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November 5, 2021

Consolidated Financial Results for the Six Months Ended September 30, 2021 (Under Japanese GAAP)

Company name: Nitta Corporation
 Listing: Tokyo Stock Exchange
 Securities code: 5186
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 Scheduled date to file quarterly securities report: November 10, 2021
 Scheduled date to commence dividend payments: December 6, 2021
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes *for analysts and institutional investors

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2021 (April 1, 2021 - September 30, 2021)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
September 30, 2021	41,320	—	3,102	160.4	7,445	264.3	6,110	283.1
September 30, 2020	37,138	(11.7)	1,191	(38.1)	2,043	(50.1)	1,594	(52.8)

Note: Comprehensive income For the six months ended September 30, 2021: ¥8,230 million [545.6%]
 For the six months ended September 30, 2020: ¥1,274 million [-45.1%]

	Net income per share	Diluted net income per share
Six months ended	Yen	Yen
September 30, 2021	215.81	—
September 30, 2020	55.51	—

Note: “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) was adopted from the beginning of fiscal year 2021. The figures of “Six months ended September 30, 2021” shows the effect of applying the accounting standard. Therefore, the net sales have not presented comparisons with the previous corresponding period. The above-mentioned change had little impact on operating income, ordinary income, and net income.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
Six months ended			
September 30, 2021	141,660	114,825	80.5
As of			
March 31, 2021	134,646	108,639	80.2

Reference: Equity As of September 30, 2021: ¥114,070 million
 As of March 31, 2021: ¥107,951 million

Note: “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) was adopted from the beginning of fiscal year 2021. The figures of “Six months ended September 30, 2021” shows the effect of applying the accounting standard.

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	—	30.00	—	40.00	70.00
Fiscal year ending March 31, 2022	—	35.00			
Fiscal year ending March 31, 2022 (Forecast)			—	50.00	85.00

Note: Revisions to the forecast of cash dividends announced most recently: None

3. Consolidated earnings forecast for the fiscal year ending March 31 2022, (April 1, 2021 - March 31, 2022)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full-year	80,000	8.9	5,000	74.8	12,000	103.0	9,700	105.3	338.04

Note: Revisions to consolidated earnings forecast announced most recently: None
 “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29) was adopted from the beginning of fiscal year 2021. The figures of “Consolidated earnings forecast” shows the effect of applying the accounting standard. If the accounting standard was adopted from fiscal year 2020, the net sales were ¥73,495 million. The change had no impact on operating income, ordinary income, net income, and net income per share. The year-on-year percentage change in sales is on comparison with ¥73,495 million.

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly included: — (Company name:)
 Excluded: — (Company name:)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of September 30, 2021	30,272,503 shares
As of March 31, 2021	30,272,503 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2021	1,975,604 shares
As of March 31, 2021	1,675,000 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2021	28,315,655 shares
Six months ended September 30, 2020	28,731,654 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Explanation of appropriate use of business performance forecasts and other special items

The earnings forecasts in this document are based on the current information and certain assumptions that are considered reasonable, and actual results may greatly depending on various factors.

Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31,2021	As of September 30,2021
Assets		
Current assets		
Cash and deposits	27,292	31,146
Notes and accounts receivable – trade	19,641	19,881
Electronically recorded monetary claims – operating	6,722	8,129
Securities	4,500	4,500
Inventories	9,788	10,777
Other	3,243	1,893
Allowance for doubtful accounts	△36	△33
Total current assets	71,152	76,294
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,287	12,111
Machinery, equipment and vehicles, net	6,354	6,138
Tools, furniture and fixtures, net	901	870
Land	2,868	2,893
Construction in progress	487	644
Other, net	1,026	1,022
Total property, plant and equipment	23,925	23,679
Intangible assets		
Goodwill	579	517
Other	614	564
Total intangible assets	1,194	1,082
Investments and other assets		
Investment securities	36,576	38,719
Long-term loans receivable	15	14
Retirement benefit asset	728	844
Deferred tax assets	372	357
Other	688	674
Allowance for doubtful accounts	△6	△5
Total investments and other assets	38,374	40,604
Total non-current assets	63,494	65,366
Total assets	134,646	141,660

(Millions of yen)

	As of March 31,2021	As of September 30,2021
Liabilities		
Current liabilities		
Notes and accounts payable – trade	12,019	11,719
Electronically recorded obligations – operating	3,121	3,576
Short-term borrowings	82	87
Income taxes payable	423	639
Provision for bonuses	1,063	1,441
Other	3,271	3,163
Total current liabilities	19,981	20,628
Non-current liabilities		
Long-term borrowings	1,039	909
Deferred tax liabilities	1,316	1,614
Retirement benefit liability	1,857	1,871
Other	1,811	1,810
Total non-current liabilities	6,025	6,206
Total liabilities	26,007	26,835
Net assets		
Shareholders' equity		
Share capital	8,060	8,060
Capital surplus	7,067	7,081
Retained earnings	95,140	100,022
Treasury shares	△3,425	△4,255
Shareholders' equity	106,842	110,908
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,200	3,280
Foreign currency translation adjustment	△2,358	△370
Remeasurements of defined benefit plans	267	250
Valuation and translation adjustments	1,108	3,161
Non-controlling interests	687	754
Total net assets	108,639	114,825
Total liabilities and net assets	134,646	141,660

(2) Quarterly Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income Six months ended September 30,2021

(Millions of yen)

	For the fiscal year ended September 30,2020	For the fiscal year ended September 30,2021
Net sales	37,138	41,320
Cost of sales	28,151	30,137
Gross profit	8,986	11,183
Selling, general and administrative expenses	7,795	8,081
Operating profit	1,191	3,102
Non-operating income		
Interest income	42	49
Dividend income	110	111
Outsourcing service income	80	76
Share of profit of entities accounted for using equity method	902	3,964
Foreign exchange gains	-	180
Other	69	70
Total non-operating income	1,204	4,454
Non-operating expenses		
Interest expenses	22	22
Fiduciary obligation expenses	75	75
Foreign exchange losses	233	-
Other	21	14
Total non-operating expenses	352	111
Ordinary profit	2,043	7,445
Extraordinary income		
Gain on sale of non-current assets	9	4
Total extraordinary income	9	4
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on retirement of non-current assets	17	12
Loss on valuation of investment securities	12	-
Total extraordinary losses	29	12
Profit before income taxes	2,023	7,437
Income taxes - current	360	955
Income taxes - deferred	45	315
Income taxes	405	1,271
Profit	1,617	6,165
Profit attributable to non-controlling interests	22	54
Profit attributable to owners of parent	1,594	6,110

Quarterly Consolidated Statement of Comprehensive Income Six months ended September 30,2021

(Millions of yen)

	For the fiscal year ended September 30,2020	For the fiscal year ended September 30,2021
Profit	1,617	6,165
Other comprehensive income		
Valuation difference on available-for-sale securities	588	76
Foreign currency translation adjustment	△431	1,076
Remeasurements of defined benefit plans, net of tax	13	△14
Share of other comprehensive income of entities accounted for using equity method	△512	927
Total other comprehensive income	△342	2,065
Comprehensive income	1,274	8,230
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,255	8,163
Comprehensive income attributable to non-controlling interests	19	67