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## Consolidated Financial Results for the Third Quarter of FY2025 [Japanese GAAP]

(February 6, 2025)

Listed company name: **NIPPON CORPORATION**  
 Listing: The Prime Market of the Tokyo Stock Exchange  
 Code number: 2001  
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Start of cash dividend payments: —  
 Supplementary materials prepared: None  
 Results information meeting held: None

\*Amounts less than one million yen have been rounded down.

### 1. Consolidated financial results for the third quarter of FY2025 (From April 1, 2024 to December 31, 2024)

#### (1) Consolidated operating results (cumulative)

(Millions of yen, percentage figures show the rate of change from the same period of the previous year.)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
Third quarter of FY2025	312,513	2.5%	17,078	(5.1)%	19,849	(4.1)%	19,489	36.2%
Third quarter of FY2024	304,974	11.0%	18,000	88.2%	20,704	74.5%	14,307	77.0%
(Note) Comprehensive income:	Third quarter of FY2025		¥24,444 million [(5.0)%]		Third quarter of FY2024		¥25,734 million [86.7%]	

	Profit per Share (Yen)	Fully Diluted Profit per Share (Yen)
Third quarter of FY2025	249.79	217.88
Third quarter of FY2024	183.52	160.29

#### (2) Consolidated financial position

(Millions of yen)

	Total Assets	Net Assets	Equity Ratio
Third quarter of FY2025	403,455	247,150	60.2%
FY2024	386,692	228,285	58.0%
(Reference) Equity capital:	Third quarter of FY2025		¥242,846 million
	FY2024		¥224,115 million

### 2. Dividends

	Dividends per Share (Yen)				
	1Q-end	2Q-end	3Q-end	Year-end	Full Year
FY2024	—	28.00	—	38.00	66.00
FY2025	—	33.00	—		
FY2025 (Forecast)				33.00	66.00

(Note) Adjustment for the most recent forecast of the dividends in the current term: None

3. Forecast of consolidated financial results for FY2025 (From April 1, 2024 to March 31, 2025)

(Millions of yen, percentage figures show the rate of changes from the same period of the previous year.)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		Profit per Share (Yen)
Full Year	412,000	2.9%	20,500	0.8%	22,500	(3.4)%	24,000	(9.0)%	307.80

(Note) Adjustment for the most recent forecast of the consolidated financial results in the current term: None

\* Notes

(1) Significant changes in the scope of consolidation during the current quarter: Yes

New: 1 company (company name) NIPPON Vietnam Company Limited

(2) Adoption of special accounting methods for preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, accounting estimates, and retrospective restatements

1) Changes in accounting policies due to revisions of accounting standards : None

2) Changes other than 1) : None

3) Changes in accounting estimates : None

4) Retrospective restatements : None

(4) Number of shares issued and outstanding (common stock)

1) Number of shares outstanding at the end of each period (including treasury shares):	Third quarter of FY2025	78,824,009 shares	FY2024	78,824,009 shares
2) Number of treasury shares at the end of each period:	Third quarter of FY2025	771,078 shares	FY2024	848,032 shares
3) Average number of shares (quarterly consolidated cumulative period):	Third quarter of FY2025	78,024,762 shares	Third quarter of FY2024	77,961,316 shares

(Note) The number of treasury shares at the end of the period includes the Company's shares (225,900 shares at the end of the third quarter of FY2025, 240,000 shares at the end of FY2024) held by Custody Bank of Japan, Ltd. (Trust E Account). The number of treasury shares deducted in calculating the average number of shares during the period includes the Company's shares (232,167 shares at the end of the third quarter of FY2025, 133,333 shares at the end of the third quarter of FY2024) held by Custody Bank of Japan, Ltd. (Trust E Account).

\* Review of the accompanying quarterly consolidated financial statements by certified public accountants or an audit corporation: None

\* Explanation regarding the appropriate use of projected financial results and other special instructions

Descriptions regarding the future, including the financial outlook contained in this material, are based on certain information currently available to the Company and particular assumptions, which are, at the discretion of the Company, deemed reasonable, and actual financial results may significantly vary due to various factors. Please refer to "1. Qualitative Information on Quarterly Consolidated Financial Results (3) Information on forecast of the consolidated financial results" on page 4 for information on preconditions underlying the above outlook and other related information.

