

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on Japanese GAAP)

February 2, 2022

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: February 4, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2021 (from April 1, 2021 to December 31, 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	%
Nine months ended December 31, 2021	18,868	15.4	2,609	85.1	2,642	70.0	1,850	70.0
Nine months ended December 31, 2020	16,354	(19.6)	1,409	(54.4)	1,553	(50.3)	1,088	(50.0)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2021	91.18		–	
Nine months ended December 31, 2020	53.36		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2021	64,027	55,574	86.8	2,738.76
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	–	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 nine months ended December 31, 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 December 31, 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 December 31, 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)

Nine months ended December 31, 2021	20,288,917 shares	Nine months ended December 31, 2020	20,393,568 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	26,004	26,636
Notes and accounts receivable - trade	3,898	4,228
Electronically recorded monetary claims - operating	2,203	2,462
Securities	5,199	4,399
Merchandise and finished goods	3,734	4,282
Work in process	308	291
Raw materials and supplies	2,248	2,587
Other	459	671
Allowance for doubtful accounts	(2)	(2)
Total current assets	44,054	45,560
Non-current assets		
Property, plant and equipment		
Buildings and structures	11,285	11,321
Accumulated depreciation	(6,230)	(6,437)
Buildings and structures, net	5,054	4,884
Machinery, equipment and vehicles	4,615	4,631
Accumulated depreciation	(3,270)	(3,498)
Machinery, equipment and vehicles, net	1,345	1,133
Tools, furniture and fixtures	7,336	7,405
Accumulated depreciation	(6,745)	(6,808)
Tools, furniture and fixtures, net	591	596
Land	3,665	3,665
Leased assets	2,034	2,815
Accumulated depreciation	(877)	(1,037)
Leased assets, net	1,156	1,777
Construction in progress	262	222
Total property, plant and equipment	12,076	12,280
Intangible assets		
Other	1,051	1,562
Total intangible assets	1,051	1,562
Investments and other assets		
Investment securities	3,118	3,118
Long-term loans receivable	37	33
Deferred tax assets	1,126	1,193
Other	273	293
Allowance for doubtful accounts	(15)	(15)
Total investments and other assets	4,539	4,624
Total non-current assets	17,667	18,467
Total assets	61,721	64,027

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	866	1,103
Lease obligations	262	258
Income taxes payable	136	594
Provision for bonuses	551	280
Provision for bonuses for directors (and other officers)	30	20
Other	1,297	1,627
Total current liabilities	3,144	3,884
Non-current liabilities		
Lease obligations	893	1,521
Retirement benefit liability	2,509	2,468
Provision for retirement benefits for directors (and other officers)	333	115
Asset retirement obligations	10	33
Other	327	428
Total non-current liabilities	4,074	4,568
Total liabilities	7,219	8,453
Net assets		
Shareholders' equity		
Share capital	1,850	1,850
Capital surplus	1,924	1,924
Retained earnings	53,054	54,041
Treasury shares	(2,892)	(2,892)
Total shareholders' equity	53,935	54,923
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	807	795
Foreign currency translation adjustment	(204)	(122)
Remeasurements of defined benefit plans	(44)	(29)
Total accumulated other comprehensive income	559	643
Non-controlling interests	7	7
Total net assets	54,502	55,574
Total liabilities and net assets	61,721	64,027

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, 2020	Nine months ended December 31, 2021
Net sales	16,354	18,868
Cost of sales	8,615	9,946
Gross profit	7,739	8,921
Selling, general and administrative expenses		
Salaries and allowances	1,805	1,839
Provision for bonuses	140	135
Retirement benefit expenses	154	131
Provision for retirement benefits for directors (and other officers)	51	21
Promotion expenses	381	106
Research and development expenses	603	676
Other	3,193	3,402
Total selling, general and administrative expenses	6,329	6,312
Operating profit	1,409	2,609
Non-operating income		
Interest income	14	10
Dividend income	56	55
Subsidies for employment adjustment	87	1
Rental income from buildings	27	31
Other	77	55
Total non-operating income	263	153
Non-operating expenses		
Interest expenses	4	22
Sales discounts	63	61
Foreign exchange losses	18	30
Other	33	6
Total non-operating expenses	119	120
Ordinary profit	1,553	2,642
Extraordinary losses		
Loss on sale of non-current assets	8	–
Total extraordinary losses	8	–
Profit before income taxes	1,544	2,642
Income taxes	456	791
Profit	1,088	1,850
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	1,088	1,850

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	1,088	1,850
Other comprehensive income		
Valuation difference on available-for-sale securities	195	(11)
Foreign currency translation adjustment	(300)	81
Remeasurements of defined benefit plans, net of tax	33	14
Total other comprehensive income	(72)	83
Comprehensive income	1,016	1,933
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,016	1,934
Comprehensive income attributable to non-controlling interests	(0)	(0)