

FY 2025/9 Q3 Summary of Financial Results [IFRS] (Consolidated)

August 8, 2025

Name of issuing company: RECOMM Co., Ltd.

Listed on:

TSE

Code: 3323

URL: <http://www.recomm.co.jp>

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Planned date of commencement of payment of dividends —

Supplementary materials prepared on financial results : Y

Briefing planned on financial results: : N

(Figures rounded down to the nearest million yen)

1. FY 2025/9 Q3 consolidated results (October 1, 2024, to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate YoY changes)

	Sales revenue		Operating profit		Profit before tax		Income		Net income attributable to owners of the Parent		Total comprehensive income	
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%
FY 2025/9 Q3 financial results	9,907	20.7	284	89.4	330	92.8	242	172.9	195	128.8	125	(75.2)
FY 2024/9 Q3 financial results	8,210	19.5	150	(50.2)	171	(48.0)	88	(61.5)	85	(57.6)	507	115.4

	EBITDA*1		Basic earnings per share		Diluted earnings per share	
	million yen	%	Yen		Yen	
FY 2025/9 Q3 financial results	428	54.6	2.41		2.41	
FY 2024/9 Q3 financial results	277	(32.4)	1.05		1.05	

(Note) *1. EBITDA (earnings before interest, taxes, depreciation, and amortization) is calculated as operating profit + depreciation and amortization

(2) Consolidated financial standing

	Total assets	Total equity	Equity attributable to owners of the Parent	Percentage of equity attributable to owners of the Parent
	million yen	million yen	million yen	%
FY 2025/9 Q3 financial results	12,653	5,222	4,877	38.5
FY 2024/9	12,645	5,294	4,963	39.3

2. Dividends

	Annual dividends				
	Q1 end	Q2 end	Q3 end	Year end	Total
	Yen	Yen	Yen	Yen	Yen
FY 2024/9	—	0.00	—	1.60	1.60
FY 2025/9	—	0.00	—	—	—
2025/9 (projected)	—	—	—	1.60	1.60

(Note) Revision from most recently announced dividends forecasts : N

3. FY 2025/9 consolidated financial results forecasts (October 1, 2024, to September 30, 2025)

(Percentages indicate YoY changes)

	Sales revenue		Operating profit		Profit before tax		Net income		Net income attributable to owners of the Parent		Basic earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	Yen
Full year	14,800	26.6	700	159.8	700	127.9	500	249.7	430	412.3	5.29

(Note) Revision from most recently dividends forecasts of financial results : N

*Notes:

(1) Material changes to scope of consolidation during cumulative period through the quarter of the current consolidated fiscal year : N

New —company/ies (Name) , Removed —company/ies (Name)

(2) Changes to accounting policies/changes to accounting estimates

(i) Changes to accounting policies required by IFRS : N

(ii) Changes to accounting policies other than those under (i) : N

(iii) Changes to accounting estimates : N

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

(i) Number of shares issued and outstanding at end of period (including treasury shares)	FY 2025/9 Q3	82,630,255 shares	FY 2024/9	82,630,255 shares
(ii) Number of treasury shares at end of period	FY 2025/9 Q3	1,938,900 shares	FY 2024/9	1,410,600 shares
(iii) Average number of shares during period (quarterly cumulative)	FY 2025/9 Q3	80,965,250 shares	FY 2024/9 Q3	81,219,655 shares

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

* Explanation of appropriate use of performance forecasts and other notes

Performance forecasts and other forward-looking statements contained in this document are based on information available to the Company at the time of preparation and certain assumptions considered reasonable. Actual results may differ considerably due to various factors.

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1. Qualitative information on quarterly financial results

(1) Description of business results

(1) Overview of business results etc.

For the cumulative period through the Q3 of the current consolidated fiscal year, the Japanese economy maintained a gradual recovery trend, including improvement in employment and the income environment and solid corporate results despite the impact of the devalued yen and a rise in the expenses for raw materials. The global economy was uncertain because of the effect of price rises and rapid changes in the tariff policy of the United States and other countries' countermeasures against and responses to tariffs, and these impact the increased downside risk to the future of the economy.

