Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

July 31, 2024

Company name: Scroll Corporation
Stock exchange listing: Tokyo
Stock code: 8005 URL https://www.scroll.jp/
Representative: President Tomohisa Tsurumi
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Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(1) Consolidated operating results (cumulative) 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	%
Three months ended June 30, 2024	21,034	1.2	2,270	10.4	2,317	10.2	1,568	7.2
Three months ended June 30, 2023	20,791	0.1	2,057	1.9	2,103	7.5	1,463	10.5

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	45.79	–
Three months ended June 30, 2023	41.85	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	53,502	34,652	64.8
As of March 31, 2024	53,258	33,383	62.7

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	–	24.00	–	18.00	42.00
Year ending March 31, 2025	–				
Year ending March 31, 2025 (Forecast)		24.00	–	24.00	48.00

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	80,000	0.2	6,000	12.9	6,200	12.5	4,200	15.1	122.32

4. Notes

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: No

(3) 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:	Yes
Changes in accounting policies due to other reasons:	No
Changes in accounting estimates:	No
Restatement of prior period financial statements:	No

(4) Number of issued shares (common shares)

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

As of June 30, 2024	35,098,550 shares	As of March 31, 2024	35,098,550 shares

Number of treasury shares at the end of the period

As of June 30, 2024	735,499 shares	As of March 31, 2024	848,498 shares

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

Three months ended June 30, 2024	34,253,777 shares	Three months ended June 30, 2023	34,973,154 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	7,396	3,995
Accounts receivable - trade	11,787	14,335
Inventories	8,615	9,467
Accounts receivable - other	7,844	7,666
Other	1,202	1,270
Allowance for doubtful accounts	(634)	(809)
Total current assets	36,212	35,926
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,106	6,006
Land	5,489	5,489
Other, net	873	828
Total property, plant and equipment	12,469	12,323
Intangible assets		
Goodwill	–	599
Other	691	665
Total intangible assets	691	1,264
Investments and other assets		
Other	4,395	4,479
Allowance for doubtful accounts	(510)	(491)
Total investments and other assets	3,885	3,987
Total non-current assets	17,046	17,576
Total assets	53,258	53,502
Liabilities		
Current liabilities		
Accounts payable - trade	2,624	2,629
Short-term borrowings	3,000	3,000
Accounts payable - other	9,623	9,270
Income taxes payable	1,122	619
Provisions	580	221
Other	1,244	1,362
Total current liabilities	18,195	17,103
Non-current liabilities		
Provisions	52	117
Retirement benefit liability	1,459	1,452
Other	167	176
Total non-current liabilities	1,679	1,746
Total liabilities	19,874	18,850

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Net assets		
Shareholders' equity		
Share capital	6,116	6,116
Capital surplus	7,045	7,059
Retained earnings	19,829	20,787
Treasury shares	(815)	(649)
Total shareholders' equity	32,176	33,313
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,062	1,203
Deferred gains or losses on hedges	92	73
Foreign currency translation adjustment	52	61
Total accumulated other comprehensive income	1,207	1,338
Total net assets	33,383	34,652
Total liabilities and net assets	53,258	53,502

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	20,791	21,034
Cost of sales	12,124	11,873
Gross profit	8,667	9,160
Selling, general and administrative expenses	6,610	6,890
Operating profit	2,057	2,270
Non-operating income		
Interest income	4	4
Dividend income	28	47
Gain on adjustment of accounts payable	14	12
Recoveries of written off receivables	10	12
Other	20	27
Total non-operating income	78	104
Non-operating expenses		
Interest expenses	5	2
Foreign exchange losses	25	49
Other	1	4
Total non-operating expenses	32	57
Ordinary profit	2,103	2,317
Extraordinary income		
Gain on sale of businesses	100	–
Total extraordinary income	100	–
Extraordinary losses		
Loss on retirement of non-current assets	3	0
Total extraordinary losses	3	0
Profit before income taxes	2,200	2,317
Income taxes - current	617	605
Income taxes - deferred	118	143
Total income taxes	736	749
Profit	1,463	1,568
Profit attributable to owners of parent	1,463	1,568

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	1,463	1,568
Other comprehensive income		
Valuation difference on available-for-sale securities	136	140
Deferred gains or losses on hedges	227	(18)
Foreign currency translation adjustment	4	9
Total other comprehensive income	367	131
Comprehensive income	1,831	1,699
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,831	1,699
Comprehensive income attributable to non-controlling interests	–	–