

Consolidated Financial Results < under Japanese GAAP >

For the Fiscal Year Ended March 31 ,2025

May 13 ,2025

Company name: Kitagawa Corporation
 Listing: Tokyo Stock Exchange
 Securities code: 6317
 URL: <https://www.kiw.co.jp/>
 Representative: Kimio Okano, Representative Director, President and Executive Officer
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 Scheduled date of annual general meeting of shareholders: June 20 ,2025
 Scheduled date to file annual securities report: June 19 ,2025
 Scheduled date to commence dividend payments: June 23 ,2025
 Preparation of supplementary material on annual financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(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 (% indicate change from same period of the previous fiscal year.)

	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	57,280	(7.0)	1,872	11.4	2,315	(3.9)	1,246	(1.6)
March 31 ,2024	61,567	3.1	1,680	762.0	2,409	133.0	1,267	—

Note Comprehensive income : For the fiscal year ended March 31 ,2025 2,291 million yen (31.4) %
 For the fiscal year ended March 31 ,2024 3,341 million yen 225.9 %

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31 ,2025	135.00	—	3.1	2.9	3.3
March 31 ,2024	137.27	—	3.3	3.1	2.7

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31 ,2025 299 million yen
 For the fiscal year ended March 31 ,2024 43 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	yen
March 31 ,2025	82,000	41,739	50.9	4,517.11
March 31 ,2024	80,142	40,031	49.9	4,336.42

Reference: Equity
 As of March 31 ,2025 41,734 million yen
 As of March 31 ,2024 40,027 million yen

(3) Consolidated cash flow

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
As of	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31 ,2025	6,152	(2,728)	(2,835)	11,208
March 31 ,2024	4,880	(3,080)	292	10,367

2. Dividends

	dividends per share					Total dividends paid (annual)	Payout ratio (consolidated)	Dividends to net assets(consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY March 2024	—	0.00	—	40.00	40.00	369	29.1	1.0
FY March 2025	—	25.00	—	25.00	50.00	461	37.0	1.1
FY March 2026 (forecast)	—	35.00	—	43.00	78.00		30.0	

3. Consolidated Financial Forecast(April 1 ,2025 through March 31 ,2026)

(% indicate change from full of the previous fiscal year and first half of the previous fiscal year, respectively.)

	Net sales		Operating income		ordinary income		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
2Q(first half)	29,500	3.7	500	24.4	600	(18.3)	1,900	412.8	205.77
Full year	58,300	1.8	1,700	(9.2)	1,800	(22.3)	2,400	92.5	259.84

Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): No

Newly included: —

Excluded: —

- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: No
- (iii) Changes in accounting estimates: No
- (iv) Restatement: No

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

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

As of March 31 ,2025	9,650,803	shares
As of March 31 ,2024	9,650,803	shares

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

As of March 31 ,2025	411,583	shares
As of March 31 ,2024	420,342	shares

- (iii) Average number of shares outstanding during the period

For the fiscal year ended March 31 ,2025	9,236,552	shares
For the fiscal year ended March 31 ,2024	9,231,056	shares

(Reference) Non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31 ,2025

(1) Non-consolidated operating results

(% indicate change from same period of the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Net profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31 ,2025	47,623	(7.9)	1,502	(18.4)	2,080	(31.1)	1,236	5.2
March 31 ,2024	51,713	(4.3)	1,842	33.3	3,019	2.9	1,175	207.9

	Earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31 ,2025	133.92	—
March 31 ,2024	127.37	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	yen
March 31 ,2025	73,392	37,376	50.9	4,045.42
March 31 ,2024	74,382	36,872	49.6	3,994.67

Reference:

Equity

As of March 31 ,2025

37,376 million yen

As of March 31 ,2024

36,872 million yen

Financial results reports are exempt from review conducted by certified public accountants or an audit firm.

Explanation for the appropriate use of performance forecasts and other special notes:

The statements regarding forecast of financial results in this report are based on the information that is available, as well as estimates, assumptions and projections that are believed to be reasonable at the time of publication, and they are not meant to be a commitment by the Company. Therefore, there might be cases in which actual results differ from forecast values.

