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February 10, 2023

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2022 (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
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 Scheduled date to file quarterly securities report: February 14, 2023
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: None
 Holding of quarterly financial results briefing: None

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

1. Consolidated financial results for the nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

(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	%
Nine months ended								
December 31, 2022	47,943	14.5	434	(64.8)	920	(48.7)	591	13.6
December 31, 2021	41,854	6.1	1,234	101.4	1,794	70.3	520	(22.2)

Note: Comprehensive income For the nine months ended December 31, 2022: ¥943million [526.7%]
 For the nine months ended December 31, 2021: ¥150million [(75.8)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended		
December 31, 2022	43.83	—
December 31, 2021	37.14	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets Worth
	Millions of yen	Millions of yen	%	Yen
As of				
December 31, 2022	115,245	68,209	59.2	5,054.76
March 31, 2022	100,458	67,918	67.6	5,037.45

Reference: Equity
 As of December 31, 2022: ¥68,209 million
 As of March 31, 2022: ¥67,918 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, 2022	—	—	—	50.00	50.00
Fiscal year ending March 31, 2023	—	—	—		
Fiscal year ending March 31, 2023 (Forecast)				50.00	50.00

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

3. Consolidated Results Forecasts for Fiscal year ending March 31, 2023

(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, 2023	66,000	12.8	1,200	(46.2)	1,600	(43.2)	1,100	(44.3)	81.56

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

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Adoption of accounting treatment specific to the preparation of quarterly 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 December 31, 2022	15,325,642 shares
As of March 31, 2022	15,325,642 shares

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

As of December 31, 2022	1,831,607 shares
As of March 31, 2022	1,842,873 shares

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

Nine months ended December 31, 2022	13,487,634 shares
Nine months ended December 31, 2021	14,014,207 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* 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.

Quarterly Consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	6,160	4,423
Notes and accounts receivable - trade	7,329	7,674
Securities	6,000	5,000
Merchandise and finished goods	27,616	25,568
Work in process	3,284	5,907
Raw materials and supplies	2,996	11,237
Other	1,571	8,629
Allowance for doubtful accounts	(5)	(5)
Total current assets	54,952	68,434
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,362	11,471
Other, net	12,245	12,862
Total property, plant and equipment	23,607	24,333
Intangible assets	425	392
Investments and other assets		
Investment securities	19,809	20,388
Retirement benefit asset	1,502	1,519
Other	162	179
Allowance for doubtful accounts	(1)	(2)
Total investments and other assets	21,473	22,085
Total non-current assets	45,506	46,811
Total assets	100,458	115,245

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	1,749	4,413
Short-term borrowings	14,663	20,145
Income taxes payable	954	53
Other	5,259	12,743
Total current liabilities	22,626	37,355
Non-current liabilities		
Long-term borrowings	226	142
Provision for retirement benefits for directors	24	12
Retirement benefit liability	4,499	4,335
Other	5,162	5,191
Total non-current liabilities	9,913	9,681
Total liabilities	32,540	47,036
Net assets		
Shareholders' equity		
Share capital	8,279	8,279
Capital surplus	8,416	8,413
Retained earnings	44,934	44,851
Treasury shares	(3,528)	(3,504)
Total shareholders' equity	58,101	58,040
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,367	9,752
Deferred gains or losses on hedges	3	(13)
Remeasurements of defined benefit plans	446	429
Total accumulated other comprehensive income	9,816	10,168
Total net assets	67,918	68,209
Total liabilities and net assets	100,458	115,245

Consolidated quarterly statements of income

Consolidated cumulative second quarter

	(Millions of yen)	
	Nine months ended December 31, 2021 (April 1, 2021 to December 31, 2021)	Nine months ended December 31, 2022 (April 1, 2022 to December 31, 2022)
Net sales	41,854	47,943
Cost of sales	31,147	37,432
Gross profit	10,706	10,511
Selling, general and administrative expenses		
Selling expenses	7,233	7,809
General and administrative expenses	2,238	2,266
Total selling, general and administrative expenses	9,472	10,076
Operating profit	1,234	434
Non-operating income		
Interest income	1	0
Dividend income	604	609
Share of profit of entities accounted for using equity method	32	15
Other	55	60
Total non-operating income	694	685
Non-operating expenses		
Interest expenses	75	78
Loss on disposal of non-current assets	41	84
Other	17	35
Total non-operating expenses	134	198
Ordinary profit	1,794	920
Extraordinary income		
Gain on sale of investment securities	0	3
Gain on sale of non-current assets	3	-
Reversal of provision for retirement benefits for directors	1	-
Total extraordinary income	4	3
Extraordinary losses		
Loss on disposal of non-current assets	55	46
Loss on sale of shares of subsidiaries and associates	675	-
Other	20	-
Total extraordinary losses	751	46
Profit before income taxes	1,047	878
Income taxes	526	287
Profit	520	591
Profit attributable to owners of parent	520	591

Segment Information

Information on sales and profit (loss) by each segment

I Nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)

(Millions of yen)

	Reportable segment						Other	Total
	Sugar	Grocery	Feed	Agricultural Materials	Real Estate	Sub-Total		
Net sales								
Customers	27,987	1,775	7,954	2,058	1,153	40,930	923	41,854
Inter-segment	162	21	11	14	93	303	7,163	7,467
Total	28,149	1,797	7,966	2,072	1,247	41,233	8,087	49,321
Segment profit (loss)	(382)	16	768	16	714	1,133	147	1,280

II Nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

(Millions of yen)

	Reportable segment						Other	Total
	Sugar	Grocery	Feed	Agricultural Materials	Real Estate	Sub-Total		
Net sales								
Customers	32,392	1,914	9,235	2,363	1,137	47,043	900	47,943
Inter-segment	180	24	11	4	93	313	10,894	11,208
Total	32,573	1,938	9,246	2,367	1,231	47,357	11,794	59,152
Segment profit (loss)	(520)	31	113	(5)	727	346	117	463