

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



February 7, 2025

Company name: KYODO PRINTING CO., LTD.

Stock exchange listing: Tokyo Stock Exchange

Code number: 7914

URL: <https://www.kyodoprinting.co.jp/>

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Scheduled date of commencing dividend payments: –

Availability of supplementary briefing material on quarterly financial results: Available

Schedule of financial results briefing session: Not scheduled

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

1. Consolidated Financial Results for the Nine Months Ended December 31, 2024 (April 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	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended								
December 31, 2024	75,123	4.4	1,724	24.0	2,159	16.7	2,392	86.3
December 31, 2023	71,935	3.8	1,390	313.8	1,850	131.8	1,284	145.7

(Note) Comprehensive income: Nine months ended December 31, 2024: ¥3,268 million [(32.8)%]

Nine months ended December 31, 2023: ¥4,864 million [-%]

	Basic net income per share	Diluted net income per share
	Yen	Yen
Nine months ended		
December 31, 2024	330.25	–
December 31, 2023	169.54	–

(2) Consolidated Financial Position

	Total assets	Total equity	Equity ratio
	Million yen	Million yen	%
As of December 31, 2024	132,162	64,764	49.0
As of March 31, 2024	131,815	63,120	47.9

(Reference) Equity: As of December 31, 2024: ¥64,734 million

As of March 31, 2024: ¥63,082 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	—	50.00	—	50.00	100.00
Fiscal year ending March 31, 2025	—	55.00	—		
Fiscal year ending March 31, 2025 (Forecast)				80.00	135.00

(Note) Revision to the dividend forecast announced most recently: No

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary profit		Profit attributable to owners of parent		Basic net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	104,000	7.2	3,100	96.5	3,600	72.8	3,250	117.2	448.56

(Note) Revision to the financial results forecast announced most recently: No

*** Notes:**

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

Newly added: – (Name of subsidiary): –, Excluded: 2 (Name of subsidiary): Kyodo Printing Marketing Solutions Co., Ltd. , Kyodo FTech Co., Ltd.

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

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

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common stock)

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

December 31, 2024: 8,370,000 shares

March 31, 2024: 8,370,000 shares

2) Total number of treasury shares at the end of the period:

December 31, 2024: 1,300,291 shares

March 31, 2024: 1,087,831 shares

3) Average number of shares during the period:

Nine months ended December 31, 2024: 7,245,328 shares

Nine months ended December 31, 2023: 7,576,252 shares

(Note) Treasury shares deducted in calculating the total number of treasury shares at the end of the period and the average number of shares during the period include the Company's shares held by Custody Bank of Japan, Ltd. (Trust account E) as a trust property of the "Board Benefit Trust (BBT, J-ESOP, and Employee Shareholding Association Disposal Type)".

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

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

The financial results forecast and certain other statements regarding the future in this document are based on the information currently available to the Company and certain assumptions considered to be rational by the Company and they do not constitute a guarantee that the Company will achieve the forecast or other forward-looking statements. The actual results may differ substantially from the forecast for various reasons.

Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	11,003	11,433
Notes and accounts receivable - trade, and contract assets	28,621	28,285
Securities	7	—
Merchandise and finished goods	3,249	3,508
Work in process	2,816	3,191
Raw materials and supplies	1,560	1,634
Other	843	855
Allowance for doubtful accounts	△27	△28
Total current assets	48,074	48,881
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	27,811	26,629
Machinery, equipment and vehicles, net	11,377	11,840
Tools, furniture and fixtures, net	1,597	1,616
Land	14,901	14,912
Leased assets, net	1,040	1,088
Construction in progress	1,238	520
Total property, plant and equipment	57,966	56,608
Intangible assets		
Goodwill	140	—
Software	1,136	1,059
Other	246	320
Total intangible assets	1,522	1,380
Investments and other assets		
Investment securities	20,549	21,576
Long-term loans receivable	—	101
Retirement benefit asset	2,324	2,396
Deferred tax assets	332	301
Other	1,050	920
Allowance for doubtful accounts	△4	△5
Total investments and other assets	24,252	25,291
Total non-current assets	83,741	83,280
Total assets	131,815	132,162

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,345	12,088
Short-term borrowings	135	3,070
Current portion of long-term borrowings	2,437	2,433
Lease liabilities	372	365
Income taxes payable	283	989
Provision for bonuses	953	69
Provision for bonuses for directors (and other officers)	59	83
Other	8,917	9,527
Total current liabilities	28,504	28,626
Non-current liabilities		
Bonds payable	5,000	5,000
Long-term borrowings	6,789	4,940
Lease liabilities	773	828
Deferred tax liabilities	3,981	4,288
Provision for share awards for directors (and other officers)	22	18
Retirement benefit liability	6,554	6,732
Asset retirement obligations	8	9
Long-term advances received	16,833	16,659
Provision for product compensation	—	39
Other	226	253
Total non-current liabilities	40,190	38,770
Total liabilities	68,695	67,397
Net assets		
Shareholders' equity		
Share capital	4,510	4,510
Capital surplus	1,687	1,687
Retained earnings	48,592	50,192
Treasury shares	△3,289	△4,121
Total shareholders' equity	51,500	52,269
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,381	12,124
Foreign currency translation adjustment	356	407
Remeasurements of defined benefit plans	△156	△66
Total accumulated other comprehensive income	11,581	12,465
Non-controlling interests	38	30
Total net assets	63,120	64,764
Total liabilities and net assets	131,815	132,162

