

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2023 (Based on Japanese GAAP)



November 2, 2023

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  
 Inquiries: Chief Administrative Officer TEL 03-3755-1111  
 Scheduled date to file Quarterly Securities Report: November 7, 2023  
 Scheduled date to commence dividend payments: December 4, 2023  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)

#### (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, 2023	13,941	(0.3)	1,758	(1.3)	1,861	(3.2)	1,311	1.4
Six months ended September 30, 2022	13,986	13.3	1,782	4.5	1,922	12.1	1,293	6.8

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2023	66.16		-	
Six months ended September 30, 2022	63.77		-	

#### (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, 2023	67,522	59,024	87.4	2,986.07
As of March 31, 2023	66,835	57,971	86.7	2,886.57

### 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, 2023	-	24.00	-	29.00	53.00
Year ending March 31, 2024	-	28.00	-	-	-
Year ending March 31, 2024 (Forecast)	-	-	-	34.00	62.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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	30,380	8.1	4,120	12.4	4,230	10.8	2,950	12.4	146.91

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2023  
(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, 2023	21,803,295 shares	As of March 31, 2023	21,803,295 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	2,039,996 shares	As of March 31, 2023	1,723,596 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, 2023	19,825,380 shares	Six months ended September 30, 2022	20,288,899 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	26,925	25,651
Notes and accounts receivable - trade	4,139	3,986
Electronically recorded monetary claims - operating	3,096	3,053
Securities	4,899	5,399
Merchandise and finished goods	5,405	5,809
Work in process	375	452
Raw materials and supplies	3,371	3,697
Other	721	596
Allowance for doubtful accounts	(2)	(3)
<b>Total current assets</b>	<b>48,933</b>	<b>48,644</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	11,403	11,478
Accumulated depreciation	(6,781)	(6,947)
Buildings and structures, net	4,622	4,530
Machinery, equipment and vehicles	4,657	4,878
Accumulated depreciation	(3,645)	(3,835)
Machinery, equipment and vehicles, net	1,012	1,042
Tools, furniture and fixtures	7,568	7,690
Accumulated depreciation	(7,000)	(7,129)
Tools, furniture and fixtures, net	567	560
Land	3,331	3,835
Leased assets	2,759	2,820
Accumulated depreciation	(1,166)	(1,235)
Leased assets, net	1,592	1,584
Construction in progress	351	481
<b>Total property, plant and equipment</b>	<b>11,477</b>	<b>12,035</b>
<b>Intangible assets</b>		
Other	1,694	1,803
<b>Total intangible assets</b>	<b>1,694</b>	<b>1,803</b>
<b>Investments and other assets</b>		
Investment securities	3,235	3,664
Long-term loans receivable	26	23
Deferred tax assets	1,175	1,051
Other	307	315
Allowance for doubtful accounts	(15)	(15)
<b>Total investments and other assets</b>	<b>4,729</b>	<b>5,039</b>
<b>Total non-current assets</b>	<b>17,901</b>	<b>18,878</b>
<b>Total assets</b>	<b>66,835</b>	<b>67,522</b>

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	1,348	995
Lease liabilities	272	277
Income taxes payable	621	686
Provision for bonuses	586	626
Provision for bonuses for directors (and other officers)	46	23
Other	1,527	1,427
Total current liabilities	4,403	4,037
Non-current liabilities		
Lease liabilities	1,483	1,451
Retirement benefit liability	2,433	2,441
Provision for retirement benefits for directors (and other officers)	151	172
Asset retirement obligations	30	30
Other	361	364
Total non-current liabilities	4,460	4,460
Total liabilities	8,863	8,497
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,850	1,850
Capital surplus	1,924	1,924
Retained earnings	55,922	56,652
Treasury shares	(3,264)	(3,892)
Total shareholders' equity	56,432	56,534
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	879	1,182
Deferred gains or losses on hedges	(7)	(7)
Foreign currency translation adjustment	783	1,411
Remeasurements of defined benefit plans	(126)	(106)
Total accumulated other comprehensive income	1,529	2,480
Non-controlling interests	9	10
Total net assets	57,971	59,024
Total liabilities and net assets	66,835	67,522

## 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, 2022	Six months ended September 30, 2023
Net sales	13,986	13,941
Cost of sales	7,574	7,382
Gross profit	6,411	6,558
Selling, general and administrative expenses		
Salaries and allowances	1,238	1,312
Provision for bonuses	316	319
Retirement benefit expenses	99	103
Provision for retirement benefits for directors (and other officers)	16	20
Promotion expenses	112	105
Research and development expenses	535	530
Other	2,309	2,408
Total selling, general and administrative expenses	4,629	4,799
Operating profit	1,782	1,758
Non-operating income		
Interest income	13	21
Dividend income	44	45
Foreign exchange gains	45	30
Rental income from buildings	22	21
Other	37	30
Total non-operating income	163	149
Non-operating expenses		
Interest expenses	17	18
Commission for purchase of treasury shares	–	24
Other	4	4
Total non-operating expenses	22	46
Ordinary profit	1,922	1,861
Extraordinary income		
Subsidy income	–	147
Total extraordinary income	–	147
Profit before income taxes	1,922	2,008
Income taxes	628	696
Profit	1,294	1,312
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	1,293	1,311

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

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	1,294	1,312
Other comprehensive income		
Valuation difference on available-for-sale securities	(29)	302
Deferred gains or losses on hedges	–	(0)
Foreign currency translation adjustment	890	628
Remeasurements of defined benefit plans, net of tax	16	20
Total other comprehensive income	877	951
Comprehensive income	2,171	2,264
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,170	2,263
Comprehensive income attributable to non-controlling interests	1	1

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	1,922	2,008
Depreciation	628	616
Increase (decrease) in retirement benefit liability	(42)	38
Interest and dividend income	(57)	(66)
Subsidy income	–	(147)
Interest expenses	17	18
Decrease (increase) in trade receivables	(533)	259
Decrease (increase) in inventories	(455)	(548)
Increase (decrease) in trade payables	146	(381)
Increase (decrease) in accrued consumption taxes	53	(37)
Other, net	(47)	77
Subtotal	1,633	1,837
Interest and dividends received	62	68
Interest paid	(17)	(17)
Subsidies received	–	147
Income taxes refund (paid)	(676)	(598)
Net cash provided by (used in) operating activities	1,002	1,437
Cash flows from investing activities		
Payments into time deposits	(18,061)	(16,321)
Proceeds from withdrawal of time deposits	16,455	14,214
Purchase of investment securities	(15)	(14)
Proceeds from redemption of securities	1,100	–
Purchase of property, plant and equipment	(315)	(909)
Purchase of intangible assets	(94)	(191)
Other, net	0	(6)
Net cash provided by (used in) investing activities	(931)	(3,229)
Cash flows from financing activities		
Purchase of treasury shares	–	(627)
Dividends paid	(334)	(582)
Repayments of lease liabilities	(150)	(146)
Other, net	–	(0)
Net cash provided by (used in) financing activities	(485)	(1,356)
Effect of exchange rate change on cash and cash equivalents	221	164
Net increase (decrease) in cash and cash equivalents	(192)	(2,984)
Cash and cash equivalents at beginning of period	14,781	20,403
Cash and cash equivalents at end of period	14,588	17,418