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November 7, 2023

Consolidated Financial Results for the Six Months Ended September 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: November 14, 2023
 Scheduled date to commence dividend payments: November 27, 2023
 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 six months ended September 30, 2023 (from April 1, 2023 to September 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	%
Six months ended								
September 30, 2023	82,354	1.6	6,573	(27.6)	7,108	(26.1)	4,640	(17.1)
September 30, 2022	81,048	14.0	9,077	2.9	9,616	2.4	5,595	5.5

Note: Comprehensive income For the six months ended September 30, 2023: ¥9,949 million [30.6%]
 For the six months ended September 30, 2022: ¥7,620 million [(0.0)%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended		
September 30, 2023	278.96	—
September 30, 2022	336.32	—

* 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			
September 30, 2023	220,836	147,445	62.7
March 31, 2023	208,335	139,410	63.5

Reference: Equity
 As of September 30, 2023: ¥138,547 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	—	84.00			
Fiscal year ending March 31, 2024 (Forecast)			—	85.00	169.00

Note: Revisions to the forecast of the cash dividends most recently announced: Yes

* 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	163,000	(0.6)	10,000	(26.6)	10,500	(20.5)	7,000	(28.4)	420.76

Note: Revisions to the financial results forecast most recently announced: Yes

*** 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 September 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 September 30, 2023	68,251 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)

Six months ended September 30, 2023	16,636,579 shares
Six months ended September 30, 2022	16,637,024 shares

*1 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.

2 The Company has introduced the Board Benefit Trust. Shares of the Company held in the Trust are included in treasury shares to be deducted for the calculation of the “number of treasury shares at the end of the period” and the “average number of shares outstanding during the period (cumulative from the beginning of the fiscal year).”

* 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 September 30, 2023
Assets		
Current assets		
Cash and deposits	40,002	38,359
Notes and accounts receivable - trade, and contract assets	30,670	33,501
Merchandise and finished goods	6,578	8,254
Work in process	8,007	4,848
Raw materials and supplies	3,163	10,068
Other	6,376	6,158
Allowance for doubtful accounts	(621)	(745)
Total current assets	94,178	100,444
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	20,073	19,700
Land for general use	16,308	16,314
Other, net	33,894	34,971
Total property, plant and equipment	70,276	70,986
Intangible assets	4,046	4,321
Investments and other assets		
Investment securities	30,855	35,875
Other	9,122	9,346
Allowance for doubtful accounts	(140)	(134)
Allowance for investment loss	(3)	(3)
Total investments and other assets	39,833	45,083
Total non-current assets	114,156	120,392
Total assets	208,335	220,836

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,297	19,036
Short-term loans payable	19,700	16,812
Income taxes payable	492	1,329
Provisions	1,224	1,091
Other	11,543	11,512
Total current liabilities	48,258	49,782
Non-current liabilities		
Long-term loans payable	1,117	2,842
Provisions	139	192
Net defined benefit liability	1,948	1,861
Asset retirement obligations	5,082	4,822
Other	12,378	13,889
Total non-current liabilities	20,666	23,608
Total liabilities	68,924	73,391
Net assets		
Shareholders' equity		
Capital stock	4,176	4,176
Capital surplus	4,584	3,456
Retained earnings	106,385	109,196
Treasury shares	(170)	(212)
Total shareholders' equity	114,976	116,616
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,149	17,645
Deferred gains or losses on hedges	(180)	(62)
Foreign currency translation adjustment	1,937	2,905
Remeasurements of defined benefit plans	1,463	1,441
Total accumulated other comprehensive income	17,368	21,930
Non-controlling interests	7,065	8,898
Total net assets	139,410	147,445
Total liabilities and net assets	208,335	220,836

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

(Millions of yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Net sales	81,048	82,354
Cost of sales	61,479	65,102
Gross profit	19,568	17,251
Selling, general and administrative expenses	10,491	10,677
Operating profit	9,077	6,573
Non-operating income		
Interest income	23	112
Dividend income	807	730
Foreign exchange gains	270	180
Other	137	115
Total non-operating income	1,239	1,138
Non-operating expenses		
Interest expenses	199	286
Share of loss of entities accounted for using equity method	200	7
Maintenance fees for closed and abandoned mines	167	178
Other	133	131
Total non-operating expenses	700	604
Ordinary profit	9,616	7,108
Extraordinary income		
Gain on sales of non-current assets	10	24
Gain on sale of investment securities	171	177
Other	0	–
Total extraordinary income	182	201
Extraordinary losses		
Loss on sales and retirement of non-current assets	182	75
Impairment loss	3	2
Other	0	–
Total extraordinary losses	185	78
Profit before income taxes	9,613	7,231
Income taxes - current	3,186	2,142
Income taxes - deferred	130	73
Total income taxes	3,317	2,215
Profit	6,295	5,015
Profit attributable to non-controlling interests	699	375
Profit attributable to owners of parent	5,595	4,640

Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Profit	6,295	5,015
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,468)	3,498
Deferred gains or losses on hedges	773	118
Foreign currency translation adjustment	1,929	1,337
Remeasurements of defined benefit plans	90	(21)
Total other comprehensive income	1,325	4,933
Comprehensive income	7,620	9,949
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,386	9,202
Comprehensive income attributable to non-controlling interests	1,233	747