

## Business Results: 10-Year Summary

	Japanese GAAP					IFRS					IFRS		
	2013	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2022	
<b>Statement of income</b> (Yen in Millions)													
Revenue	749,835	749,504	825,243	793,054	767,710	857,376	806,495	741,018	761,321	853,448	929,036	6,899,636	
Operating income (ratio to revenue)	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%)	147,173 (15.8%)	1,093,004(-)	
Income before income taxes	69,641	70,642	105,947	101,996	91,791	126,168	91,910	69,013	93,320	132,378	146,840	1,090,531	
Net income	51,306	52,188	78,028	81,989	63,690	87,463	66,616	47,224	70,308	97,234	109,264	811,467	
Net income attributable to owners of the parent company (ratio to revenue)	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%)	109,173 (11.8%)	810,791(-)	
Total comprehensive income	72,415	72,518	108,098	44,552	63,344	83,907	62,060	35,359	89,796	136,323	137,177	1,018,767	
Cash flows from operating activities	78,286	78,444	119,481	140,658	119,939	122,551	98,569	123,641	116,309	144,489	181,702	1,349,439	
Cash flows from investing activities	-15,735	-15,893	-53,857	-57,085	-49,739	-50,215	-49,955	-59,991	-57,538	-57,594	-159,906	-1,187,568	
Cash flows from financing activities	-18,131	-18,131	-68,966	-44,902	-28,884	-44,919	-58,419	-51,637	-68,297	-36,639	-57,627	-427,976	
Cash and cash equivalents at the end of period	203,446	203,446	214,559	240,891	280,343	304,709	297,682	304,922	300,888	362,046	329,966	2,450,546	
<b>Segment information by geographic area</b> (Yen in Millions)													
Japan	Revenue	186,320	185,990	189,779	180,987	186,979	200,556	194,087	166,419	173,918	195,642	200,634	1,490,041
	Operating income	43,263	44,112	70,322	60,793	51,979	75,982	53,545	51,149	54,526	75,205	103,806	770,932
Americas	Revenue	52,085	52,085	59,451	75,344	80,123	82,568	75,967	66,659	58,425	83,334	100,730	748,088
	Operating income	1,198	1,373	-1,725	12,241	16,570	12,225	7,928	2,429	2,162	9,897	1,957	14,534
Europe	Revenue	38,834	38,834	43,041	42,750	40,521	45,578	45,683	40,402	38,806	42,127	75,188	558,396
	Operating income	3,104	3,025	2,729	3,081	3,727	4,218	3,071	-1,460	3,580	3,064	-1,740	-12,922
Asia & Oceania	Revenue	472,594	472,594	532,971	493,972	460,085	528,672	490,757	467,536	490,172	532,344	552,483	4,103,104
	Operating income	22,158	23,874	36,573	24,410	22,905	32,793	26,065	21,419	34,659	47,586	39,902	296,339
<b>Per share information</b> (Yen)													
Equity attributable to owners of the parent company per share	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	6,183.0	45.92	
Basic earnings per share	309.3	314.6	471.8	495.2	390.9	539.0	423.5	301.3	472.7	656.3	738.8	5.49	
Diluted earnings per share	308.6	313.9	470.9	494.6	390.5	538.4	423.1	301.1	472.4	656.0	738.5	5.48	
Price earnings ratio	16.0	15.7	17.0	12.6	22.0	14.8	13.7	16.0	20.0	13.4	11.6	-	
Dividends per share (Dividend payout ratio (Consolidated))	100.0 (32.3)	100.0 (31.8)	120.0 (25.4)	140.0 (28.3)	150.0 (38.4)	160.0 (29.7)	180.0 (42.5)	200.0 (66.4)	200.0 (42.3)	220.0 (33.5)	240.0 (32.5)	1.78(-)	
Shares outstanding (thousands)	173,758	173,758	173,758	173,758	173,758	173,758	158,758	158,758	149,758	149,758	149,758	-	
Number of treasury stock at the end of the period (thousands)	8,756	8,756	8,614	11,465	11,434	13,592	1,908	4,839	1,792	1,744	3,840	-	
Average number of outstanding shares during the period (cumulative from the beginning of the period) (thousands)	164,950	164,950	165,079	164,940	162,311	162,112	157,165	156,501	148,580	147,996	147,776	-	
Number of shareholders	55,009	55,009	35,014	37,694	29,742	35,847	37,684	36,871	28,456	28,802	28,984	-	
<b>(Yen in Millions)</b>													
Total assets	781,352	783,583	855,433	825,905	879,899	937,796	913,418	921,900	965,901	1,094,469	1,153,647	8,567,746	
Equity attributable to owners of the parent company	523,391	521,385	612,016	614,425	653,772	693,278	700,443	689,446	715,868	821,192	902,211	6,700,416	
Ratio of profit attributable to owners of the parent company to total assets (ROA)	6.7%	6.8%	9.5%	9.7%	7.4%	9.6%	7.2%	5.1%	7.4%	9.4%	9.7%	-	
Return on equity attributable to owners of the parent company (ROE)	10.1%	10.5%	13.7%	13.3%	10.0%	13.0%	9.6%	6.8%	10.0%	12.6%	12.7%	-	
Ratio of equity attributable to owners of the parent company to total assets	67.0%	66.5%	71.5%	74.4%	74.3%	73.9%	76.7%	74.8%	74.1%	75.0%	78.2%	-	
Capital investment	75,814	75,814	56,721	60,420	36,538	47,193	64,353	58,930	50,597	56,496	50,789	377,193	
Depreciation cost	43,188	43,223	45,662	48,537	48,556	49,283	45,904	49,390	47,950	50,211	57,362	426,008	
R&D expenses	28,573	28,444	28,240	32,120	30,366	31,243	31,990	33,765	35,261	37,271	40,175	298,366	
Number of employees (Note 1)	31,504	31,504	31,997	30,007	29,617	29,704	29,019	28,751	28,289	28,438	28,371	-	

