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February 12, 2025

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

Company name: SANRITSU CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 9366
 URL: <https://www.srt.co.jp/>
 Representative: Yasuhide Miura, President and Representative Director
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: None
 Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to one million yen, unless otherwise noted.)

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

(1) Consolidated operating results (cumulative) (% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|-------------------------------------|-------------|-------|------------------|--------|-----------------|--------|---|--------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Nine months ended December 31, 2024 | 15,025 | 3.3 | 862 | 24.8 | 763 | 4.3 | 515 | 5.6 |
| December 31, 2023 | 14,550 | (4.6) | 691 | (27.3) | 732 | (41.5) | 488 | (48.1) |

Note: Comprehensive income Nine months ended December 31, 2024: ¥481 million [(48.3) %]
 Nine months ended December 31, 2023: ¥932 million [(29.7)%]

| | Basic earnings per share | Diluted earnings per share |
|-------------------------------------|--------------------------|----------------------------|
| | Yen | Yen |
| Nine months ended December 31, 2024 | 92.34 | 90.15 |
| December 31, 2023 | 88.16 | 85.99 |

(2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio |
|-------------------|--------------|-------------|-----------------------|
| As of | Million yen | Million yen | % |
| December 31, 2024 | 22,648 | 11,120 | 48.4 |
| March 31, 2024 | 21,356 | 10,777 | 49.7 |

Reference: Equity
 As of December 31, 2024: ¥10,960 million
 As of March 31, 2024: ¥10,619 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 March 31, 2024 | | 0.00 | | 31.0 | 31.0 |
| Fiscal year ending March 31, 2025 | | 0.00 | | | |
| Fiscal year ending March 31, 2025 (Forecast) | | | | 34.0 | 34.0 |

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(April 1, 2024, to March 31, 2025)

(% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|-----------|-------------|-----|------------------|-----|-----------------|------|---|-----|--------------------------|
| Full year | Million yen | % | Million yen | % | Million yen | % | Million yen | % | yen |
| | 20,500 | 5.7 | 920 | 6.3 | 900 | 14.4 | 620 | 8.3 | 111.82 |

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

*** Notes**

- (1) Changes in significant subsidiaries during the period
(changes in specified subsidiaries resulting in the change in scope of consolidation): 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 restatements
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - (ii) Changes in accounting policies other than (i) above: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatements: None

(4) Number of issued shares (common shares)

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

| | |
|-------------------------|------------------|
| As of December 31, 2024 | 6,006,373 shares |
| As of March 31, 2024 | 6,006,373 shares |

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

| | |
|-------------------------|----------------|
| As of December 31, 2024 | 408,093 shares |
| As of March 31, 2024 | 443,973 shares |

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

| | |
|-------------------------------------|------------------|
| Nine months ended December 31, 2024 | 5,584,194 shares |
| Nine months ended December 31, 2023 | 5,539,489 shares |

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes(voluntary)

- * Proper use of earnings forecasts, and other special matters

The forecasts given in this document are based on the information currently available to the company and certain assumptions deemed reasonable by the company. Therefore, we may not be successful in achieving forecasted results. Actual results may differ significantly from these forecasts due to various factors.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Unit: thousand yen)

| | As of March 31, 2024 | As of December 31, 2024 |
|---|----------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 2,220,135 | 3,084,199 |
| Notes receivable - trade | 21,461 | 15,300 |
| Accounts receivable - trade | 3,505,357 | 3,435,611 |
| Electronically recorded monetary claims - operating | 9,837 | 177,184 |
| Income taxes receivable | 59,228 | - |
| Raw materials and supplies | 447,369 | 365,790 |
| Other | 188,793 | 437,175 |
| Allowance for doubtful accounts | (5,200) | (5,300) |
| Total current assets | 6,446,983 | 7,509,962 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 8,486,098 | 8,252,612 |
| Machinery, equipment and vehicles, net | 330,153 | 349,596 |
| Land | 2,907,078 | 3,083,906 |
| Leased assets, net | 669,149 | 472,671 |
| Construction in progress | 75,910 | 509,291 |
| Other, net | 37,538 | 38,577 |
| Total property, plant and equipment | 12,505,928 | 12,706,656 |
| Intangible assets | | |
| Software | 237,248 | 202,050 |
| Software in progress | 4,730 | - |
| Other | 645 | 559 |
| Total intangible assets | 242,623 | 202,609 |
| Investments and other assets | | |
| Investment securities | 518,964 | 530,710 |
| Deferred tax assets | 764,597 | 738,948 |
| Other | 883,325 | 1,040,727 |
| Allowance for doubtful accounts | (5,761) | (81,429) |
| Total investments and other assets | 2,161,125 | 2,228,957 |
| Total non-current assets | 14,909,677 | 15,138,223 |
| Total assets | 21,356,661 | 22,648,186 |

