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

January 31, 2025

Company name: ENDO Lighting Corporation

Listing: Tokyo

Securities code: 6932

URL: <https://www.endo-lighting.co.jp>

Representative: Kunihiko Endo

Representative Director and President

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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 Nine Months Ended December 31, 2024 (April 1, 2024 to December 31, 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	%
Nine months ended December 31, 2024	38,734	4.1	3,028	(14.5)	3,076	(22.6)	2,153	(29.8)
December 31, 2023	37,221	13.2	3,543	106.6	3,972	92.6	3,066	187.8

(Note) Comprehensive income: Nine months ended December 31, 2024: ¥ 3,850 million [(30.8) %]
 Nine months ended December 31, 2023: ¥ 5,565 million [76.1 %]

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2024	145.75		-	
December 31, 2023	207.50		-	

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	67,535	41,790	61.9
March 31, 2024	62,753	38,567	61.5

(Reference) Equity: As of December 31, 2024: ¥ 41,790 million
 As of March 31, 2024: ¥ 38,567 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	17.50	-	22.50	40.00
Fiscal year ending March 31, 2025	-	20.00	-		
Fiscal year ending March 31, 2025 (Forecast)				20.00	40.00

(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
Full year	53,000	2.5	5,300	1.8	5,500	(3.9)	4,200	(9.7)	284.24

(Note) Revision to the financial results forecast announced most recently: 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

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

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):

December 31, 2024: 14,776,321 shares

March 31, 2024: 14,776,321 shares

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

December 31, 2024: 196 shares

March 31, 2024: 152 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2024: 14,776,140 shares

Nine months ended December 31, 2023: 14,776,169 shares

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

* Proper use of earnings forecasts, and other special matters

(Cautionary note concerning forward-looking statements)

The forward-looking statements, including the financial results forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to achieve the stated performance. Actual results may differ substantially due to various factors.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	16,373	14,899
Notes and accounts receivable - trade	9,845	10,007
Merchandise and finished goods	10,822	14,331
Work in process	269	457
Raw materials and supplies	1,172	1,424
Other	1,704	2,610
Allowance for doubtful accounts	(262)	(229)
Total current assets	39,924	43,501
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,806	10,200
Accumulated depreciation	(5,348)	(5,696)
Buildings and structures, net	4,457	4,503
Machinery, equipment and vehicles	3,618	3,988
Accumulated depreciation	(3,221)	(3,597)
Machinery, equipment and vehicles, net	396	391
Rental assets	15,940	17,294
Accumulated depreciation	(8,436)	(9,167)
Rental assets, net	7,503	8,127
Land	3,452	3,479
Leased assets	422	288
Accumulated depreciation	(302)	(161)
Leased assets, net	119	127
Construction in progress	323	540
Other	3,997	3,523
Accumulated depreciation	(3,381)	(2,844)
Other, net	616	679
Total property, plant and equipment	16,871	17,849
Intangible assets		
Software	463	625
Goodwill	2,516	2,487
Other	153	95
Total intangible assets	3,134	3,208
Investments and other assets		
Investment securities	100	92
Retirement benefit asset	101	127
Deferred tax assets	947	1,049
Other	1,759	1,786
Allowance for doubtful accounts	(85)	(78)
Total investments and other assets	2,823	2,976
Total non-current assets	22,829	24,033
Total assets	62,753	67,535

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,036	6,389
Short-term borrowings	200	1,800
Current portion of long-term borrowings	4,464	4,007
Lease liabilities	48	47
Income taxes payable	667	180
Provision for bonuses	872	542
Provision for bonuses for directors (and other officers)	171	49
Provision for product warranties	582	514
Other	3,195	2,734
Total current liabilities	15,238	16,265
Non-current liabilities		
Bonds payable	1,000	1,000
Long-term borrowings	6,624	6,802
Lease liabilities	79	95
Deferred tax liabilities	135	405
Provision for retirement benefits for directors (and other officers)	109	124
Retirement benefit liability	303	367
Other	694	684
Total non-current liabilities	8,947	9,480
Total liabilities	24,186	25,745
Net assets		
Shareholders' equity		
Share capital	5,155	5,155
Capital surplus	5,516	5,516
Retained earnings	22,574	24,100
Treasury shares	(0)	(0)
Total shareholders' equity	33,246	34,772
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	32	26
Deferred gains or losses on hedges	(20)	146
Foreign currency translation adjustment	5,374	6,890
Remeasurements of defined benefit plans	(66)	(46)
Total accumulated other comprehensive income	5,320	7,017
Non-controlling interests	0	0
Total net assets	38,567	41,790
Total liabilities and net assets	62,753	67,535

