

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

August 1, 2024

Company name: SATOSHOJI CORPORATION  
 Stock exchange listing: Tokyo  
 Stock code: 8065 URL <http://www.satoshoji.co.jp>  
 Representative: Representative Director, President Tetsuo Nozawa  
 Inquiries: General Manager of Financial Dept. Akihito Okeda TEL 03-5218-5312  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on financial results: No  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(1) Consolidated operating results (cumulative)

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	%
Three months ended June 30, 2024	68,570	2.7	1,194	(11.4)	1,551	(4.7)	1,693	45.0
Three months ended June 30, 2023	66,769	2.7	1,348	4.8	1,628	(2.6)	1,167	0.8

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	80.58		78.94	
Three months ended June 30, 2023	55.38		54.12	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	176,589	65,917	37.2
As of March 31, 2024	172,870	65,202	37.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2024	–	32.00	–	41.00	73.00
Year ending March 31, 2025	–				
Year ending March 31, 2025 (Forecast)		34.00	–	34.00	68.00

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	136,000	0.4	2,650	(6.7)	2,850	(8.8)	2,550	(8.5)	120.85
Full year	285,000	4.0	6,550	1.1	6,850	(6.1)	5,350	(17.4)	253.55

4. Notes

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
  - Changes in accounting policies due to other reasons: No
  - Changes in accounting estimates: No
  - Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2024	21,799,050 shares	As of March 31, 2024	21,799,050 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	669,953 shares	As of March 31, 2024	764,743 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	21,022,352 shares	Three months ended June 30, 2023	21,088,558 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	3,175	4,105
Notes receivable - trade	6,298	5,750
Electronically recorded monetary claims - operating	31,395	31,654
Accounts receivable - trade	53,720	54,752
Merchandise and finished goods	28,956	30,136
Other	4,933	5,280
Allowance for doubtful accounts	(212)	(328)
Total current assets	128,267	131,352
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,115	6,022
Land	13,001	14,550
Other, net	2,544	2,999
Total property, plant and equipment	21,661	23,572
Intangible assets	186	311
Investments and other assets		
Investment securities	20,498	18,957
Deferred tax assets	90	78
Retirement benefit asset	1,079	1,054
Other	1,157	1,342
Allowance for doubtful accounts	(71)	(80)
Total investments and other assets	22,755	21,352
Total non-current assets	44,602	45,236
Total assets	172,870	176,589

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	55,178	56,122
Electronically recorded obligations - operating	13,127	13,270
Short-term borrowings	18,165	19,935
Income taxes payable	1,147	1,028
Contract liabilities	451	1,027
Provision for bonuses	1,489	740
Other	2,570	3,860
Total current liabilities	92,128	95,984
Non-current liabilities		
Long-term borrowings	10,657	10,194
Deferred tax liabilities	4,311	3,898
Retirement benefit liability	172	207
Provision for retirement benefits for directors (and other officers)	58	59
Other	338	326
Total non-current liabilities	15,538	14,686
Total liabilities	107,667	110,671
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,321	1,321
Capital surplus	818	748
Retained earnings	51,919	52,778
Treasury shares	(872)	(806)
Total shareholders' equity	53,186	54,041
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,920	9,448
Deferred gains or losses on hedges	0	1
Foreign currency translation adjustment	1,711	2,160
Total accumulated other comprehensive income	11,632	11,610
Share acquisition rights	369	250
Non-controlling interests	14	15
Total net assets	65,202	65,917
Total liabilities and net assets	172,870	176,589

## Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

### Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	66,769	68,570
Cost of sales	61,761	63,543
Gross profit	5,007	5,026
Selling, general and administrative expenses	3,659	3,832
Operating profit	1,348	1,194
Non-operating income		
Interest income	1	6
Dividend income	307	338
Rental income	31	27
Purchase discounts	10	9
Share of profit of entities accounted for using equity method	10	21
Foreign exchange gains	–	44
Other	20	20
Total non-operating income	382	467
Non-operating expenses		
Interest expenses	66	69
Loss on sale of trade receivables	6	1
Rental expenses	12	22
Foreign exchange losses	1	–
Other	15	17
Total non-operating expenses	102	110
Ordinary profit	1,628	1,551
Extraordinary income		
Gain on sale of non-current assets	2	477
Gain on sale of investment securities	17	333
Total extraordinary income	19	810
Extraordinary losses		
Loss on sale and retirement of non-current assets	0	4
Loss on sale of investment securities	3	6
Provision of allowance for investment loss	15	–
Total extraordinary losses	19	11
Profit before income taxes	1,627	2,350
Income taxes - current	643	874
Income taxes - deferred	(183)	(218)
Total income taxes	459	656
Profit	1,168	1,694
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	1,167	1,693

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	1,168	1,694
Other comprehensive income		
Valuation difference on available-for-sale securities	1,553	(471)
Deferred gains or losses on hedges	12	1
Foreign currency translation adjustment	362	438
Share of other comprehensive income of entities accounted for using equity method	5	9
Total other comprehensive income	1,934	(21)
Comprehensive income	3,102	1,673
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,101	1,671
Comprehensive income attributable to non-controlling interests	1	1