

Translation

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Summary of Consolidated Financial Results for the Year Ended February 28, 2025 (Based on Japanese GAAP)

April 14, 2025

Company name: Kitanotatsujin Corporation
 Stock exchange listing: Tokyo, Sapporo
 Stock code: 2930 URL <https://www.kitanotatsujin.com>
 Representative: Representative Director & President Katsuhisa Kinoshita
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Scheduled date of ordinary general meeting of shareholders: May 22, 2025
 Scheduled date to commence dividend payments: May 23, 2025
 Scheduled date to file Securities Report: May 26, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended February 28, 2025 (from March 1, 2024 to February 28, 2025)

(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	%
Year ended February 28, 2025	11,826	(19.4)	1,675	15.6	1,704	15.1	1,205	21.2
Year ended February 29, 2024	14,665	49.2	1,449	184.1	1,480	173.6	994	189.4

(Note) Comprehensive income: Year ended February 28, 2025: 1,208 million yen [21.5%]
 Year ended February 29, 2024: 994 million yen [189.4%]

	Earnings per share	Diluted earnings per share	Profit/equity	Ordinary profit/ total assets	Operating profit/ net sales
	Yen	Yen	%	%	%
Year ended February 28, 2025	8.66	–	16.2	19.1	14.2
Year ended February 29, 2024	7.15	–	15.1	18.0	9.9

(Reference) Share of profit (loss) of entities accounted for using equity method:
 Year ended February 28, 2025: – million yen [–%]
 Year ended February 29, 2024: – million yen [–%]

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of February 28, 2025	9,157	7,866	85.9	56.50
As of February 29, 2024	8,649	6,996	80.9	50.29

(Reference) Equity: As of February 28, 2025: 7,866 million yen
 As of February 29, 2024: 6,996 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended February 28, 2025	1,814	(530)	(366)	5,698
Year ended February 29, 2024	453	(277)	(223)	4,783

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended February 29, 2024	–	0.90	–	1.30	2.20	306	30.8	4.6
Year ended February 28, 2025	–	1.30	–	2.20	3.50	487	40.4	6.6
Year ending February 28, 2026 (Forecast)	–	–	–	–	–		–	

(Note) The Company plans to pay an interim dividend and a year-end dividend, respectively, for the year ending February 28, 2026. However, as the Company is currently preparing a medium-term management plan beginning from the fiscal year ending February 28, 2026 and a policy of returns to shareholders based on this plan (hereinafter the “Medium-term Plan, etc.”), the specific amount of dividends is not yet determined. It will be announced by about the end of July 2025 alongside the Medium-term Plan, etc.

3. Forecast of consolidated financial results for the year ending February 28, 2026 (from March 1, 2025 to February 28, 2026)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending August 31, 2025	5,129	(20.9)	535	(40.6)	542	(40.3)	373	(38.7)	2.68
Full year	10,289	(13.0)	897	(46.4)	911	(46.5)	622	(48.4)	4.46

4. Notes

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

Excluded: 1 company (FM NORTH WAVE CO., LTD.)

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of February 28, 2025	141,072,000 shares	As of February 29, 2024	141,072,000 shares
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Number of treasury shares at the end of the period

As of February 28, 2025	1,832,233 shares	As of February 29, 2024	1,941,848 shares
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Average number of shares during the period

Year ended February 28, 2025	139,219,554 shares	Year ended February 29, 2024	139,106,015 shares
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(Reference)

1. Non-consolidated financial results for the year ended February 28, 2025 (from March 1, 2024 to February 28, 2025)

(1) Non-consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended February 28, 2025	10,687	(20.1)	1,594	14.1	1,634	13.9	1,151	14.5
Year ended February 29, 2024	13,369	53.2	1,397	168.3	1,435	146.7	1,005	151.8

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Year ended February 28, 2025	8.27		—	
Year ended February 29, 2024	7.23		—	

(2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
As of February 28, 2025	9,193		7,961		86.6		57.18	
As of February 29, 2024	8,479		7,145		84.3		51.36	

(Reference) Equity: As of February 28, 2025: 7,961 million yen

As of February 29, 2024: 7,145 million yen

2. Forecast of non-consolidated financial results for the year ending February 28, 2026 (from March 1, 2025 to February 28, 2026)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	
Six months ending August 31, 2025	4,646	(20.2)	494	(43.9)	524	(40.4)	372	(39.3)	2.67	
Full year	9,275	(13.2)	802	(49.7)	862	(47.2)	612	(46.8)	4.40	

(How to obtain supplementary material on financial results and contents of financial results meeting)

Supplementary material on financial results is disclosed on TDnet on the same day. It is also available on the Company's website.

