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August 8, 2024

Summary of Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2025 (Under Japanese GAAP)

Company name: SEINO HOLDINGS CO., LTD.
 Listing: Tokyo Stock Exchange / Nagoya Stock Exchange
 Securities code: 9076
 URL: <https://www.seino.co.jp/seino/shd/>
 Representative: Yoshitaka Taguchi, President and Chief Executive Officer
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions)

1. Consolidated financial results for the first quarter of the fiscal year ending June 30, 2024 (from April 1, 2024 to June 30, 2024)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenue		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	164,632	3.4	6,546	6.3	6,948	-1.4	3,195	-27.9
June 30, 2023	159,242	4.4	6,160	-15.2	7,051	-19.2	4,429	-18.7

Note: Comprehensive income For the three months ended June 30, 2024: ¥ 3,567million [-69.1%]
 For the three months ended June 30, 2023: ¥ 11,532million [153.5%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
June 30, 2024	19.00	17.66
June 30, 2023	24.39	22.85

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets Per share
	Millions of yen	Millions of yen	%	Yen
As of				
June 30, 2024	690,295	429,318	61.5	2,522.39
March 31, 2024	689,525	435,577	62.4	2,560.24

Reference: Equity
 As of June 30, 2024: ¥ 424,239 million
 As of March 31, 2024: ¥ 430,380 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	43.00	-	57.00	100.00
Fiscal year ending March 31, 2025	-				
Fiscal year ending March 31, 2025 (Forecast)		43.00	-	57.00	100.00

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

3. Earnings Forecast of Consolidated Financial Results for Fiscal Year Ending March 31, 2025 (From April 1, 2024 to March 31, 2025)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	317,000	0.5	12,000	6.0	12,900	5.6	7,500	0.8	44.59
Full year	658,700	2.5	30,900	32.0	32,400	32.3	19,400	33.2	115.27

Note: Revisions to the forecast most recently announced: None

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

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

As of June 30, 2024	187,679,783 shares
As of March 31, 2024	187,679,783 shares

- (ii) Number of treasury shares at the end of the period

As of June 30, 2024	19,490,330 shares
As of March 31, 2024	19,578,573 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	168,145,927 shares
Three months ended June 30, 2023	181,617,484 shares

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants of an audit firm: Yes (voluntary)

- * Proper use of earnings forecasts, and other special matters

The statements regarding forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management, and they are not meant to be a commitment by the Company. Therefore, there might be cases in which actual results differ materially from forecast values due to various factors.

4. Quarterly Consolidated Financial Statement
 (1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	80,281	75,349
Notes receivable - trade	5,740	5,549
Accounts receivable-trade, and contract assets	109,836	105,735
Securities	3,188	3,160
Inventories	20,614	18,821
Other	11,055	12,459
Allowance for doubtful accounts	(348)	(369)
Total current assets	230,369	220,706
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	116,970	116,851
Machinery, equipment and vehicles, net	19,074	20,192
Tools, furniture and fixtures, net	4,974	5,338
Land	189,254	190,741
Construction in progress	5,637	11,730
Other, net	9,742	9,811
Total property, plant and equipment	345,654	354,666
Intangible assets		
Goodwill	9,467	9,807
Other	5,861	5,744
Total intangible assets	15,328	15,552
Investments and other assets		
Investment securities	81,531	80,942
Long-term loans receivable	256	263
Retirement benefit asset	215	111
Deferred tax assets	9,002	10,765
Other	7,655	7,779
Allowance for doubtful accounts	(489)	(489)
Total investments and other assets	98,172	99,371
Total non-current assets	459,155	469,589
Total assets	689,525	690,295

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes payable - trade	2,261	2,158
Accounts payable-trade	56,701	56,147
Short-term borrowings	3,748	3,710
Current portion of long-term borrowings	1,565	1,734
Accounts payable - other	16,662	16,801
Accrued expenses	16,445	21,806
Income taxes payable	4,969	4,280
Accrued consumption taxes	5,848	7,637
Other	11,634	12,393
Total current liabilities	119,838	126,669
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	25,099	25,087
Long-term borrowings	6,927	7,039
Deferred tax liabilities	2,651	2,517
Provision for retirement benefits for directors	1,560	1,520
Provision for share awards	4,806	4,723
Provision for share awards for directors	219	229
Retirement benefit liability	77,392	77,633
Asset retirement obligations	3,984	4,001
Other	11,467	11,555
Total non-current liabilities	134,109	134,308
Total liabilities	253,947	260,977
Net assets		
Shareholders' equity		
Share capital	42,481	42,481
Capital surplus	77,175	77,207
Retained earnings	321,348	314,659
Treasury shares	(37,586)	(37,470)
Total shareholders' equity	403,420	396,878
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	23,850	23,533
Revaluation reserve for land	(100)	(100)
Foreign currency translation adjustment	1,540	2,175
Remeasurements of defined benefit plans	1,670	1,752
Total accumulated other comprehensive income	26,960	27,361
Share acquisition rights	2	2
Non-controlling interests	5,194	5,076
Total net assets	435,577	429,318
Total liabilities and net assets	689,525	690,295