In the information and communications technology (ICT) industry in which the Company operates, the leasing volume decreased for ICT devices and remained unchanged for office equipment for the April–June period and remained largely unchanged from the previous year for the cumulative period through Q3 of the current consolidated fiscal year.

Under such conditions, the Group identified a growth strategy based on its vision as a global specialized trading company, striving to grow its overseas solutions business, promote digital transformation (DX) and the use of AI, and develop and expand sales of decarbonized materials.

As a result of the above, financial results in the cumulative period through Q3 of the current consolidated fiscal year showed an increase of 20.7% YoY in sales revenue to 9,907 million yen, which was due to a large increase in sales revenue in the overseas solutions businesses, an increase of 89.4% YoY in operating profit to 284 million yen, and an increase of 128.8% YoY in quarterly profit attributable to owners of the parent to 195 million yen.

Results by segment are reviewed below.

(i) Domestic solutions businesses

In the directly operated branch sales channel, the company worked to implement efficient operating activities using customer databases and focused on new customer acquisition. To enhance Multi-Function Printer's own plans and other companies' efforts for carbon neutrality, the company focused on sales proposals for LEDs and air conditioners. As a result, sales revenue in this channel increased by 8.3% YoY to 1,831 million yen.

In the franchise channel, in addition to horizontal deployment of the method of sales through directly operated stores and sharing selling methods with franchises, we also provided sales support to franchises. As a result of these measures, sales revenue in this channel decreased by 22.6% YoY to 549 million yen in part because of the effects of the sale of the business of one franchise in the same period last year.

In the agent channel, the Company enhanced sales of LED lighting as a proposal to reduce electricity charges and security solutions. However, the security solutions decreased sales mainly because of lower price competitiveness. As a result, sales revenue in this channel decreased by 24.3% YoY to 600 million yen.

As a result, sales revenue in the domestic solutions business decreased by 6.7% YoY to 2,981 million yen while segment profit decreased by 76.4% YoY to 63 million yen because of such factors as the sale of one franchise.

(ii) Overseas solutions businesses

The overseas solutions businesses focused on proposals for energy-saving solutions through sales of LED lighting and commercial air conditioners to corporate customers striving toward carbon neutrality and full-scale sales of the radiative cooling material SPACECOOL from the current period. Additionally, a subsidiary selling AI servers in Singapore also contributed to revenue for the current period. As a result, sales revenue in this segment increased by 41.5% YoY to 6,480 million yen while segment profit increased by 129.4% YoY to 392 million yen.

(iii) BPR business

The BPR business focused on the development of new customers while striving to increase transactions with customers. The business worked to acquire continuing operations as well as spot operations. Our BPO centers worked to automate operations and improve business efficiency by using RPA and AI solutions. As a result, sales revenue increased by 2.2% YoY to 445 million yen. Segment profit decreased by 55.3% YoY to 10 million yen because enforcement of the mandatory military service law in Myanmar resulted in a sharp increase in the retirement rate of employees at the Myanmar center, and the profitability of the center declined.

Segment		Cumulative period through Q3 of the current consolidated fiscal year (From October 1, 2024, to June 30, 2025)	YoY (%)
Domestic solutions businesses	Directly operated branches (thousand yen)	1,831,633	108.3
	Franchises (thousand yen)	549,766	77.4
	Agents (thousand yen)	600,224	75.7
	Total (thousand yen)	2,981,624	93.3
Overseas solutions businesses (thousand yen)		6,480,252	141.5
BPR business (thousand yen)		445,223	102.2
Total (thousand yen)		9,907,100	120.7

(Note) 1. Transactions between segments have been eliminated through offsetting.

