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Consolidated Financial Results for the Year Ended March 31, 2025 [Japanese GAAP]

May 9, 2025

Company name: ARGO GRAPHICS Inc.

Listing: Tokyo Stock Exchange

Securities code: 7595

URL: <https://corp.argo-graph.co.jp>

Representative: Yoshimaro Fujisawa

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Scheduled date of annual general meeting of shareholders: June 19, 2025

Scheduled date to commence dividend payments: June 20, 2025

Scheduled date to file annual securities report: June 20, 2025

Preparation of supplementary material on financial results: None

Holding of financial results briefing: Yes

Chairman and CEO
Senior Managing Director

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (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	%
Fiscal year ended March 31, 2025	69,541	16.9	10,199	11.2	10,919	12.7	7,447	14.2
March 31, 2024	59,511	11.6	9,173	18.0	9,686	18.1	6,520	20.3

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ 9,471 million [(8.7) %]
Fiscal year ended March 31, 2024: ¥ 10,374 million [75.7%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	349.57	-	13.9	13.5	14.7
March 31, 2024	305.93	-	14.2	13.8	15.4

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2025: ¥ 60 million
Fiscal year ended March 31, 2024: ¥ 48 million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	86,490	59,669	66.1	2,684.06
March 31, 2024	75,053	52,441	66.8	2,353.14

(Reference) Equity: As of March 31, 2025: ¥ 57,188 million
As of March 31, 2024: ¥ 50,120 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2025	6,458	(176)	(2,256)	35,903
March 31, 2024	9,676	(935)	(1,871)	31,833

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	-	40.00	-	50.00	90.00	1,957	29.4	3.8
March 31, 2025	-	50.00	-	60.00	110.00	2,393	31.5	4.4
Fiscal year ending March 31, 2026 (Forecast)	-	80.00	-	80.00	160.00		45.3	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2025 :

Commemorative dividend - yen
Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (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
Full year	73,700	6.0	10,750	5.4	11,330	3.8	7,530	1.1	353.45

* Notes:

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

Newly included: - (Company name:)
Excluded: - (Company name:)

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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(3) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2025: 22,354,000 shares
March 31, 2024: 22,354,000 shares

2) Number of treasury shares at the end of the period:

March 31, 2025: 1,047,377 shares
March 31, 2024: 1,054,554 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2025: 21,304,422 shares
Fiscal Year ended March 31, 2024: 21,312,520 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	58,251	19.6	8,097	12.7	9,730	13.8	7,206	15.1
March 31, 2024	48,723	11.2	7,187	19.2	8,547	15.3	6,260	16.1

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2025	338.28	-
March 31, 2024	293.75	-

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2025	75,349	52,019	69.0	2,441.47
March 31, 2024	64,410	45,442	70.6	2,133.50

(Reference) Equity: As of March 31, 2025: ¥ 52,019 million
As of March 31, 2024: ¥ 45,442 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

Full year	Net sales		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	61,200	5.1	9,900	1.7	7,290	1.2	342.18

* 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

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	34,356,804	37,896,121
Notes and accounts receivable - trade, and contract assets, net	13,087,932	16,600,582
Electronically recorded monetary claims - operating	2,345,124	2,945,210
Investments in leases	8,591	-
Securities	500,000	-
Merchandise	1,861,825	2,207,203
Work in process	302,205	362,785
Raw materials and supplies	5,542	1,760
Other	1,414,582	1,778,786
Total current assets	53,882,608	61,792,449
Non-current assets		
Property, plant and equipment		
Buildings	180,669	270,461
Accumulated depreciation	(56,912)	(73,680)
Buildings, net	123,756	196,781
Land	126,081	127,405
Construction in progress	14,275	567,682
Other	627,464	680,495
Accumulated depreciation	(461,246)	(478,480)
Other, net	166,217	202,014
Total property, plant and equipment	430,331	1,093,883
Intangible assets		
Goodwill	486,797	298,204
Other	37,847	45,295
Total intangible assets	524,645	343,500
Investments and other assets		
Investment securities	19,090,259	21,185,887
Retirement benefit asset	8,807	-
Deferred tax assets	358,869	389,201
Long-term time deposits	-	900,000
Other	758,228	785,665
Total investments and other assets	20,216,164	23,260,755
Total non-current assets	21,171,140	24,698,138
Total assets	75,053,749	86,490,588

