

# Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Japanese GAAP)



January 31, 2025

Company name : Fuji Nihon Corporation  
 Stock exchange listing : Tokyo Stock Exchange Standard Market  
 Stock code : 2114  
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 Scheduled date of commencing dividend payments : —  
 Supplemental materials prepared on financial results : No  
 Financial results briefing session scheduled : No

(Figures are rounded down to the nearest million yen)

## 1. Consolidated Financial Results for the Nine Months Ended December 31, 2024 (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	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended								
December 31, 2024	21,188	9.4	2,559	46.2	2,953	10.5	2,401	19.9
December 31, 2023	19,368	12.7	1,750	9.6	2,671	42.1	2,003	34.4

Note: Comprehensive income

Nine months ended December 31, 2024: ¥1,886 million [(20.3)%]

Nine months ended December 31, 2023: ¥2,365 million [38.7%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2024	89.76	—
December 31, 2023	74.60	—

### (2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
As of	Million yen	Million yen	%
December 31, 2024	32,036	23,729	73.9
March 31, 2024	32,419	23,851	73.5

Reference: Shareholders' equity: As of December 31, 2024: ¥23,671 million

As of March 31, 2024: ¥23,825 million

## 2. Cash Dividends

	Cash dividend per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-End	Total
Fiscal year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2024	—	15.00	—	17.00	32.00
Fiscal year ending	—	15.00	—	—	—
March 31, 2025	—	—	—	—	—
Year ending	—	—	—	19.00	34.00
March 31, 2025 (forecast)	—	—	—	—	—

Note: Revisions to the forecast most recently announced: Yes

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (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		Basic earnings per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Fiscal year ending									
March 31, 2025	28,000	8.2	2,850	31.1	3,250	1.5	2,550	7.6	96.23

Note: Revisions to the forecast most recently announced: Yes

\*Notes

- (1) Significant changes in subsidiaries during the period: No
- (2) Application of special accounting for preparing the nine-month consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
  - (i) Changes in accounting policies due to revisions to accounting standards: Yes
  - (ii) Changes in accounting policies other than (i) above: No
  - (iii) Changes in accounting estimates: No
  - (iv) Restatement: No

(4) Number of issued shares (common shares)

Unit: 1 share

(i) Number of issued shares at the end of period (including treasury shares)	FY2024 3Q	25,718,700	FY2023	29,748,200
(ii) Number of treasury shares at the end of period	FY2024 3Q	66,893	FY2023	2,896,393
(iii) Average number of shares during the period (cumulative from the beginning of the fiscal year)	FY2024 3Q	26,752,457	FY2023 3Q	26,851,828

\* Consolidated Financial Results for the period is exempt from the audit review by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters:

(Caution concerning forward-looking statements)

Business forecasts and other forward-looking statements contained in this report and supplementary materials are based on information currently available to the Company and on certain assumptions deemed as rational and are not intended to guarantee the achievements by the Company. Actual results may differ significantly from such forecasts due to various factors. For assumptions used for business forecasts and notes in using such forecasts, please refer to “(3) Explanation of Forward-Looking Information Including Consolidated Financial Forecast” in “1. Overview of Financial Results” on page 3 of the Appendix.

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## 1. Overview of Financial Results

### (1) Overview of Operating Results for the Nine-Month Period

During the consolidated nine-month period, while there have been signs of recovery in the Japanese economy, with improvements in employment, increases in nominal wages, and a bottoming out of personal consumption, uncertainties still remain. These include heightened geopolitical risks overseas and a slowdown in consumer sentiment due to rising prices domestically, among other factors affecting the economic outlook.

Amid such conditions, the Group formulated its medium-term management plan CHANGE 2028 in April 2024, establishing five key themes: 1. Business expansion in Southeast Asia, 2. Creation of food science business, 3. Growth investment centered on M&A, 4. Building a strong organization to realize our vision, and 5. Enhancement of IR and shareholder returns. The plan is currently being implemented.

For the consolidated nine-month period, net sales were ¥21,188 million (up 9.4% year on year), operating profit was ¥2,559 million (up 46.2%), ordinary profit was ¥2,953 million (up 10.5%), and profit attributable to owners of parent was ¥2,401 million (up 19.9%), resulting in increased revenue and earnings.

The performance by segment is as follows. Note that from this consolidated fiscal year, we have changed our reportable segments from the previous four segments of Sugar Refining, Functional Materials, Real Estate, and Other Food Products to three segments: Sugar Refining, Functional Materials, and Real Estate.