In addition, the Company plans to hold a financial results meeting in the format of online live streaming for institutional investors and analysts on Thursday, April 17, 2025. The details of the meeting and contents explained will be posted on the Company's website along with the financial results materials used on the day.

Consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of February 29, 2024	As of February 28, 2025
Assets		
Current assets		
Cash and deposits	4,783,053	5,698,744
Notes and accounts receivable - trade, and contract assets	789,744	–
Accounts receivable - trade, and contract assets	–	505,171
Merchandise and finished goods	1,658,074	1,125,305
Work in process	4,389	–
Raw materials and supplies	150,335	362,973
Other	323,723	267,972
Allowance for doubtful accounts	(12)	(5)
Total current assets	7,709,308	7,960,161
Non-current assets		
Property, plant and equipment		
Buildings and structures	500,185	221,037
Accumulated depreciation	(406,938)	(27,502)
Buildings and structures, net	93,247	193,535
Machinery, equipment and vehicles	211,037	–
Accumulated depreciation	(149,250)	–
Machinery, equipment and vehicles, net	61,787	–
Leased assets	90,372	–
Accumulated depreciation	(90,372)	–
Leased assets, net	0	–
Other	133,723	152,141
Accumulated depreciation	(72,293)	(73,906)
Other, net	61,429	78,234
Total property, plant and equipment	216,464	271,769
Intangible assets		
Goodwill	148,357	82,420
Other	109,504	93,082
Total intangible assets	257,861	175,503
Investments and other assets		
Guarantee deposits	365,822	645,970
Deferred tax assets	84,333	93,964
Other	23,598	18,279
Allowance for doubtful accounts	(7,934)	(7,934)
Total investments and other assets	465,819	750,279
Total non-current assets	940,146	1,197,553
Total assets	8,649,454	9,157,714

(Thousands of yen)

	As of February 29, 2024	As of February 28, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	66,540	182,318
Accounts payable - other	693,050	460,111
Lease obligations	14,071	—
Income taxes payable	480,107	233,550
Provision for shareholder benefit	72,125	92,558
Other	190,102	266,169
Total current liabilities	1,515,998	1,234,707
Non-current liabilities		
Lease obligations	8,455	—
Deferred tax liabilities	0	—
Provision for retirement benefits for directors (and other officers)	4,922	—
Retirement benefit liability	16,192	—
Asset retirement obligations	86,765	56,407
Other	20,378	—
Total non-current liabilities	136,714	56,407
Total liabilities	1,652,713	1,291,115
Net assets		
Shareholders' equity		
Share capital	273,992	273,992
Capital surplus	263,154	261,196
Retained earnings	6,860,943	7,704,912
Treasury shares	(401,349)	(373,502)
Total shareholders' equity	6,996,741	7,866,599
Non-controlling interests	—	—
Total net assets	6,996,741	7,866,599
Total liabilities and net assets	8,649,454	9,157,714

Consolidated statements of income

(Thousands of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Net sales	14,665,867	11,826,401
Cost of sales	3,833,609	2,859,901
Gross profit	10,832,257	8,966,500
Selling, general and administrative expenses	9,383,111	7,291,164
Operating profit	1,449,145	1,675,335
Non-operating income		
Interest income	126	2,406
Foreign exchange gains	1,132	–
Repayment income	6,626	5,175
Sample income	1,156	2,239
Royalty income	14,603	13,145
Gain on receipt of donated non-current assets	4,800	5,400
Other	4,212	2,590
Total non-operating income	32,658	30,957
Non-operating expenses		
Interest expenses	1,284	362
Foreign exchange losses	–	1,201
Other	44	259
Total non-operating expenses	1,328	1,824
Ordinary income	1,480,475	1,704,469
Extraordinary income		
Gain on reversal of asset retirement obligations	18,891	–
Total extraordinary income	18,891	–
Extraordinary losses		
Loss on sale of non-current assets	651	231
Loss on retirement of non-current assets	0	2,054
Loss on sale of shares of subsidiaries and associates	–	6,407
Total extraordinary losses	651	8,694
Profit before income taxes	1,498,715	1,695,774
Income taxes - current	542,187	497,129
Income taxes - deferred	(38,131)	(9,630)
Total income taxes	504,055	487,498
Profit	994,660	1,208,276
Profit attributable to non-controlling interests	–	2,394
Profit attributable to owners of parent	994,660	1,205,882

