Translation

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

July 26, 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 commence dividend payments: –
Preparation of supplementary material on financial results: No
Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 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	%
Three months ended June 30, 2024	11,542	6.7	1,166	29.5	1,204	22.4	827	19.6
Three months ended June 30, 2023	10,812	(11.5)	900	(44.8)	984	(41.7)	692	(41.2)

Note: Comprehensive income Three months ended June 30, 2024 ¥1,155 million [25.2%]
Three months ended June 30, 2023 ¥922 million [(38.7)%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	26.98	–
Three months ended June 30, 2023	22.57	–

(Note) The Company has split its shares at a ratio of five shares per share of common stock on April 1, 2024. Earnings per share was calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	54,462	39,999	72.3
As of March 31, 2024	53,402	39,489	72.8

Reference: Equity As of June 30, 2024 ¥39,360 million
As of March 31, 2024 ¥38,886 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, 2024	–	105.00	–	105.00	210.00
Year ending March 31, 2025	–				
Year ending March 31, 2025 (Forecast)		23.00	–	23.00	46.00

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

The Company has split its shares at a ratio of five shares per share of common stock on April 1, 2024. The amount of actual dividend prior to the share split is shown for the year ended March 31, 2024, and the amount of dividend after the share split is shown for the year ending March 31, 2025 (forecast).

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	22,500	3.4	2,000	23.1	2,000	14.8	1,400	14.6	45.65
Full year	45,000	0.6	4,000	13.1	4,000	8.1	2,800	8.0	91.30

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

4. Notes

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: 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: 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 June 30, 2024	31,265,190 shares	As of March 31, 2024	31,265,190 shares

Number of treasury shares at the end of the period

As of June 30, 2024	592,290 shares	As of March 31, 2024	598,565 shares

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

Three months ended June 30, 2024	30,672,984 shares	Three months ended June 30, 2023	30,663,907 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.

(Note) The Company has split its shares at a ratio of five shares per share of common stock on April 1, 2024. Total number of issued shares at the end of the period (including treasury shares), number of treasury shares at the end of the period, and average number of shares during the period were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: Yes (voluntary)

* 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, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	15,238	15,774
Notes and accounts receivable - trade	8,037	8,197
Electronically recorded monetary claims - operating	1,711	1,786
Merchandise and finished goods	2,629	2,900
Work in process	4,898	4,854
Raw materials and supplies	2,756	2,950
Other	212	235
Total current assets	35,484	36,699
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,395	5,342
Machinery, equipment and vehicles, net	6,809	6,765
Land	1,657	1,665
Leased assets, net	22	20
Construction in progress	1,390	1,453
Other, net	525	521
Total property, plant and equipment	15,800	15,769
Intangible assets	185	177
Investments and other assets	1,931	1,815
Total non-current assets	17,917	17,762
Total assets	53,402	54,462
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,946	6,476
Short-term borrowings	260	263
Income taxes payable	620	295
Provision for bonuses	693	359
Provision for bonuses for directors (and other officers)	39	–
Other	1,268	1,899
Total current liabilities	8,828	9,293
Non-current liabilities		
Long-term borrowings	176	176
Provision for share awards for directors (and other officers)	67	78
Retirement benefit liability	4,535	4,607
Provision for environmental measures	171	171
Other	133	135
Total non-current liabilities	5,083	5,169
Total liabilities	13,912	14,462

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Net assets		
Shareholders' equity		
Share capital	5,000	5,000
Capital surplus	5,558	5,558
Retained earnings	27,494	27,672
Treasury shares	(398)	(392)
Total shareholders' equity	37,653	37,837
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	40	38
Deferred gains or losses on hedges	(1)	(1)
Foreign currency translation adjustment	1,120	1,414
Remeasurements of defined benefit plans	72	72
Total accumulated other comprehensive income	1,232	1,523
Non-controlling interests	603	639
Total net assets	39,489	39,999
Total liabilities and net assets	53,402	54,462

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	10,812	11,542
Cost of sales	9,052	9,469
Gross profit	1,760	2,073
Selling, general and administrative expenses	859	907
Operating profit	900	1,166
Non-operating income		
Interest income	3	8
Dividend income	0	0
Purchase discounts	5	6
Compensation income	6	3
Rental income	6	6
Foreign exchange gains	31	18
Subsidies for employment adjustment	33	–
Other	0	0
Total non-operating income	88	45
Non-operating expenses		
Interest expenses	1	1
Compensation expenses	2	0
Loss on retirement of non-current assets	0	2
Other	0	2
Total non-operating expenses	4	6
Ordinary profit	984	1,204
Extraordinary income		
Gain on sale of non-current assets	0	–
Total extraordinary income	0	–
Profit before income taxes	984	1,204
Income taxes - current	207	250
Income taxes - deferred	83	118
Total income taxes	290	368
Profit	693	836
Profit attributable to non-controlling interests	1	8
Profit attributable to owners of parent	692	827

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	693	836
Other comprehensive income		
Valuation difference on available-for-sale securities	2	(1)
Deferred gains or losses on hedges	(0)	(0)
Foreign currency translation adjustment	218	322
Remeasurements of defined benefit plans, net of tax	9	(0)
Total other comprehensive income	228	319
Comprehensive income	922	1,155
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	904	1,119
Comprehensive income attributable to non-controlling interests	17	36