

Translation

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

May 9, 2025

Company name: KEL CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 6919 URL <https://www.kel.jp/>
 Representative: President Akira Kasuga
 Director
 Inquiries: General Manager of Administration Naoki Makita TEL 042-374-5810
 Headquarters
 Scheduled date of ordinary general meeting of shareholders: June 26, 2025
 Scheduled date to file Securities Report: June 25, 2025
 Scheduled date to commence dividend payments: June 5, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes

(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	11,871	(2.9)	596	(45.5)	585	(53.8)	401	(52.9)
Year ended March 31, 2024	12,231	(15.6)	1,095	(54.4)	1,268	(50.0)	852	(50.6)

	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	55.23	—	2.6	3.1	5.0
Year ended March 31, 2024	117.30	—	5.6	6.6	9.0

(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	18,605	15,224	81.8	2,093.88
As of March 31, 2024	18,924	15,390	81.3	2,118.02

(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	1,156	(1,074)	(641)	5,070
Year ended March 31, 2024	2,319	(1,475)	(740)	5,516

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	—	47.00	—	48.00	95.00	690	81.0	4.5
Year ended March 31, 2025	—	40.00	—	40.00	80.00	581	144.8	3.8
Year ending March 31, 2026 (Forecast)	—	40.00	—	40.00	80.00		135.2	

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
Six months ending September 30, 2025	5,800	(4.4)	200	(51.8)	220	(33.6)	150	(27.8)	20.63
Full year	12,000	1.1	600	0.6	630	7.6	430	7.1	59.15

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: 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 March 31, 2025	7,743,000 shares	As of March 31, 2024	7,743,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2025	472,057 shares	As of March 31, 2024	476,457 shares
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Average number of shares during the period

Year ended March 31, 2025	7,269,557 shares	Year ended March 31, 2024	7,266,543 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	5,342,048	4,878,090
Notes receivable - trade	14,490	18,676
Accounts receivable - trade	2,827,768	2,855,743
Electronically recorded monetary claims - operating	1,271,196	1,199,936
Securities	174,221	192,653
Merchandise and finished goods	678,093	810,417
Work in process	101,949	82,309
Raw materials and supplies	1,481,863	1,333,809
Other	132,221	174,066
Allowance for doubtful accounts	(3,873)	(3,985)
Total current assets	12,019,979	11,541,717
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,367,139	1,385,848
Machinery, equipment and vehicles, net	1,446,242	1,285,465
Tools, furniture and fixtures, net	363,095	520,570
Leased assets, net	—	18,361
Land	1,171,754	1,171,754
Construction in progress	8,511	120,000
Total property, plant and equipment	4,356,743	4,501,999
Intangible assets	193,301	189,125
Investments and other assets		
Investment securities	1,251,136	1,225,958
Insurance funds	986,885	1,095,222
Other	116,213	51,323
Total investments and other assets	2,354,235	2,372,503
Total non-current assets	6,904,279	7,063,629
Total assets	18,924,258	18,605,346

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	608,922	751,584
Electronically recorded obligations - operating	1,162,934	788,316
Short-term borrowings	450,000	450,000
Income taxes payable	30,730	28,254
Provision for bonuses	234,684	217,735
Provision for bonuses for directors (and other officers)	40,000	20,000
Other	450,417	620,399
Total current liabilities	2,977,690	2,876,290
Non-current liabilities		
Lease liabilities	—	16,002
Retirement benefit liability	494,533	433,326
Deferred tax liabilities	58,684	52,545
Other	2,650	2,650
Total non-current liabilities	555,868	504,524
Total liabilities	3,533,558	3,380,814
Net assets		
Shareholders' equity		
Share capital	1,617,000	1,617,000
Capital surplus	1,440,058	1,445,304
Retained earnings	11,759,220	11,523,716
Treasury shares	(246,674)	(244,396)
Total shareholders' equity	14,569,603	14,341,623
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	550,497	517,947
Foreign currency translation adjustment	271,483	320,089
Remeasurements of defined benefit plans	(883)	44,871
Total accumulated other comprehensive income	821,096	882,907
Total net assets	15,390,700	15,224,531
Total liabilities and net assets	18,924,258	18,605,346

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

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	12,231,077	11,871,771
Cost of sales	8,953,391	8,935,697
Gross profit	3,277,686	2,936,073
Selling, general and administrative expenses	2,182,629	2,339,545
Operating profit	1,095,056	596,527
Non-operating income		
Interest income	7,750	8,163
Dividend income	43,704	46,180
Foreign exchange gains	114,143	—
Subsidy income	7,397	7,299
Other	3,469	3,667
Total non-operating income	176,465	65,311
Non-operating expenses		
Interest expenses	2,494	3,715
Foreign exchange losses	—	72,449
Other	372	97
Total non-operating expenses	2,866	76,262
Ordinary profit	1,268,655	585,576
Extraordinary income		
Gain on sale of non-current assets	11	229
Total extraordinary income	11	229
Extraordinary losses		
Loss on retirement of non-current assets	365	2,803
Impairment losses	1,379	—
Total extraordinary losses	1,745	2,803
Profit before income taxes	1,266,921	583,003
Income taxes - current	413,613	206,606
Income taxes - deferred	941	(25,155)
Total income taxes	414,555	181,451
Profit	852,366	401,552
Profit attributable to owners of parent	852,366	401,552

