

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2021 (Based on Japanese GAAP)

November 1, 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 Kenji Mori  
 Inquiries: Administrative Officer TEL 03-3755-1111  
 Scheduled date to file Quarterly Securities Report: November 5, 2021  
 Scheduled date to commence dividend payments: December 2, 2021  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the six months ended September 30, 2021 (from April 1, 2021 to September 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	%
Six months ended September 30, 2021	12,343	17.5	1,705	111.2	1,715	93.5	1,211	95.3
Six months ended September 30, 2020	10,507	(23.9)	807	(64.8)	886	(61.6)	620	(61.4)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2021	59.70	—
Six months ended September 30, 2020	30.33	—

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2021	63,947	55,583	86.9	2,739.19
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	Yen	Yen	Yen	Yen
Year ended March 31, 2021	—	12.50	—	18.50	31.00
Year ending March 31, 2022	—	24.00	—	—	—
Year ending March 31, 2022 (Forecast)	—	—	—	16.50	40.50

### 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
Full year	24,560	9.0	2,840	35.8	2,920	28.8	2,040	31.6	100.54

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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 September 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 September 30, 2021	1,514,528 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)

Six months ended September 30, 2021	20,288,926 shares	Six months ended September 30, 2020	20,446,143 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	26,004	27,123
Notes and accounts receivable - trade	3,898	4,338
Electronically recorded monetary claims - operating	2,203	2,252
Securities	5,199	4,099
Merchandise and finished goods	3,734	4,091
Work in process	308	370
Raw materials and supplies	2,248	2,475
Other	459	694
Allowance for doubtful accounts	(2)	(2)
Total current assets	44,054	45,444
Non-current assets		
Property, plant and equipment		
Buildings and structures	11,285	11,342
Accumulated depreciation	(6,230)	(6,383)
Buildings and structures, net	5,054	4,958
Machinery, equipment and vehicles	4,615	4,669
Accumulated depreciation	(3,270)	(3,467)
Machinery, equipment and vehicles, net	1,345	1,202
Tools, furniture and fixtures	7,336	7,355
Accumulated depreciation	(6,745)	(6,734)
Tools, furniture and fixtures, net	591	620
Land	3,665	3,669
Leased assets	2,034	2,793
Accumulated depreciation	(877)	(992)
Leased assets, net	1,156	1,800
Construction in progress	262	231
Total property, plant and equipment	12,076	12,483
Intangible assets		
Other	1,051	1,385
Total intangible assets	1,051	1,385
Investments and other assets		
Investment securities	3,118	3,168
Long-term loans receivable	37	34
Deferred tax assets	1,126	1,151
Other	273	294
Allowance for doubtful accounts	(15)	(15)
Total investments and other assets	4,539	4,633
Total non-current assets	17,667	18,502
Total assets	61,721	63,947

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	866	990
Lease obligations	262	267
Income taxes payable	136	589
Provision for bonuses	551	591
Provision for bonuses for directors (and other officers)	30	13
Other	1,297	1,302
Total current liabilities	3,144	3,755
Non-current liabilities		
Lease obligations	893	1,532
Retirement benefit liability	2,509	2,505
Provision for retirement benefits for directors (and other officers)	333	108
Asset retirement obligations	10	33
Other	327	427
Total non-current liabilities	4,074	4,608
<b>Total liabilities</b>	<b>7,219</b>	<b>8,363</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,850	1,850
Capital surplus	1,924	1,924
Retained earnings	53,054	53,889
Treasury shares	(2,892)	(2,892)
Total shareholders' equity	53,935	54,771
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	807	832
Foreign currency translation adjustment	(204)	5
Remeasurements of defined benefit plans	(44)	(34)
Total accumulated other comprehensive income	559	803
Non-controlling interests	7	7
<b>Total net assets</b>	<b>54,502</b>	<b>55,583</b>
<b>Total liabilities and net assets</b>	<b>61,721</b>	<b>63,947</b>

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Net sales	10,507	12,343
Cost of sales	5,436	6,462
Gross profit	5,071	5,880
Selling, general and administrative expenses		
Salaries and allowances	1,221	1,240
Provision for bonuses	278	308
Retirement benefit expenses	103	88
Provision for retirement benefits for directors (and other officers)	44	14
Promotion expenses	247	69
Research and development expenses	397	450
Other	1,971	2,002
Total selling, general and administrative expenses	4,264	4,174
Operating profit	807	1,705
Non-operating income		
Interest income	10	7
Dividend income	38	32
Subsidies for employment adjustment	60	1
Rental income from buildings	18	20
Other	34	31
Total non-operating income	161	93
Non-operating expenses		
Interest expenses	2	13
Sales discounts	42	40
Foreign exchange losses	16	25
Other	21	4
Total non-operating expenses	82	83
Ordinary profit	886	1,715
Profit before income taxes	886	1,715
Income taxes	266	504
Profit	620	1,211
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	620	1,211

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit	620	1,211
Other comprehensive income		
Valuation difference on available-for-sale securities	172	25
Foreign currency translation adjustment	(196)	210
Remeasurements of defined benefit plans, net of tax	22	9
Total other comprehensive income	(1)	244
Comprehensive income	618	1,456
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	618	1,456
Comprehensive income attributable to non-controlling interests	(0)	0

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Cash flows from operating activities		
Profit before income taxes	886	1,715
Depreciation	709	729
Increase (decrease) in retirement benefit liability	58	9
Interest and dividend income	(48)	(39)
Interest expenses	2	13
Decrease (increase) in trade receivables	1,672	(460)
Decrease (increase) in inventories	(590)	(561)
Increase (decrease) in trade payables	(63)	120
Increase (decrease) in accrued consumption taxes	(107)	(131)
Other, net	(201)	(160)
Subtotal	2,317	1,236
Interest and dividends received	61	48
Interest paid	(1)	(12)
Income taxes refund (paid)	(531)	(59)
Net cash provided by (used in) operating activities	1,846	1,212
Cash flows from investing activities		
Payments into time deposits	(18,228)	(18,619)
Proceeds from withdrawal of time deposits	16,928	21,147
Purchase of investment securities	(11)	(10)
Purchase of securities	(1,599)	(500)
Proceeds from redemption of securities	1,000	1,100
Purchase of property, plant and equipment	(529)	(308)
Purchase of intangible assets	(79)	(406)
Other, net	0	(25)
Net cash provided by (used in) investing activities	(2,519)	2,377
Cash flows from financing activities		
Purchase of treasury shares	(675)	(0)
Dividends paid	(442)	(370)
Repayments of lease obligations	(132)	(139)
Net cash provided by (used in) financing activities	(1,250)	(510)
Effect of exchange rate change on cash and cash equivalents	(65)	54
Net increase (decrease) in cash and cash equivalents	(1,989)	3,134
Cash and cash equivalents at beginning of period	13,334	9,270
Cash and cash equivalents at end of period	11,345	12,404