

Consolidated Financial Results for the Nine Months of Fiscal Year Ending March 31, 2025 <under Japanese GAAP>

February 12, 2025

Company name : NIKKO COMPANY
 ID number : 5343 Stock listing : Nagoya Stock Exchange Main Market
 URL : <https://www.nikko-company.co.jp/>
 Representative : Akiko Mitani, Chief Executive Officer
 Contact : Kazuya Nunokawa, Chief Financial Officer (Phone: +81-76-276-2121)
 Scheduled date to begin dividend payments : -
 Preparation of supplementary materials for financial results : None
 Holding of financial results meeting : None

(All amounts are rounded down to the nearest million yen)

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

(1) Consolidated operating results (Percentage figures represent changes from the same period of the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit (loss) attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2024	11,031	0.7	81	110.9	89	53.3	67	166.6
Nine months ended December 31, 2023	10,955	6.2	38	-	58	-	25	-

Note: Comprehensive income (Millions of yen) : December 31, 2024 : 76 (110.0%) December 31, 2023 : 36 (-%)

	Basic earnings per share		Diluted earnings per share	
	Yen	Yen	Yen	Yen
Nine months ended December 31, 2024	2.63	-	-	-
Nine months ended December 31, 2023	1.09	-	-	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2024	9,379	1,552	16.6	53.57
Year ended Mar. 31, 2024	9,119	716	7.9	30.74

Reference: Shareholders' equity (Millions of yen) : December 31, 2024 : 1,552 Mar. 31, 2024 : 716

2. Dividends

(Record date)	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Annual
Year ended Mar. 31, 2024	Yen -	Yen 0.00	Yen -	Yen 0.00	Yen 0.00
Year ending Mar. 31, 2025	-	0.00	-		
Year ending Mar. 31, 2025 (forecast)				0.00	0.00

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 - March 31, 2025)

The NIKKO Group will no longer disclose its projected consolidated results for periods starting from that ending in March 2019. Details of the decision are described in "3. Projected Consolidated Results for FY2024" in the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2024" disclosed on May 10, 2024.

※Notes

- (1) Significant changes in the scope of consolidation during the nine months ended December 31, 2024 : None
- (2) Application of special accounting methods for quarterly consolidated financial statements : None
- (3) Changes in accounting policies, changes in accounting estimates, or restatement
- 1) Changes in accounting policies due to changes in consolidated accounting methods : Yes
 - 2) Changes other than 1) above : None
 - 3) Changes in accounting estimates : None
 - 4) Restatement : None
- (4) Number of shares outstanding (common shares)
- 1) Number of shares outstanding (including treasury stock) at the end of the period

December 31, 2024	:29,842,000 shares	Mar. 31, 2024	: 24,172,000 shares
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 - 2) Number of treasury stock at the end of the period

December 31, 2024	: 864,945 shares	Mar. 31, 2024	: 864,826 shares
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 - 3) Average number of shares issued during the period (cumulative; consolidated)

Nine months ended December 31, 2024	: 25,636,968 shares	Nine months ended December 31, 2023	: 23,307,235 shares
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Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of yen)

	FY03/2023 (As of Mar.31,2024)	FY03/2024 (As of Dec.31,2024)
Assets		
Current assets		
Cash and deposits	1,024	1,465
Notes and accounts receivable - trade, and contract assets	2,298	2,161
Merchandise and finished goods	1,396	1,348
Work in process	612	583
Costs on uncompleted construction contracts	388	526
Raw materials and supplies	497	476
Other	70	77
Allowance for doubtful accounts	(6)	(5)
Total current assets	6,280	6,634
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	6,941	6,998
Accumulated depreciation	(5,748)	(5,847)
Buildings and structures, net	1,193	1,150
Machinery, equipment and vehicles	4,553	4,580
Accumulated depreciation	(4,128)	(4,224)
Machinery, equipment and vehicles, net	425	355
Tools, furniture and fixtures	1,233	1,258
Accumulated depreciation	(1,170)	(1,193)
Tools, furniture and fixtures, net	63	65
Land	702	702
Lease assets	158	162
Accumulated depreciation	(70)	(104)
Lease assets, net	88	57
Construction in progress	16	58
Total property, plant and equipment	2,488	2,391
Intangible assets	110	112
Investments and other assets		
Investment securities	113	108
Other	129	135
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	240	240
Total noncurrent assets	2,839	2,744
Total assets	9,119	9,379
Liabilities		
Current liabilities		
Notes and accounts payable-trade	2,796	2,719
Short-term loans payable	2,000	1,600
Current portion of bonds payable	40	40
Current portion of long-term loans payable	124	109
Lease obligations	64	48
Income taxes payable	51	40
Provision for bonuses	88	87
Provision for product warranties	52	52
Other	1,426	1,486
Total current liabilities	6,644	6,185
Noncurrent liabilities		
Bonds payable	20	—
Long-term loans payable	170	101
Lease obligations	97	75
Deferred tax liabilities	3	0
Provision for directors' retirement benefits	84	93
Net defined benefit liability	1,268	1,256
Other	114	113
Total noncurrent liabilities	1,759	1,641
Total liabilities	8,403	7,826
Net assets		
Shareholders' equity		
Capital stock	3,470	3,850
Capital surplus	1,584	1,964
Retained earnings	(3,942)	(3,875)
Treasury stock	(338)	(338)
Total shareholders' equity	773	1,600
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1	(3)
Foreign currency translation adjustment	(57)	(42)
Remeasurements of defined benefit plans	(1)	(2)
Total accumulated other comprehensive income	(57)	(48)
Total net assets	716	1,552
Total liabilities and net assets	9,119	9,379

