

To Whom It May Concern

Company Name: NITTO KOHKI CO., LTD.
 Representative: Akinobu Ogata, Representative Director, President CEO
 (Code No. 6151 Tokyo Stock Exchange Prime)
 Inquiry: Kenji Mori, Director, Senior Managing Executive Officer,
 Chief Administrative Officer
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Notice of Merger of Consolidated Subsidiaries, Change of Trade Name, and Increase in Equity in Surviving Company

NITTO KOHKI CO., LTD. announced a resolution adopted by the Board of Directors at its meeting of November 20, 2023. Pursuant to the resolution, an absorption-type merger (the “Merger”) will be implemented with SHIRAKAWA NITTO KOHKI CO., LTD., a consolidated subsidiary of NITTO KOHKI, as the surviving company and MEDOTECH CO., LTD., also a consolidated subsidiary of NITTO KOHKI, as the non-surviving company. In addition, SHIRAKAWA NITTO KOHKI, the surviving company, will be renamed TOHOKU NITTO KOHKI CO., LTD. on March 1, 2024, the effective date of the Merger, and NITTO KOHKI will make an additional equity investment in TOHOKU NITTO KOHKI. The details are specified below.

1. Purpose of the Merger, change of trade name, and capital increase

To facilitate the effective commencement of operations for construction of the new plant announced on November 29, 2022, NITTO KOHKI will implement the Merger between its consolidated subsidiaries, whose operations will be integrated at the new plant, change the trade name of the surviving company, and increase its equity investment in the surviving company.

2. Summary of the Merger

(1) Schedule of the Merger

November 20, 2023	Approval of the Merger Agreement by the Board of Directors of NITTO KOHKI
November 20, 2023	Approval of the Merger Agreement by the Board of Directors of the merging companies
November 20, 2023	Approval of the Merger Agreement at extraordinary general shareholders meetings of the merging companies
December 22, 2023 (plan)	Execution of the Merger Agreement by the merging companies
March 1, 2024 (plan)	Effective date of the Merger (Merger date)

(2) Merger format

The Merger will be an absorption-type merger with SHIRAKAWA NITTO KOHKI CO., LTD. as the surviving company and MEDOTECH CO., LTD. as the non-surviving company.

(3) Details of allocations pursuant to the Merger

Since the Merger will be implemented between consolidated (wholly-owned) subsidiaries of NITTO KOHKI, there will be no share or monetary allocations.

(4) Handling of share options and corporate bonds with share options of the non-surviving company

Not applicable

3. Summary of the merging companies (As of March 31, 2023)

	(surviving company)	(non-surviving company)
Name	SHIRAKAWA NITTO KOHKI CO., LTD.	MEDOTECH CO., LTD.
Address	12, Yokomine, Kurabeishi, Shirakawa-shi, Fukushima	1-1-36, Wakamiya, Yamagata-shi, Yamagata
Representative	Takashi Chiba Representative Director, President	Takashi Chiba Representative Director, President
Business	<p>1. Development, manufacture, import, sale, and repair of the following equipment and systems and software for such equipment: Health equipment, medical equipment, construction equipment, machine tools, transportation equipment, measuring equipment, communications equipment, information processing equipment, control equipment, office equipment, kitchen equipment, air conditioning equipment, water supply and drainage equipment, sewage and wastewater treatment equipment, educational equipment, entertainment equipment, lighting equipment, food processing and preservation equipment, gardening equipment, and civil engineering construction equipment;</p> <p>2. Manufacture, import, sale, and repair of tools and systems for tools;</p> <p>3. Manufacture, import, sale, and repair of valve couplings and systems for valve couplings;</p> <p>4. Manufacture, import, sale, and repair of furniture, interior design goods, and exterior design goods;</p> <p>5. Plumbing business;</p> <p>6. Trading and leasing patent rights, utility model rights, design rights, and trademark rights; and</p>	<p>1. Development, manufacture, import, sale, and repair of the following equipment and systems and software for such equipment: Pneumatic equipment, hydraulic equipment, electrical equipment, plumbing equipment, health equipment, medical equipment, construction equipment, machine tools, transportation equipment, measuring equipment, communications equipment, information processing equipment, control equipment, office equipment, kitchen equipment, air conditioning equipment, water supply and drainage equipment, and sewage and wastewater treatment equipment; and</p> <p>2. Trading and leasing intellectual property rights.</p>

	7. All business incidental to the business specified in the preceding items.	
Capital	90,000,000 Yen	90,000,000 Yen
Fiscal year-end	March 31	March 31
Net assets	1,134,666,066 Yen	1,871,678,980 Yen
Total assets	2,127,369,143 Yen	2,507,895,055 Yen
Net assets per share	3,151.85 Yen	23,107.14 Yen
Net sales	2,899,688,810 Yen	3,366,978,298 Yen
Operating profit	70,572,505 Yen	111,000,129 Yen
Ordinary profit	86,637,649 Yen	116,542,915 Yen
Profit attributable to owners of parent	(340,992,074) Yen	74,120,636 Yen
Earnings per share	(947.20) Yen	915.06 Yen

4. Status after the Merger

Name after change of trade name	TOHOKU NITTO KOHKI CO., LTD.
Headquarters	12, Yokomine, Kurabeishi, Shirakawa-shi, Fukushima
Representative	Takashi Chiba Representative Director, President
Business	<p>1. Development, manufacture, import, sale, and repair of the following equipment and systems and software for such equipment: Plumbing equipment, health equipment, medical equipment, pneumatic equipment, hydraulic equipment, electrical equipment, construction equipment, machine tools, transportation equipment, measuring equipment, communications equipment, information processing equipment, control equipment, office equipment, kitchen equipment, air conditioning equipment, water supply and drainage equipment, sewage and wastewater treatment equipment, educational equipment, entertainment equipment, lighting equipment, food processing and preservation equipment, gardening equipment, and civil engineering construction equipment;</p> <p>2. Manufacture, import, sale, and repair of tools and systems for tools;</p> <p>3. Manufacture, import, sale, and repair of valve couplings and systems for valve couplings;</p> <p>4. Manufacture, import, sale, and repair of furniture, interior design goods, and exterior design goods;</p> <p>5. Plumbing business;</p> <p>6. Trading and leasing patent rights, utility model rights, design rights, and trademark rights; and</p> <p>7. All business incidental to the business specified in the preceding items.</p>
Capital	90,000,000 Yen
Fiscal year-end	March 31
Major shareholders and shareholding ratio	NITTO KOHKI CO., LTD. 100%

5. Outline of capital increase

Destination of additional capital	TOHOKU NITTO KOHKI CO., LTD.
Amount of additional capital	9,500,000,000 Yen *
Capital contribution amount	—
Capital reserve contribution amount	9,500,000,000 Yen
Capital after capital increase	90,000,000 Yen
Capital reserves after capital increase	9,500,000,000 Yen
Pay-in date	March 1, 2024
Equity ratio after capital increase	NITTO KOHKI CO., LTD. 100%

* The entire amount of the capital contribution will be transferred to capital reserves.

6. Organizational structure after the Merger

Construction of the plant is scheduled to be completed at the end of May 2025, but until the relocation to Fukushima-shi, the organizational structure will continue to comprise the TOHOKU NITTO KOHKI CO., LTD. MEDOTECH Plant and the TOHOKU NITTO KOHKI CO., LTD. SHIRAKAWA Plant, and the names of organizations under each plant will remain unchanged.

7. Impact on business performance

The impact on NITTO KOHKI's consolidated financial results from the Merger and the additional equity investment in the surviving company will be de minimis.