

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

January 31, 2024

Company name: NICHIIHA CORPORATION
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 7943 URL <https://www.nichiha.co.jp>
 Representative: PRESIDENT NARUMITSU YOSHIOKA
 Inquiries: DIRECTOR SENIOR EXECUTIVE KAZUSHI TONOI TEL 052-220-5111
 OFFICER
 Scheduled date to file Quarterly Securities Report: February 13, 2024
 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 nine months ended December 31, 2023 (from April 1, 2023 to December 31, 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	%
Nine months ended December 31, 2023	107,824	4.0	7,671	(8.8)	8,471	(8.3)	5,624	(13.9)
Nine months ended December 31, 2022	103,694	6.7	8,409	(19.7)	9,238	(15.4)	6,530	(19.7)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	155.31		155.01	
Nine months ended December 31, 2022	178.32		177.93	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2023	177,924	126,326	71.1	3,513.43
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	–	57.00	–		
Year ending March 31, 2024 (Forecast)				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
Full year	147,000	6.5	10,500	(10.3)	12,100	(5.5)	8,300	(8.2)	228.66

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 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 December 31, 2023	1,302,010 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)

Nine months ended December 31, 2023	36,215,571 shares	Nine months ended December 31, 2022	36,623,583 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	32,740	26,572
Notes and accounts receivable - trade	25,227	30,582
Electronically recorded monetary claims - operating	1,768	2,201
Merchandise and finished goods	14,470	18,527
Work in process	2,222	3,181
Raw materials and supplies	6,668	6,913
Other	2,494	1,519
Allowance for doubtful accounts	(35)	(30)
Total current assets	85,556	89,469
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,498	15,053
Machinery, equipment and vehicles, net	30,159	36,972
Tools, furniture and fixtures, net	628	633
Land	20,403	20,413
Leased assets, net	306	283
Construction in progress	5,157	490
Total property, plant and equipment	71,152	73,847
Intangible assets		
Leased assets	6	2
Software	532	495
Other	350	189
Total intangible assets	890	686
Investments and other assets		
Investment securities	6,866	9,358
Deferred tax assets	757	371
Retirement benefit asset	582	527
Other	3,559	3,690
Allowance for doubtful accounts	(27)	(27)
Total investments and other assets	11,736	13,920
Total non-current assets	83,780	88,455
Total assets	169,337	177,924

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	17,601	19,450
Short-term borrowings	3,208	4,344
Lease liabilities	89	112
Income taxes payable	578	903
Provision for bonuses	1,716	789
Provision for bonuses for directors (and other officers)	66	47
Provision for product warranties	72	88
Other	11,505	10,716
Total current liabilities	34,839	36,452
Non-current liabilities		
Long-term borrowings	11,925	10,921
Lease liabilities	257	222
Deferred tax liabilities	174	1,251
Provision for retirement benefits for directors (and other officers)	182	165
Provision for product warranties	869	869
Retirement benefit liability	1,264	1,316
Other	203	397
Total non-current liabilities	14,877	15,145
Total liabilities	49,717	51,597
Net assets		
Shareholders' equity		
Share capital	8,136	8,136
Capital surplus	10,925	10,944
Retained earnings	95,027	96,829
Treasury shares	(2,059)	(3,037)
Total shareholders' equity	112,030	112,872
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,754	4,494
Foreign currency translation adjustment	4,429	8,742
Remeasurements of defined benefit plans	519	451
Total accumulated other comprehensive income	7,703	13,689
Share acquisition rights	150	153
Non-controlling interests	(264)	(388)
Total net assets	119,619	126,326
Total liabilities and net assets	169,337	177,924

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

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	103,694	107,824
Cost of sales	64,661	69,611
Gross profit	39,033	38,212
Selling, general and administrative expenses	30,624	30,541
Operating profit	8,409	7,671
Non-operating income		
Interest income	65	102
Dividend income	132	147
Rental income from real estate	67	66
Foreign exchange gains	501	499
Other	174	110
Total non-operating income	942	925
Non-operating expenses		
Interest expenses	87	90
Other	26	34
Total non-operating expenses	114	125
Ordinary profit	9,238	8,471
Extraordinary income		
Gain on sale of non-current assets	4	1
Gain on sale of investment securities	–	46
Total extraordinary income	4	48
Extraordinary losses		
Loss on retirement of non-current assets	25	23
Impairment losses	–	279
Total extraordinary losses	25	303
Profit before income taxes	9,217	8,216
Income taxes - current	1,548	1,862
Income taxes - deferred	1,125	690
Total income taxes	2,673	2,552
Profit	6,543	5,663
Profit attributable to		
Profit attributable to owners of parent	6,530	5,624
Profit attributable to non-controlling interests	13	38
Other comprehensive income		
Valuation difference on available-for-sale securities	32	1,740
Foreign currency translation adjustment	7,322	4,333
Remeasurements of defined benefit plans, net of tax	(47)	(68)
Total other comprehensive income	7,308	6,006
Comprehensive income	13,852	11,669
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	13,800	11,609
Comprehensive income attributable to non-controlling interests	51	59