&lt;Note&gt;

1. Part-time employees are included.

2. The exchange rate used was JPY134.65 to USD1.00, which was the rate as at March 31, 2023.

3. 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.

4. From the 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 the fiscal year ended March 31, 2018 have been reclassified to reflect the change.

5. 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," "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."

# Consolidated Financial Statements

## Consolidated Statements of Financial Position (Yen in Millions)

	Amount			Amount	
	March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022
(Assets)			(Liabilities)		
<b>Current assets</b>	<b>677,189</b>	<b>722,738</b>	<b>Current liabilities</b>	<b>188,248</b>	<b>208,489</b>
Cash and cash equivalents	329,966	362,046	Trade and other payables	91,834	102,798
Trade and other receivables	178,388	206,084	Bonds and borrowings	272	241
Inventories	141,101	128,318	Income tax payables	18,488	18,138
Other financial assets	2,141	4,939	Other financial liabilities	22,162	19,979
Other current assets	20,358	21,349	Other current liabilities	54,053	67,330
Subtotal	671,956	722,738	Subtotal	186,811	208,489
Assets held for sale	5,232	–	Liabilities directly associated with assets classified as held for sale	1,436	–
<b>Non-current assets</b>	<b>476,457</b>	<b>371,730</b>	<b>Non-current liabilities</b>	<b>62,204</b>	<b>63,873</b>
Property, plant and equipment	333,103	286,949	Other financial liabilities	15,729	16,941
Right-of-use assets	12,959	13,681	Defined benefit liabilities	40,015	44,125
Goodwill	58,822	4,809	Deferred tax liabilities	4,173	326
Intangible assets	21,469	13,707	Other non-current liabilities	2,286	2,480
Investments accounted for using equity method	2,140	547	<b>Total liabilities</b>	<b>250,452</b>	<b>272,363</b>
Financial assets	8,860	12,131	(Equity)		
Deferred tax assets	23,420	24,131	<b>Equity attributable to owners of the parent company</b>	<b>902,211</b>	<b>821,192</b>
Other non-current assets	15,682	15,772	Share capital	26,783	26,783
<b>Total assets</b>	<b>1,153,647</b>	<b>1,094,469</b>	Capital surplus	50,047	49,992
			Retained earnings	786,269	705,910
			Treasury stock	–27,631	–9,771
			Other components of equity	66,741	48,276
			<b>Non-controlling interests</b>	<b>983</b>	<b>913</b>
			<b>Total equity</b>	<b>903,194</b>	<b>822,105</b>
			<b>Total liabilities and equity</b>	<b>1,153,647</b>	<b>1,094,469</b>

