



KNEMATS

Supplementary Material

Fourth Quarter Results for FY2025

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Earnings Summary

- For the fiscal year ended March 31, 2025 — the first year of the Medium-Term Management Plan “integration 1.0” — net profit attributable to owners of the parent amounted to ¥27.5 billion, achieving a new record high.
- For the fiscal year ending March 31, 2026, net profit is forecast to rise by ¥2.5 billion, reaching ¥30.0 billion.

Earnings Results					Forecast			
(Unit: JPY Bn)	FY2024	FY2025	YoY	Growth	(Unit: JPY Bn)	FY2025	FY2026 (forecast)	YoY
Revenue	986.0	1,050.9	+64.9	+7%	Revenue	1050.9	1,100.0	+49.1
Operating profit	43.9	42.1	(1.8)	(4%)	Operating profit	42.1	50.0	+7.9
Net profit ¹⁾	23.2	27.5	+4.3	+18%	Net profit	27.5	30.0	+2.5
Operating cash flows (adjusted) ²⁾	33.2	40.6	+7.4		Annual dividend per share	105 Yen	115 Yen	+10 Yen
CF from investing activities	(12.4)	1.4	+13.8		Dividend payout ratio	31.9%	32.0%	
	Mar 31, 2024	Mar 31, 2025	YoY					
Net D/E ratio ³⁾	1.00x	0.69x	(0.31x)					
Equity ratio ⁴⁾	22.0%	25.2%	+3.3%					

1) Net profit = Profit attributable to owners of the parent

2) Operating cash flows (adjusted) = Operating cash flows ± Change in working capital – Repayment of lease liabilities

3) Net D/E Ratio = Net interest-bearing debt ÷ total equity attributable to owners of the parent

4) Equity ratio = Shareholders' equity ÷ total assets

Profit and Loss

Earnings Results

(Unit: JPY Bn)	FY2024	FY2025	YoY	Growth
Revenue	986.0	1,050.9	+64.9	+7%
Gross profit	142.6	155.0	+12.4	+9%
Selling, general and administrative expenses	(106.2)	(115.1)	(9.0)	-
Other income (expenses)	7.5	2.2	(5.3)	(71%)
Operating profit	43.9	42.1	(1.8)	(4%)
Interest income (expenses)	(5.0)	(4.9)	+0.1	-
Dividend income	1.3	1.2	(0.1)	(6%)
Other finance income (costs)	(0.4)	(0.2)	+0.2	-
Finance income (costs)	(4.1)	(3.9)	+0.2	-
Share of profit (loss) of investments accounted for using the equity method, and Impairment loss on equity method investments	(2.6)	0.1	+2.6	-
Profit before tax	37.2	38.2	+1.0	+3%
Income tax expense	(12.7)	(11.8)	+0.9	-
Profit for the period	24.6	26.4	+1.9	+8%
Profit attributable to owners of the parent	23.2	27.5	+4.3	+18%

■ Revenue

Increased by ¥64.9 billion year-on-year primarily driven by the Electronics & Devices segment and the Motor Vehicles & Aerospace segment.

■ Operating profit

Despite an increase in gross profit, net profit declined by ¥1.8 billion, primarily due to goodwill impairment and other factors.

■ Profit before tax

Profit increased by ¥1.0 billion year-on-year, as the previous period included an impairment loss on equity method investments.

■ Profit attributable to owners of the parent

Achieved a record-high profit of ¥27.5 billion.

