

**First Quarter of the
Fiscal Year Ending March 31, 2025**

Financial Statements Briefing Materials



Matsuda Sangyo Co., Ltd.

August 9, 2024





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Overview of Financial Results for FY3/25 1Q



Consolidated Financial Results

- Both sales and operating income and net income increased compared to the same quarter of the previous year

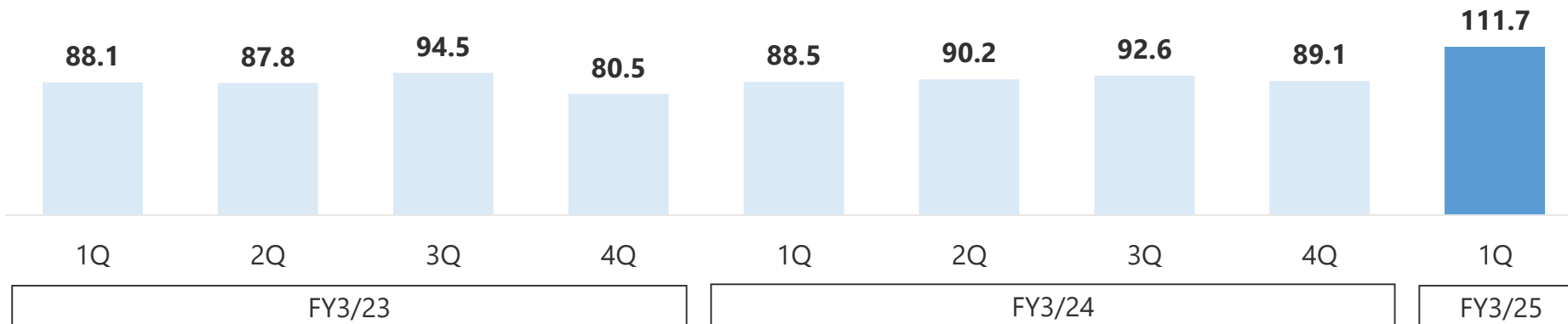
(billion yen)

	FY3/24 1Q	FY3/25 1Q	Year-on-year increase (decrease)		FY3/25 Forecasts
Net sales	88.5	111.7	+23.2	+26.2%	380.0
Operating profit	2.4	3.1	+0.7	+29.3%	10.0
Operating margin	2.7%	2.8%	+0.1pt	-	2.6%
Ordinary profit	2.9	3.7	+0.8	+28.0%	11.0
Profit attributable to owners of parent	2.0	2.5	+0.5	+27.6%	7.6
Earnings per share (yen)	77.5	99.5	+22.0	+28.4%	293.2

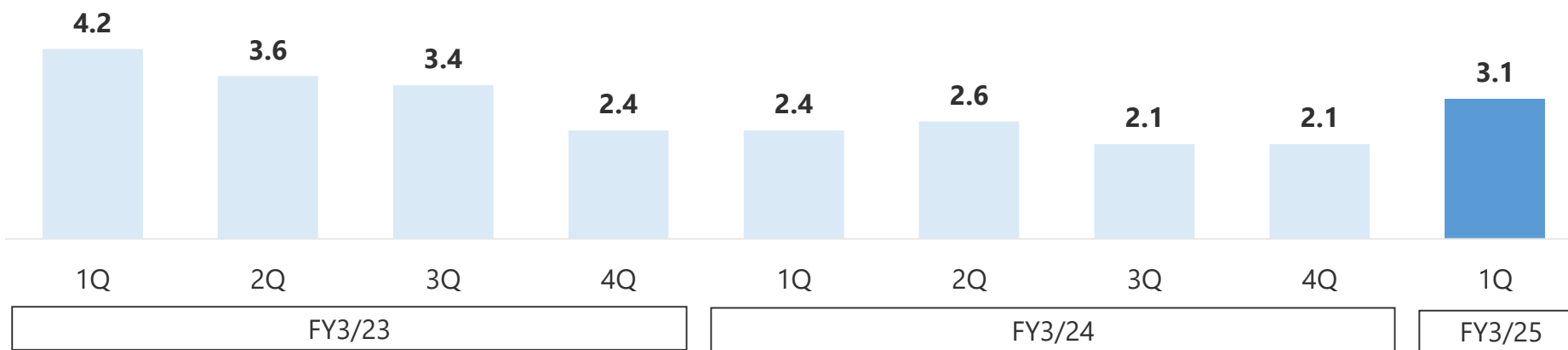
Quarterly Trend for Consolidated Financial Results