Consolidated Financial Statements
(1) Consolidated Balance Sheets

(Millions of yen)

	As of	March 31,2024	March 31,2025
Assets			
Current assets			
Cash and deposits		10,646	11,503
Notes receivable - trade		526	458
Accounts receivable - trade		8,336	7,937
Contract assets		693	385
Electronically recorded monetary claims - operating		7,843	6,304
Merchandise and finished goods		4,098	4,716
Work in process		6,246	5,974
Raw materials and supplies		2,664	3,059
Other		1,031	1,175
Allowance for doubtful accounts		(16)	(14)
Total current assets		42,070	41,500
Non-current assets			
Property, plant and equipment			
Buildings and structures		18,920	21,096
Accumulated depreciation		(11,537)	(12,441)
Buildings and structures, net		7,383	8,655
Machinery, equipment and vehicles		50,679	47,054
Accumulated depreciation		(39,145)	(35,933)
Machinery, equipment and vehicles, net		11,533	11,121
Land		4,006	4,190
Leased assets		342	404
Accumulated depreciation		(163)	(187)
Leased assets, net		179	217
Construction in progress		1,671	2,402
Other		3,148	3,314
Accumulated depreciation		(2,680)	(2,749)
Other, net		468	564
Total property, plant and equipment		25,242	27,151
Intangible assets			
Goodwill		622	534
Other		564	548
Total intangible assets		1,186	1,082
Investments and other assets			
Investment securities		4,333	4,323
Deferred tax assets		62	54
Retirement benefit asset		6,994	7,736
Other		294	194
Allowance for doubtful accounts		(43)	(42)
Total investments and other assets		11,642	12,265
Total non-current assets		38,072	40,500
Total assets		80,142	82,000

(Millions of yen)

As of	March 31,2024	March 31,2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,044	3,696
Electronically recorded obligations - operating	6,042	5,602
Short-term borrowings	4,230	3,648
Current portion of bonds payable	10	—
Current portion of long-term borrowings	3,404	1,875
Lease liabilities	42	50
Income taxes payable	963	495
Contract liabilities	2,934	3,419
Advances received	—	2,412
Provision for bonuses	659	672
Provision for bonuses for directors (and other officers)	27	27
Provision for product warranties	133	109
Provision for compensation	183	—
Asset retirement obligations	—	137
Other	2,337	3,259
Total current liabilities	25,013	25,407
Non-current liabilities		
Long-term borrowings	8,452	8,337
Lease liabilities	102	134
Deferred tax liabilities	1,527	1,824
Provision for environmental measures	25	—
Retirement benefit liability	4,841	4,408
Other	146	148
Total non-current liabilities	15,097	14,853
Total liabilities	40,111	40,260
Net assets		
Shareholders' equity		
Share capital	8,640	8,640
Capital surplus	5,080	4,893
Retained earnings	21,186	22,017
Treasury shares	(795)	(777)
Total shareholders' equity	34,112	34,773
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,043	1,896
Deferred gains or losses on hedges	—	(0)
Foreign currency translation adjustment	2,237	3,501
Remeasurements of defined benefit plans	1,634	1,562
Total accumulated other comprehensive income	5,914	6,960
Non-controlling interests	4	4
Total net assets	40,031	41,739
Total liabilities and net assets	80,142	82,000

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

(Millions of yen)

	For the years ended	March 31,2024	March 31,2025
Net sales		61,567	57,280
Cost of sales		53,059	48,170
Gross profit		8,508	9,109
Selling, general and administrative expenses		6,827	7,236
Operating profit		1,680	1,872
Non-operating income			
Interest income		121	40
Dividend income		101	120
Share of profit of entities accounted for using equity method		43	299
Foreign exchange gains		318	14
Rental income from real estate		54	54
Gain on sale of scraps		247	196
Other		244	279
Total non-operating income		1,131	1,004
Non-operating expenses			
Interest expenses		309	382
Depreciation		40	139
Other		51	40
Total non-operating expenses		402	561
Ordinary profit		2,409	2,315
Extraordinary income			
Gain on sale of non-current assets		90	151
Gain on sale of investment securities		587	—
Subsidy income		105	—
Insurance claim income		—	135
Total extraordinary income		783	286
Extraordinary losses			
Loss on sale of non-current assets		—	168
Loss on retirement of non-current assets		248	40
Impairment losses		—	30
Provision of loss reserve for loss compensation		183	—
Restructuring expenses		317	—
Loss Compensation		—	32
Total extraordinary losses		748	271
Profit before income taxes		2,444	2,330
Income taxes - current		1,125	753
Income taxes - deferred		80	331
Total income taxes		1,206	1,085
Profit		1,238	1,245
Loss attributable to non-controlling interests		(28)	(1)
Profit attributable to owners of parent		1,267	1,246

