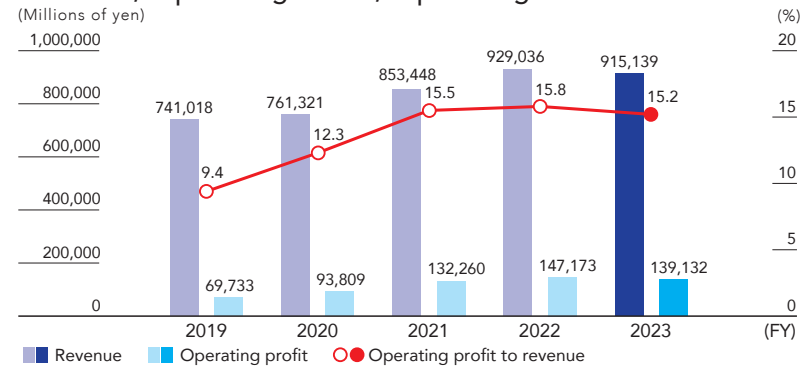
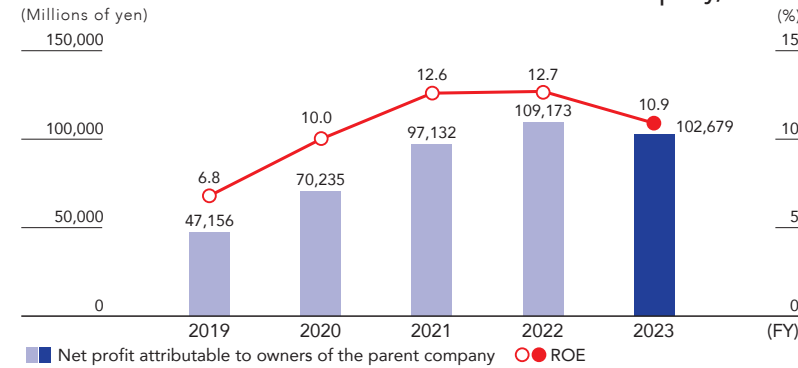


Highlights

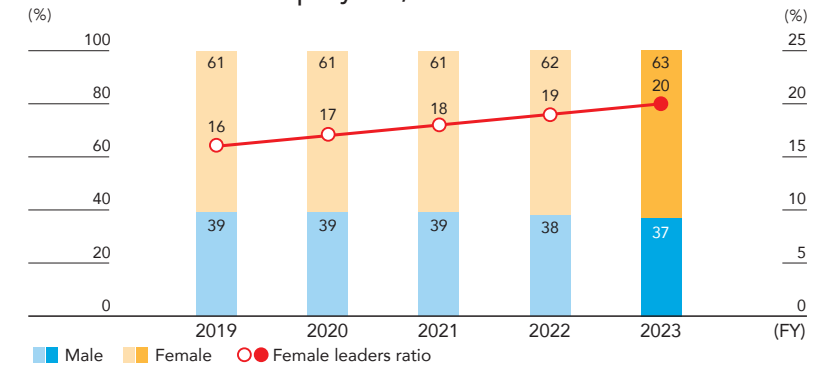
Revenue, Operating Profit, Operating Profit to Revenue



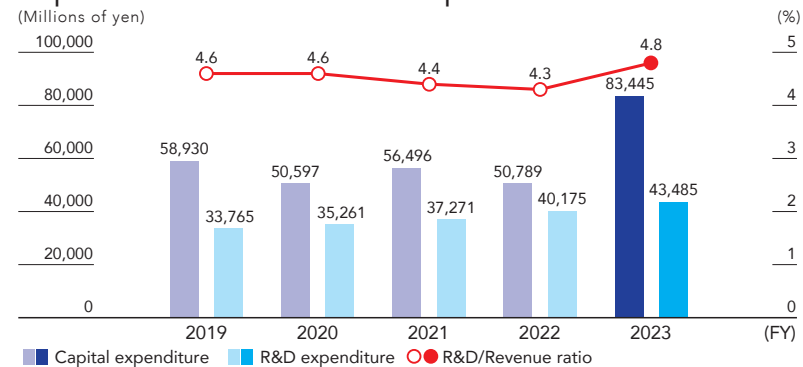
Net Profit Attributable to Owners of the Parent Company, ROE



