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February 4, 2022

Consolidated Financial Results for the Nine Months Ended December 31, 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: February 9, 2022
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: None

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

1. Consolidated financial results for the nine months ended December 31, 2021 (April 1, 2021 - December 31, 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	%
Nine months ended								
December 31, 2021	62,168	—	4,382	110.6	10,438	139.2	8,466	148.5
December 31, 2020	57,003	(9.7)	2,080	(24.9)	4,364	(25.3)	3,406	(29.4)

Note: Comprehensive income For the nine months ended December 31, 2021: ¥10,451 million [221.5%]
 For the nine months ended December 31, 2020: ¥3,250 million [-14.7%]

	Net income per share	Diluted net income per share
Nine months ended	Yen	Yen
December 31, 2021	299.04	—
December 31, 2020	118.67	—

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 “Nine months ended December 31, 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
As of	Millions of yen	Millions of yen	%
December 31, 2021	143,297	116,107	80.5
March 31, 2021	134,646	108,639	80.2

Reference: Equity As of December 31, 2021: ¥115,343 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 “Nine months ended December 31, 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 December 31, 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 December 31, 2021	1,947,125 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)

Nine months ended December 31, 2021	28,312,511 shares
Nine months ended December 31, 2020	28,707,851 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 December 31,2021
Assets		
Current assets		
Cash and deposits	27,292	31,068
Notes and accounts receivable – trade	19,641	19,477
Electronically recorded monetary claims – operating	6,722	9,162
Securities	4,500	4,500
Inventories	9,788	11,471
Other	3,243	1,943
Allowance for doubtful accounts	△36	△33
Total current assets	71,152	77,590
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,287	11,998
Machinery, equipment and vehicles, net	6,354	6,075
Tools, furniture and fixtures, net	901	862
Land	2,868	3,247
Construction in progress	487	660
Other, net	1,026	1,055
Total property, plant and equipment	23,925	23,899
Intangible assets		
Goodwill	579	480
Other	614	544
Total intangible assets	1,194	1,025
Investments and other assets		
Investment securities	36,576	38,869
Long-term loans receivable	15	13
Retirement benefit asset	728	901
Deferred tax assets	372	355
Other	688	646
Allowance for doubtful accounts	△6	△5
Total investments and other assets	38,374	40,782
Total non-current assets	63,494	65,707
Total assets	134,646	143,297

(Millions of yen)

	As of March 31,2021	As of December 31,2021
Liabilities		
Current liabilities		
Notes and accounts payable – trade	12,019	11,830
Electronically recorded obligations – operating	3,121	3,813
Short-term borrowings	82	72
Income taxes payable	423	657
Provision for bonuses	1,063	793
Other	3,271	3,754
Total current liabilities	19,981	20,922
Non-current liabilities		
Long-term borrowings	1,039	909
Deferred tax liabilities	1,316	1,631
Retirement benefit liability	1,857	1,892
Other	1,811	1,834
Total non-current liabilities	6,025	6,268
Total liabilities	26,007	27,190
Net assets		
Shareholders' equity		
Share capital	8,060	8,060
Capital surplus	7,067	7,081
Retained earnings	95,140	101,374
Treasury shares	△3,425	△4,190
Shareholders' equity	106,842	112,325
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,200	2,931
Foreign currency translation adjustment	△2,358	△179
Remeasurements of defined benefit plans	267	264
Valuation and translation adjustments	1,108	3,017
Non-controlling interests	687	764
Total net assets	108,639	116,107
Total liabilities and net assets	134,646	143,297

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

Consolidated Statement of Income Nine months ended December 31,2021

(Millions of yen)

	Third quarter ended December 31,2020	Third quarter ended December 31,2021
Net sales	57,003	62,168
Cost of sales	43,133	45,442
Gross profit	13,870	16,725
Selling, general and administrative expenses	11,790	12,343
Operating profit	2,080	4,382
Non-operating income		
Interest income	67	68
Dividend income	173	188
Outsourcing service income	120	117
Share of profit of entities accounted for using equity method	2,174	5,633
Foreign exchange gains	-	119
Other	147	100
Total non-operating income	2,682	6,227
Non-operating expenses		
Interest expenses	33	33
Fiduciary obligation expenses	112	109
Foreign exchange losses	228	-
Other	24	27
Total non-operating expenses	398	170
Ordinary profit	4,364	10,438
Extraordinary income		
Gain on sale of non-current assets	9	6
Total extraordinary income	9	6
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on retirement of non-current assets	39	19
Loss on valuation of investment securities	14	-
Loss on disaster	-	10
Total extraordinary losses	54	29
Profit before income taxes	4,319	10,415
Income taxes - current	550	1,375
Income taxes - deferred	298	511
Income taxes	848	1,886
Profit	3,470	8,528
Profit attributable to non-controlling interests	64	62
Profit attributable to owners of parent	3,406	8,466

Quarterly Consolidated Statement of Comprehensive Income Nine months ended December 31,2021

(Millions of yen)

	Third quarter ended December 31,2020	Third quarter ended December 31,2021
Profit	3,470	8,528
Other comprehensive income		
Valuation difference on available-for-sale securities	776	△254
Foreign currency translation adjustment	△443	1,137
Remeasurements of defined benefit plans, net of tax	19	△21
Share of other comprehensive income of entities accounted for using equity method	△572	1,061
Total other comprehensive income	△220	1,922
Comprehensive income	3,250	10,451
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,187	10,375
Comprehensive income attributable to non-controlling interests	63	76