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	For the years ended	March 31,2024	March 31,2025
Profit		1,238	1,245
Other comprehensive income			
Valuation difference on available-for-sale securities		463	(147)
Deferred gains or losses on hedges		—	(0)
Foreign currency translation adjustment		(23)	1,224
Remeasurements of defined benefit plans, net of tax		1,645	(71)
Share of other comprehensive income of entities accounted for using equity method		18	40
Total other comprehensive income		2,103	1,046
Comprehensive income		3,341	2,291
Comprehensive income attributable to			
Comprehensive income attributable to owners of parent		3,352	2,293
Comprehensive income attributable to non-controlling interests		(10)	(1)

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	For the years ended	March 31, 2024	March 31, 2025
Cash flows from operating activities			
Profit before income taxes		2,444	2,330
Depreciation		3,495	3,108
Impairment losses		—	30
Amortization of goodwill		44	88
Increase (decrease) in allowance for doubtful accounts		(2)	(1)
Increase (decrease) in provision for bonuses		95	12
Increase (decrease) in provision for bonuses for directors (and other officers)		27	—
Increase (decrease) in provision for product warranties		34	(24)
Increase (decrease) in provision for loss compensation		183	(183)
Increase (decrease) in provision for environmental measures		(5)	(25)
Increase (decrease) in retirement benefit liability		(352)	(84)
Interest and dividend income		(223)	(160)
Interest expenses		309	382
Share of loss (profit) of entities accounted for using equity method		(43)	(299)
Loss on retirement of property, plant and equipment		248	40
Loss (gain) on sale of investment securities		(587)	(73)
Subsidy income		(105)	—
Decrease (increase) in trade receivables		2,290	2,400
Decrease (increase) in inventories		(297)	(543)
Increase (decrease) in trade payables		(2,357)	(858)
Increase (decrease) in accrued consumption taxes		107	(58)
Increase (decrease) in advances received		—	2,412
Other, net		251	(990)
Subtotal		5,557	7,502
Interest and dividends received		208	251
Interest paid		(307)	(384)
Income taxes paid		(578)	(1,216)
Net cash provided by (used in) operating activities		4,880	6,152
Cash flows from investing activities			
Purchase of property, plant and equipment		(2,947)	(3,209)
Proceeds from sale of property, plant and equipment		316	296
Purchase of investment securities		(13)	(46)
Proceeds from sale of investment securities		739	120
Purchase of shares of subsidiaries resulting in change in scope of consolidation		(1,140)	—
Proceeds from collection of loans receivable		74	200
Other, net		(108)	(88)
Net cash provided by (used in) investing activities		(3,080)	(2,728)

(Millions of yen)

	For the years ended	March 31,2024	March 31,2025
Cash flows from financing activities			
Net increase (decrease) in short-term borrowings		(381)	(572)
Proceeds from long-term borrowings		3,741	1,800
Repayments of long-term borrowings		(2,630)	(3,407)
Redemption of bonds		(5)	(10)
Purchase of treasury shares		(1)	(1)
Repayments of lease liabilities		(55)	(44)
Dividends paid		—	(600)
Proceeds from share issuance to non-controlling shareholders		—	1
Purchase of shares of subsidiaries not resulting in change in scope of consolidation		(375)	—
Net cash provided by (used in) financing activities		292	(2,835)
Effect of exchange rate change on cash and cash equivalents		125	253
Net increase (decrease) in cash and cash equivalents		2,218	841
Cash and cash equivalents at beginning of period		8,148	10,367
Cash and cash equivalents at end of period		10,367	11,208

Segment Information

Industry Segment Information

Changes in reportable segments

From the current interim consolidated accounting period, "Semiconductor equipment," which was previously included in "Other," is now reported as a reportable segment due to its increased quantitative importance.

Segment information for the previous interim period is presented based on the classification method after the change.