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

(Millions of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Net sales	37,221	38,734
Cost of sales	22,762	24,009
Gross profit	14,459	14,724
Selling, general and administrative expenses	10,915	11,696
Operating profit	3,543	3,028
Non-operating income		
Interest and dividend income	195	314
Income of rent	123	129
Gain on valuation of derivatives	329	-
Other	30	101
Total non-operating income	678	545
Non-operating expenses		
Interest expenses	69	58
Rental costs	52	56
Foreign exchange losses	92	344
Other	35	38
Total non-operating expenses	250	498
Ordinary profit	3,972	3,076
Extraordinary income		
Gain on sale of non-current assets	1	0
Total extraordinary income	1	0
Extraordinary losses		
Loss on sale of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	3,973	3,076
Income taxes - current	970	826
Income taxes - deferred	(62)	95
Total income taxes	907	922
Profit	3,066	2,153
Profit (loss) attributable to non-controlling interests	(0)	0
Profit attributable to owners of parent	3,066	2,153

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Profit	3,066	2,153
Other comprehensive income		
Valuation difference on available-for-sale securities	13	(6)
Deferred gains or losses on hedges	(9)	167
Foreign currency translation adjustment	2,473	1,515
Remeasurements of defined benefit plans, net of tax	22	20
Total other comprehensive income	2,499	1,697
Comprehensive income	5,565	3,850
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,565	3,850
Comprehensive income attributable to non-controlling interests	0	0

Notes on Quarterly Consolidated Results by Segment

Summary of Segment Information

I Previous Consolidated Financial Results for the Nine Months Ended December 31, 2023 (April 1, 2023 to December 31, 2023)

1. Information of the net sales and profit or loss by Reporting Segment

(Millions of yen)

	Reporting Segment				Total
	Lighting Fixtures	Environment-related Business	Interior Furniture	Total	
Sales Revenues					
Revenues from external customers	29,075	7,293	853	37,221	37,221
Inter-segment revenues and transfers	3,866	43	—	3,910	3,910
Total	32,941	7,337	853	41,132	41,132
Segment profit or loss (△)	3,769	641	△37	4,372	4,372

2. The difference between the total amounts of profits or losses by reporting segment and the amount reported on the quarterly consolidated profit and loss statement and the main contents of said difference (Matters concerning difference adjustment)

(Millions of yen)

Profit	Amount
Total of Reporting segment	4,372
Elimination of intra-segment transactions	79
Unrealized profit adjustment	25
Company-wide expenses (See note)	△933
Consolidated Operating profit	3,543

Note: Company-wide expenses mainly present administration expenses of the parent non-attributable to reporting segment.

3. Information of fixed asset impairment or goodwill

Description is omitted because of lack of materiality.

II Current Consolidated Financial Results for the Nine Months Ended December 31, 2024 (April 1, 2024 to December 31, 2024)

1. Information of the net sales and profit or loss by Reporting Segment

(Millions of yen)

	Reporting Segment				Total
	Lighting Fixtures	Environment-related Business	Interior Furniture	Total	
Sales Revenues					
Revenues from external customers	30,616	7,188	929	38,734	38,734
Inter-segment revenues and transfers	4,106	38	—	4,145	4,145
Total	34,722	7,227	929	42,879	42,879
Segment profit	3,317	692	44	4,053	4,053

2. The difference between the total amounts of profits or losses by reporting segment and the amount reported on the quarterly consolidated profit and loss statement and the main contents of said difference (Matters concerning difference adjustment)

(Millions of yen)

Profit	Amount
Total of Reporting segment	4,053
Elimination of intra-segment transactions	82
Unrealized profit adjustment	△21
Company-wide expenses (See note)	△1,085
Consolidated Operating profit	3,028

Note: Company-wide expenses mainly present administration expenses of the parent non-attributable to reporting segment.

3. Information of fixed asset impairment or goodwill

Description is omitted because of lack of materiality.