Foreign exchange gains	51	17
Miscellaneous income	24	28
Total nonoperating income	208	191
Nonoperating expenses		
Interest expenses	46	64
Shutdown expenses	14	15
Contract fee for liquidation of receivables	-	13
Miscellaneous losses	12	17
Total nonoperating expenses	73	109
Ordinary income	1,707	2,398
Extraordinary income		
Gain on sale of non-current assets	-	119
Other	1	1
Total extraordinary income	1	120
Extraordinary loss		
Loss on sale and retirement of noncurrent assets	11	15
Loss on cancellation of insurance policies	-	8
Other	1	-
Total extraordinary loss	12	23
Income before income taxes and minority interests	1,696	2,495
Income taxes	429	643
Profit	1,267	1,852
Profit (loss) attributable to non-controlling interests	0	(3)
Profit attributable to owners of the parent	1,266	1,855

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended June 30, 2024 (Jan. 1, 2024–Jun. 30, 2024)	Six months ended June 30, 2025 (Jan. 1, 2025–Jun. 30, 2025)
Profit	1,267	1,852
Other comprehensive income		
Valuation difference on available-for-sale securities	284	109
Deferred gains or losses on hedges	201	(120)
Remeasurements of defined benefit plans	1	5
Share of other comprehensive income of entities accounted for using equity method	3	(5)
Total other comprehensive income	490	(11)
Comprehensive income	1,757	1,841
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	1,756	1,843
Comprehensive income attributable to non-controlling interests	0	(2)

(3) Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended June 30, 2024 (Jan. 1, 2024–Jun. 30, 2024)	Six months ended June 30, 2025 (Jan. 1, 2025–Jun. 30, 2025)
Cash flows from operating activities		
Income before income taxes and minority interests	1,696	2,495
Depreciation and amortization	931	961
Amortization of goodwill	1	1
Increase (decrease) in net defined benefit liabilities	1	29
Increase (decrease) in allowance for doubtful accounts	(7)	(2)
Increase (decrease) in provision for directors' bonuses	(19)	(24)
Increase (decrease) in provision for directors' stock benefits	11	(78)
Increase (decrease) in provision for shareholder benefit program	(27)	(24)
Interest and dividend income	(29)	(46)
Interest expenses	46	64
Share of (profit) loss of entities accounted for using equity method	(72)	(69)
Gain on sales of noncurrent assets	-	(119)
Loss on sale and retirement of noncurrent assets	11	15
Loss (gain) on cancellation of insurance policies	-	8
Decrease (increase) in notes and accounts receivable-trade	692	1,609
Decrease (increase) in inventories	(1,126)	(371)
Increase (decrease) in notes and accounts payable-trade	184	(344)
Increase (decrease) in accrued consumption tax	(419)	(336)
Increase (decrease) in accrued liquor tax	(172)	(3,130)
Other, net	(695)	(670)
Subtotal	1,008	(33)
Interest and dividends received	94	197
Interest expenses paid	(62)	(83)
Proceeds from insurance income	-	80
Income taxes (paid) refund	(544)	(538)
Net cash provided by (used in) operating activities	495	(377)

	(Millions of yen)	
	Six months ended June 30, 2024 (Jan. 1, 2024–Jun. 30, 2024)	Six months ended June 30, 2025 (Jan. 1, 2025–Jun. 30, 2025)
Cash flows from investing activities		
Purchase of noncurrent assets	(706)	(1,234)
Proceeds from sale of non-current assets	-	182
Payments for retirement of noncurrent assets	(33)	(27)
Local government subsidies	38	-
Purchase of investment securities	(3)	(3)
Other, net	(47)	(158)
Net cash provided by (used in) investing activities	(752)	(1,241)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	1,450	2,800
Repayment of long-term loans payable	(300)	(300)
Payments for finance lease obligations	(16)	(23)
Purchase of treasury stock	(245)	(357)
Cash dividends paid	(469)	(575)
Cash dividends paid to non-controlling interests	(3)	(3)
Other, net	(0)	(5)
Net cash provided by (used in) financing activities	414	1,534
Net increase (decrease) in cash and cash equivalents	157	(85)
Cash and cash equivalents at beginning of period	824	882
Cash and cash equivalents at end of period	982	797