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# 1. Qualitative Information on Quarterly Consolidated Financial Results

## (1) Overview of business results

(Millions of yen)

	First nine months of Fiscal 2024	First nine months of Fiscal 2025	Difference	Change
Net sales	304,974	312,513	7,539	102.5%
Operating income	18,000	17,078	(922)	94.9%
Ordinary income	20,704	19,849	(854)	95.9%
Profit attributable to owners of parent	14,307	19,489	5,182	136.2%

During the first nine months of the fiscal year ending March 31, 2025, the Japanese economy recovered gradually due to factors such as an expansion in domestic demand resulting from improvements in the employment and income environment, and an increase in inbound tourism. On the other hand, we continued to pay close attention to the impact on the Group's business environment of factors such as the high prices of raw materials and energy, which were affected by the exchange rate of the yen that remained weak against the dollar, and the strengthening of consumers' desire to save due to rising prices.

In these circumstances, we are striving to continuously improve our corporate value based on the management philosophy of "Contributing to the realization of a sustainable society by pursuing the well-being (happiness, health, and smiles) of people."

During the first nine months of FY2025, we continued to work to expand sales of the Oh' My Premium brand (dried and frozen pasta) based on a marketing strategy that was strengthened through collaboration with Katana Inc. In July last year, as part of our efforts to expand into growth fields, we established NIPPON Vietnam Company Limited in the Socialist Republic of Vietnam in order to strengthen our supply system in the ASEAN region for the Overseas Business. Furthermore, in September last year, in order to strengthen our supply system in anticipation of future growth in demand for frozen foods, we decided to acquire shares of HATANAKA FOODS Co., Ltd. through a private placement and make it a consolidated subsidiary, and preparations for the construction of a new frozen food plant are in progress.

In addition, we will establish a new R&D base "NIPPON R&D Center" in Tsuzuki-ku, Yokohama, Kanagawa in October 2026, in order to strengthen our R&D functions and improve convenience.

Consolidated results for the first nine months of FY2025 were as follows. Net sales increased by 2.5% year-on-year to ¥312,513 million, due to factors such as the expansion of food service demand and inbound tourism, price revisions implemented previous and current fiscal years, and growth in sales volume of the Oh' My Premium brand products driven by the strengthening of marketing strategies. In terms of profit, despite an increase in sales volume in the Flour Milling Business and the Food Business, operating income decreased by 5.1% year-on-year to ¥17,078 million and ordinary income decreased by 4.1% year-on-year to ¥19,849 million due to an increase in various costs, including personnel and logistics costs, in each business. On the other hand, due to extraordinary gains from the sale of idle land, profit attributable to owners of parent increased by 36.2% year-on-year to ¥19,489 million.

The performance of individual business segments was as follows.

## 1) Flour Milling

(Millions of yen)

	First nine months of Fiscal 2024	First nine months of Fiscal 2025	Difference	Change
Net sales	96,342	92,766	(3,576)	96.3%
Operating income	7,965	7,082	(882)	88.9%

In the Flour Milling Business, shipments were higher year-on-year, due to continuing on promoting problem-solving sales that meet customer needs and diversification of diets.

In addition, we implemented price revisions following the reduction of the government selling price of foreign wheat in April last year.

As a result, net sales of the Flour Milling Business decreased by 3.7% year-on-year to ¥92,766 million and operating income decreased by 11.1% year-on-year to ¥7,082 million,

As a side note, due to the revision of the government selling price of foreign wheat in April and October of last year and rising logistics and power costs, we have revised the price of wheat flour for professional use since July of last year and January of this year.

## 2) Food

(Millions of yen)

	First nine months of Fiscal 2024	First nine months of Fiscal 2025	Difference	Change
Net sales	172,601	181,696	9,094	105.3%
Operating income	8,059	7,766	(292)	96.4%

In the food products for professional use, net sales increased year-on-year, due to factors such as an increase in demand for food service and expansion of inbound tourism.

