

**Year Ended March 31, 2025 (78th Term)**

# **Third Quarter Financial Results Briefing**

February 7th , 2025  
S.T. Corporation

## Highlights of the Business Performance in 3Q of FY 3/25 <Consolidated>

### Increased Revenue, Decreased Profit

	Consolidated	Sales ratio	YOY	Vs. Forecast
Net sales	¥37.7billion	100.0%	107.7%	98.2%
Operating profit	¥1.8 billion	4.7%	91.6%	97.3%
Ordinary profit	¥2.0 billion	5.3%	81.1%	96.0%
Profit attributable to owners of parent	¥2.3 billion	6.1%	134.4%	184.3%

# Highlights of the Business Performance in 3Q of FY 3/25 <Consolidated>

	FY3/24		FY3/25	
	Actual	Sales ratio	Actual	Sales ratio
Net sales	¥35.1 billion	100.0%	¥37.7 billion	100.0%
Cost of sales	¥21.7 billion	61.8%	¥23.5 billion	62.2%
Gross profit	¥13.4 billion	38.2%	¥14.3 billion	37.8%
Selling, general and administrative expenses	¥11.5 billion	32.7%	¥12.5 billion	33.1%
Operating profit	¥1.9 billion	5.6%	¥1.8 billion	4.7%

# Highlights of the Business Performance in 3Q of FY 3/25 <Consolidated> 【Sales in each Business Category】

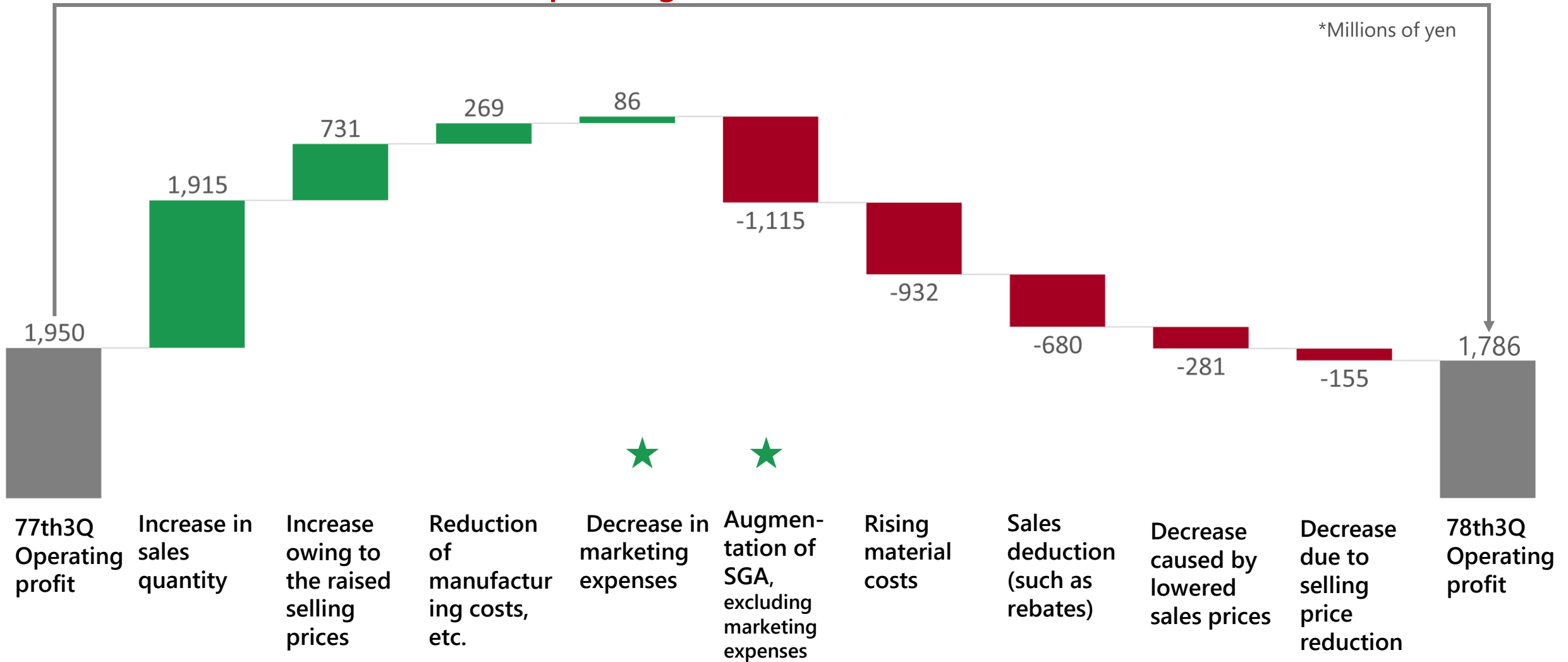
Category		Sales	YOY	Composition ratio
AIR Care	(Deodorizers/air fresheners)	¥16.7 billion	104.7%	44.2%
PET Care	(Goods for cat litter boxes)	¥2.9 billion	-	7.6%
CLOTH Care	(Mothproofing agents)	¥5.0 billion	96.7%	13.3%
HOME Care	(Food care/Cleaner etc.)	¥3.4 billion	105.2%	9.1%
HUMIDITY Control	(Dehumidifiers)	¥2.4 billion	98.8%	6.3%
THERMAL Care	(Disposable warmers)	¥3.6 billion	92.6%	9.5%
HAND Care	(Household gloves)	¥3.8 billion	88.9%	10.0%
Total		¥37.7 billion	107.7%	100.0%

