

Consolidated Financial Statements for the First Three Quarters of the Fiscal Year Ending September 30, 2025 [Japan GAAP]

August 7, 2025

Company name: Sanyo Trading Co., Ltd. Listed on: Tokyo Stock Exchange Prime Market
 Stock exchange code: 3176 URL <https://www.sanyo-trading.co.jp/>
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 Start of distribution of dividends (scheduled): –
 Supplementary documents of financial results: Yes
 Investors' meeting: No

(Amounts have been rounded down to the nearest million yen.)

1. Consolidated Results for the First Three Quarters of the Fiscal Year Ending September 30, 2025 (October 1, 2024 to June 30, 2025)

(1) Consolidated Operating Results (First Nine Months)

(% = year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three quarters ended June 30, 2025	98,807	3.0	5,532	(5.9)	6,037	(17.2)	4,569	(3.2)
June 30, 2024	95,946	6.4	5,877	13.1	7,293	30.2	4,722	27.5

(Note) Comprehensive income:

Three quarters ended June 30, 2025: 4,436 million yen (25.6% decrease)

Three quarters ended June 30, 2024: 5,961 million yen (34.7% increase)

	Profit per share (basic)	Profit per share (diluted)
	Yen	Yen
Three quarters ended June 30, 2025	158.64	157.80
June 30, 2024	164.07	163.18

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of June 30, 2025	77,998	50,510	64.6
September 30, 2024	75,390	47,809	63.3

(Reference) Total equity:

As of June 30, 2025:

50,419 million yen

As of September 30, 2024:

47,717 million yen

2. Dividends

	Annual dividends per share				
	1Q-end	2Q-end	3Q-end	4Q-end	Annual
	Yen	Yen	Yen	Yen	Yen
FYE September 2024	–	22.00	–	33.00	55.00
FYE September 2025	–	28.00	–		
FYE September 2025 (estimate)				29.00	57.00

(Note) Revisions to the latest dividends forecast: No

3. Forecast of Consolidated Results for the Fiscal Year Ending September 30, 2025 (October 1, 2024 to September 30, 2025)

(% = year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share (basic)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full fiscal year	132,000	2.1	7,100	0.4	7,500	(5.1)	4,900	(5.9)	170.11

(Note) Revisions to the latest consolidated earnings forecast: No

* Notes

(1) Material changes in the scope of consolidation during the first nine-month period: None

New—(Company name) , Excluding—(Company name)

(2) Application of special accounting methods to the preparation of quarterly financial statements: Yes

(Note) For details, please refer to “2. Quarterly Consolidated Financial Statements and Major Notes (3) Notes to Quarterly Consolidated Financial Statements (Application of accounting processes specific to the preparation of quarterly consolidated financial statements)” on page 8 of the attached report.

(3) Changes in accounting principles and accounting estimates, and restatement of prior period financial statements after error corrections

(i) Changes in accordance with revisions to accounting and other standards: None

(ii) Changes in items other than (i): Yes

(iii) Changes in accounting estimates: None

(iv) Restatement of prior period financial statements after error corrections: None

(Note) For details, please refer to 2. Quarterly Consolidated Financial Statements and Major Notes (3) Notes to Quarterly Consolidated Financial Statements (Changes in accounting policies) on page 8 of the attached document.

(4) Number of shares issued and outstanding (common stock)

(i) Number of shares issued and outstanding as of the fiscal period end (including treasury stock)

As of June 30, 2025: 29,007,708 shares

As of September 30, 2024: 29,007,708 shares

(ii) Number of treasury stock as of the fiscal period end

As of June 30, 2025: 197,535 shares

As of September 30, 2024: 213,035 shares

(iii) Average number of shares during the period (first nine months)

First 3Qs, FYE ending Sep. 2025: 28,802,632 shares

First 3Qs, FYE ended Sep. 2024: 28,784,607 shares

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

* A Cautionary Note on Forward-Looking Statements

The earnings forecasts presented in this document are based upon currently available information and assumptions deemed rational and the Company does not guarantee their achievement. A variety of factors could cause actual results to differ materially from forecasts. For details about the assumptions in the earnings forecasts, notes on the use of the earnings forecasts, and other matters, please refer to 1. Qualitative Information on Quarterly Results (3) Explanation of Consolidated Earnings Forecasts and Other Future Predictions on page 3 of the attached report.

