

Summary of Financial Statements for the Third Quarter of the Fiscal Year Ending March 31, 2025 [Japan GAAP]

February 13, 2025

Name of Listed Company: SENKO Group Holdings Co., Ltd. Stock Listed on: Tokyo Stock Exchange
 Code Number: 9069 URL <https://www.senkogrouphd.co.jp/en/>
 Representative: Title: President and Representative Director Name: Yasuhisa Fukuda
 Inquiries: Title: Executive Officer, Responsible for PR & IR Name: Shinzo Yoshimura Tel. (03) 6862-8842

Scheduled Date of Dividend Paid: –
 Supplemental Information Materials: Yes
 Information Meeting for Financial Results: None

(Amounts less than ¥1 million have been rounded down)

1. Consolidated Operating Results for the Nine Months Ended December 31, 2024

(1) Consolidated Operating Results (Cumulative) (Percentage figures represent year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2024	641,867	10.1	28,936	14.0	28,371	10.6	16,076	6.1
Nine months ended December 31, 2023	582,786	13.1	25,382	16.5	25,647	14.7	15,152	1.4

(Note) Comprehensive income

Nine months ended December 31, 2024: ¥19,106 million (-4.9%) Nine months ended December 31, 2023: ¥20,098 million (2.7%)

	Profit per share	Diluted profit per share
	Yen	Yen
Nine months ended December 31, 2024	105.83	94.48
Nine months ended December 31, 2023	101.09	89.53

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2024	723,059	239,315	29.4	1,245.54
As of March 31, 2024	685,120	204,186	26.2	1,197.13

(Reference) Equity:

As of December 31, 2024: ¥212,420 million As of March 31, 2024: ¥179,208 million

2. Dividends

	Annual dividend				
	June 30	September 30	December 31	March 31	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	–	19.00	–	19.00	38.00
Fiscal year ending March 31, 2025	–	23.00	–		
Fiscal year ending March 31, 2025 (Forecast)				23.00	46.00

(Note) Change in the estimation of dividend for the fiscal year in this period: None

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

(Percentage figures represent year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending March 31, 2025	860,000	10.5	35,800	19.7	35,000	14.7	19,300	21.0	127.05

(Note) Change in the forecast made in this period: None

Notes

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

Newly included: 1 company (Company name) OPLUS inc.

(2) Use of accounting methods specifically for the preparation of the quarterly consolidated financial statements: None

(3) Changes in accounting principles and estimates, and retrospective restatement

(a) Changes due to revision of accounting standards: Yes

(b) Changes other than in (a): None

(c) Changes in accounting estimates: Yes

(d) Retrospective restatement: None

(4) Shares outstanding (Common shares)

(a) Shares outstanding (including treasury shares)

As of December 31, 2024:	175,692,457 shares	As of March 31, 2024:	157,070,496 shares
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(b) Treasury shares

As of December 31, 2024:	5,146,843 shares	As of March 31, 2024:	7,372,422 shares
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(c) Average number of shares (Cumulative)

Nine months ended December 31, 2024:	151,905,669 shares	Nine months ended December 31, 2023:	149,886,169 shares
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(Note) Starting with the third quarter of the fiscal year ended March 31, 2018, the number of treasury shares at term-end includes Senko shares owned by the trust accounts of Performance-linked Stock Compensation Plan for Employees (as of December 31, 2024: 795,512 shares; as of March 31, 2024: 805,545 shares) and Performance-linked Stock Compensation Plan for Directors (as of December 31, 2024: 782,480 shares; as of March 31, 2024: 788,972 shares). In addition, starting with the fourth quarter of the fiscal year ended March 31, 2023, the number of treasury shares at term-end includes Senko shares owned by the employee shareholding association support trust ESOP (as of December 31, 2024: 3,082,200 shares; as of March 31, 2024: 4,055,700 shares).

Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None

Cautionary statement regarding forecasts of operating results and special notes

- Forward-looking statements in these materials are based on information available to management at the time this report was prepared and assumptions that management believes are reasonable. Actual results may differ significantly from these statements for a number of reasons. For information about the assumptions used for forecasts and precautions concerning the use of forecasts, please see "Forecast for the full-term of the fiscal year ending March 31, 2025" on page 3.
- The supplementary material on financial results will be available on the Company's website.