(4) Notes to the semi-annual consolidated financial statements

(Notes related to the going concern assumption)

Not applicable

(Notes in the event of significant changes in shareholders' equity)

At the 110th General Meeting of Shareholders held on March 23, 2017, the adoption of a Board Benefit Trust (BBT) was approved. In accordance with this plan, 250,100 shares were granted to eligible recipients on April 30, 2025, resulting in a decrease of ¥78 million in treasury stock during the interim consolidated accounting period. Additionally, based on the resolution of the Board of Directors on May 9, 2025, the Company acquired 670,200 shares of treasury stock during the same interim period, resulting in an increase of ¥355 million. As a result, treasury stock increased by ¥277 million during the interim consolidated accounting period, bringing the balance of treasury stock to ¥2,692 million as of the end of the period.

(Changes in accounting policies)

(Application of "Accounting Standard for Current Income Taxes" and other standards)

Effective from the beginning of the interim consolidated accounting period of the fiscal year under review, the Company has applied the Accounting Standard for Current Income Taxes (Accounting Standards Board of Japan ("ASBJ") Statement No. 27, issued on October 28, 2022; hereinafter the "2022 Revised Accounting Standard").

Regarding the amendments concerning the classification of income taxes (taxation on other comprehensive income), the Company is applying the transitional treatment stipulated in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment stipulated in the proviso to Paragraph 65-2(2) of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, issued on October 28, 2022; hereinafter the "2022 Revised Implementation Guidance"). These changes in accounting policies have had no impact on the Company's semi-annual consolidated financial statements.

Furthermore, concerning the amendments related to the treatment in consolidated financial statements of deferred tax recognition arising from the sale of shares of subsidiaries among consolidated companies, the Company has also applied the 2022 Revised Implementation Guidance effective from the beginning of the interim consolidated accounting period of the fiscal year under review. These changes in accounting policies have been applied retrospectively, and the semi-annual consolidated financial statements for the previous fiscal year and the consolidated financial statements for the prior fiscal year have been prepared accordingly after retrospective application. These changes have had no impact on the semi-annual consolidated financial statements for the prior fiscal year or the consolidated financial statements for the prior fiscal year.

(Notes on segment information, etc.)

Segment information

I. Six months ended June 30, 2024 (January 1 to June 30, 2024)

1. Information on sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segment				Others (Note) 1	Reconciliations (Note) 2	Amount stated in the semi-annual consolidated statement of income (Note) 3
	Alcoholic beverages	Enzymes and pharmaceuticals	Real estate	Total			
Sales							
Sales to external customers	37,382	2,248	567	40,198	41	—	40,239
Inter-segment sales or transfers	14	—	—	14	5	(19)	—
Total	37,396	2,248	567	40,212	46	(19)	40,239
Segment profit	903	363	298	1,565	7	—	1,572

(Note) 1. The “others” category includes business that is not included in the reportable segments, such as warehousing and cargo handling.

2. Reconciliations are to eliminate intersegment transactions.

3. Segment profit are adjusted in operating income in the semi-annual consolidated statement of income.

II. Six months ended June 30, 2025 (January 1 to June 30, 2025)

1. Information on sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segment				Others (Note) 1	Reconciliations (Note) 2	Amount stated in the semi-annual consolidated statement of income (Note) 3
	Alcoholic beverages	Enzymes and pharmaceuticals	Real estate	Total			
Sales							
Sales to external customers	39,044	2,517	660	42,223	44	—	42,268
Inter-segment sales or transfers	12	—	—	12	5	(17)	—
Total	39,057	2,517	660	42,236	49	(17)	42,268
Segment profit	1,352	568	389	2,310	6	—	2,316

(Note) 1. The “others” category includes business that is not included in the reportable segments, such as warehousing and cargo handling.