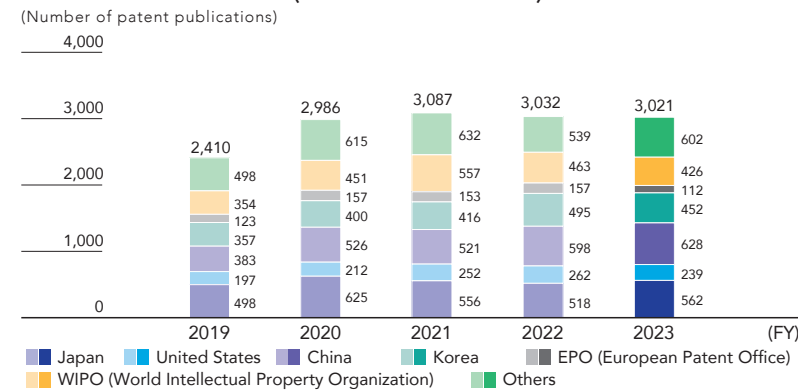
Gender Ratio of Employees, Female Leaders Ratio



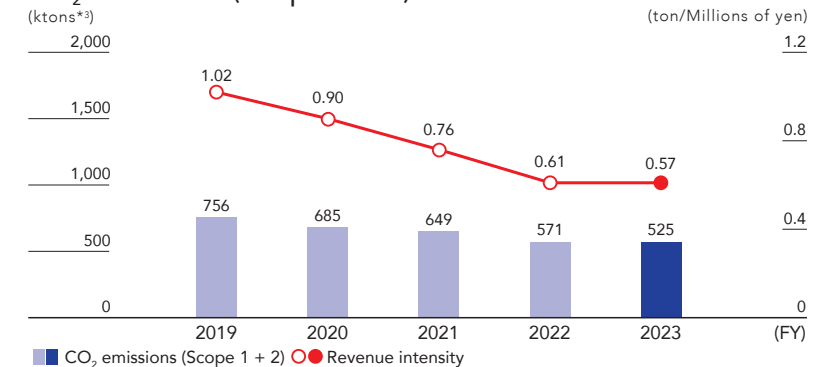
Capital Investment and R&D Expenses



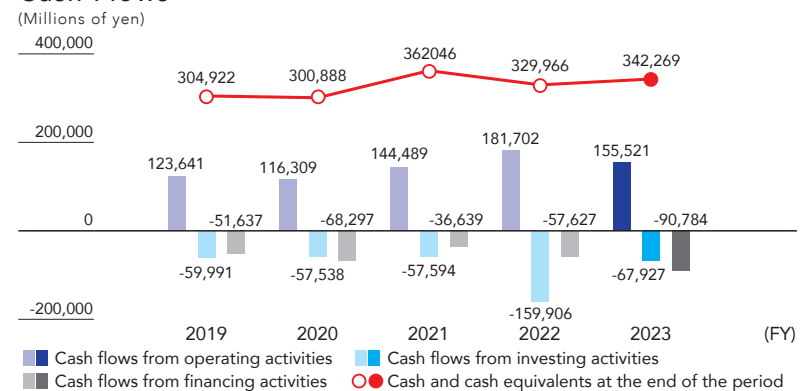
Patent Publications (non-consolidated)



