

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on Japanese GAAP)

February 4, 2022

Company name: NIKKON Holdings Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 9072 URL <http://www.nikkon-hd.co.jp>  
 Representative: President & Representative Director Masakatsu Kuroiwa  
 Director, Managing Executive Officer, and  
 Inquiries: General Manager of Accounting Department Yasunori Matsuda TEL 03-3541-5330  
 Scheduled date to file Quarterly Securities Report: February 10, 2022  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)

(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	%
Nine months ended December 31, 2021	146,562	9.1	14,602	12.8	15,963	12.9	10,792	12.0
Nine months ended December 31, 2020	134,393	(10.8)	12,946	(16.8)	14,144	(15.2)	9,632	(24.4)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2021	164.15		163.71	
Nine months ended December 31, 2020	146.55		146.05	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2021	323,355	213,510	65.9
As of March 31, 2021	322,139	208,290	64.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2021	–	33.00	–	34.00	67.00
Year ending March 31, 2022	–	34.00	–		
Year ending March 31, 2022 (Forecast)				35.00	69.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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	200,000	9.6	21,000	15.4	22,400	8.9	15,000	3.1	228.35

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2021  
(changes in specified subsidiaries resulting in the change in scope of consolidation): 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: Yes
- 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 December 31, 2021	68,239,892 shares	As of March 31, 2021	68,239,892 shares
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Number of treasury shares at the end of the period

As of December 31, 2021	2,723,237 shares	As of March 31, 2021	2,506,469 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2021	65,746,467 shares	Nine months ended December 31, 2020	65,733,482 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	31,399	19,432
Notes and accounts receivable - trade	33,380	34,248
Electronically recorded monetary claims - operating	3,704	3,936
Securities	951	777
Raw materials and supplies	408	541
Other	4,713	4,791
Allowance for doubtful accounts	(15)	(13)
Total current assets	74,542	63,713
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	92,114	99,565
Machinery, equipment and vehicles, net	8,298	8,763
Tools, furniture and fixtures, net	1,220	1,160
Land	103,966	107,933
Leased assets, net	92	3,352
Construction in progress	8,236	7,019
Total property, plant and equipment	213,928	227,795
Intangible assets	2,073	2,100
Investments and other assets		
Investment securities	22,191	20,458
Long-term loans receivable	668	592
Deferred tax assets	3,409	3,374
Other	5,399	5,384
Allowance for doubtful accounts	(73)	(65)
Total investments and other assets	31,595	29,744
Total non-current assets	247,596	259,641
Total assets	322,139	323,355

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	9,799	10,342
Electronically recorded obligations - operating	5,521	5,936
Short-term borrowings	3,843	2,325
Lease obligations	67	194
Income taxes payable	4,186	1,889
Provision for bonuses	3,785	1,988
Provision for bonuses for directors (and other officers)	183	168
Notes payable - facilities	242	335
Electronically recorded obligations - non-operating	6,470	3,995
Other	12,168	12,737
<b>Total current liabilities</b>	<b>46,269</b>	<b>39,912</b>
<b>Non-current liabilities</b>		
Bonds payable	40,000	40,000
Long-term borrowings	15,033	13,665
Lease obligations	34	3,513
Deferred tax liabilities	5,570	5,029
Retirement benefit liability	5,088	5,170
Provision for retirement benefits for directors (and other officers)	395	410
Other	1,457	2,142
<b>Total non-current liabilities</b>	<b>67,579</b>	<b>69,932</b>
<b>Total liabilities</b>	<b>113,848</b>	<b>109,844</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	11,316	11,316
Capital surplus	12,332	12,332
Retained earnings	180,131	186,391
Treasury shares	(6,187)	(6,609)
<b>Total shareholders' equity</b>	<b>197,593</b>	<b>203,431</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	10,295	9,326
Foreign currency translation adjustment	(187)	219
Remeasurements of defined benefit plans	46	80
<b>Total accumulated other comprehensive income</b>	<b>10,154</b>	<b>9,626</b>
Share acquisition rights	320	227
Non-controlling interests	222	224
<b>Total net assets</b>	<b>208,290</b>	<b>213,510</b>
<b>Total liabilities and net assets</b>	<b>322,139</b>	<b>323,355</b>

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

### Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net sales	134,393	146,562
Cost of sales	114,450	124,534
Gross profit	19,943	22,028
Selling, general and administrative expenses	6,996	7,425
Operating profit	12,946	14,602
Non-operating income		
Interest income	57	52
Dividend income	394	596
Rental income	61	55
Share of profit of entities accounted for using equity method	320	310
Foreign exchange gains	–	144
Compensation income	303	8
Miscellaneous income	540	387
Total non-operating income	1,677	1,554
Non-operating expenses		
Interest expenses	156	154
Foreign exchange losses	109	–
Bond issuance costs	97	–
Miscellaneous expenses	116	39
Total non-operating expenses	480	193
Ordinary profit	14,144	15,963
Extraordinary income		
Gain on sale of non-current assets	47	79
Gain on sale of investment securities	247	3
Compensation income	–	17
Total extraordinary income	294	100
Extraordinary losses		
Loss on sale of non-current assets	1	12
Loss on retirement of non-current assets	20	56
Loss on sale of investment securities	–	4
Impairment losses	0	–
Total extraordinary losses	22	72
Profit before income taxes	14,416	15,991
Income taxes	4,775	5,193
Profit	9,641	10,798
Profit attributable to non-controlling interests	8	5
Profit attributable to owners of parent	9,632	10,792

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

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	9,641	10,798
Other comprehensive income		
Valuation difference on available-for-sale securities	2,021	(969)
Foreign currency translation adjustment	375	333
Remeasurements of defined benefit plans, net of tax	152	34
Share of other comprehensive income of entities accounted for using equity method	(1)	75
Total other comprehensive income	2,547	(525)
Comprehensive income	12,188	10,272
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,169	10,264
Comprehensive income attributable to non-controlling interests	19	7