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Consolidated Financial Results for the Three Months Ended March 31, 2025 [Japanese GAAP]

May 14, 2025

Company name: MarkLines Co., Ltd. Listing: Tokyo Stock Exchange

Securities code: 3901

URL: https://www.marklines.com Representative: Makoto Sakai

President, CEO Director, General Manager, Administration Dept.

Inquiries: Hideki Kamazawa Telephone: +81-3-4241-3901

Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Three Months Ended March 31, 2025 (January 1, 2025 to March 31, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sal	es	Operating	profit	Ordinary	profit	Profit attribution owners of	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	1,587	(0.1)	590	(8.4)	594	(8.1)	427	(6.5)
March 31, 2024	1,589	24.6	644	22.0	646	22.9	456	22.1

(Note) Comprehensive income: Three months ended March 31, 2025: ¥ 391 million [(25.0)%] Three months ended March 31, 2024: ¥ 522 million [32.8%]

	Basic earnings per share	Diluted earnings per share	
Three months ended	Yen	Yen	
March 31, 2025	32.31	_	
March 31, 2024	34.58	34.55	

(2) Consolidated Financial Position

(-)			
	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
March 31, 2025	8,532	6,373	74.7
December 31, 2024	8,753	6,617	75.6

(Reference) Equity: As of March 31, 2025: \(\preceq \) 6,373 million
As of December 31, 2024: \(\preceq \) 6,617 million

2. Dividends

		Annual dividends					
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total		
	Yen	Yen	Yen	Yen	Yen		
Fiscal year ended December 31, 2024	-	0.00	-	48.00	48.00		
Fiscal year ending December 31, 2025	-						
Fiscal year ending December 31, 2025 (Forecast)		0.00	-	52.00	52.00		

(Note) Revision to the forecast for dividends announced most recently: None

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending December 31, 2025:

Commemorative dividend - yen Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025(January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes.)

						(1 010	cittages indica	ic year-c	m-year changes.)
	Net sale	es	Operating	profit	Ordinary p	orofit	Profit attrib to owners of		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending June 30, 2025	3,250	16.7	1,220	9.5	1,220	9.0	850	7.8	64.26
Full year	6,500	16.9	2,450	10.6	2,450	10.0	1,710	8.4	129.27

(Note) Revision to the financial results forecast announced most recently: None

-	70.7		
T		otes	•

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

Newly included: - (Company name:

Excluded: - (Company name:

- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - 2) Changes in accounting policies due to other reasons: None
 - 3) Changes in accounting estimates: None
 - 4) Restatement: None
- (4) Number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2025: 13,228,800 shares December 31, 2024: 13,228,800 shares

2) Number of treasury shares at the end of the period:

March 31, 2025: 478 shares
December 31, 2024: 478 shares

3) Average number of shares outstanding during the period:

Three months ended March 31, 2025: 13,228,322 shares
Three months ended March 31, 2024: 13,214,758 shares

^{*} Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes(voluntary)

