



## FY3/25 Financial Statements [J-GAAP]

May 9, 2025

Company name: Matsuda Sangyo Co., Ltd. Exchanges listed on: Tokyo Stock Exchange (Prime Market)  
Company code: 7456 URL: <https://www.matsuda-sangyo.co.jp>  
Representative: President Yoshiaki Matsuda  
Inquiries: Executive Officer/ Yoshinori Tanaka TEL: +81-3-5381-0728  
General Manager of CSR IR Dept.  
Date of regular shareholders' meeting: June 25, 2025  
Date of filing the financial report: June 24, 2025  
Expected dividend payment date: June 26, 2025  
Supplementary materials for financial results prepared: Yes  
Results briefing for financial results held: Yes (Live stream of results briefing for institutional investors scheduled for May 26, 2025)

(Figures are rounded down to the nearest million yen)

### 1. FY3/25 Consolidated results (April 1, 2024 – March 31, 2025)

#### (1) Consolidated operating results

(Percentages are 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)	(%)
FY3/25	468,841	30.0	12,676	35.5	13,523	28.2	9,456	29.8
FY3/24	360,527	2.7	9,356	(32.3)	10,551	(23.8)	7,286	(24.9)

(Note) Comprehensive income: FY3/25 10,444 million yen [22.6%] FY3/24 8,517 million yen [(26.0)%]

	Earnings per share	Diluted earnings per share	Return on equity	Ordinary profit / total assets	Operating margin
	(yen)	(yen)	(%)	(%)	(%)
FY3/25	364.87	—	9.9	8.5	2.7
FY3/24	280.20	—	8.3	7.6	2.6

(Reference) Equity in earnings or losses of affiliates: FY3/25 1,089 million yen FY3/24 850 million yen

#### (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(millions of yen)	(millions of yen)	(%)	(yen)
FY3/25	168,900	100,134	59.1	3,848.51
FY3/24	148,937	91,374	61.2	3,515.61

(Reference) Shareholders' equity: FY3/25 99,742 million yen FY3/24 91,115 million yen

#### (3) Consolidated cash flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
	(millions of yen)	(millions of yen)	(millions of yen)	(millions of yen)
FY3/25	2,542	(6,243)	210	11,428
FY3/24	1,833	(7,956)	8,084	14,449

## 2. Dividends

	Dividends per share					Total dividends (annual)	Payout ratio (consolidated)	Dividends/ net assets (consolidated)
	Q1	Q2	Q3	Q4	Annual			
	(yen)	(yen)	(yen)	(yen)	(yen)	(millions of yen)	(%)	(%)
FY3/24	—	30.00	—	30.00	60.00	1,557	21.4	1.8
FY3/25	—	35.00	—	40.00	75.00	1,943	20.6	2.0
FY3/26 (projections)	—	45.00	—	45.00	90.00		—	

## 3. Consolidated earnings projections for FY3/26 (April 1, 2025 – March 31, 2026)

(Percentages are 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)
1H FY3/26	240,000	8.0	6,100	(2.8)	6,500	(1.2)	4,500	(2.6)	173.63
FY3/26	490,000	4.5	13,500	6.5	14,300	5.7	10,000	5.7	385.84

### \* Notes

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

(2) Changes in accounting policies, changes in accounting estimates and restatement of revisions

1) Changes in accounting policies with revision of accounting standards:	Yes
2) Changes in accounting policies other than the above:	None
3) Changes in accounting estimates:	None
4) Restatement of revisions:	None

(3) Number of issued shares (common shares)

1) Number of issued shares (including treasury shares)

FY3/25	26,908,581 shares	FY3/24	26,908,581 shares
FY3/25	991,453 shares	FY3/24	991,326 shares
FY3/25	25,917,190 shares	FY3/24	26,002,826 shares

2) Number of treasury shares

3) Average number of shares during the period

## (Reference) Summary of non-consolidated results

1. FY3/25 Non-consolidated results (April 1, 2024 – March 31, 2025)

(1) Non-consolidated operating results

(Percentages are year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net profit	
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
FY3/25	467,137	31.7	9,887	32.7	10,978	20.7	7,990	17.4
FY3/24	354,579	3.2	7,452	(34.1)	9,096	(19.5)	6,807	(15.3)

	Net profit per share	Diluted net profit per share
	(yen)	(yen)
FY3/25	308.31	—
FY3/24	261.79	—

(2) Non-consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(millions of yen)	(millions of yen)	(%)	(yen)
FY3/25	150,784	83,189	55.2	3,209.83
FY3/24	133,884	77,187	57.7	2,978.24

(Reference) Shareholders' equity: FY3/25 83,189 million yen FY3/24 77,187 million yen

\* This financial results is outside the scope of audit procedures conducted by certified public accountants and the independent auditor.

