



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

May 14, 2025

Company name: Kyosan Electric Manufacturing Co.,Ltd.

Listing: Tokyo Stock Exchange

Securities code: 6742

URL: <https://www.kyosan.co.jp>

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Scheduled date of annual general meeting of shareholders: June 25, 2025

Scheduled date to commence dividend payments: June 26, 2025

Scheduled date to file annual securities report: June 24, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

Representative Director, President

Financial Management Headquarters

General Manager of Finance & Accounting Dept.

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	85,367	21.0	6,112	145.3	6,646	103.9	4,783	39.3
March 31, 2024	70,525	(2.5)	2,491	12.9	3,259	21.5	3,434	65.8

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ 3,318 million [(26.8) %]
Fiscal year ended March 31, 2024: ¥ 4,531 million [87.4%]

	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
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	76.28	-	9.4	5.2	7.2
March 31, 2024	54.76	-	7.2	2.7	3.5

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2025: ¥ 466 million
Fiscal year ended March 31, 2024: ¥ 348 million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	126,005	51,711	41.0	824.52
March 31, 2024	129,563	49,647	38.3	791.61

(Reference) Equity: As of March 31, 2025: ¥ 51,711 million
As of March 31, 2024: ¥ 49,647 million

(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
Fiscal year ended March 31, 2025	3,743	(317)	(4,452)	8,132
March 31, 2024	(5,905)	1,717	7,407	9,183

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	-	5.00	-	15.00	20.00	1,254	36.5	2.6
March 31, 2025	-	5.00	-	18.00	23.00	1,443	30.2	2.8
Fiscal year ending March 31, 2026 (Forecast)	-	5.00	-	18.00	23.00		41.2	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (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
Six months ending September 30, 2025	30,700	17.2	(1,650)	-	(1,350)	-	(920)	-	(14.67)
Full year	86,000	0.7	4,700	(23.1)	5,000	(24.8)	3,500	(26.8)	55.81

* Notes:

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

None

Newly included: - (Company name: -)
Excluded: - (Company name: -)

(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: None
- 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):

March 31, 2025: 62,844,251 shares

March 31, 2024: 62,844,251 shares

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

March 31, 2025: 127,015 shares

March 31, 2024: 126,963 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2025: 62,717,254 shares

Fiscal Year ended March 31, 2024: 62,717,326 shares

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

* Proper use of earnings forecasts, and other special matters

The forecasts and other forward-looking statements in this document are based on information currently available to the Company and certain assumptions deemed to be reasonable.

Actual results may differ materially from these forecasts due to various factors.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	9,487	8,170
Notes receivable - trade	303	311
Electronically recorded monetary claims - operating	1,376	2,682
Accounts receivable - trade	20,087	21,066
Contract assets	9,952	6,771
Finished goods	4,740	4,889
Semi-finished goods	10,398	11,947
Work in process	34,845	33,364
Raw materials and supplies	513	434
Other	3,167	3,195
Total current assets	94,873	92,833
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,925	9,406
Machinery, equipment and vehicles, net	494	636
Tools, furniture and fixtures, net	1,029	822
Land	2,527	2,527
Leased assets, net	740	604
Construction in progress	156	247
Total property, plant and equipment	14,873	14,245
Intangible assets	566	449
Investments and other assets		
Investment securities	13,868	11,991
Deferred tax assets	3,262	4,130
Retirement benefit asset	25	0
Other	2,102	2,363
Allowance for doubtful accounts	(9)	(9)
Total investments and other assets	19,249	18,477
Total non-current assets	34,689	33,171
Total assets	129,563	126,005

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,313	9,410
Electronically recorded obligations - operating	5,378	3,021
Contract liabilities	14,149	13,786
Short-term borrowings	21,000	15,700
Current portion of long-term borrowings	7,200	5,500
Income taxes payable	2,082	2,482
Provision for bonuses for directors (and other officers)	148	250
Provision for loss on orders received	1,169	1,223
Provision for product warranties	-	95
Other	6,116	6,967
Total current liabilities	67,556	58,437
Non-current liabilities		
Long-term borrowings	7,800	11,800
Retirement benefit liability	3,749	3,350
Asset retirement obligations	129	123
Provision for product warranties	48	31
Deferred tax liabilities	3	6
Other	628	543
Total non-current liabilities	12,359	15,855
Total liabilities	79,916	74,293
Net assets		
Shareholders' equity		
Share capital	6,270	6,270
Capital surplus	4,625	4,625
Retained earnings	32,871	36,400
Treasury shares	(45)	(45)
Total shareholders' equity	43,722	47,251
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,691	3,152
Foreign currency translation adjustment	755	614
Remeasurements of defined benefit plans	478	693
Total accumulated other comprehensive income	5,925	4,460
Total net assets	49,647	51,711
Total liabilities and net assets	129,563	126,005