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1. Qualitative Information on Quarterly Results

(1) Explanation of Operating Results

Net sales of the Group were ¥98,807 million (up 3.0% year on year), operating profit stood at ¥5,532 million (down 5.9% year on year), ordinary profit was ¥6,037 million (down 17.2% year on year), and profit attributable to owners of parent was ¥4,569 million (down 3.2% year on year).

Results for each business segment are described below.

Effective from the first three months of the fiscal year under review, the Company has changed the classification and names of its reportable segments. Details are described in “2. Quarterly Consolidated Financial Statements and Major Notes, (3) Notes to Quarterly Consolidated Financial Statements (Segment information, etc.).”

(i) Fine Chemicals

Sales of rubber-related products were strong on the back of demand for raw materials for domestic markets and improved performances at some overseas Group companies. However, profit decreased due to sluggish exports of some products.

Both sales and profit in chemical-related merchandise decreased due to subpar demand for mainstay products, reflecting the impact of market conditions, as well as a rise in purchasing prices of imported goods that resulted from the continued weakness of the yen.

As a result, the Fine Chemicals segment recorded net sales of ¥32,280 million (up 0.9% year on year) and operating profit of ¥1,971 million (down 5.1% year on year).

(ii) Industrial Products

Sales of mobility-related merchandise were steady due to sales price revisions, although profit decreased due to the impact of foreign exchange rate fluctuations.

In North America, Sanyo Corporation of America and Sun Phoenix Mexico, S.A. de C.V. performed well in terms of sales and profit. In China, sales and profit at Sanyo Trading (Shanghai) Co., Ltd. declined due to the impact of production cutbacks at Japanese-affiliated auto manufacturers, which were affected by the economic slowdown and intensified competition. In ASEAN countries, both sales and profit at Sanyo Trading Asia Co., Ltd. (Thailand) were strong due to sales price revisions.

As a result, the Industrial Products segment recorded net sales of ¥27,980 million (up 0.2% year on year) and operating profit of ¥2,288 million (down 16.6%).

(iii) Sustainability

In green technology merchandise, both sales and profit were strong due to brisk sales of wearing products related to feed processing machines and the recording of a major project in the wood biomass business.

Merchandise related to resource development handled by Cosmos Shoji Co., Ltd. was strong, with the performance driven by merchandise related to ocean research equipment and other commodities in the ocean development field. The performance of oil and gas-related equipment was also strong.

As a result, the Sustainability segment recorded net sales of ¥8,505 million (up 44.8% year on year) and operating profit of ¥1,311 million (up 91.9% year on year).

(iv) Life Science

Both sales and profit in merchandise related to material solutions were steady because exports of electrical materials remained strong. Both sales and profit in merchandise related to scientific equipment decreased due to subpar demand and a rise in purchasing prices of imported goods that resulted from the continued weakness of the yen.

Sales of the functional feed raw materials handled by YPTECH Co., Ltd. were strong due to an increase in sales quantity. The performance of biotech products handled by Scrum Inc. was weak due to the termination of distributor agreements for equipment related to genetic analysis.

As a result, the Life Science segment recorded net sales of ¥29,070 million (up 0.1% year on year) and operating profit of ¥1,298 million (down 21.2% year on year).

(2) Explanation of Financial Position

(Assets)

Current assets increased ¥2,913 million from the end of the previous fiscal year, to ¥66,020 million, primarily because of increases in cash and deposits, inventories and advance payments to suppliers.

Non-current assets decreased ¥305 million from the end of the previous fiscal year, to ¥11,977 million. This mainly reflected a decline due to the refund of guarantee deposits, more than offsetting capital expenditure for the expansion work in the head office building.

Total assets at the end of the first nine months of the fiscal year under review stood at ¥77,998 million (an increase of ¥2,607 million from the end of the previous fiscal year).

(Liabilities)

Current liabilities decreased ¥30 million from the end of the previous fiscal year, to ¥25,569 million, resulting chiefly from a decrease in trade payables and the revaluation of forward exchange contracts, despite an increase in advances received in the biomass business.

Non-current liabilities decreased ¥63 million from the end of the previous fiscal year, to ¥1,918 million mainly due to a decrease in retirement benefit liability.

