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Consolidated Financial Results for the Year Ended March 31, 2025 [Japanese GAAP]

May 13, 2025

Company name: NIPPO LTD.

Listing: Tokyo Stock Exchange, Nagoya Stock Exchange

Securities code: 9913

URL: <https://www.nip.co.jp/>

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Scheduled date of annual general meeting of shareholders: June 24, 2025

Scheduled date to commence dividend payments: July 15, 2025

Scheduled date to file annual securities report: June 20, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

Representative Director and President

Executive Officer, Chief of Corporate Headquarters

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(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	%
Fiscal year ended March 31, 2025	44,890	7.1	1,970	2.7	2,105	(2.1)	1,396	(4.1)
March 31, 2024	41,922	7.8	1,918	0.3	2,150	14.9	1,457	14.8

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ 2,379 million [(5.7) %]
Fiscal year ended March 31, 2024: ¥ 2,523 million [1.1 %]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	155.15	-	8.9	6.7	4.4
March 31, 2024	162.80	-	10.7	7.2	4.6

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2025: ¥ - million
Fiscal year ended March 31, 2024: ¥ - million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	32,475	16,530	50.9	1,831.84
March 31, 2024	30,755	14,792	48.1	1,648.02

(Reference) Equity: As of March 31, 2025: ¥ 16,528 million
As of March 31, 2024: ¥ 14,791 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2025	2,768	(1,675)	(1,073)	6,220
March 31, 2024	3,682	(1,558)	(1,644)	5,673

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	-	0.00	-	74.00	74.00	673	45.5	4.8
March 31, 2025	-	0.00	-	76.00	76.00	692	49.0	4.4
Fiscal year ending March 31, 2026 (Forecast)	-	0.00	-	78.00	78.00		50.3	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2025 :

Commemorative dividend - yen
Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(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	45,500	1.4	2,000	1.5	1,950	(7.4)	1,400	0.2	155.16

* Notes:

(1) Significant changes in the scope of consolidation during the period:

None

Newly included: - (Company name:)
Excluded: - (Company name:)

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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(3) Number of issued shares (common shares)

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

March 31, 2025: 9,127,338 shares
March 31, 2024: 9,127,338 shares

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

March 31, 2025: 104,434 shares
March 31, 2024: 152,191 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2025: 9,003,108 shares
Fiscal Year ended March 31, 2024: 8,950,682 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	22,831	4.6	647	(19.7)	1,309	(27.6)	1,447	(8.6)
March 31, 2024	21,817	13.2	807	62.9	1,808	167.5	1,584	199.8

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2025	160.78	-
March 31, 2024	176.99	-

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2025	17,838	7,403	41.5	820.49
March 31, 2024	17,623	6,892	39.1	767.97

(Reference) Equity: As of March 31, 2025: ¥ 7,403 million
As of March 31, 2024: ¥ 6,892 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	5,679	6,226
Notes and accounts receivable - trade	7,330	7,842
Electronically recorded monetary claims - operating	586	691
Merchandise and finished goods	1,770	1,978
Work in process	425	394
Raw materials and supplies	1,078	848
Accounts receivable - other	350	386
Other	534	393
Allowance for doubtful accounts	(2)	(2)
Total current assets	17,753	18,759
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,634	11,780
Accumulated depreciation	(6,669)	(8,149)
Buildings and structures, net	3,965	3,631
Machinery, equipment and vehicles	12,551	14,529
Accumulated depreciation	(10,515)	(12,061)
Machinery, equipment and vehicles, net	2,035	2,468
Tools, furniture and fixtures	1,547	1,930
Accumulated depreciation	(1,207)	(1,455)
Tools, furniture and fixtures, net	340	475
Land	1,831	1,964
Construction in progress	204	653
Total property, plant and equipment	8,376	9,193
Intangible assets		
Other	512	483
Total intangible assets	512	483
Investments and other assets		
Investment securities	2,642	2,166
Deferred tax assets	216	540
Retirement benefit asset	-	28
Other	1,266	1,315
Allowance for doubtful accounts	(12)	(12)
Total investments and other assets	4,113	4,038
Total non-current assets	13,002	13,715
Total assets	30,755	32,475

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,212	7,978
Short-term borrowings	1,600	1,300
Current portion of long-term borrowings	286	354
Lease liabilities	112	156
Income taxes payable	203	295
Provision for bonuses	338	348
Accounts payable-installment purchase	187	158
Other	1,616	1,627
Total current liabilities	12,557	12,220
Non-current liabilities		
Long-term borrowings	593	747
Lease liabilities	198	243
Deferred tax liabilities	337	52
Deferred tax liabilities for land revaluation	2	2
Retirement benefit liability	1,756	2,053
Asset retirement obligations	227	254
Long-term accounts payable - installment purchase	236	255
Other	52	115
Total non-current liabilities	3,405	3,724
Total liabilities	15,963	15,945
Net assets		
Shareholders' equity		
Share capital	3,137	3,137
Capital surplus	612	612
Retained earnings	8,152	8,875
Treasury shares	(102)	(70)
Total shareholders' equity	11,799	12,554
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	419	124
Revaluation reserve for land	5	5
Foreign currency translation adjustment	2,592	3,963
Remeasurements of defined benefit plans	(26)	(120)
Total accumulated other comprehensive income	2,991	3,973
Non-controlling interests	1	1
Total net assets	14,792	16,530
Total liabilities and net assets	30,755	32,475

Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	41,922	44,890
Cost of sales	34,751	37,327
Gross profit	7,170	7,563
Selling, general and administrative expenses		
Remuneration, salaries and allowances for directors (and other officers)	2,013	2,130
Provision for bonuses	418	435
Retirement benefit expenses	107	123
Legal and other welfare expenses	424	486
Provision of allowance for doubtful accounts	0	0
Rent expenses on land and buildings	256	282
Supplies expenses	60	49
Communication expenses	32	32
Packing and transportation costs	449	506
Vehicle expenses	76	77
Transportation expenses	129	130
Taxes and dues	107	115
Depreciation	236	294
Other	938	928
Total selling, general and administrative expenses	5,252	5,592
Operating profit	1,918	1,970
Non-operating income		
Interest income	31	42
Dividend income	56	41
Foreign exchange gains	119	-
Gain on sale of scraps	65	88
Other	102	94
Total non-operating income	375	266
Non-operating expenses		
Interest expenses	68	55
Loss on sale of electronically recorded monetary claims	36	49
Foreign exchange losses	-	3
Other	38	22
Total non-operating expenses	143	131
Ordinary profit	2,150	2,105

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Extraordinary income		
Gain on sale of non-current assets	7	12
Gain on sale of investment securities	0	0
Other	0	-
Total extraordinary income	7	13
Extraordinary losses		
Loss on disposal of non-current assets	13	5
Impairment losses	94	444
Loss on withdrawal from business	76	86
Loss on business restructuring	24	24
Total extraordinary losses	208	560
Profit before income taxes	1,948	1,558
Income taxes - current	507	534
Income taxes - deferred	(16)	(372)
Total income taxes	491	161
Profit	1,457	1,396
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	1,457	1,396

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	1,457	1,396
Other comprehensive income		
Valuation difference on available-for-sale securities	257	(294)
Revaluation reserve for land	-	(0)
Foreign currency translation adjustment	847	1,371
Remeasurements of defined benefit plans, net of tax	(39)	(93)
Total other comprehensive income	1,065	982
Comprehensive income	2,523	2,379
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,522	2,379
Comprehensive income attributable to non-controlling interests	0	0

Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,137	612	6,995	(142)	10,603
Changes during period					
Dividends of surplus			(300)		(300)
Profit attributable to owners of parent			1,457		1,457
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				40	40
Net changes in items other than shareholders' equity					
Total changes during period	-	-	1,156	40	1,196
Balance at end of period	3,137	612	8,152	(102)	11,799

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	162	5	1,744	12	1,925	1	12,530
Changes during period							
Dividends of surplus							(300)
Profit attributable to owners of parent							1,457
Purchase of treasury shares							(0)
Disposal of treasury shares							40
Net changes in items other than shareholders' equity	257	-	847	(39)	1,065	0	1,065
Total changes during period	257	-	847	(39)	1,065	0	2,262
Balance at end of period	419	5	2,592	(26)	2,991	1	14,792

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,137	612	8,152	(102)	11,799
Changes during period					
Dividends of surplus			(673)		(673)
Profit attributable to owners of parent			1,396		1,396
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				32	32
Net changes in items other than shareholders' equity					
Total changes during period	-	-	722	32	754
Balance at end of period	3,137	612	8,875	(70)	12,554

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	419	5	2,592	(26)	2,991	1	14,792
Changes during period							
Dividends of surplus							(673)
Profit attributable to owners of parent							1,396
Purchase of treasury shares							(0)
Disposal of treasury shares							32
Net changes in items other than shareholders' equity	(294)	(0)	1,370	(93)	982	0	982
Total changes during period	(294)	(0)	1,370	(93)	982	0	1,737
Balance at end of period	124	5	3,963	(120)	3,973	1	16,530

Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	1,948	1,558
Depreciation	1,444	1,540
Impairment losses	94	444
Increase (decrease) in allowance for doubtful accounts	0	0
Increase (decrease) in retirement benefit liability	67	73
Interest and dividend income	(87)	(84)
Interest expenses	68	55
Foreign exchange losses (gains)	11	(3)
Loss (gain) on disposal of non-current assets	5	(7)
Decrease (increase) in operating guarantee deposits	0	-
Decrease (increase) in trade receivables	(312)	(206)
Decrease (increase) in inventories	368	129
Increase (decrease) in trade payables	280	(534)
Loss (gain) on sale of investment securities	(0)	(0)
Decrease (increase) in other current assets	(35)	170
Increase (decrease) in other current liabilities	186	(79)
Other, net	31	60
Subtotal	4,072	3,117
Interest and dividends received	87	88
Interest paid	(56)	(37)
Income taxes paid	(419)	(399)
Net cash provided by (used in) operating activities	3,682	2,768
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,109)	(1,622)
Proceeds from sale of property, plant and equipment	1	31
Purchase of intangible assets	(203)	(115)
Proceeds from sale of intangible assets	-	20
Purchase of investment securities	(248)	-
Proceeds from sale of investment securities	6	0
Proceeds from capital reduction of investment securities	-	52
Other payments	(174)	(152)
Other proceeds	170	111
Net cash provided by (used in) investing activities	(1,558)	(1,675)

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(544)	(300)
Proceeds from long-term borrowings	-	600
Repayments of long-term borrowings	(388)	(378)
Proceeds from sales and installment back	26	4
Repayments of lease liabilities	(150)	(143)
Repayments of installment payables	(313)	(208)
Proceeds from sale of treasury shares	40	32
Purchase of treasury shares	(0)	(0)
Dividends paid	(299)	(672)
Other, net	(13)	(6)
Net cash provided by (used in) financing activities	(1,644)	(1,073)
Effect of exchange rate change on cash and cash equivalents	289	526
Net increase (decrease) in cash and cash equivalents	769	547
Cash and cash equivalents at beginning of period	4,903	5,673
Cash and cash equivalents at end of period	5,673	6,220