

Translation

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

August 5, 2024

Company name: SE Corporation  
 Stock exchange listing: Tokyo  
 Stock code: 3423 URL <https://www.se-corp.com/>  
 Representative: President Ichiro Miyahara  
 Inquiries: Managing Executive Officer Hisahiro Nojima TEL 03-3340-5500  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 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	%
Three months ended June 30, 2024	5,651	0.9	(19)	–	(15)	–	(33)	–
Three months ended June 30, 2023	5,603	(0.1)	112	(47.5)	96	(56.5)	42	(70.4)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	(1.11)	–
Three months ended June 30, 2023	1.40	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2024	24,917	10,617	42.5	350.24
As of March 31, 2024	26,432	11,024	41.6	363.64

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	–	0.00	–	13.00	13.00
Year ending March 31, 2025	–				
Year ending March 31, 2025 (Forecast)		0.00	–	13.00	13.00

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	26,435	(0.1)	683	(49.9)	685	(50.1)	301	(68.9)	9.97

4. Notes

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (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: No
  - 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 June 30, 2024	31,256,600 shares	As of March 31, 2024	31,256,600 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	1,048,528 shares	As of March 31, 2024	1,048,528 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	30,208,072 shares	Three months ended June 30, 2023	30,208,072 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	5,351,248	4,262,396
Notes and accounts receivable - trade, and contract assets	7,033,604	5,774,759
Electronically recorded monetary claims - operating	2,143,182	2,791,383
Merchandise and finished goods	688,881	755,451
Work in process	586,572	554,316
Raw materials and supplies	1,459,933	1,501,067
Other	344,114	393,564
Allowance for doubtful accounts	(50,490)	(29,572)
<b>Total current assets</b>	<b>17,557,046</b>	<b>16,003,368</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	2,856,357	2,807,648
Machinery, equipment and vehicles, net	1,118,394	1,093,886
Tools, furniture and fixtures, net	109,577	107,249
Land	3,054,542	3,054,542
Leased assets, net	271,920	266,346
Construction in progress	134	40,343
<b>Total property, plant and equipment</b>	<b>7,410,926</b>	<b>7,370,017</b>
<b>Intangible assets</b>		
Goodwill	35,137	25,697
Other	118,126	116,399
<b>Total intangible assets</b>	<b>153,264</b>	<b>142,096</b>
<b>Investments and other assets</b>		
Investment securities	266,220	295,754
Other	1,074,627	1,161,461
Allowance for doubtful accounts	(29,226)	(55,261)
<b>Total investments and other assets</b>	<b>1,311,622</b>	<b>1,401,955</b>
<b>Total non-current assets</b>	<b>8,875,813</b>	<b>8,914,069</b>
<b>Total assets</b>	<b>26,432,859</b>	<b>24,917,437</b>

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	3,747,820	3,372,039
Electronically recorded obligations - operating	2,407,159	2,148,127
Short-term borrowings	310,522	400,522
Current portion of long-term borrowings	1,542,536	1,457,586
Income taxes payable	227,148	92,046
Provision for bonuses	181,742	109,822
Asset retirement obligations	59,731	–
Provision for loss on construction contracts	–	1,422
Other	1,403,343	1,499,289
<b>Total current liabilities</b>	<b>9,880,003</b>	<b>9,080,856</b>
<b>Non-current liabilities</b>		
Long-term borrowings	3,922,814	3,620,960
Provision for retirement benefits for directors (and other officers)	602,040	592,457
Retirement benefit liability	458,895	466,428
Asset retirement obligations	242,374	242,563
Other	301,878	296,245
<b>Total non-current liabilities</b>	<b>5,528,002</b>	<b>5,218,655</b>
<b>Total liabilities</b>	<b>15,408,005</b>	<b>14,299,512</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,228,057	1,228,057
Capital surplus	1,026,676	1,026,676
Retained earnings	8,835,867	8,409,564
Treasury shares	(192,656)	(192,656)
<b>Total shareholders' equity</b>	<b>10,897,945</b>	<b>10,471,642</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	99,673	120,266
Deferred gains or losses on hedges	29	–
Remeasurements of defined benefit plans	(12,657)	(11,975)
<b>Total accumulated other comprehensive income</b>	<b>87,045</b>	<b>108,290</b>
<b>Non-controlling interests</b>	<b>39,862</b>	<b>37,992</b>
<b>Total net assets</b>	<b>11,024,853</b>	<b>10,617,925</b>
<b>Total liabilities and net assets</b>	<b>26,432,859</b>	<b>24,917,437</b>

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

### Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	5,603,920	5,651,682
Cost of sales	4,181,158	4,178,060
Gross profit	1,422,761	1,473,622
Selling, general and administrative expenses	1,310,431	1,492,672
Operating profit (loss)	112,329	(19,049)
Non-operating income		
Interest income	18	19
Dividend income	4,386	4,445
Commission income	140	529
Rental income from buildings	2,176	2,124
Reversal of allowance for doubtful accounts	2,059	375
Gain on sale of scraps	9,408	10,614
Other	5,167	8,404
Total non-operating income	23,357	26,513
Non-operating expenses		
Interest expenses	8,583	10,666
Sales discounts	3,624	2,363
Foreign exchange losses	25,045	9,401
Donations	1,262	0
Other	391	1,000
Total non-operating expenses	38,907	23,432
Ordinary profit (loss)	96,780	(15,968)
Extraordinary income		
Gain on sale of non-current assets	5,470	1,599
Total extraordinary income	5,470	1,599
Extraordinary losses		
Loss on retirement of non-current assets	142	694
Total extraordinary losses	142	694
Profit (loss) before income taxes	102,108	(15,062)
Income taxes	59,993	20,405
Profit (loss)	42,115	(35,468)
Loss attributable to non-controlling interests	(43)	(1,870)
Profit (loss) attributable to owners of parent	42,158	(33,597)

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

(Thousands of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit (loss)	42,115	(35,468)
Other comprehensive income		
Valuation difference on available-for-sale securities	8,904	20,593
Deferred gains or losses on hedges	45	(29)
Remeasurements of defined benefit plans, net of tax	(921)	681
Total other comprehensive income	8,028	21,245
Comprehensive income	50,143	(14,222)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	50,187	(12,352)
Comprehensive income attributable to non-controlling interests	(43)	(1,870)