

Business Results: 10-Year Summary

	Japanese GAAP					IFRS					IFRS		
	2012	2013	2013	2014	2015	2016	2017	2018	2019	2020	2021	2021	
Statement of income (Yen in Millions)													
Revenue	671,253	749,835	749,504	825,243	793,054	767,710	857,376	806,495	741,018	761,321	853,448	7,635,069	
Operating income (ratio to revenue)	68,482(10.2%)	72,254(9.6%)	72,503(9.7%)	106,734(12.9%)	102,397(12.9%)	92,589(12.1%)	125,722(14.7%)	92,777(11.5%)	69,733(9.4%)	93,809(12.3%)	132,260(15.5%)	1,183,217(-)	
Income before income taxes	63,265	69,641	70,642	105,947	101,996	91,791	126,168	91,910	69,013	93,320	132,378	1,184,273	
Net income	44,198	51,306	52,188	78,028	81,989	63,690	87,463	66,616	47,224	70,308	97,234	869,869	
Net income attributable to owners of the parent company (ratio to revenue)	43,696(6.5%)	51,018(6.8%)	51,892(6.9%)	77,876(9.4%)	81,683(10.3%)	63,453(8.3%)	87,377(10.2%)	66,560(8.3%)	47,156(6.4%)	70,235(9.2%)	97,132(11.4%)	868,957(-)	
Total comprehensive income	70,945	72,415	72,518	108,098	44,552	63,344	83,907	62,060	35,359	89,796	136,323	1,219,565	
Cash flows from operating activities	68,152	78,286	78,444	119,481	140,658	119,939	122,551	98,569	123,641	116,309	144,489	1,292,619	
Cash flows from investing activities	-56,269	-15,735	-15,893	-53,857	-57,085	-49,739	-50,215	-49,955	-59,991	-57,538	-57,594	-515,244	
Cash flows from financing activities	-14,822	-18,131	-18,131	-68,966	-44,902	-28,884	-44,919	-58,419	-51,637	-68,297	-36,639	-327,778	
Cash and cash equivalents at the end of period	152,275	203,446	203,446	214,559	240,891	280,343	304,709	297,682	304,922	300,888	362,046	3,238,916	
Segment information by geographic area (Yen in Millions)													
Japan	Revenue	192,600	186,320	185,990	189,779	180,987	186,979	200,556	194,087	166,419	173,918	195,642	1,750,242
	Operating income	44,338	43,263	44,112	70,322	60,793	51,979	75,982	53,545	51,149	54,526	75,205	672,795
Americas	Revenue	40,014	52,085	52,085	59,451	75,344	80,123	82,568	75,967	66,659	58,425	83,334	745,518
	Operating income	1,768	1,198	1,373	-1,725	12,241	16,570	12,225	7,928	2,429	2,162	9,897	88,540
Europe	Revenue	31,057	38,834	38,834	43,041	42,750	40,521	45,578	45,683	40,402	38,806	42,127	376,874
	Operating income	898	3,104	3,025	2,729	3,081	3,727	4,218	3,071	-1,460	3,580	3,064	27,411
Asia & Oceania	Revenue	411,942	472,594	472,594	532,971	493,972	460,085	528,672	490,757	467,536	490,172	532,344	4,762,426
	Operating income	20,258	22,158	23,874	36,573	24,410	22,905	32,793	26,065	21,419	34,659	47,586	425,711
Per share information (Yen)													
Equity attributable to owners of the parent company per share	2,961.9	3,172.0	3,159.9	3,706.0	3,785.9	4,027.6	4,328.5	4,465.7	4,479.3	4,838.1	5,548.1	49.63	
Basic earnings per share	265.5	309.3	314.6	471.8	495.2	390.9	539.0	423.5	301.3	472.7	656.3	5.87	
Diluted earnings per share	264.9	308.6	313.9	470.9	494.6	390.5	538.4	423.1	301.1	472.4	656.0	5.87	
Price earnings ratio	20.9	16.0	15.7	17.0	12.6	22.0	14.8	13.7	16.0	20.0	13.4	-	
Dividends per share (Dividend payout ratio (Consolidated))	100(37.7)	100(32.3)	100(31.8)	120(25.4)	140(28.3)	150(38.4)	160(29.7)	180(42.5)	200(66.4)	200(42.3)	220.0(33.5)	1.97(-)	
Shares outstanding (thousands)	173,758	173,758	173,758	173,758	173,758	173,758	173,758	158,758	158,758	149,758	149,758	-	
Number of treasury stock at the end of the period (thousands)	8,938	8,756	8,756	8,614	11,465	11,434	13,592	1,908	4,839	1,792	1,744	-	
Average number of outstanding shares during the period (cumulative from the beginning of the period) (thousands)	164,595	164,950	164,950	165,079	164,940	162,311	162,112	157,165	156,501	148,580	147,996	-	
Number of shareholders	49,234	55,009	55,009	35,014	37,694	29,742	35,847	37,684	36,871	28,456	28,802	-	
(Yen in Millions)													
Total assets	740,949	781,352	783,583	855,433	825,905	879,899	937,796	913,418	921,900	965,901	1,094,469	9,791,278	
Equity attributable to owners of the parent company	488,179	523,391	521,385	612,016	614,425	653,772	693,278	700,443	689,446	715,868	821,192	7,346,502	
Ratio of profit attributable to owners of the parent company to total assets (ROA)	6.3%	6.7%	6.8%	9.5%	9.7%	7.4%	9.6%	7.2%	5.1%	7.4%	9.4%	-	
Return on equity attributable to owners of the parent company (ROE)	9.5%	10.1%	10.5%	13.7%	13.3%	10.0%	13.0%	9.6%	6.8%	10.0%	12.6%	-	
Ratio of equity attributable to owners of the parent company to total assets	65.9%	67.0%	66.5%	71.5%	74.4%	74.3%	73.9%	76.7%	74.8%	74.1%	75.0%	-	
Capital investment	49,807	75,814	75,814	56,721	60,420	36,538	47,193	64,353	58,930	50,597	56,496	505,421	
Depreciation cost	36,467	43,188	43,223	45,662	48,537	48,556	49,283	45,904	49,390	47,950	50,211	449,195	
R&D expenses	27,573	28,573	28,444	28,240	32,120	30,366	31,243	31,990	33,765	35,261	37,271	333,432	
Number of employees (Note 1)	30,382	31,504	31,504	31,997	30,007	29,617	29,704	29,019	28,751	28,289	28,438	-	

