

July 24, 2025

Consolidated Financial Results for the First Quarter of Fiscal Year 2025

Company name: MARUWA CO., LTD.
 Listing: Tokyo Stock Exchange / Nagoya Stock Exchange
 Securities code: 5344
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

Rounded down to the nearest million yen

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

(1) Consolidated operating results (cumulative)

(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	%
Three months ended June 30, 2025	17,256	6.2	6,002	6.4	5,722	(7.4)	3,878	(13.9)
June 30, 2024	16,243	27.7	5,640	59.8	6,181	49.1	4,502	58.2

Note: Comprehensive income For the three months ended June 30, 2025: ¥4,205 million [(21.3)%]
 For the three months ended June 30, 2024: ¥5,343 million [63.9%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	314.31	-
June 30, 2024	364.96	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	141,281	131,474	93.1
March 31, 2025	142,285	127,854	89.9

Reference: Equity
 As of June 30, 2025: ¥131,474 million
 As of March 31, 2025: ¥127,854 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 March 31, 2025	-	47.00	-	47.00	94.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		51.00		51.00	102.00

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

3. Forecast of consolidated financial results for the fiscal 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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Yen	%	Yen	%	Yen
Six months ending September 30, 2025	34,900	0.2	12,800	0.1	-	-	-	-	-
Fiscal year ending March 31, 2026	76,800	6.9	28,800	7.0	-	-	-	-	-

Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (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	12,372,000 shares
As of March 31, 2025	12,372,000 shares

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

As of June 30, 2025	33,264 shares
As of March 31, 2025	32,112 shares

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

Three months ended June 30, 2025	12,339,793 shares
Three months ended June 30, 2024	12,337,866 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: nothing

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information available to the Company and on certain assumptions deemed to be reasonable. Actual financial results may differ from the results anticipated in the statements due to various factors.

1. Overview of Operating Results, etc.

(1) Business Results

During the first quarter of the fiscal year ending March 31, 2026 (April 1 to June 30, 2025), concerns over geopolitical risks persisted due to ongoing developments in the Middle East and Ukraine, as well as the global focus on tariff policies involving the United States and other countries. In the high-tech market, rapid technological advancements and active investments were observed across a wide range of fields related to generative AI.

Working within this business environment, in the semiconductor-related business, demand for general-purpose memory remain weak, while the tele-communication related business benefited from strong performance in next-generation high-speed communications.

As a result, consolidated net sales for the first quarter of the fiscal year ending March 31, 2026 increased by 6.2% year on year to 17,256 million yen, and operating profit rose by 6.4% year on year to 6,002 million yen. These figures represent the highest first-quarter results. Ordinary profit decreased by 7.4% year on year to 5,722 million yen, due to the absence of the foreign exchange gains recorded in the same period of the previous year amid a sharp depreciation of the yen. Net profit attributable to owners of the parent decreased by 13.9% year on year to 3,878 million yen.

Sales and profits by segment are as follows.

(Ceramic Components Business)

In the semiconductor-related business, demand for general-purpose memories weakened, but in the tele-communication related business, performance for next-generation, high-speed communications expanded.

As a result, net sales for the first quarter of the fiscal year ending March 31, 2026, under review increased by 6.5% year on year to 15,248 million yen, and segment profit rose by 4.4% year on year to 6,064 million yen.

(Lighting Equipment Business)

This segment saw steady performance driven by demand for lighting equipment for high-end new condominiums and public LED lighting installation projects, supported by Japan's upcoming policy to phase out fluorescent lamp production by 2027.

As a result, net sales for the first quarter of the fiscal year ending March 31, 2026, decreased by 4.4% year on year to 2,007 million yen, while segment profit fell by 70.1% year on year to 336 million yen.

(2) Financial Conditions

(Assets)

Current assets at the end of the first quarter of the fiscal year ending March 31, 2026, totaled 95,688 million yen, a decrease of 4,601 million yen from the end of the previous fiscal year, primarily due to a reduction in cash and deposits. Non-current assets increased by 3,597 million yen to 45,592 million yen, mainly due to an increase in property, plant and equipment.

As a result, total assets amounted to 141,281 million yen, a decrease of 1,003 million yen from the end of the previous fiscal year.

(Liabilities)

Current liabilities at the end of the first quarter of the fiscal year ending March 31, 2026, decreased by 4,616 million yen to 9,316 million yen, mainly due to a decline in income taxes payable resulting from tax payments. Non-current liabilities decreased by 7 million yen to 490 million yen.

As a result, total liabilities decreased by 4,624 million yen to 9,806 million yen.

(Net Assets)

Net assets at the end of the first quarter of the fiscal year ending March 31, 2026, increased by 3,620 million yen to 131,474 million yen, primarily due to the recording of 3,878 million yen in quarterly net profit attributable to owners of the parent.

As a result, the equity ratio was 93.1% (89.9% at the end of the previous fiscal year).

(3) Future Outlook

Although the economic outlook continues to be uncertain, there is no change to the consolidated earnings forecast for the fiscal year ending March 31, 2026, as announced on April 25, 2025.

Current outlook by segment is as follows.

In the semiconductor related business, in addition to increasing demand for generative AI applications, demand for general-purpose memory is gradually recovering. Furthermore, differentiated high-purity SiC products for SPE are expected to see growing demand in the second half of the fiscal year.

In the tele communication related business, strong demand for next-generation high-speed communication is expected to continue.

In the automobile related business, inventory adjustments are underway on the customer side, particularly for new energy vehicle.

We expect a recovery in the second half of the fiscal year, we will continue to closely monitor market trends due to ongoing uncertainties such as geopolitical risks. In addition, we aim to enhance profitability through the implementation of AI and robotics in our factory operations.

