

Translation

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Summary of Non-Consolidated Financial Results for the Year Ended July 31, 2024 (Based on Japanese GAAP)

September 11, 2024

Company name: Samco Inc.
 Stock exchange listing: Tokyo
 Stock code: 6387 URL <https://www.samco.co.jp>
 Representative: President & COO Tsukasa Kawabe
 Director, Executive Officer, Accounting and Administration Shozo Miyamoto TEL 075-621-7841
 Inquiries: Administration
 Scheduled date of ordinary general meeting of shareholders: October 22, 2024
 Scheduled date to file Securities Report: October 22, 2024
 Scheduled date to commence dividend payments: October 23, 2024
 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. Non-consolidated financial results for the year ended July 31, 2024 (from August 1, 2023 to July 31, 2024)

(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 July 31, 2024	8,203	4.8	2,017	8.5	2,088	8.4	1,471	7.7
Year ended July 31, 2023	7,830	22.3	1,858	35.6	1,927	30.1	1,366	29.7

	Earnings per share	Diluted earnings per share	Profit/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended July 31, 2024	183.25	–	12.6	13.5	24.6
Year ended July 31, 2023	170.07	–	12.9	13.7	23.7

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of July 31, 2024	16,116	12,299	76.3	1,531.26
As of July 31, 2023	14,795	11,144	75.3	1,387.39

(3) Non-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 July 31, 2024	1,642	(292)	(103)	4,637
Year ended July 31, 2023	(189)	(75)	(325)	3,374

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Non-consolidated)	Ratio of dividends to net assets (Non-consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
Year ended July 31, 2023	Yen –	Yen 0.00	Yen –	Yen 45.00	Yen 45.00	Millions of yen 361	% 26.5	% 3.4
Year ended July 31, 2024	–	0.00	–	45.00	45.00	361	24.6	3.1
Year ending July 31, 2025 (Forecast)	–	0.00	–	45.00	45.00		23.6	

3. Forecast of non-consolidated financial results for the year ending July 31, 2025 (from August 1, 2024 to July 31, 2025)

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 January 31, 2025	4,300	4.7	960	(5.2)	970	(8.8)	660	(11.7)	82.16
Full year	9,500	15.8	2,220	10.1	2,240	7.2	1,530	3.9	190.48

4. Notes

(1) 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

(2) Number of issued shares (common shares)

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

As of July 31, 2024	8,042,881 shares	As of July 31, 2023	8,042,881 shares
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Number of treasury shares at the end of the period

As of July 31, 2024	10,441 shares	As of July 31, 2023	10,405 shares
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Average number of shares during the period

Year ended July 31, 2024	8,032,462 shares	Year ended July 31, 2023	8,032,618 shares
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Non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of July 31, 2023	As of July 31, 2024
Assets		
Current assets		
Cash and deposits	5,301,752	6,592,297
Notes receivable - trade	12,252	4,660
Electronically recorded monetary claims - operating	182,574	434,463
Accounts receivable - trade	1,449,637	776,490
Contract assets	1,040,189	908,010
Finished goods	-	81,114
Work in process	1,741,835	1,869,303
Raw materials and supplies	428,537	411,057
Prepaid expenses	9,815	18,485
Other	29,974	97,362
Allowance for doubtful accounts	(20,984)	(4,918)
Total current assets	10,175,585	11,188,327

(Thousands of yen)

	As of July 31, 2023	As of July 31, 2024
Non-current assets		
Property, plant and equipment		
Buildings	1,113,037	1,119,447
Accumulated depreciation	(824,645)	(850,416)
Buildings, net	288,392	269,030
Structures	27,100	26,536
Accumulated depreciation	(25,093)	(25,190)
Structures, net	2,007	1,346
Machinery and equipment	689,649	771,795
Accumulated depreciation	(670,345)	(703,864)
Machinery and equipment, net	19,303	67,930
Vehicles	56,314	57,338
Accumulated depreciation	(52,778)	(49,622)
Vehicles, net	3,536	7,715
Tools, furniture and fixtures	256,030	280,386
Accumulated depreciation	(233,988)	(247,451)
Tools, furniture and fixtures, net	22,042	32,934
Land	3,453,567	3,453,567
Leased assets	50,790	57,983
Accumulated depreciation	(50,790)	(50,064)
Leased assets, net	–	7,918
Construction in progress	74,611	256,264
Total property, plant and equipment	3,863,459	4,096,707
Intangible assets		
Telephone subscription right	2,962	2,962
Software	1,402	10,376
Software in progress	–	5,000
Total intangible assets	4,364	18,338
Investments and other assets		
Investment securities	300,794	369,068
Shares of subsidiaries and associates	25,207	25,207
Investments in capital	5,000	5,000
Long-term loans receivable from subsidiaries and associates	12,150	2,592
Deferred tax assets	129,893	110,590
Guarantee deposits	78,378	78,801
Insurance funds	199,206	219,347
Other	991	2,045
Total investments and other assets	751,621	812,652
Total non-current assets	4,619,445	4,927,698
Total assets	14,795,031	16,116,025