Liabilities at the end of the first nine months of the fiscal year under review came to ¥27,487 million (a decrease of ¥93 million from the end of the previous fiscal year).

(Net assets)

Shareholders' equity increased, mainly as a result of recording of profit attributable to owners of parent. Accumulated other comprehensive income decreased primarily due to the sale of investment securities.

Net assets at the end of the first nine months of the fiscal year under review stood at ¥50,510 million (an increase of ¥2,701 million from the end of the previous fiscal year).

(3) Explanation of Consolidated Earnings Forecasts and Other Future Predictions

The consolidated results forecasts for the fiscal year ending September 30, 2025 are unchanged from those announced on November 7, 2024.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly Consolidated Balance Sheets

	(Thousand yen)	
	Fiscal 2024 (As of September 30, 2024)	First three quarters of fiscal 2025 (As of June 30, 2025)
Assets		
Current assets		
Cash and deposits	8,007,322	11,089,977
Notes and accounts receivable - trade, and contract assets	24,215,073	21,284,879
Electronically recorded monetary claims - operating	2,479,000	2,957,106
Merchandise and finished goods	24,772,923	25,880,364
Work in process	75,669	158,023
Raw materials and supplies	332,113	274,949
Other	3,351,962	4,497,199
Allowance for doubtful accounts	(126,832)	(122,260)
Total current assets	63,107,232	66,020,241
Non-current assets		
Property, plant and equipment	3,160,249	3,449,485
Intangible assets		
Goodwill	1,401,622	1,179,899
Other	701,957	612,704
Total intangible assets	2,103,580	1,792,604
Investments and other assets		
Investment securities	4,877,344	4,860,297
Other	2,177,044	1,917,227
Allowance for doubtful accounts	(34,930)	(41,826)
Total investments and other assets	7,019,458	6,735,698
Total non-current assets	12,283,287	11,977,787
Total assets	75,390,519	77,998,029

(Thousand yen)

	Fiscal 2024 (As of September 30, 2024)	First three quarters of fiscal 2025 (As of June 30, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,573,928	11,861,610
Short-term borrowings	4,358,289	4,475,964
Current portion of long-term borrowings	100,000	100,000
Income taxes payable	1,107,888	1,108,659
Provisions	984,274	786,446
Other	6,475,404	7,236,786
Total current liabilities	25,599,784	25,569,467
Non-current liabilities		
Long-term borrowings	50,000	50,000
Provisions	75,510	47,203
Retirement benefit liability	977,195	944,471
Other	878,697	876,468
Total non-current liabilities	1,981,403	1,918,143
Total liabilities	27,581,188	27,487,610
Net assets		
Shareholders' equity		
Share capital	1,006,587	1,006,587
Capital surplus	447,262	461,807
Retained earnings	42,981,511	45,793,828
Treasury shares	(102,568)	(95,105)
Total shareholders' equity	44,332,793	47,167,117
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,854,913	1,655,561
Deferred gains or losses on hedges	19,682	58,895
Foreign currency translation adjustment	1,509,900	1,538,201
Total accumulated other comprehensive income	3,384,497	3,252,658
Share acquisition rights	90,995	90,420
Non-controlling interests	1,044	221
Total net assets	47,809,331	50,510,418
Total liabilities and net assets	75,390,519	77,998,029

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statement of Income
(First nine months)

	(Thousand yen)	
	First nine months of fiscal year ended September 30, 2024 (from October 1, 2023 to June 30, 2024)	First nine months of fiscal year ending September 30, 2025 (from October 1, 2024 to June 30, 2025)
Net sales	95,946,953	98,807,096
Cost of sales	79,250,001	81,613,700
Gross profit	16,696,952	17,193,396
Selling, general and administrative expenses	10,819,220	11,660,921
Operating profit	5,877,731	5,532,474
Non-operating income		
Interest income	48,078	45,107
Dividend income	107,568	115,824
Foreign exchange gains	1,110,954	317,222
Other	258,819	143,910
Total non-operating income	1,525,420	622,065
Non-operating expenses		
Interest expenses	52,365	61,243
Loss on sales of trade receivables	14,472	30,678
Other	43,209	25,467
Total non-operating expenses	110,047	117,389
Ordinary profit	7,293,104	6,037,150
Extraordinary income		
Gain on sale of investment securities	—	929,545
Total extraordinary income	—	929,545
Profit before income taxes	7,293,104	6,966,695
Income taxes	2,561,840	2,398,273
Profit	4,731,264	4,568,421
Profit (loss) attributable to non-controlling interests	8,628	(804)
Profit attributable to owners of parent	4,722,635	4,569,226