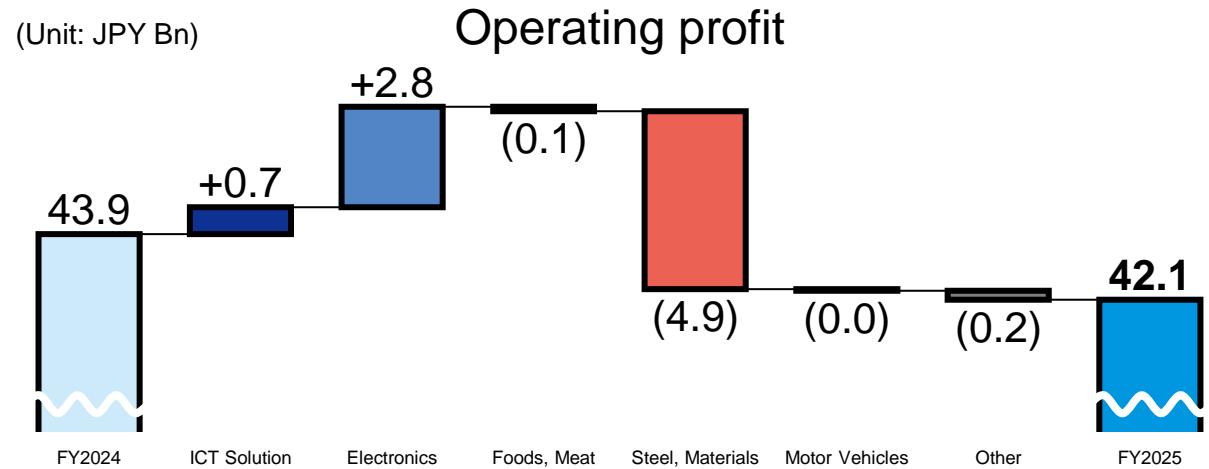
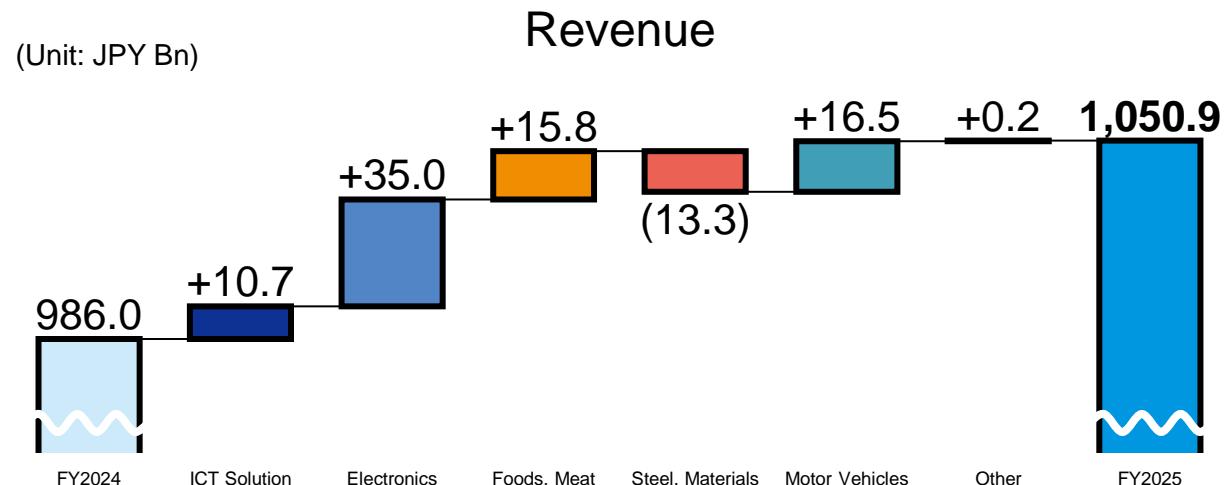
See page 4 for more details.

Forecast

(Unit: JPY Bn)	FY2025	FY2026 (forecast)	YoY
Revenue	1,050.9	1,100.0	+4.9%
Operating profit	42.1	50.0	+18.8%
Profit before tax	38.2	46.0	+20.5%
Profit attributable to owners of the parent	27.5	30.0	+9.1%
Profit attributable to owners of the parent		30.0	
(Unit: JPY Bn)			
	23.2	27.5	
			30.0
FY2024	FY2025	FY2026 (forecast)	