<Note>

- Part-time employees are included.
- The exchange rate used was JPY111.78 to USD1.00, which was the rate as at March 31, 2022.
- Effective from the fiscal year ended March 31, 2014, the Company and some of its consolidated subsidiaries changed the method of recognition of revenue to one based on the time of delivery to customers from the prior one which was based mainly on the time of shipment. The figures for the fiscal year ended March 31, 2013, are those after the retrospective application of the change except for the figures in "Segment information by geographic area".
- From the fiscal year ended March 31, 2015, the Nitto Denko Group has implemented the International Financial Reporting Standards (IFRS) to prepare its consolidated financial statements (date of transition to IFRS: April 1, 2013). Accordingly, the financial data for the fiscal year ended March 31, 2014 is also presented based on the IFRS.

- From fiscal year ended March 31, 2019, "royalty income," which was previously included in "other income" on the consolidated statements of income, is included in "revenue." Accordingly, the above numbers for fiscal year ended March 31, 2018 have been reclassified to reflect the change.
- The above 10-year Summary is presented based on the International Financial Reporting Standards (IFRS). The term based on the Japanese standard for "Revenue" is "Net sales," "Net income attributable to owners of the parent company" is "Net income," "Equity attributable to owners of the parent company per share" is "Net assets per share," "Basic earnings per share" is "Net income per share," "Equity attributable to owners of the parent company" is "Equity," "Ratio of profit attributable to owners of the parent company to total assets" is "Return on assets," "Return on equity attributable to owners of the parent company" is "Return on equity" and "Ratio of equity attributable to owners of the parent company to total assets" is "Equity to total assets."

Consolidated Financial Statements

Consolidated Statements of Financial Position (Yen in Millions)

	Amount			Amount	
	March 31, 2022	March 31, 2021		March 31, 2022	March 31, 2021
(Assets)			(Liabilities)		
Current assets	722,738	610,017	Current liabilities	208,489	182,783
Cash and cash equivalents	362,046	300,888	Trade and other payables	102,798	100,790
Trade and other receivables	206,084	182,939	Bonds and borrowings	241	545
Inventories	128,318	107,668	Income tax payables	18,138	11,225
Other financial assets	4,939	1,399	Other financial liabilities	19,979	22,834
Other current assets	21,349	17,121	Other current liabilities	67,330	47,387
Non-current assets	371,730	355,884	Non-current liabilities	63,873	66,431
Property, plant and equipment	286,949	270,813	Other financial liabilities	16,941	17,161
Right-of-use assets	13,681	14,979	Defined benefit liabilities	44,125	46,754
Goodwill	4,809	4,593	Deferred tax liabilities	326	347
Intangible assets	13,707	13,620	Other non-current liabilities	2,480	2,167
Investments accounted for using equity method	547	392	Total liabilities	272,363	249,214
Financial assets	12,131	10,856	(Equity)		
Deferred tax assets	24,131	25,951	Equity attributable to owners of the parent company	821,192	715,868
Other non-current assets	15,772	14,676	Share capital	26,783	26,783
Total assets	1,094,469	965,901	Capital surplus	49,992	50,070
			Retained earnings	705,910	635,916
			Treasury stock	-9,771	-10,039
			Other components of equity	48,276	13,136
			Non-controlling interests	913	817
			Total equity	822,105	716,686
			Total liabilities and equity	1,094,469	965,901

