

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 9, 2022

Company name: NICHIDEN Corporation
 Stock exchange listing: Tokyo
 Stock code: 9902 URL <https://www.nichiden.com/>
 Representative: Representative Director and President Toshikazu Fuke
 Executive Officer
 Director and Managing Executive Officer
 Inquiries: Administration Department general manager Atsushi Sangawa TEL 06-7637-7000
 Scheduled date of ordinary general meeting of shareholders: June 24, 2022
 Scheduled date to file Securities Report: June 27, 2022
 Scheduled date to commence dividend payments: June 27, 2022
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Consolidated operating results

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	%
Year ended March 31, 2022	123,964	20.6	5,502	39.5	6,082	45.6	4,245	49.4
Year ended March 31, 2021	102,751	(8.5)	3,943	(23.5)	4,176	(22.4)	2,841	(18.1)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2022	135.20	–	5.2	5.2	4.4
Year ended March 31, 2021	90.48	–	3.6	3.9	3.8

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	120,560	83,307	69.1	2,652.83
As of March 31, 2021	112,024	80,314	71.7	2,557.49

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	3,068	(3,770)	(1,715)	15,652
Year ended March 31, 2021	3,607	(6,576)	(1,902)	17,967

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	–	0.00	–	40.00	40.00	1,256	44.2	1.6
Year ended March 31, 2022	–	0.00	–	65.00	65.00	2,041	48.1	2.5
Year ending March 31, 2023 (Forecast)	–	0.00	–	50.00	50.00		47.9	

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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, 2022	61,840	4.5	2,120	(11.2)	2,350	(11.7)	1,620	(14.5)	51.59
Full year	127,000	2.4	4,480	(18.6)	4,850	(20.3)	3,280	(22.7)	104.45

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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: Yes

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of March 31, 2022	31,886,000 shares	As of March 31, 2021	31,886,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	482,542 shares	As of March 31, 2021	482,514 shares
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Average number of shares during the period

Year ended March 31, 2022	31,403,469 shares	Year ended March 31, 2021	31,403,486 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	18,439	16,142
Notes and accounts receivable - trade	23,105	–
Notes receivable - trade	–	5,491
Accounts receivable - trade	–	17,902
Contract assets	–	622
Electronically recorded monetary claims - operating	11,802	16,274
Securities	8,502	11,406
Merchandise and finished goods	8,808	13,004
Work in process	5	21
Raw materials and supplies	20	25
Other	805	618
Allowance for doubtful accounts	(10)	(12)
Total current assets	71,478	81,496
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,969	9,665
Accumulated depreciation	(5,494)	(5,395)
Buildings and structures, net	4,474	4,270
Machinery, equipment and vehicles	50	1,493
Accumulated depreciation	(44)	(186)
Machinery, equipment and vehicles, net	5	1,307
Land	6,111	7,065
Leased assets	7,691	7,717
Accumulated depreciation	(1,888)	(2,361)
Leased assets, net	5,803	5,356
Construction in progress	639	695
Other	958	906
Accumulated depreciation	(675)	(678)
Other, net	282	228
Total property, plant and equipment	17,316	18,923
Intangible assets		
Other	1,499	1,060
Total intangible assets	1,499	1,060
Investments and other assets		
Investment securities	20,241	17,620
Long-term loans receivable	33	29
Deferred tax assets	47	26
Other	1,407	1,404
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	21,729	19,079
Total non-current assets	40,545	39,063
Total assets	112,024	120,560

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,434	12,176
Electronically recorded obligations - operating	9,524	12,265
Lease liabilities	488	437
Income taxes payable	534	1,395
Contract liabilities	–	385
Provision for bonuses	414	514
Other	913	1,798
Total current liabilities	22,310	28,974
Non-current liabilities		
Lease liabilities	6,324	5,312
Deferred tax liabilities	2,248	2,096
Retirement benefit liability	87	84
Other	738	784
Total non-current liabilities	9,398	8,277
Total liabilities	31,709	37,252
Net assets		
Shareholders' equity		
Share capital	5,368	5,368
Capital surplus	7,283	7,283
Retained earnings	62,544	65,533
Treasury shares	(672)	(672)
Total shareholders' equity	74,523	77,512
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,789	5,682
Foreign currency translation adjustment	1	112
Total accumulated other comprehensive income	5,790	5,795
Total net assets	80,314	83,307
Total liabilities and net assets	112,024	120,560