2. The amounts above do not include consumption tax etc.

(2) Description of financial standing

(1) Analysis of financial standing

In the third quarter of the current consolidated fiscal year, assets were up 7 million yen from the end of the previous consolidated fiscal year to 12,653 million yen. This was due mainly to an increase of 120 million yen in other financial assets resulting from putting overseas idle funds into term deposits and a decrease of 390 million yen in cash and cash equivalents resulting from the use of group finance. This also reflected the contribution of a decrease of 93 million yen in trade and other receivables and an increase of 166 million yen in inventories mainly resulting from the expansion of overseas business.

In the third quarter of the current consolidated fiscal year, liabilities were up 80 million yen from the end of the previous consolidated fiscal year to 7,431 million yen. This was due mainly to an increase of 281 million yen in loans payable and a decrease of 140 million yen in other current liabilities.

In the third quarter of the current consolidated fiscal year, equity decreased by 72 million yen from the end of the previous consolidated fiscal year to 5,222 million yen. This was due mainly to a decrease of 115 million yen in other components of equity resulting from the yen appreciation at the end of the third quarter from the end of the previous year despite the recording of positive net income.

(2) Consolidated cash flows

Cash and cash equivalents ("funds") in the cumulative period through Q3 of the current consolidated fiscal year decreased by 368 million yen from the previous consolidated fiscal year to 2,585 million yen. Cash of 122 million yen was used in operating activities, and cash of 260 million yen was used in investing activities while cash of 9 million yen was provided by financing activities.

Cash flows for the cumulative period through Q3 of the current consolidated fiscal year were as follows.

(Cash flow from/used in operating activities)

Funds used in operating activities totaled 122 million yen (vs. 645 million yen in funds from operating activities in the same quarter of the previous year). This was due mainly to 330 million yen in quarterly profit before tax, an increase of 191 million yen in inventories, a decrease of 174 million yen in other current liabilities, and the payment of 160 million yen in corporate income tax.

(Cash flow from/used in investing activities)

Funds used in investing activities totaled 260 million yen (vs. 63 million yen used in the same quarter of the previous year). This was due mainly to increases of 124 million yen in term deposits and 136 million yen in property, plant and equipment and intangible assets.

(Cash flow from/used in financing activities)

Funds from financing activities totaled 9 million yen (vs. 333 million yen used in the same quarter of the previous year). This was due mainly to a net increase of 287 million yen in short-term loans payable, payment of 129 million yen in dividends, acquisition of 35 million in treasury stock, and payment of 80 million yen in lease liabilities.

(3) Explanation of forecasts of consolidated financial results and other forward-looking information

Forecasts of consolidated financial results remain unchanged from those announced in the FY 2024/9 Summary of Financial Results issued on November 14, 2024.

2. Summary of quarterly consolidated statements of financial position and major notes

(1) Summary of quarterly consolidated statements of financial position

(Unit: thousand yen)

	Notes	Previous consolidated fiscal year (September 30, 2024)	Q3 of the current consolidated fiscal year (June 30, 2025)
Assets			
Current assets			
Cash and cash equivalents		2,975,680	2,585,636
Trade and other receivables		2,703,169	2,609,472
Inventories		2,351,585	2,518,440
Securities and other financial assets		82,200	202,773
Other current assets		251,874	343,878
Total current assets		8,364,511	8,260,202
Non-current assets			
Investments accounted for using the equity method		420,700	423,920
Securities and other financial assets		181,556	180,250
Property, plant and equipment		654,901	646,595
Right-of-use assets		393,290	425,075
Goodwill		2,376,309	2,387,252
Customer-related assets		9,201	98
Other intangible assets		112,576	193,585
Deferred tax assets		131,861	135,696
Other noncurrent assets		721	910
Total noncurrent assets		4,281,119	4,393,385
Total assets		12,645,630	12,653,587

(Unit: thousand yen)

