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



July 29, 2024

Company name: Nippon Yakin Kogyo Co., Ltd.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 5480
 URL: <https://www.nyk.co.jp>
 Representative: Shigemi Urata, President and Representative Director
 Contact: Takahiro Araki, General Manager, Accounting Department
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 Scheduled date of commencing dividend payments: –
 Availability of supplementary explanatory materials on financial results: None
 Schedule of financial results briefing session: None

(Amounts are rounded to the nearest million yen.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (April 1, 2024 - June 30, 2024)

(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	%
Three months ended June 30, 2024	46,595	(4.0)	4,873	(27.6)	5,198	(26.3)	3,588	(23.2)
June 30, 2023	48,524	3.5	6,727	54.6	7,054	75.4	4,672	84.2

(Note) Comprehensive income: Three months ended June 30, 2024: ¥3,842 million [(24.1) %]

Three months ended June 30, 2023: ¥5,063 million [105.1%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	251.45	—
June 30, 2023	317.61	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2024	222,676	90,347	40.4
As of March 31, 2024	219,988	89,785	40.7

(Reference) Equity: As of June 30, 2024: ¥90,034 million

As of March 31, 2024: ¥89,534 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	—	100.00	—	100.00	200.00
Fiscal year ending March 31, 2025	—				
Fiscal year ending March 31, 2025 (Forecast)		100.00	—	100.00	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, 2025 (April 1, 2024 - March 31, 2025)

(% indicates changes from the previous corresponding period.)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	
First half	87,000	(7.4)	8,500	(34.1)	8,000	(37.8)	5,500	(39.1)	388.04	
Full year	177,000	(1.9)	21,000	4.9	20,000	4.6	14,000	3.2	991.12	

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

*** Notes:**

- (1) Significant changes in the scope of consolidation during the period under review: None
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: Yes
 - 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):

June 30, 2024:	15,497,333 shares
March 31, 2024:	15,497,333 shares
 - 2) Total number of treasury shares at the end of the period:

June 30, 2024:	1,420,411 shares
March 31, 2024:	1,028,536 shares
 - 3) Average number of shares outstanding during the period:

Three months ended June 30, 2024:	14,270,860 shares
Three months ended June 30, 2023:	14,710,634 shares

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

* 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.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	17,034	18,088
Notes and accounts receivable - trade	26,888	30,786
Merchandise and finished goods	14,730	15,355
Work in process	32,907	32,274
Raw materials and supplies	16,469	15,402
Other	3,950	2,158
Allowance for doubtful accounts	(172)	(168)
Total current assets	111,804	113,895
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,727	15,205
Machinery, equipment and vehicles, net	35,731	36,799
Land	36,432	36,350
Other, net	11,794	10,003
Total property, plant and equipment	98,683	98,357
Intangible assets	2,278	3,098
Investments and other assets		
Investment securities	6,217	6,289
Other	982	1,017
Allowance for doubtful accounts	(15)	(15)
Total investments and other assets	7,184	7,291
Total non-current assets	108,146	108,746
Deferred assets		
Bond issuance costs	39	35
Total deferred assets	39	35
Total assets	219,988	222,676

(Million yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	22,883	25,201
Notes payable - facilities	1,137	1,162
Short-term borrowings	31,832	32,819
Current portion of bonds payable	5,000	5,000
Current portion of long-term borrowings	5,207	5,074
Income taxes payable	828	843
Provision for bonuses	1,478	644
Provision for environmental measures	83	83
Other	8,310	7,407
Total current liabilities	76,758	78,233
Non-current liabilities		
Bonds payable	8,000	8,000
Long-term borrowings	27,817	27,399
Retirement benefit liability	10,559	10,647
Provision for environmental measures	248	248
Provision for preventing environmental pollution	6	6
Provision for loss on business liquidation	22	22
Other	6,792	7,774
Total non-current liabilities	53,444	54,096
Total liabilities	130,203	132,329
Net assets		
Shareholders' equity		
Share capital	24,301	24,301
Capital surplus	9,542	9,542
Retained earnings	53,892	55,846
Treasury shares	(3,231)	(5,082)
Total shareholders' equity	84,504	84,607
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,919	2,952
Deferred gains or losses on hedges	16	85
Revaluation reserve for land	1,585	1,790
Foreign currency translation adjustment	509	600
Total accumulated other comprehensive income	5,029	5,427
Non-controlling interests	252	313
Total net assets	89,785	90,347
Total liabilities and net assets	219,988	222,676

(2) Quarterly Consolidated Statements of Operations and Comprehensive Income

Quarterly Consolidated Statements of Operations

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Net sales	48,524	46,595
Cost of sales	38,608	38,388
Gross profit	9,915	8,206
Selling, general and administrative expenses	3,188	3,333
Operating profit	6,727	4,873
Non-operating income		
Dividend income	131	308
Rental income from non-current assets	34	34
Foreign exchange gains	481	214
Other	16	34
Total non-operating income	663	591
Non-operating expenses		
Interest expenses	168	157
Sales discounts	64	55
Other	104	54
Total non-operating expenses	336	266
Ordinary profit	7,054	5,198
Extraordinary losses		
Loss on sale of non-current assets	—	52
Total extraordinary losses	—	52
Profit before income taxes	7,054	5,145
Income taxes	2,382	1,521
Profit	4,672	3,625
Profit attributable to non-controlling interests	0	36
Profit attributable to owners of parent	4,672	3,588

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Profit	4,672	3,625
Other comprehensive income		
Valuation difference on available-for-sale securities	400	33
Deferred gains or losses on hedges	(90)	69
Foreign currency translation adjustment	80	115
Share of other comprehensive income of entities accounted for using equity method	(0)	1
Total other comprehensive income	390	218
Comprehensive income	5,063	3,842
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,063	3,782
Comprehensive income attributable to non-controlling interests	0	61