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Profit	994,660	1,208,276
Comprehensive income	994,660	1,208,276
Comprehensive income attributable to:		
Owners of parent	994,660	1,205,882
Non-controlling interests	—	2,394

Consolidated statements of changes in equity

Fiscal year ended February 29, 2024

(Thousand yen)

	Shareholders' equity					Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity		
Balance at beginning of current period	273,992	255,901	6,074,934	(417,536)	6,187,291	–	6,187,291
Changes of items during period							
Dividends of surplus			(208,651)		(208,651)		(208,651)
Profit attributable to owners of parent			994,660		994,660		994,660
Purchase of treasury shares					–		–
Restricted stock compensation		7,253		16,187	23,441		23,441
Net changes of items other than shareholders' equity							–
Total changes of items during period	–	7,253	786,008	16,187	809,449	–	809,449
Balance at end of current period	273,992	263,154	6,860,943	(401,349)	6,996,741	–	6,996,741

Fiscal year ended February 28, 2025

(Thousand yen)

	Shareholders' equity					Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity		
Balance at beginning of current period	273,992	263,154	6,860,943	(401,349)	6,996,741	–	6,996,741
Changes of items during period							
Dividends of surplus			(361,913)		(361,913)		(361,913)
Profit attributable to owners of parent			1,205,882		1,205,882		1,205,882
Purchase of treasury shares				(14)	(14)		(14)
Restricted stock compensation		(1,958)		27,862	25,903		25,903
Net changes of items other than shareholders' equity							–
Total changes of items during period	–	(1,958)	843,969	27,847	869,858	–	869,858
Balance at end of current period	273,992	261,196	7,704,912	(373,502)	7,866,599	–	7,866,599

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Cash flows from operating activities		
Profit before income taxes	1,498,715	1,695,774
Depreciation	72,824	100,877
Amortization of goodwill	65,936	65,936
Loss (gain) on sale and retirement of non-current assets	651	2,286
Loss (gain) on sale of shares of subsidiaries and associates	–	6,407
Increase (decrease) in allowance for doubtful accounts	6	(7)
Increase (decrease) in provision for shareholder benefit program	20,633	20,432
Increase (decrease) in provision for retirement benefits for directors (and other officers)	1,210	(1,366)
Increase (decrease) in retirement benefit liability	1,156	667
Foreign exchange losses (gains)	(2,638)	462
Interest and dividend income	(126)	(2,406)
Interest expenses	1,284	362
Decrease (increase) in trade receivables	(108,784)	221,412
Decrease (increase) in inventories	(853,947)	323,634
Increase (decrease) in trade payables	(328,322)	115,777
Increase (decrease) in accounts payable - other	(148,702)	(172,707)
Other, net	114,693	159,802
Subtotal	334,591	2,537,349
Interest and dividend income received	126	2,406
Interest paid	(1,284)	(362)
Income taxes refund (paid)	120,258	(725,342)
Net cash provided by (used in) operating activities	453,692	1,814,051
Cash flows from investing activities		
Purchase of property, plant and equipment	(80,297)	(161,216)
Purchase of intangible assets	(71,450)	(13,623)
Payments for retirement of property, plant and equipment	–	(588)
Payments of guarantee deposits	(129,353)	(400,000)
Proceeds from refund of guarantee deposits	5,172	76,702
Payments for asset retirement obligations	(2,048)	–
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	–	(32,713)
Other, net	201	507
Net cash provided by (used in) investing activities	(277,774)	(530,931)
Cash flows from financing activities		
Repayments of lease obligations	(15,237)	(5,904)
Dividends paid	(208,295)	(361,046)
Purchase of treasury shares	–	(14)
Net cash provided by (used in) financing activities	(223,533)	(366,965)
Effect of exchange rate change on cash and cash equivalents	2,628	(462)
Net increase (decrease) in cash and cash equivalents	(44,987)	915,690
Cash and cash equivalents at beginning of period	4,828,041	4,783,053
Cash and cash equivalents at end of period	4,783,053	5,698,744