Segment comparison information has been prepared using figures reclassified according to the new segment categories. For details on reportable segments, please refer to "2. Consolidated Financial Statements and Significant Notes (3) Notes to Consolidated Financial Statements (Notes on Segment Information)."

#### (i) Sugar Refining

The overseas raw sugar market opened at 22.65 cents (per pound) and declined due to the strong start of Brazil's 2024/25 sugar production, reaching 17.95 cents in May. Subsequently, due to rainfall shortages in Brazil and Thailand, and heatwaves in India, along with the International Sugar Organization (ISO) announcing an outlook for increased demand, the market temporarily turned upward, recovering to the 20-cent range. However, in mid-July, it peaked and declined again as Brazil's sugar production continued to be steady, reaching 17.52 cents in August. At the end of August, due to rainfall shortages and large-scale disasters in Brazil, statistical agencies downwardly revised Brazil's sugar production estimates. This led to large-scale speculative buying, causing the market to surge, reaching 23.71 cents in September. The market then fluctuated in the 20-23 cent range. In mid-December, China implemented import suspension measures on Thai sugar products, causing a decline in the white sugar market. Additionally, the strengthening dollar and weakening real increased selling pressure, pushing the price below 20 cents. The third quarter ended at 19.26 cents.

The domestic product market started and ended the third quarter between 249 and 251 yen (per kilogram for large bags of refined sugar) on the Tokyo spot market (as published in the Nikkei). Product movement was strong, with high tourist traffic including inbound tourists, leading to good performance in tourist souvenirs, confectionery, and frozen desserts due to the intense heat. In December, the food service industry performed well due to increased inbound demand from a record number of foreign tourists visiting Japan. However, sales volume decreased year-on-year partly due to consumer restraint from price increases. Nevertheless, we enhanced our sales structure, improved customer satisfaction through thorough quality control and stable product supply, secured steady and stable raw material procurement, and worked to reduce costs.

As a result, the Sugar Refining segment recorded net sales of ¥10,519 million (up 4.8% year on year) and operating profit of ¥2,082 million (up 56.7% year on year), achieving increases in both revenue and earnings.

#### (ii) Functional Materials

Domestic sales of the functional food ingredient "Inulin" increased in volume year on year due to strong performance in products for mass retailers and functional foods. Overseas sales increased in revenue and earnings as sales to Southeast Asian countries continued to perform well at the consolidated subsidiary Fuji Nihon Thai Inulin Co., Ltd. Consolidated subsidiary UNITEC FOODS Co., Ltd. also achieved increased revenue and earnings as sales volumes grew significantly for its main products: pectin, gelatin, and collagen.

As a result, the Functional Materials segment recorded net sales of ¥9,968 million (up 15.1% year on year) and operating profit of ¥948 million (up 27.0% year on year), achieving increases in both revenue and earnings.

#### (iii) Real Estate

The Real Estate business achieved increased revenue and earnings with net sales of ¥491 million (up 7.5% year on year) and operating profit of ¥439 million (up 9.3% year on year). This was due to the construction and lease commencement of the Toyoko Inn Tokyo Kayabacho Eki on the former headquarters site in September 2023, which contributed to revenue, along with stable operation of other properties. The segment continued to contribute to stable earnings.

## (2) Overview of Financial Position for the Nine-Month Period

Total assets at the end of the nine-month consolidated period decreased by 1.2% from the end of the previous consolidated fiscal year to ¥32,036 million. Changes in financial position during the consolidated nine-month cumulative period were as follows:

### (i) Assets

Current assets increased by 0.7% from the end of the previous consolidated fiscal year to ¥17,045 million. This was primarily due to an increase in notes and accounts receivable - trade, and contract assets.

Non-current assets decreased by 3.3% from the end of the previous fiscal year to ¥14,991 million, primarily due to a decrease in long-term loans receivable from subsidiaries and affiliates.

### (ii) Liabilities

Current liabilities decreased by 3.3% from the end of the previous consolidated fiscal year to ¥6,282 million. This was primarily due to a decrease in short-term borrowings.

Non-current liabilities decreased by 2.2% to ¥2,024 million, primarily due to a decrease in deferred tax liabilities.

### (iii) Net Assets

Net assets decreased by 0.5% from the end of the previous fiscal year to ¥23,729 million, primarily due to a decrease in valuation difference on available-for-sale securities.

