

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

August 2, 2021

Company name: NITTO KOHKI CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 6151 URL <https://www.nitto-kohki.co.jp>
 Representative: Representative Director, President CEO Akinobu Ogata
 Director, Executive Managing Officer, Chief Administrative Officer Kenji Mori
 Inquiries: TEL 03-3755-1111
 Scheduled date to file Quarterly Securities Report: August 5, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(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	%
Three months ended June 30, 2021	5,938	16.0	744	95.2	771	86.2	547	84.0
Three months ended June 30, 2020	5,120	(26.3)	381	(67.4)	414	(65.2)	297	(63.1)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	27.00		–	
Three months ended June 30, 2020	14.49		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2021	62,732	54,924	87.5	2,706.72
As of March 31, 2021	61,721	54,502	88.3	2,685.92

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2021	–	12.50	–	18.50	31.00
Year ending March 31, 2022	–	–	–	–	–
Year ending March 31, 2022 (Forecast)	–	15.00	–	16.50	31.50

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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
Six months ending September 30, 2021	11,760	11.9	1,040	28.8	1,110	25.1	750	20.9	36.96
Full year	23,980	6.4	2,180	4.2	2,320	2.4	1,580	2.0	77.87

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2021
 (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: 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 June 30, 2021	21,803,295 shares	As of March 31, 2021	21,803,295 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	1,514,346 shares	As of March 31, 2021	1,514,346 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2021	20,288,949 shares	Three months ended June 30, 2020	20,541,263 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	26,004	25,220
Notes and accounts receivable - trade	3,898	4,136
Electronically recorded monetary claims - operating	2,203	2,363
Securities	5,199	5,199
Merchandise and finished goods	3,734	4,051
Work in process	308	384
Raw materials and supplies	2,248	2,310
Other	459	654
Allowance for doubtful accounts	(2)	(2)
Total current assets	44,054	44,319
Non-current assets		
Property, plant and equipment		
Buildings and structures	11,285	11,343
Accumulated depreciation	(6,230)	(6,317)
Buildings and structures, net	5,054	5,026
Machinery, equipment and vehicles	4,615	4,689
Accumulated depreciation	(3,270)	(3,404)
Machinery, equipment and vehicles, net	1,345	1,284
Tools, furniture and fixtures	7,336	7,403
Accumulated depreciation	(6,745)	(6,782)
Tools, furniture and fixtures, net	591	621
Land	3,665	3,671
Leased assets	2,034	2,736
Accumulated depreciation	(877)	(946)
Leased assets, net	1,156	1,790
Construction in progress	262	209
Total property, plant and equipment	12,076	12,604
Intangible assets		
Other	1,051	1,246
Total intangible assets	1,051	1,246
Investments and other assets		
Investment securities	3,118	3,070
Long-term loans receivable	37	36
Deferred tax assets	1,126	1,174
Other	273	296
Allowance for doubtful accounts	(15)	(15)
Total investments and other assets	4,539	4,562
Total non-current assets	17,667	18,413
Total assets	61,721	62,732

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	866	938
Lease obligations	262	270
Income taxes payable	136	304
Provision for bonuses	551	277
Provision for bonuses for directors (and other officers)	30	6
Other	1,297	1,383
Total current liabilities	3,144	3,181
Non-current liabilities		
Lease obligations	893	1,516
Retirement benefit liability	2,509	2,494
Provision for retirement benefits for directors (and other officers)	333	155
Asset retirement obligations	10	33
Other	327	426
Total non-current liabilities	4,074	4,626
Total liabilities	7,219	7,808
Net assets		
Shareholders' equity		
Share capital	1,850	1,850
Capital surplus	1,924	1,924
Retained earnings	53,054	53,226
Treasury shares	(2,892)	(2,892)
Total shareholders' equity	53,935	54,108
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	807	763
Foreign currency translation adjustment	(204)	83
Remeasurements of defined benefit plans	(44)	(39)
Total accumulated other comprehensive income	559	808
Non-controlling interests	7	8
Total net assets	54,502	54,924
Total liabilities and net assets	61,721	62,732

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	5,120	5,938
Cost of sales	2,560	3,100
Gross profit	2,560	2,837
Selling, general and administrative expenses		
Salaries and allowances	609	621
Provision for bonuses	126	144
Retirement benefit expenses	51	43
Provision for retirement benefits for directors (and other officers)	9	7
Promotion expenses	188	41
Research and development expenses	215	215
Other	977	1,019
Total selling, general and administrative expenses	2,179	2,093
Operating profit	381	744
Non-operating income		
Interest income	5	4
Dividend income	27	26
Subsidies for employment adjustment	13	0
Rental income from buildings	9	10
Other	11	14
Total non-operating income	67	56
Non-operating expenses		
Sales discounts	22	19
Foreign exchange losses	8	2
Other	3	6
Total non-operating expenses	34	28
Ordinary profit	414	771
Profit before income taxes	414	771
Income taxes	116	223
Profit	297	548
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	297	547

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	297	548
Other comprehensive income		
Valuation difference on available-for-sale securities	76	(43)
Foreign currency translation adjustment	(377)	288
Remeasurements of defined benefit plans, net of tax	11	4
Total other comprehensive income	(289)	249
Comprehensive income	8	797
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9	797
Comprehensive income attributable to non-controlling interests	(0)	0