\* Explanation of the proper use of earnings projections and other notes

This document contains earnings projections and other information that constitute forward-looking statements. These statements are based on reasonable assumptions and information currently available to the Company and provide no guarantee of future performance. Actual results may differ materially from forward-looking statements due to a number of factors. For more information about earnings projections, please refer to “1. Qualitative information on consolidated results during the period, (3) Qualitative information on consolidated earnings projections” on page 3 of the attached documents.

## Contents of Attached Document

<b>1. Operating results and others</b>	2
(1) Analysis of operating results	3
(2) Analysis of financial position	3
(3) Analysis of cash flows	3
(4) Future outlook	4
(5) Basic policy on distribution of profits and dividends for FY3/24 and FY3/25	4
<b>2. Basic stance on selection of accounting standards</b>	5
<b>3. Consolidated financial statements and related notes</b>	6
(1) Consolidated balance sheets	6
(2) Consolidated statements of income and comprehensive income	8
(3) Consolidated statements of changes in shareholders' equity	10
(4) Consolidated statements of cash flows	12
(5) Notes on consolidated financial statements	13
(Notes on premise of a going concern)	13
(Changes in accounting policies)	13
(Segment information, etc.)	13
(Per share information)	14
(Significant post-balance sheet events)	15
<b>4. Non-consolidated financial statements and related notes</b>	16
(1) Non-consolidated balance sheets	16
(2) Non-consolidated statements of income	18
(3) Non-consolidated statements of changes in shareholders' equity	19

# 1. Operating results and others

## (1) Analysis of operating results

### Consolidated operating results

(millions of yen) [year-on-year comparison]

Net sales	468,841	[	108,313	30.0 %	]
Operating profit	12,676	[	3,320	35.5 %	]
Ordinary profit	13,523	[	2,971	28.2 %	]
Profit attributable to owners of parent	9,456	[	2,170	29.8 %	]

During the consolidated fiscal year ended March 31, 2025, the Japanese economy showed signs of gradual recovery, including improvements in employment and personal income, and growth in inbound demand. However, with the continued global inflation, slowdown in the Chinese economy, the impact of US trade policies, as well as heightening geopolitical risks, the future outlook remains uncertain.

Against this backdrop, the Matsuda Sangyo Group's Precious Metals Business Segment advanced efforts to improve and expand production facilities within and outside Japan, and worked to secure precious metal materials, boost sales of products such as high-performance electronic materials, and expand its industrial waste treatment outsourcing business, based on a strategy of differentiating itself through its comprehensive resource recycling capability and the development of high-performance electronic materials. In addition, the Food Business Segment utilized its global procurement capabilities to source products that meet customer needs and ensure stable supplies of safe and reliable food products, with the aim of increasing sales volumes.

As a result of the above, for the consolidated fiscal year ended March 31, 2025, net sales were ¥468,841 million (up 30.0% year on year) and operating profit was ¥12,676 million (up 35.5% year on year). Ordinary profit was ¥13,523 million (up 28.2% year on year) and profit attributable to owners of parent was ¥9,456 million (up 29.8% year on year).

The following is a summary of business by segment.

### Consolidated results by segment

(millions of yen) [year-on-year comparison]

Segment	Net sales					Operating profit				
Precious Metals Business Segment	361,655	[	108,750	43.0 %	]	10,178	[	3,135	44.5 %	]
Food Business Segment	107,221	[	(479)	(0.4 %)	]	2,497	[	184	8.0 %	]
Eliminations or corporate	(36)					—				
Total	468,841	[	108,313	30.0 %	]	12,676	[	3,320	35.5 %	]

### Precious Metals Business Segment:

In the electronic devices field of the electronics sector, which is the key market for the Precious Metals Business Segment, with no signs of a recovery in demand for smartphones and automotives, production of semiconductors and electronic parts failed to achieve a full-fledged recover despite the continued expansion in data center-related demand to support the generative AI sector.

Against this backdrop, the Precious Metals Business Segment recorded year-on-year increases in both net sales and operating profit on the back of a strive to increase in precious metals recycling volume, including the jewelry sector as well as the steady market price of gold.

As a result of the above, net sales for the Precious Metals Business Segment were ¥361,655 million (up 43.0% year on year) and operating profit was ¥10,178 million (up 44.5% year on year).

### Food Business Segment:

In the food production sector, which is the key market for the Food Business Segment, despite the growth in inbound demand, personal consumption

was sluggish due to rising prices, which suppressed in consumer sentiment, among other factors. This, coupled with persistently high raw material prices and logistics costs, created an unstable market environment.

Amid these circumstances, the Food Business Segment registered an increase in the sales volume of seafood products. However, the sales volume of livestock and agricultural products decreased, along with a decline in sales prices was also observed in some areas due to changes in the product mix, which contributed to a year-on-year fall in net sales. On the other hand, due to efforts to optimize costs by improving inventory turnover ratio, operating profit increased year on year.

