

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

November 4, 2022

Consolidated Financial Results for the Six Months Ended September 30, 2022 (Under Japanese GAAP)

Company name: Nitta Corporation
 Listing: Tokyo Stock Exchange
 Securities code: 5186
 URL: <https://www.nitta.co.jp>
 Representative: Yasunori Ishikiryama, President
 Inquiries: Kazushige Kinoshita, Executive officer in charge of management administration
 Telephone: +81-6-6563-1211
 Scheduled date to file quarterly securities report: November 9, 2022
 Scheduled date to commence dividend payments: December 6, 2022
 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, 2022 (April 1, 2022 - September 30, 2022)

(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, 2022	43,036	4.2	2,860	(7.8)	6,739	(9.5)	5,370	(12.1)
September 30, 2021	41,320	—	3,102	160.4	7,445	264.3	6,110	283.1

Note: Comprehensive income For the six months ended September 30, 2022: ¥11,584 million [40.7 %]
 For the six months ended September 30, 2021: ¥8,230 million [545.6 %]

	Net income per share	Diluted net income per share
Six months ended	Yen	Yen
September 30, 2022	191.45	—
September 30, 2021	215.81	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2022	156,960	128,160	81.1
March 31, 2022	147,450	119,214	80.3

Reference: Equity As of September 30, 2022: ¥127,342 million
 As of March 31, 2022: ¥118,456 million

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, 2022	—	35.00	—	65.00	100.00
Fiscal year ending March 31, 2023	—	50.00			
Fiscal year ending March 31, 2023 (Forecast)			—	50.00	100.00

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

3. Consolidated earnings forecast for the fiscal year ending March 31, 2023 (April 1, 2022 - March 31, 2023)

	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	86,000	2.7	5,300	(0.7)	12,400	(6.0)	10,000	(4.7)	353.18

Note: Revisions to consolidated earnings forecast announced most recently: None

* 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, 2022	30,272,503 shares
As of March 31, 2022	30,272,503 shares

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

As of September 30, 2022	2,262,215 shares
As of March 31, 2022	1,988,725 shares

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

Six months ended September 30, 2022	28,052,727 shares
Six months ended September 30, 2021	28,315,655 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

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31,2022	As of September 30,2022
Assets		
Current assets		
Cash and deposits	29,909	35,595
Notes and accounts receivable – trade	20,272	20,404
Electronically recorded monetary claims – operating	9,289	8,854
Securities	5,500	5,499
Inventories	11,575	13,763
Other	2,822	2,317
Allowance for doubtful accounts	△26	△73
Total current assets	79,343	86,360
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,240	12,313
Machinery, equipment and vehicles, net	5,908	5,928
Tools, furniture and fixtures, net	908	893
Land	3,263	3,348
Construction in progress	562	1,195
Other, net	1,047	1,258
Total property, plant and equipment	23,931	24,937
Intangible assets		
Goodwill	446	389
Other	503	477
Total intangible assets	949	867
Investments and other assets		
Investment securities	41,048	42,491
Long-term loans receivable	13	12
Retirement benefit asset	959	1,070
Deferred tax assets	538	572
Other	672	651
Allowance for doubtful accounts	△5	△5
Total investments and other assets	43,226	44,794
Total non-current assets	68,107	70,599
Total assets	147,450	156,960

(Millions of yen)

	As of March 31,2022	As of September 30,2022
Liabilities		
Current liabilities		
Notes and accounts payable – trade	11, 886	8, 158
Electronically recorded obligations – operating	3, 845	8, 159
Short-term borrowings	57	–
Income taxes payable	940	786
Provision for bonuses	1, 137	1, 417
Other	4, 288	3, 824
Total current liabilities	22, 154	22, 346
Non-current liabilities		
Long-term borrowings	804	664
Deferred tax liabilities	1, 411	1, 863
Retirement benefit liability	2, 024	1, 978
Other	1, 840	1, 946
Total non-current liabilities	6, 081	6, 453
Total liabilities	28, 235	28, 800
Net assets		
Shareholders' equity		
Share capital	8, 060	8, 060
Capital surplus	7, 081	7, 098
Retained earnings	103, 396	106, 905
Treasury shares	△4, 308	△5, 103
Shareholders' equity	114, 230	116, 961
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2, 840	3, 313
Foreign currency translation adjustment	1, 172	6, 868
Remeasurements of defined benefit plans	213	199
Valuation and translation adjustments	4, 226	10, 381
Non-controlling interests	758	817
Total net assets	119, 214	128, 160
Total liabilities and net assets	147, 450	156, 960

(2) Quarterly Consolidated Statement of Income and Comprehensive Income

Consolidated Statement of Income Six months ended September 30,2022

(Millions of yen)

	Second quarter ended September 30,2021	Second quarter ended September 30,2022
Net sales	41,320	43,036
Cost of sales	30,137	31,571
Gross profit	11,183	11,465
Selling, general and administrative expenses	8,081	8,605
Operating profit	3,102	2,860
Non-operating income		
Interest income	49	61
Dividend income	111	140
Outsourcing service income	76	84
Share of profit of entities accounted for using equity method	3,964	3,266
Foreign exchange gains	180	415
Other	70	74
Total non-operating income	4,454	4,042
Non-operating expenses		
Interest expenses	22	24
Fiduciary obligation expenses	75	76
Other	14	62
Total non-operating expenses	111	163
Ordinary profit	7,445	6,739
Extraordinary income		
Gain on sale of non-current assets	4	3
Total extraordinary income	4	3
Extraordinary losses		
Loss on sale of non-current assets	0	-
Loss on retirement of non-current assets	12	11
Loss on valuation of investment securities	-	43
Total extraordinary losses	12	54
Profit before income taxes	7,437	6,687
Income taxes - current	955	1,045
Income taxes - deferred	315	236
Income taxes	1,271	1,282
Profit	6,165	5,404
Profit attributable to non-controlling interests	54	33
Profit attributable to owners of parent	6,110	5,370

Quarterly Consolidated Statement of Comprehensive Income Six months ended September 30,2022

(Millions of yen)

	Second quarter ended September 30,2021	Second quarter ended September 30,2022
Profit	6,165	5,404
Other comprehensive income		
Valuation difference on available-for-sale securities	76	473
Foreign currency translation adjustment	1,076	2,893
Remeasurements of defined benefit plans, net of tax	△14	△12
Share of other comprehensive income of entities accounted for using equity method	927	2,825
Total other comprehensive income	2,065	6,180
Comprehensive income	8,230	11,584
Comprehensive income attributable to		
owners of parent	8,163	11,525
non-controlling interests	67	59