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	70,525	85,367
Cost of sales	56,232	66,641
Gross profit	14,293	18,725
Selling, general and administrative expenses		
Salaries and allowances	3,177	3,454
Bonuses	933	1,254
Provision for bonuses for directors (and other officers)	147	222
Retirement benefit expenses	195	170
Depreciation	392	350
Packing and delivery expenses	1,045	1,186
Provision of allowance for doubtful accounts	(0)	-
Other	5,908	5,974
Total selling, general and administrative expenses	11,801	12,613
Operating profit	2,491	6,112
Non-operating income		
Dividend income	185	180
Insurance claim income	188	172
Share of profit of entities accounted for using equity method	348	466
Foreign exchange gains	86	-
Other	188	208
Total non-operating income	996	1,027
Non-operating expenses		
Interest expenses	142	276
Financing expenses	42	71
Foreign exchange losses	-	101
Other	42	43
Total non-operating expenses	228	493
Ordinary profit	3,259	6,646
Extraordinary income		
Gain on sale of non-current assets	0	16
Gain on sale of investment securities	1,855	253
Total extraordinary income	1,855	270
Extraordinary losses		
Loss on sale and retirement of non-current assets	23	20
Loss on sale of investment securities	-	2
Loss on valuation of shares of subsidiaries and associates	-	7
Impairment losses	-	29
Total extraordinary losses	23	59
Profit before income taxes	5,092	6,857

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Income taxes - current	1,785	2,440
Income taxes - deferred	(128)	(366)
Total income taxes	1,657	2,073
Profit	3,434	4,783
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	3,434	4,783

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	3,434	4,783
Other comprehensive income		
Valuation difference on available-for-sale securities	310	(1,539)
Foreign currency translation adjustment	400	(88)
Remeasurements of defined benefit plans, net of tax	261	215
Share of other comprehensive income of entities accounted for using equity method	125	(52)
Total other comprehensive income	1,097	(1,465)
Comprehensive income	4,531	3,318
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,531	3,318
Comprehensive income attributable to non-controlling interests	-	-

(3) Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,270	4,625	30,566	(45)	41,416
Changes during period					
Dividends of surplus			(1,129)		(1,129)
Profit attributable to owners of parent			3,434		3,434
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	2,305	(0)	2,305
Balance at end of period	6,270	4,625	32,871	(45)	43,722

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	4,381	230	217	4,828	46,245
Changes during period					
Dividends of surplus					(1,129)
Profit attributable to owners of parent					3,434
Purchase of treasury shares					(0)
Net changes in items other than shareholders' equity	310	525	261	1,097	1,097
Total changes during period	310	525	261	1,097	3,402
Balance at end of period	4,691	755	478	5,925	49,647

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,270	4,625	32,871	(45)	43,722
Changes during period					
Dividends of surplus			(1,254)		(1,254)
Profit attributable to owners of parent			4,783		4,783
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	3,529	(0)	3,529
Balance at end of period	6,270	4,625	36,400	(45)	47,251

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	4,691	755	478	5,925	49,647
Changes during period					
Dividends of surplus					(1,254)
Profit attributable to owners of parent					4,783
Purchase of treasury shares					(0)
Net changes in items other than shareholders' equity	(1,539)	(141)	215	(1,465)	(1,465)
Total changes during period	(1,539)	(141)	215	(1,465)	2,063
Balance at end of period	3,152	614	693	4,460	51,711

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	5,092	6,857
Depreciation	1,872	1,925
Impairment losses	-	29
Increase (decrease) in allowance for doubtful accounts	(0)	0
Increase (decrease) in retirement benefit liability	143	(74)
Loss (gain) on sale and retirement of non-current assets	23	3
Loss (gain) on sale of investment securities	(1,855)	(251)
Share of loss (profit) of entities accounted for using equity method	(348)	(466)
Interest and dividend income	(261)	(266)
Interest expenses	142	276
Decrease (increase) in trade receivables	(5,579)	740
Decrease (increase) in inventories	(6,317)	(156)
Increase (decrease) in trade payables	(1,454)	(3,165)
Increase (decrease) in contract liabilities	3,110	(363)
Other, net	252	693
Subtotal	(5,179)	5,781
Interest and dividends received	268	280
Interest paid	(124)	(267)
Income taxes paid	(869)	(2,050)
Net cash provided by (used in) operating activities	(5,905)	3,743
Cash flows from investing activities		
Payments into time deposits	(1,514)	(1,353)
Proceeds from withdrawal of time deposits	1,232	1,622
Purchase of investment securities	(23)	(19)
Proceeds from sale of investment securities	2,920	376
Purchase of property, plant and equipment	(828)	(958)
Proceeds from sale of property, plant and equipment	1	3
Purchase of intangible assets	(96)	(44)
Other, net	26	57
Net cash provided by (used in) investing activities	1,717	(317)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	6,015	(5,300)
Proceeds from long-term borrowings	5,000	10,000
Repayments of long-term borrowings	(2,283)	(7,700)
Dividends paid	(1,129)	(1,254)
Other, net	(195)	(197)
Net cash provided by (used in) financing activities	7,407	(4,452)
Effect of exchange rate change on cash and cash equivalents	270	(24)
Net increase (decrease) in cash and cash equivalents	3,490	(1,051)
Cash and cash equivalents at beginning of period	5,693	9,183
Cash and cash equivalents at end of period	9,183	8,132