

**Consolidated Financial Statements  
as of March 31,2025**

**NIKKI CO.,LTD.**

## Consolidated Financial Statements

### (1) Consolidated Balance Sheets

( in thousands of yen)

Accounts	Prior Fiscal Year (As of March 31,2024)		Current Fiscal Year (As of March 31,2025)		Increase Decrease(Δ)
	Amounts	Ratio (%)	Amounts	Ratio (%)	
<b>Assets</b>					
Current assets					
Cash and deposits	4,175,416		4,102,694		△ 72,721
Accounts receivable-trade	1,597,892		1,100,563		△ 497,329
Electronically recorded monetary claims-operating	154,662		139,307		△ 15,354
Merchandise and finished goods	1,184,258		1,194,341		10,082
Work in process	1,508,041		2,162,318		654,276
Raw materials and supplies	89,948		105,091		15,142
Other	333,042		621,591		288,548
Allowance for doubtful accounts	△ 4,063		△ 10,257		△ 6,193
Total current assets	9,039,198	39.2	9,415,649	40.3	376,451
Noncurrent assets					
Property, plant and equipment					
Buildings and structures, net	8,476,882		8,317,286		△ 159,596
Machinery, equipment and vehicles, net	1,429,293		1,167,678		△ 261,614
Land	441,310		455,382		14,072
Lease assets, net	76,144		135,779		59,634
Construction in progress	134,520		178,331		43,811
Other, net	219,187		202,102		△ 17,084
Total property, plant and equipment	10,777,337	46.7	10,456,561	44.7	△ 320,776
Intangible assets					
Goodwill	599,019		519,150		△ 79,869
Customer related assets	45,000		—		△ 45,000
Technology related assets	185,250		175,750		△ 9,500
Software in progress	28,800		249,319		220,519
Other	50,498		72,900		22,402
Total intangible assets	908,568	3.9	1,017,120	4.4	108,552
Investments and other assets					
Investment securities	1,831,725		1,883,543		51,817
Long-term Deferred tax assets	63,438		103,963		40,524
Retirement benefit asset	177,125		244,920		67,795
Other	267,535		246,012		△ 21,522
Total investments and other assets	2,339,825	10.1	2,478,440	10.6	138,614
Total noncurrent assets	14,025,731	60.8	13,952,122	59.7	△ 73,608
Total assets	23,064,929	100.0	23,367,772	100.0	302,842

( in thousands of yen)

Accounts	Current Fiscal Year (As of March 31,2024)		Current Fiscal Year (As of March 31,2025)		Increase Decrease(△)
	Amounts	Ratio (%)	Amounts	Ratio (%)	
<b>Liabilities</b>					
Current liabilities					
Notes and accounts payable-trade	498,894		278,445		△ 220,449
Electronically recorded monetary debt-operating	512,120		189,760		△ 322,360
Short-term loans payable	3,619,188		4,519,188		900,000
Lease obligations	12,820		50,293		37,473
Accrued expenses	165,660		154,400		△ 11,259
Income taxes payable	816,462		62,933		△ 753,528
Provision for bonuses	149,561		150,534		972
Notes payable - facilities	43,390		49,090		5,700
Other	174,515		218,767		44,251
Total current liabilities	5,992,612	26.0	5,673,413	24.3	△ 319,199
Noncurrent liabilities					
Long-term loans payable	3,549,366		3,440,178		△ 109,188
Lease obligations	70,629		96,478		25,848
Deferred tax liabilities	427,608		499,999		72,391
Long-term lease deposited	54,930		54,930		—
Net defined benefit liability	417,599		384,556		△ 33,042
Other	156,376		154,826		△ 1,550
Total noncurrent liabilities	4,676,509		4,630,968		△ 45,540
Total liabilities	10,669,122	46.3	10,304,382	44.1	△ 364,740
<b>Net assets</b>					
Shareholders' equity					
Capital stock	500,000		500,000		—
Capital surplus	49,175		53,016		3,841
Retained earnings	10,533,090		10,959,801		426,711
Treasury stock	△ 307,771		△ 291,852		15,918
Total shareholders' equity	10,774,494	46.7	11,220,966	48.0	446,471
Accumulated other comprehensive income					
Valuation difference on available-for-sale securities	974,521		1,011,726		37,205
Foreign currency translation adjustment	544,105		756,818		212,712
Remeasurements of defined benefit plans	75,936		43,814		△ 32,121
Total accumulated other comprehensive income	1,594,563	6.9	1,812,360	7.8	217,796
Minority Interests	26,749	0.1	30,063	0.1	3,314
Total net assets	12,395,807	53.7	13,063,390	55.9	667,583
Total liabilities and net assets	23,064,929	100.0	23,367,772	100.0	302,842

