

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on Japanese GAAP)

May 15, 2024

Company name: NPR-RIKEN CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 6209 URL <https://www.npr-riken.co.jp/>
 Representative: Representative Director, Chairman and CEO Yasunori Maekawa
 General Manager Corporate Management
 Inquiries: Division Kazunori Maeda TEL 03-6899-1871
 Scheduled date of ordinary general meeting of shareholders: June 21, 2024
 Scheduled date to file Securities Report: June 21, 2024
 Scheduled date to commence dividend payments: June 24, 2024
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 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	%
Year ended March 31, 2024	138,586	—	8,764	—	11,635	—	26,324	—
Year ended March 31, 2023	—	—	—	—	—	—	—	—

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2024	1,091.89	1,088.83	37.5	10.6	6.3
Year ended March 31, 2023	—	—	—	—	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	218,580	149,166	64.2	4,990.81
As of March 31, 2023	—	—	—	—

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	18,496	(13,548)	(8,615)	22,261
Year ended March 31, 2023	—	—	—	—

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	—	—	—	—	—	—	—	—
Year ended March 31, 2024	—	—	—	70.00	70.00	1,969	6.4	1.4
Year ending March 31, 2025 (Forecast)	—	45.00	—	70.00	115.00		40.4	

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	171,000	23.4	10,400	18.7	12,700	9.2	8,000	(69.6)	284.31

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2024	28,141,360 shares	As of March 31, 2023	– shares
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Number of treasury shares at the end of the period

As of March 31, 2024	3,159 shares	As of March 31, 2023	– shares
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Average number of shares during the period

Year ended March 31, 2024	24,108,914 shares	Year ended March 31, 2023	– shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

As of March 31, 2024

Assets	
Current assets	
Cash and deposits	24,440
Notes and accounts receivable - trade, and contract assets	38,709
Merchandise and finished goods	22,736
Work in process	7,348
Raw materials and supplies	7,497
Other	3,680
Allowance for doubtful accounts	(63)
Total current assets	104,348
Non-current assets	
Property, plant and equipment	
Buildings and structures, net	16,108
Machinery, equipment and vehicles, net	19,703
Land	8,623
Construction in progress	1,986
Other, net	3,773
Total property, plant and equipment	50,195
Intangible assets	
Leased assets	1,247
Goodwill	5,073
Other	1,232
Total intangible assets	7,553
Investments and other assets	
Investment securities	40,401
Deferred tax assets	1,443
Retirement benefit asset	13,412
Other	1,252
Allowance for doubtful accounts	(26)
Total investments and other assets	56,482
Total non-current assets	114,232
Total assets	218,580

(Millions of yen)

As of March 31, 2024

Liabilities	
Current liabilities	
Notes and accounts payable - trade	10,915
Electronically recorded obligations - operating	9,148
Short-term borrowings	7,816
Current portion of long-term loans payable	2,404
Income taxes payable	1,587
Provision for bonuses	2,794
Other	9,999
Total current liabilities	44,668
Non-current liabilities	
Long-term borrowings	9,565
Retirement benefit liability	3,835
Provision for product warranties	285
Provision for retirement benefits for directors (and other officers)	189
Deferred tax liabilities	7,921
Other	2,947
Total non-current liabilities	24,745
Total liabilities	69,413
Net assets	
Shareholders' equity	
Share capital	5,061
Capital surplus	25,590
Retained earnings	89,884
Treasury shares	(6)
Total shareholders' equity	120,530
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	7,750
Deferred gains or losses on hedges	(111)
Foreign currency translation adjustment	6,116
Remeasurements of defined benefit plans	6,147
Total accumulated other comprehensive income	19,902
Share acquisition rights	118
Non-controlling interests	8,615
Total net assets	149,166
Total liabilities and net assets	218,580

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2024
Net sales	138,586
Cost of sales	108,602
Gross profit	29,983
Selling, general and administrative expenses	
Freight and packing costs	2,781
Sales commission	244
Provision for retirement benefits for directors (and other officers)	15
Provision for bonuses	1,243
Remuneration, salaries and allowances for directors (and other officers)	5,682
Retirement benefit expenses	142
Research and development expenses	2,458
Other	8,651
Total selling, general and administrative expenses	21,219
Operating profit	8,764
Non-operating income	
Interest and dividend income	873
Share of profit of entities accounted for using equity method	1,465
Foreign exchange gains	348
Other	530
Total non-operating income	3,217
Non-operating expenses	
Interest expenses	167
Other	179
Total non-operating expenses	347
Ordinary profit	11,635
Extraordinary income	
Gain on sale of non-current assets	12
Gain on sale of investment securities	197
Gain on bargain purchase	19,182
Total extraordinary income	19,391
Extraordinary losses	
Loss on retirement of non-current assets	246
Loss on sale of non-current assets	19
Impairment losses	933
Loss on sale of investment securities	62
Loss on valuation of investment securities	9
Total extraordinary losses	1,272
Profit before income taxes	29,753
Income taxes - current	2,745
Income taxes - deferred	740
Total income taxes	3,486
Profit	26,267
Loss attributable to non-controlling interests	(56)
Profit attributable to owners of parent	26,324