2. Reconciliations are to eliminate intersegment transactions.

3. Segment profit are adjusted in operating income in the semi-annual consolidated statement of income.



First Half of the Fiscal Year Ending December 31, 2025 Financial Summary

1. Consolidated Statements of Income
2. Consolidated Statements of Income (Second quarter)
3. Sales Results by Segment
4. Profit Breakdown
5. Consolidated Balance Sheets
6. Consolidated Performance Forecast for FY2025
7. Sales Forecast for FY2025

denon Holdings, Inc.

August 6, 2025

1. Consolidated Statements of Income

(Millions of yen)

	First half of fiscal year 2024 (Jan. 1, 2024–Jun. 30, 2024)	First half of fiscal year 2025 (Jan. 1, 2025–Jun. 30, 2025)	Change	Percentage change (%)
Alcoholic beverages	37,382	39,044	1,662	104.4
Enzymes and pharmaceuticals	2,248	2,517	268	112.0
Real estate and others	608	705	97	116.0
Net sales	40,239	42,268	2,028	105.0
Cost of sales	33,589	34,553	964	102.9
Gross profit	6,649	7,714	1,064	116.0
Selling, general and administrative expenses	5,077	5,397	320	106.3
Alcoholic beverages	903	1,352	449	149.7
Enzymes and pharmaceuticals	363	568	204	156.3
Real estate and others	305	396	90	129.5
Operating income	1,572	2,316	744	147.3
Nonoperating income	208	191	(16)	92.0
Nonoperating expenses	73	109	36	149.8
Ordinary income	1,707	2,398	691	140.5
Extraordinary income	1	120	118	—
Extraordinary loss	12	23	10	186.2
Income before income taxes	1,696	2,495	799	147.1
Income, residential and enterprise taxes	429	643	213	149.8
Profit	1,267	1,852	585	146.2
Profit (loss) attributable to non-controlling interests	0	(3)	(3)	—
Profit attributable to owners of the parent	1,266	1,855	589	146.5
Profit per share (Yen)	21.81	32.57	10.76	149.3
Capital expenditures	456	451	(5)	98.8

2. Consolidated Statements of Income (Second quarter)

(Millions of yen)

	Second quarter of fiscal year 2024 (Apr. 1, 2024–Jun. 30, 2024)	Second quarter of fiscal year 2025 (Apr. 1, 2025–Jun. 30, 2025)	Change	Percentage change (%)
Alcoholic beverages	19,937	21,160	1,223	106.1
Enzymes and pharmaceuticals	1,170	1,331	160	113.7
Real estate and others	304	352	48	115.9
Net sales	21,412	22,844	1,432	106.7
Cost of sales	17,812	18,374	562	103.2
Gross profit	3,600	4,469	869	124.2
Selling, general and administrative expenses	2,651	2,849	198	107.5
Alcoholic beverages	607	1,114	507	183.5
Enzymes and pharmaceuticals	191	307	116	161.1
Real estate and others	149	197	48	132.1
Operating income	948	1,619	671	170.8
Nonoperating income	125	116	(8)	93.0
Nonoperating expenses	39	52	13	135.3
Ordinary income	1,034	1,683	649	162.8
Extraordinary income	1	110	109	—
Extraordinary loss	10	22	12	229.6
Income before income taxes	1,025	1,771	745	172.7
Income, residential and enterprise taxes	256	449	192	175.2
Profit	768	1,321	552	171.9
Profit attributable to non-controlling interests	1	2	1	193.3
Profit attributable to owners of the parent	767	1,319	551	171.8
Profit per share (Yen)	13.24	23.15	9.91	174.8

3. Sales Results by Segment

(Millions of yen)