In the home-use food products category, net sales increased year-on-year, due to growth in sales volume of dried pasta such as “Chewy and Delicious Spaghetti” by strengthening marketing strategies, and price revisions implemented in February in response to various cost increases.

In the frozen foods category, net sales increased year-on-year, due to price revisions in the previous and current fiscal years, growth in sales volume of the Oh’ My Premium frozen pasta series by strengthening marketing strategies, and steady sales volume of the “One Plate Meal” series, which comes in a tray and can be used as a complete meal by itself, and the “Trendy Meal” series.

In the Nakashoku (Ready-made meal) business, net sales remained at the same level as the previous year.

As a result, net sales of the Food Business increased by 5.3% year-on-year to ¥181,696 million, and operating income decreased by 3.6% year-on-year to ¥7,766 million.

## 3) Other

(Millions of yen)

	First nine months of Fiscal 2024	First nine months of Fiscal 2025	Difference	Change
Net sales	36,030	38,051	2,020	105.6%
Operating income	1,976	2,291	315	116.0%

In the pet food business, net sales increased year-on-year, due to growth in sales volume of high-unit-price products, etc.

In the food service business, net sales increased year-on-year, reflecting buoyant sales of products due to an increase in the number of customers, and price revisions implemented current fiscal year.

As a result, net sales for the Other segment increased by 5.6% year-on-year to ¥38,051 million, and operating income increased by 16.0% year-on-year to ¥2,291 million.

## (2) Overview of financial position

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024	Difference
Current assets	157,759	162,172	4,413
Non-current assets	228,919	241,278	12,358
Deferred assets	13	4	(9)
Total assets	386,692	403,455	16,763
Current liabilities	84,403	107,371	22,967
Non-current liabilities	74,002	48,933	(25,069)
Total liabilities	158,406	156,305	(2,101)
Total net assets	228,285	247,150	18,864
Total liabilities and net assets	386,692	403,455	16,763

Total assets at the end of the first nine months of fiscal 2025 increased by ¥16,763 million from the previous fiscal year-end (March 31, 2024) to ¥403,455 million. This was mainly because notes and accounts receivable - trade and contract assets; investment securities; property, plant and equipment; raw materials and supplies increased by ¥8,348 million, ¥6,647 million, ¥5,987 million, and ¥2,664 million, respectively, and cash and deposits decreased by ¥8,362 million.

Total liabilities decreased by ¥2,101 million from the previous fiscal year-end to ¥156,305 million. This was mainly because notes and accounts payable – trade; other non-current liabilities increased by ¥2,562 million, and ¥2,230 million, respectively, and income taxes payable; long-term loans payable decreased by ¥4,436 million, ¥2,241 million, respectively.

Total net assets increased by ¥18,864 million from the previous fiscal year-end to ¥247,150 million. This was mainly because retained earnings, unrealized holding gains (losses) on securities increased by ¥13,923 million, ¥4,177 million, respectively.

## (3) Information on forecast of the consolidated financial results

For the full year, the forecast of the consolidated financial results announced on May 14, 2024 has been unchanged, due to steady progress.

With regard to dividends, we plan to pay total cash dividends of ¥66 per share for the full year ending March 31, 2025, unchanged from the forecast either.

## 2. Quarterly Consolidated Financial Statements and Primary Notes

### (1) Quarterly consolidated balance sheets

(Millions of yen)

