

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



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

May 14, 2025

Company name: NIHON KAGAKU SANGYO CO.,LTD.

Listing: Tokyo Stock Exchange

Securities code: 4094

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

Representative: KADOYA Hiroki

President

Operating Officer and General Manager of Corporate Planning
Office

Inquiries: YOSHIDA Yutaka

Telephone: +81-3-5246-3544

Scheduled date of annual general meeting of shareholders: June 26, 2025

Scheduled date to commence dividend payments: June 6, 2025

Scheduled date to file annual securities report: June 25, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes(for institutional investors and analysts)

(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	25,441	13.4	2,860	31.4	3,212	25.5	2,357	35.3
March 31, 2024	22,444	(6.7)	2,177	(24.9)	2,560	(21.6)	1,742	(22.0)

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ 1,967 million [(40.1) %]
Fiscal year ended March 31, 2024: ¥ 3,286 million [62.4%]

	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	121.17	-	5.1	6.0	11.2
March 31, 2024	88.81	-	3.9	5.0	9.7

(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	54,303	46,478	85.6	2,388.36
March 31, 2024	52,928	45,660	86.3	2,348.33

(Reference) Equity: As of March 31, 2025: ¥ 46,478 million
As of March 31, 2024: ¥ 45,660 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	3,304	(11,450)	(1,270)	10,218
March 31, 2024	3,097	(1,317)	(999)	19,487

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	-	16.00	-	30.00	46.00	900	51.8	2.0
March 31, 2025	-	30.00	-	45.00	75.00	1,475	61.9	3.2
Fiscal year ending								
March 31, 2026	-	45.00	-	45.00	90.00		-	
(Forecast)								

(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
September 30, 2025	24,660	(3.1)	2,130	(25.5)	2,470	(23.1)	1,800	(23.6)	92.50
Full year									

* 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: Yes
- 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:	20,280,000 shares
March 31, 2024:	20,280,000 shares

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

March 31, 2025:	819,409 shares
March 31, 2024:	836,026 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2025:	19,454,496 shares
Fiscal Year ended March 31, 2024:	19,625,991 shares

* 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

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	19,687,270	15,418,395
Notes receivable - trade	1,372,910	928,452
Electronically recorded monetary claims - operating	610,593	943,277
Accounts receivable - trade	5,736,382	6,020,255
Merchandise and finished goods	1,870,434	2,062,624
Work in process	1,287,196	1,242,391
Raw materials and supplies	1,540,182	1,722,980
Other	152,291	165,141
Allowance for doubtful accounts	(1,270)	(1,200)
Total current assets	32,255,990	28,502,318
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,414,025	7,607,349
Accumulated depreciation	(5,200,148)	(5,419,570)
Buildings and structures, net	2,213,877	2,187,778
Machinery, equipment and vehicles	13,585,733	14,403,308
Accumulated depreciation	(11,507,569)	(12,065,830)
Machinery, equipment and vehicles, net	2,078,164	2,337,477
Tools, furniture and fixtures	2,027,932	2,076,745
Accumulated depreciation	(1,813,177)	(1,907,940)
Tools, furniture and fixtures, net	214,755	168,805
Land	2,654,466	2,681,294
Construction in progress	49,414	1,049,111
Total property, plant and equipment	7,210,677	8,424,467
Intangible assets	124,228	112,037
Investments and other assets		
Investment securities	9,902,258	8,854,753
Long-term time deposits	2,100,000	7,100,000
Retirement benefit asset	470,428	456,769
Deferred tax assets	14,863	7,100
Other	851,205	848,039
Allowance for doubtful accounts	(1,570)	(1,570)
Total investments and other assets	13,337,185	17,265,092
Total non-current assets	20,672,091	25,801,598
Total assets	52,928,082	54,303,916