(billion yen)

Net Sales



Operating Profit



Consolidated Balance Sheet

Assets		(billion yen)		
	March 31, 2024	June 30, 2024	Increase (decrease)	Main reasons for change
Current assets	102.3	109.8	+7.5	(+) Increase in accounts receivable-trade and inventories
Non-current assets	46.6	47.8	+1.1	(+) New installation of factory equipment (Iruma)
Total assets	148.9	157.6	+8.7	
Liabilities				
	March 31, 2024	June 30, 2024	Increase (decrease)	Main reasons for change
Current liabilities	44.5	50.8	+6.3	(+) Increase in accounts payable-trade and short-term loans payable
Non-current liabilities	13.0	12.5	(0.4)	(-) Repayment of long-term loans payable
Interest bearing debt	29.4	35.2	+5.8	
Total liabilities	57.5	63.4	+5.8	
Net assets				
	March 31, 2024	June 30, 2024	Increase (decrease)	Main reasons for change
Total net assets	91.3	94.2	+2.8	(+) Increase in retained earnings
Total liabilities and net assets	148.9	157.6	+8.7	
Shareholder's equity ratio	61.2%	59.6%		

Consolidated Cash Flow Statements

			(billion yen)	
	FY3/24 1Q	FY3/25 1Q	Increase (decrease)	Summary
Cash flows from operating activities	(0.9)	(4.7)	(3.8)	(+) Increase in cash from quarterly profit before income taxes and accounts payable-trade (-) Decrease in cash from an increase in accounts receivable-trade and inventories (Impact on year-end date: 4.3 billion yen)
Cash flows from investing activities	(2.3)	(1.4)	+0.8	(-) New installation of factory equipment and software.
Free cash flows	(3.2)	(6.2)	(2.9)	
Cash flows from financing activities	4.9	4.8	(0.1)	(+) Increase in cash from an Increase in short-term loans payable (-) Decrease in cash from the repayment of long-term loans payable, and cash dividends paid
Net increase (decrease) in cash and cash equivalents	+1.8	(1.1)	(2.9)	
Cash and cash equivalents at end of period	13.5	13.2	(0.2)	

Precious Metals Business Segment (Overview of Financial Results)

- In the electronic devices field of the electronics sector, which is the key market for the Precious Metals Business Segment, overall demand did not recover despite signs of expansion in new demand associated with artificial intelligence (AI) technology, and the production situation for semiconductors and electronic parts remained sluggish.
- Against this backdrop, the Precious Metals Business Segment recorded year-on-year increases in both net sales and operating profit on the back of an increase in precious metals recycling volume from the jewelry sector as well as the steady market price of gold

				(billion yen)				
	FY3/24 1Q	FY3/25 1Q	Increase (decrease)			FY3/25 1Q	Increase (decrease)	Reasons for increase (decrease)
Net sales	59.9	85.7	25.7	+42.9%	Gold	65.0	+26.1 +67.3%	Quantity increased by 28.1% and prices decreased by 39.2%
Operating profit	1.8	2.4	+0.6	+33.9%	Silver	6.2	+2.1 +52.2%	Quantity increased by 9.9% and prices decreased by 42.4%
Operating margin	3.0%	2.8%	▲0.2pt	-	Platinum group	10.7	(1.9) (15.4)%	Quantity decreased by 2.8% and prices decreased by 12.7%
					Other	3.6	(0.5) (13.7)%	

Food Business Segment (Overview of Financial Results)

- In the food production sector, which is the key market for the Food Business Segment, personal consumption was sluggish despite the growth in inbound demand. Although raw material prices stabilized, the market environment was unstable due to the impact of yen depreciation and rising logistics costs.
- Amidst these circumstances, the Food Business Segment registered an increase in the sales volume of seafood products. However, the sales volume of livestock and agricultural products decreased, along with an overall decline in selling prices, which contributed to a year-on-year fall in net sales. On the other hand, due to efforts to optimize costs by improving inventory turnover ratio, operating profit increased year on year.

