

Translation

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**Summary of Consolidated Financial Results
for the Year Ended March 31, 2024
(Based on Japanese GAAP)**

May 10, 2024

Company name: NISSHIN GROUP HOLDINGS Company, Limited
 Stock exchange listing: Tokyo
 Stock code: 8881 URL <https://www.nisshin-hd.co.jp/>
 Representative: Representative Director and President Yukiyoshi Tsutsumi
 Representative Director and Senior Managing Director Hideki Kuroiwa TEL 03-5360-2016
 Inquiries: Director
 Scheduled date of ordinary general meeting of shareholders: June 26, 2024
 Scheduled date to file Securities Report: June 27, 2024
 Scheduled date to commence dividend payments: June 27, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

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	%
Year ended March 31, 2024	81,023	(1.6)	3,579	(14.7)	3,279	(19.1)	2,163	(21.7)
Year ended March 31, 2023	82,348	1.1	4,194	(19.6)	4,055	(19.2)	2,763	(21.6)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2024	46.28	–	3.3	2.7	4.4
Year ended March 31, 2023	59.12	–	4.3	3.4	5.1

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	122,054	67,487	55.1	1,438.98
As of March 31, 2023	120,933	65,808	54.3	1,406.12

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	(848)	(1,200)	(1,053)	33,001
Year ended March 31, 2023	789	(541)	(1,344)	36,103

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	–	0.00	–	22.00	22.00	1,031	37.2	1.6
Year ended March 31, 2024	–	0.00	–	23.00	23.00	1,078	49.7	1.6
Year ending March 31, 2025 (Forecast)	–	0.00	–	23.00	23.00		48.9	

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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	82,000	1.2	3,700	3.4	3,400	3.7	2,200	1.7	47.06

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2024	46,951,260 shares	As of March 31, 2023	46,951,260 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	204,412 shares	As of March 31, 2023	213,592 shares
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Average number of shares during the period

Year ended March 31, 2024	46,742,998 shares	Year ended March 31, 2023	46,735,667 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	60,943,865	57,920,385
Notes receivable, accounts receivable from completed construction contracts and other	14,259,955	14,254,492
Electronically recorded monetary claims - operating	3,659,462	1,644,796
Real estate for sale	8,477,186	7,561,606
Costs on real estate business	16,557,175	21,511,774
Costs on construction contracts in progress	6,278	5,868
Short-term loans receivable	2,259	16,951
Accounts receivable - other	579,908	1,450,367
Other	948,327	868,679
Allowance for doubtful accounts	(81,552)	(82,836)
Total current assets	105,352,867	105,152,085
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,234,768	7,763,840
Accumulated depreciation	(2,402,395)	(2,570,290)
Buildings and structures, net	4,832,372	5,193,550
Land	5,407,934	5,664,305
Leased assets	610,477	668,962
Accumulated depreciation	(292,173)	(323,808)
Leased assets, net	318,304	345,154
Other	522,801	403,453
Accumulated depreciation	(305,387)	(323,284)
Other, net	217,414	80,168
Total property, plant and equipment	10,776,025	11,283,178
Intangible assets		
Leased assets	35,013	34,959
Other	116,353	287,502
Total intangible assets	151,366	322,461
Investments and other assets		
Investment securities	3,521,592	4,160,948
Long-term loans receivable	279,746	446,875
Deferred tax assets	396,594	245,229
Other	503,537	592,125
Allowance for doubtful accounts	(48,682)	(148,082)
Total investments and other assets	4,652,789	5,297,096
Total non-current assets	15,580,181	16,902,737
Total assets	120,933,049	122,054,822

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	4,571,634	4,664,578
Electronically recorded obligations - operating	11,725,230	8,524,632
Short-term borrowings	16,676,315	11,794,437
Current portion of bonds payable	72,000	20,000
Lease liabilities	124,505	123,413
Income taxes payable	559,685	444,245
Provision for bonuses	551,804	496,508
Provision for warranties for completed construction	223,664	124,021
Provision for loss on construction contracts	5,769	4,944
Provision for shareholder benefit program	45,578	51,306
Advances received	292,389	350,638
Advances received on construction contracts in progress	475,737	458,541
Deposits received	1,249,319	1,294,698
Other	1,011,792	773,444
Total current liabilities	37,585,426	29,125,410
Non-current liabilities		
Bonds payable	240,000	220,000
Long-term borrowings	15,087,137	22,918,988
Lease liabilities	207,520	229,338
Provision for share awards for directors (and other officers)	42,314	59,384
Retirement benefit liability	1,707,217	1,771,659
Other	255,261	242,923
Total non-current liabilities	17,539,451	25,442,293
Total liabilities	55,124,877	54,567,703
Net assets		
Shareholders' equity		
Share capital	10,111,411	10,111,411
Capital surplus	427,262	428,502
Retained earnings	55,111,615	56,256,556
Treasury shares	(109,853)	(105,239)
Total shareholders' equity	65,540,436	66,691,230
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	186,235	571,063
Remeasurements of defined benefit plans	(7,791)	5,924
Total accumulated other comprehensive income	178,444	576,987
Non-controlling interests	89,290	218,900
Total net assets	65,808,171	67,487,118
Total liabilities and net assets	120,933,049	122,054,822