## Consolidated Statements of Changes in Equity Fiscal 2022 (April 1, 2022 through March 31, 2023) (Yen in Millions)

	Share capital	Capital surplus	Retained earnings	Treasury stock	Other components of equity	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
<b>Balance as of April 1, 2022</b>	<b>26,783</b>	<b>49,992</b>	<b>705,910</b>	<b>–9,771</b>	<b>48,276</b>	<b>821,192</b>	<b>913</b>	<b>822,105</b>
Net income			109,173			109,173	91	109,264
Other comprehensive income					27,905	27,905	8	27,913
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>109,173</b>	<b>–</b>	<b>27,905</b>	<b>137,078</b>	<b>99</b>	<b>137,177</b>
Share-based payment transactions		–21			–0	–21		–21
Dividends			–34,046			–34,046	–29	–34,075
Changes in treasury stock		75		–17,860		–17,784		–17,784
Transfer from other components of equity to retained earnings			5,232		–5,232	–		–
Transfer from other components of equity to non-financial assets, etc.					–4,206	–4,206		–4,206
<b>Total transactions with owners</b>	<b>–</b>	<b>54</b>	<b>–28,813</b>	<b>–17,860</b>	<b>–9,440</b>	<b>–56,059</b>	<b>–29</b>	<b>–56,088</b>
<b>Balance as of March 31, 2023</b>	<b>26,783</b>	<b>50,047</b>	<b>786,269</b>	<b>–27,631</b>	<b>66,741</b>	<b>902,211</b>	<b>983</b>	<b>903,194</b>

## Consolidated Statements of Income (Yen in Millions)

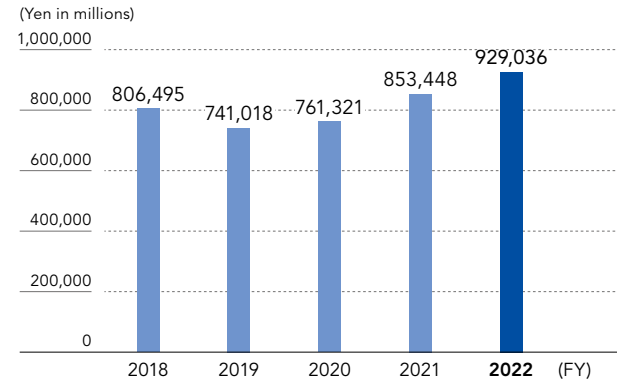
	Amount	
	Fiscal 2022 (April 1, 2022 through March 31, 2023)	Fiscal 2021 (April 1, 2021 through March 31, 2022)
<b>Revenue</b>	<b>929,036</b>	<b>853,448</b>
Cost of sales	591,592	551,059
<b>Gross profit</b>	<b>337,443</b>	<b>302,388</b>
Selling, general and administrative expenses	145,436	129,625
Research and development expenses	40,175	37,271
Other income	8,103	6,707
Other expenses	12,761	9,938
<b>Operating income</b>	<b>147,173</b>	<b>132,260</b>
Financial income	1,574	1,459
Financial expenses	1,936	1,384
Equity in profits (losses) of affiliates	29	42
<b>Income before income taxes</b>	<b>146,840</b>	<b>132,378</b>
Income tax expenses	37,576	35,143
<b>Net income</b>	<b>109,264</b>	<b>97,234</b>
<b>Net income attributable to:</b>		
Owners of the parent company	109,173	97,132
Non-controlling interests	91	102