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	9,514,446	12,875,824
Income taxes payable	1,715,723	1,898,876
Provision for bonuses	763,781	834,516
Provision for bonuses for directors (and other officers)	150,000	141,000
Advances received	3,061,611	3,064,385
Other	1,681,296	1,341,817
Total current liabilities	16,886,860	20,156,419
Non-current liabilities		
Retirement benefit liability	3,044,411	3,082,870
Provision for share awards	394,291	467,092
Provision for share awards for directors (and other officers)	145,388	174,989
Deferred tax liabilities	2,021,263	2,824,768
Other	119,676	114,537
Total non-current liabilities	5,725,031	6,664,258
Total liabilities	22,611,892	26,820,678
Net assets		
Shareholders' equity		
Share capital	1,873,136	1,873,136
Capital surplus	2,136,715	2,136,715
Retained earnings	38,983,099	44,255,076
Treasury shares	(1,010,423)	(1,000,208)
Total shareholders' equity	41,982,527	47,264,719
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,794,198	9,329,695
Remeasurements of defined benefit plans	146,019	191,905
Foreign currency translation adjustment	197,917	401,875
Total accumulated other comprehensive income	8,138,135	9,923,476
Non-controlling interests	2,321,194	2,481,713
Total net assets	52,441,857	59,669,909
Total liabilities and net assets	75,053,749	86,490,588

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	59,511,485	69,541,642
Cost of sales	43,494,929	51,673,194
Gross profit	16,016,556	17,868,447
Selling, general and administrative expenses	6,843,225	7,668,808
Operating profit	9,173,330	10,199,639
Non-operating income		
Interest income	68,295	118,848
Dividend income	299,028	398,408
Gain on sale of investment securities	-	44,528
Share of profit of entities accounted for using equity method	48,508	60,691
Foreign exchange gains	41,824	11,179
Other	59,607	98,006
Total non-operating income	517,264	731,663
Non-operating expenses		
Loss on sale of investment securities	-	2,341
Loss on investments in investment partnerships	2,321	6,721
Non-deductible consumption tax	-	1,200
Other	1,514	1,092
Total non-operating expenses	3,835	11,356
Ordinary profit	9,686,759	10,919,946
Profit before income taxes	9,686,759	10,919,946
Income taxes - current	3,042,477	3,393,820
Income taxes - deferred	(87,340)	(89,513)
Total income taxes	2,955,137	3,304,307
Profit	6,731,622	7,615,639
Profit attributable to non-controlling interests	211,452	168,178
Profit attributable to owners of parent	6,520,169	7,447,460

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	6,731,622	7,615,639
Other comprehensive income		
Valuation difference on available-for-sale securities	3,472,090	1,535,496
Remeasurements of defined benefit plans, net of tax	6,683	45,886
Foreign currency translation adjustment	153,050	252,557
Share of other comprehensive income of entities accounted for using equity method	11,508	22,099
Total other comprehensive income	3,643,333	1,856,039
Comprehensive income	10,374,955	9,471,678
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,126,262	9,232,801
Comprehensive income attributable to non-controlling interests	248,693	238,877

Consolidated Statements of Changes in Equity
For the 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	1,873,136	2,136,715	34,203,323	(925,501)	37,287,673
Changes during period					
Dividends of surplus			(1,740,393)		(1,740,393)
Profit attributable to owners of parent			6,520,169		6,520,169
Purchase of treasury shares				(338)	(338)
Purchase of treasury shares by employee stock ownership plan				(97,678)	(97,678)
Transfer of treasury shares by employee stock ownership plan				13,095	13,095
Net changes in items other than shareholders' equity	-	-	-	-	-
Total changes during period	-	-	4,779,776	(84,921)	4,694,854
Balance at end of period	1,873,136	2,136,715	38,983,099	(1,010,423)	41,982,527

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	4,322,108	139,335	67,760	4,529,204	2,124,965	43,941,843
Changes during period						
Dividends of surplus						(1,740,393)
Profit attributable to owners of parent						6,520,169
Purchase of treasury shares						(338)
Purchase of treasury shares by employee stock ownership plan						(97,678)
Transfer of treasury shares by employee stock ownership plan						13,095
Net changes in items other than shareholders' equity	3,472,090	6,683	130,156	3,608,930	196,228	3,805,159
Total changes during period	3,472,090	6,683	130,156	3,608,930	196,228	8,500,013
Balance at end of period	7,794,198	146,019	197,917	8,138,135	2,321,194	52,441,857

