

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 (Based on Japanese GAAP)

October 31, 2024

Company name: NIPPON KINZOKU CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 5491 URL <https://www.nipponkinzoku.co.jp/>  
 Representative: President Yasushi Shimokawa  
 General Manager of Financial Affairs  
 Inquiries: Department Yoshinobu Sato TEL 03-5765-8105  
 Scheduled date to file Semi-annual Securities Report: November 12, 2024  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on financial results: No  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

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

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                         | % |
| Six months ended September 30, 2024 | 25,792          | 6.3   | (171)            | – | (273)           | – | (357)                                   | – |
| Six months ended September 30, 2023 | 24,266          | (6.3) | (747)            | – | (796)           | – | (803)                                   | – |

|                                     | Earnings per share | Diluted earnings per share |
|-------------------------------------|--------------------|----------------------------|
|                                     | Yen                | Yen                        |
| Six months ended September 30, 2024 | (53.47)            | –                          |
| Six months ended September 30, 2023 | (120.02)           | –                          |

#### (2) Consolidated financial position

|                          | Total assets    | Net assets      | Equity ratio | Net assets per share |
|--------------------------|-----------------|-----------------|--------------|----------------------|
|                          | Millions of yen | Millions of yen | %            | Yen                  |
| As of September 30, 2024 | 70,981          | 26,883          | 37.9         | 4,016.05             |
| As of March 31, 2024     | 75,085          | 26,863          | 35.8         | 4,012.92             |

### 2. Cash dividends

|                                       | Annual dividends per share |                 |                 |                 |       |
|---------------------------------------|----------------------------|-----------------|-----------------|-----------------|-------|
|                                       | 1st quarter-end            | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total |
|                                       | Yen                        | Yen             | Yen             | Yen             | Yen   |
| Year ended March 31, 2024             | –                          | 0.00            | –               | 0.00            | 0.00  |
| Year ending March 31, 2025            | –                          | 0.00            |                 |                 |       |
| Year ending March 31, 2025 (Forecast) |                            |                 | –               | 0.00            | 0.00  |

### 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 | 53,000          | 3.1 | (300)            | – | (450)           | – | (500)                                   | – | (74.69)            |

4. Notes

(1) Significant changes in the scope of consolidation during the six months ended September 30, 2024: No

(2) Application of special accounting methods for preparing semi-annual consolidated financial statements: No

(3) 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

(4) Number of issued shares (common shares)

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

|                          |                  |                      |                  |
|--------------------------|------------------|----------------------|------------------|
| As of September 30, 2024 | 6,700,000 shares | As of March 31, 2024 | 6,700,000 shares |
|--------------------------|------------------|----------------------|------------------|

Number of treasury shares at the end of the period

|                          |              |                      |              |
|--------------------------|--------------|----------------------|--------------|
| As of September 30, 2024 | 5,899 shares | As of March 31, 2024 | 5,862 shares |
|--------------------------|--------------|----------------------|--------------|

Average number of shares during the period (cumulative from the beginning of the fiscal year)

|                                     |                  |                                     |                  |
|-------------------------------------|------------------|-------------------------------------|------------------|
| Six months ended September 30, 2024 | 6,694,113 shares | Six months ended September 30, 2023 | 6,694,319 shares |
|-------------------------------------|------------------|-------------------------------------|------------------|

**Semi-annual consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

|   | As of March 31, 2024 | As of September 30, 2024 |
|---|----------------------|--------------------------|
| <b>Assets</b>                                       |                      |                          |
| Current assets                                      |                      |                          |
| Cash and deposits                                   | 12,040               | 10,840                   |
| Notes and accounts receivable - trade               | 8,406                | 7,169                    |
| Electronically recorded monetary claims - operating | 7,095                | 6,023                    |
| Merchandise and finished goods                      | 7,300                | 6,763                    |
| Work in process                                     | 5,220                | 5,331                    |
| Raw materials and supplies                          | 2,030                | 1,860                    |
| Other   | 458                  | 337                      |
| Allowance for doubtful accounts                     | (1)                  | (1)                      |
| Total current assets                                | 42,551               | 38,326                   |
| Non-current assets                                  |                      |                          |
| Property, plant and equipment                       |                      |                          |
| Buildings and structures, net                       | 3,464                | 3,587                    |
| Machinery, equipment and vehicles, net              | 10,320               | 9,999                    |
| Land  | 13,792               | 13,796                   |
| Other, net  | 687                  | 722                      |
| Total property, plant and equipment                 | 28,264               | 28,106                   |
| Intangible assets                                   | 120                  | 121                      |
| Investments and other assets                        |                      |                          |
| Investment securities                               | 3,002                | 3,158                    |
| Other   | 1,179                | 1,300                    |
| Allowance for doubtful accounts                     | (33)                 | (32)                     |
| Total investments and other assets                  | 4,148                | 4,426                    |
| Total non-current assets                            | 32,533               | 32,655                   |
| Total assets  | 75,085               | 70,981                   |