## (2) Consolidated Statement of Income

( in thousands of yen)

Accounts	Current Fiscal Year From April 1, 2023 To March 31,2024		Current Fiscal Year From April 1, 2024 To March 31,2025		Increase Decrease(Δ)
		Ratio (%)		Ratio (%)	
Net Sales	9,355,388	100.0	8,360,204	100.0	△ 995,184
Cost of Sales	6,673,822	71.3	5,645,979	67.5	△ 1,027,842
Gross Profit	2,681,566	28.7	2,714,224	32.5	32,658
Selling,general administrative expenses	1,777,501	19.0	1,828,919	21.9	51,417
Operating Income	904,064	9.7	885,305	10.6	△ 18,759
Non-operating income					
Interest income	35,869		46,309		10,440
Dividends income	47,688		59,697		12,008
Rental income	1,469		20,014		18,544
Exchange gain	343,454		—		△ 343,454
Subsidy income	—		—		—
Other	19,536		32,304		12,767
Total non-operating income	448,019	4.8	158,326	1.9	△ 289,692
Non-operating expenses					
Interest expenses	72,764		92,954		20,189
Exchange loss	—		301,547		301,547
Other	941		14		△ 927
Total non-operating expenses	73,706	0.8	394,516	4.7	320,810
Ordinary income	1,278,377	13.7	649,115	7.8	△ 629,262
Extraordinary income					
Gain on sales of noncurrent assets	1,660,038		345		△ 1,659,692
Gain on sales of investment securities	—		200,497		200,497
Penalty income	90,396		—		△ 90,396
Subsidy income	37,292		37,292		—
Insurance claim income	15,653		18,192		2,539
Total extraordinary income	1,803,379	19.3	256,327	3.1	△ 1,547,051
Extraordinary loss					
Loss on sales and retirement of noncurrent assets	8,062		5,103		△ 2,959
Environmental expenses	2,050		—		△ 2,050
Loss on sale of golf club membership	2,614		—		△ 2,614
Loss on disaster	2,282		11,627		9,344
Total extraordinary loss	15,009	0.2	16,730	0.2	1,721
Income before income taxes	3,066,747	32.8	888,712	10.6	△ 2,178,035
Income taxes-current	915,690		282,559		△ 633,131
Income taxes deferred	△ 41,644		△ 24,333		17,310
Total income taxes-current	874,046		258,225		△ 615,820
Income before minority interests	2,192,700	23.4	630,486	7.5	△ 1,562,214
Minority interests in income	698		△ 62		△ 761
Net income	2,192,001	23.4	630,548	7.5	△ 1,561,452

## (3) Consolidated Statement of Comprehensive Income

( in thousands of yen)

	Current Fiscal Year From April 1, 2023 To March 31,2024	Current Fiscal Year From April 1, 2024 To March 31,2025	Increase Decrease(Δ)
Accounts			
Income before minority interests	2,192,700	630,486	Δ 1,562,214
Other comprehensive income			
Valuation difference on available-for-sale securities	170,196	37,205	Δ 132,990
Foreign currency translation adjustment	255,051	216,089	Δ 38,962
Remeasurements of defined benefit plans	76,441	Δ 32,121	Δ 108,563
Total Other comprehensive income	501,689	221,173	Δ 280,515
Comprehensive income	2,694,390	851,660	Δ 1,842,730
(Comprehensive income attributable to)			
Comprehensive income attributable to owners of the parent	2,691,554	848,345	Δ 1,843,209
Comprehensive income attributable to minority interests	2,835	3,314	479

## (4) Consolidated Statement of Changes in Shareholders' Equity

Current fiscal year (April 1, 2024 to March 31, 2025)

( in thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	500,000	49,175	10,533,090	△ 307,771	10,774,494
Changes of items during the period					
Dividends paid			△ 203,837		△ 203,837
Net income			630,548		630,548
Purchase of treasury shares					
Disposal of treasury shares		3,841		15,918	19,760
Change in treasury shares of parent arising from transactions with non-controlling shareholders					
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	3,841	426,711	15,918	446,471
Balance at end of current period	500,000	53,016	10,959,801	△ 291,852	11,220,966

	Accumulated other comprehensive income				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total Accumulated other comprehensive income		
Balance at beginning of current period	974,521	544,105	75,936	1,594,563	26,749	12,395,807
Changes of items during the period						
Dividends paid						△ 203,837
Net income						630,548
Purchase of treasury shares						
Disposal of treasury shares						19,760
Change in treasury shares of parent arising from transactions with non-controlling shareholders						
Net changes of items other than shareholders' equity	37,205	212,712	△ 32,121	217,796	3,314	221,111
Total changes of items during the period	37,205	212,712	△ 32,121	217,796	3,314	667,583
Balance at end of current period	1,011,726	756,818	43,814	1,812,360	30,063	13,063,390

