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Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

November 12, 2024

Company name: NISSIN CORPORATION

Listing: Tokyo Stock Exchange

Securities code: 9066

URL: <https://www.nissin-tw.com/english/>

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Scheduled date to file semi-annual securities report: November 14, 2024

Scheduled date to commence dividend payments: December 5, 2024

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (to be held online for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Consolidated Operating Results

(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	%
Six months ended September 30, 2024	93,452	13.5	4,543	10.1	4,974	3.3	7,743	112.6
September 30, 2023	82,359	(23.4)	4,125	(46.3)	4,815	(41.8)	3,641	(37.8)

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 2,435 million [(71.7) %]

Six months ended September 30, 2023: ¥ 8,591 million [7.6 %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	508.98	-
September 30, 2023	188.16	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	167,373	90,279	50.6
March 31, 2024	174,346	102,220	55.4

(Reference) Equity: As of September 30, 2024: ¥ 84,760 million

As of March 31, 2024: ¥ 96,603 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, 2024	-	50.00	-	60.00	110.00
Fiscal year ending March 31, 2025	-	100.00			
Fiscal year ending March 31, 2025 (Forecast)			-	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 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	183,000	7.7	9,100	12.7	9,800	3.6	10,300	19.1	536.94

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

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

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

September 30, 2024: 20,272,769 shares

March 31, 2024: 20,272,769 shares

2) Number of treasury shares at the end of the period:

September 30, 2024: 5,639,203 shares

March 31, 2024: 1,372,131 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024: 15,213,167 shares

Six months ended September 30, 2023: 19,355,095 shares

Note: The Company has introduced the "Employee Stock Ownership Trust Plan (ESOP)".

Accordingly, the number of treasury shares deducted to calculate the number of treasury shares at the end of the period and the average number of shares outstanding during the period includes the Company's shares held by the said Trust.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The earnings forecasts are prepared based on assessments derived from information currently available to the Company.

Accordingly, some risks and uncertain factors may be involved, and actual results may differ from these forecasts.

(To receive supplementary material on financial results)

The Company will hold an online financial results briefing session for institutional investors and analysts on Friday,

November 22, 2024. The supplementary material on financial results for the session will be posted on the Company's website.

Semi-annual Consolidated Financial Statements

Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	28,927	26,441
Notes and accounts receivable - trade	30,327	32,101
Raw materials and supplies	109	129
Other	8,479	9,561
Allowance for doubtful accounts	(124)	(115)
Total current assets	67,720	68,118
Non-current assets		
Property, plant and equipment		
Buildings and structures	88,864	88,661
Accumulated depreciation	(53,213)	(54,815)
Buildings and structures, net	35,651	33,846
Machinery, equipment and vehicles	16,579	16,332
Accumulated depreciation	(11,893)	(11,958)
Machinery, equipment and vehicles, net	4,686	4,374
Land	29,844	30,587
Construction in progress	1,289	2,926
Other	3,664	3,693
Accumulated depreciation	(2,843)	(2,829)
Other, net	820	864
Total property, plant and equipment	72,292	72,598
Intangible assets		
Leasehold interests in land	493	492
Goodwill	1,319	1,159
Other	1,127	1,211
Total intangible assets	2,940	2,862
Investments and other assets		
Investment securities	21,106	12,617
Long-term loans receivable	242	215
Retirement benefit asset	4,715	4,884
Deferred tax assets	563	556
Other	4,832	5,578
Allowance for doubtful accounts	(66)	(57)
Total investments and other assets	31,393	23,793
Total non-current assets	106,626	99,254
Total assets	174,346	167,373

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	13,188	13,071
Short-term borrowings	9,909	11,927
Lease liabilities	4,158	3,921
Income taxes payable	3,832	3,787
Provision for bonuses	2,767	3,065
Provision for bonuses for directors (and other officers)	91	53
Other	7,974	8,641
Total current liabilities	41,922	44,468
Non-current liabilities		
Bonds payable	1,000	11,000
Long-term borrowings	12,387	7,680
Lease liabilities	8,809	7,958
Long-term accounts payable - other	57	55
Long-term advances received	1,596	1,474
Deferred tax liabilities	2,725	740
Retirement benefit liability	1,584	1,518
Other	2,042	2,198
Total non-current liabilities	30,203	32,625
Total liabilities	72,125	77,094
Net assets		
Shareholders' equity		
Share capital	6,097	6,097
Capital surplus	4,721	5,019
Retained earnings	70,114	76,713
Treasury shares	(2,849)	(16,175)
Total shareholders' equity	78,082	71,654
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,952	4,319
Deferred gains or losses on hedges	0	(3)
Foreign currency translation adjustment	5,537	4,923
Remeasurements of defined benefit plans	4,030	3,865
Total accumulated other comprehensive income	18,520	13,105
Non-controlling interests	5,617	5,518
Total net assets	102,220	90,279
Total liabilities and net assets	174,346	167,373