Segment Information

(Unit: JPY Bn)	FY2024	FY2025	YoY	Growth	FY2026 (forecast)	YoY
ICT Solution						
Revenue	88.8	99.5	+10.7	+12%	105.0	+5.5
Operating profit	13.9	14.7	+0.7	+5%	15.0	+0.3
Net profit ¹⁾	9.3	10.0	+0.6	+7%	10.5	+0.5
Electronics & Devices						
Revenue	236.4	271.4	+35.0	+15%	275.0	+3.6
Operating profit	8.6	11.4	+2.8	+32%	13.7	+2.3
Net profit	5.3	7.0	+1.7	+32%	8.9	+1.9
Foods, Meat & Grain						
Revenue	341.7	357.5	+15.8	+5%	385.0	+27.5
Operating profit	8.0	7.8	(0.1)	(2%)	8.1	+0.3
Net profit	3.5	3.1	(0.4)	(12%)	3.5	+0.4
Steel, Materials & Plant						
Revenue	211.7	198.4	(13.3)	(6%)	200.0	+1.6
Operating profit	8.5	3.5	(4.9)	(58%)	7.5	+4.0
Net profit	1.9	4.0	+2.1	+108%	3.8	(0.2)
Motor Vehicles & Aerospace						
Revenue	105.4	121.9	+16.5	+16%	130.0	+8.1
Operating profit	4.9	4.8	(0.0)	(1%)	5.8	+1.0
Net profit	3.0	3.2	+0.2	+8%	3.4	+0.2
Other (Including adjustment)						
Revenue	2.0	2.2	+0.2	+11%	5.0	+2.8
Operating profit	0.1	(0.2)	(0.2)	-	(0.1)	+0.1
Net profit	0.2	0.2	(0.0)	(1%)	(0.1)	(0.3)
Total						
Revenue	986.0	1,050.9	+64.9	+7%	1,100.0	+49.1
Operating profit	43.9	42.1	(1.8)	(4%)	50.0	+7.9
Net profit	23.2	27.5	+4.3	+18%	30.0	+2.5



Note: The full-year results for FY2024 have been reclassified from the former segment structure to the current segment structure based on audited figures.

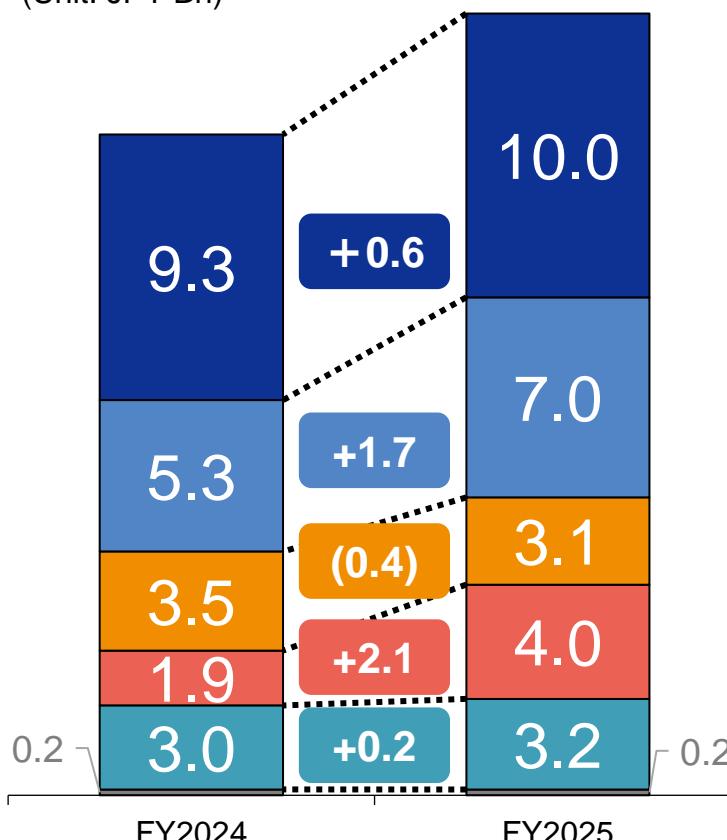
1) Net profit = Profit attributable to owners of the parent

Net Profit Breakdown

Profit Attributable to Owners of the Parent

■ ICT Solution ■ Electronics & Devices
■ Foods, Meat & Grain ■ Steel, Materials & Plant
■ Motor Vehicles & Aerospace ■ Other (Including adjustment)

(Unit: JPY Bn)



Note:
The full-year results for FY2024 have been reclassified from the former segment structure to the current segment structure based on audited figures.

ICT Solution

increased ¥0.6 billion

- Despite increased expenses for personnel and office renovations, profits grew due to robust performance in security-related services, as well as network and storage services, particularly in the manufacturing sector.

Electronics & Devices

increased ¥1.7 billion

- Mobile:** Profit grew due to the increase in directly operated stores, the expansion of sales channels, and the rise in sales volume, along with the growth of enterprise business, in contrast to the same period last year, when the costs related to store reorganization were incurred.
- Semiconductor Parts & Equipment Business:** While semiconductor parts business showed a slowdown compared to the strong performance of the previous year, and semiconductor equipment business struggled due to the slow recovery of the semiconductor market, profit still increased, partly because of mergers and acquisitions.
- Electronic Devices & Materials:** Profit declined due to the recognition of goodwill impairment losses.