## Consolidated Statements of Cash Flows (Yen in Millions)

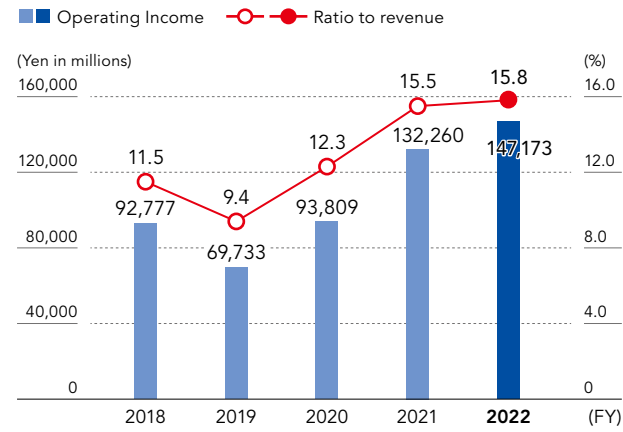
	Amount	
	Fiscal 2022 (April 1, 2022 through March 31, 2023)	Fiscal 2021 (April 1, 2021 through March 31, 2022)
<b>I Cash flows from operating activities</b>		
Income before income taxes	146,840	132,378
Depreciation and amortization	57,362	50,211
Impairment losses	4,036	5,986
Increase (decrease) in defined benefit liabilities	1,270	691
Decrease (increase) in trade and other receivables	44,492	–10,118
Decrease (increase) in inventories	–2,230	–14,000
Increase (decrease) in trade and other payables	–15,779	440
Increase (decrease) in advances received	–17,420	13,897
Interest and dividend income	1,283	569
Interest expenses paid	–538	–535
Income taxes (paid) refunded	–38,748	–30,445
Others	1,133	–4,587
<b>Net cash provided by (used in) operating activities</b>	<b>181,702</b>	<b>144,489</b>
<b>II Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	–65,921	–58,958
Proceeds from sale of property, plant and equipment and intangible assets	350	881
Decrease (increase) in time deposits	81	–398
Purchase of investment securities	–177	–596
Proceeds from sale of investment securities	2,675	764
Purchase of shares of subsidiaries and associates	–1,703	–269
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–95,263	–
Others	51	982
<b>Net cash provided by (used in) investing activities</b>	<b>–159,906</b>	<b>–57,594</b>
<b>III Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	29	–315
Repayment of finance lease obligations	–5,567	–5,228
Decrease (increase) in treasury stock	–18,008	–0
Cash dividends paid	–34,046	–31,076
Others	–35	–18
<b>Net cash provided by (used in) financing activities</b>	<b>–57,627</b>	<b>–36,639</b>
<b>IV Effect of exchange rate changes on cash and cash equivalents</b>	<b>5,671</b>	<b>10,901</b>
<b>V Cash and cash equivalents included in assets held for sale</b>	<b>–1,920</b>	<b>–</b>
<b>VI Net increase (decrease) in cash and cash equivalents</b>	<b>–32,079</b>	<b>61,157</b>
<b>VII Cash and cash equivalents at the beginning of the period</b>	<b>362,046</b>	<b>300,888</b>
<b>VIII Cash and cash equivalents at the end of the period</b>	<b>329,966</b>	<b>362,046</b>