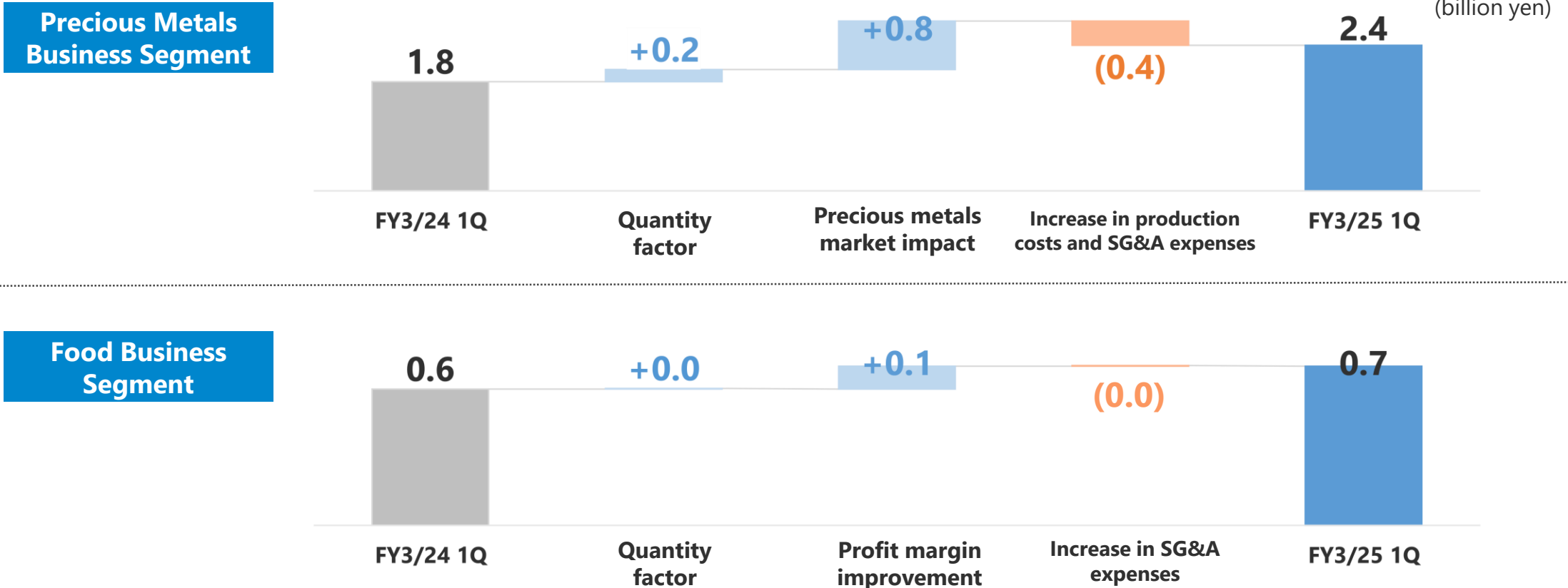
(billion yen)

	FY3/24 1Q	FY3/25 1Q	Increase (decrease)	
Net sales	28.5	26.0	(2.5)	(9.0)%
Operating profit	0.6	0.7	+0.0	+15.8%
Operating margin	2.1%	2.7%	+0.6pt	-

	FY3/25 1Q	Increase (decrease)		Reasons for increase (decrease)
Seafood products	10.3	+0	+0.9%	Quantity increased by 5.0% and prices decreased by 4.1%
Livestock products	10.8	(1.8)	(14.8)%	Quantity decreased by 4.1% and prices increased by 10.7%
Agricultural products	3.5	(0.1)	(4.4)%	Quantity decreased by 6.1% and prices increased by 1.7%
Other	1.2	(0.6)	(32.9)%	