Foods, Meat & Grain

decreased ¥0.4 billion

- Grain, Oilseeds & Feedstuff:** Driven by the firm performance of soybeans and other commodities, overall results remained largely flat.
- Foods:** Retail transactions and sales of beverage ingredients remained firm, resulting in overall performance staying nearly flat.
- Meat Products:** Sales struggled, leading to a decline in profit due to high overseas market prices, increased costs from yen depreciation, and sluggish domestic market conditions.

Steel, Materials & Plant

increased ¥2.1 billion

- Steel, Steel Tubing:** Despite the slowdown in steel tubing trades in North America, profit increased due to the absence of equity-method investment impairment losses recorded in the previous fiscal year.
- Plant:** Profit increased due to strong performance in ODA (Official Development Assistance) projects.
- Energy:** Due to sluggish demand, profit declined year-on-year compared to the strong performance in the previous fiscal year.

Motor Vehicles & Aerospace

increased ¥0.2 billion

- Aerospace:** Profits increased due to strong performance in aircraft and defense-related transactions.

Cash Flows

■ Cash flows from operating activities

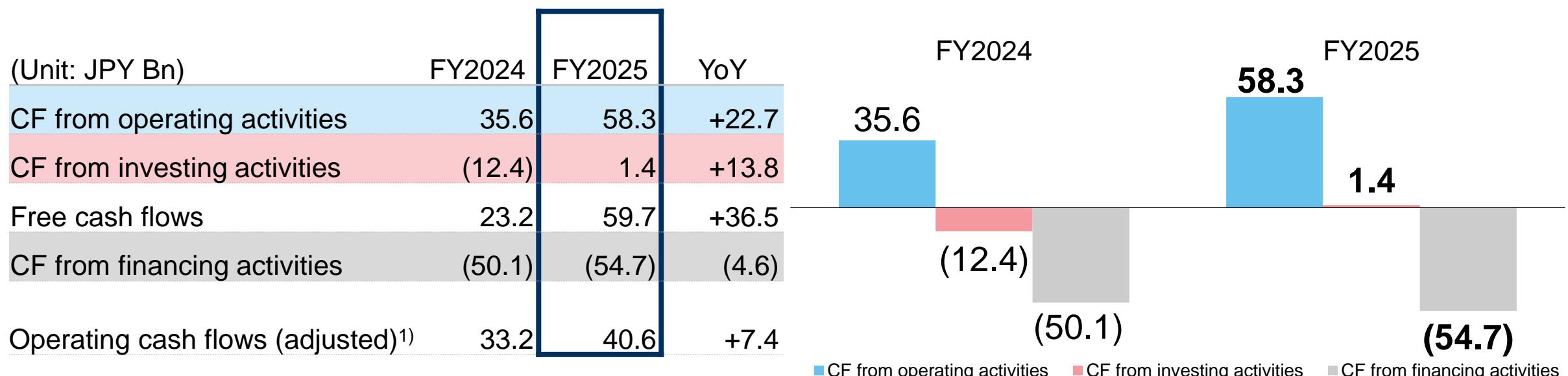
The cash inflow of 58.3 billion yen was primarily due to the accumulation of operating revenue.

■ Cash flows from investing activities

While there were expenditures for business investments, including the acquisition of property, plant and equipment, as well as subsidiaries, the sale of cross-shareholdings (other investments) resulted in a cash inflow of 1.4 billion yen.

■ Cash flows from financing activities

The cash outflow of 54.7 billion yen was primarily due to repayments of borrowings and lease liabilities, as well as dividend payments.



1) Operating cash flows (adjusted) = Operating cash flows ± Change in working capital – Repayment of lease liabilities

Financial Position

■ Total assets

A decrease of 36.0 billion yen due to a decrease in operating receivables, including the collection of accounts receivable, and the sale of cross-shareholdings.

