

Disclaimer: This document is an English translation of the original document in Japanese and has been prepared solely for reference purposes. In the event of any discrepancy between this English translation and the original in Japanese, the original shall prevail in all respects.

Consolidated Financial Results for the Nine Months Ended December 31, 2022 [Japanese GAAP]



February 3, 2023

Company name: Nippon Yakin Kogyo Co., Ltd.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 5480
 URL: <https://www.nyk.co.jp>
 Representative: Hisashi Kubota, Representative Director and President
 Contact: Takahiro Araki, General Manager, Accounting Department
 Phone: +81-3-3273-3613
 Scheduled date of filing quarterly securities report: February 14, 2023
 Scheduled date of commencing dividend payments: –
 Availability of supplementary explanatory materials on quarterly financial results: None
 Schedule of quarterly financial results briefing session: None

(Amounts are rounded to the nearest million yen.)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2022 (April 1, 2022 - December 31, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2022	150,016	45.1	23,094	103.2	22,023	105.7	15,549	65.9
December 31, 2021	103,421	24.7	11,365	158.3	10,707	181.8	9,370	284.7

(Note) Comprehensive income: Nine months ended December 31, 2022: ¥15,632 million [67.4%]
 Nine months ended December 31, 2021: ¥9,339 million [199.7%]

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	1,038.95		–	
December 31, 2021	620.71		–	

(2) Consolidated Financial Position

	Total assets		Net assets		Equity ratio	
	Million yen		Million yen		%	
As of December 31, 2022	219,114		75,254		34.3	
As of March 31, 2022	187,494		62,169		33.2	

(Reference) Equity: As of December 31, 2022: ¥75,249 million
 As of March 31, 2022: ¥62,165 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, 2022	—	40.00	—	80.00	120.00
Fiscal year ending March 31, 2023	—	70.00	—		
Fiscal year ending March 31, 2023 (Forecast)				130.00	200.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 - March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	198,000	33.0	27,000	93.3	25,000	95.2	17,000	100.7	1,136.02

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

*** Notes:**

- (1) Changes in significant subsidiaries during the period under review: None
(Changes in specified subsidiaries resulting in changes in scope of consolidation)
Newly included: — (Company name: —), Excluded: — (Company name: —)
- (2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (4) Total number of issued shares (common shares)
- 1) Total number of issued shares at the end of the period (including treasury shares):

December 31, 2022:	15,497,333 shares
March 31, 2022:	15,497,333 shares
 - 2) Total number of treasury shares at the end of the period:

December 31, 2022:	545,053 shares
March 31, 2022:	412,899 shares
 - 3) Average number of shares outstanding during the period:

Nine months ended December 31, 2022:	14,966,258 shares
Nine months ended December 31, 2021:	15,096,087 shares

* These quarterly consolidated financial results are outside the scope of quarterly audit by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

(Cautionary note on forward-looking statements, etc.)

Forward-looking statements and other statements about the future in this document are based on information currently available to the Company and certain assumptions deemed reasonable, and the Company does not guarantee the achievement of the projections. Actual performance and other results may differ significantly due to various factors.

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	12,646	11,735
Notes and accounts receivable - trade	26,996	30,768
Merchandise and finished goods	10,244	17,221
Work in process	23,232	36,163
Raw materials and supplies	16,173	17,452
Other	2,701	3,486
Allowance for doubtful accounts	(219)	(197)
Total current assets	91,773	116,629
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,889	14,815
Machinery, equipment and vehicles, net	32,552	35,687
Land	36,404	36,430
Other, net	4,449	7,890
Total property, plant and equipment	88,295	94,822
Intangible assets	2,308	2,771
Investments and other assets		
Investment securities	4,096	4,077
Other	969	773
Allowance for doubtful accounts	(15)	(15)
Total investments and other assets	5,051	4,835
Total non-current assets	95,654	102,428
Deferred assets		
Bond issuance costs	67	56
Total deferred assets	67	56
Total assets	187,494	219,114

(Million yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	23,917	26,310
Notes payable - facilities	2,847	976
Short-term borrowings	34,367	43,089
Current portion of long-term borrowings	5,152	6,728
Income taxes payable	2,003	5,741
Provision for bonuses	1,522	677
Provision for loss on business liquidation	1	1
Other	5,602	8,473
Total current liabilities	75,413	91,996
Non-current liabilities		
Bonds payable	13,000	13,000
Long-term borrowings	21,902	21,670
Retirement benefit liability	10,478	10,670
Provision for environmental measures	66	4
Provision for preventing environmental pollution	5	5
Provision for loss on business liquidation	21	21
Other	4,439	6,494
Total non-current liabilities	49,911	51,865
Total liabilities	125,324	143,860
Net assets		
Shareholders' equity		
Share capital	24,301	24,301
Capital surplus	9,542	9,542
Retained earnings	26,093	39,387
Treasury shares	(950)	(1,243)
Total shareholders' equity	58,985	71,987
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,387	1,335
Deferred gains or losses on hedges	27	(6)
Revaluation reserve for land	1,580	1,580
Foreign currency translation adjustment	186	353
Total accumulated other comprehensive income	3,179	3,262
Non-controlling interests	5	5
Total net assets	62,169	75,254
Total liabilities and net assets	187,494	219,114

(2) Quarterly Consolidated Statements of Operations and Comprehensive Income
Quarterly Consolidated Statements of Operations
Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2021	For the nine months ended December 31, 2022
Net sales	103,421	150,016
Cost of sales	83,490	117,818
Gross profit	19,931	32,198
Selling, general and administrative expenses	8,566	9,104
Operating profit	11,365	23,094
Non-operating income		
Dividend income	101	113
Share of profit of entities accounted for using equity method	21	66
Rental income from non-current assets	65	78
Foreign exchange gains	52	–
Other	87	58
Total non-operating income	325	315
Non-operating expenses		
Interest expenses	365	468
Foreign exchange losses	–	375
Other	618	544
Total non-operating expenses	983	1,386
Ordinary profit	10,707	22,023
Extraordinary income		
Gain on sale of non-current assets	6	5
Gain on liquidation of subsidiaries and associates	–	26
Total extraordinary income	6	31
Extraordinary losses		
Loss on sale of businesses	134	–
Total extraordinary losses	134	–
Profit before income taxes	10,579	22,054
Income taxes	1,209	6,504
Profit	9,370	15,549
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	9,370	15,549

Quarterly Consolidated Statements of Comprehensive Income

Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2021	For the nine months ended December 31, 2022
Profit	9,370	15,549
Other comprehensive income		
Valuation difference on available-for-sale securities	28	(52)
Deferred gains or losses on hedges	(4)	(32)
Foreign currency translation adjustment	(55)	167
Share of other comprehensive income of entities accounted for using equity method	(0)	(0)
Total other comprehensive income	(31)	83
Comprehensive income	9,339	15,632
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,339	15,632
Comprehensive income attributable to non-controlling interests	0	0