

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

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

January 30, 2024

Company name: Nippon Seisen Co.,Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 5659 URL <https://www.n-seisen.co.jp/>  
 Representative: President and CEO Kazuhiro Toshimitsu  
 Inquiries: General Manager, Accounting Department Shuichi Nagasawa TEL 06-6222-5432  
 Scheduled date to file Quarterly Securities Report: February 9, 2024  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 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 | 33,143          | (10.9) | 2,312            | (31.3) | 2,462           | (29.4) | 1,712                                   | (29.5) |
| Nine months ended December 31, 2022 | 37,215          | 13.1   | 3,366            | (9.3)  | 3,488           | (8.2)  | 2,429                                   | (9.0)  |

Note: Comprehensive income  
 Nine months ended December 31, 2023 ¥2,147 million [(23.8)%]  
 Nine months ended December 31, 2022 ¥2,817 million [3.3%]

|                                     | Earnings per share |  | Diluted earnings per share |  |
|-------------------------------------|--------------------|--|----------------------------|--|
|                                     | Yen                |  | Yen                        |  |
| Nine months ended December 31, 2023 | 279.29             |  | –                          |  |
| Nine months ended December 31, 2022 | 396.07             |  | –                          |  |

#### (2) Consolidated financial position

|                         | Total assets    | Net assets      | Equity ratio |
|-------------------------|-----------------|-----------------|--------------|
|                         | Millions of yen | Millions of yen | %            |
| As of December 31, 2023 | 52,316          | 38,450          | 72.3         |
| As of March 31, 2023    | 54,054          | 37,605          | 68.5         |

Reference: Equity  
 As of December 31, 2023 ¥37,848 million  
 As of March 31, 2023 ¥37,046 million

### 2. Cash dividends

|                                       | Annual dividends per share |                 |                 |                 |        |
|---------------------------------------|----------------------------|-----------------|-----------------|-----------------|--------|
|                                       | 1st quarter-end            | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total  |
|                                       | Yen                        | Yen             | Yen             | Yen             | Yen    |
| Year ended March 31, 2023             | –                          | 105.00          | –               | 105.00          | 210.00 |
| Year ending March 31, 2024            | –                          | 105.00          | –               |                 |        |
| Year ending March 31, 2024 (Forecast) |                            |                 |                 | 105.00          | 210.00 |

Note: Revisions to the cash dividend forecasts most recently announced: No

### 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 | 43,700          | (10.9) | 3,000            | (28.2) | 3,100           | (28.2) | 2,170                                   | (29.7) | 353.80             |

Note: Revisions to the earnings forecasts most recently announced: No

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 | 6,253,038 shares | As of March 31, 2023 | 6,253,038 shares |
|-------------------------|------------------|----------------------|------------------|

Number of treasury shares at the end of the period

|                         |                |                      |                |
|-------------------------|----------------|----------------------|----------------|
| As of December 31, 2023 | 119,687 shares | As of March 31, 2023 | 120,250 shares |
|-------------------------|----------------|----------------------|----------------|

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

|                                     |                  |                                     |                  |
|-------------------------------------|------------------|-------------------------------------|------------------|
| Nine months ended December 31, 2023 | 6,133,180 shares | Nine months ended December 31, 2022 | 6,132,958 shares |
|-------------------------------------|------------------|-------------------------------------|------------------|

\* The Company has introduced "Board Benefit Trust (BBT)" and shares of the Company held by the Trust have been included in treasury shares excluded from the calculation of the number of treasury shares at the end of the period and the average number of shares outstanding during the period.

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

\* Explanation of proper use of financial results forecast, and other special matters

(Caution concerning forward-looking statements)

The above forecasts of financial results are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Consequently, actual business and other results may differ substantially due to various factors.

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

|   | As of March 31, 2023 | As of December 31, 2023 |
|---|----------------------|-------------------------|
| <b>Assets</b>   |                      |                         |
| Current assets  |                      |                         |
| Cash and deposits   | 14,657               | 13,979                  |
| Notes and accounts receivable - trade                         | 8,810                | 7,850                   |
| Electronically recorded monetary claims - operating           | 1,340                | 1,624                   |
| Merchandise and finished goods                                | 2,871                | 2,786                   |
| Work in process   | 5,080                | 4,979                   |
| Raw materials and supplies                                    | 3,280                | 3,104                   |
| Other   | 291                  | 275                     |
| Total current assets  | 36,332               | 34,602                  |
| Non-current assets  |                      |                         |
| Property, plant and equipment                                 |                      |                         |
| Buildings and structures, net                                 | 5,380                | 5,373                   |
| Machinery, equipment and vehicles, net                        | 6,623                | 6,972                   |
| Land  | 1,646                | 1,656                   |
| Leased assets, net  | 16                   | 24                      |
| Construction in progress                                      | 1,342                | 1,095                   |
| Other, net  | 590                  | 550                     |
| Total property, plant and equipment                           | 15,601               | 15,672                  |
| Intangible assets   | 202                  | 188                     |
| Investments and other assets                                  | 1,918                | 1,854                   |
| Total non-current assets                                      | 17,721               | 17,714                  |
| Total assets  | 54,054               | 52,316                  |
| <b>Liabilities</b>  |                      |                         |
| Current liabilities   |                      |                         |
| Notes and accounts payable - trade                            | 7,660                | 6,335                   |
| Short-term borrowings   | 315                  | 259                     |
| Income taxes payable  | 540                  | 106                     |
| Provision for bonuses   | 703                  | 390                     |
| Provision for bonuses for directors (and other officers)      | 33                   | –                       |
| Other   | 1,759                | 1,311                   |
| Total current liabilities                                     | 11,012               | 8,404                   |
| Non-current liabilities                                       |                      |                         |
| Long-term borrowings  | 338                  | 257                     |
| Provision for share awards for directors (and other officers) | 33                   | 63                      |
| Retirement benefit liability                                  | 4,739                | 4,817                   |
| Provision for environmental measures                          | 172                  | 171                     |
| Other   | 153                  | 152                     |
| Total non-current liabilities                                 | 5,436                | 5,462                   |
| Total liabilities   | 16,448               | 13,866                  |