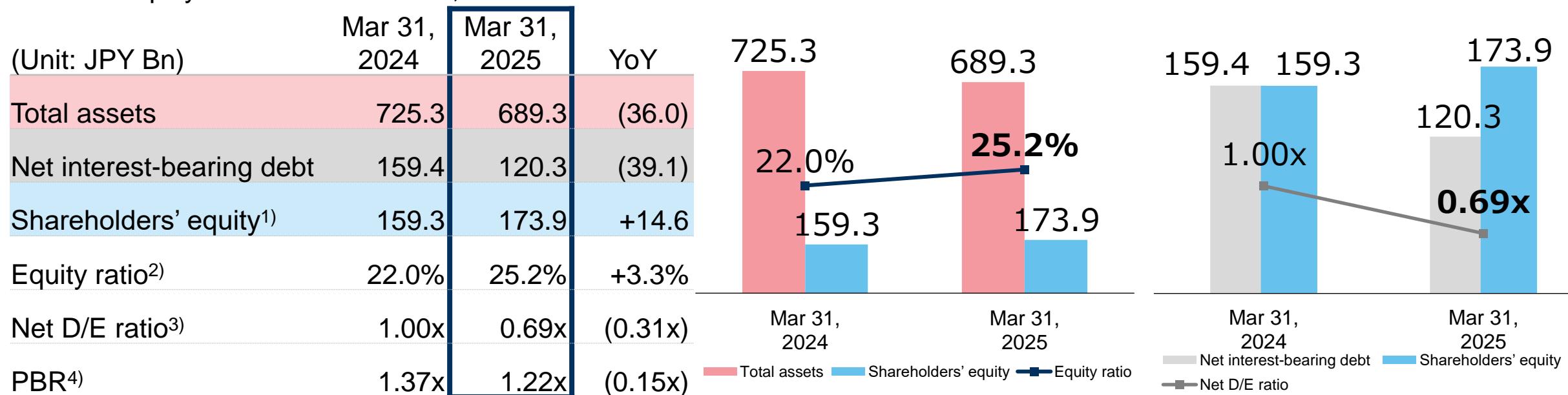
■ Net interest-bearing debt

A decrease of 39.1 billion yen due to repayments of borrowings resulting from a reduction in working capital and the sale of cross-shareholdings, as well as the redemption of bonds.

■ Shareholders' equity

An increase of 14.6 billion yen was mainly from the accumulation of profit attributable to owners of the parent.

The equity ratio reached 25.2%, with a net D/E ratio of 0.69x.



1) Shareholders' equity = Total equity attributable to owners of the parent

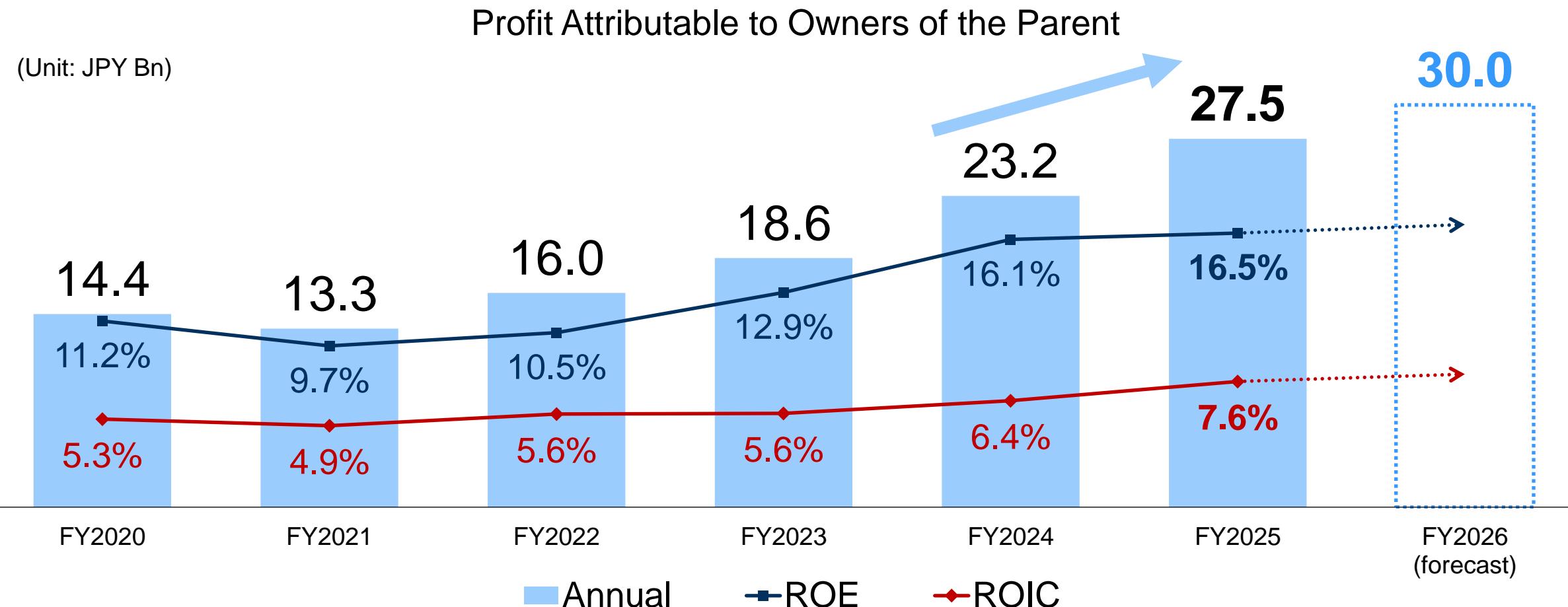
2) Equity ratio = Shareholders' equity ÷ total assets