Index to accompanying materials

1. Overview of Operating Results and Others.....	2
(1) Overview of results of operations in the nine months ended December 31, 2024.....	2
(2) Overview of financial position in the nine months ended December 31, 2024.....	3
(3) Forecast for the full-term of the fiscal year ending March 31, 2025.....	3
2. Consolidated Financial Statements.....	4
(1) Consolidated balance sheets.....	4
(2) Consolidated statements of (comprehensive) income.....	6
Consolidated statements of income	
For the nine months ended December 31, 2023 and 2024.....	6
Consolidated statements of comprehensive income	
For the nine months ended December 31, 2023 and 2024.....	7

1. Overview of Operating Results and Others

(1) Overview of results of operations in the nine months ended December 31, 2024

In the nine-month period of the fiscal year ending March 31, 2025 (April 1, 2024 to December 31, 2024), although the economic environment showed a gradual recovery trend, mainly against the backdrop of improvement in corporate earnings and rising demand from inbound tourism, the outlook continues to be unclear due to policy trends of the U.S., fluctuations in exchange rates, the situation in the Middle East region, the slowdown in the Chinese economy, an increasingly frugal mindset due to the rising price of goods, and other factors.

The nine-month-period performance was as follows.

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Change	(Unit: Millions of Yen) %
Operating revenue	582,786	641,867	59,080	10.1
Operating profit	25,382	28,936	3,553	14.0
Ordinary profit	25,647	28,371	2,723	10.6
Profit attributable to owners of parent	15,152	16,076	924	6.1

Despite the ongoing unstable business environment caused mainly by continuing rising costs, such as prices of goods and personnel expenses, the Group achieved year-on-year increases in operating revenue, operating profit, ordinary profit and profit attributable to owners of parent due to group-wide efforts to expand sales and revise tariffs and prices as well as due to the contribution of revenue from M&A and other factors.

The nine-month-period operating revenue by segment was as follows.

Logistics

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Change	(Unit: Millions of Yen) %
Operating revenue	372,374	413,104	40,730	10.9
Segment income	21,616	26,289	4,673	21.6

A focus on sales expansion and initiatives to address tariff revisions, together with the contribution of revenue from M&A, caused operating revenue to increase ¥40,730 million year on year to ¥413,104 million, and segment income rose ¥4,673 million year on year to ¥26,289 million.

Trading & Commerce

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Change	(Unit: Millions of Yen) %
Operating revenue	127,454	133,440	5,986	4.7
Segment income	1,882	2,273	390	20.8

Despite the impact of rising purchase prices, we strived to expand sales and revise pricing while reaping the contribution of revenue from M&A. As a result, operating revenue increased ¥5,986 million year on year to ¥133,440 million, and segment income rose ¥390 million year on year to ¥2,273 million.

Living Support

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Change	(Unit: Millions of Yen) %
Operating revenue	35,361	46,868	11,506	32.5
Segment income	996	1,129	133	13.4

Owing to the contribution of revenue from M&A, the impact of the increase in the number of users and the number of customers visiting stores mainly due to the effect of opening new stores, and other factors, operating revenue increased ¥11,506 million year on year to ¥46,868 million, and segment income rose ¥133 million year on year to ¥1,129 million.

Business Support

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Change	(Unit: Millions of Yen) %
Operating revenue	10,362	11,263	900	8.7
Segment income	1,610	2,094	483	30.1

We strived to expand sales and achieve recovery in the hotel business among other initiatives while reaping the contribution of revenue from M&A. As a result, operating revenue increased ¥900 million year on year to ¥11,263 million, and segment income rose ¥483 million year on year to ¥2,094 million.

Manufacturing

(Unit: Millions of Yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Change	%
Operating revenue	36,932	36,850	(82)	(0.2)
Segment income	816	373	(442)	(54.2)

Due to the impact of a decrease in sales volume, which was mainly caused by an increasingly frugal mindset due to the rising price of goods, and despite price revisions we made in response to rising purchase prices for raw materials and other factors, operating revenue decreased ¥82 million year on year to ¥36,850 million, and segment income fell ¥442 million year on year to ¥373 million.