(2) Consolidated statements of income and consolidated statements of comprehensive income

Consolidated statements of income

	(Millions of yen)	
	FY03/2023	FY03/2024
	(Apr. 1, 2023-Dec.31,2023)	(Apr. 1, 2024-Dec.31,2024)
Net sales	10,955	11,031
Cost of sales	7,779	7,702
Gross profit	3,176	3,328
Selling, general and administrative expenses	3,137	3,247
Operating profit	38	81
Non-operating income		
Interest income	0	0
Share of profit of entities accounted for using equity method	4	—
Foreign exchange gains	13	20
Other	32	25
Total non-operating income	50	46
Non-operating expenses		
Interest expenses	16	15
Share of loss of entities accounted for using equity method	—	1
Other	14	20
Total non-operating expenses	30	37
Ordinary profit	58	89
Extraordinary Income		
Gain on sales of noncurrent assets	1	0
Total extraordinary Income	1	0
Extraordinary losses		
Loss on retirement of noncurrent assets	6	0
Loss on valuation of investment securities	12	—
Total extraordinary losses	18	0
Profit before income taxes	41	89
Income taxes-current	16	22
Income taxes-deferred	(0)	(0)
Total income taxes	15	22
Profit	25	67
Profit attributable to owners of parent	25	67

Consolidated statements of comprehensive income

	(Millions of yen)	
	FY03/2023	FY03/2024
	(Apr. 1, 2023-Dec.31,2023)	(Apr. 1, 2024-Dec.31,2024)
Profit	25	67
Other comprehensive income		
Valuation difference on available-for-sale securities	0	(4)
Foreign currency translation adjustment	7	11
Remeasurements of defined benefit plans, net of tax	(5)	(1)
Share of other comprehensive income of entities accounted for using equity method	9	3
Other comprehensive income	11	8
Comprehensive income	36	76
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	36	76
Comprehensive income attributable to non-controlling interests	—	—

[Consolidated Segment Information]

Nine Months ended December 31, 2023 (April 1, 2023 – December 31, 2023)

(Millions of yen, rounded down)

	Housing & Environmental Equipment	Functional Ceramics Product	Tabletop	Other (Note 1)	Segment total	Adjustment (Note 2)	Amounts on the consolidated statements of income (Note 3)
Net sales							
Goods and services transferred at a point in time	1,573	1,827	1,604	2	5,008	-	5,008
Goods and services transferred over time (Note 4)	5,947	-	-	-	5,947	-	5,947
Revenue from contracts with customers	7,521	1,827	1,604	2	10,955	-	10,955
Other revenue(Note 5)	-	-	0	-	0	-	0
Sales to Outside Customers	7,521	1,827	1,604	2	10,955	-	10,955
Intersegment sales or Transfers	-	-	-	-	-	-	-
Total	7,521	1,827	1,604	2	10,955	-	10,955
Segment profit (loss) (Operating profit (loss))	407	123	108	(3)	635	(596)	38

Note: 1. The category "Other" is new business which is a business segment not included in the reportable segments.

Note: 2. Segment profit adjustment of (596) million yen consists of expenses related to departments that do not belong to the reportable segments.

Note: 3. Segment profit and losses are adjusted with Operating income on the consolidated statements of income.

Note: 4. Goods and services transferred over time in the Housing Environment Equipment Business include goods and services that were applied alternative treatments and were then recognized as revenue when performance obligations were fully satisfied.

Note: 5. Other revenue is income based on accounting standards for leasing transactions.

Nine Months ended December 31, 2024 (April 1, 2024 – December 31, 2024)

(Millions of yen, rounded down)

	Housing & Environmental Equipment	Functional Ceramics Product	Tabletop	Other (Note 1)	Segment total	Adjustment (Note 2)	Amounts on the consolidated statements of income (Note 3)
Net sales							
Goods and services transferred at a point in time	1,570	2,074	1,210	6	4,861	-	4,861
Goods and services transferred over time (Note 4)	6,170	-	-	-	6,170	-	6,170
Revenue from contracts with customers	7,740	2,074	1,210	6	11,031	-	11,031
Other revenue(Note 5)	-	-	0	-	0	-	0
Sales to Outside Customers	7,740	2,074	1,210	6	11,031	-	11,031
Intersegment sales or Transfers	-	-	-	-	-	-	-
Total	7,740	2,074	1,210	6	11,031	-	11,031
Segment profit (loss) (Operating profit (loss))	568	146	12	(3)	723	(642)	81

Note: 1. The category "Other" is new business which is a business segment not included in the reportable segments.

Note: 2. Segment profit adjustment of (642) million yen consists of expenses related to departments that do not belong to the reportable segments.

Note: 3. Segment profit and losses are adjusted with Operating income on the consolidated statements of income.

Note: 4. Goods and services transferred over time in the Housing Environment Equipment Business include goods and services that were applied alternative treatments and were then recognized as revenue when performance obligations were fully satisfied.

Note: 5. Other revenue is income based on accounting standards for leasing transactions.