Changes in Operating Profit

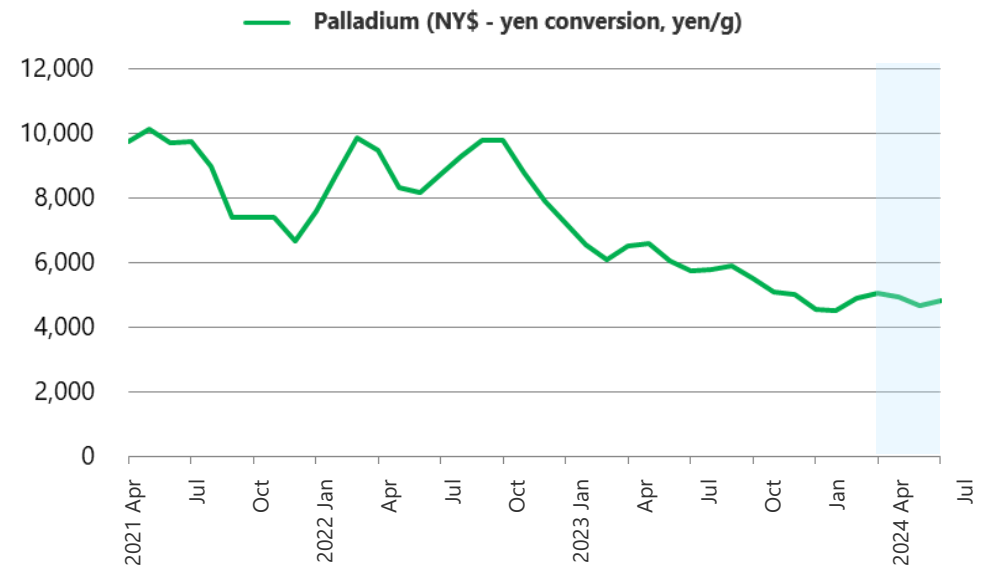
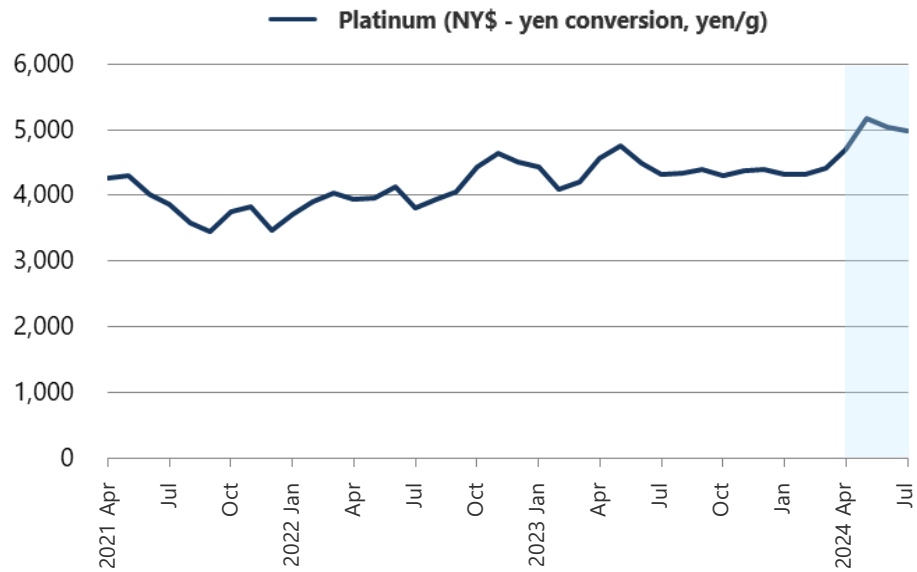
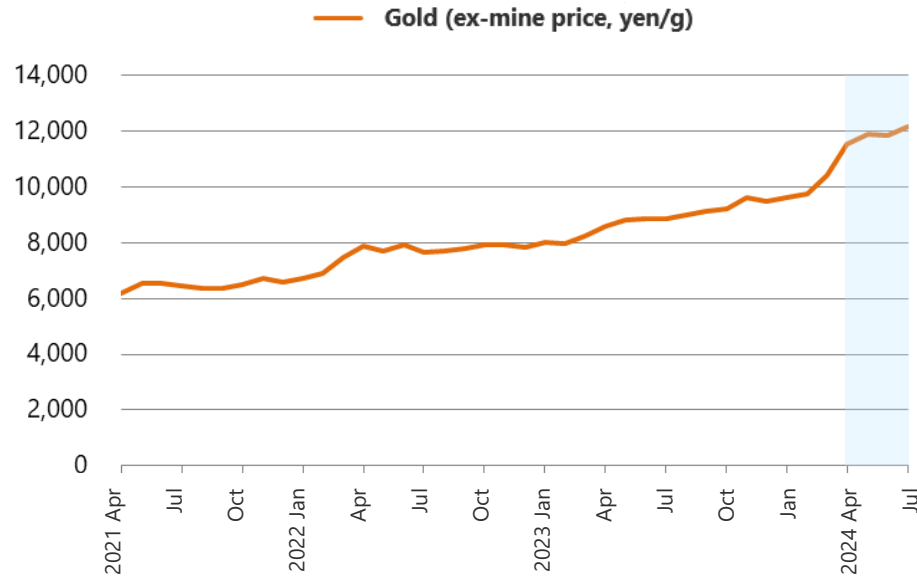
- The precious metals business segment did not see an improvement in quantity due to the downturn in the electronic device sector, but the rise in gold and silver prices contributed.
- The food business segment saw fluctuations in sales volume, but improved profit margins through cost rationalization and changes in product composition.



Appendix



Trends of Precious Metals Market Prices





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MATSUDA SANGYO CO., LTD.