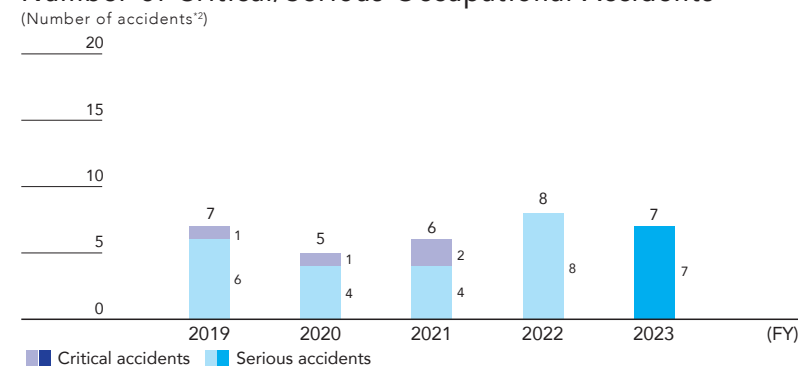
CO₂ Emissions (Scope 1 + 2)



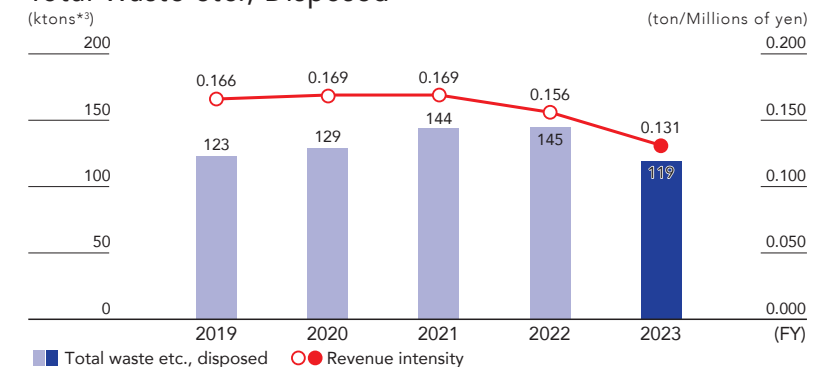
Cash Flows



Number of Critical/Serious Occupational Accidents*1



Total Waste etc., Disposed



*1 Critical accidents: Accidents resulting in death or permanent disability. Serious accidents: Accidents that could develop into critical accidents.
*2 Including all the persons working on the Nitto Group's premises. *3 kton: kiloton (1,000 tons)

Business Results: 10-Year Summary

	2014	2015	2016	2017	2018	2019	2020	2021	2022	Millions of yen 2023	U.S. dollars in thousands ^(Note1) 2023	
Statement of profit or loss												
Revenue	825,243	793,054	767,710	857,376	806,495	741,018	761,321	853,448	929,036	915,139	6,361,759	
Operating profit (ratio to revenue)	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%)	147,173 (15.8%)	139,132 (15.2%)	967,202 –	
Profit before income taxes	105,947	101,996	91,791	126,168	91,910	69,013	93,320	132,378	146,840	138,901	965,596	
Net profit	78,028	81,989	63,690	87,463	66,616	47,224	70,308	97,234	109,264	102,755	714,320	
Net profit attributable to owners of the parent company (ratio to revenue)	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%)	109,173 (11.8%)	102,679 (11.2%)	713,792 –	
Total comprehensive income	108,098	44,552	63,344	83,907	62,060	35,359	89,796	136,323	137,177	164,910	1,146,403	
Cash flows from operating activities	119,481	140,658	119,939	122,551	98,569	123,641	116,309	144,489	181,702	155,521	1,081,133	
Cash flows from investing activities	- 53,857	- 57,085	- 49,739	- 50,215	- 49,955	- 59,991	- 57,538	- 57,594	- 159,906	- 67,927	- 472,207	
Cash flows from financing activities	- 68,966	- 44,902	- 28,884	- 44,919	- 58,419	- 51,637	- 68,297	- 36,639	- 57,627	- 90,784	- 631,102	
Cash and cash equivalents at the end of period	214,559	240,891	280,343	304,709	297,682	304,922	300,888	362,046	329,966	342,269	2,379,347	
Segment information by geographic area												
Japan	Revenue	189,779	180,987	186,979	200,556	194,087	166,419	173,918	195,642	200,634	184,662	1,283,712
	Operating profit	70,322	60,793	51,979	75,982	53,545	51,149	54,526	75,205	103,806	91,867	638,631
Americas	Revenue	59,451	75,344	80,123	82,568	75,967	66,659	58,425	83,334	100,730	88,058	612,152
	Operating profit	- 1,725	12,241	16,570	12,225	7,928	2,429	2,162	9,897	1,957	- 6,419	- 44,623
Europe	Revenue	43,041	42,750	40,521	45,578	45,683	40,402	38,806	42,127	75,188	85,146	591,908
	Operating profit	2,729	3,081	3,727	4,218	3,071	- 1,460	3,580	3,064	- 1,740	1,597	11,102
Asia & Oceania	Revenue	532,971	493,972	460,085	528,672	490,757	467,536	490,172	532,344	552,483	557,272	3,873,980
	Operating profit	36,573	24,410	22,905	32,793	26,065	21,419	34,659	47,586	39,902	60,258	418,895

