

Translation

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Summary of Consolidated Financial Results for the Year Ended June 30, 2025 (Based on Japanese GAAP)

August 8, 2025

Company name: Nagaoka International Corporation
 Stock exchange listing: Tokyo
 Stock code: 6239 URL <https://www.nagaokajapan.co.jp/>
 Representative: President & CEO Yasuhisa Umezu
 Inquiries: Managing Director Toshiya Tatemoto TEL 06(6261)6600
 Scheduled date of ordinary general meeting of shareholders: September 25, 2025
 Scheduled date to file Securities Report: September 24, 2025
 Scheduled date to commence dividend payments: September 26, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended June 30, 2025 (from July 1, 2024 to June 30, 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 June 30, 2025	8,917	(6.2)	1,519	(9.7)	1,509	(17.5)	970	(15.7)
Year ended June 30, 2024	9,505	16.7	1,682	28.3	1,828	35.2	1,150	32.7

	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 June 30, 2025	138.90	—	13.4	14.9	17.0
Year ended June 30, 2024	166.61	—	18.2	19.1	17.7

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2025	10,023	7,507	74.9	1,076.21
As of June 30, 2024	10,253	7,000	68.3	1,000.75

(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 June 30, 2025	514	(133)	(308)	2,427
Year ended June 30, 2024	2,296	(182)	(1,772)	2,446

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 June 30, 2024	—	0.00	—	34.00	34.00	237	20.4	3.8
Year ended June 30, 2025	—	0.00	—	35.00	35.00	244	25.2	3.4
Year ending June 30, 2026 (Forecast)	—	0.00	—	35.00	35.00		22.2	

3. Forecast of consolidated financial results for the year ending June 30, 2026 (from July 1, 2025 to June 30, 2026)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
Full year	Millions of yen 10,000	% 12.1	Millions of yen 1,700	% 11.9	Millions of yen 1,700	% 12.6	Millions of yen 1,100	% 13.4	Yen 157.68

4. Notes

- (1) Significant changes in the scope of consolidation during the year ended June 30, 2025: No
- (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: No
- Changes in accounting policies due to other reasons: No
- 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 June 30, 2025	7,078,400 shares	As of June 30, 2024	7,078,400 shares
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Number of treasury shares at the end of the period

As of June 30, 2025	102,277 shares	As of June 30, 2024	83,285 shares
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Average number of shares during the period

Year ended June 30, 2025	6,985,894 shares	Year ended June 30, 2024	6,906,516 shares
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Consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of June 30, 2024	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	2,537,659	2,519,603
Notes receivable - trade	60,480	25,768
Accounts receivable - trade	1,918,987	1,109,825
Contract assets	1,855,113	2,920,707
Electronically recorded monetary claims - operating	331,968	314,795
Merchandise and finished goods	17,605	10,630
Work in process	117,009	85,755
Raw materials and supplies	537,138	459,929
Other	311,837	264,412
Allowance for doubtful accounts	(17,572)	(10,464)
Total current assets	7,670,230	7,700,966
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,365,742	1,301,438
Accumulated depreciation	(610,084)	(621,597)
Accumulated impairment	(14,017)	(11,695)
Buildings and structures, net	741,640	668,145
Machinery, equipment and vehicles	1,325,845	1,241,370
Accumulated depreciation	(990,276)	(948,642)
Accumulated impairment	(119,995)	(102,812)
Machinery, equipment and vehicles, net	215,572	189,915
Tools, furniture and fixtures	443,093	466,262
Accumulated depreciation	(370,662)	(393,352)
Accumulated impairment	(1,967)	(1,730)
Tools, furniture and fixtures, net	70,463	71,178
Land	149,095	149,095
Leased assets	36,570	31,870
Accumulated depreciation	(17,984)	(19,255)
Leased assets, net	18,586	12,615
Construction in progress	2,418	6,196
Total property, plant and equipment	1,197,775	1,097,146
Intangible assets		
Goodwill	14,363	9,575
Other	314,379	260,326
Total intangible assets	328,742	269,902
Investments and other assets		
Investment securities	120,600	152,200
Long-term prepaid expenses	733,404	589,545
Deferred tax assets	88,613	101,831
Other	113,992	121,629
Allowance for doubtful accounts	–	(9,567)
Total investments and other assets	1,056,611	955,638
Total non-current assets	2,583,129	2,322,687
Total assets	10,253,359	10,023,654

