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February 10, 2025

Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Under Japanese GAAP)

Company name: NOHMI BOSAI LTD.
Listing: Tokyo Stock Exchange
Securities code: 6744
URL: https://www.nohmi.co.jp/
Representative: Takeshi Okamura, President and Representative Director
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Scheduled date to commence dividend payments: -
Preparation of supplementary materials on financial results: Yes
Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2024 (from April 1, 2024, to December 31, 2024)

(1) Consolidated operating results (year to date)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2024	88,518	12.2	7,617	119.2	7,995	108.6	5,472	106.5
Nine months ended December 31, 2023	78,877	11.3	3,475	65.3	3,832	55.9	2,650	20.6

(Note) Comprehensive income Nine months ended December 31, 2024 ¥5,323 million [53.7%]
Nine months ended December 31, 2023 ¥3,463 million [27.8%]

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2024	92.52	-
Nine months ended December 31, 2023	43.92	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	150,646	123,219	80.8
As of March 31, 2024	157,485	125,166	78.5

(Reference) Equity
As of December 31, 2024 ¥121,703 million
As of March 31, 2024 ¥123,638 million

2. Cash Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	23.00	-	30.00	53.00
Fiscal year ending March 31, 2025	-	30.00	-		
Fiscal year ending March 31, 2025 (forecast)				30.00	60.00

(Note) Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (from April 1, 2024, to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	130,000	9.7	14,000	20.0	14,300	16.8	9,800	14.3	165.69

(Note) Revisions to the financial results forecast most recently announced: None

*** Notes**

(1) Significant change in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of December 31, 2024	60,832,771 shares
As of March 31, 2024	60,832,771 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2024	1,978,466 shares
As of March 31, 2024	493,735 shares

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

Nine months ended December 31, 2024	59,148,225 shares
Nine months ended December 31, 2023	60,336,446 shares

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

* Explanation of the proper use of financial results forecast and other special matters

The results forecast and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions deemed to be reasonable. Actual results may differ significantly due to various factors. Please refer to “(3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information” in “1. Outline of Operating Results” on page 2 of the Attachments for the assumptions made in the financial results forecast and notes on using the financial results forecast.

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1. Outline of Operating Results

(1) Outline of Quarterly Operating Results

During the nine months ended December 31, 2024, the Japanese economy continued a moderate recovery trend amid improvements in the employment and income situation. On the other hand, the outlook is still uncertain due to the impact of the downside risks in overseas economies, rising prices, and fluctuations in the financial capital market.

In the fire protection industry, capital investment grew moderately amid an improvement in corporate profits and business confidence, leading to a strong market environment. However, it is necessary to continuously pay close attention mainly to the effects of rising raw material prices as well as the regulatory maximum overtime working hours that began to be applied to the construction industry from April 2024.

Under these circumstances, the Group has formulated the vision for fiscal 2028 and the measures to realize it as "Medium- to Long-Term Vision 2028: Shaping the Customers' Expectations." Starting in fiscal 2022, it has been undertaking a variety of initiatives to transform itself into a company that can create higher added value.

As a result of working on active business activities as the third year of this medium- to long-term vision, orders received in the nine months ended December 31, 2024, totaled ¥110,307 million (up 13.0% year-on-year) and net sales were ¥88,518 million (up 12.2% year-on-year).

In terms of profits, due to the continued strong market environment and an improvement in the cost of sales ratio mainly due to the proven success of planned efforts to revise prices amid the rising raw material prices and streamline operations, operating income was ¥7,617 million (up 119.2% year-on-year), ordinary income came to ¥7,995 million (up 108.6% year-on-year), and net income attributable to owners of parent was ¥5,472 million (up 106.5% year-on-year).

By business segment, net sales and operating income in the Fire Alarm Systems segment were ¥31,509 million (up 10.1% year-on-year) and ¥4,933 million (up 37.0% year-on-year), respectively. Net sales and operating income in the Fire Extinguishing Systems segment amounted to ¥30,412 million (up 16.1% year-on-year) and ¥4,497 million (up 93.0% year-on-year), respectively. Net sales and operating income in the Maintenance Services segment were ¥22,657 million (up 11.2% year-on-year) and ¥4,426 million (up 26.6% year-on-year), respectively. Net sales and operating income in the Others segment recorded ¥3,938 million (up 6.7% year-on-year) and ¥349 million (up 131.5% year-on-year), respectively.

(2) Outline of Quarterly Financial Position

Total assets at the end of the third quarter of the fiscal year under review were ¥150,646 million, down ¥6,839 million from the end of the previous fiscal year. This was mainly due to a decrease of ¥9,971 million in cash and deposits and a decrease of ¥3,752 million in notes and accounts receivable–trade, and contract assets, despite an increase of ¥4,000 million in securities and an increase of ¥1,002 million in intangible assets.