<Notes>

1. The exchange rate used was JPY143.85 to USD1.00, which was the rate as at March 31, 2024.

2. From the fiscal year ended March 31, 2019, "royalty income," which was previously included in "other income" on the consolidated statement of profit or loss, is included in "revenue."

Accordingly, the above numbers for the fiscal year ended March 31, 2018 have been reclassified to reflect the change.

3. 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 profit 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," "Total assets" is "Total assets," "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."

	2014	2015	2016	2017	2018	2019	2020	2021	2022	Millions of yen 2023	U.S. dollars in thousands ^(Note 1) 2023
Per share information											
Equity attributable to owners of the parent company per share	3,706.0	3,785.9	4,027.6	4,328.5	4,465.7	4,479.3	4,838.1	5,548.1	6,183.0	6,956.8	48.36
Basic earnings per share	471.8	495.2	390.9	539.0	423.5	301.3	472.7	656.3	738.8	719.6	5.00
Diluted earnings per share	470.9	494.6	390.5	538.4	423.1	301.1	472.4	656.0	738.5	719.3	5.00
Price earnings ratio	17.0	12.6	22.0	14.8	13.7	16.0	20.0	13.4	11.6	19.2	—
Dividends per share	120.0	140.0	150.0	160.0	180.0	200.0	200.0	220.0	240.0	260.0	1.81
Dividend payout ratio (Consolidated)	(25.4)	(28.3)	(38.4)	(29.7)	(42.5)	(66.4)	(42.3)	(33.5)	(32.5)	(36.1)	—
Issued shares (thousands)	173,758	173,758	173,758	173,758	158,758	158,758	149,758	149,758	149,758	143,551	—
Number of treasury shares at the end of the period (thousands)	8,614	11,465	11,434	13,592	1,908	4,839	1,792	1,744	3,840	2,104	—
Average number of issued shares during the period (cumulative from the beginning of the period) (thousands)	165,079	164,940	162,311	162,112	157,165	156,501	148,580	147,996	147,776	142,696	—
Number of shareholders	35,014	37,694	29,742	35,847	37,684	36,871	28,456	28,802	28,984	22,746	—
(Millions of yen)											
Total assets	855,433	825,905	879,899	937,796	913,418	921,900	965,901	1,094,469	1,153,647	1,251,087	8,697,164
Equity attributable to owners of the parent company	612,016	614,425	653,772	693,278	700,443	689,446	715,868	821,192	902,211	984,020	6,840,598
Ratio of profit attributable to owners of the parent company to total assets (ROA)	9.5%	9.7%	7.4%	9.6%	7.2%	5.1%	7.4%	9.4%	9.7%	8.5%	—
Return on equity attributable to owners of the parent company (ROE)	13.7%	13.3%	10.0%	13.0%	9.6%	6.8%	10.0%	12.6%	12.7%	10.9%	—
Ratio of equity attributable to owners of the parent company to total assets	71.5%	74.4%	74.3%	73.9%	76.7%	74.8%	74.1%	75.0%	78.2%	78.7%	—
Capital investment	56,721	60,420	36,538	47,193	64,353	58,930	50,597	56,496	50,789	83,445	580,083
Depreciation cost	45,662	48,537	48,556	49,283	45,904	49,390	47,950	50,211	57,362	60,811	422,739
R&D expenses	28,240	32,120	30,366	31,243	31,990	33,765	35,261	37,271	40,175	43,485	302,294
Number of employees ^(Note 4)	31,997	30,007	29,617	29,704	29,019	28,751	28,289	28,438	28,371	27,426	—

