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For Immediate Release

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Notice Regarding Revisions to Financial Forecasts for the Full-year ending May 31, 2025, and the Unchanged Year-end Dividend Forecast

SUMINOE Co., Ltd. announces that it has revised the forecasts for the fiscal year ending May 31, 2025 announced on July 12, 2024, considering the current trend of business performance. There will be no change in the dividend forecast due to the revision of the forecasts for the fiscal year ending May 31, 2025.

Details

1. Revision of forecasts of consolidated financial results for the fiscal year ending May 31, 2025 (June 1, 2024 to May 31, 2025)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Profit per share Basic
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previous forecasts (announced on July 12, 2024) (A)	105,300	3,300	3,400	1,500	112 . 37
Revised forecasts(B)	103,700	2,900	2,500	950	71 . 17
Change (B - A)	(1,600)	(400)	(900)	(550)	—
Percentage change (%)	(1.5)	(12.1)	(26.5)	(36.7)	—
(Reference) Financial results for the previous fiscal year (FY2024)	103,478	3,300	3,668	874	66 . 11

*1 As the Company conducted a two-for-one stock split for its common stock effective March 1, 2025, profit per share is calculated assuming the stock split was conducted at the beginning of the previous consolidated fiscal year.

*2 We have revised the average exchange rate for the full-year forecasts to 150 yen to the dollar from 144 yen, the rate assumed at the time of the previous announcement on July 12, 2024, considering the current exchange rate situation.

2. Reasons for revision of the forecasts

In the Automotive Textiles and Traffic Facilities Segment, which is the Company's main business, net sales in the traffic facilities business are steadily capturing the recovery demand for products for both railways and busses, due to collaboration between manufacturing and sales within our group. On the other hand, the automotive textiles business was affected by the prolonged decline in production efficiency due to fluctuations in production plans from automakers is expected to have a greater impact than anticipated at North and Central American bases. Furthermore, the decline in demand due to the rapid expansion of the electric vehicle market centered around China was greater than expected, and a decrease in production volume by Japanese automakers on the back of social situations in Southeast Asian countries. As a result, overall net sales for the fiscal year ending May 31, 2025, are expected to fall short of our previous forecasts announced on July 12, 2024. In terms of profits, although the Company recorded a gain on sale of investment securities,

profits at each level are also expected to fall short of our previous forecasts as the Company recorded a share of loss of entities accounted for using equity method and foreign exchange loss of a consolidated subsidiary in non-operating expenses, in addition to the decrease in net sales.

2. Year-end dividend forecast for the fiscal year ending May 31, 2025

We believe that returning profits to shareholders is an important management issue. Our basic policy is to implement an appropriate distribution of results while considering stable dividend payment and trends in business performance. We have revised our full-year consolidated financial forecasts downward; however, the year-end dividend remains unchanged from our previous forecast of 20 yen per share, as we are steadily enhancing our abilities under the "SUMINOE GROUP WAY 2025-2027 STEP II," the medium- to long-term management targets for the latter three years, covering the fiscal years ending in May 2025, May 2026, and May 2027.

*The above-mentioned forecasts of performance are based on currently available information. The actual performance may be significantly different from the forecasts due to various factors.