



## Consolidated Financial Results for the Nine Months Ended February 28, 2025 (Under Japanese GAAP)

April 8, 2025

Company name Sanko Gosei Ltd. Stock exchange listings: Tokyo Prime  
 Securities code 7888 URL <https://www.sankogosei.co.jp>  
 Representative (Title) Representative Director/President(Name)Amen Kusumi  
 Inquiries (Title) Director/Executive Officer (Name)Akira Serikawa Tel 0763-52-7105  
 Dividend payable date (as planned) —  
 Supplemental material of results : None  
 Convening briefing of results : None

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

### 1. Consolidated financial results for the nine months ended February 28, 2025 (from June 1, 2024 to February 28, 2025)

(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 February 28, 2025 | 67,390          | (1.5) | 4,070            | 47.2 | 3,595           | 42.0 | 2,574                                   | 59.2 |
| February 29, 2024                   | 68,422          | 19.5  | 2,765            | 27.2 | 2,532           | 13.6 | 1,617                                   | 6.7  |

Note: Comprehensive For the nine months ended February 28, 2025 1,728 Million s of yen ((41.0)% For the nine months ended February 29, 2024 2,930 Million s of yen (44.2%)

|                   | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
| Nine months ended | Yen                      | Yen                        |
| February 28, 2025 | 84.46                    | —                          |
| February 29, 2024 | 53.05                    | —                          |

(2) Consolidated financial position

|                   | Total assets    | Net assets      | Capital adequacy ratio |
|-------------------|-----------------|-----------------|------------------------|
| As of             | Millions of yen | Millions of yen | %                      |
| February 28, 2025 | 75,656          | 31,591          | 41.0                   |
| May 31, 2024      | 74,930          | 30,479          | 39.9                   |

Reference: Owner's equity As of February 28, 2025 31,021 Million s of yen As of May 31, 2024 29,911 Million s of yen

### 2. Cash dividends

|  | Annual dividend |                |               |              |              |
|--|-----------------|----------------|---------------|--------------|--------------|
|  | First quarter   | Second quarter | Third quarter | Year end     | Annual       |
| Fiscal year ended May 31, 2024             | Yen<br>—        | Yen<br>10.00   | Yen<br>—      | Yen<br>10.00 | Yen<br>20.00 |
| Fiscal year ending May 31, 2025            | —               | 10.00          | —             |              |              |
| Fiscal year ending May 31, 2025 (Forecast) |                 |                |               | 14.00        | 24.00        |

Note: Revisions to the forecast of cash dividends most recently announced : Yes

### 3. Consolidated financial forecast for the fiscal year ending May 31, 2025 (from June 1, 2024 to May 31, 2025)

(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                      |
| Fiscal year ending<br>May 31, 2025 | 95,000          | 1.3 | 4,800            | 16.2 | 4,400           | 12.0 | 2,900                                   | 11.0 | 95.13                    |

Note:Revisions to the earnings forecasts most recently announced : None

\* Notes

(1) Significant changes in the scope of consolidation during the period : None

Newly included: — companies (Company name) 、 Excluded: — companies (Company name)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements : Yes

(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 : None

(ii) Changes in accounting policies due to other reasons : None

(iii) Changes in accounting estimates : None

(iv) Restatement : None

(4) Number of issued shares (common shares)

① Number of issued and outstanding shares at the period end (including treasury stock)

|                         |                      |                    |                      |
|-------------------------|----------------------|--------------------|----------------------|
| As of February 28, 2025 | 30,688,569<br>shares | As of May 31, 2024 | 30,688,569<br>shares |
|-------------------------|----------------------|--------------------|----------------------|

② Number of treasury stock at the period end

|                         |                   |                    |                   |
|-------------------------|-------------------|--------------------|-------------------|
| As of February 28, 2025 | 204,786<br>shares | As of May 31, 2024 | 204,786<br>shares |
|-------------------------|-------------------|--------------------|-------------------|

③ Average number of shares (quarterly period-YTD)

|                                     |                      |                                     |                      |
|-------------------------------------|----------------------|-------------------------------------|----------------------|
| Nine months ended February 28, 2025 | 30,483,783<br>shares | Nine months ended February 29, 2024 | 30,483,783<br>shares |
|-------------------------------------|----------------------|-------------------------------------|----------------------|

