

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Based on Japanese GAAP)

February 3, 2025

Company name: KANADEN CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 8081 URL <https://www.kanaden.co.jp>
 Representative: President and Representative Director Nobuyuki Motohashi
 Inquiries: Administration Division Executive Officer Nobuhiro Kuroda TEL 03-6747-8805
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

(1) Consolidated operating results (cumulative)

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	%
Nine months ended December 31, 2024	79,400	(1.2)	2,024	(22.1)	2,383	(18.0)	1,828	(5.9)
Nine months ended December 31, 2023	80,363	14.3	2,598	22.2	2,905	22.0	1,944	22.0

Note: Comprehensive income Nine months ended December 31, 2024 ¥792 million [(68.5)%]
 Nine months ended December 31, 2023 ¥2,512 million [32.2%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2024	77.94		–	
Nine months ended December 31, 2023	82.93		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2024	79,479	47,446	59.7	2,021.05
As of March 31, 2024	85,596	48,204	56.1	2,048.32

Reference: Equity As of December 31, 2024 ¥47,446 million
 As of March 31, 2024 ¥48,042 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	–	24.00	–	29.00	53.00
Year ending March 31, 2025	–	31.00	–		
Year ending March 31, 2025 (Forecast)				31.00	62.00

Note: Revisions to the cash dividends forecasts most recently announced: None

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	122,000	4.9	5,050	11.1	5,100	2.1	3,600	3.6	154.61

Note: Revisions to the consolidated financial results forecasts most recently announced: None

4. Notes

- (1) Significant changes in the scope of consolidation during the nine months ended December 31, 2024: Yes
 Newly included: 2 companies (TAKASHIMA ELECTRIC CO.,LTD. 、 TAKASHIMA ENGINEERING CO.,LTD.)
 Excluded: 1 company (KANADEN TELESYS CORPORATION)

- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No

- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

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

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

As of December 31, 2024	23,600,000 shares	As of March 31, 2024	23,600,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	123,978 shares	As of March 31, 2024	145,632 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2024	23,465,173 shares	Nine months ended December 31, 2023	23,443,202 shares
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* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None

* Proper use of forecasts of financial results, and other special matters

Financial results forecasts and other forward-looking statements stated in this document are based on information currently available to the Company.

Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	17,047	16,447
Notes and accounts receivable - trade, and contract assets	30,532	25,151
Electronically recorded monetary claims - operating	7,441	7,980
Merchandise and finished goods	11,294	11,086
Raw materials and supplies	1	4
Other	2,092	1,749
Allowance for doubtful accounts	(5)	(13)
Total current assets	68,404	62,405
Non-current assets		
Property, plant and equipment	8,584	8,542
Intangible assets		
Goodwill	1,631	1,684
Other	1,452	1,608
Total intangible assets	3,083	3,292
Investments and other assets		
Investment securities	4,802	4,602
Other	784	698
Allowance for doubtful accounts	(62)	(62)
Total investments and other assets	5,524	5,238
Total non-current assets	17,192	17,073
Total assets	85,596	79,479

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	24,498	19,649
Electronically recorded obligations - operating	5,583	6,550
Income taxes payable	810	102
Provisions	1,471	341
Other	4,324	4,514
Total current liabilities	36,687	31,159
Non-current liabilities		
Provisions	6	46
Retirement benefit liability	318	270
Other	380	556
Total non-current liabilities	705	873
Total liabilities	37,392	32,033
Net assets		
Shareholders' equity		
Share capital	5,576	5,576
Capital surplus	5,361	5,360
Retained earnings	33,710	34,131
Treasury shares	(168)	(143)
Total shareholders' equity	44,479	44,925
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,769	1,501
Revaluation reserve for land	378	378
Foreign currency translation adjustment	568	604
Remeasurements of defined benefit plans	845	36
Total accumulated other comprehensive income	3,562	2,520
Non-controlling interests	162	—
Total net assets	48,204	47,446
Total liabilities and net assets	85,596	79,479

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	80,363	79,400
Cost of sales	68,590	67,807
Gross profit	11,772	11,593
Selling, general and administrative expenses	9,173	9,568
Operating profit	2,598	2,024
Non-operating income		
Interest income	45	60
Dividend income	63	81
Purchase discounts	10	21
Foreign exchange gains	124	144
Other	78	70
Total non-operating income	322	378
Non-operating expenses		
Interest expenses	9	11
Other	6	8
Total non-operating expenses	16	19
Ordinary profit	2,905	2,383
Extraordinary income		
Gain on sale of investment securities	66	119
Gain on sale of shares of subsidiaries and associates	—	51
Gain on transition of retirement benefit plan	—	516
Total extraordinary income	66	687
Extraordinary losses		
Loss on retirement of non-current assets	4	4
Loss on valuation of golf club membership	—	1
Other	2	—
Total extraordinary losses	6	5
Profit before income taxes	2,965	3,065
Income taxes - current	853	599
Income taxes - deferred	167	631
Total income taxes	1,021	1,231
Profit	1,944	1,834
Profit attributable to non-controlling interests	—	5
Profit attributable to owners of parent	1,944	1,828

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	1,944	1,834
Other comprehensive income		
Valuation difference on available-for-sale securities	294	(267)
Foreign currency translation adjustment	314	35
Remeasurements of defined benefit plans, net of tax	(40)	(809)
Total other comprehensive income	568	(1,041)
Comprehensive income	2,512	792
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,512	787
Comprehensive income attributable to non-controlling interests	—	5