4. Part-time employees are included.

Consolidated Financial Statements

Consolidated Statement of Financial Position (Millions of yen)

	Amount			Amount	
	As of March 31, 2024	As of March 31, 2023		As of March 31, 2024	As of March 31, 2023
(Assets)			(Liabilities)		
Current assets	717,957	677,189	Current liabilities	206,856	188,248
Cash and cash equivalents	342,269	329,966	Trade and other payables	98,965	91,834
Trade and other receivables	209,341	178,388	Borrowings	345	272
Inventories	136,804	141,101	Income tax payables	13,402	18,488
Other financial assets	5,220	2,141	Other financial liabilities	38,396	22,162
Other current assets	24,321	20,358	Other current liabilities	55,746	54,053
Subtotal	717,957	671,956	Subtotal	206,856	186,811
Assets held for sale	—	5,232	Liabilities directly associated with assets held for sale	—	1,436
Noncurrent assets	533,130	476,457	Noncurrent liabilities	59,182	62,204
Property, plant and equipment	378,535	333,103	Other financial liabilities	20,843	15,729
Right-of-use assets	19,321	12,959	Defined benefit liabilities	33,130	40,015
Goodwill	66,056	58,822	Deferred tax liabilities	3,427	4,173
Intangible assets	20,674	21,469	Other noncurrent liabilities	1,779	2,286
Investments accounted for using equity method	2,115	2,140	Total liabilities	266,038	250,452
Financial assets	9,192	8,860			
Deferred tax assets	20,985	23,420	(Equity)		
Other noncurrent assets	16,248	15,682	Equity attributable to owners of the parent company	984,020	902,211
Total assets	1,251,087	1,153,647	Share capital	26,783	26,783
			Capital surplus	49,928	50,047
			Retained earnings	808,062	786,269
			Treasury shares	- 23,298	- 27,631
			Other components of equity	122,544	66,741
			Noncontrolling interests	1,028	983
			Total equity	985,048	903,194
			Total liabilities and equity	1,251,087	1,153,647

Consolidated Statement of Changes in Equity April 1, 2023 – March 31, 2024 (Millions of yen)

	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
Balance as of April 1, 2023	26,783	50,047	786,269	- 27,631	66,741	902,211	983	903,194
Net profit			102,679			102,679	75	102,755
Other comprehensive income					62,136	62,136	17	62,154
Total comprehensive income	—	—	102,679	—	62,136	164,816	93	164,910
Share based remuneration transactions		- 47			- 1	- 48		- 48
Dividends			- 36,041			- 36,041	- 28	- 36,070
Changes in treasury shares		- 51,254		4,333		- 46,921		- 46,921
Transfer from other components of equity to retained earnings			6,333		- 6,333	—		—
Acquisition of NCI without change in control		3				3	- 20	- 17
Transfer from retained earnings to capital surplus		51,178	- 51,178			—		—
Total transactions with owners	—	- 119	- 80,887	4,333	- 6,334	- 83,007	- 49	- 83,056
Balance as of March 31, 2024	26,783	49,928	808,062	- 23,298	122,544	984,020	1,028	985,048

Consolidated Statement of Profit or Loss (Millions of yen)

