

June 30, 2025

Consolidated Financial Results for the Three Months Ended May 31, 2025 (Under Japanese GAAP)

Company name: SANYO SHOKAI LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 8011
 URL: <https://www.sanyo-shokai.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

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

1. Consolidated financial results for the three months ended May 31, 2025 (from March 1, 2025 to May 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
May 31, 2025	14,508	(5.7)	36	(95.1)	25	(96.6)	36	(93.8)
May 31, 2024	15,378	(3.7)	747	(27.8)	730	(28.7)	590	(34.1)

Note: Comprehensive income For the three months ended May 31, 2025: ¥344 million [(82.4)%]
 For the three months ended May 31, 2024: ¥1,958 million [35.2%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
May 31, 2025	3.44	-
May 31, 2024	50.63	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
May 31, 2025	56,201	38,268	68.1
February 28, 2025	57,017	39,301	68.9

Reference: Equity
 As of May 31, 2025: ¥38,249 million
 As of February 28, 2025: ¥39,283 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2025	-	0.00	-	129.00	129.00
Fiscal year ending February 28, 2026	-				
Fiscal year ending February 28, 2026 (Forecast)		69.00		70.00	139.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending February 28, 2026 (from March 1, 2025 to February 28, 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 August 31, 2025	28,400	1.8	500	(16.6)	500	(26.3)	400	(12.6)	37.49

Fiscal year ending February 28, 2026	62,500	3.3	3,300	21.5	3,300	16.8	4,100	2.3	384.27
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Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (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
 - (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.7 "2. Quarterly Consolidated Financial Statements and Major Notes (3) Notes on Quarterly Consolidated Financial Statements (Notes on Changes in Accounting Policy)" are available.

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

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

As of May 31, 2025	12,622,934 shares
As of February 28, 2025	12,622,934 shares

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

As of May 31, 2025	1,953,905 shares
As of February 28, 2025	1,953,281 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended May 31, 2025	10,669,249 shares
Three months ended May 31, 2024	11,669,752 shares

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: nothing

- * 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 Operating Results, etc. (3) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

Quarterly consolidated balance sheet

(Millions of yen)

	As of February 28, 2025	As of May 31, 2025
Assets		
Current assets		
Cash and deposits	23,714	21,098
Accounts receivable - trade	3,419	3,491
Merchandise and finished goods	9,070	9,030
Other	2,018	2,477
Allowance for doubtful accounts	(5)	(6)
Total current assets	38,218	36,091
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,021	3,087
Land	4,309	4,824
Other, net	1,348	1,541
Total property, plant and equipment	8,679	9,453
Intangible assets		
Trademark right	1,887	1,809
Other	865	886
Total intangible assets	2,752	2,696
Investments and other assets		
Investment securities	6,298	6,801
Leasehold and guarantee deposits	1,045	1,070
Retirement benefit asset	12	10
Other	17	82
Allowance for doubtful accounts	(6)	(5)
Total investments and other assets	7,366	7,959
Total non-current assets	18,798	20,109
Total assets	57,017	56,201

	As of February 28, 2025	As of May 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,382	4,685
Current portion of long-term borrowings	3,140	3,175
Accrued expenses	1,970	2,434
Accrued consumption taxes	11	289
Income taxes payable	638	114
Provision for bonuses	386	623
Provision for bonuses for directors (and other officers)	10	13
Other	497	691
Total current liabilities	12,036	12,027
Non-current liabilities		
Long-term borrowings	3,790	3,755
Long-term accounts payable - other	52	51
Deferred tax liabilities	418	515
Deferred tax liabilities for land revaluation	540	556
Retirement benefit liability	288	301
Other	589	725
Total non-current liabilities	5,679	5,905
Total liabilities	17,715	17,932
Net assets		
Shareholders' equity		
Share capital	15,002	15,002
Capital surplus	9,640	9,640
Retained earnings	14,032	12,692
Treasury shares	(4,369)	(4,370)
Total shareholders' equity	34,306	32,965
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,635	3,959
Deferred gains or losses on hedges	0	(2)
Revaluation reserve for land	1,224	1,208
Foreign currency translation adjustment	116	118
Total accumulated other comprehensive income	4,977	5,284
Non-controlling interests	18	19
Total net assets	39,301	38,268
Total liabilities and net assets	57,017	56,201

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended May 31, 2024	Three months ended May 31, 2025
Net sales	15,378	14,508
Cost of sales	5,537	5,448
Gross profit	9,840	9,059
Selling, general and administrative expenses	9,093	9,023
Operating profit	747	36
Non-operating income		
Interest income	0	12
Share of profit of entities accounted for using equity method	14	11
Other	2	7
Total non-operating income	17	31
Non-operating expenses		
Interest expenses	26	32
Foreign exchange losses	5	8
Other	1	1
Total non-operating expenses	33	43
Ordinary profit	730	25
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Impairment losses	36	8
Litigation settlement	20	-
Total extraordinary losses	57	8
Profit before income taxes	673	16
Income taxes - current	157	49
Income taxes - deferred	(74)	(70)
Total income taxes	82	(21)
Profit	591	37
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	590	36

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended May 31, 2024	Three months ended May 31, 2025
Profit	591	37
Other comprehensive income		
Valuation difference on available-for-sale securities	1,376	323
Revaluation reserve for land	-	(15)
Deferred gains or losses on hedges	(8)	(2)
Foreign currency translation adjustment	(0)	1
Total other comprehensive income	1,367	306
Comprehensive income	1,958	344
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,957	343
Comprehensive income attributable to non-controlling interests	0	0

(Notes on segment information, etc.)

Segment Information

The three months of the previous fiscal year (March 1, 2024 to May 31, 2024)

Since the Group is a single segment of the fashion-related business, with apparel at its core, segment information is omitted.

The three months of the current fiscal year (March 1, 2025 to May 31, 2025)

Since the Group is a single segment of the fashion-related business, with apparel at its core, segment information is omitted.