(Thousands of yen)

	As of July 31, 2023	As of July 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	861,405	715,373
Short-term borrowings	700,000	1,000,000
Current portion of long-term borrowings	39,996	39,996
Lease liabilities	–	1,939
Accounts payable - other	126,249	139,625
Accrued expenses	43,846	48,340
Income taxes payable	411,448	360,674
Contract liabilities	335,648	397,769
Deposits received	39,874	44,841
Provision for bonuses	25,500	27,300
Provision for bonuses for directors (and other officers)	30,000	40,000
Provision for product warranties	18,000	17,200
Other	44,069	499
Total current liabilities	2,676,039	2,833,557
Non-current liabilities		
Long-term borrowings	103,343	63,347
Lease liabilities	–	5,979
Provision for retirement benefits	476,640	505,830
Provision for retirement benefits for directors (and other officers)	394,752	406,920
Other	–	597
Total non-current liabilities	974,736	982,675
Total liabilities	3,650,775	3,816,232
Net assets		
Shareholders' equity		
Share capital	1,663,687	1,663,687
Capital surplus		
Legal capital surplus	2,079,487	2,079,487
Total capital surplus	2,079,487	2,079,487
Retained earnings		
Legal retained earnings	59,500	59,500
Other retained earnings		
General reserve	4,367,000	4,367,000
Retained earnings brought forward	2,837,418	3,947,948
Total retained earnings	7,263,918	8,374,448
Treasury shares	(13,453)	(13,656)
Total shareholders' equity	10,993,640	12,103,966
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	150,615	195,827
Total valuation and translation adjustments	150,615	195,827
Total net assets	11,144,255	12,299,793
Total liabilities and net assets	14,795,031	16,116,025

Non-consolidated statements of income

(Thousands of yen)

	Fiscal year ended July 31, 2023	Fiscal year ended July 31, 2024
Net sales	7,830,591	8,203,159
Cost of sales		
Beginning finished goods inventory	7,974	–
Cost of products manufactured	3,953,590	4,090,952
Total	3,961,565	4,090,952
Ending finished goods inventory	–	81,114
Cost of finished goods sold	3,961,565	4,009,838
Gross profit	3,869,026	4,193,320
Selling, general and administrative expenses	2,010,032	2,176,159
Operating profit	1,858,994	2,017,161
Non-operating income		
Interest income	302	258
Dividend income	23,674	5,461
Foreign exchange gains	30,609	51,170
Rental income	11,437	11,102
Subsidy income	1,904	1,822
Electricity sale income	1,344	1,329
Miscellaneous income	3,167	5,679
Total non-operating income	72,439	76,823
Non-operating expenses		
Interest expenses	4,268	4,843
Loss on retirement of non-current assets	0	488
Total non-operating expenses	4,268	5,331
Ordinary profit	1,927,165	2,088,654
Profit before income taxes	1,927,165	2,088,654
Income taxes - current	570,239	617,229
Income taxes - deferred	(9,202)	(566)
Total income taxes	561,037	616,663
Profit	1,366,127	1,471,991

Non-consolidated statements of changes in equity

Fiscal year ended July 31, 2023

(Thousands of yen)

	Shareholders' equity								
	Share capital	Capital surplus		Legal retained earnings	Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Total capital surplus		Other retained earnings		Total retained earnings		
					General reserve	Retained earnings brought forward			
Balance at beginning of period	1,663,687	2,079,487	2,079,487	59,500	4,367,000	1,752,437	6,178,937	(12,238)	9,909,873
Changes during period									
Dividends of surplus						(281,146)	(281,146)		(281,146)
Profit						1,366,127	1,366,127		1,366,127
Purchase of treasury shares								(1,214)	(1,214)
Net changes in items other than shareholders' equity									
Total changes during period	–	–	–	–	–	1,084,981	1,084,981	(1,214)	1,083,766
Balance at end of period	1,663,687	2,079,487	2,079,487	59,500	4,367,000	2,837,418	7,263,918	(13,453)	10,993,640

