

Consolidated Financial Statements for the Fiscal Year Ended March 31, 2024 [Japanese GAAP]



May 10, 2024

Company name: **SODA NIKKA CO., LTD.**

Stock exchange listing: Tokyo Stock Exchange

Code number: 8158

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

Representative: Ryuji Mezaki, President and Chief Executive Officer

Contact: Osamu Iwabuchi, Executive Officer and Finance and Accounting Division Director

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Scheduled date of annual general meeting of shareholders: June 25, 2024

Scheduled date of commencing dividend payments: June 26, 2024

Scheduled date of filing securities report: June 26, 2024

Preparation of supplementary explanatory materials: No

Financial results briefing: Yes (for institutional investors)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 – March 31, 2024)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2024	64,134	2.2	2,213	27.1	2,615	22.7	1,850	22.8
March 31, 2023	62,744	13.0	1,741	39.0	2,131	37.3	1,506	10.2

(Note) Comprehensive income: Year ended March 31, 2024: ¥4,233 million [151.0%]

Year ended March 31, 2023: ¥1,686 million [50.1%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2024	81.08	–	6.6	3.5	3.5
March 31, 2023	66.35	–	5.8	3.3	2.8

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2024	79,497	29,457	37.1	1,296.66
As of March 31, 2023	69,292	26,437	38.2	1,151.52

(Reference) Equity: As of March 31, 2024: ¥29,457 million

As of March 31, 2023: ¥26,437 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 end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2024	3,428	(2,308)	147	9,554
March 31, 2023	215	(669)	1,342	8,267

2. Cash Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of 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	Million yen	%	%
March 31, 2023	–	13.00	–	27.00	40.00	914	60.3	3.5
March 31, 2024	–	15.00	–	21.00	36.00	826	44.4	2.9
Fiscal year ending March 31, 2025 (Forecast)	–	16.00	–	16.00	32.00		–	

(Note) Breakdown of annual dividends for the fiscal year ended March 31, 2024:

Ordinary dividend: ¥30.00 Special dividend: ¥6.00

(Note) Breakdown of annual dividends for the fiscal year ended March 31, 2025:

Ordinary dividend: ¥32.00

3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2025 (April 1, 2024 - March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Second quarter (cumulative)	32,400	2.8	840	(19.0)	1,020	(18.8)	1,110	28.1	48.86
Full year	66,800	4.2	1,670	(24.5)	2,000	(23.5)	1,850	(0.0)	81.43

*** Notes:**

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (3) Total number of outstanding shares (common shares)
- 1) Total number of outstanding shares at the end of the period (including treasury shares):
 - March 31, 2024: 22,968,000 shares
 - March 31, 2023: 22,968,000 shares
 - 2) Total number of treasury shares at the end of the period:
 - March 31, 2024: 249,628 shares
 - March 31, 2023: 9,556 shares
 - 3) Average number of shares during the period:
 - Year ended March 31, 2024: 22,826,675 shares
 - Year ended March 31, 2023: 22,712,512 shares

(Reference) Summary of Non-consolidated Results

1. Non-consolidated Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024)

- (1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2024	57,778	2.1	2,004	25.7	2,392	23.4	1,676	23.9
March 31, 2023	56,564	13.7	1,594	31.6	1,938	29.3	1,353	12.0

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended		
March 31, 2024	73.46	—
March 31, 2023	59.58	—

- (2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2024	77,047	28,493	37.0	1,254.20
As of March 31, 2023	67,163	25,802	38.4	1,123.89

- (Reference) Equity: As of March 31, 2024: ¥28,493 million
As of March 31, 2023: ¥25,802 million

* These financial results are outside the scope of audit by certified public accountants or audit corporations.

* Explanation of the proper use of performance forecast and other notes

The above forecasts are estimated based on the information currently available, and actual results may differ from these forecasts due to a wide range of factors. For assumptions that form the basis of the performance forecast and cautionary notes, etc. on the use of performance forecast, please see “Overview of Operating Results, etc.; (4) Future Outlook” on page 5 of this Consolidated Financial Statements (attached materials, Japanese only).

