

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

July 31, 2023

Company name: NICHIIHA CORPORATION  
 Stock exchange listing: Tokyo, Nagoya  
 Stock code: 7943 URL <https://www.nichiha.co.jp>  
 Representative: PRESIDENT NARUMITSU YOSHIOKA  
 Director: DIRECTOR SENIOR EXECUTIVE KAZUSHI TONOI TEL 052-220-5111  
 Inquiries: OFFICER  
 Scheduled date to file Quarterly Securities Report: August 9, 2023  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 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, 2023 (from April 1, 2023 to June 30, 2023)

#### (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, 2023	32,827	2.3	1,626	(38.6)	2,560	(27.9)	1,756	(30.4)
Three months ended June 30, 2022	32,100	5.7	2,648	(14.7)	3,552	13.3	2,525	15.5

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	48.35		48.25	
Three months ended June 30, 2022	68.95		68.74	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2023	169,466	120,287	71.1	3,312.59
As of March 31, 2023	169,337	119,619	70.7	3,294.99

### 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, 2023	–	48.50	–	48.50	97.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		57.00	–	57.00	114.00

### 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	72,300	7.6	5,900	7.9	6,100	(9.9)	4,300	(10.3)	118.33
Full year	150,000	8.6	14,000	19.6	14,500	13.2	10,300	14.0	283.45

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023  
 (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: No
- (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, 2023	37,324,264 shares	As of March 31, 2023	37,324,264 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	975,530 shares	As of March 31, 2023	986,120 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, 2023	36,340,802 shares	Three months ended June 30, 2022	36,628,487 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	32,740	29,231
Notes and accounts receivable - trade	25,227	25,240
Electronically recorded monetary claims - operating	1,768	1,849
Merchandise and finished goods	14,470	16,334
Work in process	2,222	3,184
Raw materials and supplies	6,668	6,586
Other	2,494	2,131
Allowance for doubtful accounts	(35)	(37)
Total current assets	85,556	84,520
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,498	14,711
Machinery, equipment and vehicles, net	30,159	34,860
Tools, furniture and fixtures, net	628	607
Land	20,403	20,403
Leased assets, net	306	295
Construction in progress	5,157	341
Total property, plant and equipment	71,152	71,221
Intangible assets		
Leased assets	6	4
Software	532	484
Other	350	374
Total intangible assets	890	863
Investments and other assets		
Investment securities	6,866	8,237
Deferred tax assets	757	368
Retirement benefit asset	582	563
Other	3,559	3,718
Allowance for doubtful accounts	(27)	(27)
Total investments and other assets	11,736	12,860
Total non-current assets	83,780	84,945
Total assets	169,337	169,466

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	17,601	17,076
Short-term borrowings	3,208	3,180
Lease liabilities	89	102
Income taxes payable	578	363
Provision for bonuses	1,716	713
Provision for bonuses for directors (and other officers)	66	15
Provision for product warranties	72	86
Other	11,505	12,291
Total current liabilities	34,839	33,829
Non-current liabilities		
Long-term borrowings	11,925	11,925
Lease liabilities	257	243
Deferred tax liabilities	174	498
Provision for retirement benefits for directors (and other officers)	182	158
Provision for product warranties	869	869
Retirement benefit liability	1,264	1,276
Other	203	377
Total non-current liabilities	14,877	15,349
Total liabilities	49,717	49,178
<b>Net assets</b>		
Shareholders' equity		
Share capital	8,136	8,136
Capital surplus	10,925	10,927
Retained earnings	95,027	95,022
Treasury shares	(2,059)	(2,036)
Total shareholders' equity	112,030	112,049
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,754	3,705
Foreign currency translation adjustment	4,429	4,156
Remeasurements of defined benefit plans	519	497
Total accumulated other comprehensive income	7,703	8,359
Share acquisition rights	150	135
Non-controlling interests	(264)	(256)
Total net assets	119,619	120,287
<b>Total liabilities and net assets</b>	<b>169,337</b>	<b>169,466</b>

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

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	32,100	32,827
Cost of sales	19,572	21,367
Gross profit	12,528	11,459
Selling, general and administrative expenses	9,880	9,833
Operating profit	2,648	1,626
Non-operating income		
Interest income	11	24
Dividend income	13	17
Rental income from real estate	22	22
Foreign exchange gains	851	894
Other	37	35
Total non-operating income	936	994
Non-operating expenses		
Interest expenses	29	42
Other	3	17
Total non-operating expenses	32	60
Ordinary profit	3,552	2,560
Extraordinary income		
Gain on sale of non-current assets	2	0
Total extraordinary income	2	0
Extraordinary losses		
Loss on retirement of non-current assets	9	6
Total extraordinary losses	9	6
Profit before income taxes	3,545	2,553
Income taxes - current	479	482
Income taxes - deferred	532	304
Total income taxes	1,011	786
Profit	2,533	1,767
Profit attributable to		
Profit attributable to owners of parent	2,525	1,756
Profit attributable to non-controlling interests	7	10
Other comprehensive income		
Valuation difference on available-for-sale securities	(252)	951
Foreign currency translation adjustment	1,292	(274)
Remeasurements of defined benefit plans, net of tax	(15)	(22)
Total other comprehensive income	1,023	653
Comprehensive income	3,557	2,420
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,543	2,412
Comprehensive income attributable to non-controlling interests	13	8