

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 8, 2023

Company name: NIHON TOKUSHU TORYO CO., LTD.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 4619
 URL: <https://www.nttoryo.co.jp>
 Representative: Hiroshi Onda, President, COO
 Contact: Yosuke Rikitake, Corporate Officer, General Manager of Financial & Accounting Division and General Manager of General Administration Division, Operation Planning & Coordination Group
 Phone: +81-3-3913-6134
 Scheduled date of filing quarterly securities report: February 10, 2023
 Scheduled date of commencing dividend payments: —
 Availability of supplementary explanatory materials on quarterly financial results: No
 Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

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

(1) Consolidated Operating Results (cumulative) (% 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	44,639	11.9	894	18.3	2,067	39.0	890	64.6
December 31, 2021	39,905	18.0	756	—	1,487	134.8	541	—

(Note) Comprehensive income Nine months ended December 31, 2022: ¥3,899 million [62.4%]
 Nine months ended December 31, 2021: ¥2,401 million [47.8%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2022	40.98	—
December 31, 2021	24.92	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2022	83,878	52,388	55.0
As of March 31, 2022	79,792	49,725	55.5

(Reference) Equity As of December 31, 2022: ¥46,134 million
 As of March 31, 2022: ¥44,266 million

2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	–	18.00	–	22.00	40.00
Fiscal year ending March 31, 2023	–	20.00	–		
Fiscal year ending March 31, 2023 (forecast)				22.00	42.00

(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
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	59,000	7.7	1,350	(8.9)	2,800	6.7	1,950	49.9	89.73

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

- (1) Changes in significant subsidiaries during the period under review: No
(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: Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of issued and outstanding shares (common shares)
 - 1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

December 31, 2022:	23,611,200 shares
March 31, 2022:	23,611,200 shares
 - 2) Total number of treasury shares at the end of the period:

December 31, 2022:	1,872,473 shares
March 31, 2022:	1,891,100 shares
 - 3) Average number of shares during the period (cumulative from the beginning of the fiscal year):

Nine months ended December 31, 2022:	21,729,511 shares
Nine months ended December 31, 2021:	21,713,190 shares

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	8,948	10,916
Notes and accounts receivable - trade, and contract assets	13,802	14,412
Electronically recorded monetary claims - operating	2,987	3,496
Merchandise and finished goods	1,824	1,850
Work in process	1,409	1,107
Raw materials and supplies	1,431	1,570
Income taxes refund receivable	-	148
Other	1,456	1,889
Allowance for doubtful accounts	(3)	(3)
Total current assets	31,857	35,389
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,028	9,979
Machinery, equipment and vehicles, net	8,481	7,735
Land	4,703	4,679
Construction in progress	483	1,427
Other, net	1,374	1,287
Total property, plant and equipment	25,071	25,109
Intangible assets		
Other	1,265	1,356
Total intangible assets	1,265	1,356
Investments and other assets		
Investment securities	18,255	19,211
Long-term loans receivable	1,504	178
Deferred tax assets	99	109
Other	1,793	2,581
Allowance for doubtful accounts	(55)	(59)
Total investments and other assets	21,597	22,023
Total non-current assets	47,934	48,488
Total assets	79,792	83,878

(Million yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,649	10,443
Electronically recorded obligations - operating	3,376	3,734
Short-term borrowings	5,617	6,416
Lease liabilities	6	7
Income taxes payable	601	335
Provision for bonuses for directors (and other officers)	72	—
Other	3,949	3,764
Total current liabilities	22,273	24,702
Non-current liabilities		
Long-term borrowings	3,209	2,303
Lease liabilities	17	18
Retirement benefit liability	3,313	3,263
Deferred tax liabilities	1,147	1,089
Other	105	112
Total non-current liabilities	7,792	6,787
Total liabilities	30,066	31,489
Net assets		
Shareholders' equity		
Share capital	4,753	4,753
Capital surplus	4,194	4,196
Retained earnings	30,547	30,521
Treasury shares	(1,112)	(1,101)
Total shareholders' equity	38,383	38,369
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,989	4,271
Foreign currency translation adjustment	702	3,323
Remeasurements of defined benefit plans	191	171
Total accumulated other comprehensive income	5,883	7,765
Non-controlling interests	5,458	6,254
Total net assets	49,725	52,388
Total liabilities and net assets	79,792	83,878

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income

(Million yen)

	For the nine months ended December 31, 2021	For the nine months ended December 31, 2022
Net sales	39,905	44,639
Cost of sales	32,499	36,648
Gross profit	7,405	7,990
Selling, general and administrative expenses	6,649	7,095
Operating profit	756	894
Non-operating income		
Dividend income	175	198
Share of profit of entities accounted for using equity method	214	741
Subsidies for employment adjustment	62	22
Foreign exchange gains	117	85
Other	219	207
Total non-operating income	789	1,256
Non-operating expenses		
Interest expenses	43	46
Other	14	36
Total non-operating expenses	58	83
Ordinary profit	1,487	2,067
Extraordinary income		
Gain on sale of non-current assets	5	68
Insurance claim income	14	—
Gain on sale of investment securities	217	15
Compensation income	—	40
Total extraordinary income	237	124
Extraordinary losses		
Loss on disposal of non-current assets	49	88
Total extraordinary losses	49	88
Profit before income taxes	1,675	2,103
Income taxes	674	656
Profit	1,001	1,446
Profit attributable to non-controlling interests	460	555
Profit attributable to owners of parent	541	890

Quarterly Consolidated Statements of Comprehensive Income

(Million yen)

	For the nine months ended December 31, 2021	For the nine months ended December 31, 2022
Profit	1,001	1,446
Other comprehensive income		
Valuation difference on available-for-sale securities	251	(715)
Foreign currency translation adjustment	569	1,172
Remeasurements of defined benefit plans, net of tax	(24)	(21)
Share of other comprehensive income of entities accounted for using equity method	603	2,016
Total other comprehensive income	1,399	2,452
Comprehensive income	2,401	3,899
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,661	2,772
Comprehensive income attributable to non-controlling interests	740	1,127