^{*} Proper use of earnings forecasts, and other special matters

Accounts receivable - trade 386,217 447 Merchandise 89,759 44 Work in process 6,472 1. Advance payments to suppliers 14,653 88, Prepaid expenses 37,349 30, Other 67,793 69, Allowance for doubtful accounts (1,422) (1, Total current assets 6,661,368 6,216, Non-current assets 773,832 774, Property, plant and equipment 26,340 (34, Buildings and structures 773,832 774, Accumulated depreciation (26,340) (34, Buildings and structures, net 747,492 739, Land 369,801 369, Other 148,942 150, Other, net 82,867 78, Total property, plant and equipment 1,200,161 1,187, Intangible assets 87,265 89, Software 75,031 87, Other 12,234 1, <	<u> </u>		(Thousands of yen)
Current assets Cash and deposits 6,060,545 5,614 Accounts receivable - trade 386,217 447 Merchandise 89,759 44 Work in process 6,472 1. Advance payments to suppliers 14,653 8 Prepaid expenses 37,349 30 Other 67,793 69 Allowance for doubtful accounts (1,422) (1 Total current assets 6,661,368 6,216 Non-current assets 6,661,368 6,216 Non-current assets 773,832 774 Accumulated depreciation (26,340) (34 Buildings and structures, net 747,492 739 Land 369,801 369 Other 148,942 150 Accumulated depreciation (66,074) (71 Other, net 82,867 78 Total property, plant and equipment 1,200,161 1,187 Intraggible assets 87,265 89 Investments and other assets 86,243		As of December 31, 2024	As of March 31, 2025
Cash and deposits 6,060,545 5,614 Accounts receivable - trade 386,217 447 Merchandise 89,759 44 Work in process 6,472 1. Advance payments to suppliers 14,653 8, Prepaid expenses 37,349 30, Other 67,793 69, Allowance for doubtful accounts (1,422) (1, Total current assets 6,661,368 6,216, Non-current assets 77 322 774, Accountiated depreciation (26,340) (34, Buildings and structures 773,832 774, Accumulated depreciation (26,340) (34, Buildings and structures, net 747,492 739, Land 369,801 369, Other 148,942 150, Accumulated depreciation (66,074) (71, Other, net 82,867 78, Total property, plant and equipment 1,200,161 1,187, Investment sacets 87,265	Assets		
Accounts receivable - trade 386,217 447 Merchandise 89,759 44 Work in process 6,472 1. Advance payments to suppliers 14,653 88, Prepaid expenses 37,349 30, Other 67,793 69, Allowance for doubtful accounts (1,422) (1, Total current assets 6,661,368 6,216, Non-current assets 773,832 774, Property, plant and equipment 773,832 774, Buildings and structures 773,832 774, Accumulated depreciation (26,340) (34, Buildings and structures, net 747,492 739, Land 369,801 369, Other 148,942 150, Other, net 82,867 78, Total property, plant and equipment 1,200,161 1,187, Intangible assets 87,265 89, Software 75,031 87, Other 12,234 1,	Current assets		
Merchandise 89,759 44, Work in process 6,472 1. Advance payments to suppliers 14,653 8, Prepaid expenses 37,349 30, Other 67,793 69, Allowance for doubtful accounts (1,422) (1, Total current assets 6,661,368 6,216, Non-current assets 773,832 774, Property, plant and equipment 26,340 (34, Buildings and structures, net 747,492 739, Land 369,801 369, Other 148,942 150, Accumulated depreciation (66,074) (71, Other, net 82,867 78, Total property, plant and equipment 1,200,161 1,187, Intangible assets 87,265 89, Investment securities 567,243 797, Long-term prepaid expenses 885 Leasehold and guarantee deposits 126,596 125, Long-term time deposits 64,890 62,	Cash and deposits	6,060,545	5,614,989
Work in process 6,472 1, Advance payments to suppliers 14,653 8, Prepaid expenses 37,349 30, Other 67,793 69, Allowance for doubtful accounts (1,422) (1, Total current assets 6,661,368 6,216, Non-current assets 773,832 774, Property, plant and equipment 26,340 (34, Buildings and structures 773,832 774, Accumulated depreciation (26,340) (34, Buildings and structures, net 747,492 739, Land 369,801 369, Other 148,942 150, Accumulated depreciation (66,074) (71, Other, net 82,867 78, Total property, plant and equipment 1,200,161 1,187, Intangible assets 87,265 89, Investment securities 567,243 797, Cong-term prepaid expenses 885 Leaschold and guarantee deposits 126,596 125	Accounts receivable - trade	386,217	447,214
