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November 8,2024

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

Company name: Nippon Beet Sugar Manufacturing Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 2108
 URL: <https://www.nitten.co.jp/>
 Representative: Shu Ishikuri, Representative Director and President
 Inquiries: Takahiro Kusano, General Manager of Legal Department
 Telephone: +81-3-6414-5527
 Scheduled date to file semi-annual securities report: November 14,2024
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

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	29,182	(10.0)	502	(59.1)	759	(57.3)	5,816	366.7
September 30, 2023	32,408	6.3	1,229	4.8	1,776	24.5	1,246	27.0

Note: Comprehensive income For the six months ended September 30, 2024:¥5,900 million [26.8%]
 For the six months ended September 30, 2023:¥4,654million [—%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	459.32	—
September 30, 2023	94.30	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2024	99,666	76,737	77.0	6,162.05
March 31, 2024	103,022	72,535	70.4	5,647.57

Reference: Equity

As of September 30, 2024: ¥76,737 million
 As of March 31, 2024: ¥72,535 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	—	—	—	55.00	55.00
Fiscal year ending March 31, 2025	—	—			
Fiscal year ending March 31, 2025 (Forecast)			—	80.00	80.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated Results Forecasts for Fiscal year ending March 31, 2025

(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
Fiscal year ending March 31, 2025	66,000	(4.8)	300	(67.1)	900	(50.1)	5,900	225.7	465.89

Note: Revisions to the results forecasts most recently announced: Yes

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of September 30, 2024	15,325,642 shares
As of March 31, 2024	15,325,642 shares

- (ii) Number of treasury shares at the end of the period

As of September 30, 2024	2,872,459 shares
As of March 31, 2024	2,482,044 shares

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

Six months ended September 30, 2024	12,664,013 shares
Six months ended September 30, 2023	13,217,400 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Financial forecasts and other forward-looking statements herein are based on information available to the Company and certain assumptions deemed reasonable as at the time of preparing this report. Actual results may vary significantly from the forecasts due to a wide range of factors.

Semi-annual Consolidated Financial Statements

Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	5,853	7,148
Notes and accounts receivable - trade	8,389	7,938
Electronically recorded monetary claims - operating	216	121
Securities	7,000	9,500
Merchandise and finished goods	18,756	9,375
Work in process	5,760	389
Raw materials and supplies	4,235	6,469
Other	727	8,045
Allowance for doubtful accounts	(6)	(6)
Total current assets	50,931	48,980
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,712	11,331
Other, net	12,564	11,293
Total property, plant and equipment	24,276	22,625
Intangible assets	547	518
Investments and other assets		
Investment securities	24,952	25,192
Retirement benefit asset	2,195	2,207
Other	120	143
Allowance for doubtful accounts	(0)	(1)
Total investments and other assets	27,266	27,542
Total non-current assets	52,090	50,685
Total assets	103,022	99,666

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Summary of Consolidated Financial Results for the Six Months Ended September 30,2024

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	1,415	1,289
Short-term borrowings	10,901	50
Income taxes payable	495	2,816
Other	6,742	8,369
Total current liabilities	19,554	12,526
Non-current liabilities		
Long-term borrowings	48	24
Provision for retirement benefits for directors (and other officers)	18	12
Retirement benefit liability	3,852	3,714
Other	7,013	6,650
Total non-current liabilities	10,932	10,402
Total liabilities	30,487	22,928
Net assets		
Shareholders' equity		
Share capital	8,279	8,279
Capital surplus	8,413	8,415
Retained earnings	46,664	51,775
Treasury shares	(4,724)	(5,719)
Total shareholders' equity	58,632	62,750
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,982	13,122
Deferred gains or losses on hedges	7	(8)
Remeasurements of defined benefit plans	912	872
Total accumulated other comprehensive income	13,902	13,986
Total net assets	72,535	76,737
Total liabilities and net assets	103,022	99,666

Semi-annual Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	32,408	29,182
Cost of sales	24,862	22,638
Gross profit	7,546	6,544
Selling, general and administrative expenses		
Selling expenses	4,696	4,363
General and administrative expenses	1,621	1,678
Total selling, general and administrative expenses	6,317	6,041
Operating profit	1,229	502
Non-operating income		
Interest income	0	2
Dividend income	574	372
Share of profit of entities accounted for using equity method	17	16
Other	49	44
Total non-operating income	641	435
Non-operating expenses		
Interest expenses	49	17
Loss on disposal of non-current assets	25	128
Other	19	32
Total non-operating expenses	93	179
Ordinary profit	1,776	759
Extraordinary income		
Gain on sale of non-current assets	-	7,698
Gain on sale of investment securities	32	-
Subsidy income	385	-
Other	-	61
Total extraordinary income	417	7,759
Extraordinary losses		
Loss on disposal of non-current assets	17	11
Loss on tax purpose reduction entry of non-current assets	384	-
Total extraordinary losses	402	11
Profit before income taxes	1,792	8,506
Income taxes	545	2,690
Profit	1,246	5,816
Profit attributable to owners of parent	1,246	5,816