As a result of the above, net sales for the Food Business Segment were ¥107,221 million (down 0.4% year on year) and operating profit was ¥2,497 million (up 8.0% year on year).

## **(2) Analysis of financial position**

### ***Assets:***

Total assets as of the end of the consolidated fiscal year under review were ¥168,900 million, an increase of ¥19,962 million from the previous fiscal year end. This was mainly due to increase in notes and accounts receivable-trade, inventories, and property, plant and equipment.

### ***Liabilities:***

Total liabilities as of the end of the consolidated fiscal year under review were ¥68,765 million, an increase of 11,203 million from the previous fiscal year end. This mainly reflected the difference between an increase in accounts payable-trade, income taxes payable, and long-term loans payable, and a decrease in short-term loans payable.

### ***Net assets:***

Net assets as of the end of the consolidated fiscal year under review were ¥100,134 million, an increase of ¥8,759 million from the previous fiscal year end. This was mainly due to an increase in retained earnings and an increase in foreign currency translation adjustment.

## **(3) Analysis of cash flows**

As of the end of the consolidated fiscal year under review, the balance of cash and cash equivalents (hereafter, “cash”) stood at ¥11,428 million, a decrease of ¥3,020 million from the previous fiscal year end. The statuses of the respective cash flows in the consolidated fiscal year under review, and the relevant factors, are as follows.

### ***Cash flows from operating activities:***

Operating activities in the consolidated fiscal year under review provided net cash of ¥2,542 million. This was mainly due to an increase in cash from profit before income taxes, depreciation, and accounts payable-trade, outweighing a decrease in cash from an increase in accounts receivable-trade, inventories, and income taxes paid. Operating activities provided net cash of ¥709 million more compared to net cash provided of ¥1,833 million in the previous fiscal year.

### ***Cash flows from investing activities:***

Investing activities in the consolidated fiscal year under review used net cash of ¥6,243 million. This was mainly from payments for the purchase of property, plant and equipment, such as newly installed plant equipment, the acquisition of intangible assets such as software, and the acquisition of shares of subsidiaries. Cash used in investing activities decreased by ¥1,712 million compared to expenditures of ¥7,956 million in the previous fiscal year.

### ***Cash flows from financing activities:***

Financing activities in the consolidated fiscal year under review provided net cash of ¥210 million. This was mainly due to an increase in cash from long-term loans payable, which outweighed the decrease in cash from repayments of short-term loans payable and cash dividends paid. Compared with the same period in the previous fiscal year, when financing activities provided net cash of ¥8,084 million, financing activities provided ¥7,874 million less net cash.

(Reference) Trend in cash flow indicators

	FY3/21	FY3/22	FY3/23	FY3/24	FY3/25
Shareholders' equity ratio	62.8	64.2	65.4	61.2	59.1
Shareholders' equity ratio on a market value basis	50.9	55.8	45.8	43.5	53.3
Ratio of interest-bearing debt to cash flow	93.2	2.3	1.8	16.0	13.1
Interest coverage ratio	2.6	106.4	55.6	12.2	6.8

(Notes) Shareholders' equity ratio: Shareholders' equity/total assets

Shareholders' equity ratio on a market value basis: Total market value of shares/total assets

Ratio of interest-bearing debt to cash flow: Interest-bearing debt/cash flows from operating activities

Interest coverage ratio: Cash flows from operating activities/interest paid

\* All the indicators are calculated using consolidated financial figures.

\* The total market value of shares is calculated based on the number of issued shares, excluding treasury shares.

\* Cash flows from operating activities is the cash flows from operating activities shown in the consolidated statements of cash flows.

Interest-bearing debt is the total amount of debt shown in the consolidated balance sheets on which interest is paid. In addition, interest paid is the amount of interest paid shown in the consolidated statements of cash flows.

#### (4) Future outlook

Consolidated earnings projections

(millions of yen) [year-on-year comparison]

Net sales	490,000	(	21,158	4.5	%	)
Operating profit	13,500	(	823	6.5	%	)
Ordinary profit	14,300	(	776	5.7	%	)
Profit attributable to owners of parent	10,000	(	543	5.7	%	)

With the improvement in employment and income environments alongside the effects of various measures, the domestic economy is expected to continue recovering at a moderate pace. On the other hand, the heightened risk of economic downturn due to US trade policies, concerns over the outlook of the Chinese economy, and other factors are risks that put downward pressure on the economy. Along with the economic impact of geopolitical risks and rising prices, the outlook is expected to remain uncertain.