	FY2024 (As of March 31, 2024)	First nine months of FY2025 (As of December 31, 2024)
Assets		
Current assets		
Cash and deposits	45,594	37,231
Notes and accounts receivable - trade and contract assets	60,556	68,904
Merchandise and finished goods	23,185	25,470
Work in process	123	291
Raw materials and supplies	20,760	23,425
Other current assets	7,582	6,904
Allowance for doubtful accounts	(43)	(55)
Total current assets	157,759	162,172
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	47,383	48,311
Machinery, equipment, and vehicles, net	22,166	23,330
Land	45,694	45,624
Construction in progress	5,646	9,122
Other, net	3,516	4,005
Total property, plant, and equipment	124,407	130,395
Intangible assets		
Goodwill	998	856
Other	1,424	1,230
Total Intangible assets	2,423	2,086
Investments and other assets		
Investment securities	90,618	97,266
Other	11,766	11,800
Allowance for doubtful accounts	(296)	(270)
Total investments and other assets	102,088	108,796
Total non-current assets	228,919	241,278
Deferred assets	13	4
Total assets	386,692	403,455

(Millions of yen)

	FY2024 (As of March 31, 2024)	First nine months of FY2025 (As of December 31, 2024)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	33,786	36,349
Short-term loans payable	18,873	18,894
Current portion of bonds	128	—
Current portion of convertible bond-type bonds with subscription rights to shares	—	25,006
Income taxes payable	7,513	3,077
Provision for bonuses	909	388
Other	23,193	23,656
Total current liabilities	84,403	107,371
Non-current liabilities		
Convertible bond-type bonds with subscription rights to shares	25,020	—
Long-term loans payable	17,207	14,965
Retirement benefit liabilities	3,808	3,794
Accrued retirement benefits for directors	379	339
Provision for share awards for directors (and other officers)	73	88
Other	27,513	29,744
Total non-current liabilities	74,002	48,933
Total liabilities	158,406	156,305
Net assets		
Shareholders' equity		
Capital stock	12,240	12,240
Capital surplus	9,762	9,758
Retained earnings	151,492	165,416
Treasury shares	(1,317)	(1,182)
Total shareholders' equity	172,177	186,232
Accumulated other comprehensive income		
Unrealized holding gains (losses) on securities	46,122	50,300
Deferred gains (losses) on hedges	19	53
Foreign currency translation adjustments	3,131	3,745
Retirement benefit liability adjustments	2,663	2,514
Total accumulated other comprehensive income	51,937	56,614
Subscription rights to shares	221	115
Non-controlling interests	3,948	4,187
Total net assets	228,285	247,150
Total liabilities and net assets	386,692	403,455



**(2) Quarterly consolidated statements of income and comprehensive income**  
**(Quarterly consolidated statements of income)**

(Millions of yen)

	First nine months of FY2024 (From April 1, 2023 to December 31, 2023)	First nine months of FY2025 (From April 1, 2024 to December 31, 2024)
Net sales	304,974	312,513
Cost of sales	232,782	236,830
Gross profit	72,192	75,683
Selling, general and administrative expenses	54,191	58,604
Operating income	18,000	17,078
Non-operating income		
Interest income	59	192
Dividend income	2,051	2,300
Other	858	700
Total non-operating income	2,968	3,193
Non-operating expenses		
Interest expenses	137	186
Other	128	236
Total non-operating expenses	265	422
Ordinary income	20,704	19,849
Extraordinary income		
Gain on sale of fixed assets	48	8,686
Gain on sale of investment securities	91	100
Gain on sale of businesses	350	—
Total extraordinary income	490	8,787
Extraordinary expenses		
Loss on sale and disposal of fixed assets	126	62
Loss on sale of shares of subsidiaries and associates	245	—
Impairment losses	25	—
Loss of valuation of investment securities	96	72
Other	41	13
Total extraordinary expenses	534	148
Profit before income taxes	20,660	28,488
Income taxes - current	5,444	7,944
Income taxes - deferred	667	774
Total income taxes	6,112	8,719
Profit	14,547	19,769
Profit attributable to non-controlling interests	240	279
Profit attributable to owners of parent	14,307	19,489

**(Quarterly consolidated statements of comprehensive income)**

(Millions of yen)

	First nine months of FY2024 (From April 1, 2023 to December 31, 2023)	First nine months of FY2025 (From April 1, 2024 to December 31, 2024)
Profit	14,547	19,769
Other comprehensive income		
Unrealized holding gains (losses) on securities	9,967	4,172
Deferred gains (losses) on hedges	(19)	38
Foreign currency translation adjustments	1,134	473
Retirement benefit liability adjustments	(13)	(148)
Share of other comprehensive income of entities accounted for using equity method	118	140
Total other comprehensive income	11,186	4,675
Comprehensive income	25,734	24,444
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	25,472	24,166
Comprehensive income attributable to non-controlling interests	261	278

**(4) Notes on quarterly consolidated financial statements**

(Notes on going concern assumption)

Not applicable.