## (3) Explanation of Forward-Looking Information Including Consolidated Financial Forecast

Based on the performance for the consolidated nine-month period announced today, we have revised the full-year earnings forecast previously announced. In the Sugar Refining business, in addition to steady and stable raw material procurement, various cost reductions have contributed significantly. In the Functional Materials business, the Inulin business has seen growth in Southeast Asian market conditions, and the consolidated subsidiary UNITEC FOODS Co., Ltd. has maintained strong sales volumes of high-value-added products. As a result, we are progressing with increased revenue and earnings compared to the previous forecast.

Based on these consolidated nine-month results, we have revised our consolidated earnings forecast for the fiscal year ending March 31, 2025.

## 2. Consolidated Financial Statements and Significant Notes

### (1) Consolidated Balance Sheets

(Thousand yen)

	FY2023 (Ended March 31, 2024)	FY2024 3Q (Ended December 31, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	5,274,800	5,310,597
Notes and accounts receivable – trade, and contract assets	4,145,574	4,751,511
Merchandise and finished goods	3,835,520	3,496,513
Work in process	152,729	108,886
Raw materials and supplies	1,475,543	1,303,965
Lease investment assets	954,138	948,281
Other current assets	1,085,800	1,187,051
Allowance for doubtful accounts	(3,103)	(3,277)
<b>Total current assets</b>	<b>16,921,003</b>	<b>17,103,529</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	356,558	360,019
Machinery, equipment, and vehicles, net	370,402	365,732
Land	2,527,435	2,527,435
Construction in progress	4,083	22,822
Other non-current assets, net	167,007	167,075
<b>Total property, plant, and equipment</b>	<b>3,425,487</b>	<b>3,443,085</b>
Intangible assets		
Other intangible assets	55,593	43,844
<b>Total intangible assets</b>	<b>55,593</b>	<b>43,844</b>
Investments and other assets		
Investment securities	9,654,764	9,480,739
Long-term loans receivable	2,163	-
Long-term loans receivable from subsidiaries and affiliates	1,902,500	1,487,700
Retirement benefit asset	126,532	153,571
Others	344,185	326,887
Allowance for doubtful accounts	(13,112)	(2,798)
<b>Total investments and other assets</b>	<b>12,017,033</b>	<b>11,446,101</b>
<b>Total non-current assets</b>	<b>15,498,114</b>	<b>14,933,032</b>
<b>Total assets</b>	<b>32,419,118</b>	<b>32,036,560</b>

	FY2023 (Ended March 31, 2024)	FY2024 3Q (Ended December 31, 2024)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	2,053,131	1,997,258
Short-term borrowings	3,096,800	2,487,200
Income taxes payable	349,434	593,144
Accrued consumption taxes	37,678	282,460
Provision for bonuses	173,538	91,743
Other current liabilities	787,936	830,785
<b>Total current liabilities</b>	<b>6,498,520</b>	<b>6,282,591</b>
<b>Non-current liabilities</b>		
Long-term borrowings	-	176,000
Deferred tax liabilities	1,412,885	1,200,710
Asset retirement obligations	92,047	92,263
Other non-current liabilities	564,269	555,149
<b>Total non-current liabilities</b>	<b>2,069,203</b>	<b>2,024,123</b>
<b>Total liabilities</b>	<b>8,567,723</b>	<b>8,306,715</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,524,460	1,524,460
Capital surplus	2,102,408	2,048,412
Retained earnings	17,608,463	17,298,321
Treasury shares	(717,401)	(16,591)
<b>Total shareholders' equity</b>	<b>20,517,930</b>	<b>20,854,602</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	3,280,889	2,721,440
Foreign currency translation adjustment	5,591	73,135
Remeasurements of defined benefit plans	20,907	22,258
<b>Total accumulated other comprehensive income</b>	<b>3,307,388</b>	<b>2,816,835</b>
<b>Non-controlling interests</b>	<b>26,076</b>	<b>58,408</b>
<b>Total net assets</b>	<b>23,851,394</b>	<b>23,729,845</b>
<b>Total liabilities and net assets</b>	<b>32,419,118</b>	<b>32,036,560</b>

## (2) Consolidated Statements of Income and Comprehensive Income

### Consolidated Statements of Income

Nine Months Ended December 31, 2024

(Thousand yen)