Under these circumstances, we expect to see gradual improvement in the production situation alongside a recovery in demand in the electronic devices sector of the electronics industry, which is the main customer of the Precious Metals Business Segment. We will continue to correspond to the needs of a circular society by leveraging on our comprehensive resource recycling capability, strive to increase our precious metals recycling volume and product sales volume as well as expand industrial waste treatment outsourcing. In the Food Business Segment, while coping with challenges such as concerns about supply of food resources and rising logistics costs, we will further strengthen our procurement capabilities including the utilization of overseas business sites, engage in sales activities that accurately capture the needs of customers, and develop and provide products rooted in the principles of safety, reliability, and stable supply. Through these efforts, we will differentiate the Food Business Segment, expand sales volume, and secure profits.

#### (5) Basic policy on distribution of profits and dividends for FY3/24 and FY3/25

With regard to the distribution of company profits, we have established the basic policy of meeting our shareholders' expectations by paying stable and sustainable dividends, while giving consideration to maintaining a balance with internal resources for growth investment.

For the fiscal year under review, we plan to pay a year-end ordinary dividend of 40 yen per share. Combined with the interim dividend, this brings the full-year dividend to 75 yen per share.

For the next fiscal year, we forecast a full-year dividend of 90 yen per share (interim dividend of 45 yen and year-end dividend of 45 yen). Going forward, we will continue to work toward offering comprehensive shareholder returns based on the basic policy, while taking profit levels into account.

## **2. Basic stance on selection of accounting standards**

For the time being, the Group intends to continue preparing consolidated financial statements based on Japanese Generally Accepted Accounting Principles (Japanese GAAP) to facilitate comparison with financial statements for other periods and financial statements disclosed by other companies. However, the Group will look into the possibility of adopting International Financial Reporting Standards (IFRS), taking into account conditions in Japan and overseas and trends in accounting standard adoption by other companies.



### 3. Consolidated financial statements and related notes

#### (1) Consolidated balance sheets

(millions of yen)

	FY3/24 (March 31, 2024)	FY3/25 (March 31, 2025)
<b>Assets</b>		
Current assets		
Cash and deposits	14,568	12,878
Notes and accounts receivable – trade	31,990	34,088
Merchandise and finished goods	28,183	34,344
Work in process	688	999
Raw materials and supplies	19,471	25,610
Accounts receivable – other	1,981	1,413
Others	5,433	6,802
Allowance for doubtful accounts	(16)	(14)
Total current assets	102,300	116,124
Non-current assets		
Property, plant and equipment		
Buildings and structures	17,750	21,120
Accumulated depreciation	(7,197)	(8,242)
Buildings and structures, net	10,553	12,878
Machinery, equipment and vehicles	15,285	20,299
Accumulated depreciation	(11,884)	(15,407)
Machinery, equipment and vehicles, net	3,401	4,892
Land	16,666	17,027
Leased assets	1,775	1,637
Accumulated depreciation	(968)	(979)
Leased assets, net	806	658
Construction in progress	2,636	2,079
Others	1,750	1,927
Accumulated depreciation	(1,480)	(1,605)
Others, net	269	322
Total property, plant and equipment	34,335	37,858
Intangible assets		
Others	2,135	3,028
Total intangible assets	2,135	3,028
Investments and other assets		
Investment securities	6,984	7,894
Deferred tax assets	310	445
Others	2,926	3,619
Accumulated depreciation	(28)	(49)
Others, net	2,897	3,569
Allowance for doubtful accounts	(26)	(20)
Total investments and other assets	10,166	11,889
Total non-current assets	46,637	52,775
<b>Total assets</b>	<b>148,937</b>	<b>168,900</b>

(millions of yen)

	FY3/24 (March 31, 2024)	FY3/25 (March 31, 2025)
Liabilities		
Current liabilities		
Accounts payable – trade	12,397	16,176
Short-term loans payable	15,559	11,542
Current portion of long-term loans payable	3,002	4,108
Lease obligations	288	228
Income taxes payable	640	2,796
Provision for bonuses	1,061	1,238
Accounts payable – other	1,253	994
Advances received	7,515	7,666
Others	2,796	3,860
Total current liabilities	44,516	48,613
Non-current liabilities		
Corporate bonds	—	100
Long-term loans payable	10,021	17,047
Lease obligations	534	446
Deferred tax liabilities	135	62
Provision for directors' retirement benefits	789	795
Provision for executive officers' retirement benefits	23	30
Net defined benefit liability	1,430	1,510
Others	111	159
Total non-current liabilities	13,046	20,152
Total liabilities	57,562	68,765
Net assets		
Shareholders' equity		
Common stock	3,559	3,559
Capital surplus	4,008	4,008
Retained earnings	81,793	89,565
Treasury shares	(1,395)	(1,396)
Total shareholders' equity	87,965	95,737
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	810	818
Deferred gains or losses on hedges	(630)	(900)
Foreign currency translation adjustment	2,948	3,960
Remeasurements of defined benefit plans	21	125
Total accumulated other comprehensive income	3,149	4,005
Non-controlling interests	259	391
Total net assets	91,374	100,134
Total liabilities and net assets	148,937	168,900