	Notes	Previous consolidated fiscal year (September 30, 2024)	Q3 of the current consolidated fiscal year (June 30, 2025)
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables		1,450,399	1,421,933
Loans payables		2,788,272	3,392,202
Lease liabilities		78,828	132,013
Income tax payables		158,212	134,876
Contract liabilities		213,094	174,005
Other current liabilities		324,153	183,610
Total current liabilities		5,012,960	5,438,642
Non-current liabilities			
Loans payables		1,636,525	1,314,027
Lease liabilities		323,548	306,345
Provisions		7,625	7,625
Other noncurrent liabilities		244,960	231,175
Deferred tax liabilities		125,077	133,223
Total noncurrent liabilities		2,337,738	1,992,397
Total liabilities		7,350,699	7,431,040
Equity			
Share capital		2,447,952	2,447,952
Equity surplus		2,498,488	2,498,488
Retained earnings		(514,286)	(449,057)
Treasury stock		(110,548)	(146,053)
Other components of equity		642,037	526,473
Equity attributable to owners of the Parent		4,963,643	4,877,803
Non-controlling interests		331,288	344,743
Total equity		5,294,931	5,222,547
Total liabilities and equity		12,645,630	12,653,587

(2) Summary of quarterly consolidated statements of profit and loss and Summary of quarterly consolidated statements of comprehensive income

Summary of quarterly consolidated statements of profit or loss

Cumulative period through Q3 of the consolidated fiscal year

(Unit: thousand yen)

	Notes	Cumulative period through Q3 of the previous consolidated fiscal year (From October 1, 2023 to June 30, 2024)	Cumulative period through Q3 of the current consolidated fiscal year (From October 1, 2024 to June 30, 2025)
Sales revenue		8,210,391	9,907,100
Cost of sales		6,253,021	7,633,433
Gross profit		1,957,369	2,273,666
Selling, general, and administrative expenses		2,015,869	2,042,014
Other income		212,691	55,806
Other expenses		3,955	2,902
Operating profit		150,236	284,556
Financial income		18,157	91,824
Financial costs		45,090	62,066
Gain/loss from investment in affiliates		48,264	16,475
Profit before tax		171,567	330,790
Corporate income tax expenses		82,817	88,578
Income		88,750	242,212
Income attributable to interest of owners of the parent		85,299	195,179
Non-controlling interest		3,450	47,032
Income		88,750	242,212
Earnings per share			
Basic earnings per share (yen)		1.05	2.41
Diluted earnings per share (yen)		1.05	2.41

Summary of quarterly consolidated statements of comprehensive income

Cumulative period through the Q3 of the consolidated fiscal year

(Unit: thousand yen)

	Notes	Cumulative period through the Q3 of the previous consolidated fiscal year (From October 1, 2023 to June 30, 2024)	Cumulative period through the Q3 of the current consolidated fiscal year (From October 1, 2024 to June 30, 2025)
Income		88,750	242,212
Other comprehensive income			
Items not transferred to net income			
Fluctuations in fair values of financial assets measured through other comprehensive income		—	—
Total items not transferred to net income		—	—
Items transferable to net income			
Difference on conversion from sales units abroad		386,383	(124,572)
Amount equivalent to equity in other comprehensive income of affiliates		32,861	8,142
Total items transferable to net income		419,244	(116,430)
Total other comprehensive income		419,244	(116,430)
Comprehensive income		507,994	125,781
Comprehensive income attributable to interest of owners of the parent		514,131	79,615
Non-controlling interest		(6,136)	46,166
Total comprehensive income		507,994	125,781

(3) Summary of quarterly consolidated statements of changes in equity

Cumulative period through Q3 of the previous consolidated fiscal year (October 1, 2023, to June 30, 2024)

(Unit: thousand yen)