Advance payments to suppliers 14,653 8 Prepaid expenses 37,349 30 Other 67,793 69 Allowance for doubtful accounts (1,422) (1 Total current assets 6,661,368 6,216 Non-current assets Property, plant and equipment Buildings and structures 773,832 774 Accumulated depreciation (26,340) (34 Buildings and structures, net 747,492 739 Land 369,801 369 Other 148,942 150 Accumulated depreciation (66,074) (71 Other, net 82,867 78 Total property, plant and equipment 1,200,161 1,187 Intangible assets 87,031 87 Other 12,234 1 Total intangible assets 87,265 89 Investments and other assets 87 797 Long-term prepaid expenses 88 126,596 125 Long-term time deposits 64,890 62 Deferred tax assets 45,059 53<	Merchandise	89,759	44,034
Prepaid expenses 37,349 30,0 Other 67,793 69,0 Allowance for doubtful accounts (1,422) (1,422) Total current assets 6,661,368 6,216,0 Non-current assets Property, plant and equipment Buildings and structures 773,832 774,0 Accumulated depreciation (26,340) (34,0) Buildings and structures, net 747,492 739,0 Land 369,801 369,001 Other 148,942 150,0 Accumulated depreciation (66,074) (71,0 Other, net 82,867 78,0 Total property, plant and equipment 1,200,161 1,187,0 Intangible assets 87,265 89,0 Investments and other assets 89,00 89,00 Investments and other assets 885 10,00 Leasehold and guarantee deposits 126,596 125,00 Long-term time deposits 64,890 62,00 Deferred tax assets 45,059 53,00 Total	Work in process	6,472	1,913
Other 67,793 69, Allowance for doubtful accounts (1,422) (1, Total current assets 6,661,368 6,216, Non-current assets Property, plant and equipment 773,832 774, Accumulated depreciation (26,340) (34, Buildings and structures, net 747,492 739, Land 369,801 369, Other 148,942 150, Accumulated depreciation (66,074) (71, Other, net 82,867 78, Total property, plant and equipment 1,200,161 1,187, Intangible assets 87,265 89, Investments and other assets 87,265 89, Investments and other assets 885 1 Leasehold and guarantee deposits 126,596 125, Long-term time deposits 64,890 62, Deferred tax assets 45,059 53, Total investments and other assets 804,674 1,039, Total investments and other assets 2,092,101	Advance payments to suppliers	14,653	8,579
Allowance for doubtful accounts (1,422) (1, 1) Total current assets 6,661,368 6,216. Non-current assets Property, plant and equipment Buildings and structures 773,832 774. Accumulated depreciation (26,340) (34. Buildings and structures, net 747,492 739. Land 369,801 369. Other 148,942 150. Accumulated depreciation (66,074) (71. Other, net 82,867 78. Total property, plant and equipment 1,200,161 1,187. Intangible assets 75,031 87. Other 12,234 1. Total intangible assets 87,265 89. Investments and other assets 88. Investment securities 567,243 797. Long-term prepaid expenses 885 Leasehold and guarantee deposits 126,596 125. Long-term time deposits 64,890 62. Deferred tax assets 45,059 53. <td>Prepaid expenses</td> <td>37,349</td> <td>30,864</td>	Prepaid expenses	37,349	30,864
Total current assets 6,661,368 6,216, Non-current assets Property, plant and equipment 773,832 774, Accumulated depreciation (26,340) (34, Buildings and structures, net 747,492 739, Accumulated depreciation (36,801) 369, 801	Other	67,793	69,895
Non-current assets Property, plant and equipment Buildings and structures 773,832 774, 474 Accumulated depreciation (26,340) (34, 474,92 739, 474, 492 739, 474, 492 739, 474, 492 739, 474, 492 739, 474, 492 739, 474, 492 739, 474, 492 739, 474, 492 739, 474, 492 739, 474, 492 739, 474, 492 739, 474, 492 739, 474, 492 739, 474, 492 739, 474, 492 739, 474, 492 739, 492, 492 744, 492 739, 492, 492 744, 492 739, 492, 492 744, 492 150, 492, 492 744, 492 150, 492, 492 744, 492 150, 492, 492 744, 492 150, 492, 492 744, 492 150, 492, 492 744, 492 150, 492, 492 744, 492 150, 492, 492 744, 492 150, 492, 492 744, 492 150, 492, 492 744, 492 150, 492, 492 744, 492 150, 492, 492 150, 492, 492, 492 150, 492, 492, 492 150, 492, 492, 492, 492 140, 492, 492, 492, 492, 492 140, 492, 492, 492, 492, 492, 492, 492, 492	Allowance for doubtful accounts	(1,422)	(1,315)
