

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2025 (Based on Japanese GAAP)

May 15, 2025

Company name: ATSUGI CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 3529 URL <https://www.atsugi.co.jp/>
 Representative: President Shinji Nikko
 Director, Executive Officer, Administration
 Inquiries: division General manager Masahiro Furukawa TEL 046-235-8107
 Scheduled date of ordinary general meeting of shareholders: June 27, 2025
 Scheduled date to file Securities Report: June 27, 2025
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2025	21,880	3.2	(930)	—	(233)	—	(376)	—
Year ended March 31, 2024	21,209	3.4	(425)	—	(51)	—	1,331	—

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2025	(23.49)	—	(1.2)	(0.6)	(4.3)
Year ended March 31, 2024	83.12	—	4.1	(0.1)	(2.0)

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	40,847	31,662	77.5	1,976.74
As of March 31, 2024	42,014	33,441	79.6	2,087.43

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2025	415	719	53	5,354
Year ended March 31, 2024	(1,344)	456	(472)	3,850

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2024	—	0.00	—	0.00	0.00	—	—	—
Year ended March 31, 2025	—	0.00	—	0.00	0.00	—	—	—
Year ending March 31, 2026 (Forecast)	—	0.00	—	0.00	0.00		—	

3. Forecast of consolidated financial results for the year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	23,000	5.1	100	—	150	—	100	—	6.24

4. Notes

- (1) Significant changes in the scope of consolidation during the year ended March 31, 2025: Yes
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: Yes
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of March 31, 2025	17,319,568 shares	As of March 31, 2024	17,319,568 shares
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Number of treasury shares at the end of the period

As of March 31, 2025	1,301,997 shares	As of March 31, 2024	1,299,322 shares
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Average number of shares during the period

Year ended March 31, 2025	16,018,867 shares	Year ended March 31, 2024	16,021,860 shares
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Consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	3,870	5,406
Notes and accounts receivable - trade	4,185	4,311
Merchandise and finished goods	5,010	4,229
Work in process	1,072	995
Raw materials and supplies	652	477
Other	2,220	1,435
Allowance for doubtful accounts	(26)	(22)
Total current assets	16,983	16,832
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,364	12,035
Accumulated depreciation	(8,725)	(8,827)
Buildings and structures, net	1,639	3,208
Machinery, equipment and vehicles	12,466	13,390
Accumulated depreciation	(10,561)	(10,048)
Machinery, equipment and vehicles, net	1,905	3,342
Land	11,982	12,745
Construction in progress	1,216	154
Other	561	516
Accumulated depreciation	(489)	(390)
Other, net	72	126
Total property, plant and equipment	16,815	19,577
Intangible assets		
Landuse right	430	413
Software	107	83
Software in progress	1,126	1
Other	4	1
Total intangible assets	1,669	499
Investments and other assets		
Investment securities	6,076	3,702
Deferred tax assets	25	—
Other	443	234
Total investments and other assets	6,544	3,937
Total non-current assets	25,030	24,014
Total assets	42,014	40,847

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,434	1,365
Short-term borrowings	—	617
Current portion of long-term borrowings	470	439
Income taxes payable	135	146
Provision for bonuses	44	53
Other	2,020	2,612
Total current liabilities	4,104	5,236
Non-current liabilities		
Long-term borrowings	439	—
Deferred tax liabilities	1,578	944
Deferred tax liabilities for land revaluation	1,286	1,324
Retirement benefit liability	894	883
Other	270	795
Total non-current liabilities	4,468	3,948
Total liabilities	8,572	9,184
Net assets		
Shareholders' equity		
Share capital	20,000	20,000
Capital surplus	10,272	10,272
Retained earnings	(734)	(1,110)
Treasury shares	(1,468)	(1,470)
Total shareholders' equity	28,069	27,690
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,172	1,357
Deferred gains or losses on hedges	785	384
Revaluation reserve for land	388	351
Foreign currency translation adjustment	2,025	1,878
Total accumulated other comprehensive income	5,371	3,971
Total net assets	33,441	31,662
Total liabilities and net assets	42,014	40,847

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	21,209	21,880
Cost of sales	14,359	14,938
Gross profit	6,849	6,942
Selling, general and administrative expenses	7,275	7,873
Operating loss	(425)	(930)
Non-operating income		
Interest and dividend income	176	149
Foreign exchange gains	119	429
Gain on cancellation of leases	—	59
Other	96	133
Total non-operating income	393	772
Non-operating expenses		
Interest expenses	9	27
Taxes and dues	1	25
Other	7	21
Total non-operating expenses	19	75
Ordinary loss	(51)	(233)
Extraordinary income		
Gain on sale of non-current assets	1,329	—
Gain on sale of investment securities	643	1,772
Insurance claim income	20	—
Total extraordinary income	1,992	1,772
Extraordinary losses		
Theft loss	18	—
Loss on sale of non-current assets	10	0
Loss on retirement of non-current assets	1	81
Loss on sale of investment securities	—	8
Business restructuring expenses	—	1,826
Total extraordinary losses	31	1,916
Profit (loss) before income taxes	1,909	(377)
Income taxes - current	446	170
Income taxes - deferred	131	(172)
Total income taxes	577	(1)
Profit (loss)	1,331	(376)
Profit (loss) attributable to owners of parent	1,331	(376)

