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Summary of Consolidated Financial Results for the 3rd Quarter of Fiscal Year Ending March 31, 2025(J-GAAP)

February 3, 2025

Company name: T.RAD Co., Ltd. Listing: Tokyo Stock Exchange, Prime Market
 Code No.: 7236 URL: <http://www.trad.co.jp>
 Representative: Tomio Miyazaki, President & CEO & COO
 Contact: Kaoru Kinoshita, Managing Executive Officer, Tel: +81-3-3373-1101
 In charge of Finance & Accounting
 Scheduled date of start of dividend payments: —
 Supplemental materials prepared for consolidated financial results: None
 Briefing on consolidated financial results: None

(Amounts less than one million yen have been truncated)

1. Consolidated Financial Performance for the 3rd Quarter of Fiscal Year Ending March 31, 2025

(April 1, 2024 to December 31, 2024)

(1) Consolidated operating performance (Percentage figures indicate year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2024	113,844	-6.8	3,105	-1.7	4,117	16.6	1,156	-14.5
Nine months ended December 31, 2023	122,135	5.0	3,159	368.0	3,532	138.0	1,352	—

Note: Comprehensive income

Nine months ended December 31, 2024: ¥ 1,394 million (-62.4%)

Nine months ended December 31, 2023: ¥ 3,713 million (-9.6%)

	Net income per share		Diluted net income per share	
	Yen		Yen	
Nine months ended December 31, 2024	176.96		—	
Nine months ended December 31, 2023	207.04		—	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Nine months ended December 31, 2024	95,541	44,747	46.8	6,910.48
Fiscal year ended March 31, 2024	103,087	45,286	43.5	6,860.31

Reference: Shareholders' equity

As of December 31, 2024: ¥44,700 million

As of March 31, 2024 : ¥44,890 million

2. Dividends

	Dividends per Share				
	1Q	2Q	3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	—	80.00	—	100.00	180.00
Fiscal year ending March 31, 2025	—	90.00	—		
Fiscal year ending March 31, 2025 (Forecast)				90.00	180.00

Note: Revisions to dividend forecasts since the latest official announcement: No

3. Forecast of Consolidated Financial Performance for the Fiscal Year Ending March 31, 2025

(April 1, 2024 to March 31, 2025)

(Percentage figures indicate changes from the same period of the previous year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2025	159,000	0.2	4,000	-8.0	4,500	-15.7	1,500	20.5	229.24

Note: Revisions to the forecast of consolidated financial performance since the latest official announcement: No

4. Other

(1) Changes in significant subsidiaries during the current quarter

(changes in specific subsidiaries resulting in changes in the scope of consolidation): No

(2) Adoption of specific accounting policies for quarterly consolidated financial statements: None

(3) Changes in accounting principles, estimation procedures or presentation methods

1) Changes associated with revision of accounting standards: Yes

2) Changes other than 1): None

3) Changes accounting estimation procedures: None

4) Changes in presentation methods: None

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

1) Number of shares issued and outstanding at end of period (including treasury stock)

As of December 31, 2024: 6,592,411 shares

As of March 31, 2024: 6,592,411 shares

2) Number of shares of treasury stock at end of period

As of December 31, 2024: 123,862 shares

As of March 31, 2024: 48,944 shares

3) Average number of shares outstanding during the period

Nine months ended December 31, 2024: 6,536,256 shares

Nine months ended December 31, 2023: 6,533,320 shares

* Review by certified public accountant or audit firm of the attached quarterly consolidated financial statements:

None

* Explanations for proper use of forecasts and other specific affairs

The forward-looking statement such as forecast of financial performance etc. described in this report based on information currently available and certain assumptions judged to be reasonable. Actual performance may differ significantly from these projections due to various factors.

