

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended September 30, 2024 (Based on Japanese GAAP)

November 13, 2024

Company name: Nittoseiko Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 5957 URL <https://www.nittoseiko.co.jp/>
 Representative: President Makoto Araga
 Inquiries: Director, Accounting & Finance Division Shinichi Matsumoto TEL (0773)42-3111
 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 September 30, 2024 (from January 1, 2024 to September 30, 2024)

(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 September 30, 2024	34,019	2.4	2,259	32.7	2,377	23.4	1,467	30.7
Nine months ended September 30, 2023	33,217	3.0	1,702	△5.9	1,926	△10.6	1,122	△30.4

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2024	40.17	–
Nine months ended September 30, 2023	30.39	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	53,594	37,478	62.1
As of December 31, 2023	53,344	36,402	60.7

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 December 31, 2023	–	9.00	–	9.00	18.00
Year ending December 31, 2024	–	9.50	–		
Year ending December 31, 2024 (Forecast)				9.50	19.00

3. Forecast of consolidated financial results for the year ending December 31, 2024 (from January 1, 2024 to December 31, 2024)

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	48,200	7.7	3,300	26.2	3,500	23.4	2,100	21.1	57.46

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended September 30, 2024
(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: Yes
- (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 September 30, 2024	39,985,017 shares	As of December 31, 2023	39,985,017 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	3,339,849 shares	As of December 31, 2023	3,438,383 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2024	36,546,314 shares	Nine months ended September 30, 2023	36,949,863 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of December 31, 2023	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	8,849,940	9,418,014
Notes and accounts receivable - trade	8,722,766	8,253,113
Electronically recorded monetary claims - operating	4,071,362	4,430,715
Securities	—	150,301
Merchandise and finished goods	4,729,069	4,901,275
Work in process	3,184,409	3,277,689
Raw materials and supplies	3,110,265	3,099,850
Accounts receivable - other	622,622	661,689
Other	535,239	747,289
Allowance for doubtful accounts	(2,725)	(2,542)
Total current assets	33,822,950	34,937,397
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,075,488	3,965,096
Machinery, equipment and vehicles, net	3,105,785	3,025,235
Land	5,671,521	5,690,730
Construction in progress	756,533	702,988
Other, net	520,656	520,563
Total property, plant and equipment	14,129,985	13,904,613
Intangible assets		
Software	361,332	324,138
Goodwill	392,569	345,461
Customer related assets	36,875	32,450
Technology related assets	183,750	161,700
Other	25,227	28,557
Total intangible assets	999,754	892,308
Investments and other assets		
Investment securities	1,161,896	749,429
Deferred tax assets	663,219	604,921
Retirement benefit asset	1,968,354	1,968,354
Other	599,077	538,454
Allowance for doubtful accounts	(1,000)	△1,000
Total investments and other assets	4,391,547	3,860,159
Total non-current assets	19,521,287	18,657,081
Total assets	53,344,237	53,594,478

(Thousands of yen)

	As of December 31, 2023	As of September 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,333,229	4,414,400
Electronically recorded obligations - operating	4,282,701	3,942,633
Short-term borrowings	1,574,380	1,308,931
Accounts payable - other	323,614	236,688
Income taxes payable	558,472	434,421
Provision for bonuses	263,123	640,675
Other	1,565,761	1,415,612
Total current liabilities	12,901,282	12,393,362
Non-current liabilities		
Long-term borrowings	358,469	281,757
Provision for directors' retirement benefits	159,236	141,685
Provision for share-based remuneration for directors (and other officers)	93,303	116,504
Deferred tax liabilities	584,378	573,062
Retirement benefit liability	1,869,882	1,767,345
Other	974,885	842,710
Total non-current liabilities	4,040,155	3,723,065
Total liabilities	16,941,438	16,116,427
Net assets		
Shareholders' equity		
Share capital	3,522,580	3,522,580
Capital surplus	2,767,848	2,767,848
Retained earnings	26,632,568	27,294,463
Treasury shares	(1,562,112)	(1,527,796)
Total shareholders' equity	31,360,884	32,057,095
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	114,013	131,088
Foreign currency translation adjustment	456,875	637,951
Remeasurements of defined benefit plans	472,214	448,222
Total accumulated other comprehensive income	1,043,103	1,217,261
Non-controlling interests	3,998,810	4,203,693
Total net assets	36,402,799	37,478,050
Total liabilities and net assets	53,344,237	53,594,478