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2024
Profit	26,267
Other comprehensive income	
Valuation difference on available-for-sale securities	5,978
Deferred gains or losses on hedges	(114)
Foreign currency translation adjustment	1,659
Remeasurements of defined benefit plans, net of tax	3,642
Share of other comprehensive income of entities accounted for using equity method	1,144
Total other comprehensive income	12,308
Comprehensive income	38,575
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	38,439
Comprehensive income attributable to non-controlling interests	137

Consolidated statements of changes in equity

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	8,627	7,178	67,644	(2,896)	80,554
Changes during period					
Profit (loss) attributable to owners of parent			26,324		26,324
Increase by share transfers	(3,627)	18,442			14,815
Issuance of new shares	61	61			122
Dividends of surplus		(273)	(1,205)		(1,478)
Purchase of treasury shares				(8)	(8)
Disposal of treasury shares			(28)	48	20
Cancellation of treasury shares		(2,849)		2,849	–
Transfer from retained earnings to capital surplus		2,849	(2,849)		–
Purchase of shares of consolidated subsidiaries		181			181
Net changes in items other than shareholders' equity					–
Total changes during period	(3,565)	18,411	22,240	2,890	39,976
Balance at end of period	5,061	25,590	89,884	(6)	120,530

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	1,908	10	3,474	2,529	7,922	97	6,409	94,983
Changes during period								
Profit (loss) attributable to owners of parent								26,324
Increase by share transfers								14,815
Issuance of new shares								122
Dividends of surplus								(1,478)
Purchase of treasury shares								(8)
Disposal of treasury shares								20
Cancellation of treasury shares								–
Transfer from retained earnings to capital surplus								–
Purchase of shares of consolidated subsidiaries								181
Net changes in items other than shareholders' equity	5,842	(121)	2,641	3,617	11,979	21	2,205	14,207
Total changes during period	5,842	(121)	2,641	3,617	11,979	21	2,205	54,183
Balance at end of period	7,750	(111)	6,116	6,147	19,902	118	8,615	149,166

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2024
Cash flows from operating activities	
Profit before income taxes	29,753
Depreciation	6,763
Impairment losses	933
Share of loss (profit) of entities accounted for using equity method	(1,465)
Increase (decrease) in retirement benefit liability	(808)
Decrease (increase) in retirement benefit asset	(6,351)
Increase (decrease) in allowance for doubtful accounts	(17)
Interest and dividend income	(873)
Interest expenses	167
Gain on bargain purchase	(19,182)
Loss (gain) on sale of investment securities	(134)
Loss on retirement of non-current assets	246
Loss (gain) on sale of non-current assets	7
Decrease (increase) in accounts receivable - trade, and contract assets	1,013
Decrease (increase) in inventories	1,857
Increase (decrease) in trade payables	(458)
Other, net	7,265
Subtotal	<u>18,717</u>
Interest and dividends received	1,732
Interest paid	(167)
Income taxes paid	(1,785)
Net cash provided by (used in) operating activities	<u>18,496</u>
Cash flows from investing activities	
Net decrease (increase) in time deposits	1,600
Purchase of property, plant and equipment	(5,834)
Proceeds from sale of property, plant and equipment	140
Purchase of intangible assets	(257)
Purchase of investment securities	(0)
Proceeds from sale and redemption of investment securities	1,088
Loan advances	(712)
Proceeds from collection of loans receivable	757
Purchase of shares of subsidiaries	(9,530)
Other payments	(889)
Other proceeds	89
Net cash provided by (used in) investing activities	<u>(13,548)</u>

	(Millions of yen)
	Fiscal year ended March 31, 2024
Cash flows from financing activities	
Proceeds from short-term borrowings	4,706
Repayments of short-term borrowings	(5,535)
Proceeds from long-term borrowings	3,000
Repayments of long-term borrowings	(6,310)
Repayments of lease liabilities	(136)
Purchase of treasury shares	(8)
Proceeds from disposal of treasury shares	0
Dividends paid	(1,477)
Dividends paid to non-controlling interests	(157)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(2,697)
Net cash provided by (used in) financing activities	(8,615)
Effect of exchange rate change on cash and cash equivalents	513
Net increase (decrease) in cash and cash equivalents	(3,153)
Cash and cash equivalents at beginning of period	25,414
Cash and cash equivalents at end of period	22,261