

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 (Based on Japanese GAAP)

November 5, 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
 Administration Department general manager
 Atsushi Sangawa TEL 06-7637-7000
 Scheduled date to file Semi-annual Securities Report: November 8, 2024
 Scheduled date to commence dividend payments: December 9, 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 six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

(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, 2024	64,944	4.0	2,911	2.0	3,018	(8.1)	2,020	(19.7)
Six months ended September 30, 2023	62,450	(4.5)	2,854	(8.6)	3,283	(6.7)	2,514	4.0

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	67.36	—
Six months ended September 30, 2023	80.78	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	119,644	84,232	70.4
As of March 31, 2024	127,694	88,193	69.1

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, 2024	—	0.00	—	65.00	65.00
Year ending March 31, 2025	—	30.00	—	—	—
Year ending March 31, 2025 (Forecast)	—	—	—	35.00	65.00

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
Full year	134,000	5.6	6,100	5.0	6,500	1.1	4,700	0.5	157.86

4. Notes

(1) Significant changes in the scope of consolidation during the six months ended September 30, 2024: No

(2) Application of special accounting methods for preparing semi-annual 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: Yes

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

As of September 30, 2024	1,361,372 shares	As of March 31, 2024	482,636 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	29,987,079 shares	Six months ended September 30, 2023	31,132,608 shares
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Semi-annual consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	15,042	12,518
Notes and accounts receivable - trade, and contract assets	21,224	21,041
Electronically recorded monetary claims - operating	21,373	20,183
Securities	10,007	8,002
Merchandise and finished goods	16,409	15,969
Other	815	622
Allowance for doubtful accounts	(4)	(3)
Total current assets	84,868	78,334
Non-current assets		
Property, plant and equipment	19,554	19,864
Intangible assets		
Goodwill	2,262	2,168
Customer-related intangible assets	410	389
Other	539	605
Total intangible assets	3,211	3,162
Investments and other assets		
Investment securities	18,730	16,996
Other	1,329	1,285
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	20,059	18,282
Total non-current assets	42,826	41,310
Total assets	127,694	119,644
Liabilities		
Current liabilities		
Notes and accounts payable - trade	11,153	10,923
Electronically recorded obligations - operating	15,676	12,988
Income taxes payable	1,120	1,080
Provision for bonuses	614	624
Other	2,121	1,629
Total current liabilities	30,686	27,245
Non-current liabilities		
Retirement benefit liability	90	93
Other	8,724	8,071
Total non-current liabilities	8,814	8,165
Total liabilities	39,501	35,411
Net assets		
Shareholders' equity		
Share capital	5,368	5,368
Capital surplus	6,283	6,288
Retained earnings	70,147	70,191
Treasury shares	(1,015)	(3,997)
Total shareholders' equity	80,783	77,849
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,182	5,978
Foreign currency translation adjustment	228	404
Total accumulated other comprehensive income	7,410	6,383
Total net assets	88,193	84,232
Total liabilities and net assets	127,694	119,644

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	62,450	64,944
Cost of sales	53,092	55,244
Gross profit	9,358	9,699
Selling, general and administrative expenses	6,503	6,788
Operating profit	2,854	2,911
Non-operating income		
Dividend income	144	160
Purchase discounts	158	143
Foreign exchange gains	149	—
Other	85	84
Total non-operating income	537	388
Non-operating expenses		
Interest expenses	79	75
Loss on disposal of non-current assets	1	0
Foreign exchange losses	—	134
Commission for purchase of treasury shares	5	63
Other	22	8
Total non-operating expenses	108	281
Ordinary profit	3,283	3,018
Extraordinary income		
Gain on sale of investment securities	459	5
Gain on sale of non-current assets	6	—
Total extraordinary income	465	5
Extraordinary losses		
Retirement benefits for directors (and other officers)	50	—
Total extraordinary losses	50	—
Profit before income taxes	3,699	3,023
Income taxes - current	1,133	998
Income taxes - deferred	50	4
Total income taxes	1,184	1,003
Profit	2,514	2,020
Profit attributable to owners of parent	2,514	2,020

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	2,514	2,020
Other comprehensive income		
Valuation difference on available-for-sale securities	171	(1,204)
Foreign currency translation adjustment	70	176
Total other comprehensive income	241	(1,027)
Comprehensive income	2,756	992
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,756	992

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	3,699	3,023
Depreciation	673	625
Amortization of goodwill	—	94
Decrease (increase) in trade receivables	2,082	1,440
Decrease (increase) in inventories	(107)	485
Increase (decrease) in trade payables	(296)	(2,665)
Other, net	(572)	(395)
Subtotal	5,478	2,607
Interest and dividends received	191	211
Interest paid	(79)	(75)
Payments of retirement benefits for directors (and other officers)	(112)	—
Income taxes paid	(1,377)	(1,044)
Net cash provided by (used in) operating activities	4,099	1,699
Cash flows from investing activities		
Payments into time deposits	(2)	(19)
Proceeds from withdrawal of time deposits	18	1,006
Proceeds from redemption of securities	—	1,000
Purchase of property, plant and equipment	(443)	(774)
Purchase of investment securities	(249)	(53)
Proceeds from sale and redemption of investment securities	643	1,017
Other, net	(50)	(201)
Net cash provided by (used in) investing activities	(83)	1,975
Cash flows from financing activities		
Dividends paid	(2,034)	(1,973)
Repayments of lease liabilities	(177)	(180)
Purchase of treasury shares	(1,740)	(3,063)
Other, net	—	(10)
Net cash provided by (used in) financing activities	(3,952)	(5,228)
Effect of exchange rate change on cash and cash equivalents	114	16
Net increase (decrease) in cash and cash equivalents	178	(1,536)
Cash and cash equivalents at beginning of period	15,368	13,557
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	353	—
Cash and cash equivalents at end of period	15,899	12,021