Consolidated Statements of Changes in Equity (Yen in Millions)

	Share capital	Capital surplus	Retained earnings	Treasury stock	Other components of equity	Total	Non-controlling interests	Total equity
Balance as of April 1, 2021	26,783	50,070	635,916	-10,039	13,136	715,868	817	716,686
Net income			97,132			97,132	102	97,234
Other comprehensive income					39,075	39,075	12	39,088
Total comprehensive income	-	-	97,132	-	39,075	136,207	115	136,323
Share-based payment transactions		-132			3	-128		-128
Dividends			-31,076			-31,076	-20	-31,097
Changes in treasury stock		54		267		322		322
Transfer from other components of equity to retained earnings			3,937		-3,937	-		-
Total transactions with owners	-	-77	-27,138	267	-3,934	-30,883	-20	-30,903
Balance as of March 31, 2022	26,783	49,992	705,910	-9,771	48,276	821,192	913	822,105

Consolidated Statements of Income (Yen in Millions)

	Amount	
	Fiscal 2021 (April 1, 2021 through March 31, 2022)	Fiscal 2020 (April 1, 2020 through March 31, 2021)
Revenue	853,448	761,321
Cost of sales	551,059	517,872
Gross profit	302,388	243,449
Selling, general and administrative expenses	129,625	107,722
Research and development expenses	37,271	35,261
Other income	6,707	4,466
Other expenses	9,938	11,122
Operating income	132,260	93,809
Financial income	1,459	559
Financial expenses	1,384	1,073
Equity in profits (losses) of affiliates	42	25
Income before income taxes	132,378	93,320
Income tax expenses	35,143	23,012
Net income	97,234	70,308
Net income attributable to:		
Owners of the parent company	97,132	70,235
Non-controlling interests Total	102	72

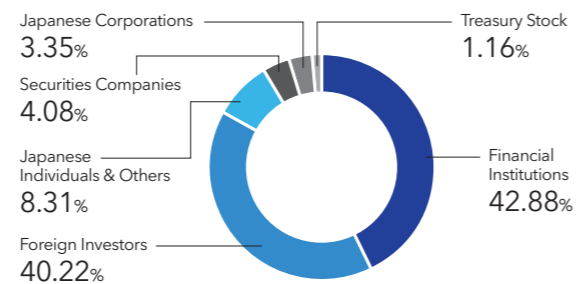
Consolidated Statements of Cash Flows (Yen in Millions)

	Amount	
	Fiscal 2021 (April 1, 2021 through March 31, 2022)	Fiscal 2020 (April 1, 2020 through March 31, 2021)
I Cash flows from operating activities		
Income before income taxes	132,378	93,320
Depreciation and amortization	50,211	47,950
Impairment losses	5,986	6,011
Increase (decrease) in defined benefit liabilities	691	1,878
Decrease (increase) in trade and other receivables	-10,118	-21,058
Decrease (increase) in inventories	-14,000	-7,607
Increase (decrease) in trade and other payables	440	9,234
Increase (decrease) in advances received	13,897	3,560
Interest and dividend income	569	587
Interest expenses paid	-535	-617
Income taxes (paid) refunded	-30,445	-24,560
Others	-4,587	7,610
Net cash provided by (used in) operating activities	144,489	116,309
II Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	-58,958	-57,724
Proceeds from sale of property, plant and equipment and intangible assets	881	341
Decrease (increase) in time deposits	-398	769
Purchase of investment securities	-596	-507
Proceeds from sale of investment securities	764	292
Purchase of shares of subsidiaries and associates	-269	-880
Others	982	170
Net cash provided by (used in) investing activities	-57,594	-57,538
III Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	-315	428
Repayment of finance lease obligations	-5,228	-5,199
Decrease (increase) in treasury stock	-0	-33,312
Cash dividends paid	-31,076	-30,188
Others	-18	-25
Net cash provided by (used in) financing activities	-36,639	-68,297
IV Effect of exchange rate changes on cash and cash equivalents	10,901	5,492
V Net increase (decrease) in cash and cash equivalents	61,157	-4,034
VI Cash and cash equivalents at the beginning of the period	300,888	304,922
VII Cash and cash equivalents at the end of the period	362,046	300,888