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	852,366	401,552
Other comprehensive income		
Valuation difference on available-for-sale securities	145,488	(32,550)
Foreign currency translation adjustment	95,614	48,605
Remeasurements of defined benefit plans, net of tax	(2,542)	45,755
Total other comprehensive income	238,560	61,810
Comprehensive income	1,090,926	463,363
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,090,926	463,363
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of changes in equity

Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,617,000	1,440,058	11,648,041	(246,674)	14,458,425
Changes during period					
Change in scope of consolidation					
Dividends of surplus			(399,659)		(399,659)
Dividends from surplus (interim dividend)			(341,527)		(341,527)
Profit attributable to owners of parent			852,366		852,366
Disposal of treasury shares					
Net changes in items other than shareholders' equity					
Total changes during period	–	–	111,178	–	111,178
Balance at end of period	1,617,000	1,440,058	11,759,220	(246,674)	14,569,603

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	405,009	175,868	1,658	582,536	15,040,961
Changes during period					
Change in scope of consolidation					
Dividends of surplus					(399,659)
Dividends from surplus (interim dividend)					(341,527)
Profit attributable to owners of parent					852,366
Disposal of treasury shares					
Net changes in items other than shareholders' equity	145,488	95,614	(2,542)	238,560	238,560
Total changes during period	145,488	95,614	(2,542)	238,560	349,739
Balance at end of period	550,497	271,483	(883)	821,096	15,390,700

Fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,617,000	1,440,058	11,759,220	(246,674)	14,569,603
Changes during period					
Change in scope of consolidation			2,575		2,575
Dividends of surplus			(214,421)		(214,421)
Dividends from surplus (interim dividend)			(425,210)		(425,210)
Profit attributable to owners of parent			401,552		401,552
Disposal of treasury shares		5,246		2,277	7,524
Net changes in items other than shareholders' equity					
Total changes during period	–	5,246	(235,503)	2,277	(227,979)
Balance at end of period	1,617,000	1,445,304	11,523,716	(244,396)	14,341,623

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	550,497	271,483	(883)	821,096	15,390,700
Changes during period					
Change in scope of consolidation					2,575
Dividends of surplus					(214,421)
Dividends from surplus (interim dividend)					(425,210)
Profit attributable to owners of parent					401,552
Disposal of treasury shares					7,524
Net changes in items other than shareholders' equity	(32,550)	48,605	45,755	61,810	61,810
Total changes during period	(32,550)	48,605	45,755	61,810	(166,168)
Balance at end of period	517,947	320,089	44,871	882,907	15,224,531

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	1,266,921	583,003
Depreciation	1,026,231	954,795
Share-based payment expenses	—	5,643
Impairment losses	1,379	—
Increase (decrease) in allowance for doubtful accounts	(1,284)	112
Increase (decrease) in provision for bonuses	(68,268)	(20,329)
Increase (decrease) in provision for bonuses for directors (and other officers)	(34,000)	(20,000)
Increase (decrease) in retirement benefit liability	7,443	(61,206)
Interest and dividend income	(51,455)	(54,344)
Interest expenses	2,494	3,715
Foreign exchange losses (gains)	(30,930)	5,813
Loss (gain) on sale of non-current assets	(11)	(229)
Loss on retirement of non-current assets	365	2,803
Decrease (increase) in trade receivables	1,234,656	(70,913)
Decrease (increase) in inventories	303,837	155,260
Increase (decrease) in trade payables	(535,719)	(227,211)
Decrease (increase) in other assets	(3,142)	(4,224)
Increase (decrease) in other liabilities	(32,716)	14,750
Other, net	(2,542)	45,755
Subtotal	3,083,259	1,313,192
Interest and dividends received	51,440	54,414
Interest paid	(2,492)	(3,716)
Income taxes paid	(812,641)	(207,379)
Net cash provided by (used in) operating activities	2,319,565	1,156,510
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,305,457)	(921,583)
Proceeds from sale of property, plant and equipment	39	230
Proceeds from redemption of investment securities	—	100,000
Purchase of shares of subsidiaries and associates	—	(110,579)
Purchase of insurance funds	(100,024)	(108,336)
Proceeds from maturity of insurance funds	6,888	—
Other, net	(77,296)	(33,868)
Net cash provided by (used in) investing activities	(1,475,850)	(1,074,137)
Cash flows from financing activities		
Repayments of lease liabilities	—	(2,598)
Dividends paid	(740,251)	(638,701)
Net cash provided by (used in) financing activities	(740,251)	(641,299)
Effect of exchange rate change on cash and cash equivalents	109,619	21,229
Net increase (decrease) in cash and cash equivalents	213,082	(537,697)
Cash and cash equivalents at beginning of period	5,303,187	5,516,269
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	92,171
Cash and cash equivalents at end of period	5,516,269	5,070,744