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Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]

August 8, 2025

Company name: LEC,INC.

Listing: Tokyo Stock Exchange

Securities code: 7874

URL: <https://www.lecinc.co.jp>

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Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: None

Holding of financial results briefing: None

Chairperson and President
Director, Managing Executive Officer

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 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	%
Three months ended June 30, 2025	17,335	7.6	1,299	46.6	1,306	14.7	670	(17.5)
June 30, 2024	16,104	8.4	886	45.1	1,139	66.6	811	122.6

(Note) Comprehensive income: Three months ended June 30, 2025: ¥ 783 million [(6.2)%]
Three months ended June 30, 2024: ¥ 835 million [(14.6)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	20.61	20.43
June 30, 2024	23.29	23.08

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	91,240	36,513	38.3
March 31, 2025	89,735	36,065	38.4

(Reference) Equity: As of June 30, 2025: ¥ 34,960 million
As of March 31, 2025: ¥ 34,486 million

(Note) Provisional accounting treatments for business combinations were finalized in the first quarter of the fiscal year ending March 31, 2026. The figures for the fiscal year ending March 31, 2025 reflect the finalized provisional accounting treatments.

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2025	Yen -	Yen 10.00	Yen -	Yen 10.00	Yen 20.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		10.00	-	10.00	20.00

(Note) Revision to the forecast for dividends announced most recently: None

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
Six months ending September 30, 2025	35,000	7.1	2,100	70.4	2,200	40.1	1,250	10.9	38.42
Full year	70,000	5.6	3,400	25.3	3,500	16.3	2,100	20.1	64.53

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

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

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

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) 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

(4) Number of issued shares (common shares)

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

June 30, 2025: 38,165,340 shares
March 31, 2025: 38,165,340 shares

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

June 30, 2025: 5,612,192 shares
March 31, 2025: 5,663,492 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 32,503,625 shares
Three months ended June 30, 2024: 34,854,934 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

Business forecasts contained in this report are based on information available to the Company and on a certain assumption the Company considers reasonable on the date of this report's announcement, and it does not constitute the Company's intention to promise the accomplishment of the forecasts. Actual results may differ significantly from such forecasts due to various risks and uncertainties.

In addition, the Company has introduced ESOP, and the Company shares owned by ESOP are included in treasury shares.

Quarterly Consolidated Financial Statements and Primary Notes
Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	29,955	31,930
Notes and accounts receivable - trade	10,904	11,572
Securities	300	-
Merchandise and finished goods	10,024	9,732
Work in process	654	581
Raw materials and supplies	2,054	2,032
Other	1,557	1,202
Allowance for doubtful accounts	(0)	(0)
Total current assets	55,449	57,051
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,360	7,277
Machinery, equipment and vehicles, net	4,827	4,558
Other, net	8,494	8,473
Total property, plant and equipment	20,681	20,309
Intangible assets		
Goodwill	1,966	1,913
Other	1,277	1,233
Total intangible assets	3,244	3,146
Investments and other assets		
Investment securities	9,026	9,235
Other	1,333	1,496
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	10,360	10,732
Total non-current assets	34,285	34,188
Total assets	89,735	91,240

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,634	2,568
Current portion of long-term borrowings	4,000	4,500
Income taxes payable	390	335
Provision for product warranties	5	3
Provision for bonuses	413	221
Provision for loss on disaster	35	35
Other	2,282	3,247
Total current liabilities	9,761	10,911
Non-current liabilities		
Long-term borrowings	40,900	40,650
Provision for share awards	262	262
Retirement benefit liability	273	264
Asset retirement obligations	27	27
Other	2,444	2,609
Total non-current liabilities	43,907	43,814
Total liabilities	53,669	54,726
Net assets		
Shareholders' equity		
Share capital	5,491	5,491
Capital surplus	7,410	7,386
Retained earnings	22,733	23,069
Treasury shares	(5,366)	(5,312)
Total shareholders' equity	30,269	30,634
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,384	3,564
Foreign currency translation adjustment	877	805
Remeasurements of defined benefit plans	(45)	(43)
Total accumulated other comprehensive income	4,216	4,326
Share acquisition rights	173	142
Non-controlling interests	1,406	1,410
Total net assets	36,065	36,513
Total liabilities and net assets	89,735	91,240

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the three months ended June 30, 20XX

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	16,104	17,335
Cost of sales	11,809	12,039
Gross profit	4,295	5,295
Selling, general and administrative expenses	3,409	3,996
Operating profit	886	1,299
Non-operating income		
Interest income	9	10
Dividend income	61	125
Foreign exchange gains	96	-
Other	145	24
Total non-operating income	312	161
Non-operating expenses		
Interest expenses	56	76
Share of loss of entities accounted for using equity method	-	6
Foreign exchange losses	-	67
Other	2	3
Total non-operating expenses	59	153
Ordinary profit	1,139	1,306
Extraordinary losses		
Loss on sale of non-current assets	-	131
Loss on retirement of non-current assets	-	3
Loss on sale of shares of subsidiaries and associates	145	-
Total extraordinary losses	145	135
Profit before income taxes	994	1,171
Income taxes - current	310	317
Income taxes - deferred	(127)	179
Total income taxes	182	497
Profit	811	673
Profit attributable to non-controlling interests	(0)	3
Profit attributable to owners of parent	811	670

Quarterly Consolidated Statement of Comprehensive Income
For the three months ended June 30, 20XX

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	811	673
Other comprehensive income		
Valuation difference on available-for-sale securities	(128)	180
Deferred gains or losses on hedges	3	-
Foreign currency translation adjustment	147	(72)
Remeasurements of defined benefit plans, net of tax	1	1
Total other comprehensive income	23	109
Comprehensive income	835	783
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	835	779
Comprehensive income attributable to non-controlling interests	0	3