

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2023 (Based on Japanese GAAP)

May 9, 2023

Company name: NICHIDEN Corporation  
 Stock exchange listing: Tokyo  
 Stock code: 9902 URL <https://www.nichiden.com/>  
 Representative: Representative Director and President Toshikazu Fuke  
 Executive Officer  
 Director and Managing Executive Officer  
 Inquiries: Administration Department general manager Atsushi Sangawa TEL 06-7637-7000  
 Scheduled date of ordinary general meeting of shareholders: June 23, 2023  
 Scheduled date to file Securities Report: June 26, 2023  
 Scheduled date to commence dividend payments: June 26, 2023  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

#### (1) Consolidated operating results

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	%
Year ended March 31, 2023	131,609	6.2	6,287	14.3	6,756	11.1	4,967	17.0
Year ended March 31, 2022	123,964	20.6	5,502	39.5	6,082	45.6	4,245	49.4

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2023	158.19	–	5.9	5.6	4.8
Year ended March 31, 2022	135.20	–	5.2	5.2	4.4

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2023	122,806	86,319	70.3	2,748.72
As of March 31, 2022	120,560	83,307	69.1	2,652.83

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2023	2,116	46	(2,491)	15,368
Year ended March 31, 2022	3,068	(3,770)	(1,715)	15,652

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2022	–	0.00	–	65.00	65.00	2,041	48.1	2.5
Year ended March 31, 2023	–	0.00	–	65.00	65.00	2,041	41.1	2.4
Year ending March 31, 2024 (Forecast)	–	0.00	–	65.00	65.00		47.5	

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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, 2023	65,000	(0.6)	2,600	(16.8)	2,900	(17.6)	2,000	(17.3)	63.69
Full year	132,000	0.3	5,600	(10.9)	6,200	(8.2)	4,300	(13.4)	136.93

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2023

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2023	31,886,000 shares	As of March 31, 2022	31,886,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	482,542 shares	As of March 31, 2022	482,542 shares
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Average number of shares during the period

Year ended March 31, 2023	31,403,458 shares	Year ended March 31, 2022	31,403,469 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	16,142	15,872
Notes receivable - trade	5,491	4,847
Accounts receivable - trade	17,902	17,019
Contract assets	622	561
Electronically recorded monetary claims - operating	16,274	18,272
Securities	11,406	8,000
Merchandise and finished goods	13,004	16,543
Work in process	21	8
Raw materials and supplies	25	28
Other	618	1,030
Allowance for doubtful accounts	(12)	(5)
Total current assets	81,496	82,179
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,665	11,237
Accumulated depreciation	(5,395)	(5,662)
Buildings and structures, net	4,270	5,575
Machinery, equipment and vehicles	1,493	1,494
Accumulated depreciation	(186)	(405)
Machinery, equipment and vehicles, net	1,307	1,088
Land	7,065	7,114
Leased assets	7,717	7,739
Accumulated depreciation	(2,361)	(2,799)
Leased assets, net	5,356	4,940
Construction in progress	695	119
Other	906	908
Accumulated depreciation	(678)	(682)
Other, net	228	226
Total property, plant and equipment	18,923	19,064
Intangible assets		
Other	1,060	557
Total intangible assets	1,060	557
Investments and other assets		
Investment securities	17,620	19,529
Long-term loans receivable	29	29
Deferred tax assets	26	29
Other	1,404	1,414
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	19,079	21,003
Total non-current assets	39,063	40,626
Total assets	120,560	122,806

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	12,176	11,803
Electronically recorded obligations - operating	12,265	12,980
Lease liabilities	437	344
Income taxes payable	1,395	1,452
Contract liabilities	385	312
Provision for bonuses	514	596
Other	1,798	1,092
Total current liabilities	28,974	28,582
Non-current liabilities		
Lease liabilities	5,312	4,989
Deferred tax liabilities	2,096	2,054
Retirement benefit liability	84	79
Other	784	781
Total non-current liabilities	8,277	7,904
Total liabilities	37,252	36,486
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,368	5,368
Capital surplus	7,283	7,283
Retained earnings	65,533	68,460
Treasury shares	(672)	(672)
Total shareholders' equity	77,512	80,439
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,682	5,721
Foreign currency translation adjustment	112	158
Total accumulated other comprehensive income	5,795	5,880
Total net assets	83,307	86,319
Total liabilities and net assets	120,560	122,806