	Notes	Equity attributable to owners of the Parent						Non-controlling interests	Total equity
		Share capital	Equity surplus	Retained earnings	Treasury stock	Other components of equity	Total		
Balance on October 1, 2023		2,447,952	2,498,118	(461,276)	(110,548)	315,793	4,690,038	263,808	4,953,847
Income				85,299			85,299	3,450	88,750
Other comprehensive income						428,831	428,831	(9,587)	419,244
Comprehensive income		—	—	85,299	—	428,831	514,131	(6,136)	507,994
Amounts of changes									
Dividends of surplus (cash)				(129,951)			(129,951)	(17,073)	(147,025)
Other increase/decrease			370	(7,001)			(6,631)	(370)	(7,001)
Total amount of changes		—	370	(136,953)	—	—	(136,582)	(17,443)	(154,026)
Balance on June 30, 2024		2,447,952	2,498,488	(512,930)	(110,548)	744,624	5,067,087	240,227	5,307,814

Cumulative period through Q3 of the current consolidated fiscal year (October 1, 2024, to June 30, 2025)

(Unit: thousand yen)

	Notes	Equity attributable to owners of the Parent						Non-controlling interests	Total equity
		Share capital	Equity surplus	Retained earnings	Treasury stock	Other components of equity	Total		
Balance on October 1, 2024		2,447,952	2,498,488	(514,286)	(110,548)	642,037	4,963,643	331,288	5,294,931
Income				195,179			195,179	47,032	242,212
Other comprehensive income						(115,564)	(115,564)	(866)	(116,430)
Comprehensive income		—	—	195,179	—	(115,564)	79,615	46,166	125,781
Amounts of changes									
Dividends from a surplus (cash)				(129,950)			(129,950)	(32,710)	(162,660)
Other increase/decrease					(35,504)		(35,504)		(35,504)
Total amount of changes		—	—	(129,950)	(35,504)	—	(165,454)	(32,710)	(198,165)
Balance on June 30, 2025		2,447,952	2,498,488	(449,057)	(146,053)	526,473	4,877,803	344,743	5,222,547

(4) Summary of quarterly statements of consolidated cash flows

(Unit: thousand yen)

	Notes	Cumulative period through Q3 of the previous consolidated fiscal year (From October 1, 2023 to June 30, 2024)	Cumulative period through Q3 of the current consolidated fiscal year (From October 1, 2024 to June 30, 2025)
Cash flow from/used in operating activities			
Profit before tax		171,567	330,790
Depreciation and amortization		126,975	144,056
Financial income		(18,157)	(91,824)
Financial costs		45,090	62,066
Decrease (increase) in trade and other receivables		153,805	63,662
Decrease (increase) in inventories		220,859	(191,049)
Increase (decrease) in trade and other payables		(45,298)	(15,264)
Decrease (increase) in other current assets		196,974	(43,716)
Increase (decrease) in other current liabilities		(171,252)	(174,562)
Increase (decrease) in other noncurrent liabilities		(19,515)	(13,857)
Other		76,193	(1,218)
Subtotal		737,243	69,082
Interest received		29,527	36,734
Interest paid		(34,628)	(67,611)
Income tax paid or refunded		(86,155)	(160,574)
Cash flow from/used in operating activities		645,987	(122,369)
Cash flow from/used in investing activities			
Expenditures on acquisition of property, plant, and equipment and intangible assets		(54,763)	(136,558)
Proceeds from sale of property, plant, and equipment and intangible assets		—	83
Expenditures on pledge of deposits and guarantees		(3,774)	(3,587)
Proceeds from recovery of deposits and guarantees		1,973	4,253
Net decrease (increase) in term deposits		—	(124,140)
Expenditures on acquisition of investment securities		—	(2,017)
Other		(7,432)	1,758
Cash flow from/used in investing activities		(63,996)	(260,208)
Cash flow from/used in financing activities			
Increase (decrease) in short-term loans payable		189,955	287,933
Expenditures on repayment of long-term loans payable		(318,154)	—
Expenditures on repayment of lease liabilities		(57,718)	(80,922)
Expenditures on acquisition of treasury stock		—	(35,504)
Dividends paid		(130,010)	(129,698)
Dividends paid to non-controlling interests		(17,073)	(32,710)
Cash flow from/used in financing activities		(333,001)	9,096
Conversion difference on cash and cash equivalents		79,187	(16,561)
Increase (decrease) in cash and cash equivalents		328,175	(390,043)
Starting balance of cash and cash equivalents		2,625,888	2,975,680
Ending balance of cash and cash equivalents		2,954,064	2,585,636

(5) Notes to the summary of quarterly consolidated statements of financial position

(Notes to the going-concern assumption)

Not applicable.

