

Translation

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

February 14, 2025

Company name: TEIKOKU SEN-I CO.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 3302 URL <https://www.teisen.co.jp/>
 Representative: Chairman & CEO Tsuyoshi Shiraiwa
 Inquiries: Vice President Tatsuru Okamura TEL 03(3281)3022
 Scheduled date of ordinary general meeting of shareholders: March 28, 2025
 Scheduled date to file Securities Report: March 28, 2025
 Scheduled date to commence dividend payments: March 31, 2025
 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 year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(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	%
Year ended December 31, 2024	31,481	12.3	3,459	33.8	4,553	27.6	3,253	33.0
Year ended December 31, 2023	28,032	(6.3)	2,585	(42.0)	3,569	(32.6)	2,445	(33.2)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended December 31, 2024	124.48	123.45	5.0	5.6	11.0
Year ended December 31, 2023	93.76	92.75	4.0	4.7	9.2

(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	82,850	66,536	80.0	2,534.19
As of December 31, 2023	79,204	64,976	81.6	2,479.19

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended December 31, 2024	1,951	(11)	(1,242)	12,743
Year ended December 31, 2023	(932)	(718)	(1,473)	12,045

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended December 31, 2023	—	0.00	—	50.00	50.00	1,325	53.3	2.1
Year ended December 31, 2024	—	0.00	—	50.00	50.00	1,329	40.2	2.0
Year ending December 31, 2025 (Forecast)	—	0.00	—	55.00	55.00		34.2	

3. Forecast of consolidated financial results for the year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
Full year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	36,500	15.9	4,800	38.7	6,000	31.8	4,200	29.1	160.61

4. Notes

- (1) Significant changes in the scope of consolidation during the year ended December 31, 2024: No
- (2) 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

(3) 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	27,524,400 shares	As of December 31, 2023	27,444,400 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	1,374,209 shares	As of December 31, 2023	1,385,908 shares
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Average number of shares during the period

Year ended December 31, 2024	26,132,903 shares	Year ended December 31, 2023	26,080,633 shares
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Consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of December 31, 2023	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	12,998,600	12,693,887
Notes and accounts receivable - trade, and contract assets	6,299,418	8,660,575
Securities	5,999,975	5,999,384
Merchandise and finished goods	6,587,179	7,864,569
Work in process	1,254,835	1,199,072
Raw materials and supplies	968,733	987,751
Other	2,288,650	2,852,290
Total current assets	36,397,394	40,257,532
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,578,736	10,764,065
Accumulated depreciation	(3,432,890)	(3,842,320)
Buildings and structures, net	7,145,846	6,921,745
Machinery, equipment and vehicles	3,368,238	3,553,457
Accumulated depreciation	(2,682,721)	(2,839,350)
Machinery, equipment and vehicles, net	685,516	714,107
Tools, furniture and fixtures	1,387,720	1,505,321
Accumulated depreciation	(1,027,116)	(1,130,455)
Tools, furniture and fixtures, net	360,604	374,866
Land	3,917,154	4,000,340
Construction in progress	62,350	97,138
Total property, plant and equipment	12,171,472	12,108,198
Intangible assets	31,934	47,206
Investments and other assets		
Investment securities	30,086,834	29,767,694
Retirement benefit asset	126,433	116,575
Deferred tax assets	124,782	154,570
Other	265,532	398,562
Total investments and other assets	30,603,582	30,437,403
Total non-current assets	42,806,990	42,592,807
Total assets	79,204,384	82,850,340

