

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

August 5, 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: August 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 three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

#### (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	%
Three months ended June 30, 2022	50,578	6.3	3,861	(20.2)	4,858	(7.9)	3,201	(4.7)
Three months ended June 30, 2021	47,573	16.1	4,838	70.4	5,275	65.1	3,358	70.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	49.06		48.94	
Three months ended June 30, 2021	51.08		50.92	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	340,233	220,001	64.5
As of March 31, 2022	339,475	219,035	64.4

### 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, 2022	–	34.00	–	35.00	69.00
Year ending March 31, 2023	–				
Year ending March 31, 2023 (Forecast)		48.00	–	48.00	96.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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
Six months ending September 30, 2022	102,000	7.8	10,200	10.1	11,000	10.5	7,300	11.6	111.42
Full year	215,000	8.5	21,500	10.2	23,000	6.6	15,700	6.5	239.63

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2022  
(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: No
- 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 June 30, 2022	65,739,892 shares	As of March 31, 2022	68,239,892 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	779,949 shares	As of March 31, 2022	2,723,278 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	65,254,850 shares	Three months ended June 30, 2021	65,743,008 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	30,227	24,302
Notes and accounts receivable - trade	35,110	34,079
Electronically recorded monetary claims - operating	3,545	3,570
Securities	456	438
Raw materials and supplies	531	567
Other	4,797	6,077
Allowance for doubtful accounts	(12)	(12)
Total current assets	74,655	69,023
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	103,224	112,477
Machinery, equipment and vehicles, net	8,825	8,704
Tools, furniture and fixtures, net	1,323	1,361
Land	110,792	113,508
Leased assets, net	180	146
Construction in progress	7,981	2,869
Total property, plant and equipment	232,328	239,068
Intangible assets	2,173	2,493
Investments and other assets		
Investment securities	20,911	19,916
Long-term loans receivable	559	545
Deferred tax assets	3,485	3,464
Other	5,390	5,750
Allowance for doubtful accounts	(29)	(29)
Total investments and other assets	30,317	29,647
Total non-current assets	264,819	271,209
Total assets	339,475	340,233

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	11,537	11,547
Electronically recorded obligations - operating	6,200	6,340
Short-term borrowings	1,823	1,373
Lease liabilities	85	84
Income taxes payable	3,645	1,508
Provision for bonuses	3,977	4,359
Provision for bonuses for directors (and other officers)	196	80
Notes payable - facilities	489	609
Electronically recorded obligations - non-operating	3,929	5,308
Other	12,482	13,261
<b>Total current liabilities</b>	<b>44,367</b>	<b>44,471</b>
<b>Non-current liabilities</b>		
Bonds payable	50,000	50,000
Long-term borrowings	13,210	13,204
Lease liabilities	88	51
Deferred tax liabilities	5,138	4,821
Retirement benefit liability	5,696	5,782
Provision for retirement benefits for directors (and other officers)	435	403
Other	1,502	1,497
<b>Total non-current liabilities</b>	<b>76,072</b>	<b>75,760</b>
<b>Total liabilities</b>	<b>120,440</b>	<b>120,231</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	11,316	11,316
Capital surplus	12,332	12,332
Retained earnings	190,340	185,261
Treasury shares	(6,609)	(1,767)
<b>Total shareholders' equity</b>	<b>207,380</b>	<b>207,143</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	9,621	8,969
Foreign currency translation adjustment	1,807	3,637
Remeasurements of defined benefit plans	(330)	(302)
<b>Total accumulated other comprehensive income</b>	<b>11,098</b>	<b>12,304</b>
Share acquisition rights	227	227
Non-controlling interests	328	324
<b>Total net assets</b>	<b>219,035</b>	<b>220,001</b>
<b>Total liabilities and net assets</b>	<b>339,475</b>	<b>340,233</b>

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	47,573	50,578
Cost of sales	40,221	43,760
Gross profit	7,352	6,818
Selling, general and administrative expenses	2,514	2,956
Operating profit	4,838	3,861
Non-operating income		
Interest income	20	19
Dividend income	275	316
Rental income	19	18
Share of profit of entities accounted for using equity method	105	139
Foreign exchange gains	–	443
Miscellaneous income	108	137
Total non-operating income	529	1,075
Non-operating expenses		
Interest expenses	49	57
Foreign exchange losses	29	–
Miscellaneous expenses	13	21
Total non-operating expenses	91	78
Ordinary profit	5,275	4,858
Extraordinary income		
Gain on sale of non-current assets	19	20
Gain on sale of investment securities	0	–
Total extraordinary income	19	20
Extraordinary losses		
Loss on sale of non-current assets	0	2
Loss on retirement of non-current assets	52	101
Total extraordinary losses	53	103
Profit before income taxes	5,241	4,775
Income taxes	1,881	1,584
Profit	3,360	3,190
Profit (loss) attributable to non-controlling interests	2	(11)
Profit attributable to owners of parent	3,358	3,201

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

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	3,360	3,190
Other comprehensive income		
Valuation difference on available-for-sale securities	396	(652)
Foreign currency translation adjustment	(153)	1,769
Remeasurements of defined benefit plans, net of tax	21	28
Share of other comprehensive income of entities accounted for using equity method	56	71
Total other comprehensive income	320	1,217
Comprehensive income	3,680	4,407
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,680	4,408
Comprehensive income attributable to non-controlling interests	(0)	(0)