

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Based on Japanese GAAP)

January 31, 2025

Company name: Nippon Air Conditioning Services Co., Ltd.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 4658 URL <https://www.nikku.co.jp/>
 Representative: President & Representative Director Toshiaki Yorifuji
 Executive Officer
 Inquiries: Accounting Division General Manager Tomoaki Yokoi TEL 052-773-2511
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

(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, 2024	44,187	11.5	2,658	12.3	2,877	12.2	1,843	10.1
Nine months ended December 31, 2023	39,617	12.5	2,367	61.5	2,565	56.2	1,675	64.8

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2024	53.51		52.96	
Nine months ended December 31, 2023	48.81		48.18	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	44,830	25,012	55.0
As of March 31, 2024	42,949	24,212	55.5

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
Year ended March 31, 2024	–	15.00	–	24.00	39.00
Year ending March 31, 2025	–	20.00	–		
Year ending March 31, 2025 (Forecast)				20.00	40.00

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	61,000	4.8	3,700	1.9	3,900	1.0	2,800	2.7	81.48

4. Notes

- (1) Significant changes in the scope of consolidation during the nine months ended December 31, 2024: 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: Yes
- 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, 2024	35,784,000 shares	As of March 31, 2024	35,784,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	1,261,538 shares	As of March 31, 2024	1,421,638 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2024	34,454,194 shares	Nine months ended December 31, 2023	34,314,940 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	6,989	7,445
Notes receivable, accounts receivable from completed construction contracts and other	16,676	13,466
Electronically recorded monetary claims - operating	1,137	1,541
Inventories	703	1,903
Other	882	914
Allowance for doubtful accounts	(1)	(1)
Total current assets	26,387	25,269
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,923	5,080
Land	4,480	5,517
Construction in progress	1,195	344
Other, net	1,220	1,267
Total property, plant and equipment	9,819	12,210
Intangible assets		
Software	44	43
Other	18	24
Total intangible assets	62	68
Investments and other assets		
Investment securities	5,902	6,505
Other	782	782
Allowance for doubtful accounts	(5)	(5)
Total investments and other assets	6,679	7,282
Total non-current assets	16,562	19,560
Total assets	42,949	44,830

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	5,787	4,412
Electronically recorded obligations - operating	2,099	2,667
Short-term borrowings	870	950
Current portion of long-term borrowings	259	729
Accounts payable - other	404	284
Accrued expenses	2,472	2,285
Income taxes payable	815	435
Provision for bonuses for directors (and other officers)	62	—
Provision for loss on orders received	86	22
Other	1,635	1,635
Total current liabilities	14,492	13,423
Non-current liabilities		
Long-term borrowings	578	2,511
Provision for retirement benefits for directors (and other officers)	98	110
Provision for executive officers' retirement benefits	40	45
Retirement benefit liability	3,176	3,193
Asset retirement obligations	67	67
Other	283	465
Total non-current liabilities	4,244	6,394
Total liabilities	18,737	19,818
Net assets		
Shareholders' equity		
Share capital	1,139	1,139
Capital surplus	1,163	1,170
Retained earnings	19,176	19,502
Treasury shares	(875)	(775)
Total shareholders' equity	20,603	21,037
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,297	3,697
Foreign currency translation adjustment	46	38
Remeasurements of defined benefit plans	(118)	(94)
Total accumulated other comprehensive income	3,225	3,640
Share acquisition rights	205	146
Non-controlling interests	177	187
Total net assets	24,212	25,012
Total liabilities and net assets	42,949	44,830

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	39,617	44,187
Cost of sales	32,232	35,289
Gross profit	7,384	8,897
Selling, general and administrative expenses	5,017	6,239
Operating profit	2,367	2,658
Non-operating income		
Interest income	11	12
Dividend income	117	158
Dividend income of insurance	9	1
Foreign exchange gains	42	40
Other	30	26
Total non-operating income	211	238
Non-operating expenses		
Interest expenses	6	16
Provision of allowance for doubtful accounts	3	—
Other	3	3
Total non-operating expenses	13	20
Ordinary profit	2,565	2,877
Extraordinary income		
Gain on sale of non-current assets	5	0
Total extraordinary income	5	0
Extraordinary losses		
Loss on sale of non-current assets	—	0
Loss on retirement of non-current assets	1	7
Loss on sale of equity invested in associates	0	—
Total extraordinary losses	2	7
Profit before income taxes	2,568	2,870
Income taxes	885	1,019
Profit	1,682	1,850
Profit attributable to non-controlling interests	7	7
Profit attributable to owners of parent	1,675	1,843

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	1,682	1,850
Other comprehensive income		
Valuation difference on available-for-sale securities	260	399
Foreign currency translation adjustment	81	(4)
Remeasurements of defined benefit plans, net of tax	29	24
Total other comprehensive income	371	419
Comprehensive income	2,054	2,270
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,034	2,259
Comprehensive income attributable to non-controlling interests	20	11