## (2) Consolidated statements of income and comprehensive income

### Consolidated statements of income

(millions of yen)

	FY3/24 (April 1, 2023 – March 31, 2024)	FY3/25 (April 1, 2024 – March 31, 2025)
Net sales	360,527	468,841
Cost of sales	330,446	433,638
Gross profit	30,080	35,202
Selling, general and administrative expenses	20,724	22,526
Operating profit	9,356	12,676
Non-operating income		
Interest income	14	20
Dividend income	33	38
Share of profit of entities accounted for using equity method	850	1,089
Foreign exchange gains	340	—
Others	247	329
Total non-operating income	1,487	1,478
Non-operating expenses		
Interest expenses	193	375
Foreign exchange losses	—	180
Others	98	74
Total non-operating expenses	291	631
Ordinary profit	10,551	13,523
Profit before income taxes	10,551	13,523
Income taxes – current	2,933	4,099
Income taxes – deferred	300	(121)
Total income taxes	3,234	3,977
Profit	7,317	9,545
Profit attributable to non-controlling interests	30	89
Profit attributable to owners of parent	7,286	9,456

Consolidated statements of comprehensive income

(millions of yen)

	FY3/24 (April 1, 2023 – March 31, 2024)	FY3/25 (April 1, 2024 – March 31, 2025)
Profit	7,317	9,545
Other comprehensive income		
Valuation difference on available-for-sale securities	233	8
Deferred gains or losses on hedges	(536)	(266)
Foreign currency translation adjustment	604	1,051
Remeasurements of defined benefit plans	775	107
Share of other comprehensive income of entities accounted for using equity method	123	(2)
Total other comprehensive income	1,200	898
Comprehensive income	8,517	10,444
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	8,466	10,312
Comprehensive income attributable to non-controlling interests	50	132

**(3) Consolidated statements of changes in shareholders' equity**

FY3/24 (April 1, 2023 – March 31, 2024)

(millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of period	3,559	4,008	75,939	(995)	82,512
Change of items during the period					
Dividends from surplus			(1,432)		(1,432)
Profit attributable to owners of parent			7,286		7,286
Purchase of treasury shares				(400)	(400)
Net changes of items other than shareholders' equity					
Total change of items during the period	—	—	5,853	(400)	5,453
Balance at the end of the period	3,559	4,008	81,793	(1,395)	87,965

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuable 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 the beginning of period	577	(91)	2,235	(751)	1,969	166	84,648
Change of items during the period							
Dividends from surplus							(1,432)
Profit attributable to owners of parent							7,286
Purchase of treasury shares							(400)
Net changes of items other than shareholders' equity	233	(539)	713	773	1,180	93	1,273
Total change of items during the period	233	(539)	713	773	1,180	93	6,726
Balance at the end of the period	810	(630)	2,948	21	3,149	259	91,374

FY3/25 (April 1, 2024 – March 31, 2025)

(millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of period	3,559	4,008	81,793	(1,395)	87,965
Change of items during the period					
Dividends from surplus			(1,684)		(1,684)
Profit attributable to owners of parent			9,456		9,456
Purchase of treasury shares				(0)	(0)
Net changes of items other than shareholders' equity					
Total change of items during the period	—	—	7,771	(0)	7,771
Balance at the end of the period	3,559	4,008	89,565	(1,396)	95,737

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuable 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 the beginning of period	810	(630)	2,948	21	3,149	259	91,374
Change of items during the period							
Dividends from surplus							(1,684)
Profit attributable to owners of parent							9,456
Purchase of treasury shares							(0)
Net changes of items other than shareholders' equity	8	(269)	1,012	104	855	132	988
Total change of items during the period	8	(269)	1,012	104	855	132	8,759
Balance at the end of the period	818	(900)	3,960	125	4,005	391	100,134

#### (4) Consolidated statements of cash flows

(millions of yen)