(2) Overview of financial position in the nine months ended December 31, 2024

Assets, liabilities and net assets

Total assets

Total assets as of December 31, 2024 were ¥723,059 million, ¥37,938 million higher than at the end of the previous fiscal year.

Current assets amounted to ¥246,944 million, up ¥7,077 million from the end of the previous fiscal year. This was mainly due to an increase of ¥9,972 million in trade notes and accounts receivable, and contract assets despite decreases of ¥3,382 million in cash and deposits and ¥1,821 million in other current assets.

Non-current assets totaled ¥476,007 million, up ¥30,753 million from the end of the previous fiscal year. This was primarily due to increases of ¥27,790 million in property, plant and equipment, ¥1,039 million in intangible assets, and ¥1,923 million in investments and other assets.

Liabilities

Liabilities as of December 31, 2024 increased by ¥2,809 million from the end of the previous fiscal year to ¥483,743 million.

Current liabilities totaled ¥194,011 million, down ¥22,171 million from the end of the previous fiscal year. This was mainly due to decreases of ¥2,450 million in electronically recorded obligations - operating, ¥22,026 million in current portion of convertible-bond-type bonds with share acquisition rights, ¥8,637 million in short-term borrowings, ¥2,625 million in income taxes payable, and ¥3,212 million in provision for bonuses despite increases of ¥6,092 million in trade notes and accounts payable and ¥10,000 million in current portion of bonds payable.

Non-current liabilities totaled ¥289,732 million, up ¥24,981 million from the end of the previous fiscal year. This was mainly due to increases of ¥10,000 million in bonds payable and ¥14,186 million in long-term borrowings.

Net assets

Net assets as of December 31, 2024 rose ¥35,128 million from the end of the previous fiscal year to ¥239,315 million. This was primarily due to increases of ¥11,003 million in share capital and ¥10,669 million in capital surplus by conversion of convertible-bond-type bonds with share acquisition rights to shares, etc., as well as increases of ¥8,188 million in retained earnings, ¥2,309 million in treasury shares, ¥1,500 million in foreign currency translation adjustment, and ¥1,926 million in non-controlling interests. The equity ratio as of December 31, 2024 increased by 3.2 percentage points to 29.4% from the end of the previous fiscal year.

(3) Forecast for the full-term of the fiscal year ending March 31, 2025

No revisions have been made to the forecast of consolidated operating results for the fiscal year ending March 31, 2025, announced in "Summary of Financial Statements for the Second Quarter of the Fiscal Year Ending March 31, 2025" on November 11, 2024.

2. Consolidated Financial Statements

(1) Consolidated balance sheets

(Unit: Millions of Yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	81,637	78,254
Trade notes and accounts receivable, and contract assets	110,742	120,714
Electronically recorded monetary claims - operating	5,417	5,929
Merchandise and finished goods	19,231	20,557
Work in process	780	1,010
Raw materials and supplies	3,060	3,301
Other	19,081	17,259
Allowance for doubtful accounts	(83)	(84)
Total current assets	239,866	246,944
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	118,947	134,819
Land	124,096	132,191
Other, net	87,750	91,575
Total property, plant and equipment	330,795	358,585
Intangible assets		
Goodwill	24,079	23,965
Other	14,330	15,483
Total intangible assets	38,409	39,449
Investments and other assets		
Investment securities	22,276	22,547
Long-term loans receivable	669	644
Retirement benefit asset	17,907	18,679
Guarantee deposits	18,566	19,533
Deferred tax assets	5,914	5,095
Other	11,613	12,396
Allowance for doubtful accounts	(899)	(923)
Total investments and other assets	76,048	77,972
Total non-current assets	445,254	476,007
Deferred assets		
Business commencement expenses	–	107
Total deferred assets	–	107
Total assets	685,120	723,059