## (5) Consolidated Statements of Cash Flows

( in thousands of yen)

	Current Fiscal Year From April 1, 2023 To March 31, 2024	Current Fiscal Year From April 1, 2024 To March 31, 2025	Increase Decrease(Δ)
<b>Net cash provided by (used in) operating activities</b>			
Income before income taxes	3,066,747	888,712	Δ 2,178,035
Depreciation and amortization	673,903	843,227	169,324
Amortization of goodwill	39,934	79,869	39,934
Increase (decrease) in allowance for doubtful accounts	Δ 228	6,193	6,422
Increase (decrease) in provision for bonuses	3,513	1,393	Δ 2,120
Increase (decrease) in provision for head office transfer cost	Δ 3,450	—	3,450
Increase (decrease) in net defined benefit assets	Δ 177,125	Δ 67,795	109,330
Increase (decrease) in net defined benefit liability	Δ 37,708	352	38,060
Interest and dividends income	Δ 83,557	Δ 106,006	Δ 22,448
Interest expenses	72,764	92,954	20,189
Subsidy income	—	Δ 37,292	Δ 37,292
Gain on sales of investment securities	—	Δ 200,497	Δ 200,497
Loss (gain) on sales and retirement of noncurrent assets	Δ 1,651,975	4,757	1,656,733
Exchange gain(loss)	Δ 31,288	6,629	37,917
Decrease (increase) in notes and accounts receivable-trade	301,272	632,512	331,240
Decrease (increase) in inventories	97,538	Δ 523,064	Δ 620,603
Decrease (increase) in long-term loans payable	5,164	3,173	Δ 1,990
Decrease (increase) in other current assets	297,802	Δ 3,456	Δ 301,258
Increase (decrease) in notes and accounts payable-trade	6,458	Δ 708,595	Δ 715,053
Increase (decrease) in other current liabilities	Δ 118,753	Δ 97,074	21,678
Other	Δ 440,930	Δ 1,550	439,379
subtotal	2,020,083	814,444	Δ 1,205,638
Interest and dividends income received	83,557	106,006	22,448
Subsidies received	—	37,292	37,292
Interest expenses paid	Δ 71,944	Δ 96,764	Δ 24,820
Income taxes paid	Δ 227,893	Δ 1,302,320	Δ 1,074,426
Refund income taxes	114,328	—	Δ 114,328
Net cash provided by (used in) operating activities	1,918,131	Δ 441,341	Δ 2,359,473

( in thousands of yen)

	Current Fiscal Year From April 1, 2023 To March 31, 2024	Current Fiscal Year From April 1, 2024 To March 31, 2025	Increase Decrease(Δ)
<b>Net cash provided by (used in) investing activities</b>			
Payments into time deposits	△ 699,989	△ 333,147	366,842
Proceeds from withdrawal of time deposits	533,418	286,711	△ 246,707
Purchase of investment securities	△ 180	△ 663	△ 483
Proceeds from sales of investment securities	3,387	220,945	217,557
Purchase of property, plant and equipment	△ 4,589,239	△ 257,528	4,331,711
Proceeds from sales of property, plant and equipment	3,495,054	15,784	△ 3,479,270
Purchase of intangible assets	△ 7,800	△ 245,118	△ 237,318
Purchase of shares of subsidiaries resulting in change in scope of consolidation	△ 1,227,190	—	1,227,190
Other investment payment	△ 15,768	△ 11,237	4,530
Other investment income	55,411	29,020	△ 26,390
Net cash provided by (used in) investing activities	△ 2,452,896	△ 295,233	2,157,662
<b>Net cash provided by (used in) financing activities</b>			
Repayments of lease obligations	△ 11,237	△ 47,219	△ 35,982
Net increase (decrease) in short-term borrowings	—	1,000,000	1,000,000
Repayment of long-term loans payable	△ 209,188	△ 209,188	—
Dividend payment	△ 147,485	△ 203,837	△ 56,351
Net cash provided by (used in) financing activities	△ 367,910	539,755	907,665
Effect of exchange rate change on cash and cash equivalents	158,635	57,093	△ 101,541
Increase and decrease in cash and cash equivalents	△ 744,040	△ 139,726	604,314
Cash and cash equivalents at the start of the period	4,575,856	3,831,815	△ 744,040
Increase in cash and cash equivalents resulting from change of scope of consolidation			
Cash and cash equivalents at the end of the period	3,831,815	3,692,089	△ 139,726