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May 14, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)



Company name: Kyokuto Boeki Kaisha, Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 8093
 URL: <https://www.kbk.co.jp>
 Representative: Yoshiya Okada, President and Chief Executive Officer
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 Telephone: +81-3-3244-3558
 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 (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

(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	52,982	21.4	2,038	83.3	2,525	69.8	3,717	221.4
March 31, 2024	43,660	2.4	1,112	11.2	1,487	(2.4)	1,156	13.7

Note: Comprehensive income For the fiscal year ended March 31, 2025: ¥4,976 million [59.6%]
 For the fiscal year ended March 31, 2024: ¥3,118 million [84.8%]

	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	301.69	-	13.5	4.7	3.8
March 31, 2024	93.86	-	4.7	3.2	2.5

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2025: ¥135 million
 For the fiscal year ended March 31, 2024: ¥72 million

(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	58,010	29,356	50.6	2,401.99
March 31, 2024	49,646	25,690	51.7	2,083.59

Reference: Equity
 As of March 31, 2025: ¥29,356 million
 As of March 31, 2024: ¥25,685 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 end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	(798)	245	1,120	8,439
March 31, 2024	(1,010)	353	(498)	7,065

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	-	37.50	-	56.00	93.50	1,152	99.6	4.6
Fiscal year ended March 31, 2025	-	35.00	-	35.00	70.00	859	23.2	3.1
Fiscal year ending March 31, 2026 (Forecast)	-	35.00	-	35.00	70.00		53.9	

Reference: Payout ratio (consolidated) for the fiscal year ended March 31, 2025 is 54.6% when excluding the impact of gain on bargain purchase recorded in the fiscal year ended March 31, 2025.

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	57,000	7.6	1,800	(11.7)	2,100	(16.8)	1,600	(57.0)	129.85

Reference: The year-on-year change in profit attributable to owners of parent in the consolidated financial results forecast for the fiscal year ending March 31, 2026 is 1.3%, based on the comparison with profit attributable to owners of parent for the fiscal year ended March 31, 2025, excluding the impact of gain on bargain purchase recorded in that year.

*** Notes**

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

Newly included: 7 companies

(Company name) Sanko Shokai Co., Ltd., Wellston Trading Corporation., and five other companies

Excluded: - companies

(Company name) -

(Note) For details, please refer to “2. Status of the Corporate Group” on page 5 and “4. Consolidated Financial Statements and Principal Notes (Business combinations, etc.)” on page 29 of the attachments.

(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: None

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

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(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	12,471,836 shares
As of March 31, 2024	12,991,836 shares

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

As of March 31, 2025	250,074 shares
As of March 31, 2024	664,352 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	12,321,676 shares
Fiscal year ended March 31, 2024	12,323,151 shares

[Reference] Overview of non-consolidated financial results

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		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	13,201	11.5	383	304.9	1,220	(1.1)	895	(34.6)
March 31, 2024	11,843	15.1	94	-	1,233	38.4	1,369	54.4

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	72.72	-
March 31, 2024	111.16	-

(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	42,926	16,399	38.2	1,341.80
March 31, 2024	39,233	16,554	42.2	1,342.87

Reference: Equity

As of March 31, 2025: ¥16,399 million

As of March 31, 2024: ¥16,554 million

* 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 forward-looking statements such as the financial results forecast contained in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable. These statements are not intended as a guarantee of future performance. Actual results may differ significantly from these forecasts due to various factors. For the assumptions underlying the financial results forecasts and notes regarding the use of such forecasts, please refer to “1. Overview of Operating Results, etc. (4) Future Outlook” on page 4 of the [Attachments].

4. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheet

(Unit: Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	8,640	8,834
Notes and accounts receivable - trade, and contract assets	16,025	20,891
Electronically recorded monetary claims - operating	3,629	3,574
Merchandise and finished goods	4,641	6,749
Work in process	63	81
Raw materials and supplies	363	645
Advance payments to suppliers	2,667	1,513
Other	1,383	1,535
Allowance for doubtful accounts	(79)	(137)
Total current assets	37,334	43,688
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,901	1,954
Accumulated depreciation	(1,308)	(1,349)
Buildings and structures, net	593	604
Machinery, equipment and vehicles	854	856
Accumulated depreciation	(676)	(688)
Machinery, equipment and vehicles, net	177	168
Tools, furniture and fixtures	1,179	1,264
Accumulated depreciation	(1,033)	(1,073)
Tools, furniture and fixtures, net	145	190
Right of use assets	263	351
Accumulated depreciation	(142)	(140)
Right of use assets, net	120	211
Leased assets	83	74
Accumulated depreciation	(51)	(52)
Leased assets, net	31	21
Land	1,127	1,301
Construction in progress	21	3
Total property, plant and equipment	2,217	2,501
Intangible assets		
Goodwill	-	240
Other	286	201
Total intangible assets	286	442
Investments and other assets		
Investment securities	7,967	9,405
Long-term loans receivable	0	-
Other	1,853	1,988
Allowance for doubtful accounts	(13)	(15)
Total investments and other assets	9,808	11,377
Total non-current assets	12,311	14,321
Total assets	49,646	58,010