	(Thousands of yen)	
	As of December 31, 2023	As of December 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	2,932,624	3,845,321
Current portion of long-term borrowings	—	44,000
Income taxes payable	214,369	857,851
Other	1,329,801	1,960,770
Total current liabilities	4,476,796	6,707,944
Non-current liabilities		
Long-term borrowings	—	56,000
Long-term guarantee deposits	475,775	409,403
Deferred tax liabilities	8,285,439	8,077,357
Retirement benefit liability	121,949	134,320
Provision for share awards for directors (and other officers)	582,052	665,169
Asset retirement obligations	76,471	76,477
Long-term accounts payable - other	78,650	78,650
Other	130,714	108,590
Total non-current liabilities	9,751,052	9,605,969
Total liabilities	14,227,848	16,313,913
Net assets		
Shareholders' equity		
Share capital	1,582,867	1,635,762
Capital surplus	957,371	1,028,587
Retained earnings	44,070,500	45,998,548
Treasury shares	(1,067,446)	(1,062,870)
Total shareholders' equity	45,543,293	47,600,028
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,012,026	18,597,568
Deferred gains or losses on hedges	48,569	71,893
Total accumulated other comprehensive income	19,060,595	18,669,461
Share acquisition rights	372,646	266,936
Total net assets	64,976,535	66,536,426
Total liabilities and net assets	79,204,384	82,850,340

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Net sales	28,032,714	31,481,564
Cost of sales	20,392,693	22,848,362
Gross profit	7,640,020	8,633,202
Selling, general and administrative expenses	5,054,906	5,173,449
Operating profit	2,585,113	3,459,752
Non-operating income		
Interest income	437	6,690
Dividend income	912,253	1,072,593
Share of profit of entities accounted for using equity method	111	443
Other	84,909	23,349
Total non-operating income	997,713	1,103,076
Non-operating expenses		
Interest expenses	2,565	3,140
Foreign exchange losses	4,738	5,584
Commission expenses	4,561	–
Other	1,205	368
Total non-operating expenses	13,071	9,092
Ordinary profit	3,569,755	4,553,737
Extraordinary income		
Gain on sale of non-current assets	–	1,100
Gain on sale of investment securities	20,063	–
Gain on sale of membership	–	12,011
Gain on sale of businesses	–	74,000
Total extraordinary income	20,063	87,112
Extraordinary losses		
Loss on disposal of non-current assets	69,846	4,006
Loss on disposal of membership	–	5,710
Total extraordinary losses	69,846	9,717
Profit before income taxes	3,519,972	4,631,131
Income taxes - current	1,079,989	1,440,170
Income taxes - deferred	(5,322)	(62,116)
Total income taxes	1,074,666	1,378,054
Profit	2,445,306	3,253,077
Profit attributable to owners of parent	2,445,306	3,253,077

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Profit	2,445,306	3,253,077
Other comprehensive income		
Valuation difference on available-for-sale securities	5,901,424	(414,457)
Deferred gains or losses on hedges	17,409	23,323
Total other comprehensive income	5,918,834	(391,133)
Comprehensive income	8,364,140	2,861,943
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,364,140	2,861,943

Consolidated statements of changes in equity

Fiscal year ended December 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,582,867	957,371	42,950,232	(980,485)	44,509,985
Changes during period					
Dividends of surplus			(1,325,037)		(1,325,037)
Profit attributable to owners of parent			2,445,306		2,445,306
Purchase of treasury shares				(86,960)	(86,960)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	1,120,269	(86,960)	1,033,308
Balance at end of period	1,582,867	957,371	44,070,500	(1,067,446)	45,543,293

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total accumulated other comprehensive income		
Balance at beginning of period	13,110,602	31,159	13,141,761	372,646	58,024,393
Changes during period					
Dividends of surplus					(1,325,037)
Profit attributable to owners of parent					2,445,306
Purchase of treasury shares					(86,960)
Net changes in items other than shareholders' equity	5,901,424	17,409	5,918,834	–	5,918,834
Total changes during period	5,901,424	17,409	5,918,834	–	6,952,142
Balance at end of period	19,012,026	48,569	19,060,595	372,646	64,976,535

Fiscal year ended December 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,582,867	957,371	44,070,500	(1,067,446)	45,543,293
Changes during period					
Issuance of new shares - exercise of share acquisition rights	52,895	52,895			105,790
Dividends of surplus			(1,325,029)		(1,325,029)
Profit attributable to owners of parent			3,253,077		3,253,077
Purchase of treasury shares				(131)	(131)
Disposal of treasury shares		18,320		4,707	23,028
Net changes in items other than shareholders' equity					
Total changes during period	52,895	71,215	1,928,047	4,575	2,056,734
Balance at end of period	1,635,762	1,028,587	45,998,548	(1,062,870)	47,600,028

