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August 7, 2023

Consolidated Financial Results for the Three Months Ended June 30, 2023 (Under Japanese GAAP)

Company name: Nittetsu Mining Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 1515
 URL: <https://www.nittetsukou.co.jp/>
 Representative: Reiichi Morikawa, Representative Director and President
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 Scheduled date to file quarterly securities report: August 14, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: None

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

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	39,952	(0.7)	2,777	(45.5)	3,354	(45.2)	2,318	(39.0)
June 30, 2022	40,245	8.7	5,100	4.9	6,118	14.8	3,802	21.8

Note: Comprehensive income For the three months ended June 30, 2023: ¥3,499 million [(18.6)%]
 For the three months ended June 30, 2022: ¥4,300 million [14.8%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
June 30, 2023	139.39	–
June 30, 2022	228.58	–

* The Company conducted a 2-for-1 stock split of its common shares effective October 1, 2022. The figures for earnings per share have been, therefore, calculated based on the assumption that the stock split had taken place at the beginning of the fiscal year ended March 31, 2023.

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of			
June 30, 2023	212,803	141,080	62.5
March 31, 2023	208,335	139,410	63.5

Reference: Equity
 As of June 30, 2023: ¥132,958 million
 As of March 31, 2023: ¥132,345 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	–	135.00	–	110.00	–
Fiscal year ending March 31, 2024	–				
Fiscal year ending March 31, 2024 (Forecast)		50.00	–	50.00	100.00

Note: Revisions to the forecast of the cash dividends most recently announced: None

* The Company conducted a 2-for-1 stock split of its common shares effective October 1, 2022. The figure for annual dividends per share for the fiscal year ended March 31, 2023 is presented as “–.”

3. Consolidated financial results forecast for the fiscal 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
Full year	158,000	(3.7)	8,000	(41.3)	9,000	(31.8)	5,500	(43.8)	330.60

Note: Revisions to the financial results forecast most recently announced: None

* **Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (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
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2023	16,704,638 shares
As of March 31, 2023	16,704,638 shares

- (ii) Number of treasury shares at the end of the period

As of June 30, 2023	68,036 shares
As of March 31, 2023	67,976 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2023	16,636,647 shares
Three months ended June 30, 2022	16,637,074 shares

* The Company conducted a 2-for-1 stock split of its common shares effective October 1, 2022. The figures for the average number of shares outstanding during the period have been, therefore, calculated based on the assumption that the stock split had taken place at the beginning of the fiscal year ended March 31, 2023.

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters
(Notes on forward-looking statements, etc.)

Financial results forecasts and other forward-looking statements in this document are based on information currently available to the Company and certain assumptions deemed reasonable, and the Company does not guarantee their achievement. Actual performance and other results may be significantly different from the forecasts due to various factors. For details on the assumptions for financial results forecasts and notes on the use of financial results forecasts, etc., refer to “1. Qualitative Information on Quarterly Financial Results, (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the attachment (Japanese only).

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	40,002	37,521
Notes and accounts receivable - trade, and contract assets	30,670	30,767
Merchandise and finished goods	6,578	7,870
Work in process	8,007	8,049
Raw materials and supplies	3,163	6,776
Other	6,376	6,259
Allowance for doubtful accounts	(621)	(683)
Total current assets	94,178	96,559
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	20,073	19,888
Land for general use	16,308	16,310
Other, net	33,894	34,550
Total property, plant and equipment	70,276	70,749
Intangible assets	4,046	4,056
Investments and other assets		
Investment securities	30,855	32,305
Other	9,122	9,278
Allowance for doubtful accounts	(140)	(140)
Allowance for investment loss	(3)	(5)
Total investments and other assets	39,833	41,437
Total non-current assets	114,156	116,243
Total assets	208,335	212,803

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,297	18,402
Short-term loans payable	19,700	19,399
Income taxes payable	492	250
Provisions	1,224	420
Other	11,543	12,669
Total current liabilities	48,258	51,141
Non-current liabilities		
Long-term loans payable	1,117	835
Provisions	139	159
Net defined benefit liability	1,948	1,852
Asset retirement obligations	5,082	5,051
Other	12,378	12,682
Total non-current liabilities	20,666	20,581
Total liabilities	68,924	71,723
Net assets		
Shareholders' equity		
Capital stock	4,176	4,176
Capital surplus	4,584	3,685
Retained earnings	106,385	106,874
Treasury shares	(170)	(171)
Total shareholders' equity	114,976	114,565
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,149	15,157
Deferred gains or losses on hedges	(180)	(62)
Foreign currency translation adjustment	1,937	1,845
Remeasurements of defined benefit plans	1,463	1,452
Total accumulated other comprehensive income	17,368	18,393
Non-controlling interests	7,065	8,121
Total net assets	139,410	141,080
Total liabilities and net assets	208,335	212,803

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income

(Millions of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Net sales	40,245	39,952
Cost of sales	29,997	31,762
Gross profit	10,247	8,189
Selling, general and administrative expenses	5,147	5,411
Operating profit	5,100	2,777
Non-operating income		
Interest income	9	47
Dividend income	717	678
Share of profit of entities accounted for using equity method	23	41
Foreign exchange gains	380	–
Other	71	83
Total non-operating income	1,201	851
Non-operating expenses		
Interest expenses	79	146
Foreign exchange losses	–	1
Maintenance fees for closed and abandoned mines	56	78
Other	47	48
Total non-operating expenses	183	274
Ordinary profit	6,118	3,354
Extraordinary income		
Gain on sales of non-current assets	1	16
Gain on sale of investment securities	154	176
Total extraordinary income	155	193
Extraordinary losses		
Loss on sales and retirement of non-current assets	47	14
Impairment loss	0	–
Total extraordinary losses	47	14
Profit before income taxes	6,226	3,533
Income taxes - current	2,262	1,374
Income taxes - deferred	(318)	(329)
Total income taxes	1,943	1,044
Profit	4,282	2,488
Profit attributable to non-controlling interests	479	169
Profit attributable to owners of parent	3,802	2,318

Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Profit	4,282	2,488
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,356)	1,009
Deferred gains or losses on hedges	611	118
Foreign currency translation adjustment	717	(105)
Remeasurements of defined benefit plans	45	(10)
Total other comprehensive income	17	1,011
Comprehensive income	4,300	3,499
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,609	3,343
Comprehensive income attributable to non-controlling interests	690	156