(Unit: Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,193	12,641
Electronically recorded obligations - operating	2,983	2,050
Short-term borrowings	3,707	6,577
Lease liabilities	93	117
Income taxes payable	238	543
Contract liabilities	2,647	1,553
Provision for bonuses	308	380
Other	1,031	937
Total current liabilities	21,204	24,801
Non-current liabilities		
Bonds payable	-	100
Long-term borrowings	400	731
Lease liabilities	64	120
Long-term accounts payable - other	59	65
Deferred tax liabilities	932	1,562
Retirement benefit liability	1,283	1,265
Asset retirement obligations	11	6
Total non-current liabilities	2,752	3,852
Total liabilities	23,956	28,653
Net assets		
Shareholders' equity		
Share capital	5,496	5,496
Capital surplus	7,951	7,935
Retained earnings	8,721	10,760
Treasury shares	(669)	(277)
Total shareholders' equity	21,500	23,914
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,504	2,709
Deferred gains or losses on hedges	18	8
Foreign currency translation adjustment	1,629	2,707
Remeasurements of defined benefit plans	31	16
Total accumulated other comprehensive income	4,184	5,441
Non-controlling interests	5	-
Total net assets	25,690	29,356
Total liabilities and net assets	49,646	58,010

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

(Unit: Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	43,660	52,982
Cost of sales	34,545	42,050
Gross profit	9,115	10,931
Selling, general and administrative expenses		
Remuneration, salaries and allowances for directors (and other officers)	3,296	3,530
Employees' bonuses	295	329
Bad debt expenses	7	0
Provision for bonuses	229	291
Retirement benefit expenses	223	185
Depreciation	247	232
Provision of allowance for doubtful accounts	2	64
Other	3,700	4,258
Total selling, general and administrative expenses	8,002	8,892
Operating profit	1,112	2,038
Non-operating income		
Interest income	61	83
Dividend income	269	342
Share of profit of entities accounted for using equity method	72	135
Other	44	151
Total non-operating income	449	712
Non-operating expenses		
Interest expenses	28	66
Foreign exchange losses	24	79
Commission expenses	-	17
Other	21	62
Total non-operating expenses	74	226
Ordinary profit	1,487	2,525
Extraordinary income		
Gain on sale of investment securities	145	246
Gain on bargain purchase	-	2,137
Gain on liquidation of subsidiaries	19	-
Total extraordinary income	164	2,384
Extraordinary losses		
Impairment losses	-	259
Loss on sale of investment securities	0	70
Branch closure loss	15	-
Restoration cost	13	-
Restructuring charges	35	-
Total extraordinary losses	64	329
Profit before income taxes	1,587	4,580
Income taxes - current	590	870
Income taxes - deferred	(151)	(9)
Total income taxes	439	860
Profit	1,147	3,719
Profit (loss) attributable to non-controlling interests	(8)	2
Profit attributable to owners of parent	1,156	3,717

Consolidated Statement of Comprehensive Income

(Unit: Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	1,147	3,719
Other comprehensive income		
Valuation difference on available-for-sale securities	1,044	204
Deferred gains or losses on hedges	16	(10)
Foreign currency translation adjustment	646	1,005
Remeasurements of defined benefit plans, net of tax	221	(15)
Share of other comprehensive income of entities accounted for using equity method	41	72
Total other comprehensive income	1,970	1,257
Comprehensive income	3,118	4,976
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,127	4,974
Comprehensive income attributable to non-controlling interests	(8)	2

(3) Consolidated Statement of Changes in Net Assets

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,496	7,946	8,569	(680)	21,331
Changes during period					
Dividends of surplus			(1,004)		(1,004)
Profit attributable to owners of parent			1,156		1,156
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		8		11	19
Cancellation of treasury shares					-
Change in ownership interest of parent due to transactions with non-controlling interests					-
Capital increase of consolidated subsidiaries		(2)			(2)
Net changes in items other than shareholders' equity					
Total changes during period	-	5	152	11	169
Balance at end of period	5,496	7,951	8,721	(669)	21,500