For the 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	1,873,136	2,136,715	38,983,099	(1,010,423)	41,982,527
Changes during period					
Dividends of surplus			(2,175,483)		(2,175,483)
Profit attributable to owners of parent			7,447,460		7,447,460
Purchase of treasury shares				(114)	(114)
Purchase of treasury shares by employee stock ownership plan					-
Transfer of treasury shares by employee stock ownership plan				10,329	10,329
Net changes in items other than shareholders' equity	-	-	-	-	-
Total changes during period	-	-	5,271,976	10,214	5,282,191
Balance at end of period	1,873,136	2,136,715	44,255,076	(1,000,208)	47,264,719

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	7,794,198	146,019	197,917	8,138,135	2,321,194	52,441,857
Changes during period						
Dividends of surplus						(2,175,483)
Profit attributable to owners of parent						7,447,460
Purchase of treasury shares						(114)
Purchase of treasury shares by employee stock ownership plan						-
Transfer of treasury shares by employee stock ownership plan						10,329
Net changes in items other than shareholders' equity	1,535,496	45,886	203,957	1,785,340	160,519	1,945,860
Total changes during period	1,535,496	45,886	203,957	1,785,340	160,519	7,228,052
Balance at end of period	9,329,695	191,905	401,875	9,923,476	2,481,713	59,669,909

Consolidated Statements of Cash Flows

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	9,686,759	10,919,946
Depreciation	68,774	80,293
Amortization of goodwill	170,168	193,963
Increase (decrease) in provision for bonuses	98,516	70,734
Increase (decrease) in provision for bonuses for directors (and other officers)	10,000	(9,000)
Increase (decrease) in retirement benefit liability	47,086	100,826
Increase (decrease) in provision for share awards	73,914	72,800
Increase (decrease) in provision for share awards for directors (and other officers)	46,493	29,601
Interest and dividend income	(384,464)	(517,257)
Share of loss (profit) of entities accounted for using equity method	(48,508)	(60,691)
Decrease (increase) in trade receivables	2,977,842	(4,111,043)
Decrease (increase) in investments in leases	36,292	8,591
Decrease (increase) in inventories	(136,926)	(402,175)
Decrease (increase) in advance payments to suppliers	489,774	(400,145)
Decrease (increase) in other current assets	18,841	8,956
Increase (decrease) in trade payables	(1,568,307)	3,361,377
Increase (decrease) in advances received	(19,023)	2,773
Increase (decrease) in accrued consumption taxes	192,767	(186,586)
Increase (decrease) in other current liabilities	193,379	(156,139)
Other, net	51,311	155,127
Subtotal	12,004,693	9,161,952
Interest and dividends received	383,938	515,112
Income taxes paid	(2,712,586)	(3,218,606)
Net cash provided by (used in) operating activities	9,676,045	6,458,458
Cash flows from investing activities		
Payments into time deposits	(4,475,235)	(4,501,635)
Proceeds from withdrawal of time deposits	3,936,735	5,064,575
Payments into long-term time deposits	-	(900,000)
Payments of guarantee deposits	(142,297)	(1,719)
Proceeds from refund of guarantee deposits	16,211	4,331
Purchase of property, plant and equipment	(99,757)	(698,584)
Proceeds from collection of loans receivable	-	29,400
Purchase of intangible assets	(10,691)	(25,858)
Proceeds from redemption of securities	1,200,000	500,000
Purchase of investment securities	(1,253,503)	(501,710)
Proceeds from sale of investment securities	-	65,561
Proceeds from redemption of investment securities	-	800,000
Purchase of shares of subsidiaries	(106,675)	-
Long-term loan advances	-	(11,230)
Net cash provided by (used in) investing activities	(935,213)	(176,869)

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from financing activities		
Dividends paid	(1,740,393)	(2,175,483)
Dividends paid to non-controlling interests	(50,194)	(80,780)
Purchase of treasury shares	(81,080)	(114)
Net cash provided by (used in) financing activities	(1,871,668)	(2,256,378)
Effect of exchange rate change on cash and cash equivalents	58,736	45,340
Net increase (decrease) in cash and cash equivalents	6,927,899	4,070,549
Cash and cash equivalents at beginning of period	24,905,115	31,833,015
Cash and cash equivalents at end of period	31,833,015	35,903,565