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	147,658	147,658	10,057,532
Changes during period			
Dividends of surplus			(281,146)
Profit			1,366,127
Purchase of treasury shares			(1,214)
Net changes in items other than shareholders' equity	2,956	2,956	2,956
Total changes during period	2,956	2,956	1,086,723
Balance at end of period	150,615	150,615	11,144,255

Fiscal year ended July 31, 2024

(Thousands of yen)

	Shareholders' equity								
	Share capital	Capital surplus		Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings		
					General reserve	Retained earnings brought forward			
Balance at beginning of period	1,663,687	2,079,487	2,079,487	59,500	4,367,000	2,837,418	7,263,918	(13,453)	10,993,640
Changes during period									
Dividends of surplus						(361,461)	(361,461)		(361,461)
Profit						1,471,991	1,471,991		1,471,991
Purchase of treasury shares								(203)	(203)
Net changes in items other than shareholders' equity									
Total changes during period						1,110,529	1,110,529	(203)	1,110,325
Balance at end of period	1,663,687	2,079,487	2,079,487	59,500	4,367,000	3,947,948	8,374,448	(13,656)	12,103,966

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	150,615	150,615	11,144,255
Changes during period			
Dividends of surplus			(361,461)
Profit			1,471,991
Purchase of treasury shares			(203)
Net changes in items other than shareholders' equity	45,211	45,211	45,211
Total changes during period	45,211	45,211	1,155,537
Balance at end of period	195,827	195,827	12,299,793

Non-consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended July 31, 2023	Fiscal year ended July 31, 2024
Cash flows from operating activities		
Profit before income taxes	1,927,165	2,088,654
Depreciation	57,476	83,247
Interest and dividend income	(23,976)	(5,719)
Interest expenses	4,268	4,843
Foreign exchange losses (gains)	(28,118)	(32,125)
Increase (decrease) in allowance for doubtful accounts	20,842	(16,066)
Increase (decrease) in provision for bonuses	1,800	1,800
Increase (decrease) in provision for product warranties	2,600	(800)
Increase (decrease) in provision for retirement benefits	(2,934)	29,189
Increase (decrease) in provision for retirement benefits for directors (and other officers)	9,798	12,168
Decrease (increase) in trade receivables	(1,038,387)	428,849
Decrease (increase) in contract assets	(263,116)	132,179
Decrease (increase) in inventories	(667,825)	(245,231)
Increase (decrease) in trade payables	81,813	(146,032)
Increase (decrease) in contract liabilities	118,269	62,121
Other, net	13,301	(89,251)
Subtotal	212,977	2,307,827
Interest and dividends received	24,100	5,724
Interest paid	(4,378)	(4,551)
Income taxes refund (paid)	(422,095)	(666,653)
Net cash provided by (used in) operating activities	(189,395)	1,642,346
Cash flows from investing activities		
Payments into time deposits	(2,647,225)	(2,691,409)
Proceeds from withdrawal of time deposits	2,607,935	2,680,561
Purchase of investment securities	(6,416)	(3,192)
Purchase of property, plant and equipment	(18,852)	(255,775)
Proceeds from collection of loans receivable	13,304	10,168
Purchase of insurance funds	(20,140)	(20,140)
Other, net	(4,534)	(12,381)
Net cash provided by (used in) investing activities	(75,930)	(292,170)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	–	300,000
Repayments of long-term borrowings	(39,996)	(39,996)
Purchase of treasury shares	(1,214)	(203)
Dividends paid	(281,146)	(361,461)
Other, net	(2,838)	(1,777)
Net cash provided by (used in) financing activities	(325,194)	(103,438)
Effect of exchange rate change on cash and cash equivalents	45,305	16,671
Net increase (decrease) in cash and cash equivalents	(545,215)	1,263,408
Cash and cash equivalents at beginning of period	3,919,589	3,374,374
Cash and cash equivalents at end of period	3,374,374	4,637,782