

# Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 (Based on Japanese GAAP)

November 12, 2024

Company name: MUSASHI CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 7521 URL <https://www.musashinet.co.jp>  
 Representative: Representative Director Masataka Hatori  
 President  
 Director  
 Inquiries: Yoshiaki Yamamoto TEL 03-3546-7710  
 General Manager of Financial Department  
 Scheduled date to file Semi-annual Securities Report: November 13, 2024  
 Scheduled date to commence dividend payments: December 10, 2024  
 Preparation of supplementary material on financial results: No  
 Holding of financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

### 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

	Net sales		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	16,581	(1.2)	607	(16.8)	1,963	161.4	1,506	202.4
Six months ended September 30, 2023	16,779	(8.8)	730	(53.0)	751	(52.8)	498	(53.0)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	221.09	—
Six months ended September 30, 2023	73.11	—

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	46,323	31,670	68.4
As of March 31, 2024	45,031	30,198	67.1

### 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	—	15.00	—	21.00	36.00
Year ending March 31, 2025	—	30.00	—	—	—
Year ending March 31, 2025 (Forecast)	—	—	—	30.00	60.00

### 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	38,020	14.7	2,327	116.0	3,657	225.6	2,579	235.8	378.47

#### 4. Notes

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

(2) Application of special accounting methods for preparing semi-annual 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 September 30, 2024	7,950,000 shares	As of March 31, 2024	7,950,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	1,135,648 shares	As of March 31, 2024	1,135,648 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	6,814,352 shares	Six months ended September 30, 2023	6,814,395 shares
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**Semi-annual consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	16,660	18,730
Notes and accounts receivable - trade, and contract assets	7,239	7,458
Electronically recorded monetary claims - operating	1,552	1,629
Merchandise and finished goods	2,418	2,771
Work in process	85	90
Raw materials and supplies	977	1,304
Short-term loans receivable from subsidiaries and associates	3,000	—
Other	520	319
Allowance for doubtful accounts	(17)	(15)
Total current assets	32,436	32,289
Non-current assets		
Property, plant and equipment	3,887	3,813
Intangible assets	111	89
Investments and other assets	8,595	10,130
Total non-current assets	12,594	14,033
Total assets	45,031	46,323
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	4,452	4,549
Electronically recorded obligations - operating	2,528	2,156
Short-term borrowings	3,516	3,516
Income taxes payable	67	314
Provision for bonuses	388	379
Other	1,079	759
Total current liabilities	12,033	11,675
Non-current liabilities		
Retirement benefit liability	215	221
Provision for retirement benefits for directors (and other officers)	989	1,027
Other	1,593	1,727
Total non-current liabilities	2,799	2,976
Total liabilities	14,832	14,652
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,208	1,208
Capital surplus	2,005	2,005
Retained earnings	27,348	28,712
Treasury shares	(1,854)	(1,854)
Total shareholders' equity	28,707	30,071
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,016	1,150
Remeasurements of defined benefit plans	473	449
Total accumulated other comprehensive income	1,490	1,599
Total net assets	30,198	31,670
Total liabilities and net assets	45,031	46,323

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

## Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	16,779	16,581
Cost of sales	12,567	12,502
Gross profit	4,212	4,078
Selling, general and administrative expenses	3,481	3,470
Operating profit	730	607
Non-operating income		
Interest income	0	15
Dividend income	28	33
Share of profit of entities accounted for using equity method	2	1,304
Reversal of allowance for doubtful accounts	0	0
Other	25	31
Total non-operating income	57	1,384
Non-operating expenses		
Interest expenses	19	21
Loss on investments in investment partnerships	2	5
Loss on abandonment of non-current assets	15	—
Other	0	2
Total non-operating expenses	37	28
Ordinary profit	751	1,963
Extraordinary losses		
Loss on sale of investment securities	2	—
Total extraordinary losses	2	—
Profit before income taxes	748	1,963
Income taxes - current	229	292
Income taxes - deferred	20	164
Total income taxes	249	456
Profit	498	1,506
Profit attributable to owners of parent	498	1,506

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	498	1,506
Other comprehensive income		
Valuation difference on available-for-sale securities	290	133
Remeasurements of defined benefit plans, net of tax	(8)	(24)
Share of other comprehensive income of entities accounted for using equity method	0	(0)
Total other comprehensive income	282	108
Comprehensive income	780	1,615
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	780	1,615

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	748	1,963
Depreciation	193	193
Amortization of goodwill	9	1
Increase (decrease) in allowance for doubtful accounts	(1)	(3)
Increase (decrease) in provision for bonuses	(2)	(9)
Increase (decrease) in retirement benefit liability	(6)	5
Decrease (increase) in retirement benefit asset	(12)	(48)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(44)	38
Interest and dividend income	(29)	(48)
Interest expenses	19	21
Foreign exchange losses (gains)	(3)	1
Share of loss (profit) of entities accounted for using equity method	(2)	(1,304)
Loss (gain) on investments in investment partnerships	2	5
Decrease (increase) in trade receivables	117	(296)
Decrease (increase) in inventories	(364)	(685)
Decrease (increase) in other current assets	(88)	86
Increase (decrease) in trade payables	(116)	(274)
Loss (gain) on sale of investment securities	2	—
Increase (decrease) in accounts payable - other	22	(93)
Increase (decrease) in other current liabilities	(298)	(114)
Other, net	8	(33)
Subtotal	154	(596)
Interest and dividends received	28	48
Interest paid	(19)	(22)
Income taxes refund (paid)	(459)	(11)
Net cash provided by (used in) operating activities	(296)	(581)
Cash flows from investing activities		
Payments into time deposits	—	(3,300)
Proceeds from withdrawal of time deposits	—	900
Purchase of property, plant and equipment	(219)	(133)
Proceeds from sale of property, plant and equipment	5	5
Purchase of intangible assets	(9)	(10)
Purchase of investment securities	(6)	(7)
Proceeds from sale of investment securities	4	2
Proceeds from collection of loans receivable	—	3,000
Other, net	7	(18)
Net cash provided by (used in) investing activities	(218)	437
Cash flows from financing activities		
Repayments of lease liabilities	(42)	(42)
Purchase of treasury shares	(0)	—
Dividends paid	(136)	(142)
Net cash provided by (used in) financing activities	(179)	(185)
Effect of exchange rate change on cash and cash equivalents	3	(1)
Net increase (decrease) in cash and cash equivalents	(690)	(330)
Cash and cash equivalents at beginning of period	19,686	15,670
Cash and cash equivalents at end of period	18,995	15,340