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Consolidated Financial Results for the Year Ended December 31, 2024 [Japanese GAAP]

February 14, 2025

Company name: Seibu Giken Co., Ltd.

Stock exchange listing: Tokyo

Securities code: 6223

URL: <https://seibu-giken.com/>

Representative: Fumio Kuma

Representative Director, Executive President

Contact: Miwa Hirakawa

Director, Senior Executive Officer, Corporate Management Operations

Telephone: +81-92-942-3511

Scheduled date of Annual General Meeting of Shareholders: March 27, 2025

Scheduled date of commencing dividend payments: March 11, 2025

Scheduled date of filing annual securities report: March 27, 2025

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

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

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	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 December 31, 2024	32,069	11.6	4,030	(6.2)	4,190	(3.9)	3,336	(2.8)
December 31, 2023	28,725	15.4	4,298	(6.7)	4,361	(8.8)	3,431	(12.2)

(Note) Comprehensive income: Fiscal year ended December 31, 2024: ¥ 4,345 million [0.2%]
Fiscal year ended December 31, 2023: ¥ 4,338 million [2.6%]

	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 December 31, 2024	162.76	-	11.8	10.2	12.6
December 31, 2023	180.14	-	15.4	12.4	15.0

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended December 31, 2024: ¥ - million
Fiscal year ended December 31, 2023: ¥ - million

(Note)1. The Company conducted a share split at a ratio of 100 shares for a common share effective May 29, 2023.

"Basic earnings per share" is calculated assuming that the share split was conducted at the beginning of the fiscal year ended December 31, 2022.

2. "Diluted earnings per share" is not stated as there are no dilutive shares.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2024	42,795	29,957	69.9	1,459.16
December 31, 2023	39,334	26,795	68.1	1,307.08

(Reference) Equity: As of December 31, 2024: ¥ 29,904 million
As of December 31, 2023: ¥ 26,795 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 December 31, 2024	6,568	(2,498)	(2,058)	14,012
December 31, 2023	2,000	(2,340)	1,801	11,417

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	%	%
December 31, 2023	-	0.00	-	60.00	60.00	1,230	33.3	5.3
December 31, 2024	-	0.00	-	70.00	70.00	1,435	43.2	5.1
Fiscal year ending December 31, 2025 (Forecast)	-	0.00	-	70.00	70.00		46.3	

(Note) Breakdown of the year-end dividend for the fiscal year ended December 31, 2023 :

Commemorative dividend	50.22 yen
Special dividend	9.78 yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025 (January 1, 2025 to December 31, 2025)

(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	34,632	8.0	3,552	(11.9)	3,630	(13.4)	3,111	(6.7)	154.76

(Note) Since the Company manages earnings on an annual basis, the consolidated financial results forecast for the second quarter (cumulative) is omitted.

* Notes:

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

Newly included:	1	(Company name: Seibu Giken & Kumyoung Environment, Inc.)
Excluded:	-	(Company name: -)

(2) 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

(3) Total number of issued shares (common shares)

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

December 31, 2024:	20,500,000 shares
December 31, 2023:	20,500,000 shares

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

December 31, 2024:	- shares
December 31, 2023:	- shares

3) Average number of shares outstanding during the period:

Fiscal Year ended December 31, 2024:	20,500,000 shares
Fiscal Year ended December 31, 2023:	19,051,178 shares

(Note) The Company conducted a share split at a ratio of 100 shares for a common share effective May 29, 2023. "Total number of issued shares at the end of the period," "number of treasury shares at the end of the period," and "average number of shares outstanding during the period" are calculated assuming that the share split was conducted at the beginning of the fiscal year ended December 31, 2023.

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	18,374	32.0	1,651	58.2	2,950	98.1	2,496	112.0
December 31, 2023	13,920	27.6	1,043	79.5	1,489	63.0	1,178	68.0

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
December 31, 2024	121.80	-
December 31, 2023	61.84	-

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
December 31, 2024	21,990	14,996	68.2	731.55
December 31, 2023	21,460	13,766	64.1	671.55

(Reference) Equity: As of December 31, 2024: ¥ 14,996 million

As of December 31, 2023: ¥ 13,766 million

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

*2. Explanation of the proper use of financial results forecast and other notes

The forward-looking statements contained in this document, including the financial results forecasts, are based on information currently available to the Company and certain assumptions deemed to be reasonable. Actual results may differ significantly from these forecasts due to a wide range of factors.