(Thousands of yen)

	As of June 30, 2024	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	862,516	1,228,615
Short-term borrowings	118,504	156,115
Current portion of bonds payable	10,000	10,000
Current portion of long-term borrowings	109,924	9,924
Lease liabilities	6,541	5,513
Accounts payable - other	434,103	241,973
Accrued expenses	478,134	399,117
Income taxes payable	392,038	201,372
Contract liabilities	519,759	83,406
Provision for bonuses	3,250	3,690
Other	161,073	41,705
Total current liabilities	3,095,845	2,381,433
Non-current liabilities		
Bonds payable	10,000	—
Long-term borrowings	50,536	40,612
Lease liabilities	14,456	8,942
Retirement benefit liability	75,864	82,970
Long-term unearned revenue	6,284	1,919
Total non-current liabilities	157,140	134,443
Total liabilities	3,252,985	2,515,877
Net assets		
Shareholders' equity		
Share capital	1,253,241	1,253,241
Capital surplus	974,311	974,311
Retained earnings	4,110,209	4,842,750
Treasury shares	(103,026)	(103,026)
Total shareholders' equity	6,234,735	6,967,276
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,899	36,835
Deferred gains or losses on hedges	(969)	228
Foreign currency translation adjustment	751,708	503,436
Total accumulated other comprehensive income	765,638	540,500
Total net assets	7,000,374	7,507,777
Total liabilities and net assets	10,253,359	10,023,654

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

(Thousands of yen)

	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2025
Net sales	9,505,480	8,917,041
Cost of sales	5,765,469	5,244,267
Gross profit	3,740,011	3,672,774
Selling, general and administrative expenses	2,057,558	2,152,921
Operating profit	1,682,452	1,519,852
Non-operating income		
Interest income	8,342	12,031
Foreign exchange gains	84,333	—
Gain on sale of scraps	54,116	49,349
Subsidy income	13,340	4,301
Other	5,524	5,764
Total non-operating income	165,657	71,447
Non-operating expenses		
Interest expenses	17,570	5,527
Foreign exchange losses	—	44,182
Loss on extinguishment share-based compensation expenses	—	30,824
Commission expenses	406	—
Other	1,328	1,615
Total non-operating expenses	19,305	82,149
Ordinary profit	1,828,804	1,509,150
Extraordinary income		
Gain on sale of non-current assets	317	—
Total extraordinary income	317	—
Extraordinary losses		
Loss on sale of non-current assets	343	—
Loss on retirement of non-current assets	6,406	2,103
Total extraordinary losses	6,750	2,103
Profit before income taxes	1,822,371	1,507,046
Income taxes - current	690,900	560,156
Income taxes - deferred	(19,222)	(23,484)
Total income taxes	671,678	536,671
Profit	1,150,692	970,374
Profit attributable to owners of parent	1,150,692	970,374

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2025
Profit	1,150,692	970,374
Other comprehensive income		
Valuation difference on available-for-sale securities	14,899	21,936
Deferred gains or losses on hedges	14,284	1,197
Foreign currency translation adjustment	245,854	(248,271)
Total other comprehensive income	275,037	(225,137)
Comprehensive income	1,425,730	745,237
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,425,730	745,237

Consolidated statements of changes in equity

Fiscal year ended June 30, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,253,241	785,195	3,121,648	(20,106)	5,139,979
Changes during period					
Dividends of surplus			(162,131)		(162,131)
Profit attributable to owners of parent			1,150,692		1,150,692
Purchase of treasury shares				(689,074)	(689,074)
Disposal of treasury shares		189,115		606,154	795,270
Net changes in items other than shareholders' equity					
Total changes during period	—	189,115	988,560	(82,919)	1,094,756
Balance at end of period	1,253,241	974,311	4,110,209	(103,026)	6,234,735