| | As of March 31, 2024 | As of December 31, 2024 |
|---|----------------------|-------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 818,699 | 722,944 |
| Short-term loans payable | 3,218,257 | 3,627,325 |
| Lease liabilities | 277,382 | 280,912 |
| Income taxes payable | 13,373 | 193,398 |
| Provision for bonuses | 380,933 | 208,710 |
| Other | 1,036,803 | 1,316,056 |
| Total current liabilities | 5,745,450 | 6,349,348 |
| Non-current liabilities | | |
| Long-term loans payable | 2,750,327 | 3,230,406 |
| Lease liabilities | 316,691 | 111,550 |
| Net defined benefit liability | 890,176 | 903,072 |
| Asset retirement obligations | 488,750 | 496,143 |
| Derivatives liabilities | 99,080 | 58,158 |
| Other | 288,980 | 379,478 |
| Total non-current liabilities | 4,834,006 | 5,178,809 |
| Total liabilities | 10,579,456 | 11,528,157 |
| Net assets | | |
| Shareholders' equity | | |
| Capital stock | 2,523,866 | 2,523,866 |
| Capital surplus | 2,465,429 | 2,477,567 |
| Retained earnings | 5,365,511 | 5,708,695 |
| Treasury shares | (252,489) | (231,349) |
| Total shareholders' equity | 10,102,317 | 10,478,779 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 259,775 | 264,438 |
| Foreign currency translation adjustment | 284,631 | 239,522 |
| Remeasurements of defined benefit plans | (27,217) | (21,879) |
| Total accumulated other comprehensive income | 517,189 | 482,080 |
| Share acquisition rights | 47,277 | 47,277 |
| Non-controlling interests | 110,420 | 111,890 |
| Total net assets | 10,777,204 | 11,120,028 |
| Total liabilities and net assets | 21,356,661 | 22,648,186 |

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the nine months)

(Unit: thousand yen)

| | For the nine months ended December 31, 2023 | For the nine months ended December 31, 2024 |
|--|--|--|
| Net sales | 14,550,082 | 15,025,280 |
| Cost of sales | 11,305,397 | 11,691,570 |
| Gross profit | 3,244,684 | 3,333,709 |
| Selling, general and administrative expenses | | |
| Selling expenses | 1,082,866 | 1,141,520 |
| General and administrative expenses | 1,470,186 | 1,329,211 |
| Total selling, general and administrative expenses | 2,553,053 | 2,470,732 |
| Operating profit | 691,630 | 862,977 |
| Non-operating income | | |
| Interest income | 14,677 | 13,649 |
| Dividend income | 11,158 | 13,037 |
| Insurance income | 800 | 18,136 |
| Foreign exchange gains | 83,512 | 61,575 |
| Compensation for damage income | - | 35,885 |
| Other | 17,448 | 29,711 |
| Total non-operating income | 127,596 | 171,997 |
| Non-operating expenses | | |
| Interest expenses | 53,922 | 55,981 |
| Commission expenses | 747 | 749 |
| Loss on valuation of derivatives | 31,847 | 34,024 |
| Outsourcing expenses | - | 101,505 |
| Provision of allowance for doubtful accounts | - | 75,957 |
| Other | 212 | 2,879 |
| Total non-operating expenses | 86,730 | 271,099 |
| Ordinary profit | 732,496 | 763,875 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 429 | 71 |
| Total extraordinary income | 429 | 71 |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 15,688 | - |
| Total extraordinary losses | 15,688 | - |
| Profit before income taxes | 717,237 | 763,947 |
| Income taxes—current | 83,729 | 229,882 |
| Income taxes—deferred | 141,395 | 16,975 |
| Total income taxes | 225,125 | 246,858 |
| Profit | 492,112 | 517,089 |
| Profit attributable to non-controlling interests | 3,761 | 1,470 |
| Profit attributable to owners of parent | 488,350 | 515,619 |

Consolidated Statements of Comprehensive Income (For the nine months)

(Unit: thousand yen)

| | For the nine months ended December 31, 2023 | For the nine months ended December 31, 2024 |
|--|--|--|
| Profit | 492,112 | 517,089 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 30,228 | 4,663 |
| Deferred gains or losses on hedges | 1,658 | - |
| Foreign currency translation adjustment | 402,925 | (45,109) |
| Remeasurements of defined benefit plans, net of tax | 5,098 | 5,337 |
| Total other comprehensive income | 439,911 | (35,108) |
| Comprehensive income | 932,023 | 481,980 |
| (Comprehensive income attributable to) | | |
| Comprehensive income attributable to owners of parent | 928,262 | 480,510 |
| Comprehensive income attributable to non-controlling interests | 3,761 | 1,470 |