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May 14, 2025

[Summary]
Consolidated Financial Results for the Fiscal Year Ended March 31, 2025
[Under Japanese GAAP]

Company name: KYOKUTO KAIHATSU KOGYO CO., LTD.
Listing: Tokyo Stock Exchange
Securities code: 7226
URL: <https://www.kyokuto.com/>
Representative: Tatsuya Nunohara, Representative Director, President, CEO
Inquiries: Takeshi Fujimoto, General Manager, Legal & Corporate Communication Department, Administration Division
Telephone: +81-6-6205-7826
Scheduled date of ordinary general meeting of shareholders: June 27, 2025
Scheduled date to commence dividend payments: June 30, 2025
Scheduled date to file annual securities report: June 30, 2025
Preparation of supplementary materials on financial results: Yes
Holding of financial results briefing: Yes

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	140,449	9.7	6,656	38.0	6,890	22.7	5,820	66.2
March 31, 2024	128,026	13.2	4,825	386.7	5,617	373.2	3,501	(2.2)

Note: Comprehensive income For the Fiscal year ended March 31, 2025 4,053 million yen [(47.5)%]
For the Fiscal year ended March 31, 2024 7,728 million yen [121.6 %]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	151.74	-	5.0	3.8	4.7
March 31, 2024	91.49	-	3.1	3.4	3.8

Reference: Equity in earnings (losses) of affiliated companies As of March 31, 2025 (50) million yen
As of March 31, 2024 83 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	187,748	117,271	61.8	3,022.00
As of March 31, 2024	170,417	117,693	68.7	3,053.07

Reference: Equity As of March 31, 2025 116,106 million yen
As of March 31, 2024 117,041 million yen

Note: Figures for the fiscal year ended March 31, 2024, represent those after retroactive application following a change in accounting policies.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
As of March 31, 2025	5,225	(15,472)	11,200	20,253
As of March 31, 2024	(1,845)	(9,482)	(1,496)	19,397

2. Cash Dividends

	Annual dividends per share					Total dividends (Total)	Payout ratio (Consolidated)	Dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	-	29.00	-	58.00	87.00	3,333	95.1	2.9
Fiscal year ended March 31, 2025	-	75.00	-	83.00	158.00	6,065	104.1	5.2
Fiscal year ending March 31, 2026 (forecast)	-	70.00	-	70.00	140.00		82.8	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (from 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
Full year	168,000	19.6	9,600	44.2	9,500	37.9	6,500	11.7	169.18

* Notes

- (1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 15 companies (Company name) STG Global Holdings Pty Ltd and 14 other companies

Excluded: None

- (2) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

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

- 1) Total Number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	40,150,000
As of March 31, 2024	40,150,000

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

As of March 31, 2025	1,729,600
As of March 31, 2024	1,814,442

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

Fiscal year ended March 31, 2025	38,360,578
Fiscal year ended March 31, 2024	38,275,849

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	63,705	7.5	2,130	225.7	3,778	86.9	4,370	200.5
March 31, 2024	59,239	16.6	654	-	2,021	179.7	1,454	(60.6)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	113.93	-
March 31, 2024	38.00	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	129,103	89,541	69.4	2,330.58
As of March 31, 2024	117,769	91,474	77.7	2,386.14

Reference: Equity As of March 31, 2025 89,541 million yen
As of March 31, 2024 91,474 million yen

(Reasons for Differences from the Previous Fiscal Year's Non-Consolidated Financial Results)

Mainly in the Special Purpose Vehicles Business, orders remained solid and steadily well both domestically and internationally. Additionally, effects of ongoing product price revisions began to materialize, and supply of truck chassis gradually improved. These factors led to enhanced productivity, resulting in increased net sales and profits respectively.

As a result, there are differences between actual figures of the net sales, the profit and so on for the previous fiscal year and the current fiscal year in the non-consolidated financial results.

* Financial results reports are exempt from audit conducted by certified public accountants or a firm.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements in this document, including earnings forecasts and dividend forecasts, are based on information available as of the date of this document's release, and actual results may differ from these forecasts due to various factors in the future.

2. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	15,740	20,291
Notes and accounts receivable - trade, and contract assets	36,048	34,160
Electronically recorded monetary claims - operating	9,651	10,933
Securities	3,700	-
Merchandise and finished goods	2,192	2,471
Work in process	8,989	15,339
Raw materials and supplies	12,574	11,052
Prepaid expenses	385	612
Other	2,185	2,181
Allowance for doubtful accounts	(62)	(110)
Total current assets	91,405	96,933
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,544	17,293
Machinery, equipment and vehicles, net	5,873	9,052
Land	29,148	28,249
Construction in progress	2,988	4,836
Other, net	1,244	2,158
Total property, plant and equipment	56,799	61,590
Intangible assets		
Goodwill	661	7,629
Customer-related intangible assets	436	1,189
Other	1,092	2,166
Total intangible assets	2,190	10,984
Investments and other assets		
Investment securities	17,149	15,379
Long-term loans receivable	221	188
Long-term prepaid expenses	297	239
Retirement benefit asset	1,187	1,094
Deferred tax assets	361	371
Other	1,521	1,670
Allowance for doubtful accounts	(718)	(704)
Total investments and other assets	20,021	18,239
Total non-current assets	79,011	90,814
Total assets	170,417	187,748

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,141	13,653
Electronically recorded obligations - operating	13,373	3,548
Short-term borrowings	1,684	19,113
Current portion of long-term borrowings	8	8
Income taxes payable	733	2,665
Accrued consumption taxes	813	1,829
Accrued expenses	5,098	5,291
Provisions	1,242	1,418
Other	2,337	4,494
Total current liabilities	34,433	52,023
Non-current liabilities		
Bonds payable	2,800	2,800
Long-term borrowings	7,336	7,625
Retirement benefit liability	40	53
Provisions	79	85
Deferred tax liabilities	6,753	6,180
Other	1,280	1,708
Total non-current liabilities	18,290	18,453
Total liabilities	52,723	70,476
Net assets		
Shareholders' equity		
Share capital	11,899	11,899
Capital surplus	11,750	11,880
Retained earnings	86,760	87,481
Treasury shares	(1,836)	(1,749)
Total shareholders' equity	108,574	109,511
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,419	6,228
Foreign currency translation adjustment	366	26
Remeasurements of defined benefit plans	680	339
Total accumulated other comprehensive income	8,466	6,594
Non-controlling interests	652	1,165
Total net assets	117,693	117,271
Total liabilities and net assets	170,417	187,748

(2) Consolidated Statements of Income and Comprehensive Income
(Consolidated Statements of Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	128,026	140,449
Cost of sales	107,324	115,697
Gross profit	20,702	24,752
Selling, general and administrative expenses	15,877	18,096
Operating profit	4,825	6,656
Non-operating income		
Interest and dividend income	394	514
Foreign exchange gains	386	13
Share of profit of entities accounted for using equity method	83	-
Miscellaneous income	145	234
Total non-operating income	1,009	763
Non-operating expenses		
Interest expenses	63	181
Share of loss of entities accounted for using equity method	-	50
Miscellaneous expenses	154	297
Total non-operating expenses	217	528
Ordinary profit	5,617	6,890
Extraordinary income		
Gain on sale of non-current assets	1	11
Gain on sale of investment securities	61	1,907
Subsidy income	295	499
Other	2	-
Total extraordinary income	361	2,417
Extraordinary losses		
Loss on disposal of non-current assets	288	35
Loss on tax purpose reduction entry of non-current assets	295	498
Loss on disaster	14	-
Other	51	21
Total extraordinary losses	650	555
Profit before income taxes	5,328	8,753
Income taxes	1,702	2,884
Profit	3,626	5,868
Profit attributable to non-controlling interests	124	47
Profit attributable to owners of parent	3,501	5,820

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	3,626	5,868
Other comprehensive income		
Valuation difference on available-for-sale securities	3,015	(1,191)
Foreign currency translation adjustment	283	(319)
Remeasurements of defined benefit plans, net of tax	781	(342)
Share of other comprehensive income of entities accounted for using equity method	21	38
Total other comprehensive income	4,101	(1,815)
Comprehensive income	7,728	4,053
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,570	3,949
Comprehensive income attributable to non-controlling interests	157	104