Property, plant and equipment 773,832 774, 774, 774, 774, 774, 774, 774, 774,	Total current assets	6,661,368	6,216,176
Buildings and structures 773,832 774, Accumulated depreciation (26,340) (34, Buildings and structures, net 747,492 739, Land 369,801 369, Other 148,942 150, Accumulated depreciation (66,074) (71, Other, net 82,867 78, Total property, plant and equipment 1,200,161 1,187, Intangible assets 75,031 87, Other 12,234 1, Total intangible assets 87,265 89, Investments and other assets 885 Leasehold and guarantee deposits 567,243 797, Long-term prepaid expenses 885 Leasehold and guarantee deposits 126,596 125, Long-term time deposits 64,890 62, Deferred tax assets 45,059 53, Total investments and other assets 804,674 1,039, Total non-current assets 2,092,101 2,315,	Non-current assets		
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Buildings and structures, net 747,492 739, Land 369,801 369, Other 148,942 150, Accumulated depreciation (66,074) (71, Other, net 82,867 78, Total property, plant and equipment 1,200,161 1,187, Intangible assets 75,031 87, Other 12,234 1, Total intangible assets 87,265 89, Investments and other assets 885 89, Investment securities 567,243 797, Long-term prepaid expenses 885 85 Leasehold and guarantee deposits 126,596 125, Long-term time deposits 64,890 62, Deferred tax assets 45,059 53, Total investments and other assets 804,674 1,039, Total non-current assets 2,092,101 2,315,	Buildings and structures	773,832	774,172
Land 369,801 369, Other 148,942 150, Accumulated depreciation (66,074) (71, Other, net 82,867 78, Total property, plant and equipment 1,200,161 1,187, Intangible assets 75,031 87, Other 12,234 1, Total intangible assets 87,265 89, Investments and other assets 87,265 89, Investment securities 567,243 797, Long-term prepaid expenses 885 125, Leasehold and guarantee deposits 126,596 125, Long-term time deposits 64,890 62, Deferred tax assets 45,059 53, Total investments and other assets 804,674 1,039, Total non-current assets 2,092,101 2,315,	Accumulated depreciation	(26,340)	(34,815)
Other 148,942 150, Accumulated depreciation (66,074) (71, Other, net 82,867 78, Total property, plant and equipment 1,200,161 1,187, Intangible assets 87,031 87, Other 12,234 1, Total intangible assets 87,265 89, Investments and other assets 567,243 797, Long-term prepaid expenses 885 126,596 125, Long-term time deposits 126,596 125, 125, Long-term time deposits 64,890 62, Deferred tax assets 45,059 53, Total investments and other assets 804,674 1,039, Total non-current assets 2,092,101 2,315,	Buildings and structures, net	747,492	739,356
Accumulated depreciation (66,074) (71. Other, net 82,867 78. Total property, plant and equipment 1,200,161 1,187. Intangible assets 75,031 87. Software 75,031 87. Other 12,234 1. Total intangible assets 87,265 89. Investments and other assets 567,243 797. Long-term prepaid expenses 885 126,596 125. Leasehold and guarantee deposits 126,596 125. 125. Long-term time deposits 64,890 62. 62. Deferred tax assets 45,059 53. Total investments and other assets 804,674 1,039. Total non-current assets 2,092,101 2,315.	Land	369,801	369,801
Other, net 82,867 78. Total property, plant and equipment 1,200,161 1,187. Intangible assets 75,031 87. Software 75,031 87. Other 12,234 1. Total intangible assets 87,265 89. Investments and other assets 1nvestment securities 567,243 797. Long-term prepaid expenses 885 126,596 125. Long-term time deposits 64,890 62. Deferred tax assets 45,059 53. Total investments and other assets 804,674 1,039. Total non-current assets 2,092,101 2,315.	Other	148,942	150,120
