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November 10,2023

Summary of Consolidated Financial Results for the Six Months Ended September 30, 2023 (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: November 14,2023
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly 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, 2023 (from April 1, 2023 to September 30, 2023)

(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, 2023	32,408	6.3	1,229	4.8	1,776	24.5	1,246	27.0
September 30, 2022	30,501	16.4	1,172	(26.8)	1,426	(24.2)	981	50.3

Note: Comprehensive income For the six months ended September 30, 2023:¥4,654million [—%]
 For the six months ended September 30, 2022:¥321million [(63.2)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2023	94.30	—
September 30, 2022	72.75	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets Worth
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2023	95,300	71,578	75.1	5,479.01
March 31, 2023	103,149	68,134	66.1	5,102.17

Reference: Equity
 As of September 30, 2023: ¥71,578 million
 As of March 31, 2023: ¥68,134 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, 2023	—	—	—	50.00	50.00
Fiscal year ending March 31, 2024	—	—	—		
Fiscal year ending March 31, 2024 (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, 2024

(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, 2024	70,000	7.7	1,200	(20.3)	2,000	0.3	1,200	(4.8)	90.79

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 September 30, 2023	15,325,642 shares
As of March 31, 2023	15,325,642 shares

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

As of September 30, 2023	2,261,571 shares
As of March 31, 2023	1,971,718 shares

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

Six months ended September 30, 2023	13,217,400 shares
Six months ended September 30, 2022	13,484,877 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, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	4,589	2,938
Notes and accounts receivable - trade	8,537	8,653
Electronically recorded monetary claims - operating	228	339
Securities	6,000	4,000
Merchandise and finished goods	29,667	11,878
Work in process	483	568
Raw materials and supplies	5,746	7,271
Other	1,808	8,167
Allowance for doubtful accounts	(6)	(7)
Total current assets	57,054	43,810
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,423	11,203
Other, net	12,987	13,682
Total property, plant and equipment	24,411	24,885
Intangible assets	513	517
Investments and other assets		
Investment securities	19,527	24,462
Retirement benefit asset	1,481	1,490
Other	163	136
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	21,169	26,087
Total non-current assets	46,094	51,489
Total assets	103,149	95,300

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	1,180	1,291
Short-term borrowings	18,637	1,920
Income taxes payable	100	498
Other	5,806	9,476
Total current liabilities	25,724	13,186
Non-current liabilities		
Long-term borrowings	119	74
Provision for retirement benefits for directors	12	15
Retirement benefit liability	4,090	3,966
Other	5,068	6,479
Total non-current liabilities	9,290	10,535
Total liabilities	35,015	23,722
Net assets		
Shareholders' equity		
Share capital	8,279	8,279
Capital surplus	8,413	8,413
Retained earnings	45,521	46,099
Treasury shares	(3,739)	(4,282)
Total shareholders' equity	58,473	58,510
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,182	12,613
Deferred gains or losses on hedges	(2)	6
Remeasurements of defined benefit plans	480	447
Total accumulated other comprehensive income	9,660	13,067
Total net assets	68,134	71,578
Total liabilities and net assets	103,149	95,300

Consolidated quarterly statements of income

Consolidated cumulative second quarter

	(Millions of yen)	
	Six months ended September 30, 2022 (April 1, 2022 to September 30, 2022)	Six months ended September 30, 2023 (April 1, 2023 to September 30, 2023)
Net sales	30,501	32,408
Cost of sales	22,864	24,862
Gross profit	7,637	7,546
Selling, general and administrative expenses		
Selling expenses	4,949	4,696
General and administrative expenses	1,515	1,621
Total selling, general and administrative expenses	6,464	6,317
Operating profit	1,172	1,229
Non-operating income		
Interest income	0	0
Dividend income	340	574
Share of profit of entities accounted for using equity method	15	17
Other	37	49
Total non-operating income	393	641
Non-operating expenses		
Interest expenses	53	49
Loss on disposal of non-current assets	64	25
Other	21	19
Total non-operating expenses	139	93
Ordinary profit	1,426	1,776
Extraordinary income		
Gain on sale of investment securities	3	32
Subsidy income	-	385
Total extraordinary income	3	417
Extraordinary losses		
Loss on disposal of non-current assets	43	17
Loss on tax purpose reduction entry of non-current assets	-	384
Total extraordinary losses	43	402
Profit before income taxes	1,387	1,792
Income taxes	406	545
Profit	981	1,246
Profit attributable to owners of parent	981	1,246

Segment Information

Information on sales and profit (loss) by each segment

I Six months ended September 30, 2022 (from April 1, 2022 to September 30, 2022)

(Millions of yen)

	Reportable segment						Other	Total
	Sugar	Grocery	Feed	Agricultural Materials	Real Estate	Sub-Total		
Net sales								
Customers	21,400	1,252	5,020	1,513	756	29,943	558	30,501
Inter-segment	117	17	7	4	62	208	904	1,112
Total	21,517	1,270	5,027	1,517	819	30,152	1,462	31,614
Segment profit (loss)	871	15	(230)	76	480	1,212	(98)	1,113

II 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