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,460	1	941	(189)	2,214	7	23,553
Changes during period							
Dividends of surplus							(1,004)
Profit attributable to owners of parent							1,156
Purchase of treasury shares							(0)
Disposal of treasury shares							19
Cancellation of treasury shares							-
Change in ownership interest of parent due to transactions with non-controlling interests							-
Capital increase of consolidated subsidiaries							(2)
Net changes in items other than shareholders' equity	1,044	16	687	221	1,970	(2)	1,968
Total changes during period	1,044	16	687	221	1,970	(2)	2,137
Balance at end of period	2,504	18	1,629	31	4,184	5	25,690

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,496	7,951	8,721	(669)	21,500
Changes during period					
Dividends of surplus			(1,122)		(1,122)
Profit attributable to owners of parent			3,717		3,717
Purchase of treasury shares				(198)	(198)
Disposal of treasury shares		9		12	22
Cancellation of treasury shares		(21)	(555)	577	-
Change in ownership interest of parent due to transactions with non-controlling interests		(4)			(4)
Capital increase of consolidated subsidiaries					-
Net changes in items other than shareholders' equity					
Total changes during period	-	(16)	2,039	391	2,413
Balance at end of period	5,496	7,935	10,760	(277)	23,914

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,504	18	1,629	31	4,184	5	25,690
Changes during period							
Dividends of surplus							(1,122)
Profit attributable to owners of parent							3,717
Purchase of treasury shares							(198)
Disposal of treasury shares							22
Cancellation of treasury shares							-
Change in ownership interest of parent due to transactions with non-controlling interests							(4)
Capital increase of consolidated subsidiaries							-
Net changes in items other than shareholders' equity	204	(10)	1,078	(15)	1,257	(5)	1,252
Total changes during period	204	(10)	1,078	(15)	1,257	(5)	3,666
Balance at end of period	2,709	8	2,707	16	5,441	-	29,356

(4) Consolidated Statement of Cash Flows

(Unit: 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	1,587	4,580
Depreciation	365	349
Impairment losses	-	259
Restoration cost	13	-
Branch closure loss	15	-
Amortization of goodwill	-	21
Gain on bargain purchase	-	(2,137)
Loss (gain) on liquidation of subsidiaries	(19)	-
Increase (decrease) in allowance for doubtful accounts	1	29
Increase (decrease) in provision for bonuses	2	60
Interest and dividend income	(331)	(425)
Share of loss (profit) of entities accounted for using equity method	(72)	(135)
Interest expenses	28	66
Loss (gain) on sale of investment securities	(145)	(176)
Decrease (increase) in trade receivables	(3,037)	(578)
Decrease (increase) in inventories	(27)	(809)
Decrease (increase) in advance payments to suppliers	(1,099)	1,167
Decrease (increase) in accounts receivable - other	(54)	298
Increase (decrease) in retirement benefit liability	4	(71)
Decrease (increase) in other current assets	0	(139)
Increase (decrease) in trade payables	761	(1,483)
Increase (decrease) in accounts payable - other	(102)	(6)
Increase (decrease) in contract liabilities	1,043	(1,111)
Increase (decrease) in other current liabilities	241	(228)
Other, net	(4)	68
Subtotal	(829)	(403)
Interest and dividends received	457	421
Interest paid	(28)	(66)
Income taxes paid	(609)	(750)
Net cash provided by (used in) operating activities	(1,010)	(798)
Cash flows from investing activities		
Payments into time deposits	(1,641)	(472)
Proceeds from withdrawal of time deposits	1,940	1,746
Purchase of investment securities	(24)	(4)
Proceeds from sale of investment securities	272	649
Purchase of non-current assets	(252)	(243)
Proceeds from sale of non-current assets	1	22
Decrease (increase) in guarantee deposits	20	20
Proceeds from liquidation of subsidiaries	98	10
Proceeds from redemption of securities	-	100
Purchase of shares of subsidiaries	-	(1,866)
Other, net	(60)	283
Net cash provided by (used in) investing activities	353	(245)

(Unit: Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	559	2,761
Proceeds from long-term borrowings	600	700
Repayments of long-term borrowings	(536)	(918)
Proceeds from share issuance to non-controlling shareholders	4	-
Purchase of treasury shares	(0)	(198)
Dividends paid	(1,002)	(1,116)
Other, net	(121)	(107)
Net cash provided by (used in) financing activities	(498)	1,120
Effect of exchange rate change on cash and cash equivalents	421	806
Net increase (decrease) in cash and cash equivalents	(733)	(1,374)
Cash and cash equivalents at beginning of period	7,810	7,065
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(11)	-
Cash and cash equivalents at end of period	7,065	8,439