

**Consolidated Financial Results for the First Three Months of
the Fiscal Year Ending March 31, 2026 (JGAAP)**

August 8, 2025

Company name: Suzumo Machinery Co., Ltd.
Listing: Tokyo Stock Exchange
Stock code: 6405
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Scheduled date for dividend payment: —
Supplementary materials for financial statements: Yes
Results briefing to be held: None

(Amounts of less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2025 (April 1, 2025 to June 30, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	3,452	(7.1)	25	(93.9)	16	(96.3)	9	(97.1)
June 30, 2024	3,715	13.9	428	144.2	450	149.2	348	170.4

(Note) Comprehensive income: Three months ended June 30, 2025: -103 million yen (—%)

Three months ended June 30, 2024: 468 million yen (226.0%)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	0.77	—
June 30, 2024	26.95	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	19,077	15,618	81.7
March 31, 2025	19,471	15,969	81.8

(Reference) Shareholders' equity: As of June 30, 2025: 15,583 million yen

As of March 31, 2025: 15,929 million yen

2. Dividends

	Annual dividends				
	1st quarter	2nd quarter	3rd quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	15.00	—	19.00	34.00
March 31, 2026	—				
Fiscal year ending March 31, 2026 (forecast)		15.00	—	20.00	35.00

(Note) Changes in dividend forecast from the most recent announcement: None

3. Consolidated earnings forecast for the fiscal year ending March 31, 2026 (April 1, 2025 to March 31, 2026)
(Percentages indicate year-on-year change)

	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
Six months ending September 30, 2025	8,750	11.1	895	(14.9)	930	(14.9)	680	(14.4)	52.55
Full-year	17,870	14.8	2,000	5.8	2,045	5.0	1,495	2.2	115.54

(Note) Changes in dividend forecast from the most recent announcement: None

Notes:

(1) Significant changes in the scope of consolidation during the period under review: None

Newly included: —

Excluded: —

(2) Application of special accounting treatment in preparing the quarterly financial statements: Yes

(Note) For details, please see the attached materials on page 8, "2. Quarterly Consolidated Financial Statements and Primary Notes; (3) Notes to Quarterly Consolidated Financial Statements (Application of special accounting treatment in preparing the quarterly financial statements)."

(3) Changes in accounting policies, changes in accounting estimates, and retrospective restatement

1) Changes in accounting policies due to revision of accounting standards: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Total number of issued shares (common stock)

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

June 30, 2025: 12,960,000 shares

March 31, 2025: 12,960,000 shares

2) Total number of treasury shares at the end of the period:

June 30, 2025: 20,609 shares

March 31, 2025: 20,609 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 12,939,391 shares

Three months ended June 30, 2024: 12,929,081 shares

* Review of the accompanying quarterly consolidated financial statements by a certified public accountant or auditing firm: None

* Explanation of the proper use of financial results forecast and other notes

Forward-looking statements in this document, including outlook on future performance, are based on currently available information and certain assumptions that the Company regards as reasonable, and the Company does not in any way guarantee their achievement. Actual results may differ substantially from the projections herein depending on various factors. For the preconditions of and precautions in using the financial results forecast, please refer to "1. Summary of Business Results, (3) Explanation of Consolidated Financial Earnings Forecast and Other Forward-Looking Information" on page 3 of the Attachment.

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1. Summary of Business Results

(1) Summary of Business Results for the First Three Months of the Fiscal Year Ending March 31, 2026

During the first three months of the fiscal year ending March 31, 2026 (April 1, 2025–June 30 2025), the Japanese economy was on a gradual recovery path, supported by factors such as improvements in the employment and income environment and an increase in inbound demand, although weakness in consumer sentiment was observed due to the continued rise in prices. On the other hand, the global economic outlook remains uncertain due to factors such as heightened downside risks from the impact of US tariff policy, growing concerns over the future of the Chinese economy, and instability in the Middle East.

The Suzumo Group has set forth the long-term vision of “Delivering ‘deliciousness’ and ‘warmth’ to the world.” Under the basic policy of our three-year medium-term management plan “Next 2028” (started in the fiscal year ending March 31, 2026), namely “Build a truly global corporate structure,” “Evolve into a value-creating company,” and “Establish a corporate foundation for sustainable growth,” we are promoting various initiatives and striving to maximize corporate value through business growth and the enhancement of social value.

Amid this environment, in Japan, although demand for labor-saving solutions continued in the restaurant and retail industries—our key customers—driven by growth in inbound demand and labor shortages, the business environment remained challenging due to soaring raw material prices. In addition, the surge in rice prices from the fourth quarter of the fiscal year ended March 31, 2025 had an impact, such as the postponement of capital investment plans by business operators, resulting in sluggish product demand. By product and business category, demand for sushi machines remained generally flat, due in part to factors such as subdued demand for additional installations at supermarkets and a slowdown in the pace of new store openings. In the sushi sector, sales declined due to factors such as a lull in replacement demand, particularly among major conveyor-belt sushi chains. Sales of our rice-serving machines (Fuwarica) also declined, as replacement demand from major chain restaurants and cafeterias wound down. As a result, domestic sales declined year on year.