	First half of fiscal year 2024 (Jan. 1, 2024–Jun. 30, 2024)	First half of fiscal year 2025 (Jan. 1, 2025–Jun. 30, 2025)	Change	Percentage change (%)
<i>Shochu</i>	17,333	17,175	(157)	99.1
(<i>Kou</i> -type <i>shochu</i>)	5,944	5,920	(23)	99.6
(<i>Otsu</i> -type <i>shochu</i>)	11,388	11,254	(133)	98.8
<i>Chu-hi</i> (RTD)	7,869	9,433	1,563	119.9
<i>Sake</i>	1,778	1,707	(70)	96.0
<i>Sake</i> compounds	870	840	(30)	96.5
Brewing and industrial alcohol for sale	6,566	6,884	317	104.8
<i>Mirin</i> (rice cooking wine)	179	169	(10)	94.4
Wine and spirits	2,467	2,490	22	100.9
Others	316	343	27	108.6
Total of alcoholic beverages	37,382	39,044	1,662	104.4
Enzymes and pharmaceuticals	2,248	2,517	268	112.0
Real estate	567	660	93	116.5
Others	41	44	3	109.0
Total	40,239	42,268	2,028	105.0

4. Profit Breakdown

(Millions of yen)

	Increase (Decrease)	Remarks
Alcoholic beverages	449	Increase in gross profit due to higher sales: 150 Lower ingredient costs, due to decreased materials costs: 600 Higher SG&A expenses, including transportation expenses and storage costs: (220) Impact of changes in the product mix: (81)
Enzymes and pharmaceuticals	204	Increase in contract manufacturing and enzyme exports
Real estate and others	90	Increase due to revision of real estate rents
Operating income	744	
Nonoperating income	(16)	
Nonoperating expenses	(36)	
Ordinary income	691	
Extraordinary income	118	Increase due to sale of land for the former Sendai office
Extraordinary loss	(10)	
Income before income taxes	799	
Income, residential and enterprise taxes	(213)	
Profit	585	
Profit attributable to non-controlling interests	3	
Profit attributable to owners of the parent	589	

5. Consolidated Balance Sheets

(Millions of yen)

	Fiscal year 2024 (As of Dec. 31, 2024)	First half of fiscal year 2025 (As of Jun. 30, 2025)	Change	Percentage change (%)	Remarks
(Assets)					
Cash and deposits	887	802	(85)	90.4	Lower sales due to seasonal factors
Notes and accounts receivable	16,733	15,123	(1,609)	90.4	
Inventories	8,264	8,636	371	104.5	
Other current assets	302	233	(68)	77.2	
Allowance for doubtful accounts	(13)	(10)	2	—	
Total current assets	26,175	24,785	(1,390)	94.7	
Buildings	8,029	7,852	(177)	97.8	
Land	9,546	9,518	(28)	99.7	
Other tangible fixed assets	6,882	6,642	(239)	96.5	
Total tangible fixed assets	24,458	24,013	(445)	98.2	
Intangible fixed assets	429	377	(51)	88.0	
Investment securities	3,654	3,753	98	102.7	
Long-term prepaid expenses	200	315	114	157.1	
Deferred tax assets	590	516	(73)	87.6	
Other investments and other assets	235	147	(87)	62.6	
Allowance for doubtful accounts	(5)	(5)	—	—	
Total investments and other assets	4,675	4,727	52	101.1	
Total fixed assets	29,563	29,118	(444)	98.5	
Total assets	55,739	53,904	(1,834)	96.7	

(Millions of yen)