## Financial statements

### Consolidated balance sheets

(Millions of yen)

|   | As of May 31, 2024 | As of February 28, 2025 |
|---|--------------------|-------------------------|
| <b>Assets</b>                                       |                    |                         |
| <b>Current assets</b>                               |                    |                         |
| Cash and deposits                                   | 9,958              | 12,046                  |
| Notes receivable - trade                            | 19                 | 10                      |
| Electronically recorded monetary claims - operating | 1,126              | 943                     |
| Accounts receivable - trade                         | 18,561             | 16,695                  |
| Merchandise and finished goods                      | 2,061              | 1,793                   |
| Work in process                                     | 4,340              | 4,649                   |
| Raw materials and supplies                          | 1,956              | 2,220                   |
| Other   | 2,963              | 2,612                   |
| <b>Total current assets</b>                         | <b>40,987</b>      | <b>40,972</b>           |
| <b>Non-current assets</b>                           |                    |                         |
| <b>Property, plant and equipment</b>                |                    |                         |
| Buildings and structures, net                       | 11,457             | 11,125                  |
| Machinery, equipment and vehicles, net              | 11,444             | 11,476                  |
| Tools, furniture and fixtures, net                  | 2,048              | 2,070                   |
| Land  | 6,599              | 6,466                   |
| Construction in progress                            | 557                | 1,886                   |
| <b>Total property, plant and equipment</b>          | <b>32,108</b>      | <b>33,025</b>           |
| <b>Intangible assets</b>                            |                    |                         |
| Goodwill  | 47                 | 11                      |
| Other   | 460                | 426                     |
| <b>Total intangible assets</b>                      | <b>507</b>         | <b>437</b>              |
| <b>Investments and other assets</b>                 |                    |                         |
| Investment securities                               | 24                 | 21                      |
| Deferred tax assets                                 | 326                | 172                     |
| Retirement benefit asset                            | 630                | 714                     |
| Other   | 345                | 312                     |
| <b>Total investments and other assets</b>           | <b>1,327</b>       | <b>1,220</b>            |
| <b>Total non-current assets</b>                     | <b>33,942</b>      | <b>34,684</b>           |
| <b>Total assets</b>                                 | <b>74,930</b>      | <b>75,656</b>           |

(Millions of yen)

|  | As of May 31, 2024 | As of February 28, 2025 |
|--|--------------------|-------------------------|
| <b>Liabilities</b>   |                    |                         |
| <b>Current liabilities</b>   |                    |                         |
| Notes and accounts payable - trade                                   | 8,851              | 8,647                   |
| Electronically recorded obligations - operating                      | 3,283              | 3,173                   |
| Short-term borrowings  | 6,325              | 5,119                   |
| Current portion of long-term borrowings                              | 4,846              | 3,120                   |
| Lease liabilities  | 1,789              | 1,640                   |
| Income taxes payable   | 640                | 468                     |
| Provision for bonuses  | 161                | 164                     |
| Provision for bonuses for directors (and other officers)             | 59                 | -                       |
| Other  | 7,075              | 5,461                   |
| <b>Total current liabilities</b>                                     | <b>33,032</b>      | <b>27,796</b>           |
| <b>Non-current liabilities</b>                                       |                    |                         |
| Long-term borrowings   | 6,719              | 11,523                  |
| Lease liabilities  | 3,491              | 3,862                   |
| Deferred tax liabilities   | 272                | 74                      |
| Provision for retirement benefits for directors (and other officers) | 16                 | 16                      |
| Retirement benefit liability   | 437                | 433                     |
| Other  | 480                | 357                     |
| <b>Total non-current liabilities</b>                                 | <b>11,418</b>      | <b>16,269</b>           |
| <b>Total liabilities</b>   | <b>44,450</b>      | <b>44,065</b>           |
| <b>Net assets</b>  |                    |                         |
| <b>Shareholders' equity</b>  |                    |                         |
| Share capital  | 4,008              | 4,008                   |
| Capital surplus  | 4,071              | 4,071                   |
| Retained earnings  | 18,433             | 20,398                  |
| Treasury shares  | (43)               | (43)                    |
| <b>Total shareholders' equity</b>                                    | <b>26,470</b>      | <b>28,435</b>           |
| <b>Accumulated other comprehensive income</b>                        |                    |                         |
| Valuation difference on available-for-sale securities                | 2                  | (0)                     |
| Remeasurements of defined benefit plans                              | 447                | 439                     |
| Foreign currency translation adjustment                              | 2,991              | 2,146                   |
| <b>Total accumulated other comprehensive income</b>                  | <b>3,441</b>       | <b>2,586</b>            |
| Non-controlling interests  | 567                | 569                     |
| <b>Total net assets</b>  | <b>30,479</b>      | <b>31,591</b>           |
| <b>Total liabilities and net assets</b>                              | <b>74,930</b>      | <b>75,656</b>           |