The Fiscal year ended March 31,2024

(Millions of yen)

	Reportable segment					Other	Total
	Kitagawa Global hand Company	Kitagawa Sun Tech Company	Kitagawa Material Technology Company	Semiconductor equipment	Total		
Net sales							
Unaffiliated customers	9,233	19,738	29,804	1,363	60,139	1,427	61,567
Intersegment	94	0	148	—	243	—	243
Total	9,328	19,738	29,952	1,363	60,383	1,427	61,811
Operating profit (loss)	761	1,141	102	207	2,212	170	2,383
Assets	13,038	18,340	28,643	3,219	63,241	607	63,848
Other items							
Depreciation	440	286	2,429	22	3,179	56	3,235
Amortization of goodwill	—	—	—	44	44	—	44
Extraordinary losses (Impairment losses)	—	—	—	—	—	—	—
Increase (decrease) in tangible and intangible assets	711	397	1,259	683	3,052	85	3,137

Note: Kemet Japan Co.,Ltd. and System Seiko Co.,Ltd. have been consolidated subsidiaries of the Company since the third quarter of the consolidated fiscal year. The operations of this company are included in "Semiconductor equipment,". Since September 30, 2023 is the deemed acquisition date, the income statements for the six-month period have been consolidated.

The Fiscal year ended March 31,2025

(Millions of yen)

	Reportable segment					Other	Total
	Kitagawa Global hand Company	Kitagawa Sun Tech Company	Kitagawa Material Technology Company	Semiconductor equipment	Total		
Net sales							
Unaffiliated customers	9,031	20,004	24,725	2,512	56,274	1,005	57,280
Intersegment	21	0	182	14	219	16	235
Total	9,053	20,005	24,907	2,527	56,493	1,022	57,516
Operating profit (loss)	427	1,668	(128)	586	2,554	0	2,554
Assets	13,100	19,177	27,793	3,261	63,331	596	63,928
Other items							
Depreciation	467	274	1,881	50	2,674	41	2,716
Amortization of goodwill	—	—	—	88	88	—	88
Extraordinary losses (Impairment losses)	30	—	—	—	30	—	30
Increase (decrease) in tangible and intangible assets	2,150	147	1,232	345	3,876	34	3,911

Difference between reportable segment total and consolidated financial statement amounts and main factors in the difference
(related to difference adjustment)

(Millions of yen)

Net sales	Fiscal year ended March 31,2024	Fiscal year ended March 31,2025
Reportable segment total	60,383	56,493
Net sales for Other	1,427	1,022
Elimination of intersegment transaction	(243)	(235)
Net sales in consolidated financial statements	61,567	57,280

(Millions of yen)

Earnings	Fiscal year ended March 31,2024	Fiscal year ended March 31,2025
Reportable segment total	2,212	2,554
Earnings for Other	170	0
Corporate expenses (note)	(702)	(681)
Operating profit in consolidated financial statements	1,680	1,872

Note: Corporate expenses are expenses of administrative divisions of company that are not attributable to reportable segments.

(Millions of yen)

Assets	Fiscal year ended March 31,2024	Fiscal year ended March 31,2025
Reportable segment total	63,241	63,331
Assets in Other	607	596
Corporate assets(note)	16,294	18,071
Total assets in consolidated financial statements	80,142	82,000

Note: Assets in Other are surplus funds managed by the company,Cross-Shareholdings and assets associated with administrative divisions.

(Millions of yen)

	Reportable segment		Other		Adjustment		Amount in consolidated financial statements	
	Fiscal year ended March 31,2024	Fiscal year ended March 31,2025	Fiscal year ended March 31,2024	Fiscal year ended March 31,2025	Fiscal year ended March 31,2024	Fiscal year ended March 31,2025	Fiscal year ended March 31,2024	Fiscal year ended March 31,2025
Depreciation(note1)	3,179	2,674	56	41	259	392	3,495	3,108
Amortization of goodwill	44	88	—	—	—	—	44	88
Extraordinary losses (Impairment losses)	—	30	—	—	—	—	—	30
Increase (decrease) in tangible and intangible assets(note2)	3,052	3,876	85	34	94	461	3,232	4,372

Note1: Adjustments for depreciation refers to depreciation expenses related to corporate assets.

Note2: Adjustments for Increase (decrease) in tangible and intangible assets refer to the acquisition of corporate assets.