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	8,405	9,699
Notes and accounts receivable – trade, and contract assets	41,996	46,381
Merchandise and finished goods	1,512	1,303
Other	774	246
Allowance for doubtful accounts	(114)	(80)
Total current assets	52,573	57,550
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,145	3,361
Accumulated depreciation	(2,127)	(2,118)
Buildings and structures, net	1,018	1,243
Vehicles	79	84
Accumulated depreciation	(60)	(65)
Vehicles, net	19	18
Land	1,702	1,697
Construction in progress	–	2,079
Other	1,498	1,287
Accumulated depreciation	(1,003)	(961)
Other, net	495	325
Total property, plant and equipment	3,235	5,363
Intangible assets	123	63
Investments and other assets		
Investment securities	12,604	15,776
Distressed receivables	5	0
Other	756	743
Allowance for doubtful accounts	(6)	(1)
Total investments and other assets	13,360	16,519
Total non-current assets	16,719	21,947
Total assets	69,292	79,497

(Million yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	32,085	37,084
Short-term borrowings	4,757	6,170
Income taxes payable	519	484
Contract liabilities	166	7
Provision for bonuses	358	344
Provision for bonuses for directors (and other officers)	27	72
Other	1,047	1,153
Total current liabilities	38,961	45,316
Non-current liabilities		
Deferred tax liabilities	1,683	2,694
Deferred tax liabilities for land revaluation	186	186
Retirement benefit liability	1,192	1,044
Long-term guarantee deposits	670	668
Other	161	129
Total non-current liabilities	3,893	4,723
Total liabilities	42,855	50,039
Net assets		
Shareholders' equity		
Share capital	3,762	3,762
Capital surplus	3,116	3,116
Retained earnings	13,999	14,885
Treasury shares	(6)	(255)
Total shareholders' equity	20,871	21,508
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,279	7,552
Deferred gains or losses on hedges	(3)	(2)
Revaluation reserve for land	196	196
Foreign currency translation adjustment	96	126
Remeasurements of defined benefit plans	(2)	76
Total accumulated other comprehensive income	5,566	7,949
Total net assets	26,437	29,457
Total liabilities and net assets	69,292	79,497

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales	62,744	64,134
Cost of sales	54,422	55,304
Gross profit	8,322	8,830
Selling, general and administrative expenses		
Freight and incidental costs	1,294	1,175
Provision of allowance for doubtful accounts	9	(29)
Salaries and allowances	2,421	2,449
Provision for bonuses	344	342
Provision for bonuses for directors (and other officers)	27	37
Retirement benefit expenses	145	85
Rent expenses	464	471
Other	1,873	2,085
Total selling, general and administrative expenses	6,581	6,617
Operating profit	1,741	2,213
Non-operating income		
Interest income	2	6
Dividend income	389	405
Other	45	41
Total non-operating income	436	453
Non-operating expenses		
Interest expenses	24	34
Commission for syndicated loans	11	12
Other	10	5
Total non-operating expenses	46	51
Ordinary profit	2,131	2,615
Extraordinary income		
Gain on sale of non-current assets	19	–
Gain on sale of investment securities	193	161
Compensation for forced relocation	30	–
Total extraordinary income	242	161
Extraordinary losses		
Loss on sale and retirement of non-current assets	–	84
Loss on valuation of investment securities	94	–
Office relocation expenses	25	–
Total extraordinary losses	119	84
Profit before income taxes	2,254	2,691
Income taxes - current	766	854
Income taxes - deferred	(18)	(13)
Total income taxes	747	841
Profit	1,506	1,850
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	1,506	1,850

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit	1,506	1,850
Other comprehensive income		
Valuation difference on available-for-sale securities	105	2,272
Deferred gains or losses on hedges	(7)	1
Foreign currency translation adjustment	27	30
Remeasurements of defined benefit plans, net of tax	54	78
Total other comprehensive income	179	2,383
Comprehensive income	1,686	4,233
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,686	4,233
Comprehensive income attributable to non-controlling interests	–	–