	FY3/24 (April 1, 2023 – March 31, 2024)	FY3/25 (April 1, 2024 – March 31, 2025)
<b>Cash flows from operating activities</b>		
Profit before income taxes	10,551	13,523
Depreciation	2,483	2,894
Increase (decrease) in allowance for doubtful accounts	(27)	(8)
Increase (decrease) in provision for bonuses	31	160
Increase (decrease) in net defined benefit liability	364	234
Increase (decrease) in provision for directors' retirement benefits	0	24
Increase (decrease) in provision for executive officers' retirement benefits	1	10
Interest and dividend income	(48)	(58)
Interest expenses	193	375
Share of (profit) loss of entities accounted for using equity method	(850)	(1,089)
Decrease (increase) in notes and accounts receivable – trade	(6,231)	(1,458)
Decrease (increase) in accounts receivable – other	76	572
Decrease (increase) in inventories	(2,565)	(12,148)
Increase (decrease) in accounts payable – trade	1,364	3,417
Increase (decrease) in accounts payable – other	241	(568)
Others	1,026	(1,210)
Subtotal	6,611	4,670
Interest and dividend income received	174	314
Interest paid	(149)	(373)
Income taxes paid	(4,802)	(2,067)
Net cash provided by (used in) operating activities	1,833	2,542
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(6,530)	(3,605)
Proceeds from sale of property, plant and equipment	0	2
Purchase of intangible assets	(1,243)	(473)
Purchase of investment securities	(14)	(10)
Proceeds from sale of investment securities	61	—
Costs arising from acquisition of shares in subsidiaries resulting in change of scope of consolidation	—	(2,124)
Others	(228)	(32)
Net cash provided by (used in) investing activities	(7,956)	(6,243)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	13,246	(3,878)
Proceeds from long-term loans payable	—	10,100
Repayments of long-term loans payable	(3,102)	(4,080)
Cash dividends paid	(1,432)	(1,684)
Purchase of treasury shares	(400)	(0)
Others	(226)	(245)
Net cash provided by (used in) financing activities	8,084	210
Effect of exchange rate change on cash and cash equivalents	725	470
Net increase (decrease) in cash and cash equivalents	2,687	(3,020)
Cash and cash equivalents at beginning of period	11,761	14,449
Cash and cash equivalents at end of period	14,449	11,428

## **(5) Notes on consolidated financial statements**

### **(Notes on premise of a going concern)**

There is nothing to report.

### **(Changes in accounting policies)**

#### ***Application of the “Accounting Standard for Current Income Taxes” and other relevant ASBJ regulations***

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the “Revised Accounting Standard of 2022”) and other relevant ASBJ regulations from the beginning of the fiscal year ending March 31, 2025.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of paragraph 65-2(2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; the “Revised Guidance of 2022”). This change in accounting policies has no impact on the consolidated financial statements.

In addition, for revisions related to the review of the treatment in consolidated financial statements when a gain or loss on sale arising from the sale of shares of subsidiaries, etc. among consolidated companies is deferred for tax purposes, the Company has applied the Revised Guidance of 2022 from the beginning of the fiscal year ending March 31, 2025. The change in the accounting policies has been applied retrospectively. Therefore, the new accounting policy was reflected in the consolidated financial statements for the previous consolidated fiscal year. This change in accounting policies has no impact on the consolidated financial statements for the previous consolidated fiscal year.

### **(Segment information, etc.)**

#### **1. Overview of reportable segments**

Reportable segments of the Company are structural units of the Company whose separate financial information is available, and are subject to regular examination by the Board of Directors so that they can decide on allocation of managerial resources and evaluate business performance.

The Company has established operation divisions respectively for products, merchandise and services in the head office. Each division formulates comprehensive domestic and foreign strategies to expand business for the corresponding products, merchandise and services.

The Company thus comprises product, merchandise and service segments built around operation divisions, and the Precious Metals Business Segment and Food Business Segment are designated as reportable segments.

The Precious Metals Business Segment recovers and refines precious metals, sells precious metal bullions, chemical products, and electronic materials, and collects, transports and processes industrial wastes. The Food Business Segment sells and transports seafood products, agricultural products, livestock products, and other raw materials for food processing.

#### **2. Calculation method for net sales, profits/loss, assets, liabilities and other items for each reportable segment**

Accounting methods used for each reportable segment follow the accounting methods for the preparation of consolidated financial statements. Profit listed for each reportable segment refers to operating profit. Inter-segment sales/transfers are based on market value.



3. Information for net sales, profit/loss, assets, liabilities and other items for each reportable segment

FY3/24 (April 1, 2023 – March 31, 2024)

	Reportable Segments			Adjustments Note 1	(millions of yen) Amount recorded on consolidated statements of income Note 2
	Precious Metals Business segment	Food Business Segment	Total		
Net sales					
Net sales to external parties	252,905	107,622	360,527	—	360,527
Net sales & remittances between segments	—	78	78	(78)	—
Total	252,905	107,700	360,605	(78)	360,527
Segment profit	7,042	2,313	9,356	—	9,356

(Notes)

1. Adjustments correspond to the elimination of transactions and remittances between segments.
2. Total segment profit matches operating profit recorded on the consolidated statements of income.

FY3/25 (April 1, 2024 – March 31, 2025)

	Reportable Segments			Adjustments Note 1	(millions of yen) Amount recorded on consolidated statements of income Note 2
	Precious Metals Business Segment	Food Business Segment	Total		
Net sales					
Net sales to external parties	361,655	107,185	468,841	—	468,841
Net sales & remittances between segments	—	36	36	(36)	—
Total	361,655	107,221	468,877	(36)	468,841
Segment profit	10,178	2,497	12,676	—	12,676

(Notes)

1. Adjustments correspond to the elimination of transactions and remittances between segments.
2. Total segment profit matches operating profit recorded on the consolidated statements of income.