Shareholder/Stock Information (as of March 31, 2022)

Number of shares authorized to be issued	400,000,000 shares
Number of shares issued	149,758,428 shares <small>(Amount of treasury stock held 1,744,778 shares)</small>
Number of shareholders	28,802
Share unit	100 shares

Ownership and Distribution of Shares



Major shareholders (top 10)

Name	Number of shares held (Thousands of shares)	Ownership percentage (%)
THE MASTER TRUST BANK OF JAPAN, LTD. (TRUST ACCOUNT)	39,429	26.64
CUSTODY BANK OF JAPAN (TRUST ACCOUNT)	12,572	8.49
STATE STREET BANK AND TRUST COMPANY 505223	4,225	2.85
CUSTODY BANK OF JAPAN (SECURITIES INVESTMENT TRUST ACCOUNT)	2,860	1.93
STATE STREET BANK WEST CLIENT - TREATY 505234	2,527	1.71
STATE STREET BANK AND TRUST COMPANY 505025	2,199	1.49
NIPPON LIFE INSURANCE COMPANY	2,082	1.41
JP MORGAN CHASE BANK 385781	1,904	1.29
STATE STREET BANK AND TRUST COMPANY 505103	1,844	1.25
SSBTC CLIENT OMNIBUS ACCOUNT	1,829	1.24

* The ownership percentage has been calculated based on the number of shares issued, excluding treasury stock.

IR Activities

In following the "Policies Concerning Constructive Dialogue with Shareholders," we reflect the opinions received from our shareholders and investors at shareholders' meetings, company information meeting, and IR activities in management.

	The 154th meeting (held on June 21, 2019)	The 155th meeting (held on June 19, 2020)	The 156th meeting (held on June 18, 2021)	The 157th meeting (held on June 17, 2022)
Number of attendees at the Ordinary General Meeting of Shareholders	467	40	27	75

* The 157th Ordinary General Meeting of Shareholders was held with due cautions given to COVID-19.



The 157th Ordinary General Meeting of Shareholders

Events	Target Audiences	Frequency (per year)
Company information meetings	Japanese/overseas institutional investors	2
Financial results information meetings	Japanese institutional investors / analysts	4
Overseas roadshows	Institutional investors in North America, Europe, and Asia	2
Conferences, etc. sponsored by securities houses	Japanese/overseas institutional investors	8
Information meetings for private investors	Private investors	1

* The above events include IR meetings held by the CEO and CFO.

Report on Nitto's Global Community Services

As part of Nitto's activities in sponsoring the Nitto ATP Finals, the season finale of the ATP Tour, which were held from Sunday, November 14 to Sunday, November 21, 2021, in Torino, Italy, we organized a social contribution program.

In cooperation with U.G.I., a Torino-based group supporting childhood cancer patients, we invited the children and families they support to watch world-class tennis players compete for the championship.



Children invited to see the games

Disclaimer

This report contains future projections as well as past and present facts related to Nitto Denko Corporation (non-consolidated) and the Nitto Group (consolidated). These statements are based on information at the time of creation and may not be completely accurate at the time of reading. Please be advised that actual business activity results may differ materially from those described in the projections. All chapters of this report are also available in Japanese. In the event of any discrepancies between the two versions, the Japanese version will prevail.

Business Performance and Financial Information

As we have applied International Financial Reporting Standards (IFRS) from fiscal 2014, business performance and financial information from fiscal 2014 described in this report are based on IFRS.

Trademarks

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Environmental Data

Some of the numbers from previous years have been updated as the scope of Group companies was extended or calculation methods were changed.

ESG Indexes

In 2022, Nitto was selected as a constituent of the MSCI ESG Leaders Indexes, the MSCI Japan ESG Select Leaders Index and the MSCI Japan Empowering Women Index (WIN).



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ESG Department, Nitto Denko Corporation
1-1-2, Shimohozumi, Ibaraki, Osaka, 567-8680, Japan
Tel: +81-72-622-2981
Fax: +81-72-621-0567

Person in Charge of Issue:

Norikane Nabata
Vice President, CSO
General Manager of the Corporate Sustainability Division

Printing and Binding:

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