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	82,348,045	81,023,654
Cost of sales	71,446,665	70,401,625
Gross profit	10,901,379	10,622,028
Selling, general and administrative expenses		
Advertising expenses	271,087	249,506
Commission expenses	215,854	234,802
Provision of allowance for doubtful accounts	27,685	115,198
Provision for shareholder benefit program	45,578	50,270
Remuneration for directors (and other officers)	329,840	304,321
Salaries and allowances	2,541,093	2,622,910
Bonuses	328,337	345,042
Provision for bonuses	430,007	386,275
Retirement benefit expenses	115,898	125,641
Provision for share awards for directors (and other officers)	25,416	23,902
Depreciation	155,258	167,243
Taxes and dues	455,359	545,410
Other	1,765,179	1,871,686
Total selling, general and administrative expenses	6,706,598	7,042,213
Operating profit	4,194,780	3,579,815
Non-operating income		
Interest income	2,264	8,222
Dividend income	18,923	18,898
Penalty income	30,650	23,165
Reversal of allowance for doubtful accounts	28,554	13,427
Reversal of provision for loss on guarantees	51	–
Reversal of provision for shareholder benefit program	534	–
Gain on reversal of share awards for directors (and other officers)	492	–
Insurance return	150,607	6,014
An introduction fee	30,326	33,202
Other	42,857	52,429
Total non-operating income	305,263	155,359
Non-operating expenses		
Interest expenses	426,711	408,725
Commission expenses	10,122	31,722
Other	7,457	15,352
Total non-operating expenses	444,291	455,801
Ordinary profit	4,055,753	3,279,373

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Extraordinary income		
Gain on sale of non-current assets	9,058	11,307
Gain on sale of investment securities	54,604	1,499
Total extraordinary income	63,662	12,807
Extraordinary losses		
Loss on sale of non-current assets	–	1,992
Loss on retirement of non-current assets	870	218
Loss on valuation of investment securities	19,999	–
Other	78	–
Total extraordinary losses	20,949	2,211
Profit before income taxes	4,098,466	3,289,970
Income taxes - current	1,250,758	1,053,807
Income taxes - deferred	65,264	73,174
Total income taxes	1,316,022	1,126,981
Profit	2,782,443	2,162,988
Profit attributable to non-controlling interests	19,407	(442)
Profit attributable to owners of parent	2,763,036	2,163,431

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	2,782,443	2,162,988
Other comprehensive income		
Valuation difference on available-for-sale securities	(40,118)	388,679
Remeasurements of defined benefit plans, net of tax	(5,125)	14,635
Total other comprehensive income	(45,243)	403,314
Comprehensive income	2,737,199	2,566,303
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,717,792	2,566,746
Comprehensive income attributable to non-controlling interests	19,407	(442)

Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,111,411	425,478	53,380,500	(112,694)	63,804,696
Changes during period					
Dividends of surplus	–	–	(1,031,921)	–	(1,031,921)
Change in ownership interest of parent due to transactions with non-controlling interests	–	1,784	–	–	1,784
Capital increase of consolidated subsidiaries	–	–	–	–	–
Change in scope of consolidation	–	–	–	–	–
Profit attributable to owners of parent	–	–	2,763,036	–	2,763,036
Purchase of treasury shares	–	–	–	(26)	(26)
Disposal of treasury shares	–	–	–	2,866	2,866
Net changes in items other than shareholders' equity	–	–	–	–	–
Total changes during period	–	1,784	1,731,114	2,840	1,735,739
Balance at end of period	10,111,411	427,262	55,111,615	(109,853)	65,540,436

	Accumulated other comprehensive income				Non-controlling 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 period	226,354	–	(2,665)	223,688	104,176	64,132,561
Changes during period						
Dividends of surplus	–	–	–	–	–	(1,031,921)
Change in ownership interest of parent due to transactions with non-controlling interests	–	–	–	–	(34,292)	(32,508)
Capital increase of consolidated subsidiaries	–	–	–	–	–	–
Change in scope of consolidation	–	–	–	–	–	–
Profit attributable to owners of parent	–	–	–	–	–	2,763,036
Purchase of treasury shares	–	–	–	–	–	(26)
Disposal of treasury shares	–	–	–	–	–	2,866
Net changes in items other than shareholders' equity	(40,118)	–	(5,125)	(45,243)	19,407	(25,836)
Total changes during period	(40,118)	–	(5,125)	(45,243)	(14,885)	1,675,609
Balance at end of period	186,235	–	(7,791)	178,444	89,290	65,808,171

Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,111,411	427,262	55,111,615	(109,853)	65,540,436
Changes during period					
Dividends of surplus	–	–	(1,031,920)	–	(1,031,920)
Change in ownership interest of parent due to transactions with non-controlling interests	–	–	–	–	–
Capital increase of consolidated subsidiaries	–	1,239	–	–	1,239
Change in scope of consolidation	–	–	13,429	–	13,429
Profit attributable to owners of parent	–	–	2,163,431	–	2,163,431
Purchase of treasury shares	–	–	–	(62)	(62)
Disposal of treasury shares	–	–	–	4,676	4,676
Net changes in items other than shareholders' equity	–	–	–	–	–
Total changes during period	–	1,239	1,144,940	4,614	1,150,794
Balance at end of period	10,111,411	428,502	56,256,556	(105,239)	66,691,230

	Accumulated other comprehensive income				Non-controlling 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 period	186,235	–	(7,791)	178,444	89,290	65,808,171
Changes during period						
Dividends of surplus	–	–	–	–	–	(1,031,920)
Change in ownership interest of parent due to transactions with non-controlling interests	–	–	–	–	–	–
Capital increase of consolidated subsidiaries	–	–	–	–	–	1,239
Change in scope of consolidation	–	–	–	–	–	13,429
Profit attributable to owners of parent	–	–	–	–	–	2,163,431
Purchase of treasury shares	–	–	–	–	–	(62)
Disposal of treasury shares	–	–	–	–	–	4,676
Net changes in items other than shareholders' equity	384,827	–	13,715	398,543	129,609	528,153
Total changes during period	384,827	–	13,715	398,543	129,609	1,678,947
Balance at end of period	571,063	–	5,924	576,987	218,900	67,487,118

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	4,098,466	3,289,970
Depreciation	332,100	348,756
Increase (decrease) in allowance for doubtful accounts	(25)	100,684
Increase (decrease) in provision for bonuses	28,647	(55,295)
Increase (decrease) in retirement benefit liability	46,569	75,671
Increase (decrease) in other provisions	50,235	(77,670)
Interest and dividend income	(21,188)	(27,120)
Gain on maturity of insurance contract	(150,607)	(6,014)
Interest expenses	426,711	408,725
Commission expenses	10,122	31,722
Loss (gain) on valuation of investment securities	19,999	–
Loss on retirement of property, plant and equipment and intangible assets	870	218
Loss (gain) on sale of property, plant and equipment and intangible assets	(9,058)	(9,315)
Decrease (increase) in trade receivables	(913,076)	2,020,129
Decrease (increase) in inventories	(5,069,185)	(1,331,314)
Decrease (increase) in other assets	2,286	(926,641)
Increase (decrease) in trade payables	4,086,973	(3,107,654)
Increase (decrease) in other liabilities	(129,120)	(182,284)
Increase (decrease) in other non-current liabilities	(1,848)	(46,996)
Other, net	(12,719)	98,721
Subtotal	2,796,153	604,292
Income taxes refund	3,372	213,434
Income taxes paid	(1,614,265)	(1,303,877)
Interest and dividends received	21,214	27,097
Interest paid	(416,655)	(388,962)
Net cash provided by (used in) operating activities	789,818	(848,015)

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from investing activities		
Payments into time deposits	(41,632,503)	(40,736,000)
Proceeds from withdrawal of time deposits	40,895,007	40,657,000
Proceeds from sale and redemption of investment securities	395,979	1,500
Purchase of investment securities	(380,030)	(309,218)
Loan advances	(500)	(131,000)
Proceeds from collection of loans receivable	588	725
Purchase of property, plant and equipment and intangible assets	(179,824)	(243,097)
Proceeds from sale of property, plant and equipment and intangible assets	80,871	58,810
Proceeds from maturity of insurance funds	331,880	33,427
Other payments	(81,024)	(104,700)
purchase of other securities in an other associated company resulting in change in scope of consolidation	–	(451,775)
Other proceeds	27,924	23,799
Net cash provided by (used in) investing activities	(541,630)	(1,200,528)
Cash flows from financing activities		
Proceeds from short-term borrowings	20,943,909	12,781,810
Repayments of short-term borrowings	(18,953,430)	(13,014,360)
Proceeds from long-term borrowings	12,847,700	15,926,850
Repayments of long-term borrowings	(14,531,627)	(15,464,327)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(406,119)	–
Dividends paid	(1,031,207)	(1,033,016)
Purchase of treasury shares	(26)	(62)
Repayments of lease liabilities	(115,714)	(147,112)
Redemption of bonds	(88,000)	(72,000)
Other payments	(10,122)	(31,722)
Net cash provided by (used in) financing activities	(1,344,638)	(1,053,941)
Net increase (decrease) in cash and cash equivalents	(1,096,450)	(3,102,485)
Cash and cash equivalents at beginning of period	37,200,316	36,103,865
Cash and cash equivalents at end of period	36,103,865	33,001,380