(Notes to significant changes in the amount of shareholders' equity)

Not applicable.

(Notes on quarterly consolidated statements of cash flows)

Quarterly consolidated statements of cash flows for the first nine months of fiscal 2025 have not been prepared.

Depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the first nine months of fiscal 2024 and fiscal 2025 are as follows.

(Millions of yen)

	First nine months of FY2024 (From April 1, 2023 to December 31, 2023)	First nine months of FY2025 (From April 1, 2024 to December 31, 2024)
Depreciation	7,541	8,027
Amortization of goodwill	141	141

(Segment information, etc.)

[Segment information]

**I. Third Quarter of FY2024 (From April 1, 2023 to December 31, 2023)**

**1. Information on amounts of sales and profit (loss) by reportable segment and disaggregation of revenue**

(Millions of yen)

	Reportable segments			Other Note: 1	Total	Adjustments Note: 2	Amount recorded in quarterly consolidated statements of income Note: 3
	Flour Milling	Food	Total				
Net sales							
Revenue from contracts with customers	96,342	172,566	268,909	35,310	304,220	—	304,220
Other revenue	—	34	34	719	754	—	754
Net sales to external customers	96,342	172,601	268,943	36,030	304,974	—	304,974
Internal sales or transfers between segments	2,328	931	3,260	3,919	7,179	(7,179)	—
Total	98,671	173,533	272,204	39,949	312,154	(7,179)	304,974
Segment profit (loss)	7,965	8,059	16,024	1,976	18,000	0	18,000

Notes: 1. The “Other” column indicates businesses not included in the reportable segments, including pet food, health food, engineering, food service business, and real estate business.

2. Segment profit (loss) adjustment of ¥0 million refers to elimination of inter-segment transactions.

3. Segment profit (loss) is adjusted to reconcile total segment profit (loss) to operating income in the quarterly consolidated statements of income.

**2. Information on impairment losses on non-current assets or goodwill, etc. by reportable segment**

(Significant impairment loss on non-current assets)

In the “Other” segment, an impairment loss on non-current assets for which recovery of the investment amount is no longer expected has been recorded. The amount of this impairment loss recorded for the third quarter of fiscal 2024 is ¥25 million.

## II. Third Quarter of FY2025 (From April 1, 2024 to December 31, 2024)

### 1. Information on amounts of sales and profit (loss) by reportable segment and disaggregation of revenue

(Millions of yen)

	Reportable segments			Other Note: 1	Total	Adjustments Note: 2	Amount recorded in quarterly consolidated statements of income Note: 3
	Flour Milling	Food	Total				
Net sales							
Revenue from contracts with customers	92,766	181,661	274,427	37,348	311,775	—	311,775
Other revenue	—	34	34	703	738	—	738
Net sales to external customers	92,766	181,696	274,462	38,051	312,513	—	312,513
Internal sales or transfers between segments	2,197	861	3,059	2,569	5,628	(5,628)	—
Total	94,964	182,557	277,521	40,620	318,142	(5,628)	312,513
Segment profit (loss)	7,082	7,766	14,848	2,291	17,140	(61)	17,078

Notes: 1. The “Other” column indicates businesses not included in the reportable segments, including pet food, health food, engineering, food service business, and real estate business.

2. Segment profit (loss) adjustment of ¥ (61) million refers to elimination of inter-segment transactions.

3. Segment profit (loss) is adjusted to reconcile total segment profit (loss) to operating income in the quarterly consolidated statements of income.

### 2. Information on impairment losses on non-current assets or goodwill, etc. by reportable segment.

Not applicable.