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,474,295	2,743,976
Electronically recorded obligations - operating	328,089	437,955
Short-term borrowings	373,800	263,800
Income taxes payable	371,739	446,982
Provision for bonuses	420,000	420,000
Provision for bonuses for directors (and other officers)	35,000	40,000
Other	910,229	1,310,888
Total current liabilities	4,913,153	5,663,603
Non-current liabilities		
Deferred tax liabilities	1,830,674	1,627,281
Retirement benefit liability	340,187	350,728
Provision for share awards for directors (and other officers)	95,328	95,689
Asset retirement obligations	40,480	40,735
Other	47,435	47,006
Total non-current liabilities	2,354,106	2,161,442
Total liabilities	7,267,260	7,825,045
Net assets		
Shareholders' equity		
Share capital	1,034,000	1,034,000
Capital surplus	742,352	856,908
Retained earnings	39,720,445	40,905,658
Treasury shares	(829,450)	(920,903)
Total shareholders' equity	40,667,347	41,875,663
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,996,612	3,272,862
Foreign currency translation adjustment	774,783	1,173,651
Remeasurements of defined benefit plans	222,079	156,692
Total accumulated other comprehensive income	4,993,475	4,603,206
Total net assets	45,660,822	46,478,870
Total liabilities and net assets	52,928,082	54,303,916

Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	22,444,051	25,441,423
Cost of sales	17,185,333	19,296,261
Gross profit	5,258,717	6,145,161
Selling, general and administrative expenses	3,081,041	3,284,245
Operating profit	2,177,676	2,860,915
Non-operating income		
Interest income	13,951	16,637
Dividend income	203,463	212,249
Rental income from real estate	77,653	79,341
Foreign exchange gains	-	1,866
Insurance claim income	45,644	-
Other	94,212	87,041
Total non-operating income	434,924	397,135
Non-operating expenses		
Interest expenses	6,593	6,737
Rental costs	32,320	34,107
Foreign exchange losses	7,297	-
Other	5,471	4,481
Total non-operating expenses	51,682	45,326
Ordinary profit	2,560,918	3,212,725
Extraordinary income		
Gain on sale of non-current assets	15,995	46,611
Gain on sale of investment securities	340	105,500
Total extraordinary income	16,335	152,112
Extraordinary losses		
Loss on retirement of non-current assets	58,070	61,667
Loss on sale of non-current assets	8,454	10,593
Total extraordinary losses	66,525	72,260
Profit before income taxes	2,510,728	3,292,576
Income taxes - current	752,046	846,730
Income taxes - deferred	15,787	88,541
Total income taxes	767,833	935,271
Profit	1,742,894	2,357,304
Profit attributable to owners of parent	1,742,894	2,357,304

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	1,742,894	2,357,304
Other comprehensive income		
Valuation difference on available-for-sale securities	1,108,068	(723,749)
Foreign currency translation adjustment	253,274	398,867
Remeasurements of defined benefit plans, net of tax	181,864	(65,386)
Total other comprehensive income	1,543,207	(390,268)
Comprehensive income	3,286,102	1,967,036
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,286,102	1,967,036
Comprehensive income attributable to non-controlling interests	-	-

Consolidated Statements of Changes in Equity
For the fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,034,000	1,059,147	38,609,959	(790,463)	39,912,643
Changes during period					
Dividends of surplus			(632,408)		(632,408)
Profit attributable to owners of parent			1,742,894		1,742,894
Purchase of treasury shares				(374,497)	(374,497)
Disposal of treasury shares				18,714	18,714
Cancellation of treasury shares		(316,795)		316,795	-
Net changes in items other than shareholders' equity					
Total changes during period	-	(316,795)	1,110,486	(38,987)	754,703
Balance at end of period	1,034,000	742,352	39,720,445	(829,450)	40,667,347

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	2,888,543	521,508	40,214	3,450,267	43,362,911
Changes during period					
Dividends of surplus					(632,408)
Profit attributable to owners of parent					1,742,894
Purchase of treasury shares					(374,497)
Disposal of treasury shares					18,714
Cancellation of treasury shares					-
Net changes in items other than shareholders' equity	1,108,068	253,274	181,864	1,543,207	1,543,207
Total changes during period	1,108,068	253,274	181,864	1,543,207	2,297,911
Balance at end of period	3,996,612	774,783	222,079	4,993,475	45,660,822