Quarterly Consolidated Statement of Comprehensive Income
(First nine months)

	(Thousand yen)	
	First nine months of fiscal year ended September 30, 2024 (from October 1, 2023 to June 30, 2024)	First nine months of fiscal year ending September 30, 2025 (from October 1, 2024 to June 30, 2025)
Profit	4,731,264	4,568,421
Other comprehensive income		
Valuation difference on available-for-sale securities	592,513	(199,329)
Deferred gains or losses on hedges	—	39,213
Foreign currency translation adjustment	637,456	28,301
Total other comprehensive income	1,229,969	(131,814)
Comprehensive income	5,961,234	4,436,607
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,951,318	4,437,410
Comprehensive income attributable to non-controlling interests	9,916	(803)

(3) Notes to Quarterly Consolidated Financial Statements

(Notes related to the going concern assumption)

There are no applicable matters.

(Notes on significant fluctuations in shareholders' equity)

There are no applicable matters.

(Application of accounting processes specific to the preparation of quarterly consolidated financial statements)

Tax expenses are calculated by reasonably estimating the effective tax rate after the application of deferred tax accounting on earnings before income taxes in the consolidated fiscal year including the first nine months under review, and multiplying earnings before income taxes by said estimated effective tax rate.

(Changes in accounting policies)

(Change in method of inventory valuation)

Previously, the Company applied the cost method as the method of inventory valuation. Effective from the first three months of the fiscal year under review, the first-In, first-out method has been applied for the valuation.

The valuation method was changed because replacement of the core system has made it possible to check the movement of inventories in greater detail, and the inventory valuation method was reconsidered from the viewpoint of appropriateness of the valuation and periodic accounting of profit and loss.

As a result, the Company judged that adoption of the first-In, first-out method, which conforms to the movements of inventories held by the Company, is rational and reflects the Company's business status more appropriately.

The impact of this change is insignificant and it has not been applied retroactively.

(Additional information)

(Effects of changes in income tax rate, etc.)

The Act for Partial Amendment to the Income Tax Act, etc. (Act No.13 of 2025) was introduced on March 31, 2025, and will result in changes including a rise in the income tax rate, etc. in the consolidated fiscal year starting on April 1, 2026 or thereafter.

As a result, the statutory effective tax rate, which is used to calculate deferred tax assets and deferred tax liabilities, will be increased from the previous 30.62% to 31.52% for temporary differences that are expected to be eliminated in the fiscal year starting on October 1, 2026 or a later year.

The impact of this change in tax rate is insignificant.

(Notes on statement of cash flows)

The Company did not prepare quarterly consolidated statements of cash flows for the first nine months under review. Depreciation (including amortization of intangible assets except for goodwill) and amortization of goodwill for the first nine months of the fiscal year under review are as follows.

	(Thousand yen)	
	First nine months of fiscal year ended September 30, 2024 (from October 1, 2023 to June 30, 2024)	First nine months of fiscal year ending September 30, 2025 (from October 1, 2024 to June 30, 2025)
Depreciation	228,011	340,249
Amortization of goodwill	472,547	348,253

(Segment information, etc.)

[Segment information]

I. First nine months of fiscal year ended September 30, 2024 (from October 1, 2023 to June 30, 2024)

1. Information related to net sales and profit (loss) by reportable segment

(Thousand yen)

	Reportable segments					Other (Note 1)	Total	Adjustment (Note 2)	Quarterly consolidated statement of income (Note 3)
	Fine Chemicals	Industrial Products	Sustainability	Life Science	Total				
Net sales									
Sales to external customers	31,976,999	27,917,591	5,872,356	29,034,633	94,801,582	953,959	95,755,541	191,411	95,946,953
Intersegment internal sales and transfers	3,250,395	1,214,904	324,261	2,574,538	7,364,100	491,450	7,855,550	(7,855,550)	—
Total	35,227,394	29,132,495	6,196,618	31,609,172	102,165,682	1,445,409	103,611,092	(7,664,138)	95,946,953
Segment profit (loss)	2,078,096	2,743,995	683,372	1,647,747	7,153,211	(105,217)	7,047,993	(1,170,261)	5,877,731

(Notes) 1. The category “Other” includes business segments not included in the reportable segments, such as information system and real estate leasing.

