

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on Japanese GAAP)

May 8, 2024

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 21, 2024
 Scheduled date to file Securities Report: June 24, 2024
 Scheduled date to commence dividend payments: June 24, 2024
 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, 2024 (from April 1, 2023 to March 31, 2024)

(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, 2024	126,912	(3.6)	5,809	(7.6)	6,431	(4.8)	4,674	(5.9)
Year ended March 31, 2023	131,609	6.2	6,287	14.3	6,756	11.1	4,967	17.0

	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, 2024	151.79	–	5.4	5.1	4.6
Year ended March 31, 2023	158.19	–	5.9	5.6	4.8

(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, 2024	127,556	88,193	69.1	2,900.78
As of March 31, 2023	122,806	86,319	70.3	2,748.72

(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, 2024	5,023	(2,432)	(4,890)	13,557
Year ended March 31, 2023	2,116	46	(2,491)	15,368

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, 2023	–	0.00	–	65.00	65.00	2,041	41.1	2.4
Year ended March 31, 2024	–	0.00	–	65.00	65.00	1,976	42.8	2.3
Year ending March 31, 2025 (Forecast)	–	30.00	–	35.00	65.00		42.0	

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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, 2024	66,000	5.7	2,900	1.6	3,100	(5.6)	2,200	(12.5)	72.36
Full year	134,000	5.6	6,100	5.0	6,500	1.1	4,700	0.5	154.59

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(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: No

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, 2024	30,886,000 shares	As of March 31, 2023	31,886,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	482,636 shares	As of March 31, 2023	482,542 shares
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Average number of shares during the period

Year ended March 31, 2024	30,798,072 shares	Year ended March 31, 2023	31,403,458 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	15,872	15,042
Notes receivable - trade	4,847	3,442
Accounts receivable - trade	17,019	17,380
Contract assets	561	401
Electronically recorded monetary claims - operating	18,272	21,373
Securities	8,000	10,007
Merchandise and finished goods	16,543	16,409
Work in process	8	68
Raw materials and supplies	28	46
Other	1,030	700
Allowance for doubtful accounts	(5)	(4)
Total current assets	82,179	84,868
Non-current assets		
Property, plant and equipment		
Buildings and structures	11,237	11,087
Accumulated depreciation	(5,662)	(5,563)
Buildings and structures, net	5,575	5,524
Machinery, equipment and vehicles	1,494	1,538
Accumulated depreciation	(405)	(607)
Machinery, equipment and vehicles, net	1,088	931
Land	7,114	7,761
Leased assets	7,739	7,632
Accumulated depreciation	(2,799)	(3,036)
Leased assets, net	4,940	4,596
Construction in progress	119	85
Other	908	1,459
Accumulated depreciation	(682)	(803)
Other, net	226	656
Total property, plant and equipment	19,064	19,554
Intangible assets		
Goodwill	–	2,534
Other	557	539
Total intangible assets	557	3,074
Investments and other assets		
Investment securities	19,529	18,730
Long-term loans receivable	29	25
Deferred tax assets	29	52
Other	1,414	1,251
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	21,003	20,059
Total non-current assets	40,626	42,688
Total assets	122,806	127,556

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	11,803	11,153
Electronically recorded obligations - operating	12,980	15,676
Lease liabilities	344	358
Income taxes payable	1,452	1,120
Contract liabilities	312	320
Provision for bonuses	596	614
Other	1,092	1,442
Total current liabilities	28,582	30,686
Non-current liabilities		
Lease liabilities	4,989	4,643
Deferred tax liabilities	2,054	2,684
Retirement benefit liability	79	90
Other	781	1,258
Total non-current liabilities	7,904	8,676
Total liabilities	36,486	39,363
Net assets		
Shareholders' equity		
Share capital	5,368	5,368
Capital surplus	7,283	6,283
Retained earnings	68,460	70,147
Treasury shares	(672)	(1,015)
Total shareholders' equity	80,439	80,783
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,721	7,182
Foreign currency translation adjustment	158	228
Total accumulated other comprehensive income	5,880	7,410
Total net assets	86,319	88,193
Total liabilities and net assets	122,806	127,556

