Translation

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

July 31, 2024

Company name: NICHIHA CORPORATION
Stock exchange listing: Tokyo, Nagoya
Stock code: 7943 URL https://www.nichiha.co.jp
Representative: PRESIDENT NARUMITSU YOSHIOKA
Inquiries: DIRECTOR SENIOR EXECUTIVE OFFICER KAZUSHI TONOI TEL 052-220-5111
Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: Yes
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	35,925	9.4	1,704	4.8	2,335	(8.8)	1,656	(5.7)
Three months ended June 30, 2023	32,827	2.3	1,626	(38.6)	2,560	(27.9)	1,756	(30.4)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	47.02	46.92
Three months ended June 30, 2023	48.35	48.25

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2024	172,950	126,217	73.1	3,618.72
As of March 31, 2024	175,688	126,303	72.0	3,570.27

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	–	57.00	–	57.00	114.00
Year ending March 31, 2025	–				
Year ending March 31, 2025 (Forecast)		57.00	–	57.00	114.00

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
Six months ending September 30, 2024	72,000	5.3	4,500	18.3	4,800	(8.7)	3,400	1.9	95.94
Full year	148,500	4.0	11,500	12.7	12,000	1.2	8,500	5.4	239.85

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	37,324,264 shares	As of March 31, 2024	37,324,264 shares

Number of treasury shares at the end of the period

As of June 30, 2024	2,388,101 shares	As of March 31, 2024	1,885,331 shares

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

Three months ended June 30, 2024	35,237,923 shares	Three months ended June 30, 2023	36,340,802 shares

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	26,700	21,604
Notes and accounts receivable - trade	27,376	24,873
Electronically recorded monetary claims - operating	1,810	4,836
Merchandise and finished goods	18,316	18,993
Work in process	3,609	3,751
Raw materials and supplies	6,688	6,548
Other	1,554	1,552
Allowance for doubtful accounts	(30)	(29)
Total current assets	86,025	82,130
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,430	14,770
Machinery, equipment and vehicles, net	36,114	37,216
Tools, furniture and fixtures, net	570	550
Land	20,393	20,399
Leased assets, net	258	250
Construction in progress	428	659
Total property, plant and equipment	72,196	73,847
Intangible assets		
Leased assets	2	1
Software	446	400
Other	186	188
Total intangible assets	634	590
Investments and other assets		
Investment securities	11,075	10,743
Deferred tax assets	427	361
Retirement benefit asset	1,733	1,711
Other	3,622	3,614
Allowance for doubtful accounts	(28)	(48)
Total investments and other assets	16,831	16,381
Total non-current assets	89,662	90,819
Total assets	175,688	172,950

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	16,057	14,856
Short-term borrowings	3,220	3,210
Lease liabilities	106	102
Income taxes payable	1,941	212
Provision for bonuses	1,799	697
Provision for bonuses for directors (and other officers)	72	13
Provision for product warranties	90	61
Other	9,695	10,829
Total current liabilities	32,982	29,983
Non-current liabilities		
Long-term borrowings	11,621	11,621
Lease liabilities	199	191
Deferred tax liabilities	1,964	2,294
Provision for retirement benefits for directors (and other officers)	170	176
Provision for product warranties	740	740
Retirement benefit liability	1,334	1,353
Other	371	371
Total non-current liabilities	16,401	16,749
Total liabilities	49,384	46,732
Net assets		
Shareholders' equity		
Share capital	8,136	8,136
Capital surplus	10,944	10,944
Retained earnings	99,271	98,908
Treasury shares	(4,775)	(6,526)
Total shareholders' equity	113,577	111,462
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,686	5,456
Foreign currency translation adjustment	6,040	8,336
Remeasurements of defined benefit plans	1,222	1,169
Total accumulated other comprehensive income	12,949	14,961
Share acquisition rights	161	169
Non-controlling interests	(384)	(376)
Total net assets	126,303	126,217
Total liabilities and net assets	175,688	172,950

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

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	32,827	35,925
Cost of sales	21,367	23,643
Gross profit	11,459	12,281
Selling, general and administrative expenses	9,833	10,576
Operating profit	1,626	1,704
Non-operating income		
Interest income	24	42
Dividend income	17	17
Rental income from real estate	22	22
Foreign exchange gains	894	546
Other	35	61
Total non-operating income	994	689
Non-operating expenses		
Interest expenses	42	31
Other	17	27
Total non-operating expenses	60	58
Ordinary profit	2,560	2,335
Extraordinary income		
Gain on sale of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on retirement of non-current assets	6	21
Total extraordinary losses	6	21
Profit before income taxes	2,553	2,314
Income taxes - current	482	162
Income taxes - deferred	304	487
Total income taxes	786	649
Profit	1,767	1,665
Profit attributable to		
Profit attributable to owners of parent	1,756	1,656
Profit attributable to non-controlling interests	10	8
Other comprehensive income		
Valuation difference on available-for-sale securities	951	(230)
Foreign currency translation adjustment	(274)	2,296
Remeasurements of defined benefit plans, net of tax	(22)	(53)
Total other comprehensive income	653	2,012
Comprehensive income	2,420	3,677
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,412	3,669
Comprehensive income attributable to non-controlling interests	8	8