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2023	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	11,638	14,442
Notes and accounts receivable - trade, and contract assets	8,309	6,883
Electronically recorded monetary claims - operating	1,268	1,669
Merchandise and finished goods	1,007	2,509
Work in process	1,929	1,575
Raw materials and supplies	3,086	2,569
Other	1,550	1,450
Allowance for doubtful accounts	(412)	(390)
Total current assets	28,377	30,710
Non-current assets		
Property, plant and equipment		
Buildings and structures	5,845	7,883
Accumulated depreciation	(2,325)	(2,592)
Buildings and structures, net	3,520	5,291
Machinery, equipment and vehicles	3,837	4,109
Accumulated depreciation	(2,711)	(3,054)
Machinery, equipment and vehicles, net	1,126	1,055
Land	2,885	2,908
Leased assets	646	485
Accumulated depreciation	(176)	(307)
Leased assets, net	469	178
Construction in progress	1,980	1,245
Other	1,104	1,205
Accumulated depreciation	(870)	(947)
Other, net	234	258
Total property, plant and equipment	10,216	10,937
Intangible assets	231	176
Investments and other assets		
Investment securities	17	501
Deferred tax assets	262	258
Other	230	210
Total investments and other assets	510	970
Total non-current assets	10,957	12,085
Total assets	39,334	42,795

(Millions of yen)

	As of December 31, 2023	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,962	2,234
Electronically recorded obligations - operating	2,154	2,867
Short-term borrowings	50	-
Current portion of long-term borrowings	902	525
Lease liabilities	74	107
Income taxes payable	349	608
Contract liabilities	1,985	3,392
Provision for product warranties	235	180
Provision for bonuses	242	444
Other	1,671	1,305
Total current liabilities	10,629	11,667
Non-current liabilities		
Long-term borrowings	1,142	817
Lease liabilities	430	75
Deferred tax liabilities	237	177
Retirement benefit liability	41	40
Other	59	59
Total non-current liabilities	1,910	1,170
Total liabilities	12,539	12,837
Net assets		
Shareholders' equity		
Share capital	711	711
Capital surplus	3,536	3,536
Retained earnings	20,454	22,560
Total shareholders' equity	24,702	26,808
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-	(36)
Foreign currency translation adjustment	2,092	3,141
Total accumulated other comprehensive income	2,092	3,104
Non-controlling interests	-	45
Total net assets	26,795	29,957
Total liabilities and net assets	39,334	42,795

Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Net sales	28,725	32,069
Cost of sales	17,556	21,165
Gross profit	11,168	10,904
Selling, general and administrative expenses	6,870	6,873
Operating profit	4,298	4,030
Non-operating income		
Interest and dividend income	83	120
Refund of chinese value-added-tax	-	53
Nursery school-related revenue	26	17
Subsidy income	25	8
Other	78	46
Total non-operating income	213	248
Non-operating expenses		
Interest expenses	40	26
Nursery school-related expenses	26	22
Listing expenses	40	-
Foreign exchange losses	16	20
Other	27	18
Total non-operating expenses	151	88
Ordinary profit	4,361	4,190
Extraordinary income		
Gain on change in lease terms	-	45
Total extraordinary income	-	45
Extraordinary losses		
Loss on litigation	27	-
Loss on retirement of non-current assets	18	14
Total extraordinary losses	46	14
Profit before income taxes	4,314	4,221
Income taxes - current	937	920
Income taxes - deferred	(54)	(33)
Total income taxes	882	887
Profit	3,431	3,334
Loss attributable to non-controlling interests	-	(2)
Profit attributable to owners of parent	3,431	3,336

