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November 2, 2023

Consolidated Financial Results for the Six Months Ended September 30, 2023 (Under Japanese GAAP)

Company name: Nitta Corporation
 Listing: Tokyo Stock Exchange
 Securities code: 5186
 URL: <https://www.nitta.co.jp>
 Representative: Yasunori Ishikiriyama, President
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 Scheduled date to file quarterly securities report: November 8, 2023
 Scheduled date to commence dividend payments: December 5, 2023
 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 six months ended September 30, 2023 (April 1, 2023 - September 30, 2023)

(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, 2023	43,765	1.7	2,526	(11.7)	6,221	(7.7)	5,015	(6.6)
September 30, 2022	43,036	4.2	2,860	(7.8)	6,739	(9.5)	5,370	(12.1)

Note: Comprehensive income For the six months ended September 30, 2023: ¥9,551 million [-17.6 %]
 For the six months ended September 30, 2022: ¥11,584 million [40.7 %]

	Net income per share	Diluted net income per share
Six months ended	Yen	Yen
September 30, 2023	180.21	—
September 30, 2022	191.45	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2023	165,054	137,339	82.7
March 31, 2023	158,385	129,450	81.3

Reference: Equity As of September 30, 2023: ¥136,576 million
 As of March 31, 2023: ¥128,754 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, 2023	—	50.00	—	60.00	110.00
Fiscal year ending March 31, 2024	—	55.00			
Fiscal year ending March 31, 2024 (Forecast)			—	65.00	120.00

Note: Revisions to the forecast of cash dividends announced most recently: Yes

3. Consolidated earnings forecast for the fiscal year ending March 31, 2024 (April 1, 2023 - March 31, 2024)

	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	89,000	1.1	5,000	0.2	12,000	(7.0)	10,000	(7.9)	356.81

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: None
 - (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, 2023	30,272,503 shares
As of March 31, 2023	30,272,503 shares
 - (ii) Number of treasury shares at the end of the period

As of September 30, 2023	2,406,688 shares
As of March 31, 2023	2,423,753 shares
 - (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2023	27,831,656 shares
Six months ended September 30, 2022	28,052,727 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 31,2023	As of September 30,2023
Assets		
Current assets		
Cash and deposits	33,648	33,731
Notes and accounts receivable – trade	18,357	17,779
Electronically recorded monetary claims – operating	9,765	9,508
Securities	5,499	5,499
Inventories	14,119	15,545
Other	2,706	2,548
Allowance for doubtful accounts	△72	△25
Total current assets	84,024	84,588
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,262	13,716
Machinery, equipment and vehicles, net	5,647	5,462
Tools, furniture and fixtures, net	927	1,007
Land	3,747	3,892
Construction in progress	1,158	550
Other, net	1,210	1,210
Total property, plant and equipment	25,952	25,839
Intangible assets		
Goodwill	311	281
Other	473	492
Total intangible assets	784	773
Investments and other assets		
Investment securities	45,069	50,980
Long-term loans receivable	12	182
Retirement benefit asset	1,181	1,273
Deferred tax assets	727	740
Other	637	681
Allowance for doubtful accounts	△5	△5
Total investments and other assets	47,623	53,853
Total non-current assets	74,360	80,466
Total assets	158,385	165,054

(Millions of yen)

	As of March 31,2023	As of September 30,2023
Liabilities		
Current liabilities		
Notes and accounts payable – trade	7,090	7,694
Electronically recorded obligations – operating	8,807	6,168
Income taxes payable	657	843
Provision for bonuses	1,126	1,157
Other	4,803	4,972
Total current liabilities	22,484	20,836
Non-current liabilities		
Long-term borrowings	540	412
Deferred tax liabilities	1,753	2,426
Retirement benefit liability	2,268	2,210
Other	1,888	1,828
Total non-current liabilities	6,450	6,877
Total liabilities	28,935	27,714
Net assets		
Shareholders' equity		
Share capital	8,060	8,060
Capital surplus	7,098	7,114
Retained earnings	110,972	114,301
Treasury shares	△5,608	△5,599
Shareholders' equity	120,523	123,877
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,501	4,224
Foreign currency translation adjustment	4,760	8,509
Remeasurements of defined benefit plans	△31	△35
Valuation and translation adjustments	8,230	12,698
Non-controlling interests	696	763
Total net assets	129,450	137,339
Total liabilities and net assets	158,385	165,054

(2) Quarterly Consolidated Statement of Income and Comprehensive Income

Consolidated Statement of Income Six months ended September 30,2023

(Millions of yen)

	Second quarter ended September 30,2022	Second quarter ended September 30,2023
Net sales	43,036	43,765
Cost of sales	31,571	32,484
Gross profit	11,465	11,281
Selling, general and administrative expenses	8,605	8,755
Operating profit	2,860	2,526
Non-operating income		
Interest income	61	92
Dividend income	140	150
Outsourcing service income	84	78
Share of profit of entities accounted for using equity method	3,266	3,268
Foreign exchange gains	415	231
Other	74	64
Total non-operating income	4,042	3,886
Non-operating expenses		
Interest expenses	24	29
Fiduciary obligation expenses	76	74
Litigation expenses	-	74
Other	62	12
Total non-operating expenses	163	190
Ordinary profit	6,739	6,221
Extraordinary income		
Gain on sale of non-current assets	3	4
Total extraordinary income	3	4
Extraordinary losses		
Loss on retirement of non-current assets	11	23
Loss on valuation of investment securities	43	-
Total extraordinary losses	54	23
Profit before income taxes	6,687	6,201
Income taxes - current	1,045	758
Income taxes - deferred	236	371
Income taxes	1,282	1,130
Profit	5,404	5,071
Profit attributable to non-controlling interests	33	55
Profit attributable to owners of parent	5,370	5,015

Quarterly Consolidated Statement of Comprehensive Income Six months ended September 30,2023

(Millions of yen)

	Second quarter ended September 30,2022	Second quarter ended September 30,2023
Profit	5,404	5,071
Other comprehensive income		
Valuation difference on available-for-sale securities	473	722
Foreign currency translation adjustment	2,893	1,768
Remeasurements of defined benefit plans, net of tax	△12	△0
Share of other comprehensive income of entities accounted for using equity method	2,825	1,990
Total other comprehensive income	6,180	4,480
Comprehensive income	11,584	9,551
Comprehensive income attributable to		
owners of parent	11,525	9,483
non-controlling interests	59	67