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

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	131,609	126,912
Cost of sales	112,042	107,816
Gross profit	19,567	19,096
Selling, general and administrative expenses	13,280	13,286
Operating profit	6,287	5,809
Non-operating income		
Dividend income	224	250
Purchase discounts	358	303
Foreign exchange gains	70	175
Other	141	158
Total non-operating income	794	887
Non-operating expenses		
Interest expenses	168	157
Loss on disposal of non-current assets	136	22
Commission for purchase of treasury shares	–	53
Other	19	33
Total non-operating expenses	324	265
Ordinary profit	6,756	6,431
Extraordinary income		
Gain on sale of investment securities	449	459
Gain on sale of non-current assets	–	6
Total extraordinary income	449	465
Extraordinary losses		
Retirement benefits for directors (and other officers)	–	50
Total extraordinary losses	–	50
Profit before income taxes	7,206	6,847
Income taxes - current	2,303	2,190
Income taxes - deferred	(64)	(17)
Total income taxes	2,238	2,172
Profit	4,967	4,674
Profit attributable to owners of parent	4,967	4,674

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	4,967	4,674
Other comprehensive income		
Valuation difference on available-for-sale securities	38	1,461
Foreign currency translation adjustment	46	69
Total other comprehensive income	84	1,530
Comprehensive income	5,052	6,205
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,052	6,205

Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(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	65,533	(672)	77,512	5,682	112	5,795	83,307
Changes during period									
Dividends of surplus			(2,041)		(2,041)				(2,041)
Profit attributable to owners of parent			4,967		4,967				4,967
Net changes in items other than shareholders' equity						38	46	84	84
Total changes during period	–	–	2,926	–	2,926	38	46	84	3,011
Balance at end of period	5,368	7,283	68,460	(672)	80,439	5,721	158	5,880	86,319

Fiscal year ended March 31, 2024

(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	68,460	(672)	80,439	5,721	158	5,880	86,319
Changes during period									
Dividends of surplus			(2,041)		(2,041)				(2,041)
Profit attributable to owners of parent			4,674		4,674				4,674
Purchase of treasury shares				(2,448)	(2,448)				(2,448)
Cancellation of treasury shares		(2,105)		2,105	–				–
Transfer from retained earnings to capital surplus		1,104	(1,104)		–				–
Change in scope of consolidation		0	158		159				159
Net changes in items other than shareholders' equity						1,461	69	1,530	1,530
Total changes during period	–	(999)	1,687	(343)	343	1,461	69	1,530	1,874
Balance at end of period	5,368	6,283	70,147	(1,015)	80,783	7,182	228	7,410	88,193

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	7,206	6,847
Depreciation	1,604	1,270
Increase (decrease) in allowance for doubtful accounts	(7)	(1)
Increase (decrease) in provision for bonuses	81	16
Increase (decrease) in retirement benefit liability	(5)	(0)
Interest and dividend income	(292)	(320)
Interest expenses	168	157
Loss (gain) on sale of investment securities	(449)	(459)
Decrease (increase) in trade receivables	(461)	(1,957)
Decrease (increase) in inventories	(3,496)	158
Decrease (increase) in other assets	279	(636)
Increase (decrease) in trade payables	209	2,137
Increase (decrease) in other liabilities	(717)	353
Other, net	109	(87)
Subtotal	4,230	7,478
Interest and dividends received	326	350
Interest paid	(168)	(157)
Payments of retirement benefits for directors (and other officers)	–	(112)
Income taxes paid	(2,271)	(2,535)
Net cash provided by (used in) operating activities	2,116	5,023
Cash flows from investing activities		
Payments into time deposits	(38)	(1,000)
Proceeds from withdrawal of time deposits	26	21
Proceeds from redemption of securities	2,000	1,000
Purchase of property, plant and equipment	(1,496)	(1,661)
Proceeds from sale of property, plant and equipment	–	51
Purchase of intangible assets	(64)	(324)
Purchase of investment securities	(2,028)	(291)
Proceeds from sale and redemption of investment securities	1,728	1,653
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(1,899)
Loan advances	(9)	–
Proceeds from collection of loans receivable	6	5
Other payments	(106)	(10)
Other proceeds	28	23
Net cash provided by (used in) investing activities	46	(2,432)
Cash flows from financing activities		
Repayments of lease liabilities	(452)	(347)
Purchase of treasury shares	–	(2,502)
Dividends paid	(2,039)	(2,041)
Net cash provided by (used in) financing activities	(2,491)	(4,890)
Effect of exchange rate change on cash and cash equivalents	45	136
Net increase (decrease) in cash and cash equivalents	(283)	(2,163)
Cash and cash equivalents at beginning of period	15,652	15,368
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	–	353
Cash and cash equivalents at end of period	15,368	13,557