2. The adjustment consists of the following items.

- (1) An adjustment of net sales to external customers of ¥191,411 thousand is a foreign currency translation adjustment in relation to management accounting.
- (2) An adjustment of segment profit (loss) of -¥1,170,261 thousand includes selling, general and administrative expenses that are not allocated to reportable segments of -¥919,818 thousand, a foreign currency translation adjustment of -¥273,260 thousand in relation to management accounting and ¥22,817 thousand in other consolidation adjustments.

3. Segment profit (loss) is reconciled with operating profit in the quarterly consolidated statement of income.

2. Information on impairment loss in non-current assets and goodwill by reportable segment

(Significant changes in amount of goodwill)

During the first six months of the fiscal year under review, the Company made an additional payment for a contingent consideration regarding an acquisition in conjunction with the acquisition of all of the stock of Scrum Inc. implemented in the fiscal year ended September 2022. The payment resulted in the recording of goodwill of ¥350,260 thousand in the Life Science segment.

II. First nine months of fiscal year ending September 30, 2025 (from October 1, 2024 to June 30, 2025)

1. Information related to net sales and profit (loss) by reportable segment

(Thousand yen)

	Reportable segments					Other (Note 1)	Total	Adjustment (Note 2)	Quarterly consolidated statement of income (Note 3)
	Fine Chemicals	Industrial Products	Sustainability	Life Science	Total				
Net sales									
Sales to external customers	32,280,689	27,980,438	8,505,133	29,070,910	97,837,171	969,924	98,807,096	—	98,807,096
Intersegment internal sales and transfers	3,770,907	1,038,940	270,792	2,819,404	7,900,045	344,690	8,244,736	(8,244,736)	—
Total	36,051,597	29,019,379	8,775,925	31,890,314	105,737,217	1,314,615	107,051,832	(8,244,736)	98,807,096
Segment profit (loss)	1,971,591	2,288,758	1,311,446	1,298,922	6,870,719	(246,903)	6,623,816	(1,091,342)	5,532,474

- (Notes) 1. The category “Other” includes business segments not included in the reportable segments, such as information system and real estate leasing.
2. The adjustment consists of the following items.
- (1) An adjustment of segment profit (loss) of -¥1,091,342 thousand includes selling, general and administrative expenses that are not allocated to reportable segments of -¥1,138,653 thousand, a foreign currency translation adjustment of -¥49,909 thousand in relation to management accounting and ¥97,220 thousand of other consolidation adjustments.
3. Segment profit (loss) is reconciled with operating profit in the quarterly consolidated statement of income.

2. Information on impairment loss in non-current assets and goodwill by reportable segment (Significant changes in amount of goodwill)

During the first six months of the fiscal year under review, the Company made an additional payment for a contingent consideration regarding an acquisition in conjunction with the acquisition of all of the stock of Scrum Inc. implemented in the fiscal year ended September 2022. The payment resulted in the recording of goodwill of ¥126,530 thousand in the Life Science segment.

3. Matters related to changes in reportable segments

Effective from the first three months of the fiscal year under review, the Company has changed its reportable segments for the purpose of clarifying business contents and strategies of each segment and distributing management resources efficiently, thereby improving the transparency of its operations and the accuracy of performance management and disclosing information to the capital market more clearly.

The previous reportable segments of Chemicals, Machinery & Industrial Products, and Overseas Subsidiaries were reorganized and changed into four new segments: Fine Chemicals, Industrial Products, Sustainability, and Life Science. The Chemicals segment was divided into Fine Chemicals and Life Science, reflecting differences in product characteristics and market needs. The Machinery & Industrial Products segment was split into Industrial Products, Sustainability, and Life Science based on market domains. The Overseas Subsidiaries segment was split into Fine Chemicals, Industrial Products, and Life Science. This will improve the Company’s ability to respond to the market and ensure efficient performance management.

The segment information for the first nine months of the fiscal year ended September 30, 2024 was prepared and disclosed based on the classification and names after the change.