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August 5, 2022

Consolidated Financial Results for the Three Months Ended June 30, 2022 (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: August 10, 2022
 Scheduled date to commence dividend payments: —
 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 three months ended June 30, 2022 (April 1, 2022 - June 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	%
Three months ended								
June 30, 2022	21,029	2.3	1,466	(2.3)	3,407	1.3	2,732	3.8
June 30, 2021	20,560	—	1,501	129.0	3,365	185.8	2,632	172.5

Note: Comprehensive income For the three months ended June 30, 2022: ¥5,605 million [32.3%]
 For the three months ended June 30, 2021: ¥4,237 million [862.1%]

	Net income per share	Diluted net income per share
Three months ended	Yen	Yen
June 30, 2022	97.17	—
June 30, 2021	92.87	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2022	151,734	122,120	80.0
March 31, 2022	147,450	119,214	80.3

Reference: Equity As of June 30, 2022: ¥121,323 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	—				
Fiscal year ending March 31, 2023 (Forecast)		50.00	—	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
First half of fiscal year	42,000	1.6	2,600	(16.2)	6,100	(18.1)	4,900	(19.8)	173.06
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 June 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 June 30, 2022	2,288,209 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)

Three months ended June 30, 2022	28,117,145 shares
Three months ended June 30, 2021	28,350,090 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 June 30,2022
Assets		
Current assets		
Cash and deposits	29,909	33,844
Notes and accounts receivable – trade	20,272	20,075
Electronically recorded monetary claims – operating	9,289	8,782
Securities	5,500	3,500
Inventories	11,575	13,037
Other	2,822	2,222
Allowance for doubtful accounts	△26	△69
Total current assets	79,343	81,392
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,240	12,235
Machinery, equipment and vehicles, net	5,908	5,835
Tools, furniture and fixtures, net	908	899
Land	3,263	3,299
Construction in progress	562	1,146
Other, net	1,047	1,260
Total property, plant and equipment	23,931	24,676
Intangible assets		
Goodwill	446	418
Other	503	491
Total intangible assets	949	909
Investments and other assets		
Investment securities	41,048	42,536
Long-term loans receivable	13	13
Retirement benefit asset	959	1,015
Deferred tax assets	538	545
Other	672	650
Allowance for doubtful accounts	△5	△5
Total investments and other assets	43,226	44,755
Total non-current assets	68,107	70,341
Total assets	147,450	151,734

(Millions of yen)

	As of March 31,2022	As of June 30,2022
Liabilities		
Current liabilities		
Notes and accounts payable – trade	11, 886	10, 073
Electronically recorded obligations – operating	3, 845	6, 839
Short-term borrowings	57	–
Income taxes payable	940	592
Provision for bonuses	1, 137	1, 860
Other	4, 288	3, 926
Total current liabilities	22, 154	23, 292
Non-current liabilities		
Long-term borrowings	804	804
Deferred tax liabilities	1, 411	1, 569
Retirement benefit liability	2, 024	2, 012
Other	1, 840	1, 933
Total non-current liabilities	6, 081	6, 320
Total liabilities	28, 235	29, 613
Net assets		
Shareholders' equity		
Share capital	8, 060	8, 060
Capital surplus	7, 081	7, 081
Retained earnings	103, 396	104, 267
Treasury shares	△4, 308	△5, 146
Shareholders' equity	114, 230	114, 262
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2, 840	3, 119
Foreign currency translation adjustment	1, 172	3, 735
Remeasurements of defined benefit plans	213	206
Valuation and translation adjustments	4, 226	7, 061
Non-controlling interests	758	796
Total net assets	119, 214	122, 120
Total liabilities and net assets	147, 450	151, 734

(2) Quarterly Consolidated Statement of Income and Comprehensive Income

Consolidated Statement of Income Three months ended June 30,2022

(Millions of yen)

	First quarter ended June 30,2021	First quarter ended June 30,2022
Net sales	20,560	21,029
Cost of sales	15,009	15,246
Gross profit	5,551	5,783
Selling, general and administrative expenses	4,049	4,316
Operating profit	1,501	1,466
Non-operating income		
Interest income	23	31
Dividend income	82	108
Outsourcing service income	38	44
Share of profit of entities accounted for using equity method	1,620	1,653
Foreign exchange gains	111	157
Other	45	43
Total non-operating income	1,922	2,038
Non-operating expenses		
Interest expenses	10	17
Fiduciary obligation expenses	38	40
Other	9	39
Total non-operating expenses	58	97
Ordinary profit	3,365	3,407
Extraordinary income		
Gain on sale of non-current assets	1	1
Total extraordinary income	1	1
Extraordinary losses		
Loss on retirement of non-current assets	11	8
Loss on valuation of investment securities	-	45
Total extraordinary losses	11	53
Profit before income taxes	3,354	3,355
Income taxes - current	648	559
Income taxes - deferred	33	38
Income taxes	682	598
Profit	2,672	2,757
Profit attributable to non-controlling interests	39	25
Profit attributable to owners of parent	2,632	2,732

Quarterly Consolidated Statement of Comprehensive Income Three months ended June 30,2022

(Millions of yen)

	First quarter ended June 30,2021	First quarter ended June 30,2022
Profit	2, 672	2, 757
Other comprehensive income		
Valuation difference on available-for-sale securities	△202	279
Foreign currency translation adjustment	936	1, 262
Remeasurements of defined benefit plans, net of tax	△7	△6
Share of other comprehensive income of entities accounted for using equity method	837	1, 312
Total other comprehensive income	1, 564	2, 848
Comprehensive income	4, 237	5, 605
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4, 187	5, 567
Comprehensive income attributable to non-controlling interests	49	38