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit (loss)	1,331	(376)
Other comprehensive income		
Valuation difference on available-for-sale securities	332	(814)
Deferred gains or losses on hedges	373	(400)
Revaluation reserve for land	–	(37)
Foreign currency translation adjustment	462	(147)
Total other comprehensive income	1,168	(1,400)
Comprehensive income	2,500	(1,776)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,500	(1,776)

Consolidated statements of changes in equity

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	20,000	10,272	(2,076)	(1,466)	26,728
Changes during period					
Loss attributable to owners of parent			1,331		1,331
Purchase of treasury shares				(1)	(1)
Change in scope of consolidation			10		10
Other			(0)		(0)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	1,341	(1)	1,340
Balance at end of period	20,000	10,272	(734)	(1,468)	28,069

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	1,839	411	388	1,563	4,203	30,932
Changes during period						
Loss attributable to owners of parent						1,331
Purchase of treasury shares						(1)
Change in scope of consolidation						10
Other						(0)
Net changes in items other than shareholders' equity	332	373	—	462	1,168	1,168
Total changes during period	332	373	—	462	1,168	2,508
Balance at end of period	2,172	785	388	2,025	5,371	33,441

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	20,000	10,272	(734)	(1,468)	28,069
Changes during period					
Loss attributable to owners of parent			(376)		(376)
Purchase of treasury shares				(2)	(2)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	(376)	(2)	(378)
Balance at end of period	20,000	10,272	(1,110)	(1,470)	27,690

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	2,172	785	388	2,025	5,371	33,441
Changes during period						
Loss attributable to owners of parent						(376)
Purchase of treasury shares						(2)
Net changes in items other than shareholders' equity	(814)	(400)	(37)	(147)	(1,400)	(1,400)
Total changes during period	(814)	(400)	(37)	(147)	(1,400)	(1,778)
Balance at end of period	1,357	384	351	1,878	3,971	31,662

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit (loss) before income taxes	1,909	(377)
Depreciation	429	676
Increase (decrease) in allowance for doubtful accounts	2	(4)
Increase (decrease) in provision for bonuses	0	9
Increase (decrease) in retirement benefit liability	(72)	(10)
Interest and dividend income	(176)	(149)
Interest expenses	9	27
Gain on cancellation of leases	—	(59)
Loss (gain) on sale of investment securities	(643)	(1,763)
Insurance claim income	(20)	—
Theft loss	18	—
Business restructuring expenses	—	1,826
Loss on retirement of property, plant and equipment	1	81
Loss (gain) on sale of property, plant and equipment	(939)	0
Loss (gain) on sale of intangible assets	(378)	—
Decrease (increase) in trade receivables	138	(140)
Decrease (increase) in inventories	(765)	1,010
Increase (decrease) in trade payables	(609)	(11)
Increase (decrease) in accrued consumption taxes	111	84
Other, net	(109)	(629)
Subtotal	(1,092)	570
Interest and dividends received	180	149
Interest paid	(6)	(23)
Proceeds from insurance income	20	—
Payments associated with Theft loss	(18)	—
Payments for business restructuring expenses	—	(103)
Income taxes paid	(427)	(176)
Net cash provided by (used in) operating activities	(1,344)	415
Cash flows from investing activities		
Payments into time deposits	(41)	(72)
Proceeds from withdrawal of time deposits	62	41
Purchase of property, plant and equipment	(1,280)	(2,807)
Proceeds from sale of property, plant and equipment	586	251
Purchase of intangible assets	(873)	(253)
Proceeds from sale of intangible assets	276	78
Purchase of investment securities	(34)	(33)
Proceeds from sale of investment securities	1,760	3,080
Subsidies received	—	549
Loan advances	(0)	—
Proceeds from collection of loans receivable	0	—
Other, net	—	(116)
Net cash provided by (used in) investing activities	456	719

	(Millions of yen)	
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from financing activities		
Dividends paid	(0)	–
Purchase of treasury shares	(1)	(2)
Proceeds from short-term borrowings	–	617
Repayments of long-term borrowings	(470)	(470)
Repayments of lease liabilities	–	(91)
Net cash provided by (used in) financing activities	(472)	53
Effect of exchange rate change on cash and cash equivalents	460	317
Net increase (decrease) in cash and cash equivalents	(899)	1,504
Cash and cash equivalents at beginning of period	4,749	3,850
Cash and cash equivalents at end of period	3,850	5,354