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November 12, 2024

Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 (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 file semi-annual securities report: November 12, 2024
 Scheduled date to commence dividend payments: December 5, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the Six Months ended September 30, 2024 (from April 1, 2024 to September 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	%
Six months ended								
September 30, 2024	331,604	5.1	13,075	15.5	13,159	7.7	6,434	-13.5
September 30, 2023	315,510	3.0	11,318	-21.9	12,215	-27.1	7,441	-24.9

Note: Comprehensive income For the six months ended September 30, 2024: ¥ 4,544 million (-72.3%)
 For the six months ended September 30, 2023: ¥ 16,408 million (72.1%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended		
September 30, 2024	38.25	35.55
September 30, 2023	41.72	39.04

(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				
September 30, 2024	718,283	431,297	59.2	2,527.12
March 31, 2024	689,525	435,577	62.4	2,560.24

Reference: Equity
 As of September 30, 2024: ¥ 425,370 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	-	43.00			
Fiscal year ending March 31, 2025 (Forecast)			-	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)

(Percentages indicate year-on-year changes)

	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
Full year	731,304	13.8	33,175	41.8	33,939	38.5	19,707	35.3	117.08

Note: Revisions to the forecast most recently announced: Yes

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual 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 September 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 September 30, 2024	19,357,714 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)

For the six months ended September 30, 2024	168,211,610 shares
For the six months ended September 30, 2023	178,335,476 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

* 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. Semi-annual Consolidated Financial Statement

(1) Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	80,281	117,349
Notes receivable - trade	5,740	5,051
Accounts receivable-trade, and contract assets	109,836	101,654
Securities	3,188	3,000
Inventories	20,614	17,818
Other	11,055	9,533
Allowance for doubtful accounts	(348)	(375)
Total current assets	230,369	254,032
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	116,970	117,468
Machinery, equipment and vehicles, net	19,074	20,331
Tools, furniture and fixtures, net	4,974	5,063
Land	189,254	190,871
Construction in progress	5,637	12,216
Other, net	9,742	9,774
Total property, plant and equipment	345,654	355,725
Intangible assets		
Goodwill	9,467	9,280
Other	5,861	5,705
Total intangible assets	15,328	14,985
Investments and other assets		
Investment securities	81,531	76,773
Long-term loans receivable	256	279
Retirement benefit asset	215	147
Deferred tax assets	9,002	8,962
Other	7,655	7,854
Allowance for doubtful accounts	(489)	(478)
Total investments and other assets	98,172	93,539
Total non-current assets	459,155	464,250
Total assets	689,525	718,283

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes payable - trade	2,261	1,793
Accounts payable-trade	56,701	49,925
Short-term borrowings	3,748	50,792
Current portion of long-term borrowings	1,565	1,700
Accounts payable - other	16,662	14,950
Accrued expenses	16,445	13,081
Income taxes payable	4,969	3,641
Accrued consumption taxes	5,848	5,736
Other	11,634	12,346
Total current liabilities	119,838	153,969
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	25,099	25,074
Long-term borrowings	6,927	6,339
Deferred tax liabilities	2,651	2,405
Provision for retirement benefits for directors	1,560	1,279
Provision for share awards	4,806	4,671
Provision for share awards for directors	219	223
Retirement benefit liability	77,392	77,569
Asset retirement obligations	3,984	3,995
Other	11,467	11,457
Total non-current liabilities	134,109	133,015
Total liabilities	253,947	286,985
Net assets		
Shareholders' equity		
Share capital	42,481	42,481
Capital surplus	77,175	77,233
Retained earnings	321,348	317,897
Treasury shares	(37,586)	(37,284)
Total shareholders' equity	403,420	400,327
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	23,850	20,426
Revaluation reserve for land	(100)	(100)
Foreign currency translation adjustment	1,540	2,897
Remeasurements of defined benefit plans	1,670	1,819
Total accumulated other comprehensive income	26,960	25,042
Share acquisition rights	2	2
Non-controlling interests	5,194	5,924
Total net assets	435,577	431,297
Total liabilities and net assets	689,525	718,283

