

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended August 31, 2023 (Based on Japanese GAAP)

October 4, 2023

Company name: NACHI-FUJIKOSHI CORP.
 Stock exchange listing: Tokyo
 Stock code: 6474 URL <http://www.nachi-fujikoshi.co.jp/>
 Representative: Director and President Tsutomu Kurosawa
 Director, Managing Corporate Officer and
 Inquiries: General Manager of Corporate Planning Tetsu Furusawa TEL +81-(0)3-5568-5210
 Dept.
 Scheduled date to file Quarterly Securities Report: October 4, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended August 31, 2023 (from December 1, 2022 to August 31, 2023)

(1) Consolidated operating results (cumulative)

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 August 31, 2023	200,170	6.0	10,252	(21.0)	9,649	(29.6)	6,300	(32.1)
Nine months ended August 31, 2022	188,785	10.9	12,984	22.3	13,711	34.1	9,276	30.2

Note: Comprehensive income
 Nine months ended August 31, 2023 ¥14,129 million [(34.8)%]
 Nine months ended August 31, 2022 ¥21,670 million [71.9%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended August 31, 2023	269.48		–	
Nine months ended August 31, 2022	389.19		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of August 31, 2023	366,083	166,116	43.5
As of November 30, 2022	357,457	156,367	41.7

Reference: Equity
 As of August 31, 2023 ¥159,361 million
 As of November 30, 2022 ¥148,906 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended November 30, 2022	–	0.00	–	110.00	110.00
Year ending November 30, 2023	–	0.00	–		
Year ending November 30, 2023 (Forecast)				110.00	110.00

Note: Revisions to the cash dividends forecast most recently announced: No

3. Forecast of consolidated financial results for the year ending November 30, 2023 (from December 1, 2022 to November 30, 2023)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	270,000	4.6	16,500	(3.1)	15,500	(9.4)	11,000	(10.1)	470.84

Note: Revisions to the financial results forecast most recently announced: No

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended August 31, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of August 31, 2023	24,919,343 shares	As of November 30, 2022	24,919,343 shares
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Number of treasury shares at the end of the period

As of August 31, 2023	1,610,677 shares	As of November 30, 2022	1,395,964 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended August 31, 2023	23,380,370 shares	Nine months ended August 31, 2022	23,836,424 shares
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* Quarterly financial results reports are exempt from quarterly review conducted by an audit corporation.

* Proper use of financial results forecasts, and other special matters

(Caution concerning forward-looking statements)

The financial results forecasts shown in this document are based on data as of the announcement of this document. Actual earnings results may differ from the forecast figures due to various inherent uncertainties.

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of November 30, 2022	As of August 31, 2023
Assets		
Current assets		
Cash and deposits	36,042	34,379
Notes and accounts receivable - trade, and contract assets	60,365	57,100
Electronically recorded monetary claims - operating	7,600	7,655
Merchandise and finished goods	36,029	39,345
Work in process	14,641	15,505
Raw materials and supplies	26,248	27,687
Income taxes refund receivable	453	1,714
Other	6,169	6,493
Allowance for doubtful accounts	(188)	(202)
Total current assets	187,363	189,679
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	31,321	33,648
Machinery, equipment and vehicles, net	71,782	72,191
Other, net	20,404	20,259
Total property, plant and equipment	123,508	126,099
Intangible assets	3,497	3,426
Investments and other assets		
Investment securities	28,357	32,424
Retirement benefit asset	8,849	8,854
Other	5,889	5,608
Allowance for doubtful accounts	(8)	(9)
Total investments and other assets	43,088	46,878
Total non-current assets	170,094	176,404
Total assets	357,457	366,083
Liabilities		
Current liabilities		
Notes and accounts payable - trade	24,967	21,216
Electronically recorded obligations - operating	30,093	27,390
Short-term borrowings	18,152	30,861
Commercial papers	5,000	10,000
Current portion of long-term borrowings	22,971	20,813
Income taxes payable	3,025	437
Other	20,862	15,333
Total current liabilities	125,072	126,052
Non-current liabilities		
Long-term borrowings	53,703	49,565
Provision for retirement benefits for directors (and other officers)	24	27
Provision for share awards	476	532
Retirement benefit liability	9,533	9,232
Other	12,280	14,556
Total non-current liabilities	76,018	73,914
Total liabilities	201,090	199,967

(Millions of yen)

	As of November 30, 2022	As of August 31, 2023
Net assets		
Shareholders' equity		
Share capital	16,074	16,074
Capital surplus	11,408	11,408
Retained earnings	106,758	110,451
Treasury shares	(5,892)	(6,707)
Total shareholders' equity	128,349	131,227
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,616	16,369
Foreign currency translation adjustment	7,891	13,048
Remeasurements of defined benefit plans	(951)	(1,284)
Total accumulated other comprehensive income	20,556	28,134
Non-controlling interests	7,460	6,754
Total net assets	156,367	166,116
Total liabilities and net assets	357,457	366,083

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended August 31, 2022	Nine months ended August 31, 2023
Net sales	188,785	200,170
Cost of sales	144,039	157,498
Gross profit	44,746	42,671
Selling, general and administrative expenses	31,761	32,419
Operating profit	12,984	10,252
Non-operating income		
Interest income	105	170
Dividend income	540	670
Foreign exchange gains	1,597	273
Share of profit of entities accounted for using equity method	11	3
Dividend income of group term insurance	368	380
Refund of social contributions for prior periods	–	222
Other	320	284
Total non-operating income	2,944	2,006
Non-operating expenses		
Interest expenses	654	1,047
Sales discounts	387	377
Group term insurance expenses	418	406
Other	756	778
Total non-operating expenses	2,218	2,609
Ordinary profit	13,711	9,649
Extraordinary income		
Gain on sale of non-current assets	17	14
Gain on liquidation of subsidiaries and associates	278	–
Gain on sale of shares of subsidiaries and associates	–	26
Total extraordinary income	296	40
Extraordinary losses		
Loss on sale of non-current assets	1	1
Loss on retirement of non-current assets	40	38
Loss on valuation of investment securities	115	14
Total extraordinary losses	157	54
Profit before income taxes	13,850	9,636
Income taxes - current	4,357	2,298
Income taxes for prior periods	–	32
Income taxes - deferred	300	914
Total income taxes	4,658	3,245
Profit	9,192	6,391
Profit (loss) attributable to non-controlling interests	(84)	90
Profit attributable to owners of parent	9,276	6,300

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended August 31, 2022	Nine months ended August 31, 2023
Profit	9,192	6,391
Other comprehensive income		
Valuation difference on available-for-sale securities	1,332	2,796
Foreign currency translation adjustment	11,812	5,260
Remeasurements of defined benefit plans, net of tax	(674)	(332)
Share of other comprehensive income of entities accounted for using equity method	8	14
Total other comprehensive income	12,478	7,738
Comprehensive income	21,670	14,129
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	21,062	13,877
Comprehensive income attributable to non-controlling interests	608	252