Liabilities fell ¥4,891 million from the end of the previous fiscal year to ¥27,426 million. This was mainly due to a decrease of ¥1,843 million in provision for bonuses, a decrease of ¥1,374 million in income taxes payable, and a decrease of ¥775 million in notes and accounts payable–trade.

Net assets were down ¥1,947 million from the end of the previous fiscal year to ¥123,219 million, mainly due to the purchase of treasury shares.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information

Regarding the full-year financial results forecast for the fiscal year ending March 31, 2025, there are no changes to the forecast announced on October 24, 2024.

At the Group, our sales tend to be concentrated in the latter half of the fiscal year, particularly in the fourth quarter, because the construction industry has a significant impact on our sales.

2. Quarterly Consolidated Financial Statements and Key Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	46,550	36,579
Notes and accounts receivable–trade, and contract assets	49,134	45,381
Securities	-	4,000
Merchandise and finished goods	5,684	5,526
Work in process	1,419	1,912
Raw materials and supplies	8,143	8,792
Other	1,017	1,230
Allowance for doubtful accounts	(632)	(582)
Total current assets	111,318	102,840
Non-current assets		
Property, plant and equipment	23,868	23,414
Intangible assets	3,382	4,384
Investments and other assets		
Investment securities	10,074	10,070
Other	8,905	9,999
Allowance for doubtful accounts	(63)	(63)
Total investments and other assets	18,917	20,006
Total non-current assets	46,167	47,805
Total assets	157,485	150,646
Liabilities		
Current liabilities		
Notes and accounts payable–trade	4,430	3,654
Short-term borrowings	-	150
Income taxes payable	2,480	1,106
Provision for bonuses	3,648	1,805
Provision for product warranties	108	63
Provision for warranties for completed construction	64	83
Provision for loss on construction contracts	1,475	1,168
Other	12,617	11,947
Total current liabilities	24,826	19,979
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	165	180
Provision for product warranties	107	143
Reserve for loss on construction performance guarantee	189	189
Retirement benefit liability	5,575	5,620
Asset retirement obligations	128	125
Other	1,327	1,188
Total non-current liabilities	7,492	7,447
Total liabilities	32,318	27,426

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Net assets		
Shareholders' equity		
Share capital	13,302	13,302
Capital surplus	12,945	12,934
Retained earnings	93,796	95,686
Treasury shares	(259)	(3,931)
Total shareholders' equity	119,784	117,992
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,146	1,981
Foreign currency translation adjustment	983	1,010
Remeasurements of defined benefit plans	724	719
Total accumulated other comprehensive income	3,854	3,711
Non-controlling interests	1,527	1,515
Total net assets	125,166	123,219
Total liabilities and net assets	157,485	150,646

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income

Quarterly Consolidated Statements of Income

Consolidated nine-month period

(Millions of yen)

	Nine months ended December 31, 2023 (From April 1, 2023, to December 31, 2023)	Nine months ended December 31, 2024 (From April 1, 2024, to December 31, 2024)
Net sales	78,877	88,518
Cost of sales	55,260	59,594
Gross profit	23,617	28,923
Selling, general and administrative expenses	20,141	21,306
Operating income	3,475	7,617
Non-operating income		
Interest income	7	12
Dividend income	89	109
Share of profit of entities accounted for using equity method	198	181
Foreign exchange gains	13	10
Insurance return	9	23
Other	101	130
Total non-operating income	421	468
Non-operating expenses		
Interest expenses	13	13
Rental expenses	17	20
Compensation for damage	8	24
Other	24	30
Total non-operating expenses	64	90
Ordinary income	3,832	7,995
Extraordinary losses		
Loss on disposal of non-current assets	9	5
Total extraordinary losses	9	5
Income before income taxes	3,822	7,990
Income taxes	1,265	2,558
Net income	2,557	5,432
Net loss attributable to non-controlling interests	(92)	(40)
Net income attributable to owners of parent	2,650	5,472

Quarterly Consolidated Statements of Comprehensive Income

Consolidated nine-month period

(Millions of yen)

	Nine months ended December 31, 2023 (From April 1, 2023, to December 31, 2023)	Nine months ended December 31, 2024 (From April 1, 2024, to December 31, 2024)
Net income	2,557	5,432
Other comprehensive income		
Valuation difference on available-for-sale securities	500	(167)
Foreign currency translation adjustment	324	60
Remeasurements of defined benefit plans, net of tax	74	(5)
Share of other comprehensive income of entities accounted for using equity method	5	2
Total other comprehensive income	905	(108)
Comprehensive income	3,463	5,323
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,450	5,329
Comprehensive income attributable to non-controlling interests	12	(6)

(3) Notes to Quarterly Consolidated Financial Statements

The Company's quarterly consolidated financial statements were prepared in accordance with Article 4, Paragraph 1 of the Principles for Preparation of Quarterly Financial Statements of Tokyo Stock Exchange, Inc. and the Accounting Principles for Quarterly Financial Statements that are generally accepted in Japan (however, the omission prescribed in Article 4, Paragraph 2 of the Principles for Preparation of Quarterly Financial Statements, etc. has been applied).