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	102,751	123,964
Cost of sales	88,188	105,966
Gross profit	14,563	17,998
Selling, general and administrative expenses	10,619	12,495
Operating profit	3,943	5,502
Non-operating income		
Dividend income	160	173
Purchase discounts	291	347
Foreign exchange gains	17	119
Other	116	149
Total non-operating income	585	790
Non-operating expenses		
Interest expenses	51	178
Sales discounts	260	–
Other	41	31
Total non-operating expenses	352	210
Ordinary profit	4,176	6,082
Extraordinary losses		
Loss on sale of shares of subsidiaries and associates	19	–
Total extraordinary losses	19	–
Profit before income taxes	4,156	6,082
Income taxes - current	1,233	1,918
Income taxes - deferred	81	(81)
Total income taxes	1,315	1,837
Profit	2,841	4,245
Profit attributable to owners of parent	2,841	4,245

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	2,841	4,245
Other comprehensive income		
Valuation difference on available-for-sale securities	2,184	(106)
Foreign currency translation adjustment	9	110
Total other comprehensive income	2,193	4
Comprehensive income	5,035	4,249
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,035	4,249

Consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income			Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	5,368	7,283	61,116	(672)	73,095	3,605	(8)	3,597	76,692
Changes during period									
Dividends of surplus			(1,413)		(1,413)				(1,413)
Profit attributable to owners of parent			2,841		2,841				2,841
Net changes in items other than shareholders' equity						2,184	9	2,193	2,193
Total changes during period	–	–	1,428	–	1,428	2,184	9	2,193	3,621
Balance at end of period	5,368	7,283	62,544	(672)	74,523	5,789	1	5,790	80,314

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income			Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	5,368	7,283	62,544	(672)	74,523	5,789	1	5,790	80,314
Changes during period									
Dividends of surplus			(1,256)		(1,256)				(1,256)
Profit attributable to owners of parent			4,245		4,245				4,245
Purchase of treasury shares				(0)	(0)				(0)
Net changes in items other than shareholders' equity						(106)	110	4	4
Total changes during period	–	–	2,989	(0)	2,989	(106)	110	4	2,993
Balance at end of period	5,368	7,283	65,533	(672)	77,512	5,682	112	5,795	83,307

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	4,156	6,082
Depreciation	1,150	1,551
Loss (gain) on sale of shares of subsidiaries and associates	19	–
Increase (decrease) in allowance for doubtful accounts	0	1
Increase (decrease) in provision for bonuses	(81)	100
Increase (decrease) in retirement benefit liability	5	(3)
Interest and dividend income	(213)	(231)
Interest expenses	51	178
Decrease (increase) in trade receivables	(609)	(5,020)
Decrease (increase) in inventories	763	(4,150)
Decrease (increase) in other assets	(429)	824
Increase (decrease) in trade payables	(244)	4,134
Increase (decrease) in accrued consumption taxes	(467)	1,089
Increase (decrease) in other liabilities	719	(407)
Other, net	(0)	(47)
Subtotal	4,818	4,104
Interest and dividends received	222	255
Interest paid	(51)	(178)
Income taxes paid	(1,383)	(1,112)
Net cash provided by (used in) operating activities	3,607	3,068
Cash flows from investing activities		
Payments into time deposits	(64)	(34)
Proceeds from withdrawal of time deposits	51	16
Purchase of securities	(2,000)	(2,000)
Purchase of property, plant and equipment	(874)	(3,078)
Proceeds from sale of property, plant and equipment	0	–
Purchase of intangible assets	(172)	(258)
Purchase of investment securities	(3,509)	(1,633)
Proceeds from sale and redemption of investment securities	–	3,202
Proceeds from sale of shares of subsidiaries	5	–
Loan advances	(1)	(1)
Proceeds from collection of loans receivable	119	7
Other payments	(172)	(15)
Other proceeds	40	24
Net cash provided by (used in) investing activities	(6,576)	(3,770)
Cash flows from financing activities		
Repayments of lease liabilities	(270)	(460)
Purchase of shares of subsidiaries	(219)	–
Purchase of treasury shares	–	(0)
Dividends paid	(1,412)	(1,255)
Net cash provided by (used in) financing activities	(1,902)	(1,715)
Effect of exchange rate change on cash and cash equivalents	24	102
Net increase (decrease) in cash and cash equivalents	(4,846)	(2,315)
Cash and cash equivalents at beginning of period	22,814	17,967
Cash and cash equivalents at end of period	17,967	15,652