Total property, plant and equipment 1,200,161 1,187. Intangible assets 75,031 87. Other 12,234 1. Total intangible assets 87,265 89. Investments and other assets 1. 1. Investment securities 567,243 797. Long-term prepaid expenses 885 1. Leasehold and guarantee deposits 126,596 125, Long-term time deposits 64,890 62, Deferred tax assets 45,059 53, Total investments and other assets 804,674 1,039, Total non-current assets 2,092,101 2,315,	Accumulated depreciation	(66,074)	(71,788)
Intangible assets 75,031 87,031 Other 12,234 1,039,000 Total intangible assets 87,265 89,000 Investments and other assets 87,265 89,000 Investment securities 567,243 797,000 Long-term prepaid expenses 885 126,596 125,000 Long-term time deposits 64,890 62,000 62,000 Deferred tax assets 45,059 53,000 53,000 70,000 10,000	Other, net	82,867	78,331
Software 75,031 87, Other 12,234 1, Total intangible assets 87,265 89, Investments and other assets 87,265 797, Long-term prepaid expenses 885 885 Leasehold and guarantee deposits 126,596 125, Long-term time deposits 64,890 62, Deferred tax assets 45,059 53, Total investments and other assets 804,674 1,039, Total non-current assets 2,092,101 2,315,	Total property, plant and equipment	1,200,161	1,187,489
Other 12,234 1, Total intangible assets 87,265 89, Investments and other assets 87,265 89, Investment securities 567,243 797, Long-term prepaid expenses 885 126,596 125, Leasehold and guarantee deposits 126,596 125, 125, Long-term time deposits 64,890 62, 62, Deferred tax assets 45,059 53, 70 (20) 10,039, 10,039, Total investments and other assets 2,092,101 2,315, 10,039,	Intangible assets		
Total intangible assets 87,265 89, Investments and other assets 567,243 797, Long-term prepaid expenses 885 Leasehold and guarantee deposits 126,596 125, Long-term time deposits 64,890 62, Deferred tax assets 45,059 53, Total investments and other assets 804,674 1,039, Total non-current assets 2,092,101 2,315,	Software	75,031	87,549
Investments and other assets 567,243 797, Long-term prepaid expenses 885 Leasehold and guarantee deposits 126,596 125, Long-term time deposits 64,890 62, Deferred tax assets 45,059 53, Total investments and other assets 804,674 1,039, Total non-current assets 2,092,101 2,315,	Other	12,234	1,455
Investment securities 567,243 797, Long-term prepaid expenses 885 Leasehold and guarantee deposits 126,596 125, Long-term time deposits 64,890 62, Deferred tax assets 45,059 53, Total investments and other assets 804,674 1,039, Total non-current assets 2,092,101 2,315,	Total intangible assets	87,265	89,005
Long-term prepaid expenses 885 Leasehold and guarantee deposits 126,596 125, Long-term time deposits 64,890 62, Deferred tax assets 45,059 53, Total investments and other assets 804,674 1,039, Total non-current assets 2,092,101 2,315,	Investments and other assets		
Leasehold and guarantee deposits 126,596 125, Long-term time deposits 64,890 62, Deferred tax assets 45,059 53, Total investments and other assets 804,674 1,039, Total non-current assets 2,092,101 2,315,	Investment securities	567,243	797,472
Long-term time deposits 64,890 62, Deferred tax assets 45,059 53, Total investments and other assets 804,674 1,039, Total non-current assets 2,092,101 2,315,	Long-term prepaid expenses	885	646
Deferred tax assets 45,059 53, Total investments and other assets 804,674 1,039, Total non-current assets 2,092,101 2,315,	Leasehold and guarantee deposits	126,596	125,446
Total investments and other assets 804,674 1,039, Total non-current assets 2,092,101 2,315,	Long-term time deposits	64,890	62,040
Total non-current assets 2,092,101 2,315,	Deferred tax assets	45,059	53,789
	Total investments and other assets	804,674	1,039,394
Total assists 9.752.470 9.522	Total non-current assets	2,092,101	2,315,889
10tal assets 8,735,470 8,332,	Total assets	8,753,470	8,532,066