Semi-annual Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	82,359	93,452
Cost of sales	70,901	80,525
Gross profit	11,458	12,927
Selling, general and administrative expenses	7,332	8,383
Operating profit	4,125	4,543
Non-operating income		
Interest income	154	153
Dividend income	304	323
Share of profit of entities accounted for using equity method	369	164
Foreign exchange gains	-	29
Other	367	143
Total non-operating income	1,195	813
Non-operating expenses		
Interest expenses	190	288
Foreign exchange losses	267	-
Bond issuance costs	-	49
Other	47	44
Total non-operating expenses	505	383
Ordinary profit	4,815	4,974
Extraordinary income		
Gain on sale of investment securities	461	6,569
Gain on sale of non-current assets	36	21
Total extraordinary income	497	6,591
Extraordinary losses		
Loss on retirement of non-current assets	7	48
Extra retirement payments	26	10
Loss on sale of non-current assets	2	1
Total extraordinary losses	35	60
Profit before income taxes	5,276	11,505
Income taxes - current	1,169	3,393
Income taxes - deferred	334	137
Total income taxes	1,503	3,530
Profit	3,773	7,974
Profit attributable to non-controlling interests	131	231
Profit attributable to owners of parent	3,641	7,743

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	3,773	7,974
Other comprehensive income		
Valuation difference on available-for-sale securities	2,212	(4,621)
Deferred gains or losses on hedges	0	(3)
Foreign currency translation adjustment	2,489	(732)
Remeasurements of defined benefit plans, net of tax	9	(165)
Share of other comprehensive income of entities accounted for using equity method	105	(16)
Total other comprehensive income	4,818	(5,539)
Comprehensive income	8,591	2,435
Comprehensive income attributable to		
Owners of parent	8,330	2,328
Non-controlling interests	261	106

Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	5,276	11,505
Depreciation	3,032	3,392
Extra retirement payments	26	10
Amortization of goodwill	-	136
Loss (gain) on sale of non-current assets	(33)	(20)
Loss on retirement of non-current assets	7	48
Loss (gain) on sale of investment securities	(461)	(6,569)
Share of loss (profit) of entities accounted for using equity method	(369)	(164)
Increase (decrease) in allowance for doubtful accounts	(8)	(16)
Increase (decrease) in provision for bonuses for directors (and other officers)	(39)	(38)
Decrease (increase) in retirement benefit asset	(84)	(168)
Increase (decrease) in retirement benefit liability	49	(68)
Interest and dividend income	(458)	(476)
Interest expenses	190	288
Bond issuance costs	-	49
Decrease (increase) in trade receivables	1,161	(2,001)
Decrease (increase) in other current assets	(279)	(980)
Increase (decrease) in trade payables	(104)	(144)
Increase (decrease) in other current liabilities	295	1,222
Other, net	(725)	79
Subtotal	7,474	6,083
Interest and dividends received	618	494
Interest paid	(192)	(283)
Extra retirement payments	(26)	(10)
Income taxes paid	(2,309)	(3,429)
Net cash provided by (used in) operating activities	5,564	2,854

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from investing activities		
Payments into time deposits	(1,433)	(1,014)
Proceeds from withdrawal of time deposits	1,631	1,167
Purchase of property, plant and equipment	(3,894)	(3,399)
Proceeds from sale of property, plant and equipment	45	25
Purchase of intangible assets	(220)	(294)
Purchase of investment securities	(17)	(9)
Proceeds from sale of investment securities	652	8,537
Loan advances	(5)	(6)
Proceeds from collection of loans receivable	18	20
Payments of leasehold and guarantee deposits	(309)	(277)
Other, net	166	196
Net cash provided by (used in) investing activities	(3,365)	4,946
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(64)	(1,914)
Repayments of long-term borrowings	(2,430)	(742)
Proceeds from issuance of bonds	-	9,950
Repayments of lease liabilities	(1,532)	(1,701)
Purchase of treasury shares	(1,009)	(13,930)
Proceeds from sale of treasury shares	123	66
Dividends paid	(989)	(1,137)
Dividends paid to non-controlling interests	(62)	(211)
Net cash provided by (used in) financing activities	(5,965)	(9,621)
Effect of exchange rate change on cash and cash equivalents	1,310	(428)
Net increase (decrease) in cash and cash equivalents	(2,455)	(2,249)
Cash and cash equivalents at beginning of period	22,466	26,359
Cash and cash equivalents at end of period	20,011	24,110