Nippon Beet Sugar Manufacturing Co.,Ltd.(2108)
Summary of Consolidated Financial Results for the Six Months Ended September 30,2024

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	1,246	5,816
Other comprehensive income		
Valuation difference on available-for-sale securities	3,431	140
Deferred gains or losses on hedges	8	(16)
Remeasurements of defined benefit plans, net of tax	(32)	(40)
Total other comprehensive income	3,407	84
Comprehensive income	4,654	5,900
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,654	5,900
Comprehensive income attributable to non-controlling interests	-	-

Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	1,792	8,506
Depreciation	1,211	1,184
Share of loss (profit) of entities accounted for using equity method	(17)	(16)
Increase (decrease) in allowance for doubtful accounts	0	0
Increase (decrease) in retirement benefit liability	(125)	(133)
Decrease (increase) in retirement benefit asset	(55)	(73)
Interest and dividend income	(574)	(374)
Interest expenses	49	17
Loss (gain) on sale of investment securities	(32)	-
Subsidy income	(385)	-
Loss on tax purpose reduction entry of non-current assets	384	-
Loss on retirement of property, plant and equipment	14	5
Loss (gain) on sale of property, plant and equipment	0	(7,701)
Decrease (increase) in trade receivables	(226)	545
Decrease (increase) in inventories	16,178	12,517
Decrease (increase) in prepaid expenses	(170)	(165)
Decrease (increase) in accounts receivable - other	930	57
Decrease (increase) in other current assets	(7,442)	(7,255)
Increase (decrease) in trade payables	110	(125)
Increase (decrease) in accrued consumption taxes	(17)	(333)
Increase (decrease) in other current liabilities	3,588	2,915
Other, net	27	75
Subtotal	15,239	9,647
Interest and dividends received	574	373
Interest paid	(57)	(22)
Proceeds from insurance income	-	2
Income taxes refund (paid)	166	(405)
Net cash provided by (used in) operating activities	15,922	9,594
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	-	2,000
Payments into time deposits	-	(3,500)
Proceeds from redemption of securities	-	4,000
Purchase of securities	-	(9,000)
Proceeds from sale of investment securities	42	0
Proceeds from sale of property, plant and equipment	0	8,734
Purchase of property, plant and equipment	(1,936)	(1,455)
Purchase of intangible assets	(35)	(16)
Proceeds from state subsidy	385	-
Repayments of deposits received	(15)	(403)
Refund of guarantee deposits received	(61)	(56)
Other, net	19	(29)
Net cash provided by (used in) investing activities	(1,602)	273
Cash flows from financing activities		
Proceeds from short-term borrowings	1,830	-
Repayments of short-term borrowings	(18,530)	(10,830)
Repayments of long-term borrowings	(61)	(44)
Dividends paid	(664)	(702)

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Summary of Consolidated Financial Results for the Six Months Ended September 30,2024

Purchase of treasury shares	(559)	(1,000)
Other, net	13	4
Net cash provided by (used in) financing activities	(17,971)	(12,573)
Net increase (decrease) in cash and cash equivalents	(3,651)	(2,705)
Cash and cash equivalents at beginning of period	10,589	12,853
Cash and cash equivalents at end of period	6,938	10,148

Segment Information

Information on sales and profit (loss) by each segment

I Six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)

(Millions of yen)

	Reportable segment						Other	Total
	Sugar	Grocery	Feed	Agricultural Materials	Real Estate	Sub-Total		
Net sales								
Customers	23,261	1,264	5,206	1,368	733	31,834	574	32,408
Inter-segment	130	17	7	0	62	217	866	1,084
Total	23,391	1,282	5,214	1,369	795	32,052	1,440	33,492
Segment profit (loss)	1,413	27	(676)	69	460	1,294	(113)	1,181

II Six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

(Millions of yen)

	Reportable segment						Other	Total
	Sugar	Grocery	Feed	Agricultural Materials	Real Estate	Sub-Total		
Net sales								
Customers	20,403	1,298	5,230	1,087	664	28,684	498	29,182
Inter-segment	133	16	13	0	51	216	881	1,098
Total	20,537	1,314	5,244	1,088	716	28,901	1,380	30,281
Segment profit (loss)	747	71	(183)	(437)	374	573	(120)	453