(Application of accounting treatment specific to the preparation of quarterly consolidated financial statements)

How to calculate tax expenses

Tax expenses are calculated by rationally estimating the effective tax rate after the application of tax effect accounting to income before income taxes for the consolidated fiscal year including the third quarter of the fiscal year under review and multiplying income before income taxes by the estimated effective tax rate.

(Notes to Segment Information)

I Nine months ended December 31, 2023 (from April 1, 2023, to December 31, 2023)

Information on the amount of net sales and income or loss by reportable segment and information on the breakdown of profit

(Millions of yen)

	Reportable segment				Other (Note) 1	Total	Adjustment (Note) 2	Amount reported on the quarterly consolidated statements of income (Note) 3
	Fire Alarm Systems	Fire Extinguishing Systems	Maintenance Services	Subtotal				
Net sales								
Goods or services transferred at a point in time	12,993	1,940	11,022	25,956	1,053	27,010	-	27,010
Goods or services transferred over a certain period of time	15,616	24,262	9,348	49,228	2,638	51,866	-	51,866
Revenue from contracts with customers	28,610	26,203	20,370	75,184	3,692	78,877	-	78,877
Net sales to external customers	28,610	26,203	20,370	75,184	3,692	78,877	-	78,877
Intersegment sales or transfers	177	19	0	197	151	348	(348)	-
Subtotal	28,788	26,222	20,371	75,381	3,844	79,226	(348)	78,877
Segment income	3,601	2,330	3,496	9,428	151	9,579	(6,104)	3,475

(Notes) 1 The “Other” segment is a business segment not included in the reportable segment and includes parking lot and lane control systems.

2 The adjustment for segment income of ¥(6,104) million is for corporate expenses.
Corporate expenses mainly consist of general and administrative expenses and research and development expenses, which are not attributable to reportable segments.

3 Segment income is reconciled to operating income in the quarterly consolidated statements of income.

II Nine months ended December 31, 2024 (from April 1, 2024, to December 31, 2024)

Information on the amount of net sales and income or loss by reportable segment and information on the breakdown of profit

(Millions of yen)

	Reportable segment				Other (Note) 1	Total	Adjustment (Note) 2	Amount reported on the quarterly consolidated statements of income (Note) 3
	Fire Alarm Systems	Fire Extinguishing Systems	Maintenance Services	Subtotal				
Net sales								
Goods or services transferred at a point in time	14,612	1,972	11,649	28,234	1,070	29,304	-	29,304
Goods or services transferred over a certain period of time	16,896	28,440	11,007	56,344	2,868	59,213	-	59,213
Revenue from contracts with customers	31,509	30,412	22,657	84,579	3,938	88,518	-	88,518
Net sales to external customers	31,509	30,412	22,657	84,579	3,938	88,518	-	88,518
Intersegment sales or transfers	117	74	0	192	159	351	(351)	-
Subtotal	31,627	30,486	22,657	84,771	4,098	88,869	(351)	88,518
Segment income	4,933	4,497	4,426	13,857	349	14,207	(6,590)	7,617

(Notes) 1 The “Other” segment is a business segment not included in the reportable segment and includes parking lot and lane control systems.

2 The adjustment for segment income of ¥(6,590) million is for corporate expenses.
Corporate expenses mainly consist of general and administrative expenses and research and development expenses, which are not attributable to reportable segments.

3 Segment income is reconciled to operating income in the quarterly consolidated statements of income.

(Notes on Significant Changes in the Amount of Shareholders' Equity)
Not applicable.

(Notes on Going Concern Assumptions)
Not applicable.

(Notes to Consolidated Statement of Cash Flows)
The Company has not prepared a consolidated statement of cash flows for the nine months under review. Depreciation and amortization (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the consolidated nine months under review are as follows.

	Nine months ended December 31, 2023 (From April 1, 2023, to December 31, 2023)	Nine months ended December 31, 2024 (From April 1, 2024, to December 31, 2024)
Depreciation and amortization	1,974 million yen	1,957 million yen
Amortization of goodwill	12	12