3) Net D/E Ratio = Net interest-bearing debt ÷ total equity attributable to owners of the parent

4) PBR = Market cap at the end of the period (end stock price x number of issued shares) ÷ Equity capital

Annual Net Profit

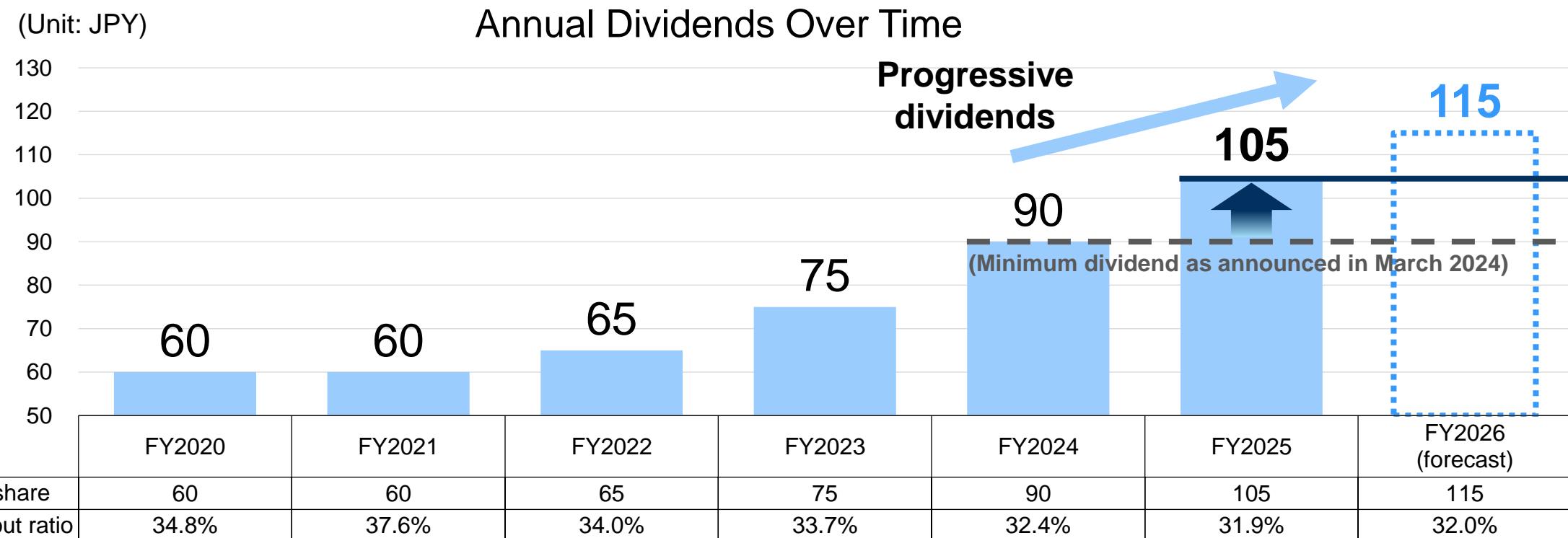
- Net profit¹⁾ for FY2025 increased by ¥4.3 billion year on year to ¥27.5 billion.
- Net profit for FY2026 is projected to increase by ¥2.5 billion to ¥30.0 billion.



1) Net profit = Profit attributable to owners of the parent

Dividends

- The annual dividend per share for FY2025 is ¥105.
- For FY2026, the minimum dividend has been raised from the initial ¥90 to ¥105, an increase of ¥15 from the previous year.
- A progressive dividend policy has been implemented, with a planned dividend of ¥115 per share (an increase of ¥10) for FY2026.
- With a target total return ratio of 30–35%, the policy is to increase dividends in accordance with the growth of net profit¹⁾.



1) Net profit = Profit attributable to owners of the parent



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