In the industrial equipment related business, demand for power modules is expected to be soft, but new medical-related products are projected to contribute to performance.

In the lighting equipment related business, lighting for high-end condominiums and business for public LED installations projects are expected to maintain steady performance.

On the earnings front, we will continue to enhance profitability through further factory automation and improved yields on new products. Regarding profit figures below ordinary profit, it is difficult to provide forecasts at this time due to the potential volatility caused mainly by exchange rate fluctuations.

Despite the current global uncertainty surrounding geopolitical risks and the economic environment, we remain committed to proactive development in ceramic materials and new products, as well as market expansion in pursuit of our medium-term goals, and we will continue to strengthen our business foundations accordingly.

Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	71,793	69,685
Notes receivable - trade	139	84
Accounts receivable - trade	12,420	11,758
Electronically recorded monetary claims - operating	1,319	1,262
Merchandise and finished goods	2,645	2,487
Work in process	3,803	3,867
Raw materials and supplies	5,398	5,324
Other	2,832	1,267
Allowance for doubtful accounts	(62)	(50)
Total current assets	100,290	95,688
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,996	15,277
Machinery, equipment and vehicles, net	13,039	13,182
Land	5,047	5,051
Construction in progress	5,474	8,956
Other, net	798	829
Total property, plant and equipment	39,356	43,297
Intangible assets		
Other	444	445
Total intangible assets	444	445
Investments and other assets	2,194	1,850
Total non-current assets	41,995	45,592
Total assets	142,285	141,281

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,965	2,481
Electronically recorded obligations - operating	840	702
Income taxes payable	4,929	1,334
Provision for bonuses	1,191	575
Provision for bonuses for directors (and other officers)	149	3
Other	3,856	4,218
Total current liabilities	13,933	9,316
Non-current liabilities		
Deferred tax liabilities	131	124
Other	366	366
Total non-current liabilities	498	490
Total liabilities	14,431	9,806
Net assets		
Shareholders' equity		
Share capital	8,646	8,646
Capital surplus	12,103	12,103
Retained earnings	105,705	109,004
Treasury shares	(198)	(203)
Total shareholders' equity	126,257	129,551
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	39	83
Foreign currency translation adjustment	1,556	1,839
Total accumulated other comprehensive income	1,596	1,923
Total net assets	127,854	131,474
Total liabilities and net assets	142,285	141,281

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	16,243	17,256
Cost of sales	7,665	8,180
Gross profit	8,578	9,075
Selling, general and administrative expenses	2,937	3,073
Operating profit	5,640	6,002
Non-operating income		
Interest income	35	87
Rental income	32	33
Foreign exchange gains	472	-
Other	28	23
Total non-operating income	569	144
Non-operating expenses		
Interest expenses	0	-
Foreign exchange losses	-	356
Rent expenses on real estate for investments	20	13
Other	8	54
Total non-operating expenses	29	424
Ordinary profit	6,181	5,722
Extraordinary income		
Gain on sale of non-current assets	0	-
Subsidy income	2,576	2
Total extraordinary income	2,576	2
Extraordinary losses		
Loss on sale and retirement of non-current assets	15	0
Loss on tax purpose reduction entry of non-current assets	2,360	2
Loss on abandonment of inventories	-	1
Total extraordinary losses	2,376	4
Profit before income taxes	6,381	5,720
Income taxes - current	1,653	1,414
Income taxes - deferred	224	427
Total income taxes	1,878	1,841
Profit	4,502	3,878
Profit attributable to owners of parent	4,502	3,878

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	4,502	3,878
Other comprehensive income		
Valuation difference on available-for-sale securities	(4)	43
Foreign currency translation adjustment	844	283
Total other comprehensive income	840	326
Comprehensive income	5,343	4,205
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,343	4,205

(Notes on segment information, etc.)

Segment Information

I. the three months of the previous fiscal year (April 1, 2024 to June 30, 2024)

1. Information on sales and the amount of profit or loss for each reported segment

(in millions of yen)

	Reportable segments			Adjustment amount (Note) 1	Quarterly Consolidated Statements of Income (Note)2
	CERAMIC COMPONENT	LIGHTING EQUIPMENT	Total		
Sales					
Revenues from external customers	14,320	1,923	16,243	-	16,243
Transactions with other segments	0	2	3	(3)	-
Total	14,320	1,926	16,246	(3)	16,243
Segment Profit	5,809	198	6,007	(366)	5,640

Note: 1. Segment profit adjustment of (366) million yen includes 17 million yen of inter-segment transaction elimination and (383) million yen of company-wide expenses that have not been allocated to each reporting segment.

Corporate expenses are selling, general and administrative expenses that are primarily not attributable to the reporting segment.

2. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

Not applicable.

II. the three months of the current fiscal year (April 1, 2025 to June 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment

(in millions of yen)

	Reportable segments			Adjustment amount (Note) 1	Quarterly Consolidated Statements of Income (Note)2
	CERAMIC COMPONENT	LIGHTING EQUIPMENT	Total		
Sales					
Revenues from external customers	15,248	2,007	17,256	-	17,256
Transactions with other segments	1	0	1	(1)	-
Total	15,250	2,007	17,257	(1)	17,256
Segment Profit	6,064	336	6,401	(398)	6,002

Note: 1. Segment profit adjustment of (398) million yen includes 23 million yen of inter-segment transaction elimination and (422) million yen of company-wide expenses that have not been allocated to each reporting segment.

Corporate expenses are selling, general and administrative expenses that are primarily not attributable to the reporting segment.

2. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

Not applicable.