	FY2023 3Q (From April 1, 2023 to December 31, 2023)	FY2024 3Q (From April 1, 2024 to December 31, 2024)
Net sales	19,368,358	21,188,445
Cost of sales	14,665,508	15,320,918
Gross profit	4,702,850	5,867,527
Selling, general and administrative expenses	2,952,641	3,308,018
Operating profit	1,750,209	2,559,509
Non-operating income		
Interest income	25,380	28,810
Dividend income	815,065	201,492
Foreign exchange gains	32,143	-
Share of profit of entities accounted for using equity method	60,311	153,346
Other non-operating income	19,687	45,445
Total non-operating income	952,589	429,095
Non-operating expenses		
Interest expenses	30,908	31,134
Foreign exchange losses	-	817
Other non-operating expenses	56	3,315
Total non-operating expenses	30,964	35,267
Ordinary profit	2,671,833	2,953,336
Extraordinary income		
Gain on sale of non-current assets	299	-
Gain on sale of investment securities	-	298,687
Gain on sale of golf club memberships	-	2,264
Total extraordinary losses	299	300,951
Extraordinary losses		
Loss on retirement of non-current assets	5,662	4,809
Demolition expenses	-	5,108
Loss on sale of investment securities	37,069	-
Total extraordinary losses	42,732	9,918
Profit before income taxes	2,629,400	3,244,369
Income taxes-current	611,672	837,527
Income taxes-deferred	43,452	30,011
Total income taxes	655,125	867,538
Profit for the period	1,974,275	2,376,831
Loss for the period attributable to non-controlling interests	(28,897)	(24,383)
Profit for the period attributable to owners of parent	2,003,173	2,401,215



Consolidated Statements of Comprehensive Income  
 Nine Months Ended December 31, 2024

(Thousand yen)

	FY 2023 3Q (From April 1, 2023 to December 31, 2023)	FY 2024 3Q (From April 1, 2024 to December 31, 2024)
Profit for the period	1,974,275	2,376,831
Other comprehensive income		
Valuation difference on available-for-sale securities	387,296	(559,448)
Foreign currency translation adjustment	3,383	59,363
Remeasurements of defined benefit plans	4,197	1,350
Share of other comprehensive income of entities accounted for using equity method	(3,717)	8,180
Total other comprehensive income	391,159	(490,552)
Comprehensive income for the period	2,365,435	1,886,278
Comprehensive income for the period attributable to:		
Owners of parent	2,394,333	1,910,662
Non-controlling interests	(28,897)	(24,383)

### (3) Notes to Consolidated Financial Statements

#### (Changes in Accounting Policies)

##### (Application of Accounting Standard for Current Income Taxes and Other Standards)

The Company has applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022, hereinafter “2022 Revised Accounting Standard”) and related standards from the beginning of the nine-month consolidated period.

Regarding the revision related to the recording of income taxes (taxation on other comprehensive income), the Company follows the transitional treatment prescribed in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the proviso to Paragraph 65-2(2) of the “Implementation Guidance on Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022, hereinafter “2022 Revised Implementation Guidance”). This change in accounting policies has no impact on the consolidated nine-month financial statements.

Additionally, for the revision related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred for tax purposes, the 2022 Revised Implementation Guidance has been adopted from the beginning of the nine-month period. This change in accounting policies was applied retrospectively. Therefore, the consolidated financial statements for the same period of the previous fiscal year and the consolidated financial statements for the previous fiscal year have been modified retrospectively. This change in accounting policies has no impact on the consolidated financial statements for the same period of the previous fiscal year and the consolidated financial statements for the previous fiscal year.

#### (Notes on Segment Information)

##### 1. Changes in Reportable Segments

The Company implemented organizational changes on April 1, 2024, and changed its management classification. Accordingly, from the beginning of the current consolidated period, Flower Freshness Preservation Agents, which was previously included in the Functional Materials business, has been recognized as a single business segment and transferred to the Other segment. In addition, the Other Food Products business, which was previously included in reportable segments, has been classified as Other and not included in reportable segments due to its low materiality.

The segment information for the previous consolidated nine-month period has been prepared based on the new classification method.

