

April 28, 2025

## Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

Company name: NIPPON SHARYO, LTD.  
 Listing: Tokyo Stock Exchange / Nagoya Stock Exchange  
 Securities code: 7102  
 URL: <https://www.n-sharyo.co.jp/>  
 Representative: Mamoru Tanaka, President and CEO  
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 Telephone: +81-52-882-3316  
 Scheduled date of annual general meeting of shareholders: June 27, 2025  
 Scheduled date to commence dividend payments: June 30, 2025  
 Scheduled date to file annual securities report: June 27, 2025  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: None

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

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

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	96,340	9.4	6,935	14.4	7,297	15.7	6,416	19.2
March 31, 2024	88,058	(10.1)	6,060	35.8	6,306	40.3	5,381	72.6

Note: Comprehensive income For the fiscal year ended March 31, 2025: ¥2,855 million [(75.0)%]  
 For the fiscal year ended March 31, 2024: ¥11,400 million [235.3%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2025	444.62	-	10.1	5.5	7.2
March 31, 2024	372.93	-	9.5	4.8	6.9

Reference: Share of profit (loss) of entities accounted for using equity method  
 For the fiscal year ended March 31, 2025: ¥100 million  
 For the fiscal year ended March 31, 2024: ¥52 million

#### (2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2025	131,164	64,648	49.3	4,480.23
March 31, 2024	136,397	62,228	45.6	4,312.21

Reference: Equity  
 As of March 31, 2025: ¥64,648 million  
 As of March 31, 2024: ¥62,228 million

#### (3) Consolidated cash flows

Fiscal year ended	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
March 31, 2025	1,447	(1,721)	(3,557)	11,528
March 31, 2024	(2,478)	(1,442)	(4,001)	15,347

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	-	10.00	-	15.00	25.00	360	6.7	0.6
Fiscal year ended March 31, 2025	-	15.00	-	20.00	35.00	505	7.9	0.8
Fiscal year ending March 31, 2026 (Forecast)		20.00		20.00	40.00		9.8	

## 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	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	93,000	(3.5)	5,600	(19.3)	5,900	(19.2)	5,900	(8.0)	408.86

\* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) 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

Note: For details, please refer to Appendix P.12, "3. Please refer to Consolidated Financial Statements and Major Notes (5) Notes on Consolidated Financial Statements (Notes on Changes in Accounting Policy).

- (3) Number of issued shares (common shares)

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

As of March 31, 2025	14,675,012 shares
As of March 31, 2024	14,675,012 shares

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

As of March 31, 2025	245,193 shares
As of March 31, 2024	244,270 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	14,430,283 shares
Fiscal year ended March 31, 2024	14,431,118 shares

**[Reference] Overview of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2025	94,268	8.9	6,530	14.5	6,921	15.5	6,191	19.7
March 31, 2024	86,604	(10.5)	5,702	38.3	5,992	42.0	5,173	75.1

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	429.01	-
March 31, 2024	358.46	-

**(2) Non-consolidated financial position**

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	119,360	57,364	48.1	3,975.10
March 31, 2024	124,338	54,484	43.8	3,775.28

Reference: Equity

As of March 31, 2025: ¥57,364 million

As of March 31, 2024: ¥54,484 million

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

\* 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 currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For the conditions on which earnings forecasts are predicated and precautions for the use of earnings forecasts, please refer to Appendix P.2 "1. Summary of Business Results, etc. (1) Summary of Operating Results.

(Method of accessing supplementary material on financial results)

Supplementary explanatory materials for financial results are posted on the Company's website.

## Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	3,906	3,445
Notes and accounts receivable - trade, and contract assets	27,938	28,664
Electronically recorded monetary claims - operating	2,202	2,220
Merchandise and finished goods	1,302	1,356
Semi-finished goods	1,300	1,326
Work in process	24,519	25,217
Raw materials and supplies	2,027	2,179
Short-term loans receivable	11,641	8,283
Other	941	1,497
Allowance for doubtful accounts	(8)	(11)
<b>Total current assets</b>	<b>75,771</b>	<b>74,180</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,762	6,584
Machinery, equipment and vehicles, net	4,508	4,442
Land	14,100	14,100
Leased assets, net	1,248	1,289
Construction in progress	448	1,200
Other, net	601	585
<b>Total property, plant and equipment</b>	<b>27,669</b>	<b>28,203</b>
<b>Intangible assets</b>	<b>361</b>	<b>281</b>
Investments and other assets		
Investment securities	21,910	17,511
Deferred tax assets	153	149
Retirement benefit asset	9,783	9,713
Other	753	1,134
Allowance for doubtful accounts	(6)	(9)
<b>Total investments and other assets</b>	<b>32,595</b>	<b>28,498</b>
<b>Total non-current assets</b>	<b>60,626</b>	<b>56,984</b>
<b>Total assets</b>	<b>136,397</b>	<b>131,164</b>

	As of March 31, 2024	As of March 31, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	7,480	7,273
Electronically recorded obligations - operating	10,319	4,980
Current portion of long-term borrowings	3,210	3,214
Accrued expenses	3,148	4,493
Income taxes payable	606	799
Advances received	619	1,184
Provision for bonuses	1,919	1,966
Provision for loss on construction contracts	270	71
Provision for loss on orders received	468	537
Other	3,669	3,064
<b>Total current liabilities</b>	<b>31,714</b>	<b>27,586</b>
Non-current liabilities		
Long-term borrowings	34,454	31,332
Lease liabilities	1,213	1,437
Deferred tax liabilities	6,247	5,559
Provision for compensation for health damage from asbestos	72	107
Retirement benefit liability	304	318
Other	163	175
<b>Total non-current liabilities</b>	<b>42,455</b>	<b>38,929</b>
<b>Total liabilities</b>	<b>74,169</b>	<b>66,515</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	11,810	11,810
Capital surplus	156	156
Retained earnings	38,319	44,302
Treasury shares	(525)	(527)
<b>Total shareholders' equity</b>	<b>49,761</b>	<b>55,742</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,112	7,203
Deferred gains or losses on hedges	-	(1)
Foreign currency translation adjustment	(2,238)	(2,232)
Remeasurements of defined benefit plans	4,592	3,936
<b>Total accumulated other comprehensive income</b>	<b>12,466</b>	<b>8,906</b>
<b>Total net assets</b>	<b>62,228</b>	<b>64,648</b>
<b>Total liabilities and net assets</b>	<b>136,397</b>	<b>131,164</b>

## Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	88,058	96,340
Cost of sales	73,981	81,648
Gross profit	14,076	14,691
Selling, general and administrative expenses	8,016	7,755
Operating profit	6,060	6,935
Non-operating income		
Interest income	26	63
Dividend income	342	408
Share of profit of entities accounted for using equity method	52	100
Foreign exchange gains	1	1
Rental income	34	28
Insurance claim income	54	28
Other	64	29
Total non-operating income	576	660
Non-operating expenses		
Interest expenses	258	239
Other	72	57
Total non-operating expenses	330	297
Ordinary profit	6,306	7,297
Extraordinary income		
Gain on sale of non-current assets	33	13
Gain on sale of investment securities	497	1,038
Total extraordinary income	530	1,052
Extraordinary losses		
Loss on sale and retirement of non-current assets	570	112
Impairment losses	-	17
Total extraordinary losses	570	129
Profit before income taxes	6,266	8,220
Income taxes - current	909	1,120
Income taxes - deferred	(24)	684
Total income taxes	885	1,804
Profit	5,381	6,416
Profit attributable to owners of parent	5,381	6,416

## Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	5,381	6,416
Other comprehensive income		
Valuation difference on available-for-sale securities	3,309	(2,874)
Deferred gains or losses on hedges	-	(1)
Foreign currency translation adjustment	2	5
Remeasurements of defined benefit plans, net of tax	2,636	(655)
Share of other comprehensive income of entities accounted for using equity method	70	(34)
Total other comprehensive income	6,018	(3,560)
Comprehensive income	11,400	2,855
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,400	2,855

## Consolidated statement 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	11,810	-	33,225	(523)	44,513
Decrease (increase) of capital surplus by change of share to consolidated subsidiary		156			156
Dividends of surplus			(288)		(288)
Profit attributable to owners of parent			5,381		5,381
Purchase of treasury shares				(1)	(1)
Net changes in items other than shareholders' equity					
Total changes during period	-	156	5,093	(1)	5,248
Balance at end of period	11,810	156	38,319	(525)	49,761