(Notes) Year-on-year increase/decrease rate was calculated from the figures after the adjustment for Pet Care (goods for cat litter boxes). Since the year-on-year increase/decrease rate for Pet Care (goods for cat litter boxes) exceeds 1,000%, "-" is indicated.

# Factors behind the Increase/Decrease in Operating Profit in 3Q of FY3/25 <Consolidated>



## Increase/decrease in operating profit Operating Profit Decline: ¥1,630M



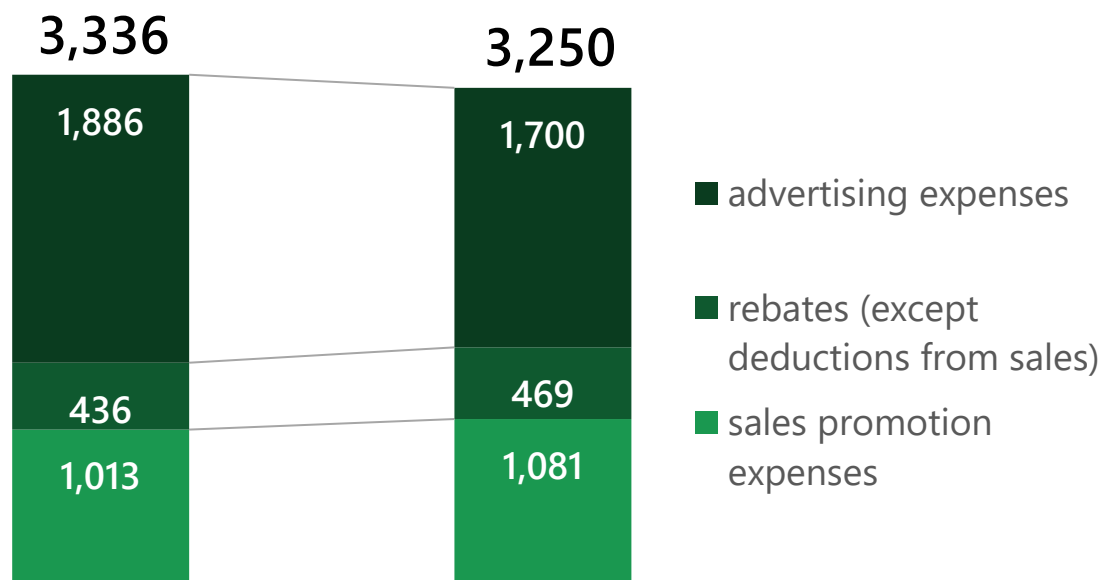
★ will be explained supplementarily on the next page.

