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Consolidated Financial Results for the Nine Months Ended February 29, 2024 [Japanese GAAP]

April 4, 2024

Company name: Sankyo Tateyama, Inc.

Stock exchange listing: Tokyo

Code number: 5932

URL: https://www.st-grp.co.jp/ Representative: Shozo Hirano Contact: Yasunori Yoshida

President and Chief Executive Officer

Executive Officer and General Manager, Accounting Department

Phone: +81-766-20-2122

Scheduled date of filing quarterly securities report: April 8, 2024

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Nine Months Ended February 29, 2024 (June 1, 2023 to February 29, 2024)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sal	Net sales Operating profit		Ordinary profit		Profit attributable to owners of parent		
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 29, 2024	264,459	(4.1)	2,659	146.7	2,824	70.2	(569)	-
February 28, 2023	275,854	10.1	1,077	(60.8)	1,658	(38.3)	604	66.6

(Note) Comprehensive income: Nine months ended February 29, 2024: ¥ 2,566 million [(24.8)%]

Nine months ended February 28, 2023: ¥ 3,411 million [998.1%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
February 29, 2024	(18.15)	-
February 28, 2023	19.27	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
February 29, 2024	277,063	94,599	33.0
May 31, 2023	282,932	92,667	31.6

(Reference) Equity: As of February 29, 2024: ¥ 91,397 million As of May 31, 2023: ¥ 89,495 million

2. Dividends

	Annual dividends						
	1st quarter-end	Total					
	Yen	Yen	Yen	Yen	Yen		
Fiscal year ended May 31, 2023	-	10.00	-	10.00	20.00		
Fiscal year ending May 31, 2024	-	10.00	-				
Fiscal year ending May 31, 2024 (Forecast)				10.00	20.00		

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending May 31, 2024(June 1, 2023 to May 31, 2024)

(% indicates changes from the previous corresponding period.)								
g profit Ordinary profit			Profit attribu		Basic earnings per share			
n	%	Millions of yen	%	Millions of yen	%	Yen		

	Net sale	es	Operating	profit	Ordinary p	profit	owners of		per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	. %	Yen
Full year	352,000	(5.0)	3,500	31.1	3,000	(12.3)	(1,000)	-	(31.90)
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(Note) Revision to the financial results forecast announced most recently: Yes

- * Notes:
- (1) Changes in significant subsidiaries during the nine months ended February 29, 2024

(changes in specified subsidiaries resulting in changes in scope of consolidation): No New: (Company name:

Exclusion: (Company name:

- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):

31,554,629 shares February 29, 2024: May 31, 2023: 31,554,629 shares

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

February 29, 2024: 208,265 shares May 31, 2023: 204,216 shares

3) Average number of shares outstanding during the period:

Nine months ended February 29, 2024: 31,348,670 shares Nine months ended February 28, 2023: 31,353,284 shares

		(Millions of yen)
	As of May 31, 2023	As of February 29, 2024
Assets		
Current assets		
Cash and deposits	22,377	24,824
Notes and accounts receivable - trade, and contract assets	57,247	49,065
Electronically recorded monetary claims - operating	6,653	5,677
Securities	10	11
Merchandise and finished goods	21,637	20,832
Work in process	16,399	15,499
Raw materials and supplies	19,249	19,065
Other	8,298	7,483
Allowance for doubtful accounts	(606)	(584)
Total current assets	151,268	141,875
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	22,149	22,095
Land	54,478	54,779
Other, net	26,950	27,830
Total property, plant and equipment	103,577	104,705
Intangible assets		
Goodwill	1,152	745
Other	2,593	2,530
Total intangible assets	3,745	3,276
Investments and other assets		
Investment securities	11,848	13,454
Other	13,181	14,122
Allowance for doubtful accounts	(688)	(370)
Total investments and other assets	24,341	27,206
Total non-current assets	131,664	135,188
Total assets	282,932	277,063

	As of May 31, 2023	As of February 29, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	45,284	42,824
Electronically recorded obligations - operating	20,698	21,426
Short-term borrowings	23,761	12,339
Current portion of long-term borrowings	16,528	17,871
Income taxes payable	815	521
Provision for bonuses	360	1,776
Provision for loss on disaster	-	1,418
Provisions	4	54
Other	20,553	17,474
Total current liabilities	128,008	115,708
Non-current liabilities		
Long-term borrowings	42,261	45,844
A product repair reserve fund	953	827
Retirement benefit liability	8,976	9,138
Asset retirement obligations	484	491
Other	9,581	10,455
Total non-current liabilities	62,256	66,756
Total liabilities	190,265	182,464
Net assets		
Shareholders' equity		
Share capital	15,000	15,000
Capital surplus	31,932	31,932
Retained earnings	27,324	26,126
Treasury shares	(255)	(258)
Total shareholders' equity	74,002	72,800
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,010	2,077
Deferred gains or losses on hedges	(196)	138
Revaluation reserve for land	3,858	3,858
Foreign currency translation adjustment	1,954	3,175
Remeasurements of defined benefit plans	8,867	9,347
Total accumulated other comprehensive income	15,493	18,597
Non-controlling interests	3,172	3,201
Total net assets	92,667	94,599
Total liabilities and net assets	282,932	277,063

Quarterly Consolidated Statements of Income and Comprehensive Income Quarterly Consolidated Statements of Income (For the nine months)

	For the nine months ended February 28, 2023	For the nine months ended February 29, 2024
Net sales	275,854	264,459
Cost of sales	226,404	212,584
Gross profit	49,450	51,874
Selling, general and administrative expenses	48,372	49,215
Operating profit	1,077	2,659
Non-operating income		
Interest income	40	89
Dividend income	227	178
Share of profit of entities accounted for using equity method	245	244
Foreign exchange gains	413	581
Other	516	522
Total non-operating income	1,444	1,616
Non-operating expenses		
Interest expenses	535	984
Other	327	466
Total non-operating expenses	863	1,451
Ordinary profit	1,658	2,824
Extraordinary income		
Gain on sale of non-current assets	22	51
Gain on sale of investment securities	2	106
Gain on extinguishment of tie-in shares	-	16
Other	0	0
Total extraordinary income	24	174
Extraordinary losses		
Loss on sale of non-current assets	12	4
Loss on retirement of non-current assets	213	340
Loss on valuation of investment securities	1	4
Loss on disaster	-	691
Provision for loss on disaster	-	1,418
Total extraordinary losses	227	2,461
Profit before income taxes	1,455	537
Income taxes	835	1,098
Profit (loss)	620	(561
Profit attributable to non-controlling interests	16	7
Profit (loss) attributable to owners of parent	604	(569

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

		(Millions of yen)
	For the nine months ended February 28, 2023	For the nine months ended February 29, 2024
Profit (loss)	620	(561)
Other comprehensive income		
Valuation difference on available-for-sale securities	196	1,065
Deferred gains or losses on hedges	(425)	335
Foreign currency translation adjustment	582	1,243
Remeasurements of defined benefit plans, net of tax	2,434	478
Share of other comprehensive income of entities accounted for using equity method	3	5
Total other comprehensive income	2,790	3,128
Comprehensive income	3,411	2,566
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,383	2,534
Comprehensive income attributable to non-controlling interests	27	32