

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2020 (Based on Japanese GAAP)

February 10, 2021

Company name: NIHON NOHYAKU CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 4997 URL <https://www.nichino.co.jp/>
 Representative: President Yosuke Tomoi
 Inquiries: General Manager of General Affairs & Legal Department Motohiro Nagai TEL +81-3-6361-1400
 Scheduled date to file Quarterly Securities Report: February 10, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2020 (from April 1, 2020 to December 31, 2020)

(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, 2020	41,804	–	1,937	–	1,274	–	1,393	–
Nine months ended December 31, 2019	–	–	–	–	–	–	–	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2020	17.71	–
Nine months ended December 31, 2019	–	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2020	96,384	56,982	58.3
As of March 31, 2020	102,214	58,372	55.2

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
Fiscal period ended March 31, 2020	–	–	–	4.00	4.00
Year ending March 31, 2021	–	7.50	–		
Year ending March 31, 2021 (Forecast)				7.50	15.00

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

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	70,000	–	5,000	–	4,500	–	3,000	–	38.13

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2020
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (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 December 31, 2020	81,967,082 shares	As of March 31, 2020	81,967,082 shares
-------------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of December 31, 2020	3,330,269 shares	As of March 31, 2020	3,192,332 shares
-------------------------	------------------	----------------------	------------------

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

Nine months ended December 31, 2020	78,681,819 shares	Nine months ended December 31, 2019	– shares
-------------------------------------	-------------------	-------------------------------------	----------

Quarterly consolidated financial statements
Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	14,010	18,241
Notes and accounts receivable - trade	31,231	19,036
Electronically recorded monetary claims - operating	1,574	997
Merchandise and finished goods	15,556	17,397
Work in process	693	1,043
Raw materials and supplies	5,962	7,656
Other	3,435	3,403
Allowance for doubtful accounts	(133)	(140)
Total current assets	72,331	67,634
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,804	4,486
Machinery, equipment and vehicles, net	3,476	3,512
Land	5,917	5,857
Other, net	657	661
Total property, plant and equipment	14,855	14,516
Intangible assets		
Goodwill	2,941	2,691
Other	1,251	1,150
Total intangible assets	4,192	3,841
Investments and other assets		
Investment securities	5,147	5,538
Other	6,053	5,185
Allowance for doubtful accounts	(366)	(333)
Total investments and other assets	10,834	10,390
Total non-current assets	29,882	28,749
Total assets	102,214	96,384

	As of March 31, 2020	As of December 31, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,699	14,321
Electronically recorded obligations - operating	1,054	1,053
Short-term borrowings	10,136	5,276
Current portion of bonds payable	264	182
Income taxes payable	1,124	300
Provision for bonuses	656	406
Provision for environmental measures	—	800
Other provisions	52	19
Electronically recorded obligations - non-operating	82	170
Other	6,484	5,641
Total current liabilities	32,555	28,170
Non-current liabilities		
Bonds payable	2,149	1,299
Long-term borrowings	6,508	7,238
Retirement benefit liability	658	690
Other provisions	52	70
Other	1,915	1,931
Total non-current liabilities	11,285	11,231
Total liabilities	43,841	39,401
Net assets		
Shareholders' equity		
Share capital	14,939	14,939
Capital surplus	15,068	15,068
Retained earnings	31,553	32,040
Treasury shares	(1,728)	(1,801)
Total shareholders' equity	59,832	60,246
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	583	696
Foreign currency translation adjustment	(4,607)	(5,410)
Remeasurements of defined benefit plans	630	614
Total accumulated other comprehensive income	(3,392)	(4,099)
Non-controlling interests	1,933	835
Total net assets	58,372	56,982
Total liabilities and net assets	102,214	96,384

Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income
Quarterly consolidated statements of income

(Millions of yen)

	Nine months ended December 31, 2020
Net sales	41,804
Cost of sales	28,094
Gross profit	13,709
Selling, general and administrative expenses	11,772
Operating profit	1,937
Non-operating income	
Interest income	56
Dividend income	80
Rental income from real estate	65
Share of profit of entities accounted for using equity method	404
Gain on valuation of derivatives	337
Other	119
Total non-operating income	1,064
Non-operating expenses	
Interest expenses	295
Foreign exchange losses	1,304
Other	128
Total non-operating expenses	1,728
Ordinary profit	1,274
Extraordinary income	
Gain on sales of non-current assets	1,689
Total extraordinary income	1,689
Extraordinary losses	
Loss on disposal of non-current assets	39
Environmental expenses	1,390
Total extraordinary losses	1,429
Profit before income taxes	1,534
Income taxes	731
Profit	802
Loss attributable to non-controlling interests	(590)
Profit attributable to owners of parent	1,393

Quarterly consolidated statements of comprehensive income

(Millions of yen)

	Nine months ended December 31, 2020
Profit	802
Other comprehensive income	
Valuation difference on available-for-sale securities	112
Foreign currency translation adjustment	(1,288)
Remeasurements of defined benefit plans, net of tax	(16)
Share of other comprehensive income of entities accounted for using equity method	(10)
Total other comprehensive income	(1,201)
Comprehensive income	(399)
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	686
Comprehensive income attributable to non-controlling interests	(1,085)