

Consolidated Financial Results

For the First Quarter of the Fiscal Year Ending March 31, 2023 (Japanese GAAP)



August 4, 2022
Tokyo Stock Exchanges in Japan

Company name : NHK SPRING CO., LTD.
 Code number : 5991
 URL : <https://www.nhkspg.co.jp/>
 Representative : Takashi Kayamoto, President & Chief Executive Officer, Representative Member of the Board
 Contact person : Kazuko Tachibana, Director, Corporate Communications Dept, Corporate Planning & Control Division
 TEL +81-45-786-7513

Filing date of quarterly securities report : August 5, 2022
 Payment date of cash dividends : —
 Supplemental materials prepared for financial results : No
 Earnings announcement for financial results : No

(Amounts less than one million yen are rounded down)

1. Consolidated Results for the First Quarter of Fiscal Year Ending March 31, 2023 (April 1, 2022 through June 30, 2022)

(1) Consolidated Financial Results (Percentage indicates change from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary Income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
June 30, 2022	155,036	9.4	5,962	(3.3)	12,381	43.8	8,591	52.8
June 30, 2021	141,662	—	6,164	—	8,611	—	5,621	—

Note: Comprehensive income
 Three months ended June 30, 2022 (16,599 million 12.4 %)
 Three months ended June 30, 2021 (14,765 million — %)

	Net income per share, Basic	Net income per share, Diluted
Three months ended	Yen	Yen
June 30, 2022	37.68	—
June 30, 2021	24.65	—

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity to total assets
As of	Millions of yen	Millions of yen	%
June 30, 2022	596,065	351,932	56.2
March 31, 2022	588,091	338,847	54.9

Reference: Shareholders' equity (Net assets excluding non-controlling interests)
 As of June 30, 2022 334,851 million yen
 As of March 31, 2022 322,614 million yen

2. Dividends

	Cash dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Full year
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	—	12.00	—	15.00	27.00
Fiscal year ending March 31, 2023	—				
Fiscal year ending March 31, 2023 (Forecast)		15.00	—	—	—

Note : Revisions to the forecast of dividends since the latest announcement: No

3. Forecast of Consolidated Results for Fiscal Year Ending March 31, 2023 (April 1, 2022 through March 31, 2023)

(Percentage indicates change from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share, Basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	308,000	10.4	15,700	52.5	16,700	23.3	10,000	18.8	43.86
Full year	635,000	8.2	38,000	77.9	40,000	30.4	24,000	(25.0)	105.25

Notes : Revisions to the forecast of consolidated results since the latest announcement: No

4. Others

- (1) Changes of significant subsidiaries in the first quarter of fiscal year ending March 31, 2023 : No
(Transfer of subsidiaries resulting in changes in the scope of consolidation)
- (2) Application of specific accounting for preparing the quarterly consolidated financial statements : No
- (3) Changes in accounting policies, procedures and methods of presentation for preparing the consolidated financial statements
- [1] Changes due to revisions of accounting standards : Yes
 - [2] Changes due to other reasons : No
 - [3] Changes of estimation due to accounting issues : No
 - [4] Restatements : No

(4) Number of outstanding shares (Common Stock)

[1] Number of outstanding shares

As of June 30, 2022	244,066,144 shares
As of March 31, 2022	244,066,144 shares

[2] Number of treasury stock

As of June 30, 2022	16,048,274 shares
As of March 31, 2022	16,048,264 shares

[3] Average number of shares

1st quarter of fiscal year ending March 31, 2023	228,017,873 shares
1st quarter of fiscal year ending March 31, 2022	228,018,881 shares

* This quarterly report is out of the scope of the quarterly review.

* Explanation about appropriate use of the financial results forecasts, and other noteworthy matters
Statements related to the future, including the forecast of financial results, were based on the information available as of the date when this document was released. Therefore, actual results may differ considerably due to various factors that might occur in the future.

Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheets

	FYE 2022 (As of 31 March, 2022)	FYE 2023 (As of 30 June, 2022)
(Unit: Millions of yen)		
Assets		
Current assets		
Cash and deposits	92,130	87,214
Notes, accounts receivable - trade and contract assets	138,124	138,060
Merchandise and finished goods	24,461	26,214
Work in process	11,487	12,973
Raw materials and supplies	27,244	30,143
Partly-finished goods	10,680	11,177
Other	21,277	22,200
Allowance for doubtful accounts	(126)	(138)
Total current assets	325,279	327,845
Non-current assets		
Property, plant and equipment		
Buildings and structures	157,256	160,811
Accumulated depreciation	(103,227)	(105,895)
Buildings and structures, net	54,028	54,915
Machinery, equipment and vehicles	283,793	295,182
Accumulated depreciation	(222,507)	(232,043)
Machinery, equipment and vehicles, net	61,286	63,139
Land	30,483	30,968
Leased assets	1,337	1,298
Accumulated depreciation	(818)	(835)
Leased assets, net	518	462
Construction in progress	10,275	10,528
Other	84,040	88,374
Accumulated depreciation	(74,415)	(78,482)
Other, net	9,624	9,892
Total property, plant and equipment	166,217	169,907
Intangible assets	3,034	3,584
Investments and other assets		
Investment securities	58,703	58,316
Long-term loans receivable	1,670	1,710
Deferred tax assets	10,050	10,445
Net defined benefit asset	13,199	13,911
Other	10,839	11,314
Allowance for doubtful accounts	(904)	(970)
Total investments and other assets	93,559	94,728
Total non-current assets	262,811	268,219
Total assets	588,091	596,065

	FYE 2022 (As of 31 March, 2022)	FYE 2023 (As of 30 June, 2022)
(Unit: Millions of yen)		
Liabilities		
Current liabilities		
Notes and accounts payable - trade	80,027	84,617
Electronically recorded obligations - operating	31,162	30,825
Short-term loans payable	28,672	19,797
Income taxes payable	12,652	4,601
Provision for directors' bonuses	247	137
Notes payable - facilities	2,281	2,159
Other	32,281	38,566
Total current liabilities	187,325	180,705
Non-current liabilities		
Bonds payable	10,000	10,000
Long-term loans payable	11,110	10,830
Lease obligations	721	870
Deferred tax liabilities	12,712	12,977
Net defined benefit liability	22,262	23,699
Provision for directors' retirement benefits	614	557
Provision for officers' retirement benefits	843	927
Other	3,654	3,566
Total non-current liabilities	61,919	63,427
Total liabilities	249,244	244,133
Net assets		
Shareholders' equity		
Capital stock	17,009	17,009
Capital surplus	19,679	19,679
Retained earnings	260,692	265,863
Treasury stock	(14,296)	(14,296)
Total shareholders' equity	283,085	288,257
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	25,292	24,544
Foreign currency translation adjustment	11,592	19,365
Remeasurements of defined benefit plans	2,644	2,684
Total accumulated other comprehensive income	39,529	46,594
Non-controlling interests	16,232	17,081
Total net assets	338,847	351,932
Total liabilities and net assets	588,091	596,065

(2) Quarterly Consolidated Statement of Comprehensive Income
 (Quarterly Consolidated Statements of Income)
 (Three Months Ended June 30, 2022)

(Unit: Millions of yen)

	FYE 2022 (3 months Ended June 30, 2021)	FYE 2023 (3 months Ended June 30, 2022)
Net sales	141,662	155,036
Cost of sales	123,611	136,597
Gross profit	18,050	18,439
Selling, general and administrative expenses	11,886	12,476
Operating profit	6,164	5,962
Non-operating income		
Interest income	112	131
Dividend income	764	1,256
Share of profit of entities accounted for using equity method	354	83
Foreign exchange gains	876	5,144
Other	801	448
Total non-operating income	2,909	7,064
Non-operating expenses		
Interest expenses	77	84
Other	385	561
Total non-operating expenses	462	646
Ordinary profit	8,611	12,381
Profit before income taxes	8,611	12,381
Income taxes	2,551	3,390
Profit	6,059	8,990
Profit attributable to non-controlling interests	438	399
Profit attributable to owners of parent	5,621	8,591

(Quarterly Consolidated Statements of Comprehensive Income)
 (Three Months Ended June 30, 2022)

	(Unit: Millions of yen)	
	FYE 2022 (3 months ended June 30, 2021)	FYE 2023 (3 months ended June 30, 2022)
Profit	6,059	8,990
Other comprehensive income		
Valuation difference on available-for-sale securities	3,781	(749)
Foreign currency translation adjustment	4,744	7,469
Remeasurements of defined benefit plans, net of tax	1	37
Share of other comprehensive income of entities accounted for using equity method	179	850
Total other comprehensive income	8,706	7,608
Comprehensive income	14,765	16,599
Comprehensive income attributable to:		
Owners of parent	13,943	15,656
Non-controlling interests	821	943