	Accumulated other comprehensive income				Non-controlling interests	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	6,732	(2,240)	1,956	6,448	162	51,123
Decrease (increase) of capital surplus by change of share to consolidated subsidiary						156
Dividends of surplus						(288)
Profit attributable to owners of parent						5,381
Purchase of treasury shares						(1)
Net changes in items other than shareholders' equity	3,380	2	2,636	6,018	(162)	5,856
Total changes during period	3,380	2	2,636	6,018	(162)	11,104
Balance at end of period	10,112	(2,238)	4,592	12,466	-	62,228

## Consolidated statement of changes in equity

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	11,810	156	38,319	(525)	49,761
Decrease (increase) of capital surplus by change of share to consolidated subsidiary					
Dividends of surplus			(432)		(432)
Profit attributable to owners of parent			6,416		6,416
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		0		0	0
Net changes in items other than shareholders' equity					
Total changes during period	-	0	5,983	(2)	5,980
Balance at end of period	11,810	156	44,302	(527)	55,742

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	10,112	-	(2,238)	4,592	12,466	62,228
Decrease (increase) of capital surplus by change of share to consolidated subsidiary						
Dividends of surplus						(432)
Profit attributable to owners of parent						6,416
Purchase of treasury shares						(2)
Disposal of treasury shares						0
Net changes in items other than shareholders' equity	(2,908)	(1)	5	(655)	(3,560)	(3,560)
Total changes during period	(2,908)	(1)	5	(655)	(3,560)	2,420
Balance at end of period	7,203	(1)	(2,232)	3,936	8,906	64,648

# Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	6,266	8,220
Depreciation	2,428	2,502
Impairment losses	-	17
Increase (decrease) in allowance for doubtful accounts	0	6
Increase (decrease) in provision for bonuses	(56)	47
Increase (decrease) in provision for loss on construction contracts	(217)	(198)
Increase (decrease) in provision for loss on orders received	(32)	69
Increase (decrease) in provision for environmental measures	(4)	-
Increase (decrease) in provision for compensation for health damage from asbestos	(3)	35
Increase (decrease) in retirement benefit liability	12	13
Interest and dividend income	(369)	(471)
Insurance claim income	(54)	(28)
Interest expenses	258	239
Share of loss (profit) of entities accounted for using equity method	(52)	(100)
Loss (gain) on sale of investment securities	(497)	(1,038)
Loss (gain) on sale and retirement of property, plant and equipment	9	(7)
Decrease (increase) in accounts receivable - trade, and contract assets	(8,199)	(744)
Decrease (increase) in inventories	(2,321)	(930)
Increase (decrease) in trade payables	1,840	(5,547)
Increase (decrease) in advances received	118	557
Decrease (increase) in retirement benefit asset	(682)	(799)
Other, net	(291)	316
Subtotal	(1,846)	2,158
Interest and dividends received	374	468
Proceeds from insurance income	54	28
Interest paid	(271)	(241)
Income taxes refund (paid)	(788)	(966)
Net cash provided by (used in) operating activities	(2,478)	1,447
Cash flows from investing activities		
Payments into time deposits	(0)	(0)
Purchase of property, plant and equipment	(2,031)	(2,826)
Proceeds from sale of property, plant and equipment	90	25
Purchase of investment securities	(0)	(0)
Proceeds from sale of investment securities	611	1,470
Other, net	(113)	(390)
Net cash provided by (used in) investing activities	(1,442)	(1,721)
Cash flows from financing activities		
Proceeds from long-term borrowings	56	94
Repayments of long-term borrowings	(3,751)	(3,212)
Dividends paid	(287)	(431)
Other, net	(19)	(7)
Net cash provided by (used in) financing activities	(4,001)	(3,557)
Effect of exchange rate change on cash and cash equivalents	7	12
Net increase (decrease) in cash and cash equivalents	(7,915)	(3,819)
Cash and cash equivalents at beginning of period	23,263	15,347
Cash and cash equivalents at end of period	15,347	11,528