Overseas, although the outlook remains uncertain due to factors such as developments in US tariff policy and geopolitical risks in the Middle East, demand for our products increased owing to the overseas expansion of an increasing number of Japanese companies in the restaurant and retail industries, the ongoing shift toward labor-saving solutions due to worsening labor shortages and soaring labor costs, and the growing popularity of Japanese food. By region, in North America, the popularity of Japanese food, the expansion of Japanese companies, and trends toward mechanization and labor saving all remained at high levels. In addition, sales were supported by the introduction—starting in the second half of the fiscal year ended March 31, 2025—of sushi machines for in-store meal preparation at a major supermarket chain, and by the adoption of onigiri molding machines by a major takeout chain as the onigiri market expanded. As a result, sales at our US subsidiary increased. However, after accounting for the impact of intercompany eliminations, sales in North America as a whole declined slightly. Meanwhile, in Europe, product demand remained on a recovery track thanks to our efforts since two fiscal years ago to uncover demand from local business operators and provide support to sales agencies, leading to higher sales. In East Asia, although the economic slowdown in China led to impacts such as the postponement of capital investment plans by business operators, demand for our products grew, particularly among Japanese companies, resulting in a significant increase in sales. All these factors contributed to year-on-year growth in overseas sales.

As a result, net sales for the first three months of the fiscal year ending March 31, 2026 totaled 3,452 million yen (-7.1% YoY). Of the total, domestic sales accounted for 2,140 million yen (-11.7% YoY), and overseas sales came to 1,311 million yen (+1.6% YoY).

Summary of results in the first three months of the fiscal year ending March 31, 2026

	Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)		Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)		Amount of change	Percentage change
	Millions of yen	% of net sales	Millions of yen	% of net sales	Millions of yen	%
Net sales	3,715	100.0	3,452	100.0	(263)	(7.1)
Domestic	2,424	65.3	2,140	62.0	(284)	(11.7)
Overseas	1,290	34.7	1,311	38.0	20	1.6
Gross profit	1,893	51.0	1,699	49.2	(193)	(10.2)
Operating profit	428	11.5	25	0.8	(402)	(93.9)
Ordinary profit	450	12.1	16	0.5	(433)	(96.3)
Profit attributable to owners of parent	348	9.4	9	0.3	(338)	(97.1)

Gross profit fell to 1,699 million yen (-10.2% YoY) due to the drop in net sales as well as an increase in fixed costs such as manufacturing labor costs and expenses. Operating profit declined to 25 million yen (-93.9% YoY), as the drop in gross profit was compounded by an increase in SG&A expenses. These expenses rose mainly due to higher personnel expenses to support business expansion, base salary increases in response to inflation, higher personnel expenses associated with revisions to the personnel system aimed at promoting employee growth and organizational vitality, outsourcing costs for building the business foundation, and exhibition expenses to strengthen sales promotion. Ordinary profit decreased to 16 million yen (-96.3% YoY). Profit attributable to owners of parent fell to 9 million yen (-97.1% YoY), due in part to the absence of the 25 million yen extraordinary gain on the sale of part of the operations of consolidated subsidiary Japan System Project Co., Ltd., which was recorded in the first quarter of the fiscal year ended March 31, 2025.

(2) Summary of Financial Condition for the First Three Months of the Fiscal Year Ending March 31, 2026

(Assets)

Total assets as of June 30, 2025 decreased by 394 million yen from March 31, 2025 to 19,077 million yen. This was mainly due to a 769 million yen increase in construction in progress, offset by a 1,161 million yen decrease in cash and deposits.

(Liabilities)

Liabilities as of June 30, 2025 decreased by 43 million yen from March 31, 2025 to 3,459 million yen. This was mainly due to a 373 million yen increase in accrued expenses included in other current liabilities, offset by decreases of 346 million yen in income taxes payable and 102 million yen in long-term borrowings.

(Net assets)

Net assets as of June 30, 2025 decreased by 350 million yen from March 31, 2025 to 15,618 million yen. This was mainly attributable to decreases of 235 million yen in retained earnings due to the payment of dividends and 109 million yen in foreign currency translation adjustments.

(3) Explanation of Consolidated Financial Earnings Forecast and Other Forward-Looking Information

The consolidated earnings forecast remains unchanged from the full-year forecast announced in the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (JGAAP)" dated May 13, 2025.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheet

	(Thousands of yen)	
	Fiscal year ended March 31, 2025 (as of March 31, 2025)	Three months ended June 30, 2025 (as of June 30, 2025)
Assets		
Current assets		
Cash and deposits	5,597,109	4,435,630
Notes and accounts receivable - trade	1,537,216	1,258,796
Electronically recorded monetary claims - operating	501,823	435,980
Inventories	2,819,411	3,055,341
Other	385,716	504,610
Total current assets	10,841,277	9,690,358
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,907,135	1,881,312
Land	3,522,922	3,522,922
Construction in progress	1,094,977	1,864,222
Other, net	502,967	483,648
Total property, plant and equipment	7,028,002	7,752,105
Intangible assets		
Software	473,480	434,893
Other	44,997	94,368
Total intangible assets	518,477	529,262
Investments and other assets		
Investment securities	47,229	53,705
Deferred tax assets	760,210	773,807
Other	284,371	286,223
Allowance for doubtful accounts	(7,680)	(7,680)
Total investments and other assets	1,084,132	1,106,056
Total non-current assets	8,630,612	9,387,424
Total assets	19,471,890	19,077,783

	(Thousands of yen)	
	Fiscal year ended March 31, 2025 (as of March 31, 2025)	Three months ended June 30, 2025 (as of June 30, 2025)
Liabilities		
Current liabilities		
Accounts payable – trade	504,535	623,396
Current portion of long-term borrowings	50,968	—
Income taxes payable	377,075	30,595
Provision for bonuses	240,603	224,403
Other	834,724	1,177,911
Total current liabilities	2,007,907	2,056,306
Non-current liabilities		
Long-term borrowings	102,892	—
Provision for retirement benefits for directors (and other officers)	4,560	4,770
Retirement benefit liability	1,119,801	1,131,786
Asset retirement obligations	151,645	151,983
Other	116,044	114,598
Total non-current liabilities	1,494,943	1,403,138
Total liabilities	3,502,851	3,459,445
Net assets		
Shareholders' equity		
Share capital	1,154,418	1,154,418
Capital surplus	1,013,545	1,013,545
Retained earnings	13,265,188	13,029,321
Treasury shares	(9,592)	(9,592)
Total shareholders' equity	15,423,560	15,187,692
Accumulated other comprehensive income		
Foreign currency translation adjustment	461,003	351,159
Remeasurements of defined benefit plans	44,599	44,162
Total accumulated other comprehensive income	505,602	395,322
Non-controlling interests	39,875	35,322
Total net assets	15,969,038	15,618,337
Total liabilities and net assets	19,471,890	19,077,783

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income

First Three Months of the Fiscal Year Ending March 31, 2026

	(Thousands of yen)	
	Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)	Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)
Net sales	3,715,627	3,452,412
Cost of sales	1,822,171	1,752,630
Gross profit	1,893,456	1,699,782
Selling, general and administrative expenses	1,465,323	1,673,794
Operating profit	428,132	25,987
Non-operating income		
Interest income	372	445
Share of profit of entities accounted for using equity method	7,740	9,107
Foreign exchange gains	13,612	—
Other	1,572	3,499
Total non-operating income	23,298	13,051
Non-operating expenses		
Interest expenses	1,024	931
Foreign exchange losses	—	21,514
Restricted stock-related expenses	162	—
Other	20	139
Total non-operating expenses	1,207	22,586
Ordinary profit	450,224	16,453
Extraordinary income		
Gain on sale of businesses	25,869	—
Total extraordinary income	25,869	—
Extraordinary losses		
Loss on retirement of non-current assets	596	—
Total extraordinary losses	596	—
Profit before income taxes	475,496	16,453
Income taxes	126,055	7,807
Profit	349,441	8,646
Profit attributable to non-controlling interests	1,057	(1,334)
Profit attributable to owners of parent	348,383	9,980

Consolidated Statement of Comprehensive Income

First Three Months of the Fiscal Year Ending March 31, 2026

	(Thousands of yen)	
	Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)	Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)
Profit	349,441	8,646
Other comprehensive income		
Foreign currency translation adjustment	106,601	(108,936)
Remeasurements of defined benefit plans, net of tax	5,066	(436)
Share of other comprehensive income of entities accounted for using equity method	7,781	(2,631)
Total other comprehensive income	119,449	(112,004)
Comprehensive income	468,890	(103,357)
(Breakdown)		
Comprehensive income attributable to owners of parent	466,333	(100,299)
Comprehensive income attributable to non-controlling interests	2,557	(3,058)

(3) Notes to Quarterly Consolidated Financial Statements

(Application of special accounting treatment in preparing the quarterly financial statements)

(Calculation of tax expenses)

In regard to tax expenses, we have adopted the calculation method of rationally estimating the effective tax rate on profit before income taxes for the consolidated fiscal year, after application of tax effect accounting; then multiplying the profit before income taxes for the period under review by the said tax rate. However, in the event the estimated effective tax rate cannot be applied, statutory effective tax rate is used.

(Notes on segment information, etc.)

[Segment information]

Our group operates in a single segment, the cooked-rice processing equipment business, so segment data are omitted.

(Notes in the event of significant changes in shareholders' equity)

There is no relevant information.

(Notes on going concern assumption)

There is no relevant information.

(Notes on statement of cash flows)

The Company has not prepared a quarterly consolidated statement of cash flows for the first three months of the fiscal year ending March 31, 2026. Depreciation expenses (including amortization of intangible assets) for the three-month period are as follows.

	(Thousands of yen)	
	Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)	Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)
Depreciation	105,055	104,254