Quarterly Consolidated Financial Statements and main notes

(1) Quarterly consolidated balance sheets

(Millions of yen)

	FY2023	FY2024_3Q
	As of March 31, 2024	As of December 31, 2024
	Amount	Amount
(Assets)		
Current assets		
Cash and deposits	20,332	15,620
Notes receivable-trade	1,080	632
Electronically recorded monetary claims-operating	3,191	2,374
Accounts receivable-trade	25,587	24,893
Short-term investment securities	299	—
Merchandise and finished goods	3,572	3,499
Work in process	991	959
Raw materials and supplies	8,985	8,836
Others	2,703	2,916
Allowance for doubtful accounts	(127)	(481)
Total current assets	66,617	59,252
Noncurrent assets		
Tangible fixed assets		
Building and structures, net	6,175	6,058
Machinery, equipment and vehicles, net	12,694	12,399
Land	2,509	2,529
Lease assets, net	1,422	1,250
Construction in progress	3,650	4,175
Other tangible fixed assets, net	1,682	1,919
Total tangible fixed assets	28,135	28,332
Intangible assets		
Others	3,125	1,917
Total intangible assets	3,125	1,917
Investments and other assets		
Investment securities	1,998	2,826
Net defined benefit asset	2,431	2,481
Deferred tax assets	226	227
Others	558	502
Allowance for doubtful accounts	(5)	—
Total investments and other assets	5,210	6,038
Total noncurrent assets	36,470	36,288
Total assets	103,087	95,541

(Millions of yen)

	FY2023	FY2024_3Q
	As of March 31, 2024	As of December 31, 2024
	Amount	Amount
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	15,685	12,899
Electronically recorded obligations – operating	5,917	6,470
Short-term loans payable	7,531	6,674
Lease obligations	447	443
Income taxes payable	1,089	387
Accrued expenses	3,793	3,840
Provision for bonuses	1,667	1,024
Provision for directors’ bonuses	32	22
Provision for product warranties	787	1,902
Provision for loss on order received	228	227
Electronically recorded obligations - non-operating	482	572
Others	1,380	1,193
Total current liabilities	39,043	35,660
Noncurrent liabilities		
Long-term loans payable	14,340	11,090
Lease obligations	2,596	2,292
Deferred tax liabilities	1,315	1,149
Net defined benefit liability	294	333
Provision for share awards	44	128
Asset retirement obligations	93	94
Others	73	44
Total noncurrent liabilities	18,758	15,132
Total liabilities	57,801	50,793
(Net assets)		
Shareholders’ equity		
Capital stock	8,570	8,570
Capital surplus	6,911	6,864
Retained earnings	22,510	22,418
Treasury stock	(114)	(395)
Total shareholders’ equity	37,877	37,458
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19	20
Foreign currency translation adjustment	5,012	5,408
Remeasurements of defined benefit plans	1,980	1,813
Total accumulated other comprehensive income	7,012	7,242
Non-controlling interests	396	47
Total net assets	45,286	44,747
Total liabilities and net assets	103,087	95,541

(2) Quarterly consolidated statements of income and quarterly consolidated statement of comprehensive income
(Quarterly consolidated statements of income)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
	(Apr. 1, 2023–December 31, 2023)	(Apr. 1, 2024–December 31, 2024)
	Amount	Amount
Net sales	122,135	113,844
Cost of sales	111,205	100,506
Gross profit	10,929	13,338
Selling, general and administrative expenses		
Packing and delivery expenses	1,184	1,296
Salaries and allowances	1,961	1,971
Provision for bonuses	255	299
Provision for directors' bonuses	34	22
Retirement benefit expenses	25	(20)
Welfare expenses	1,127	1,136
Provision for product warranties	203	1,584
Provision of allowance for doubtful accounts	5	352
Research and development expenses	898	1,262
Provision for share awards	11	84
Others	2,061	2,242
Total selling, general and administrative expenses	7,769	10,233
Operating income (loss)	3,159	3,105
Non-operating income		
Interest income	175	213
Dividends income	3	3
Equity in earnings of affiliates	400	352
Foreign exchange gains	144	459
Others	176	283
Total non-operating income	901	1,313
Non-operating expenses		
Interest expenses	518	298
Others	9	2
Total non-operating expenses	528	301
Ordinary income (loss)	3,532	4,117

(Millions of yen)

	Nine months ended December 31, 2023 (Apr. 1, 2023–December 31, 2023)	Nine months ended December 31, 2024 (Apr. 1, 2024–December 31, 2024)
	Amount	Amount
Extraordinary income		
Gain on sales of noncurrent assets	81	13
Gain on sales of investment securities	199	—
Total extraordinary income	280	13
Extraordinary loss		
Loss on sales of noncurrent assets	10	9
Loss on retirement of noncurrent assets	69	1,161
Loss on sale of shares of subsidiaries and associates	80	—
Impairment loss	—	199
Total extraordinary loss	160	1,371
Income (loss) before income taxes	3,652	2,759
Income taxes-current	2,040	1,650
Income taxes-deferred	231	(55)
Total income taxes	2,271	1,594
Profit (loss)	1,380	1,164
Profit (loss) attributable to non-controlling interests	28	8
Profit (loss) attributable to owners of parent	1,352	1,156