(Segment information etc.)

(1) Summary of reporting segments

The Company's reporting segments represent Group business units for which separate financial information is available. They are subject to periodic reviews by the Board of Directors to make decisions on the allocation of management resources and assess performance.

The Group operates the domestic solutions businesses, overseas solutions businesses, and the BPR business. Consolidated subsidiaries are independent management units that formulate competitive business strategies and deploy business activities autonomously in each business. Accordingly, the Company consists of business segments based on consolidated subsidiaries. It has identified the three reporting segments of domestic solutions businesses, overseas solutions businesses, and the BPR business.

Domestic solutions businesses mainly sell LED lighting and other products to support decarbonization, RPA services, business telephones, digital multifunction printers, ReSPR, other office equipment, etc. The overseas solutions business sells LED lighting and other products to support decarbonization, ICT devices, and ReSPR in China, India, and ASEAN. The business process reengineering (BPR) business handles contracted administrative operations for other organizations within the Group and provides consulting services on proposal of outsourcing and business reforms for customers outside of the Group.

(2) Reporting segment information

Reporting segment profit figures are based on operating profit. Transactions between segments are conducted under the same conditions as general commercial transactions.

Cumulative period through Q3 of the previous consolidated fiscal year (October 1, 2023, to June 30, 2024)

(Unit: thousand yen)

	Reporting segment				Adjustments (Note 1)	Amount on summary of quarterly consolidated statements of financial position
	Domestic solutions businesses	Overseas solutions businesses	BPR business	Total		
Sales revenue						
Sales revenue to external customers	3,194,193	4,580,459	435,738	8,210,391	—	8,210,391
Internal sales revenue and transfers between segments	20,218	25,240	79,168	124,627	(124,627)	—
Total	3,214,412	4,605,700	514,906	8,335,019	(124,627)	8,210,391
Segment profit	267,979	171,201	23,165	462,347	(312,111)	150,236
Financial income	5,525	37,507	4,853	47,887	(29,730)	18,157
Financial costs	25,494	45,729	5,858	77,082	(31,991)	45,090
Gain/loss from investment in affiliates	(5,465)	53,730	—	48,264	—	48,264
Profit before tax	242,544	216,710	22,161	481,416	(309,849)	171,567

(Note) 1. Adjustments to segment profit include elimination of transactions between segments and Company-wide costs not allocated to individual reporting segments.

Cumulative period through Q3 of the current consolidated fiscal year (October 1, 2024, to June 30, 2025)

(Unit: thousand yen)

	Reporting segment				Adjustments (Note 1)	Amount on summary of quarterly consolidated statements of financial position
	Domestic solutions businesses	Overseas solutions businesses	BPR business	Total		
Sales revenue						
Sales revenue to external customers	2,981,624	6,480,252	445,223	9,907,100	—	9,907,100
Internal sales revenue and transfers between segments	2,985	23,659	83,139	109,784	(109,784)	—
Total	2,984,609	6,503,911	528,363	10,016,884	(109,784)	9,907,100
Segment profit	63,269	392,762	10,347	466,379	(181,823)	284,556
Financial income	588	18,186	120,114	138,889	(47,064)	91,824
Financial costs	12,946	74,452	2,657	90,056	(27,990)	62,066
Gain/loss from investment in affiliates	(6,167)	22,643	—	16,475	—	16,475
Profit before tax	44,744	359,140	127,803	531,688	(200,898)	330,790

(Note) 1. Adjustments to segment profit include elimination of transactions between segments and Company-wide costs not allocated to individual reporting segments.

3. Other

Important matters concerning the going-concern assumption

Not applicable.