	Amount	
	April 1, 2023 – March 31, 2024	April 1, 2022 – March 31, 2023
Revenue	915,139	929,036
Cost of sales	584,280	591,592
Gross profit	330,858	337,443
Selling, general and administrative expenses	146,143	145,436
Research and development expenses	43,485	40,175
Other income	9,914	8,103
Other expenses	12,012	12,761
Operating profit	139,132	147,173
Finance income	2,195	1,574
Finance expenses	2,460	1,936
Share of profit of investments accounted for using the equity method	34	29
Profit before income taxes	138,901	146,840
Income tax expenses	36,146	37,576
Net profit	102,755	109,264
Net profit attributable to:		
Owners of the parent company	102,679	109,173
Noncontrolling interests	75	91

Consolidated Statement of Cash Flows (Millions of yen)

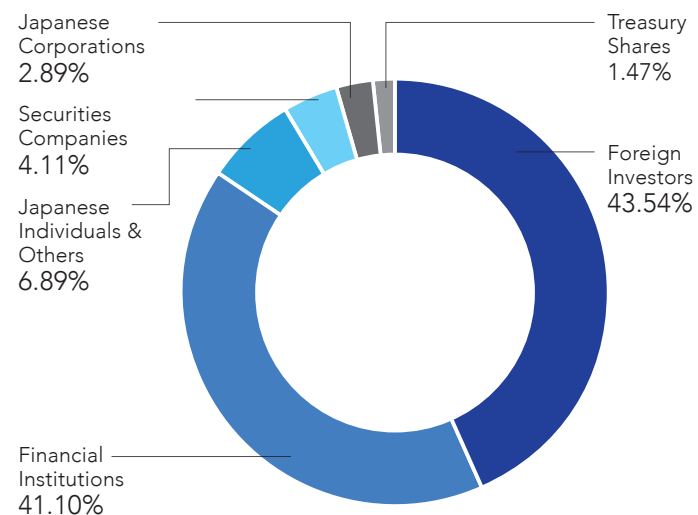
	Amount	
	April 1, 2023 – March 31, 2024	April 1, 2022 – March 31, 2023
I Cash flows from operating activities		
Profit before income taxes	138,901	146,840
Depreciation and amortization	60,811	57,362
Impairment losses	1,651	4,036
Increase (decrease) in defined benefit liabilities	1,371	1,270
Decrease (increase) in trade and other receivables	-19,033	44,492
Decrease (increase) in inventories	11,769	-2,230
Increase (decrease) in trade and other payables	3,804	-15,779
Increase (decrease) in advances received	-1,312	-17,420
Interest and dividend income	2,065	1,283
Interest expenses paid	-609	-538
Income taxes (paid) refunded	-41,030	-38,748
Others	-2,868	1,133
Net cash provided by (used in) operating activities	155,521	181,702
II Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	-67,774	-65,921
Proceeds from sale of property, plant and equipment and intangible assets	602	350
Decrease (increase) in time deposits	-2,465	81
Purchase of investment securities	-723	-177
Proceeds from sale of investment securities	551	2,675
Purchase of shares of subsidiaries and affiliates	—	-1,703
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	-95,263
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	1,871	—
Others	10	51
Net cash provided by (used in) investing activities	-67,927	-159,906

	Amount	
	April 1, 2023 – March 31, 2024	April 1, 2022 – March 31, 2023
III Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	72	29
Repayment of lease liabilities	-7,631	-5,567
Decrease (increase) in treasury shares	-47,167	-18,008
Cash dividends paid	-36,041	-34,046
Others	-16	-35
Net cash provided by (used in) financing activities	-90,784	-57,627
IV Effect of exchange rate changes on cash and cash equivalents	13,573	5,671
V Cash and cash equivalents included in assets held for sale	—	-1,920
VI Reclassification of cash and cash equivalents included in assets held for sale in the opening balance	1,920	—
VII Net increase (decrease) in cash and cash equivalents	12,302	-32,079
VIII Cash and cash equivalents at the beginning of the period	329,966	362,046
IX Cash and cash equivalents at the end of the period	342,269	329,966

Shareholder/Stock Information (as of March 31, 2024)