(Millions of yen)

|   | As of March 31, 2024 | As of September 30, 2024 |
|---|----------------------|--------------------------|
| <b>Liabilities</b>                                    |                      |                          |
| Current liabilities                                   |                      |                          |
| Notes and accounts payable - trade                    | 10,152               | 8,792                    |
| Electronically recorded obligations - operating       | 4,205                | 3,931                    |
| Short-term borrowings                                 | 12,412               | 13,270                   |
| Income taxes payable                                  | 784                  | 166                      |
| Provision for bonuses                                 | 300                  | 306                      |
| Provision for product warranties                      | 52                   | 67                       |
| Other   | 2,536                | 1,980                    |
| Total current liabilities                             | 30,444               | 28,515                   |
| Non-current liabilities                               |                      |                          |
| Long-term borrowings                                  | 11,710               | 9,320                    |
| Deferred tax liabilities for land revaluation         | 3,041                | 3,041                    |
| Retirement benefit liability                          | 2,593                | 2,624                    |
| Provision for environmental measures                  | 43                   | 42                       |
| Other   | 388                  | 553                      |
| Total non-current liabilities                         | 17,777               | 15,582                   |
| Total liabilities                                     | 48,222               | 44,098                   |
| <b>Net assets</b>                                     |                      |                          |
| Shareholders' equity                                  |                      |                          |
| Share capital   | 6,857                | 6,857                    |
| Capital surplus                                       | 986                  | 986                      |
| Retained earnings                                     | 11,128               | 10,770                   |
| Treasury shares                                       | (10)                 | (10)                     |
| Total shareholders' equity                            | 18,961               | 18,603                   |
| Accumulated other comprehensive income                |                      |                          |
| Valuation difference on available-for-sale securities | 1,424                | 1,528                    |
| Revaluation reserve for land                          | 6,077                | 6,077                    |
| Foreign currency translation adjustment               | 651                  | 908                      |
| Remeasurements of defined benefit plans               | (251)                | (233)                    |
| Total accumulated other comprehensive income          | 7,901                | 8,280                    |
| Total net assets                                      | 26,863               | 26,883                   |
| Total liabilities and net assets                      | 75,085               | 70,981                   |

## Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

### Consolidated statements of income (cumulative)

(Millions of yen)

|  | Six months ended<br>September 30, 2023 | Six months ended<br>September 30, 2024 |
|--|--|--|
| Net sales  | 24,266                                 | 25,792                                 |
| Cost of sales  | 22,361                                 | 23,322                                 |
| Gross profit   | 1,904                                  | 2,469                                  |
| Selling, general and administrative expenses                             |  |  |
| Freight and packing costs  | 502                                    | 520                                    |
| Remuneration, salaries and allowances for directors (and other officers) | 1,111                                  | 1,123                                  |
| Provision for bonuses  | 107                                    | 92                                     |
| Retirement benefit expenses  | 76                                     | 79                                     |
| Depreciation   | 91                                     | 93                                     |
| Other  | 762                                    | 730                                    |
| Total selling, general and administrative expenses                       | 2,652                                  | 2,641                                  |
| Operating loss   | (747)                                  | (171)                                  |
| Non-operating income   |  |  |
| Interest income  | 4                                      | 9                                      |
| Dividend income  | 40                                     | 46                                     |
| Rental income  | 19                                     | 18                                     |
| Sales of scraps income   | 17                                     | 18                                     |
| Other  | 20                                     | 49                                     |
| Total non-operating income   | 103                                    | 142                                    |
| Non-operating expenses   |  |  |
| Interest expenses  | 100                                    | 115                                    |
| Foreign exchange losses  | 38                                     | 90                                     |
| Other  | 14                                     | 38                                     |
| Total non-operating expenses   | 152                                    | 244                                    |
| Ordinary loss  | (796)                                  | (273)                                  |
| Extraordinary income   |  |  |
| Gain on sale of non-current assets                                       | 0                                      | 0                                      |
| Gain on sale of investment securities                                    | 104                                    | 0                                      |
| Total extraordinary income   | 104                                    | 0                                      |
| Extraordinary losses   |  |  |
| Loss on retirement of non-current assets                                 | 17                                     | 15                                     |
| Impairment losses  | –                                      | 94                                     |
| Total extraordinary losses   | 17                                     | 109                                    |
| Loss before income taxes   | (710)                                  | (382)                                  |
| Income taxes - current   | 133                                    | 127                                    |
| Income taxes - deferred  | (39)                                   | (151)                                  |
| Total income taxes   | 93                                     | (24)                                   |
| Loss   | (803)                                  | (357)                                  |
| Loss attributable to owners of parent                                    | (803)                                  | (357)                                  |

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

|  | Six months ended<br>September 30, 2023 | Six months ended<br>September 30, 2024 |
|--|--|--|
| Loss   | (803)                                  | (357)                                  |
| Other comprehensive income                                     |  |  |
| Valuation difference on available-for-sale securities          | 175                                    | 103                                    |
| Foreign currency translation adjustment                        | 182                                    | 257                                    |
| Remeasurements of defined benefit plans, net of tax            | 15                                     | 18                                     |
| Total other comprehensive income                               | 373                                    | 378                                    |
| Comprehensive income   | (429)                                  | 20                                     |
| Comprehensive income attributable to                           |  |  |
| Comprehensive income attributable to owners of parent          | (429)                                  | 20                                     |
| Comprehensive income attributable to non-controlling interests | —                                      | —                                      |