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

Consolidated statements of income (cumulative)

(Millions of yen)

|   | Nine months ended<br>February 29, 2024 | Nine months ended<br>February 28, 2025 |
|---|--|--|
| Net sales   | 68,422                                 | 67,390                                 |
| Cost of sales   | 58,958                                 | 56,471                                 |
| Gross profit  | 9,463                                  | 10,919                                 |
| Selling, general and administrative expenses              | 6,698                                  | 6,849                                  |
| Operating profit  | 2,765                                  | 4,070                                  |
| Non-operating income                                      |  |  |
| Interest income   | 54                                     | 45                                     |
| Dividend income   | 1                                      | 1                                      |
| Rental income   | 45                                     | 51                                     |
| Gain on sale of scraps                                    | 49                                     | 46                                     |
| Compensation income                                       | 20                                     | 55                                     |
| Subsidy income  | 11                                     | 56                                     |
| Foreign exchange gains                                    | 20                                     | —                                      |
| Other   | 10                                     | 54                                     |
| Total non-operating income                                | 214                                    | 310                                    |
| Non-operating expenses                                    |  |  |
| Interest expenses   | 329                                    | 431                                    |
| Foreign exchange losses                                   | —                                      | 161                                    |
| Loss on Derivative  | 56                                     | 137                                    |
| Other   | 60                                     | 56                                     |
| Total non-operating expenses                              | 447                                    | 785                                    |
| Ordinary profit   | 2,532                                  | 3,595                                  |
| Extraordinary income                                      |  |  |
| Gain on sale of non-current assets                        | 7                                      | 0                                      |
| Gain on sale of investment securities                     | 1                                      | —                                      |
| National subsidies  | 24                                     | 25                                     |
| Total extraordinary income                                | 33                                     | 25                                     |
| Extraordinary losses                                      |  |  |
| Loss on retirement of non-current assets                  | 58                                     | 43                                     |
| Loss on sale of non-current assets                        | 21                                     | 8                                      |
| Extra retirement payments                                 | 34                                     | 30                                     |
| Loss on liquidation of subsidiaries and associates        | 1                                      | —                                      |
| Loss on tax purpose reduction entry of non-current assets | 24                                     | 25                                     |
| Total extraordinary losses                                | 140                                    | 107                                    |
| Profit before income taxes                                | 2,425                                  | 3,513                                  |
| Income taxes  | 763                                    | 904                                    |
| Profit  | 1,662                                  | 2,609                                  |
| Profit attributable to non-controlling interests          | 44                                     | 34                                     |
| Profit attributable to owners of parent                   | 1,617                                  | 2,574                                  |

## Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

|  | Nine months ended<br>February 29, 2024 | Nine months ended<br>February 28, 2025 |
|--|--|--|
| Profit   | 1,662                                  | 2,609                                  |
| Other comprehensive income                                     |  |  |
| Valuation difference on available-for-sale securities          | 4                                      | (3)                                    |
| Foreign currency translation adjustment                        | 1,227                                  | (870)                                  |
| Remeasurements of defined benefit plans, net of tax            | 36                                     | (7)                                    |
| Total other comprehensive income                               | 1,268                                  | (881)                                  |
| Comprehensive income   | 2,930                                  | 1,728                                  |
| Comprehensive income attributable to                           |  |  |
| Comprehensive income attributable to owners of parent          | 2,854                                  | 1,719                                  |
| Comprehensive income attributable to non-controlling interests | 75                                     | 8                                      |