		(Thousands of yen)
	As of December 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	113,605	175,785
Accounts payable - other	23,406	43,224
Accrued expenses	60,226	43,711
Income taxes payable	325,338	171,746
Accrued consumption taxes	13,289	57,202
Advances received	1,527,730	1,554,851
Provision for bonuses for directors (and other officers)	15,000	4,500
Deposits received	30,949	22,883
Provision for bonuses	15,755	70,790
Other	35	73
Total current liabilities	2,125,337	2,144,769
Non-current liabilities		
Retirement benefit liability	11,093	13,464
Total non-current liabilities	11,093	13,464
Total liabilities	2,136,431	2,158,233
Net assets		
Shareholders' equity		
Share capital	372,711	372,711
Capital surplus	290,518	290,518
Retained earnings	5,853,939	5,646,330
Treasury shares	(896)	(896)
Total shareholders' equity	6,516,272	6,308,663
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,822	8,042
Foreign currency translation adjustment	80,943	57,126
Total accumulated other comprehensive income	100,765	65,169
Total net assets	6,617,038	6,373,832
Total liabilities and net assets	8,753,470	8,532,066

Quarterly Consolidated Statements of Income and Comprehensive Income Quarterly Consolidated Statements of Income (For the three months)

	For the three months ended March 31, 2024	For the three months ended March 31, 2025
Net sales	1,589,490	1,587,268
Cost of sales	612,387	595,433
Gross profit	977,103	991,835
Selling, general and administrative expenses		
Promotion expenses	7,022	8,936
Advertising expenses	4,212	4,998
Remuneration for directors (and other officers)	16,610	18,655
Salaries and allowances	135,072	156,640
Provision for bonuses	29,517	32,491
Retirement benefit expenses	3,439	3,762
Legal welfare expenses	26,979	29,318
Depreciation	2,081	4,211
Provision of allowance for doubtful accounts	(1,553)	(106)
Rent expenses	21,098	26,320
Other	88,552	116,321
Total selling, general and administrative expenses	333,033	401,548
Operating profit	644,069	590,286
Non-operating income		
Interest income	1,779	3,066
Dividend income	3,574	2,460
Foreign exchange gains	1,284	1,635
Other	1,227	1,819
Total non-operating income	7,865	8,981
Non-operating expenses		
Share of loss of entities accounted for using equity method	5,260	5,170
Other	80	0
Total non-operating expenses	5,340	5,170
Ordinary profit	646,594	594,097
Profit before income taxes	646,594	594,097
Income taxes - current	191,007	172,656
Income taxes - deferred	(1,361)	(5,909
Total income taxes	189,645	166,746
Profit	456,949	427,350
Profit attributable to owners of parent	456,949	427,350

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

		(Thousands of yen)
	For the three months ended March 31, 2024	For the three months ended March 31, 2025
Profit	456,949	427,350
Other comprehensive income		
Valuation difference on available-for-sale securities	31,388	(6,390)
Foreign currency translation adjustment	25,891	(23,817)
Share of other comprehensive income of entities accounted for using equity method	7,906	(5,389)
Total other comprehensive income	65,187	(35,596)
Comprehensive income	522,136	391,753
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	522,136	391,753