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,762	3,116	13,892	(930)	19,841
Changes during period					
Dividends of surplus			(657)		(657)
Profit attributable to owners of parent			1,506		1,506
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares			(28)	207	178
Cancellation of treasury shares			(715)	715	–
Reversal of revaluation reserve for land			2		2
Net changes in items other than shareholders' equity					
Total changes during period	–	–	106	923	1,030
Balance at end of period	3,762	3,116	13,999	(6)	20,871

	Accumulated other comprehensive income						Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	5,174	3	198	69	(57)	5,388	25,229
Changes during period							
Dividends of surplus						–	(657)
Profit attributable to owners of parent						–	1,506
Purchase of treasury shares						–	(0)
Disposal of treasury shares						–	178
Cancellation of treasury shares						–	–
Reversal of revaluation reserve for land						–	2
Net changes in items other than shareholders' equity	105	(7)	(2)	27	54	177	177
Total changes during period	105	(7)	(2)	27	54	177	1,207
Balance at end of period	5,279	(3)	196	96	(2)	5,566	26,437

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,762	3,116	13,999	(6)	20,871
Changes during period					
Dividends of surplus			(964)		(964)
Profit attributable to owners of parent			1,850		1,850
Purchase of treasury shares				(248)	(248)
Disposal of treasury shares					–
Cancellation of treasury shares					–
Reversal of revaluation reserve for land					–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	886	(248)	637
Balance at end of period	3,762	3,116	14,885	(255)	21,508

	Accumulated other comprehensive income						Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	5,279	(3)	196	96	(2)	5,566	26,437
Changes during period							
Dividends of surplus						–	(964)
Profit attributable to owners of parent						–	1,850
Purchase of treasury shares						–	(248)
Disposal of treasury shares						–	–
Cancellation of treasury shares						–	–
Reversal of revaluation reserve for land						–	–
Net changes in items other than shareholders' equity	2,272	1	–	30	78	2,383	2,383
Total changes during period	2,272	1	–	30	78	2,383	3,020
Balance at end of period	7,552	(2)	196	126	76	7,949	29,457

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	2,254	2,691
Depreciation	212	260
Loss (gain) on sale and retirement of non-current assets	(12)	80
Loss (gain) on sale of investment securities	(193)	(160)
Loss (gain) on valuation of investment securities	94	1
Increase (decrease) in allowance for doubtful accounts	(7)	(39)
Increase (decrease) in provision for bonuses for directors (and other officers)	3	10
Increase (decrease) in retirement benefit liability	36	(33)
Interest and dividend income	(391)	(412)
Interest expenses	24	34
Commission for syndicated loans	11	12
Decrease (increase) in trade receivables	(6,097)	(4,375)
Decrease (increase) in inventories	(237)	215
Decrease (increase) in distressed receivables	7	5
Increase (decrease) in trade payables	4,457	4,997
Other, net	254	630
Subtotal	417	3,917
Interest and dividends received	391	411
Proceeds from compensation for forced relocation	30	–
Interest paid	(22)	(32)
Payments of relocation expenses	(25)	–
Income taxes paid	(576)	(868)
Net cash provided by (used in) operating activities	215	3,428
Cash flows from investing activities		
Payments into time deposits	(153)	(130)
Proceeds from withdrawal of time deposits	145	123
Purchase of property, plant and equipment	(772)	(2,503)
Purchase of intangible assets	(17)	(42)
Purchase of investment securities	(186)	(22)
Proceeds from sale of investment securities	293	266
Other, net	19	0
Net cash provided by (used in) investing activities	(669)	(2,308)
Cash flows from financing activities		
Proceeds from short-term borrowings	2,382	1,520
Repayments of short-term borrowings	(398)	(115)
Proceeds from long-term borrowings	50	40
Repayments of long-term borrowings	(24)	(40)
Purchase of treasury shares	(0)	(248)
Dividends paid	(655)	(962)
Commission for syndicated loans paid	(8)	(8)
Other, net	(2)	(38)
Net cash provided by (used in) financing activities	1,342	147
Effect of exchange rate change on cash and cash equivalents	27	20
Net increase (decrease) in cash and cash equivalents	915	1,286
Cash and cash equivalents at beginning of period	7,352	8,267
Cash and cash equivalents at end of period	8,267	9,554