For the fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,034,000	742,352	39,720,445	(829,450)	40,667,347
Changes during period					
Dividends of surplus			(1,172,091)		(1,172,091)
Profit attributable to owners of parent			2,357,304		2,357,304
Purchase of treasury shares				(331,760)	(331,760)
Disposal of treasury shares		114,555		240,307	354,863
Net changes in items other than shareholders' equity					
Total changes during period	-	114,555	1,185,213	(91,452)	1,208,316
Balance at end of period	1,034,000	856,908	40,905,658	(920,903)	41,875,663

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	3,996,612	774,783	222,079	4,993,475	45,660,822
Changes during period					
Dividends of surplus					(1,172,091)
Profit attributable to owners of parent					2,357,304
Purchase of treasury shares					(331,760)
Disposal of treasury shares					354,863
Net changes in items other than shareholders' equity	(723,749)	398,867	(65,386)	(390,268)	(390,268)
Total changes during period	(723,749)	398,867	(65,386)	(390,268)	818,048
Balance at end of period	3,272,862	1,173,651	156,692	4,603,206	46,478,870

Consolidated Statements of Cash Flows

(Thousands 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	2,510,728	3,292,576
Depreciation	1,108,940	1,075,115
Increase (decrease) in allowance for doubtful accounts	(10)	(70)
Increase (decrease) in provision for bonuses	20,000	-
Increase (decrease) in provision for bonuses for directors (and other officers)	-	5,000
Decrease (increase) in retirement benefit asset	(9,201)	(11,382)
Increase (decrease) in retirement benefit liability	8,509	13,274
Increase (decrease) in provision for share awards for directors (and other officers)	(4,475)	360
Interest and dividend income	(217,414)	(228,886)
Insurance claim income	(45,644)	-
Interest expenses	6,593	6,737
Loss (gain) on sale of non-current assets	(7,540)	(36,018)
Loss (gain) on sale of investment securities	(340)	(105,500)
Loss on retirement of non-current assets	58,070	61,667
Decrease (increase) in trade receivables	(566,113)	(84,245)
Decrease (increase) in inventories	481,308	(259,562)
Increase (decrease) in trade payables	(151,593)	345,736
Other, net	178,975	(220,971)
Subtotal	3,370,792	3,853,830
Interest and dividends received	218,909	230,401
Proceeds from insurance income	45,644	-
Interest paid	(6,593)	(6,737)
Income taxes paid	(530,936)	(772,666)
Net cash provided by (used in) operating activities	3,097,817	3,304,828

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	400,000	400,000
Payments into time deposits	(400,000)	(10,400,000)
Purchase of property, plant and equipment	(1,107,498)	(1,602,929)
Proceeds from sale of property, plant and equipment	3,434	91,482
Purchase of intangible assets	(55,919)	(44,842)
Purchase of investment securities	(84,030)	(16,858)
Proceeds from sale of investment securities	8,011	187,189
Proceeds from cancellation of life insurance funds	2,639	2,613
Accumulation of contribution of life insurance	(16,987)	(16,890)
Other, net	(67,122)	(50,752)
Net cash provided by (used in) investing activities	(1,317,473)	(11,450,987)
Cash flows from financing activities		
Proceeds from short-term borrowings	938,000	938,000
Repayments of short-term borrowings	(938,000)	(1,048,000)
Purchase of treasury shares	(374,497)	-
Dividends paid	(629,370)	(1,167,235)
Other, net	4,342	7,144
Net cash provided by (used in) financing activities	(999,524)	(1,270,090)
Effect of exchange rate change on cash and cash equivalents	98,445	147,375
Net increase (decrease) in cash and cash equivalents	879,263	(9,268,874)
Cash and cash equivalents at beginning of period	18,608,006	19,487,270
Cash and cash equivalents at end of period	19,487,270	10,218,395