(2) Quarterly Consolidated Statement of Income

(Millions of yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Operating revenue	159,242	164,632
Operating costs and expenses	141,242	145,592
Gross profit	17,999	19,039
Selling, general and administrative expenses	11,839	12,492
Operating profit	6,160	6,546
Non-operating income		
Interest income	2	4
Dividend income	465	575
Share of profit of entities accounted for using equity method	286	-
Other	275	331
Total non-operating income	1,030	911
Non-operating expenses		
Interest expenses	106	102
Share of loss of entities accounted for using equity method	-	387
Other	32	18
Total non-operating expenses	139	508
Ordinary profit	7,051	6,948
Extraordinary income		
Gain on sale of non-current assets	55	59
Gain on sale of investment securities	37	77
Compensation income	-	46
Other	0	-
Total extraordinary income	92	183
Extraordinary losses		
Loss on disposal of non-current assets	45	1,320
Impairment losses	124	110
Loss on sale of shares of subsidiaries and associates	83	-
Other	11	0
Total extraordinary losses	264	1,432
Profit before income taxes	6,879	5,700
Income taxes - current	4,495	4,311
Income taxes - deferred	(2,017)	(1,765)
Total income taxes	2,478	2,546
Profit	4,400	3,154
Loss attributable to non-controlling interests	(29)	(41)
Profit attributable to owners of parent	4,429	3,195

(3) Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Profit	4,400	3,154
Other comprehensive income		
Valuation difference on available-for-sale securities	4,479	(355)
Foreign currency translation adjustment	45	99
Remeasurements of defined benefit plans, net of tax	2,393	85
Share of other comprehensive income of entities accounted for using equity method	214	583
Total other comprehensive income	7,132	413
Comprehensive income	11,532	3,567
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,542	3,596
Comprehensive income attributable to non-controlling interests	(9)	(29)

(4) Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Cash flows from operating activities		
Profit before income taxes	6,879	5,700
Depreciation	5,103	5,361
Impairment losses	124	110
Amortization of goodwill	588	527
Increase (decrease) in allowance for doubtful accounts	9	7
Increase (decrease) in provision for retirement benefits for directors	(352)	(139)
Increase (decrease) in provision for share awards	(60)	(83)
Increase (decrease) in provision for share awards for directors	9	9
Increase (decrease) in retirement benefit liability	382	286
Decrease (increase) in retirement benefit asset	-	55
Interest and dividend income	(468)	(580)
Interest expenses	106	102
Loss (gain) on sale of investment securities	(37)	(77)
Loss (gain) on sale of shares of subsidiaries and associates	83	-
Loss (gain) on sale and retirement of property, plant and equipment and intangible assets	(10)	1,261
Share of loss (profit) of entities accounted for using equity method	(286)	387
Decrease (increase) in trade receivables	3,500	5,431
Decrease (increase) in inventories	(677)	1,998
Increase (decrease) in trade payables	(1,030)	(1,835)
Increase (decrease) in accrued expenses	4,999	4,497
Increase (decrease) in accrued consumption taxes	1,617	1,835
Other, net	1,657	(359)
Subtotal	22,139	24,497
Interest and dividends received	938	845
Interest paid	(111)	(106)
Income taxes paid	(8,843)	(4,964)
Net cash provided by (used in) operating activities	14,123	20,272
Cash flows from investing activities		
Payments into time deposits	(5,557)	(6,266)
Proceeds from withdrawal of time deposits	5,587	5,619
Purchase of property, plant and equipment and intangible assets	(5,324)	(13,933)
Proceeds from sale of property, plant and equipment and intangible assets	50	58
Purchase of investment securities	(2,154)	(56)
Proceeds from sale and redemption of investment securities	80	111
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(459)
Decrease (increase) in investments and other assets	(255)	91
Loan advances	(11)	(12)
Proceeds from collection of loans receivable	4	6
Other, net	(162)	(816)
Net cash provided by (used in) investing activities	(7,742)	(15,656)

(Millions of yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	—	(40)
Repayments of long-term borrowings	(297)	(370)
Purchase of treasury shares	(0)	(0)
Proceeds from disposal of treasury shares	79	77
Dividends paid	(8,069)	(9,454)
Dividends paid to non-controlling interests	(282)	(89)
Other, net	(355)	(381)
Net cash provided by (used in) financing activities	(8,925)	(10,259)
Effect of exchange rate change on cash and cash equivalents	20	26
Net increase (decrease) in cash and cash equivalents	(2,524)	(5,617)
Cash and cash equivalents at beginning of period	101,065	75,378
Cash and cash equivalents at end of period	98,540	69,761