##### 2. Information about Net Sales and Profit or Loss by Reportable Segment and Breakdown of Revenue

###### 1. Previous consolidated nine-month period (April 1, 2023 to December 31, 2023)

(Thousand yen)

	Reportable Segments				Other (Note:1)	Adjustments (Note:2)	Amount recorded in consolidated statements of income (Note:3)
	Sugar Refining	Functional Materials	Real Estate	Total			
Net sales							
Sugar and related products	10,033,482	—	—	10,033,482	—	—	10,033,482
Food additives	—	150,204	—	150,204	—	—	150,204
Functional food materials	—	8,511,877	—	8,511,877	—	—	8,511,877
Flower freshness preservation agents	—	—	—	—	192,882	—	192,882
Baked goods, etc.	—	—	—	—	22,483	—	22,483
Revenue from contracts with customers	10,033,482	8,662,082	—	18,695,564	215,366	—	18,910,931
Other revenue	—	—	457,427	457,427	—	—	457,427
Sales to third-party customers	10,033,482	8,862,082	457,427	19,152,992	215,366	—	19,368,358
Intersegment sales or transfers	10,608	—	4,498	15,106	20,060	(35,167)	—
Total	10,044,090	8,662,082	461,926	19,168,099	235,426	(35,167)	19,368,358
Segment profit	1,328,811	746,654	401,817	2,477,283	57,366	(784,440)	1,750,209

Notes: 1. “Other” category consists of business segments not included in reportable segments.

2. Adjustment to segment profit of ¥(784,440) thousand represents general and administrative expenses related to the parent company’s management department and research and development not attributable to reportable segments.

3. Segment profit corresponds to operating profit in the consolidated statements of income.

II. Current consolidated nine-month period (April 1, 2024 to December 31, 2024)

(Thousand yen)

	Reportable Segments				Other (Note:1)	Adjustments (Note:2)	Amount recorded in consolidated statements of income (Note:3)
	Sugar Refining	Functional Materials	Real Estate	Total			
<b>Net sales</b>							
Sugar and related products	10,519,007	—	—	10,519,007	—	—	10,519,007
Food additives	—	136,845	—	136,845	—	—	136,845
Functional food materials	—	9,831,808	—	9,831,808	—	—	9,831,808
Flower freshness preservation agents	—	—	—	—	196,004	—	196,004
Baked goods, etc.	—	—	—	—	12,986	—	12,986
Revenue from contracts with customers	10,519,007	9,968,654	—	20,487,662	208,990	—	20,696,652
Other revenue	—	—	491,793	491,793	—	—	491,793
Sales to third-party customers	10,519,007	9,968,654	491,793	20,979,455	208,990	—	21,188,445
Intersegment sales or transfers	10,864	—	4,602	15,466	15,091	(30,557)	—
<b>Total</b>	<b>10,529,872</b>	<b>9,968,654</b>	<b>496,395</b>	<b>20,994,921</b>	<b>224,081</b>	<b>(30,557)</b>	<b>21,188,445</b>
<b>Segment profit</b>	<b>2,082,590</b>	<b>948,529</b>	<b>439,079</b>	<b>3,470,199</b>	<b>52,323</b>	<b>(963,014)</b>	<b>2,559,509</b>

Notes: 1. "Other" category consists of business segments not included in reportable segments.

2. Adjustment to segment profit of ¥(963,014) thousand represents general and administrative expenses related to the parent company's management department and research and development not attributable to reportable segments.

3. Segment profit corresponds to operating profit in the consolidated statements of income.

(Notes on Significant Changes in Shareholders' Equity)

Based on the resolution of the Board of Directors meeting held on September 30, 2024, the Company canceled 2,800,000 treasury shares on October 11, 2024. In addition, based on the resolution of the Board of Directors meeting held on December 19, 2024, the Company acquired 1,229,500 treasury shares on December 20, 2024, and canceled 1,229,500 treasury shares on December 30, 2024. Due to this cancellation of treasury shares, the balance of other capital surplus became negative, and therefore, a transfer was made from retained earnings to capital surplus.

As a result, during the consolidated nine-month cumulative period, capital surplus decreased by ¥75,035 thousand, retained earnings decreased by ¥1,851,657 thousand, and treasury shares decreased by ¥693,504 thousand.

(Notes on Going Concern Assumption)

None

(Notes on Consolidated Statements of Cash Flows)

Consolidated Statements of Cash Flows for the nine-month period ended December 31, 2024 have not been prepared. Depreciation (including amortization of intangible assets excluding goodwill) for the period is as follows:

	FY2023 3Q (From April 1, 2023 to December 31, 2023)	FY2024 3Q (From April 1, 2024 to December 31, 2024)
Depreciation	143,336 thousand yen	132,039 thousand yen

(Significant Subsequent Events)

None