Quarterly Consolidated Statements of Income (For the nine months)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	71,935	75,123
Cost of sales	57,563	60,006
Gross profit	14,372	15,116
Selling, general and administrative expenses	12,981	13,392
Operating profit	1,390	1,724
Non-operating income		
Interest income	2	4
Dividend income	288	302
Gain on sale of goods	26	30
Rental income from facilities	51	52
Dividend income of insurance	146	150
Foreign exchange gains	9	—
Other	147	171
Total non-operating income	672	711
Non-operating expenses		
Interest expenses	107	134
Rental expenses on facilities	26	25
Bond issuance costs	31	—
Compensation expenses	—	41
Foreign exchange losses	—	1
Other	46	73
Total non-operating expenses	212	276
Ordinary profit	1,850	2,159
Extraordinary income		
Gain on sale of non-current assets	0	2
Gain on sale of investment securities	216	2,024
Other	—	17
Total extraordinary income	217	2,044
Extraordinary losses		
Loss on disposal of non-current assets	77	113
Loss on sale of investment securities	0	—
Loss on valuation of investment securities	0	75
Impairment losses	31	141
Provision for product compensation	—	40
Loss on litigation	—	※ 1 142
Factory reorganization cost	—	※ 2 229
Other	9	38
Total extraordinary losses	117	780
Profit before income taxes	1,950	3,422
Income taxes	672	1,038
Profit	1,278	2,384
Loss attributable to non-controlling interests	△6	△8
Profit attributable to owners of parent	1,284	2,392

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

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	1,278	2,384
Other comprehensive income		
Valuation difference on available-for-sale securities	3,251	743
Foreign currency translation adjustment	322	51
Remeasurements of defined benefit plans, net of tax	33	89
Share of other comprehensive income of entities accounted for using equity method	△20	—
Total other comprehensive income	3,585	883
Comprehensive income	4,864	3,268
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,867	3,276
Comprehensive income attributable to non-controlling interests	△3	△7

Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	1,950	3,422
Depreciation	4,191	4,429
Impairment losses	31	141
Amortization of goodwill	180	140
Increase (decrease) in net defined benefit asset and liability	138	216
Increase (decrease) in allowance for doubtful accounts	4	0
Increase (decrease) in provision for bonuses	△1,184	△883
Increase (decrease) in provision for bonuses for directors (and other officers)	3	23
Increase (decrease) in provision for loss on Anti-Monopoly Act	△838	—
Increase (decrease) in Provision for product defect compensation	—	39
Increase (decrease) in provision for environmental measures	△22	—
Interest and dividend income	△290	△306
Interest expenses	107	134
Loss (gain) on valuation of investment securities	0	75
Loss (gain) on sale of investment securities	△216	△2,024
Loss (gain) on sale and retirement of non-current assets	76	111
Decrease (increase) in trade receivables	△1,254	347
Decrease (increase) in inventories	△1,152	△702
Increase (decrease) in trade payables	△1,408	△3,263
Increase (decrease) in accrued consumption taxes	△730	△183
Decrease (increase) in distressed receivables	△1	2
Increase (decrease) in accrued expenses	337	185
Other, net	819	888
Subtotal	742	2,794
Interest and dividends received	290	306
Interest paid	△102	△118
Income taxes paid	△274	△217
Net cash provided by (used in) operating activities	656	2,765
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	△2,733	△3,332
Proceeds from sale of property, plant and equipment and intangible assets	3	12
Purchase of investment securities	△136	△107
Proceeds from sale of investment securities	337	2,094
Loan advances	—	△104
Proceeds from collection of loans receivable	—	0
Other, net	△54	△51
Net cash provided by (used in) investing activities	△2,582	△1,488

Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	16	2,931
Proceeds from long-term borrowings	3,054	—
Repayments of long-term borrowings	△1,834	△1,856
Proceeds from issuance of bonds	4,987	—
Redemption of bonds	△3,000	—
Dividends paid	△790	△792
Purchase of treasury shares	△932	△867
Proceeds from disposal of treasury shares	42	36
Other, net	△318	△298
Net cash provided by (used in) financing activities	1,225	△846
Effect of exchange rate change on cash and cash equivalents	7	4
Net increase (decrease) in cash and cash equivalents	△693	435
Cash and cash equivalents at beginning of period	10,500	10,944
Cash and cash equivalents at end of period	9,807	11,379