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Net sales	33,217,600	34,019,421
Cost of sales	25,800,714	25,988,683
Gross profit	7,416,885	8,030,738
Selling, general and administrative expenses	5,714,132	5,771,059
Operating profit	1,702,753	2,259,679
Non-operating income		
Interest income	22,567	25,921
Dividend income	9,655	7,589
Rental income	69,305	63,138
Foreign exchange gains	107,700	—
Surrender value of insurance policies	—	58,239
Share of profit of entities accounted for using equity method	28,388	16,451
Other	135,040	93,333
Total non-operating income	372,658	264,674
Non-operating expenses		
Interest expenses	13,931	13,229
Rental costs	54,912	60,819
Foreign exchange losses	—	6,071
Other	79,612	66,457
Total non-operating expenses	148,456	146,578
Ordinary profit	1,926,955	2,377,775
Extraordinary income		
Gain on sales of non-current assets	3,994	8,436
Gain on sales of investment securities	91	6,940
Gain on revision of retirement benefit plan	36,357	—
Total extraordinary income	40,443	15,376
Extraordinary losses		
Loss on disposal of non-current assets	36,631	34,130
Loss on sales of shares of subsidiaries and associates	—	30,567
Total extraordinary losses	36,631	64,697
Profit before income taxes	1,930,766	2,328,454
Income taxes - current	564,545	684,484
Income taxes - deferred	53,146	40,540
Total income taxes	617,691	725,025
Profit	1,313,075	1,603,428
Profit attributable to non-controlling interests	190,237	135,507
Profit attributable to owners of parent	1,122,837	1,467,921

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Profit	1,313,075	1,603,428
Other comprehensive income		
Valuation difference on available-for-sale securities	74,369	29,407
Foreign currency translation adjustment	704,670	296,886
Remeasurements of defined benefit plans, net of tax	△17,922	△23,992
Share of other comprehensive income of entities accounted for using equity method	△1,419	△5,782
Total other comprehensive income	759,698	296,518
Comprehensive income	2,072,773	1,899,946
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,692,165	1,642,079
Comprehensive income attributable to non-controlling interests	380,608	257,867

(Segment Information)**1. Nine Months Ended September 30, 2023 (From January 1, 2023 to September 30, 2023)****Information concerning net sales and profit or loss by reporting segment**

(Thousands of yen)

	Reportable segments					Consolidated
	Fastener	Assembly Machine	Control System	Medical	Total	
Net sales						
Sales to external customers	24,546,226	4,626,567	4,029,772	15,033	33,217,600	33,217,600
Intersegment sales and transfers	—	—	—	—	—	—
Total	24,546,226	4,626,567	4,029,772	15,033	33,217,600	33,217,600
Segment profit (loss)	1,140,358	581,945	63,147	△82,697	1,702,753	1,702,753

Notes: Segment profit is adjusted for operating income reported in the consolidated statements of income.

2. Nine Months Ended September 30, 2024 (From January 1, 2024 to September 30, 2024)**Information concerning net sales and profit or loss by reporting segment**

(Thousands of yen)

	Reportable segments					Consolidated
	Fastener	Assembly Machine	Control System	Medical	Total	
Net sales						
Sales to external customers	24,367,274	4,706,803	4,926,257	19,085	34,019,421	34,019,421
Intersegment sales and transfers	—	—	—	—	—	—
Total	24,367,274	4,706,803	4,926,257	19,085	34,019,421	34,019,421
Segment profit (loss)	1,004,440	851,347	492,176	△88,285	2,259,679	2,259,679

Notes: Segment profit is adjusted for operating income reported in the consolidated statements of income.