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May 12, 2023

Consolidated Financial Results for the Fiscal Year Ended March 31, 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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 Telephone: +81-6-6563-1211
 Scheduled date of annual general meeting of shareholders: June 27, 2023
 Scheduled date to commence dividend payments: June 28, 2023
 Scheduled date to file annual securities report: June 27, 2023
 Preparation of supplementary material on financial results: Yes
 Holding of 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 fiscal year ended March 31, 2023 (April 1, 2022 - March 31, 2023)

(1) Consolidated operating results

(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	%
Fiscal year ended								
March 31, 2023	88,000	5.1	4,989	(6.5)	12,900	(2.2)	10,853	3.5
March 31, 2022	83,734	—	5,337	86.5	13,193	123.2	10,489	122.1

Note: Comprehensive income Fiscal year ended March 31, 2023: ¥14,937 million [9.1%]
 Fiscal year ended March 31, 2022: ¥13,697 million [129.7%]

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets ratio	Operating income to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2023	387.27	—	8.8	8.4	5.7
March 31, 2022	370.45	—	9.3	9.4	6.4

Reference: Equity in net income of affiliates Fiscal year ended March 31, 2023: ¥6,894 million
 Fiscal year ended March 31, 2022: ¥7,271 million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2023	158,385	129,450	81.3	4,623.35
March 31, 2022	147,450	119,214	80.3	4,188.15

Reference: Equity As of March 31, 2023: ¥128,754 million
 As of March 31, 2022: ¥118,456 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2023	11,995	(3,044)	(4,968)	35,403
March 31, 2022	9,011	(2,874)	(3,357)	30,872

2. Cash dividends

	Annual dividends per share					Total cash dividends	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended March 31, 2022	Yen —	Yen 35.00	Yen —	Yen 65.00	Yen 100.00	Millions of yen 2,865	% 27.0	% 2.5
Fiscal year ended March 31, 2023	—	50.00	—	60.00	110.00	3,103	28.4	2.5
Fiscal year ending March 31, 2024 (Forecast)	—	55.00	—	55.00	110.00		30.8	

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

(Percentages indicate year-on-year changes.)

	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	43,000	(0.1)	2,400	(16.1)	5,900	(12.5)	4,900	(8.8)	174.84
Full-year	89,000	1.1	5,000	0.2	12,000	(7.0)	10,000	(7.9)	356.81

*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) 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

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2023	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 March 31, 2023	2,423,753 shares
As of March 31, 2022	1,988,725 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2023	28,025,892 shares
Fiscal year ended March 31, 2022	28,314,059 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2023 (April 1, 2022 - March 31, 2023)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2023	46,921	2.5	2,151	(34.3)	10,616	22.6	9,626	33.1
March 31, 2022	45,794	—	3,275	101.6	8,657	88.5	7,231	89.2

Fiscal year ended	Net income per share	Diluted net income per share
	Yen	Yen
March 31, 2023	343.50	—
March 31, 2022	255.41	—

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2023	107,838	90,270	83.7	3,241.45
March 31, 2022	102,127	84,532	82.8	2,988.71

Reference: Equity As of March 31, 2023: ¥90,270 million
As of March 31, 2022: ¥84,532 million

* Financial results reports are exempt from audit 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 vary due to various factors.

Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31,2022	As of March 31,2023
Assets		
Current assets		
Cash and deposits	29,909	33,648
Notes and accounts receivable – trade	20,272	18,357
Electronically recorded monetary claims – operating	9,289	9,765
Securities	5,500	5,499
Inventories	11,575	14,119
Other	2,822	2,706
Allowance for doubtful accounts	△26	△72
Total current assets	79,343	84,024
Non-current assets		
Property, plant and equipment		
Buildings and structures	36,762	38,572
Accumulated depreciation	△24,521	△25,310
Buildings and structures, net	12,240	13,262
Machinery, equipment and vehicles	27,813	28,888
Accumulated depreciation	△21,904	△23,241
Machinery, equipment and vehicles, net	5,908	5,647
Tools, furniture and fixtures	6,936	7,215
Accumulated depreciation	△6,028	△6,287
Tools, furniture and fixtures, net	908	927
Land	3,263	3,747
Construction in progress	562	1,158
Other	1,745	2,080
Accumulated depreciation	△698	△870
Other, net	1,047	1,210
Total property, plant and equipment	23,931	25,952
Intangible assets		
Goodwill	446	311
Other	503	473
Total intangible assets	949	784
Investments and other assets		
Investment securities	41,048	45,069
Long-term loans receivable	13	12
Retirement benefit asset	959	1,181
Deferred tax assets	538	727
Other	672	637
Allowance for doubtful accounts	△5	△5
Total investments and other assets	43,226	47,623
Total non-current assets	68,107	74,360
Total assets	147,450	158,385

(Millions of yen)

	As of March 31,2022	As of March 31,2023
Liabilities		
Current liabilities		
Notes and accounts payable – trade	11,886	7,090
Electronically recorded obligations – operating	3,845	8,807
Short-term borrowings	57	–
Income taxes payable	940	657
Provision for bonuses	1,137	1,126
Other	4,288	4,803
Total current liabilities	22,154	22,484
Non-current liabilities		
Long-term borrowings	804	540
Deferred tax liabilities	1,411	1,753
Retirement benefit liability	2,024	2,268
Other	1,840	1,888
Total non-current liabilities	6,081	6,450
Total liabilities	28,235	28,935
Net assets		
Shareholders' equity		
Share capital	8,060	8,060
Capital surplus	7,081	7,098
Retained earnings	103,396	110,972
Treasury shares	△4,308	△5,608
Total shareholders' equity	114,230	120,523
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,840	3,501
Foreign currency translation adjustment	1,172	4,760
Remeasurements of defined benefit plans	213	△31
Total valuation and translation adjustments	4,226	8,230
Non-controlling interests	758	696
Total net assets	119,214	129,450
Total liabilities and net assets	147,450	158,385

(2) Consolidated Statement of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	Fiscal year ended March 31,2022	Fiscal year ended March 31,2023
Net sales	83,734	88,000
Cost of sales	61,544	65,536
Gross profit	22,189	22,463
Selling, general and administrative expenses	16,852	17,473
Operating profit	5,337	4,989
Non-operating income		
Interest income	87	117
Dividend income	212	262
Outsourcing service income	154	166
Share of profit of entities accounted for using equity method	7,271	6,894
Foreign exchange gains	209	518
Other	179	291
Total non-operating income	8,115	8,251
Non-operating expenses		
Interest expenses	47	49
Fiduciary obligation expenses	144	150
Other	67	141
Total non-operating expenses	258	340
Ordinary profit	13,193	12,900
Extraordinary income		
Gain on sale of non-current assets	6	6
Gain on receipt of donated non-current assets	61	-
Gain on sale of investment securities	18	4
Total extraordinary income	86	10
Extraordinary losses		
Loss on sale and retirement of non-current assets	103	26
Impairment losses	396	38
Loss on disaster	10	9
Other	-	5
Total extraordinary losses	510	79
Profit before income taxes	12,769	12,831
Income taxes - current	2,051	1,915
Income taxes - deferred	160	△6
Total income taxes	2,212	1,908
Profit	10,557	10,923
Profit attributable to non-controlling interests	68	69
Profit attributable to owners of parent	10,489	10,853

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31,2022	Fiscal year ended March 31,2023
Profit	10,557	10,923
Other comprehensive income		
Valuation difference on available-for-sale securities	△345	661
Foreign currency translation adjustment	1,768	1,895
Remeasurements of defined benefit plans, net of tax	△108	△258
Share of other comprehensive income of entities accounted for using equity method	1,825	1,714
Total other comprehensive income	3,139	4,014
Comprehensive income	13,697	14,937
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	13,606	14,857
Comprehensive income attributable to non-controlling interests	90	79