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total accumulated other comprehensive income		
Balance at beginning of period	19,012,026	48,569	19,060,595	372,646	64,976,535
Changes during period					
Issuance of new shares - exercise of share acquisition rights					105,790
Dividends of surplus					(1,325,029)
Profit attributable to owners of parent					3,253,077
Purchase of treasury shares					(131)
Disposal of treasury shares					23,028
Net changes in items other than shareholders' equity	(414,457)	23,323	(391,133)	(105,710)	(496,843)
Total changes during period	(414,457)	23,323	(391,133)	(105,710)	1,559,890
Balance at end of period	18,597,568	71,893	18,669,461	266,936	66,536,426

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	3,519,972	4,631,131
Depreciation	700,745	739,562
Interest and dividend income	(912,691)	(1,079,283)
Interest expenses	2,565	3,140
Share of loss (profit) of entities accounted for using equity method	(111)	(443)
Increase (decrease) in provision for bonuses for directors (and other officers)	(5,000)	–
Decrease (increase) in retirement benefit asset	(27,549)	9,857
Increase (decrease) in retirement benefit liability	2,729	12,371
Increase (decrease) in provision for share awards for directors (and other officers)	62,337	83,116
Loss (gain) on disposal of non-current assets	69,846	2,906
Loss (gain) on sale of investment securities	(20,063)	–
Loss (gain) on sale of businesses	–	(74,000)
Decrease (increase) in trade receivables	273,284	(2,081,804)
Decrease (increase) in inventories	(1,020,442)	(1,238,916)
Increase (decrease) in trade payables	(2,769,296)	601,626
Increase (decrease) in guarantee deposits received	(60,753)	(65,753)
Decrease (increase) in other current assets	262,864	(226,060)
Increase (decrease) in other current liabilities	(420,293)	345,757
Other, net	25,279	35,938
Subtotal	(316,574)	1,699,148
Interest and dividends received	913,757	1,078,380
Interest paid	(2,357)	(3,984)
Income taxes paid	(1,527,612)	(821,907)
Net cash provided by (used in) operating activities	(932,786)	1,951,637
Cash flows from investing activities		
Payments into time deposits	(3,906,155)	(1,900,601)
Proceeds from withdrawal of time deposits	3,906,155	2,903,377
Purchase of securities	(10,499,900)	(11,998,552)
Proceeds from redemption of securities	10,500,000	12,000,000
Purchase of property, plant and equipment	(508,569)	(606,160)
Proceeds from sale of property, plant and equipment	–	1,100
Payments for retirement of property, plant and equipment	(3,480)	(34,664)
Purchase of intangible assets	(15,440)	(19,590)
Purchase of investment securities	(99,399)	(282,088)
Proceeds from sale of investment securities	24,341	–
Purchase of long-term prepaid expenses	(115,600)	(134,200)
Purchase of golf club membership	–	(39,136)
Proceeds from sale of businesses	–	74,000
Other, net	–	24,973
Net cash provided by (used in) investing activities	(718,048)	(11,540)

	(Thousands of yen)	
	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Cash flows from financing activities		
Proceeds from short-term borrowings	1,440,000	720,000
Repayments of short-term borrowings	(1,440,000)	(720,000)
Proceeds from long-term borrowings	—	100,000
Repayments of long-term borrowings	(45,000)	—
Repayments of lease liabilities	(22,123)	(22,123)
Proceeds from issuance of shares	—	80
Purchase of treasury shares	(86,960)	(131)
Dividends paid	(1,319,356)	(1,319,858)
Net cash provided by (used in) financing activities	(1,473,440)	(1,242,032)
Net increase (decrease) in cash and cash equivalents	(3,124,274)	698,063
Cash and cash equivalents at beginning of period	15,169,798	12,045,523
Cash and cash equivalents at end of period	12,045,523	12,743,587