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Trade notes and accounts payable	60,478	66,571
Electronically recorded obligations - operating	11,650	9,199
Current portion of bonds payable	–	10,000
Current portion of convertible-bond-type bonds with share acquisition rights	22,026	–
Short-term borrowings	53,448	44,810
Lease liabilities	9,907	10,152
Income taxes payable	7,733	5,108
Provision for bonuses	8,605	5,392
Provision for bonuses for directors (and other officers)	423	336
Provision for loss on disaster	48	3
Other	41,860	42,435
Total current liabilities	216,183	194,011
Non-current liabilities		
Bonds payable	40,000	50,000
Long-term borrowings	161,716	175,902
Lease liabilities	33,815	33,253
Provision for retirement benefits for directors (and other officers)	480	977
Provision for special repairs	255	336
Provision for share awards	363	349
Retirement benefit liability	8,741	9,250
Asset retirement obligations	2,987	3,143
Deferred tax liabilities	10,677	10,599
Other	5,714	5,918
Total non-current liabilities	264,750	289,732
Total liabilities	480,934	483,743
Net assets		
Shareholders' equity		
Share capital	28,479	39,483
Capital surplus	31,283	41,953
Retained earnings	112,317	120,505
Treasury shares	(7,421)	(5,111)
Total shareholders' equity	164,659	196,830
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,995	2,979
Deferred gains or losses on hedges	88	68
Foreign currency translation adjustment	5,256	6,757
Remeasurements of defined benefit plans	6,207	5,785
Total accumulated other comprehensive income	14,548	15,590
Share acquisition rights	351	341
Non-controlling interests	24,627	26,553
Total net assets	204,186	239,315
Total liabilities and net assets	685,120	723,059

(2) Consolidated statements of (comprehensive) income

(Consolidated statements of income)

(For the nine months ended December 31, 2023 and 2024)

(Unit: Millions of Yen)

	Nine months ended December 31, 2023 (April 1, 2023 – December 31, 2023)	Nine months ended December 31, 2024 (April 1, 2024 – December 31, 2024)
Operating revenue	582,786	641,867
Operating costs	490,685	538,725
Operating gross profit	92,101	103,141
Selling, general and administrative expenses	66,718	74,205
Operating profit	25,382	28,936
Non-operating income		
Interest income	172	277
Dividend income	223	260
Foreign exchange gains	310	–
Other	1,881	1,867
Total non-operating income	2,587	2,404
Non-operating expenses		
Interest expenses	1,666	2,292
Other	656	677
Total non-operating expenses	2,322	2,969
Ordinary profit	25,647	28,371
Extraordinary income		
Gain on bargain purchase	–	1,111
Subsidy income	92	720
Gain on sale of non-current assets	188	416
Gain on sale of investment securities	288	45
Gain on reversal of asset retirement obligations	–	40
Compensation income	246	–
Surrender value of insurance policies	84	–
Total extraordinary income	900	2,333
Extraordinary losses		
Impairment losses	–	1,538
Loss on tax purpose reduction entry of non-current assets	139	620
Loss on office withdrawal	–	303
Loss on retirement of non-current assets	107	224
Loss on sale of non-current assets	–	36
Compensation expenses	320	–
Loss on withdrawal from business	287	–
Loss on sale of shares of subsidiaries and associates	143	–
Expenses related to commemoration for entity establishment	75	–
Total extraordinary losses	1,074	2,722
Profit before income taxes	25,474	27,982
Income taxes - current	7,360	10,082
Income taxes - deferred	1,652	278
Total income taxes	9,013	10,360
Profit	16,460	17,621
Profit attributable to non-controlling interests	1,308	1,545
Profit attributable to owners of parent	15,152	16,076

(Consolidated statements of comprehensive income)
(For the nine months ended December 31, 2023 and 2024)

(Unit: Millions of Yen)

	Nine months ended December 31, 2023 (April 1, 2023 – December 31, 2023)	Nine months ended December 31, 2024 (April 1, 2024 – December 31, 2024)
Profit	16,460	17,621
Other comprehensive income		
Valuation difference on available-for-sale securities	656	(53)
Deferred gains or losses on hedges	(87)	(28)
Foreign currency translation adjustment	2,380	1,664
Remeasurements of defined benefit plans, net of tax	(32)	(396)
Share of other comprehensive income of entities accounted for using equity method	719	298
Total other comprehensive income	3,637	1,484
Comprehensive income	20,098	19,106
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	18,189	17,117
Comprehensive income attributable to non- controlling interests	1,909	1,988