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	—	(15,253)	505,853	490,600	5,630,579
Changes during period					
Dividends of surplus					(162,131)
Profit attributable to owners of parent					1,150,692
Purchase of treasury shares					(689,074)
Disposal of treasury shares					795,270
Net changes in items other than shareholders' equity	14,899	14,284	245,854	275,037	275,037
Total changes during period	14,899	14,284	245,854	275,037	1,369,794
Balance at end of period	14,899	(969)	751,708	765,638	7,000,374

Fiscal year ended June 30, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,253,241	974,311	4,110,209	(103,026)	6,234,735
Changes during period					
Dividends of surplus			(237,833)		(237,833)
Profit attributable to owners of parent			970,374		970,374
Net changes in items other than shareholders' equity					
Total changes during period	—	—	732,540	—	732,540
Balance at end of period	1,253,241	974,311	4,842,750	(103,026)	6,967,276

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	14,899	(969)	751,708	765,638	7,000,374
Changes during period					
Dividends of surplus					(237,833)
Profit attributable to owners of parent					970,374
Net changes in items other than shareholders' equity	21,936	1,197	(248,271)	(225,137)	(225,137)
Total changes during period	21,936	1,197	(248,271)	(225,137)	507,403
Balance at end of period	36,835	228	503,436	540,500	7,507,777

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	1,822,371	1,507,046
Depreciation	169,042	157,921
Amortization of goodwill	4,787	4,787
Share-based payment expenses	–	117,031
Increase (decrease) in allowance for doubtful accounts	10,490	2,459
Increase (decrease) in retirement benefit liability	(4,666)	7,106
Interest and dividend income	(10,742)	(15,031)
Foreign exchange losses (gains)	(851)	(2,264)
Interest expenses	17,570	5,527
Loss on extinguishment share-based compensation expenses	–	30,824
Commission expenses	406	–
Loss on retirement of non-current assets	6,406	2,103
Decrease (increase) in trade receivables	327,514	(356,482)
Decrease (increase) in inventories	(111,004)	80,977
Increase (decrease) in trade payables	(102,358)	411,616
Increase (decrease) in accrued expenses	239,617	(68,790)
Increase (decrease) in contract liabilities	218,037	(400,708)
Increase (decrease) in accounts payable - other	67,490	(146,965)
Other, net	147,649	(88,244)
Subtotal	2,801,761	1,248,914
Interest and dividends received	10,742	15,031
Interest paid	(24,482)	(5,458)
Income taxes paid	(491,841)	(743,532)
Net cash provided by (used in) operating activities	2,296,179	514,954
Cash flows from investing activities		
Purchase of property, plant and equipment	(46,488)	(113,782)
Purchase of intangible assets	(3,958)	(4,021)
Purchase of investment securities	(99,137)	–
Payments of guarantee deposits	(35,120)	(21,029)
Proceeds from refund of guarantee deposits	2,062	5,731
Other, net	(252)	(846)
Net cash provided by (used in) investing activities	(182,895)	(133,947)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(871,493)	55,237
Repayments of long-term borrowings	(33,524)	(109,924)
Redemption of bonds	(10,000)	(10,000)
Repayments of lease liabilities	(6,272)	(6,541)
Purchase of treasury shares	(689,074)	–
Dividends paid	(162,002)	(237,730)
Other, net	(406)	–
Net cash provided by (used in) financing activities	(1,772,773)	(308,957)
Effect of exchange rate change on cash and cash equivalents	84,463	(90,825)
Net increase (decrease) in cash and cash equivalents	424,974	(18,776)
Cash and cash equivalents at beginning of period	2,021,456	2,446,431
Cash and cash equivalents at end of period	2,446,431	2,427,654