

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Based on Japanese GAAP)

February 14, 2025

Company name: NEW COSMOS ELECTRIC CO., LTD.+
 Stock exchange listing: Tokyo
 Stock code: 6824 URL <https://www.new-cosmos.co.jp/>
 Representative: President and Representative Director Yoshinori Takahashi
 Senior Corporate Officer and Director
 Inquiries: Yoshio Yamada TEL 06-6308-3112
 General Manager Administrative Division
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 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	%
Nine months ended December 31, 2024	29,511	5.4	4,374	34.1	4,723	26.9	2,865	40.2
Nine months ended December 31, 2023	28,003	3.1	3,262	(27.4)	3,723	(26.0)	2,044	(29.3)

Note: Comprehensive income For the nine months ended December 31, 2024: ¥3,594 million [(0.1)%]
 For the nine months ended December 31, 2023: ¥3,597 million [(2.1)%]

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2024	231.91		–	
Nine months ended December 31, 2023	165.55		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	66,501	50,563	70.6
As of March 31, 2024	66,837	47,650	66.4

Reference: Equity

As of December 31, 2024: ¥46,927 million
 As of March 31, 2024: ¥44,370 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Fiscal year ended March 31, 2024	–	0.00	–	48.00	48.00
Fiscal year ending March 31, 2025	–	0.00	–		
Fiscal year ending March 31, 2025 (Forecast)				48.00	48.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal 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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	41,700	8.2	4,920	20.4	5,320	10.6	3,190	7.8	258.12

Note: Revisions to the forecast of consolidated financial results most recently announced: Yes

4. Notes

(1) Significant changes in the scope of consolidation during the nine months ended December 31, 2024: None

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes

(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: Yes

Changes in accounting policies due to other reasons: None

Changes in accounting estimates: None

Restatement: None

(4) Number of issued shares (common shares)

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

As of December 31, 2024	12,561,000 shares	As of March 31, 2024	12,561,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	200,087 shares	As of March 31, 2024	208,227 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2024	12,357,683 shares	Nine months ended December 31, 2023	12,350,053 shares
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* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

(Cautionary statement with respect to forward-looking statements)

The forward-looking statements contained in this summary are based on the information currently available and certain assumptions considered reasonable.

Actual operating results may differ significantly from these forecasts due to various factors.

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	20,798,032	18,899,922
Notes and accounts receivable - trade	7,309,129	5,635,023
Electronically recorded monetary claims - operating	2,737,690	2,848,432
Merchandise and finished goods	2,916,882	3,307,734
Work in process	3,548,758	3,922,969
Raw materials and supplies	6,646,223	6,708,397
Other	1,239,505	888,370
Allowance for doubtful accounts	(76,795)	(63,200)
Total current assets	45,119,426	42,147,649
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,375,014	5,293,153
Machinery, equipment and vehicles, net	1,357,243	1,302,569
Land	3,143,957	3,143,957
Construction in progress	2,346,746	1,622,237
Other, net	585,377	520,633
Total property, plant and equipment	9,808,339	11,882,551
Intangible assets		
Goodwill	976,943	875,880
Software	205,377	223,222
Software in progress	73,020	174,959
Other	117,034	104,839
Total intangible assets	1,372,375	1,378,901
Investments and other assets		
Investment securities	7,382,984	7,714,494
Deferred tax assets	433,179	505,426
Retirement benefit asset	915,790	906,519
Other	1,809,144	1,966,558
Allowance for doubtful accounts	(3,344)	(1,050)
Total investments and other assets	10,537,755	11,091,950
Total non-current assets	21,718,470	24,353,403
Total assets	66,837,897	66,501,053

(Thousands of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,753,271	1,760,442
Electronically recorded obligations - operating	3,610,610	2,918,757
Short-term borrowings	50,000	50,000
Current portion of long-term borrowings	939,996	889,996
Income taxes payable	534,592	822,134
Provision for bonuses	855,690	414,131
Provision for product warranties	154,044	156,253
Other	2,909,098	2,043,728
Total current liabilities	11,807,303	9,055,444
Non-current liabilities		
Long-term borrowings	4,840,838	4,183,341
Deferred tax liabilities	1,071,649	1,218,286
Provision for retirement benefits for directors (and other officers)	102,548	114,271
Retirement benefit liability	1,229,545	1,232,522
Other	135,708	133,689
Total non-current liabilities	7,380,290	6,882,112
Total liabilities	19,187,594	15,937,556
Net assets		
Shareholders' equity		
Share capital	1,460,000	1,460,000
Capital surplus	948,944	954,710
Retained earnings	38,466,449	40,739,343
Treasury shares	(322,131)	(309,664)
Total shareholders' equity	40,553,262	42,844,389
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,728,811	2,955,651
Foreign currency translation adjustment	860,210	972,622
Remeasurements of defined benefit plans	228,353	154,590
Total accumulated other comprehensive income	3,817,374	4,082,863
Non-controlling interests	3,279,665	3,636,243
Total net assets	47,650,302	50,563,496
Total liabilities and net assets	66,837,897	66,501,053