(2) Semi-annual Consolidate Statements of Income

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Operating revenue	315,510	331,604
Operating costs and expenses	280,156	293,404
Gross profit	35,354	38,199
Selling, general and administrative expenses	24,035	25,124
Operating profit	11,318	13,075
Non-operating income		
Interest income	7	11
Dividend income	525	660
Share of profit of entities accounted for using equity method	293	—
Other	565	648
Total non-operating income	1,392	1,319
Non-operating expenses		
Interest expenses	211	207
Share of loss of entities accounted for using equity method	—	833
Loss on investments in investment partnerships	149	157
Commission for purchase of treasury shares	108	—
Other	25	36
Total non-operating expenses	495	1,234
Ordinary profit	12,215	13,159
Extraordinary income		
Gain on sale of non-current assets	128	130
Gain on sale of investment securities	172	147
Compensation income	—	146
Other	0	2
Total extraordinary income	301	427
Extraordinary losses		
Loss on disposal of non-current assets	121	2,209
Impairment losses	360	110
Other	186	39
Total extraordinary losses	668	2,359
Profit before income taxes	11,848	11,228
Income taxes - current	3,671	3,683
Income taxes - deferred	789	1,151
Total income taxes	4,461	4,835
Profit	7,386	6,393
Loss attributable to non-controlling interests	(54)	(41)
Profit attributable to owners of parent	7,441	6,434

(3) Semi-annual Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	7,386	6,393
Other comprehensive income		
Valuation difference on available-for-sale securities	6,146	(3,431)
Foreign currency translation adjustment	156	245
Remeasurements of defined benefit plans, net of tax	1,702	154
Share of other comprehensive income of entities accounted for using equity method	1,016	1,181
Total other comprehensive income	9,021	(1,849)
Comprehensive income	16,408	4,544
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,413	4,516
Comprehensive income attributable to non-controlling interests	(5)	27

(4) Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	11,848	11,228
Depreciation	10,440	10,913
Impairment losses	360	110
Amortization of goodwill	1,116	1,054
Increase (decrease) in allowance for doubtful accounts	(2)	(1)
Increase (decrease) in provision for retirement benefits for directors	(379)	(381)
Increase (decrease) in provision for share awards	(124)	(135)
Increase (decrease) in provision for share awards for directors	19	4
Increase (decrease) in retirement benefit liability	591	304
Decrease (increase) in retirement benefit asset	—	29
Interest and dividend income	(533)	(671)
Interest expenses	211	207
Loss (gain) on sale of investment securities	(172)	(147)
Loss (gain) on sale and retirement of property, plant and equipment and intangible assets	(6)	2,078
Share of loss (profit) of entities accounted for using equity method	(293)	833
Loss (gain) on investments in investment partnerships	149	157
Decrease (increase) in trade receivables	528	10,048
Decrease (increase) in inventories	(1,961)	3,137
Increase (decrease) in trade payables	5,515	(8,441)
Increase (decrease) in accrued consumption taxes	(131)	48
Other, net	(2,573)	(5,757)
Subtotal	24,605	24,619
Interest and dividends received	1,001	982
Interest paid	(229)	(218)
Income taxes paid	(6,854)	(2,612)
Net cash provided by (used in) operating activities	18,522	22,771
Cash flows from investing activities		
Payments into time deposits	(6,914)	(7,578)
Proceeds from withdrawal of time deposits	7,084	6,890
Proceeds from redemption of securities	—	109
Purchase of property, plant and equipment and intangible assets	(10,565)	(20,766)
Proceeds from sale of property, plant and equipment and intangible assets	213	139
Purchase of investment securities	(2,164)	(224)
Proceeds from sale and redemption of investment securities	256	194
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(459)
Decrease (increase) in investments and other assets	(332)	138
Loan advances	(30)	(35)
Proceeds from collection of loans receivable	10	15
Other, net	(204)	(1,499)
Net cash provided by (used in) investing activities	(12,646)	(23,075)

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(50)	47,041
Repayments of long-term borrowings	(943)	(1,105)
Proceeds from share issuance to non-controlling shareholders	—	823
Purchase of treasury shares	(20,471)	(0)
Proceeds from disposal of treasury shares	312	326
Dividends paid	(8,165)	(9,571)
Dividends paid to non-controlling interests	(282)	(121)
Other, net	(706)	(859)
Net cash provided by (used in) financing activities	(30,307)	36,532
Effect of exchange rate change on cash and cash equivalents	59	112
Net increase (decrease) in cash and cash equivalents	(24,371)	36,341
Cash and cash equivalents at beginning of period	101,065	75,378
Cash and cash equivalents at end of period	76,693	111,719