

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2022 (Based on Japanese GAAP)

November 1, 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, Senior Managing Executive Officer, Kenji Mori  
 Chief Administrative Officer TEL 03-3755-1111  
 Inquiries: Director, Senior Managing Executive Officer, Kenji Mori  
 Chief Administrative Officer  
 Scheduled date to file Quarterly Securities Report: November 7, 2022  
 Scheduled date to commence dividend payments: December 2, 2022  
 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, 2022 (from April 1, 2022 to September 30, 2022)

#### (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, 2022	13,986	13.3	1,782	4.5	1,922	12.1	1,293	6.8
Six months ended September 30, 2021	12,343	17.5	1,705	111.2	1,715	93.5	1,211	95.3

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2022	63.77		-	
Six months ended September 30, 2021	59.70		-	

#### (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, 2022	66,100	57,567	87.1	2,836.91
As of March 31, 2022	64,334	55,730	86.6	2,746.45

### 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, 2022	-	24.00	-	16.50	40.50
Year ending March 31, 2023	-	24.00	-	-	-
Year ending March 31, 2023 (Forecast)	-	-	-	26.00	50.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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	27,560	9.0	3,620	7.9	3,660	4.1	2,510	30.2	123.71

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2022  
(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: No
- 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, 2022	21,803,295 shares	As of March 31, 2022	21,803,295 shares
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Number of treasury shares at the end of the period

As of September 30, 2022	1,514,396 shares	As of March 31, 2022	1,514,396 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, 2022	20,288,899 shares	Six months ended September 30, 2021	20,288,926 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	26,298	27,350
Notes and accounts receivable - trade	4,070	4,723
Electronically recorded monetary claims - operating	2,802	2,774
Securities	5,499	4,899
Merchandise and finished goods	4,420	4,730
Work in process	272	382
Raw materials and supplies	2,695	3,046
Other	616	478
Allowance for doubtful accounts	(2)	(3)
<b>Total current assets</b>	<b>46,675</b>	<b>48,382</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	11,353	11,506
Accumulated depreciation	(6,522)	(6,729)
Buildings and structures, net	4,830	4,776
Machinery, equipment and vehicles	4,718	4,947
Accumulated depreciation	(3,576)	(3,811)
Machinery, equipment and vehicles, net	1,141	1,135
Tools, furniture and fixtures	7,430	7,553
Accumulated depreciation	(6,888)	(6,966)
Tools, furniture and fixtures, net	542	586
Land	3,313	3,334
Leased assets	2,581	2,687
Accumulated depreciation	(1,049)	(1,099)
Leased assets, net	1,531	1,588
Construction in progress	128	137
<b>Total property, plant and equipment</b>	<b>11,487</b>	<b>11,560</b>
<b>Intangible assets</b>		
Other	1,546	1,551
<b>Total intangible assets</b>	<b>1,546</b>	<b>1,551</b>
<b>Investments and other assets</b>		
Investment securities	3,070	3,045
Long-term loans receivable	32	29
Deferred tax assets	1,239	1,248
Other	300	297
Allowance for doubtful accounts	(15)	(15)
<b>Total investments and other assets</b>	<b>4,625</b>	<b>4,605</b>
<b>Total non-current assets</b>	<b>17,659</b>	<b>17,717</b>
<b>Total assets</b>	<b>64,334</b>	<b>66,100</b>

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	977	1,141
Lease liabilities	275	285
Income taxes payable	769	614
Provision for bonuses	585	592
Provision for bonuses for directors (and other officers)	30	19
Other	1,487	1,413
Total current liabilities	4,124	4,066
Non-current liabilities		
Lease liabilities	1,460	1,487
Retirement benefit liability	2,491	2,425
Provision for retirement benefits for directors (and other officers)	123	139
Asset retirement obligations	32	29
Other	372	382
Total non-current liabilities	4,479	4,466
<b>Total liabilities</b>	<b>8,604</b>	<b>8,532</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,850	1,850
Capital surplus	1,924	1,924
Retained earnings	54,119	55,078
Treasury shares	(2,892)	(2,892)
Total shareholders' equity	55,000	55,959
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	751	722
Foreign currency translation adjustment	71	961
Remeasurements of defined benefit plans	(101)	(85)
Total accumulated other comprehensive income	721	1,598
Non-controlling interests	7	9
<b>Total net assets</b>	<b>55,730</b>	<b>57,567</b>
<b>Total liabilities and net assets</b>	<b>64,334</b>	<b>66,100</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, 2021	Six months ended September 30, 2022
Net sales	12,343	13,986
Cost of sales	6,462	7,574
Gross profit	5,880	6,411
Selling, general and administrative expenses		
Salaries and allowances	1,240	1,238
Provision for bonuses	308	316
Retirement benefit expenses	88	99
Provision for retirement benefits for directors (and other officers)	14	16
Promotion expenses	69	112
Research and development expenses	450	535
Other	2,002	2,309
Total selling, general and administrative expenses	4,174	4,629
Operating profit	1,705	1,782
Non-operating income		
Interest income	7	13
Dividend income	32	44
Foreign exchange gains	–	45
Subsidies for employment adjustment	1	–
Rental income from buildings	20	22
Other	31	37
Total non-operating income	93	163
Non-operating expenses		
Interest expenses	13	17
Sales discounts	40	–
Foreign exchange losses	25	–
Other	4	4
Total non-operating expenses	83	22
Ordinary profit	1,715	1,922
Profit before income taxes	1,715	1,922
Income taxes	504	628
Profit	1,211	1,294
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	1,211	1,293

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

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	1,211	1,294
Other comprehensive income		
Valuation difference on available-for-sale securities	25	(29)
Foreign currency translation adjustment	210	890
Remeasurements of defined benefit plans, net of tax	9	16
Total other comprehensive income	244	877
Comprehensive income	1,456	2,171
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,456	2,170
Comprehensive income attributable to non-controlling interests	0	1

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Cash flows from operating activities		
Profit before income taxes	1,715	1,922
Depreciation	729	628
Increase (decrease) in retirement benefit liability	9	(42)
Interest and dividend income	(39)	(57)
Interest expenses	13	17
Decrease (increase) in trade receivables	(460)	(533)
Decrease (increase) in inventories	(561)	(455)
Increase (decrease) in trade payables	120	146
Increase (decrease) in accrued consumption taxes	(131)	53
Other, net	(160)	(47)
Subtotal	1,236	1,633
Interest and dividends received	48	62
Interest paid	(12)	(17)
Income taxes refund (paid)	(59)	(676)
Net cash provided by (used in) operating activities	1,212	1,002
Cash flows from investing activities		
Payments into time deposits	(18,619)	(18,061)
Proceeds from withdrawal of time deposits	21,147	16,455
Purchase of investment securities	(10)	(15)
Purchase of securities	(500)	–
Proceeds from redemption of securities	1,100	1,100
Purchase of property, plant and equipment	(308)	(315)
Purchase of intangible assets	(406)	(94)
Other, net	(25)	0
Net cash provided by (used in) investing activities	2,377	(931)
Cash flows from financing activities		
Purchase of treasury shares	(0)	–
Dividends paid	(370)	(334)
Repayments of lease liabilities	(139)	(150)
Net cash provided by (used in) financing activities	(510)	(485)
Effect of exchange rate change on cash and cash equivalents	54	221
Net increase (decrease) in cash and cash equivalents	3,134	(192)
Cash and cash equivalents at beginning of period	9,270	14,781
Cash and cash equivalents at end of period	12,404	14,588