# Highlights

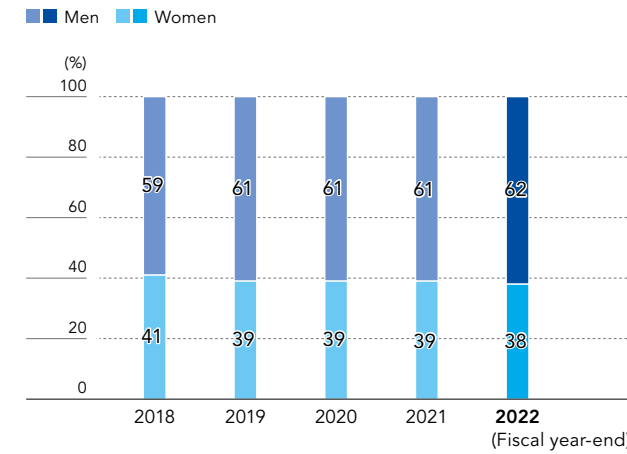
## Revenue



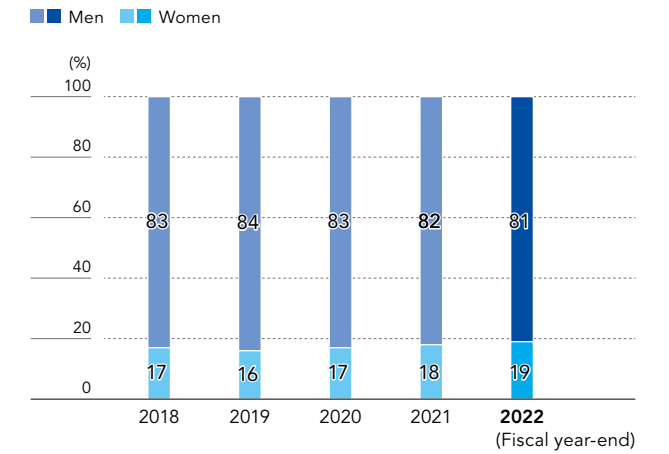
## Operating Income/Ratio to revenue



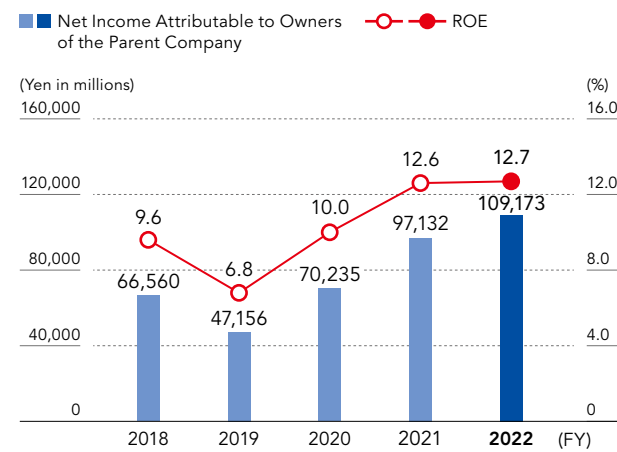
## Gender Ratio of Employees



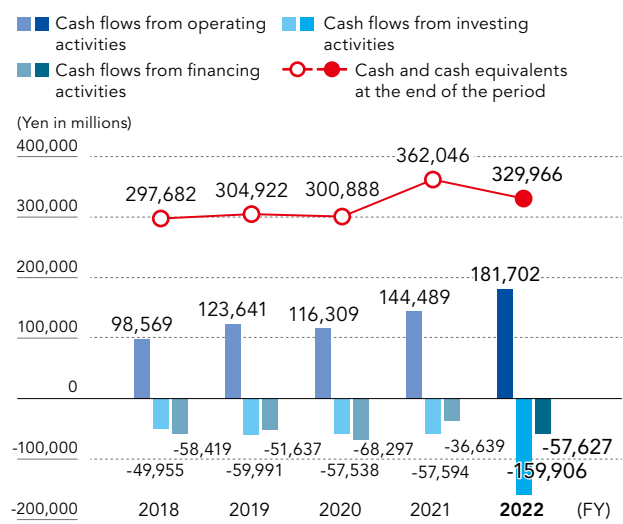
## Gender Ratio of Management



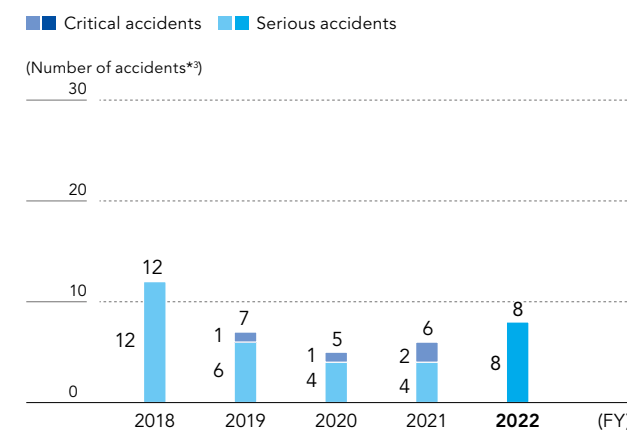
## Net Income Attributable to Owners of the Parent Company, ROE



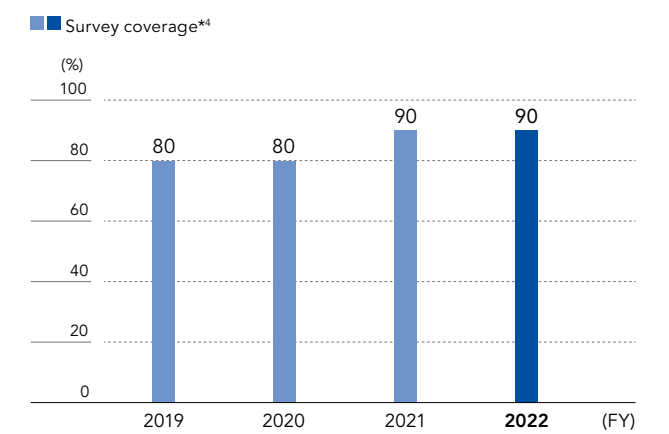
## Cash Flows



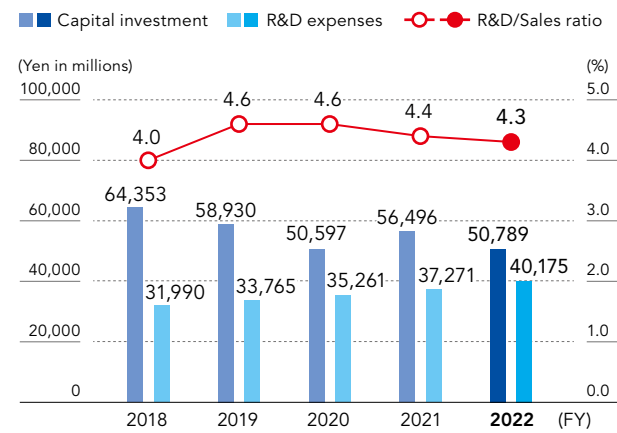
## Number of Critical/Serious Occupational Accidents\*2