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

Consolidated statements of income (cumulative)

	(Thousands of yen)	
	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	28,003,780	29,511,727
Cost of sales	14,884,476	14,809,058
Gross profit	13,119,304	14,702,669
Selling, general and administrative expenses	9,856,727	10,328,196
Operating profit	3,262,576	4,374,473
Non-operating income		
Interest income	5,957	21,108
Dividend income	84,303	108,303
Share of profit of entities accounted for using equity method	94,488	62,370
Foreign exchange gains	202,141	84,293
Other	79,127	105,133
Total non-operating income	466,018	381,209
Non-operating expenses		
Interest expenses	3,784	28,285
Other	1,482	4,105
Total non-operating expenses	5,266	32,390
Ordinary profit	3,723,328	4,723,292
Extraordinary income		
Gain on sale of non-current assets	373	–
Compensation income for damage	21,550	–
Compensation income	–	92,877
Total extraordinary income	21,923	92,877
Extraordinary losses		
Loss on retirement of non-current assets	1,960	6,637
Loss on inventories	–	42,838
Total extraordinary losses	1,960	49,476
Profit before income taxes	3,743,291	4,766,692
Income taxes	1,377,145	1,451,143
Profit	2,366,145	3,315,549
Profit attributable to non-controlling interests	321,546	449,722
Profit attributable to owners of parent	2,044,599	2,865,827

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	2,366,145	3,315,549
Other comprehensive income		
Valuation difference on available-for-sale securities	836,729	226,852
Foreign currency translation adjustment	369,653	102,122
Remeasurements of defined benefit plans, net of tax	(34,638)	(73,763)
Share of other comprehensive income of entities accounted for using equity method	59,382	23,553
Total other comprehensive income	1,231,126	278,765
Comprehensive income	3,597,272	3,594,315
Comprehensive income attributable to		
owners of parent	3,258,115	3,131,315
non-controlling interests	339,156	462,999

Consolidated statements of cash flows

(Thousands of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	3,743,291	4,766,692
Depreciation	789,987	874,001
Loss (gain) on sale and retirement of property, plant and equipment	1,586	6,637
Compensation income for damage	(21,550)	–
Compensation income	–	(92,877)
Loss on inventories	–	42,838
Amortization of goodwill	101,063	101,063
Increase (decrease) in allowance for doubtful accounts	8,475	(16,050)
Increase (decrease) in provision for bonuses	(437,723)	(444,753)
Increase (decrease) in provision for product warranties	(12,646)	2,209
Increase (decrease) in retirement benefit liability	(37,914)	(93,888)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(21,503)	11,723
Interest and dividend income	(90,261)	(129,412)
Interest expenses	3,784	28,285
Share of loss (profit) of entities accounted for using equity method	(94,488)	(62,370)
Decrease (increase) in trade receivables	815,361	1,616,418
Decrease (increase) in inventories	(1,857,697)	(840,107)
Increase (decrease) in trade payables	364,896	(1,748,951)
Other, net	(269,911)	95,718
Subtotal	2,984,751	4,117,177
Interest and dividends received	117,947	187,461
Interest paid	(3,343)	(28,202)
Compensation income for damage received	21,550	–
Proceeds from compensation	–	92,877
Income taxes paid	(1,365,570)	(946,949)
Net cash provided by (used in) operating activities	1,755,335	3,422,363
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,634,541)	(3,892,693)
Proceeds from sale of property, plant and equipment	692	–
Purchase of intangible assets	(90,198)	(154,723)
Purchase of investment securities	(49,157)	(10,835)
Proceeds from sale of investment securities	–	5,112
Other, net	(256,763)	(304,689)
Net cash provided by (used in) investing activities	(2,029,969)	(4,357,829)
Cash flows from financing activities		
Proceeds from long-term borrowings	1,000,000	–
Repayments of long-term borrowings	(327,500)	(707,497)
Purchase of treasury shares	–	(375)
Dividends paid	(579,093)	(594,263)
Dividends paid to non-controlling interests	(120,028)	(106,421)
Other, net	(16,213)	(20,888)
Net cash provided by (used in) financing activities	(42,835)	(1,429,446)
Effect of exchange rate change on cash and cash equivalents	373,173	63,936
Net increase (decrease) in cash and cash equivalents	55,704	(2,300,974)
Cash and cash equivalents at beginning of period	15,138,329	19,997,750
Cash and cash equivalents at end of period	15,194,033	17,696,775