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## Consolidated Financial Results for the Three Months Ended June 30, 2024 [Japanese GAAP]

August 7, 2024

Company name: NIHON KAGAKU SANGYO CO.,LTD.

Listing: Tokyo

Securities code: 4094

URL: <https://www.nihonkagaku-sangyo.co.jp/>

Representative: KADOYA Hiroki

Inquiries: MOMOSE Yuzuru

Telephone: +81-3-5246-3540

Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: None

Holding of financial results briefing: None

President

Operating Officer and General Manager of General Affairs  
Dept.

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

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (April 1, 2024 to June 30, 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	%
Three months ended June 30, 2024	6,065	10.6	893	48.5	1,070	47.8	782	57.3
June 30, 2023	5,483	(19.4)	601	(51.2)	724	(48.2)	497	(48.4)

(Note) Comprehensive income: Three months ended June 30, 2024: ¥ 906 million [ 9.3%]  
Three months ended June 30, 2023: ¥ 829 million [ 117.6%]

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	40.22		-	
June 30, 2023	25.20		-	

#### (2) Consolidated Financial Position

	Total assets		Net assets		Capital adequacy ratio	
	Millions of yen		Millions of yen		%	
As of June 30, 2024	53,883		45,981		85.3	
March 31, 2024	52,928		45,660		86.3	

(Reference) Equity: As of June 30, 2024: ¥ 45,981 million  
As of March 31, 2024: ¥ 45,660 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	16.00	-	30.00	46.00
Fiscal year ending March 31, 2025	-				
Fiscal year ending March 31, 2025 (Forecast)		30.00	-	30.00	60.00

(Note) Revision to the forecast for dividends announced most recently: None

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending March 31, 2025 :

Commemorative dividend	- yen
Special dividend	- yen

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	11,950	10.6	1,180	24.2	1,320	15.0	920	19.5	47.32
Full year	24,720	10.1	2,570	18.0	2,870	12.1	1,990	14.2	102.35

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

\* Notes:

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

Newly included:	-	(Company name:	)
Excluded:	-	(Company name:	)

(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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

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

June 30, 2024:	20,280,000 shares
March 31, 2024:	20,280,000 shares

2) Number of treasury shares at the end of the period:

June 30, 2024:	836,026 shares
March 31, 2024:	836,026 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2024:	19,443,974 shares
Three months ended June 30, 2023:	19,730,604 shares

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

\* Proper use of earnings forecasts, and other special matters

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	19,687,270	15,172,482
Notes and accounts receivable - trade	7,109,292	7,229,765
Electronically recorded monetary claims - operating	610,593	636,257
Merchandise and finished goods	1,870,434	2,078,788
Work in process	1,287,196	1,355,700
Raw materials and supplies	1,540,182	1,562,749
Other	152,291	103,643
Allowance for doubtful accounts	(1,270)	(1,260)
Total current assets	32,255,990	28,138,126
Non-current assets		
Property, plant and equipment		
Machinery, equipment and vehicles, net	2,078,164	1,967,922
Other, net	5,132,513	5,159,559
Total property, plant and equipment	7,210,677	7,127,481
Intangible assets	124,228	130,695
Investments and other assets		
Investment securities	9,902,258	10,044,247
Deferred tax assets	14,863	15,969
Long-term time deposits	2,100,000	7,100,000
Other	1,321,633	1,328,223
Allowance for doubtful accounts	(1,570)	(1,570)
Total investments and other assets	13,337,185	18,486,870
Total non-current assets	20,672,091	25,745,047
Total assets	52,928,082	53,883,174
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	2,474,295	2,703,608
Electronically recorded obligations - operating	328,089	284,784
Short-term borrowings	373,800	531,000
Income taxes payable	371,739	340,655
Provision for bonuses	420,000	207,500
Provision for bonuses for directors (and other officers)	35,000	10,000
Other	910,229	1,423,807
Total current liabilities	4,913,153	5,501,357
Non-current liabilities		
Deferred tax liabilities	1,830,674	1,892,698
Retirement benefit liability	340,187	342,568
Provision for share awards for directors (and other officers)	95,328	76,872
Asset retirement obligations	40,480	40,544
Other	47,435	47,144
Total non-current liabilities	2,354,106	2,399,828
Total liabilities	7,267,260	7,901,185

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
Net assets		
Shareholders' equity		
Share capital	1,034,000	1,034,000
Capital surplus	742,352	742,352
Retained earnings	39,720,445	39,917,175
Treasury shares	(829,450)	(829,450)
Total shareholders' equity	40,667,347	40,864,077
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,996,612	4,119,396
Foreign currency translation adjustment	774,783	788,670
Remeasurements of defined benefit plans	222,079	209,845
Total accumulated other comprehensive income	4,993,475	5,117,911
Total net assets	45,660,822	45,981,988
Total liabilities and net assets	52,928,082	53,883,174

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Thousands of yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Net sales	5,483,384	6,065,630
Cost of sales	4,140,932	4,369,897
Gross profit	1,342,451	1,695,733
Selling, general and administrative expenses	740,919	802,635
Operating profit	601,532	893,097
Non-operating income		
Interest income	3,599	3,911
Dividend income	105,832	101,819
Rental income from real estate	18,934	19,536
Foreign exchange gains	-	43,422
Other	10,632	18,373
Total non-operating income	138,999	187,063
Non-operating expenses		
Interest expenses	1,390	1,301
Rental costs	8,161	8,006
Foreign exchange losses	6,351	-
Other	308	63
Total non-operating expenses	16,212	9,371
Ordinary profit	724,320	1,070,789
Extraordinary income		
Gain on sale of non-current assets	899	49
Gain on sale of investment securities	340	42,041
Total extraordinary income	1,240	42,091
Extraordinary losses		
Loss on retirement of non-current assets	3,976	178
Total extraordinary losses	3,976	178
Profit before income taxes	721,583	1,112,702
Income taxes	224,463	330,586
Profit	497,120	782,115
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	497,120	782,115

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Thousands of yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Profit	497,120	782,115
Other comprehensive income		
Valuation difference on available-for-sale securities	244,676	122,783
Foreign currency translation adjustment	89,391	13,886
Remeasurements of defined benefit plans, net of tax	(1,613)	(12,233)
Total other comprehensive income	332,454	124,436
Comprehensive income	829,574	906,552
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	829,574	906,552
Comprehensive income attributable to non-controlling interests	-	-