(Quarterly consolidated statement of comprehensive income)

(Millions of yen)

	Nine months ended December 31, 2023 (Apr. 1, 2023–December 31, 2023)	Nine months ended December 31, 2024 (Apr. 1, 2024–December 31, 2024)
	Amount	Amount
Profit (loss)	1,380	1,164
Other comprehensive income		
Valuation difference on available-for-sale securities	5	0
Foreign currency translation adjustment	2,216	326
Remeasurements of defined benefit plans, net of tax	(51)	(166)
Share of other comprehensive income of associates accounted for using equity method	162	68
Total other comprehensive income	2,332	229
Comprehensive income	3,713	1,394
(Breakdown)		
Comprehensive income attributable to owners of the parent	3,555	1,386
Comprehensive income attributable to non-controlling interests	157	8

(3) Quarterly consolidated statements of cash flows

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
	(Apr. 1, 2023–December 31, 2023)	(Apr. 1, 2024–December 31, 2024)
	Amount	Amount
Net cash provided by (used in) operating activities		
Profit (loss) before income taxes	3,652	2,759
Depreciation and amortization	4,643	3,985
Retirement benefit expenses	(75)	(236)
Increase (decrease) in retirement benefit asset and liability	(5)	(25)
Increase (decrease) in allowance for doubtful accounts	(120)	346
Increase (decrease) in provision for bonuses	(502)	(643)
Increase (decrease) in provision for directors' bonuses	9	(10)
Increase (decrease) in provision for product warranties	(185)	1,108
Loss on retirement of noncurrent assets	69	1,161
Loss(gain) on sales of tangible fixed assets	(70)	(3)
Loss (gain) on sales of investment securities	(119)	—
Interest and dividends income	(179)	(217)
Interest expenses	518	298
Foreign exchange losses (gains)	(206)	(214)
Equity in (earnings) losses of affiliates	(400)	(352)
Impairment loss	—	199
Decrease(increase) in notes and accounts receivable-trade	(1,964)	2,266
Decrease(increase) in inventories	3,797	428
Increase(decrease) in notes and accounts payable-trade	2,358	(2,520)
Decrease(increase) in other current assets	225	(224)
Increase (decrease) in other current liabilities	(703)	124
Other, net	43	74
Subtotal	10,783	8,304
Interest and dividends income received	1,892	400
Interest expenses paid	(506)	(314)
Income taxes paid	(1,881)	(2,329)
Net cash provided by (used in) operating activities	10,288	6,061

(Millions of yen)

	Nine months ended December 31, 2023 (Apr. 1, 2023–December 31, 2023)	Nine months ended December 31, 2024 (Apr. 1, 2024–December 31, 2024)
	Amount	Amount
Net cash provided by (used in) investing activities		
Purchase of tangible assets	(4,372)	(4,102)
Proceeds from sales of tangible fixed assets	119	10
Purchase of intangible assets	(764)	(250)
Purchase of investment securities	—	(580)
Proceeds from sales of investment securities	202	—
Payments into time deposit	(1,626)	(2,232)
Proceeds from withdrawal of time deposits	1,152	1,289
Others	(151)	132
Net cash provided by (used in) investing activities	(5,440)	(5,732)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(1,942)	(4,224)
Proceeds from long-term loans payable	3,210	650
Repayment of long-term loans payable	(2,237)	(610)
Purchase of treasury stock	—	(280)
Cash dividends paid	(525)	(1,248)
Cash dividends paid to non-controlling shareholders	(246)	(100)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	(381)
Others	(280)	(299)
Net cash provided by (used in) financing activities	(2,022)	(6,495)
Effect of exchange rate change on cash and cash equivalents	836	212
Net increase (decrease) in cash and cash equivalents	3,662	(5,954)
Cash and cash equivalents at beginning of period	10,361	20,204
Cash and cash equivalents at end of period	14,023	14,250