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	123,964	131,609
Cost of sales	105,966	112,042
Gross profit	17,998	19,567
Selling, general and administrative expenses	12,495	13,280
Operating profit	5,502	6,287
Non-operating income		
Dividend income	173	224
Purchase discounts	347	358
Foreign exchange gains	119	70
Other	149	141
Total non-operating income	790	794
Non-operating expenses		
Interest expenses	178	168
Loss on disposal of non-current assets	9	136
Other	22	19
Total non-operating expenses	210	324
Ordinary profit	6,082	6,756
Extraordinary income		
Gain on sale of investment securities	–	449
Total extraordinary income	–	449
Profit before income taxes	6,082	7,206
Income taxes - current	1,918	2,303
Income taxes - deferred	(81)	(64)
Total income taxes	1,837	2,238
Profit	4,245	4,967
Profit attributable to owners of parent	4,245	4,967

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	4,245	4,967
Other comprehensive income		
Valuation difference on available-for-sale securities	(106)	38
Foreign currency translation adjustment	110	46
Total other comprehensive income	4	84
Comprehensive income	4,249	5,052
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,249	5,052

## Consolidated statements of changes in equity

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income			Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	5,368	7,283	62,544	(672)	74,523	5,789	1	5,790	80,314
Changes during period									
Dividends of surplus			(1,256)		(1,256)				(1,256)
Profit attributable to owners of parent			4,245		4,245				4,245
Purchase of treasury shares				(0)	(0)				(0)
Net changes in items other than shareholders' equity						(106)	110	4	4
Total changes during period	–	–	2,989	(0)	2,989	(106)	110	4	2,993
Balance at end of period	5,368	7,283	65,533	(672)	77,512	5,682	112	5,795	83,307

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income			Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	5,368	7,283	65,533	(672)	77,512	5,682	112	5,795	83,307
Changes during period									
Dividends of surplus			(2,041)		(2,041)				(2,041)
Profit attributable to owners of parent			4,967		4,967				4,967
Net changes in items other than shareholders' equity						38	46	84	84
Total changes during period	–	–	2,926	–	2,926	38	46	84	3,011
Balance at end of period	5,368	7,283	68,460	(672)	80,439	5,721	158	5,880	86,319

## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	6,082	7,206
Depreciation	1,551	1,604
Increase (decrease) in allowance for doubtful accounts	1	(7)
Increase (decrease) in provision for bonuses	100	81
Increase (decrease) in retirement benefit liability	(3)	(5)
Interest and dividend income	(231)	(292)
Interest expenses	178	168
Loss (gain) on sale of investment securities	–	(449)
Decrease (increase) in trade receivables	(5,020)	(461)
Decrease (increase) in inventories	(4,150)	(3,496)
Decrease (increase) in other assets	824	279
Increase (decrease) in trade payables	4,134	209
Increase (decrease) in other liabilities	682	(717)
Other, net	(47)	109
Subtotal	4,104	4,230
Interest and dividends received	255	326
Interest paid	(178)	(168)
Income taxes paid	(1,112)	(2,271)
Net cash provided by (used in) operating activities	3,068	2,116
Cash flows from investing activities		
Payments into time deposits	(34)	(38)
Proceeds from withdrawal of time deposits	16	26
Purchase of securities	(2,000)	–
Proceeds from redemption of securities	–	2,000
Purchase of property, plant and equipment	(3,078)	(1,496)
Purchase of intangible assets	(258)	(64)
Purchase of investment securities	(1,633)	(2,028)
Proceeds from sale and redemption of investment securities	3,202	1,728
Loan advances	(1)	(9)
Proceeds from collection of loans receivable	7	6
Other payments	(15)	(106)
Other proceeds	24	28
Net cash provided by (used in) investing activities	(3,770)	46
Cash flows from financing activities		
Repayments of lease liabilities	(460)	(452)
Purchase of treasury shares	(0)	–
Dividends paid	(1,255)	(2,039)
Net cash provided by (used in) financing activities	(1,715)	(2,491)
Effect of exchange rate change on cash and cash equivalents	102	45
Net increase (decrease) in cash and cash equivalents	(2,315)	(283)
Cash and cash equivalents at beginning of period	17,967	15,652
Cash and cash equivalents at end of period	15,652	15,368