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Profit	3,431	3,334
Other comprehensive income		
Valuation difference on available-for-sale securities		(36)
Foreign currency translation adjustment	906	1,048
Total other comprehensive income	906	1,011
Comprehensive income	4,338	4,345
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,338	4,347
Comprehensive income attributable to non-controlling interests	-	(2)

Consolidated Statements of Changes in Equity
For the fiscal year ended December 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	100	-	17,031	(569)	16,562
Changes during period					
Issuance of new shares	611	611			1,222
Dividends of surplus			(9)		(9)
Profit attributable to owners of parent			3,431		3,431
Disposal of treasury shares		2,925		569	3,494
Net changes in items other than shareholders' equity					-
Total changes during period	611	3,536	3,422	569	8,139
Balance at end of period	711	3,536	20,454	-	24,702

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	-	1,186	1,186	-	17,748
Changes during period					
Issuance of new shares					1,222
Dividends of surplus					(9)
Profit attributable to owners of parent					3,431
Disposal of treasury shares					3,494
Net changes in items other than shareholders' equity		906	906		906
Total changes during period	-	906	906	-	9,046
Balance at end of period	-	2,092	2,092	-	26,795

For the fiscal year ended December 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	711	3,536	20,454	-	24,702
Changes during period					
Issuance of new shares					-
Dividends of surplus			(1,230)		(1,230)
Profit attributable to owners of parent			3,336		3,336
Disposal of treasury shares					-
Net changes in items other than shareholders' equity					-
Total changes during period	-	-	2,106	-	2,106
Balance at end of period	711	3,536	22,560	-	26,808

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	-	2,092	2,092	-	26,795
Changes during period					
Issuance of new shares					-
Dividends of surplus					(1,230)
Profit attributable to owners of parent					3,336
Disposal of treasury shares					-
Net changes in items other than shareholders' equity	(36)	1,048	1,011	45	1,056
Total changes during period	(36)	1,048	1,011	45	3,162
Balance at end of period	(36)	3,141	3,104	45	29,957

Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	4,314	4,221
Depreciation	893	962
Increase (decrease) in allowance for doubtful accounts	133	(45)
Increase (decrease) in provision for product warranties	42	(68)
Increase (decrease) in provision for bonuses	55	196
Increase (decrease) in retirement benefit liability	(1)	(0)
Interest and dividend income	(83)	(120)
Interest expenses	40	26
Listing expenses	40	-
Gain on change in lease terms	-	(45)
Loss on retirement of non-current assets	18	14
Decrease (increase) in trade receivables	(2,082)	1,354
Decrease (increase) in inventories	(1,006)	(398)
Increase (decrease) in trade payables	1,313	(59)
Increase (decrease) in contract liabilities	271	1,269
Other, net	(883)	(140)
Subtotal	3,065	7,167
Interest and dividends received	83	120
Interest paid	(40)	(26)
Income taxes paid	(1,108)	(692)
Net cash provided by (used in) operating activities	2,000	6,568
Cash flows from investing activities		
Payments into time deposits	(215)	(222)
Proceeds from withdrawal of time deposits	286	-
Purchase of investment securities	-	(537)
Purchase of property, plant and equipment	(2,405)	(1,705)
Purchase of intangible assets	(17)	(30)
Other, net	12	(1)
Net cash provided by (used in) investing activities	(2,340)	(2,498)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,640)	(50)
Proceeds from long-term borrowings	-	200
Repayments of long-term borrowings	(1,158)	(902)
Repayments of lease liabilities	(67)	(120)
Proceeds from issuance of shares	1,222	-
Proceeds from disposal of treasury shares	3,494	-
Dividends paid	(9)	(1,230)
Proceeds from share issuance accompanying consolidated subsidiaries establishment to non-controlling shareholders	-	44
Payments of listing expenses	(40)	-
Net cash provided by (used in) financing activities	1,801	(2,058)
Effect of exchange rate change on cash and cash equivalents	438	582
Net increase (decrease) in cash and cash equivalents	1,900	2,594
Cash and cash equivalents at beginning of period	9,517	11,417
Cash and cash equivalents at end of period	11,417	14,012