(Per share information)

	FY3/24 (April 1, 2023 – March 31, 2024)	FY3/25 (April 1, 2024 – March 31, 2025)
Net assets per share	3,515.61 yen	3,848.51 yen
Basic earnings per share	280.20 yen	364.87 yen

(Notes) 1. Diluted net profit per share has not been disclosed because there are no dilutive shares.

2. The following is the basis used for the calculation of net assets per share.

	FY3/24 (March 31, 2024)	FY3/25 (March 31, 2025)
Total net assets (millions of yen)	91,374	100,134
Amount deducted from total net assets (millions of yen)	259	391
(non-controlling interests (millions of yen))	259	391
Net assets at the end of the period related to common stock (millions of yen)	91,115	99,742
Number of common shares at the end of the period used in the calculation of net assets per share (thousands of shares)	25,917	25,917

3. The following is the basis used for the calculation of basic earnings per share.

	FY3/24 (March 31, 2024)	FY3/25 (March 31, 2025)
Basic earnings per share		
Net profit attributable to owners of parent (millions of yen)	7,286	9,456
Amount not attributable to ordinary shareholders (millions of yen)	—	—
Net profit attributable to owners of parent related to common stock (millions of yen)	7,286	9,456
Average number of common shares during the period (thousands of shares)	26,002	25,917

(Significant post-balance sheet events)

There is nothing to report.

#### 4. Non-consolidated financial statements and related notes

##### (1) Non-consolidated balance sheets

(millions of yen)

	FY3/24 (March 31, 2024)	FY3/35 (March 31, 2025)
<b>Assets</b>		
Current assets		
Cash and deposits	5,682	3,025
Notes receivable	296	205
Accounts receivable – trade	28,790	31,404
Merchandise and finished goods	23,801	27,504
Work in process	593	666
Raw materials and supplies	17,595	22,480
Advance payments	2,929	4,448
Prepaid expenses	379	272
Accounts receivable – other	2,172	1,677
Short-term loans to subsidiaries and affiliates	3,102	4,828
Others	1,477	2,053
Allowance for doubtful accounts	(11)	(20)
Total current assets	86,809	98,545
Non-current assets		
Property, plants and equipment		
Buildings	8,744	9,338
Structures	869	932
Machinery and equipment	2,699	2,935
Vehicles	4	2
Tools, instruments and equipment	188	220
Land	15,806	15,806
Leased assets	351	306
Construction in progress	1,120	1,594
Total property, plant and equipment	29,785	31,136
Intangible assets		
Leaseholds	10	10
Software	1,988	2,100
Others	23	23
Total intangible assets	2,022	2,134
Investments and other assets		
Investment securities	1,781	1,818
Shares of subsidiaries and affiliates	3,451	6,172
Investments in subsidiaries and affiliates	959	959
Long-term loans to subsidiaries and affiliates	5,775	6,395
Deferred tax assets	807	1,146
Others	2,519	2,496
Allowance for doubtful accounts	(26)	(20)
Total investments and other assets	15,268	18,967
Total non-current assets	47,075	52,238
Total assets	133,884	150,784

(millions of yen)

	FY3/24 (March 31, 2024)	FY3/35 (March 31, 2025)
<b>Liabilities</b>		
Current liabilities		
Accounts payable – trade	11,070	15,016
Short-term loans payable	15,559	11,528
Current portion of long-term loans payable	3,002	3,920
Lease obligations	129	111
Accounts payable – other	1,094	670
Accrued expenses	1,613	1,787
Income taxes payable	368	2,210
Advances received	7,280	7,555
Deposits received	126	61
Deposits from subsidiaries and affiliates	2,500	4,650
Provision for bonuses	1,043	1,203
Others	497	1,165
Total current liabilities	44,286	49,883
Non-current liabilities		
Long-term loans payable	10,021	15,122
Lease obligations	222	195
Provision for retirement benefits	1,343	1,536
Provision for directors' retirement benefits	789	795
Provision for executive officers' retirement benefits	23	30
Others	10	31
Total non-current liabilities	12,410	17,711
Total liabilities	56,696	67,594
<b>Net assets</b>		
Shareholders' equity		
Common stock	3,559	3,559
Capital surplus		
Capital reserve	4,008	4,008
Total capital surplus	4,008	4,008
Retained earnings		
Retained earnings reserve	177	177
Other retained earnings		
Dividend equalization reserve	140	140
Retirement allowance reserve	450	450
Other reserves	6,500	6,500
Retained earnings carried forward	63,186	69,492
Total retained earnings	70,454	76,760
Treasury shares	(1,395)	(1,396)
Total shareholders' equity	76,626	82,932
Valuation/Translation difference, etc.		
Valuation differences on available-for-sale securities	799	807
Deferred gains or losses on hedges	(238)	(550)
Total valuation/translation difference, etc.	561	257
Total net assets	77,187	83,189
Total liabilities and net assets	133,884	150,784