	Fiscal year 2024 (As of Dec. 31, 2024)	First half of fiscal year 2025 (As of Jun. 30, 2025)	Change	Percentage change (%)	Remarks
(Liabilities)					
Notes and accounts payable	6,833	6,489	(344)	95.0	
Short-term debt	1,850	4,650	2,800	251.4	
Other payables	4,753	3,798	(955)	79.9	
Accrued liquor tax	8,249	5,119	(3,130)	62.1	Lower sales due to seasonal factors
Other current liabilities	3,210	2,323	(886)	72.4	Decreases in accrued consumption taxes
Total current liabilities	24,897	22,380	(2,516)	89.9	
Long-term debt	1,200	900	(300)	75.0	
Other long-term liabilities	5,163	5,167	4	100.1	
Total long-term liabilities	6,363	6,067	(295)	95.4	
Total liabilities	31,260	28,448	(2,812)	91.0	
(Net assets)					
Share capital	6,946	6,946	—	100.0	
Capital surplus	5,637	5,639	2	100.0	
Retained earnings	12,230	13,508	1,278	110.5	
Treasury stock	(2,414)	(2,692)	(277)	—	
Total shareholders' equity	22,399	23,402	1,003	104.5	
Valuation difference on available-for-sale securities	1,236	1,345	108	108.7	
Deferred gains on hedges	104	(21)	(125)	—	
Remeasurements of defined benefit plans	(102)	(97)	5	—	
Cumulative other comprehensive income	1,238	1,225	(12)	99.0	
Non-controlling interests	840	827	(13)	98.4	
Total net assets	24,478	25,456	977	104.0	
Total liabilities and net assets	55,739	53,904	(1,834)	96.7	

Equity ratio (%)	42.4	45.7	3.3		
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6. Consolidated Performance Forecast for FY2025

(Millions of yen)

	Fiscal year 2024 (Jan. 1, 2024–Dec. 31, 2024)	Fiscal year 2025 (Jan. 1, 2025–Dec. 31, 2025)	Change	Percentage change (%)
Alcoholic beverages	78,715	80,372	1,656	102.1
Enzymes and pharmaceuticals	4,155	4,712	557	113.4
Real estate and others	1,233	1,415	181	114.7
Net sales	84,104	86,500	2,395	102.8
Cost of sales	70,139	71,391	1,251	101.8
Gross profit	13,964	15,108	1,144	108.2
Selling, general and administrative expenses	10,516	11,308	792	107.5
Alcoholic beverages	2,296	2,450	153	106.7
Enzymes and pharmaceuticals	534	640	105	119.8
Real estate and others	617	710	92	115.0
Operating income	3,448	3,800	351	110.2
Nonoperating income (expenses)	181	50	(131)	27.5
Ordinary income	3,629	3,850	220	106.1
Extraordinary income (loss)	(36)	(100)	(63)	—
Income before income taxes	3,592	3,750	157	104.4
Income, residential and enterprise taxes	863	845	(18)	97.9
Profit	2,729	2,904	175	106.4
Profit attributable to non-controlling interests	0	4	4	—
Profit attributable to owners of the parent	2,729	2,900	170	106.3

7. Sales Forecast for FY2025

(Millions of yen)

	Fiscal year 2024 (Jan. 1, 2024–Dec. 31, 2024)	Fiscal year 2025 (Jan. 1, 2025–Dec. 31, 2025)	Change	Percentage change (%)
<i>Shochu</i>	36,274	36,299	24	100.1
(<i>Kou</i> -type <i>shochu</i>)	12,172	12,124	(47)	99.6
(<i>Otsu</i> -type <i>shochu</i>)	24,102	24,174	72	100.3
<i>Chu-hi</i> (RTD)	16,933	18,774	1,840	110.9
<i>Sake</i>	3,638	3,538	(100)	97.2
<i>Sake</i> compounds	1,897	1,856	(40)	97.9
Brewing and industrial alcohol for sale	13,519	13,381	(138)	99.0
<i>Mirin</i> (rice cooking wine)	400	372	(28)	93.0
Wine and spirits	5,334	5,423	88	101.7
Others	717	727	10	101.4
Total of alcoholic beverages	78,715	80,372	1,656	102.1
Enzymes and pharmaceuticals	4,155	4,712	557	113.4
Real estate	1,144	1,322	177	115.5
Others	88	92	4	104.6
Total	84,104	86,500	2,395	102.8