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Consolidated Financial Results for the Nine Months Ended December 31, 2024 [Japanese GAAP]

February 7, 2025

Company name: NIHON KAGAKU SANGYO CO.,LTD.

Listing: Tokyo

Securities code: 4094

URL: <https://www.nihonkagakusangyo.co.jp/>

Representative: KADOYA Hiroki

President

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Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: None

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 (April 1, 2024 to December 31, 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	%
Nine months ended December 31, 2024	19,291	16.1	2,349	51.5	2,633	40.2	1,868	46.7
December 31, 2023	16,620	(10.8)	1,550	(34.5)	1,877	(31.6)	1,273	(31.2)

(Note) Comprehensive income: Nine months ended December 31, 2024: ¥ 1,827 million [(16.8)%]

Nine months ended December 31, 2023: ¥ 2,195 million [69.7%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2024	96.06	-
December 31, 2023	64.75	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
December 31, 2024	53,982	46,338	85.8
March 31, 2024	52,928	45,660	86.3

(Reference) Equity: As of December 31, 2024: ¥ 46,338 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	-	30.00	-		
Fiscal year ending March 31, 2025 (Forecast)				30.00	60.00

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

(Note) Breakdown of the 3rd 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
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):

December 31, 2024:	20,280,000 shares
March 31, 2024:	20,280,000 shares

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

December 31, 2024:	819,409 shares
March 31, 2024:	836,026 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2024:	19,452,502 shares
Nine months ended December 31, 2023:	19,669,681 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 December 31, 2024
Assets		
Current assets		
Cash and deposits	19,687,270	14,242,993
Notes and accounts receivable - trade	7,109,292	7,839,251
Electronically recorded monetary claims - operating	610,593	835,659
Merchandise and finished goods	1,870,434	2,217,432
Work in process	1,287,196	1,194,012
Raw materials and supplies	1,540,182	1,493,909
Other	152,291	83,726
Allowance for doubtful accounts	(1,270)	(1,340)
Total current assets	32,255,990	27,905,646
Non-current assets		
Property, plant and equipment		
Machinery, equipment and vehicles, net	2,078,164	1,900,295
Other, net	5,132,513	6,077,134
Total property, plant and equipment	7,210,677	7,977,429
Intangible assets	124,228	120,548
Investments and other assets		
Investment securities	9,902,258	9,551,159
Deferred tax assets	14,863	13,848
Long-term time deposits	2,100,000	7,100,000
Other	1,321,633	1,315,293
Allowance for doubtful accounts	(1,570)	(1,570)
Total investments and other assets	13,337,185	17,978,731
Total non-current assets	20,672,091	26,076,709
Total assets	52,928,082	53,982,356
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,474,295	2,729,669
Electronically recorded obligations - operating	328,089	424,522
Short-term borrowings	373,800	682,000
Income taxes payable	371,739	338,495
Provision for bonuses	420,000	210,000
Provision for bonuses for directors (and other officers)	35,000	30,000
Other	910,229	943,151
Total current liabilities	4,913,153	5,357,839
Non-current liabilities		
Deferred tax liabilities	1,830,674	1,759,423
Retirement benefit liability	340,187	350,456
Provision for share awards for directors (and other officers)	95,328	87,986
Asset retirement obligations	40,480	40,672
Other	47,435	47,088
Total non-current liabilities	2,354,106	2,285,627
Total liabilities	7,267,260	7,643,466

(Thousands of yen)

	As of March 31, 2024	As of December 31, 2024
Net assets		
Shareholders' equity		
Share capital	1,034,000	1,034,000
Capital surplus	742,352	757,383
Retained earnings	39,720,445	40,416,950
Treasury shares	(829,450)	(821,378)
Total shareholders' equity	40,667,347	41,386,955
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,996,612	3,777,695
Foreign currency translation adjustment	774,783	988,860
Remeasurements of defined benefit plans	222,079	185,378
Total accumulated other comprehensive income	4,993,475	4,951,933
Total net assets	45,660,822	46,338,889
Total liabilities and net assets	52,928,082	53,982,356

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Thousands of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Net sales	16,620,709	19,291,649
Cost of sales	12,799,634	14,509,906
Gross profit	3,821,075	4,781,743
Selling, general and administrative expenses	2,270,314	2,432,036
Operating profit	1,550,760	2,349,706
Non-operating income		
Interest income	10,715	11,322
Dividend income	195,882	204,636
Rental income from real estate	58,336	59,316
Foreign exchange gains	23,607	-
Other	71,862	76,458
Total non-operating income	360,405	351,733
Non-operating expenses		
Interest expenses	5,015	5,028
Rental costs	24,684	25,612
Foreign exchange losses	-	37,397
Other	4,003	401
Total non-operating expenses	33,703	68,439
Ordinary profit	1,877,463	2,633,000
Extraordinary income		
Gain on sale of non-current assets	1,396	2,805
Gain on sale of investment securities	340	42,041
Total extraordinary income	1,737	44,847
Extraordinary losses		
Loss on sale of non-current assets	-	2,040
Loss on retirement of non-current assets	35,395	24,508
Total extraordinary losses	35,395	26,548
Profit before income taxes	1,843,805	2,651,298
Income taxes	570,129	782,702
Profit	1,273,675	1,868,596
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	1,273,675	1,868,596

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

(Thousands of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Profit	1,273,675	1,868,596
Other comprehensive income		
Valuation difference on available-for-sale securities	710,997	(218,917)
Foreign currency translation adjustment	216,028	214,076
Remeasurements of defined benefit plans, net of tax	(4,841)	(36,701)
Total other comprehensive income	922,184	(41,541)
Comprehensive income	2,195,859	1,827,055
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,195,859	1,827,055
Comprehensive income attributable to non-controlling interests	-	-