## (2) Non-consolidated statements of income

(millions of yen)

	FY3/24 (April 1, 2023 – March 31, 2024)	FY3/25 (April 1, 2024 – March 31, 2025)
Net sales	354,579	467,137
Cost of sales	329,053	437,703
Gross profit	25,525	29,433
Selling, general and administrative expenses	18,073	19,545
Operating profit	7,452	9,887
Non-operating income		
Interest income	180	253
Dividend income	1,190	1,159
Purchase discounts	12	13
Foreign exchange gains	388	—
Others	215	286
Total non-operating income	1,988	1,712
Non-operating expenses		
Interest expenses	258	425
Foreign exchange losses	—	126
Others	85	69
Total non-operating expenses	344	621
Ordinary profit	9,096	10,978
Extraordinary income		
Gain on sales of shares of subsidiaries and affiliates	317	—
Total extraordinary income	317	—
Profit before income taxes	9,413	10,978
Income taxes – current	2,333	3,208
Income taxes – deferred	273	△220
Total income taxes	2,606	2,987
Profit	6,807	7,990

### (3) Non-consolidated statements of changes in shareholders' equity

FY3/24 (April 1, 2023 – March 31, 2024)

(millions of yen)

	Shareholders' equity		
	Common stock	Capital surplus	
		Capital reserve	Total capital surplus
Balance at the beginning of period	3,559	4,008	4,008
Change of items during the period			
Dividends from surplus			
Profit			
Purchase of treasury shares			
Net changes of items other than shareholders' equity			
Total change of items during the period	—	—	—
Balance at the end of the period	3,559	4,008	4,008

	Shareholders' equity							
	Retained earnings						Treasury shares	Total shareholders' equity
	Retained earnings reserve	Other retained earnings				Total retained earnings		
		Dividend equalization reserve	Retirement allowance reserve	Other reserves	Retained earnings carried forward			
Balance at the beginning of period	177	140	450	6,500	57,811	65,079	(995)	71,652
Change of items during the period								
Dividends from surplus					(1,432)	(1,432)		(1,432)
Profit					6,807	6,807		6,807
Purchase of treasury shares							(400)	(400)
Net changes of items other than shareholders' equity								
Total change of items during the period	—	—	—	—	5,375	5,375	(400)	4,974
Balance at the end of the period	177	140	450	6,500	63,186	70,454	(1,395)	76,626

	Valuation/Translation differences, etc.			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation/translation differences, etc.	
Balance at the beginning of period	569	50	620	72,273
Change of items during the period				
Dividends from surplus				(1,432)
Profit				6,807
Purchase of treasury shares				(400)
Net changes of items other than shareholders' equity	229	(289)	(59)	(59)
Total change of items during the period	229	(289)	(59)	4,914

	Valuation/Translation differences, etc.			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation/translation differences, etc.	
Balance at the end of the period	799	(238)	561	77,187

	Shareholders' equity		
	Common stock	Capital surplus	
		Capital reserve	Total capital surplus
Balance at the beginning of period	3,559	4,008	4,008
Change of items during the period			
Dividends from surplus			
Profit			
Purchase of treasury shares			
Net changes of items other than shareholders' equity			
Total change of items during the period	—	—	—
Balance at the end of the period	3,559	4,008	4,008

	Shareholders' equity							
	Retained earnings						Treasury shares	Total shareholders' equity
	Retained earnings reserve	Other retained earnings				Total retained earnings		
		Dividend equalization reserve	Retirement allowance reserve	Other reserves	Retained earnings carried forward			
Balance at the beginning of period	177	140	450	6,500	63,186	70,454	(1,395)	76,626
Change of items during the period								
Dividends from surplus					(1,684)	(1,684)		(1,684)
Profit					7,990	7,990		7,990
Purchase of treasury shares							(0)	(0)
Net changes of items other than shareholders' equity								
Total change of items during the period	—	—	—	—	6,305	6,305	(0)	6,305
Balance at the end of the period	177	140	450	6,500	69,492	76,760	(1,396)	82,932

	Valuation/Translation difference, etc.			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation/translation differences, etc.	
Balance at the beginning of period	799	(238)	561	77,187
Change of items during the period				
Dividends from surplus				(1,684)
Profit				7,990
Purchase of treasury shares				(0)
Net changes of items other than shareholders' equity	7	(311)	(303)	(303)
Total change of items during the period	7	(311)	(303)	6,001
Balance at the end of the period	807	(550)	257	83,189