Code number	6988
Stock exchange listing	Prime Market, Tokyo Stock Exchange
Shareholder registry administrator	Mitsubishi UFJ Trust and Banking Corporation
Total number of authorized shares	400,000,000 shares
Total number of issued shares	143,551,735 shares (Of which, number of treasury shares: 2,104,272 shares)
Number of shareholders	22,746
One unit of shares	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)	36,272	25.64
Custody Bank of Japan, Ltd. (Trust Account)	14,408	10.19
STATE STREET BANK AND TRUST COMPANY 505223	6,522	4.61
STATE STREET BANK WEST CLIENT-TREATY 505234	2,868	2.03
HSBC HONGKONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	2,205	1.56
SSBTC CLIENT OMNIBUS ACCOUNT	2,116	1.50
Nippon Life Insurance Company	2,082	1.47
JP MORGAN CHASE BANK 385781	1,968	1.39
JPMorgan Securities Japan Co., Ltd.	1,730	1.22
STATE STREET BANK AND TRUST COMPANY 505103	1,675	1.18

Note: The Company holds a total of 2,104,272 treasury shares, but are excluded from the list above.

IR Activities

In following the "Policies Related to Constructive Dialogue with Shareholders," we reflect the opinions received from our shareholders and investors at the Ordinary General Meeting of Shareholders, company information meetings, and IR activities in our management.

	The 156th meeting (held on June 18, 2021)	The 157th meeting (held on June 17, 2022)	The 158th meeting (held on June 23, 2023)	The 159th meeting (held on June 21, 2024)
Number of attendees at the Ordinary General Meeting of Shareholders	35	83	128	83



Events	Target audiences	Frequency (per year)
Company information meeting	Japanese/overseas institutional investors	2
Financial results conference call	Japanese institutional investors / analysts	4
Overseas IR roadshow	Institutional investors in North America, Europe, and Asia	3
Conference hosted by securities companies	Japanese/overseas institutional investors	5
Information meeting hosted by securities companies	Individual investors	1

The events above include IR meetings attended by the CEO or CFO.

Program to Reduce CO₂ Emissions through Sponsorship of the Nitto ATP Finals

As part of its sponsorship for the Nitto ATP Finals, the Nitto Group has worked on the Nitto ATP Finals Torino Green Project, a co-creation project designed to reduce CO₂ emissions, together with the Association of Tennis Professionals (ATP), the Italian Tennis and Padel Federation (FITP), and the host city of Turin.

- ATP has committed to Net Zero CO₂ emissions, which result from the ATP Tour, by 2040. To support ATP in their endeavor, Nitto donated 6,000 paper napkins, made of its proprietary plastic-free compostable material (CAC non-woven fabric*), to the Nitto ATP Finals for use in the event's food court and other areas during the tournament on November 12-19, 2023.
- The Nitto Group donated all proceeds from merchandise sales and a charity auction, which were held during the event, to the City of Turin. With these donations, the City of Turin is planning to assist the city's afforestation and install green roofs atop select bus stops near the Pala Alpitour venue.



A planted European linden tree

* Biodegradable non-wovens, the sustainable material manufactured by Nitto

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.

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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.

Nitto Group Integrated Report 2024

URL: <https://www.nitto.com/jp/en/>

Date of Issue:

July 31, 2024

Publishing Office:

ESG Engagement Department,

Nitto Denko Corporation

33F, Tower A, Grand Front Osaka, 4-20

Ofuka-cho, Kita-ku, Osaka 530-0011, Japan

Tel: +81-6-7632-2101

Fax: +81-6-7632-2102

Person in Charge of Issue:

Kenshi Tozuka

Vice president,

General Manager of Corporate Strategy & ESG

Management Division

Printing and Binding:

Nitto Denko Himawari Co., Ltd.

Nitto

Innovation for Customers

Nitto Denko Corporation

33rd Floor, Tower A, Grand Front Osaka 4-20, Ofuka-cho, Kita-ku, Osaka, 530-0011 Japan TEL +81-6-7632-2101

FAX +81-6-7632-2102 <https://www.nitto.com/jp/en/>

CATALOG CODE: 01500 Issued in July 2024