(Millions of yen)

|   | As of March 31, 2023 | As of December 31, 2023 |
|---|----------------------|-------------------------|
| Net assets  |                      |                         |
| Shareholders' equity                                  |                      |                         |
| Share capital   | 5,000                | 5,000                   |
| Capital surplus                                       | 5,558                | 5,558                   |
| Retained earnings                                     | 26,201               | 26,615                  |
| Treasury shares                                       | (400)                | (398)                   |
| Total shareholders' equity                            | 36,359               | 36,775                  |
| Accumulated other comprehensive income                |                      |                         |
| Valuation difference on available-for-sale securities | 17                   | 25                      |
| Deferred gains or losses on hedges                    | (0)                  | 1                       |
| Foreign currency translation adjustment               | 765                  | 1,114                   |
| Remeasurements of defined benefit plans               | (95)                 | (68)                    |
| Total accumulated other comprehensive income          | 686                  | 1,073                   |
| Non-controlling interests                             | 559                  | 602                     |
| Total net assets                                      | 37,605               | 38,450                  |
| Total liabilities and net assets                      | 54,054               | 52,316                  |

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

### Consolidated statements of income (cumulative)

(Millions of yen)

|  | Nine months ended<br>December 31, 2022 | Nine months ended<br>December 31, 2023 |
|--|--|--|
| Net sales  | 37,215                                 | 33,143                                 |
| Cost of sales                                    | 31,261                                 | 28,233                                 |
| Gross profit                                     | 5,953                                  | 4,910                                  |
| Selling, general and administrative expenses     | 2,587                                  | 2,597                                  |
| Operating profit                                 | 3,366                                  | 2,312                                  |
| Non-operating income                             |  |  |
| Interest income                                  | 9                                      | 16                                     |
| Dividend income                                  | 1                                      | 2                                      |
| Purchase discounts                               | 17                                     | 16                                     |
| Compensation income                              | 18                                     | 14                                     |
| Rental income                                    | 18                                     | 18                                     |
| Foreign exchange gains                           | 72                                     | 66                                     |
| Subsidies for employment adjustment              | –                                      | 33                                     |
| Other  | 5                                      | 6                                      |
| Total non-operating income                       | 144                                    | 174                                    |
| Non-operating expenses                           |  |  |
| Interest expenses                                | 2                                      | 3                                      |
| Compensation expenses                            | 8                                      | 12                                     |
| Loss on retirement of non-current assets         | 7                                      | 3                                      |
| Other  | 4                                      | 5                                      |
| Total non-operating expenses                     | 22                                     | 24                                     |
| Ordinary profit                                  | 3,488                                  | 2,462                                  |
| Extraordinary income                             |  |  |
| Gain on sale of non-current assets               | 0                                      | 1                                      |
| Gain on liquidation of investment securities     | 2                                      | –                                      |
| Total extraordinary income                       | 2                                      | 1                                      |
| Profit before income taxes                       | 3,491                                  | 2,464                                  |
| Income taxes - current                           | 902                                    | 617                                    |
| Income taxes - deferred                          | 119                                    | 122                                    |
| Total income taxes                               | 1,022                                  | 740                                    |
| Profit   | 2,468                                  | 1,724                                  |
| Profit attributable to non-controlling interests | 39                                     | 11                                     |
| Profit attributable to owners of parent          | 2,429                                  | 1,712                                  |

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

|  | Nine months ended<br>December 31, 2022 | Nine months ended<br>December 31, 2023 |
|--|--|--|
| Profit   | 2,468                                  | 1,724                                  |
| Other comprehensive income                                     |  |  |
| Valuation difference on available-for-sale securities          | (1)                                    | 8                                      |
| Deferred gains or losses on hedges                             | 1                                      | 1                                      |
| Foreign currency translation adjustment                        | 319                                    | 386                                    |
| Remeasurements of defined benefit plans, net of tax            | 29                                     | 27                                     |
| Total other comprehensive income                               | 348                                    | 423                                    |
| Comprehensive income   | 2,817                                  | 2,147                                  |
| Comprehensive income attributable to                           |  |  |
| Comprehensive income attributable to owners of parent          | 2,734                                  | 2,099                                  |
| Comprehensive income attributable to non-controlling interests | 82                                     | 48                                     |