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## Consolidated Financial Results for the Three Months Ended June 30, 2024 [Japanese GAAP]

August 7, 2024

Company name: Neturen Co., Ltd.  
 Listing: Tokyo  
 Securities code: 5976  
 URL: <https://www.k-neturen.co.jp/>  
 Representative: Katsumi Omiya, Representative Director, Member of the Board and President  
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 Telephone: +81-3-3443-5441  
 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on financial results: None  
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (April 1, 2024 to June 30, 2024)

#### (1) Consolidated Operating Results (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	13,975	0.1	394	45.6	679	21.3	374	35.3
June 30, 2023	13,962	0.3	270	(60.3)	560	(45.8)	276	(52.6)

(Note) Comprehensive income: Three months ended June 30, 2024: ¥ 1,792 million [ 113.8%]  
 Three months ended June 30, 2023: ¥ 838 million [ (61.2)%]

	Basic earnings per share	Diluted earnings per share
Three months ended June 30, 2024	Yen 10.37	Yen -
June 30, 2023	7.37	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of June 30, 2024	Millions of yen 81,285	Millions of yen 66,829	% 74.1
March 31, 2024	80,613	66,471	74.4

(Reference) Equity: As of June 30, 2024: ¥ 60,214 million  
 As of March 31, 2024: ¥ 60,005 million

### 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2024	Yen -	Yen 24.00	Yen -	Yen 25.00	Yen 49.00
Fiscal year ending March 31, 2025	-	-	-	-	-
Fiscal year ending March 31, 2025 (Forecast)	-	25.00	-	25.00	50.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(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
Six months ending September 30, 2024	30,000	6.0	800	15.9	1,000	(15.4)	500	(26.3)	13.81
Full year	62,000	8.4	2,000	22.5	2,600	3.5	1,600	3.7	44.19

(Note) Revision to the financial results forecast announced most recently: None

\* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - (Company name: )  
 Excluded: - (Company name: )

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

(Note) For details, please see "2. Quarterly Consolidated Financial Statements (3) Notes to Quarterly Consolidated Financial Statements (Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements)" on page 7 of the appendix (Japanese version only).

(3) Changes in accounting policies, changes in accounting estimates, and restatement

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

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

June 30, 2024: 37,138,900 shares  
 March 31, 2024: 37,138,900 shares

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

June 30, 2024: 1,253,323 shares  
 March 31, 2024: 934,883 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2024: 36,077,072 shares  
 Three months ended June 30, 2023: 37,521,527 shares

\* 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

(Notes on forward-looking statements, etc.)

The forward-looking statements contained in this document are based on judgments made in accordance with information available at the time of the release of this document and include many uncertain factors. Actual results may differ from these forecasts due to changes in business conditions and other factors.

For the assumptions used for the financial results forecast as well as precautions regarding the use of such forecast, please refer to "1. Qualitative Information on Quarterly Financial Results (3) Explanation Regarding Consolidated Financial Results Forecast and Other Forward-looking Information" on page 3 of the Attachments (Japanese version only).

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	15,904	14,337
Notes and accounts receivable - trade, and contract assets	12,707	12,118
Electronically recorded monetary claims - operating	4,124	4,247
Securities	276	281
Merchandise and finished goods	1,159	1,276
Work in process	2,845	3,507
Raw materials and supplies	3,471	3,609
Other	1,430	2,212
Allowance for doubtful accounts	(166)	(170)
Total current assets	41,753	41,420
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,769	8,277
Machinery, equipment and vehicles, net	5,888	5,861
Land	9,940	9,964
Construction in progress	1,767	1,677
Other, net	702	710
Total property, plant and equipment	26,067	26,492
Intangible assets		
Leasehold interests in land	925	962
Other	102	108
Total intangible assets	1,027	1,070
Investments and other assets		
Investment securities	9,984	10,364
Long-term loans receivable	18	18
Retirement benefit asset	0	-
Other	1,840	1,997
Allowance for doubtful accounts	(78)	(78)
Total investments and other assets	11,765	12,301
Total non-current assets	38,860	39,865
Total assets	80,613	81,285

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	3,958	4,153
Electronically recorded obligations - operating	4,149	3,863
Short-term borrowings	670	669
Income taxes payable	542	220
Provision for bonuses	685	396
Provision for bonuses for directors (and other officers)	13	17
Provision for share awards for directors (and other officers)	17	19
Other	2,756	3,561
<b>Total current liabilities</b>	<b>12,794</b>	<b>12,902</b>
Non-current liabilities		
Long-term borrowings	16	14
Provision for share awards for directors (and other officers)	8	11
Retirement benefit liability	36	23
Other	1,287	1,504
<b>Total non-current liabilities</b>	<b>1,348</b>	<b>1,553</b>
<b>Total liabilities</b>	<b>14,142</b>	<b>14,456</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	6,418	6,418
Capital surplus	1,725	1,725
Retained earnings	46,397	45,866
Treasury shares	(816)	(1,163)
<b>Total shareholders' equity</b>	<b>53,724</b>	<b>52,845</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,392	2,586
Foreign currency translation adjustment	3,547	4,451
Remeasurements of defined benefit plans	341	331
<b>Total accumulated other comprehensive income</b>	<b>6,281</b>	<b>7,368</b>
<b>Non-controlling interests</b>	<b>6,465</b>	<b>6,614</b>
<b>Total net assets</b>	<b>66,471</b>	<b>66,829</b>
<b>Total liabilities and net assets</b>	<b>80,613</b>	<b>81,285</b>

Quarterly Consolidated Statements of Income and Comprehensive Income

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

(Millions of yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Net sales	13,962	13,975
Cost of sales	11,661	11,394
Gross profit	2,300	2,580
Selling, general and administrative expenses	2,029	2,185
Operating profit	270	394
Non-operating income		
Interest income	10	21
Dividend income	128	125
Share of profit of entities accounted for using equity method	37	32
Foreign exchange gains	41	65
Other	87	59
Total non-operating income	305	303
Non-operating expenses		
Interest expenses	14	14
Other	2	4
Total non-operating expenses	16	18
Ordinary profit	560	679
Extraordinary income		
Gain on sale of non-current assets	11	10
Gain on sale of investment securities	13	-
Insurance claim income	6	1
Subsidy income	-	3
Other	0	0
Total extraordinary income	31	15
Extraordinary losses		
Loss on sale of non-current assets	0	-
Loss on retirement of non-current assets	1	5
Total extraordinary losses	1	5
Profit before income taxes	590	689
Income taxes	222	227
Profit	367	462
Profit attributable to		
Profit attributable to owners of parent	276	374
Profit attributable to non-controlling interests	91	88
Other comprehensive income		
Valuation difference on available-for-sale securities	135	168
Foreign currency translation adjustment	424	1,022
Remeasurements of defined benefit plans, net of tax	(6)	(9)
Share of other comprehensive income of entities accounted for using equity method	(82)	148
Total other comprehensive income	470	1,330
Comprehensive income	838	1,792
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	633	1,461
Comprehensive income attributable to non-controlling interests	205	331