# Breakdown of SG&A expenses in 3Q of FY 3/25 <Consolidated>

\*Millions of yen

## Marketing Expenses

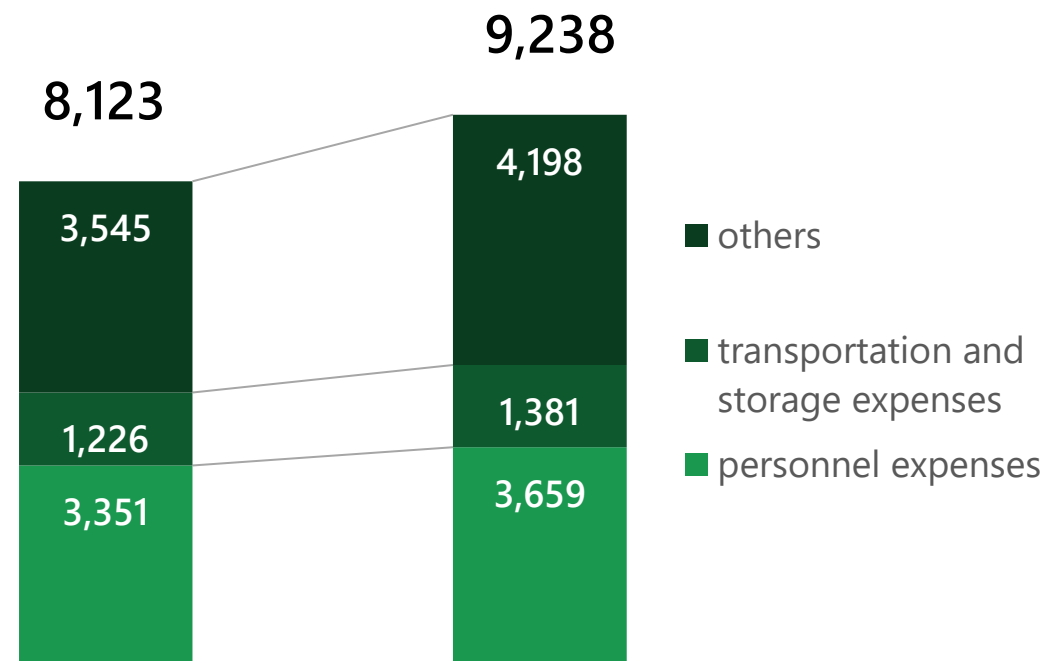
Decreased by ¥85 million



3Q of FY 3/2024    3Q of FY 3/2025

## Excluding Marketing Expenses

Increased by 1,115 ¥million



3Q of FY 3/2024    3Q of FY 3/2025

# Summary of the business performance in 3Q of FY 3/25



Sales revenue increased by 107.7% year-on-year, driven by the additional contribution from the PET Care business, which was acquired through a business transfer this fiscal year, as well as strong growth in our core AIR Care category. However, operating profit was negatively impacted by rising selling, general, and administrative expenses (SG&A) and cost of sales. In particular, higher manufacturing costs, the depreciation of the yen, and increased investments in business infrastructure enhancement were the key contributing factors.

## < Sales >

- AIR Care: Sales increased to 104.7% of the previous year, driven by strong performance of the "SHOSHURIKI PREMIUM AROMA" series and "SHOSHURIKI ION DEODORANT PLUS". However, the new product "SHOSHURIKI COMPACT", launched this spring, contributed to sales but fell short of expectations. Additionally, the decline in existing products resulted in underperformance against the plan.
- PET Care: Sales revenue reached 2.8 billion yen, supported by the launch of "NYANTOMO CLEAN TOILET".
- CLOTH Care: In August, the "MUSHUDA NOTE" series introduced a new "FOR DRAWER" type, and the "MUSHUDA PREMIUM AROMA" was released with a fragrant kinmokusei (osmanthus) scent to revitalize the market. However, sales of core "MUSHUDA" products declined to 96.7% of the previous year due to lost sales opportunities caused by weather conditions in autumn.
- THERMAL Care: The year-over-year performance for October to December was 103.8%, but increased product returns from the previous season and delays in setting up sales floors due to this autumn's weather conditions resulted in a cumulative year-over-year performance of 92.6%.
- HOME Care: Sales increased to 105.2% of the previous year, supported by higher demand for "KOMETOBAN" and contributions from "SENJORIKI WATERLESS SNEAKER CLEANER".

## < Gross profit margin >

- Efforts were made to increase the selling prices of certain products, including mothproofing agents, dehumidifiers, and AIR Care items, and to improve the sales mix ratio of high-margin products. However, cost increases due to rising procurement prices caused by yen depreciation resulted in a 0.4 percentage point decline in the gross profit margin compared to the previous year.

## < SG&A Expenses >

- Personnel expenses increased by 308 million yen due to higher salaries and proactive career recruitment.
- Transportation and storage expenses as a percentage of sales rose from 3.5% in the previous year to 3.7% this year.
- Advertising expenses decreased by 185 million yen as a result of strategic allocation between TV commercials and digital advertising, maximizing effectiveness while controlling costs.
- Other SG&A expenses increased by 1,115 million yen, mainly due to goodwill amortization and business infrastructure enhancement costs.

Forecast for FY3/25 <Consolidated> **\*Unchanged**

## Increase in net sales and profit

	Consolidated	YOY
Net sales	¥49.2 billion	110.6%
Operating profit	¥2.0 billion	149.1%
Ordinary profit	¥2.3 billion	119.2%
Profit attributable to owners of parent	¥2.5 billion	196.1%

Estimated dividend: 44 yen \*Payout ratio: 39.0%



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【Notes on the business forecasts】 The items included in this material are based on a variety of premises, and do not assure or guarantee that the numerical forecasts and policies herein will be realized.