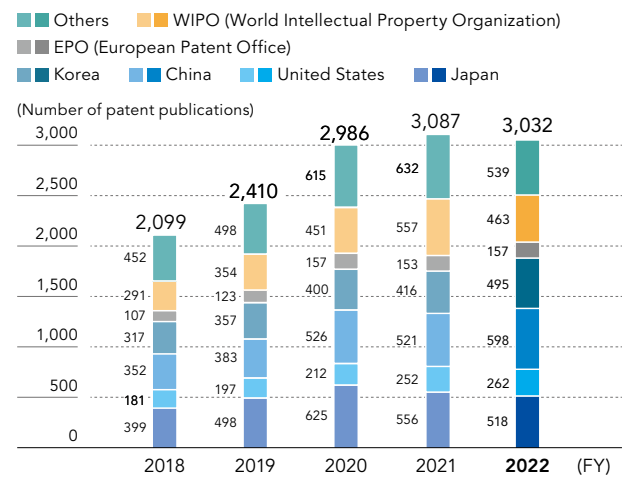
## Coverage of the CSR Procurement Survey



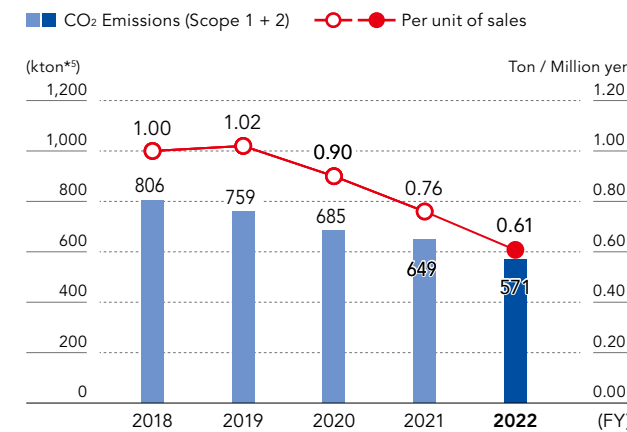
## Capital Investment and R&D Expenses



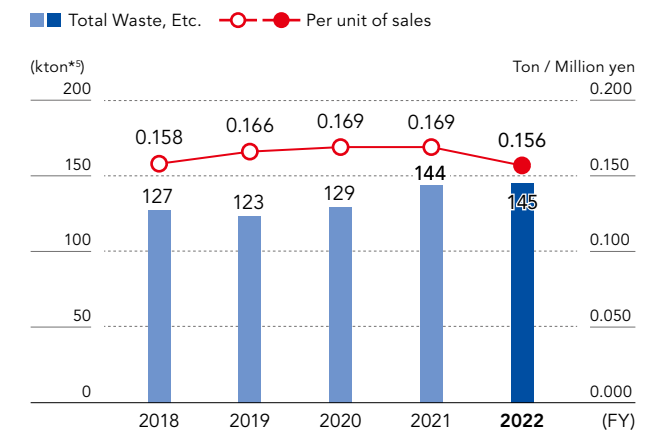
## Patent Publications (non-consolidated)\*1



## CO2 Emissions (Scope 1 + 2)



## Total Waste, Etc.



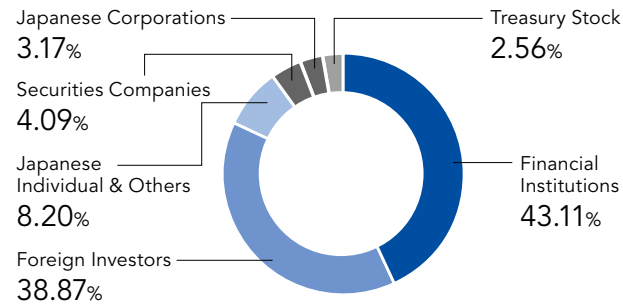
\*1 Sums of previous data have been modified as the number of patents outside of key countries (not included before) is included here.  
 \*2 Critical accidents: Accidents resulting in death or permanent disability. Serious accidents: Accidents that could develop into critical accidents.  
 \*3 Including all the persons working on the Nitto Group's premises.  
 \*4 Ratio of the amount of purchases from surveyed suppliers (respondents to the CSR Procurement Survey) to the total purchase amount.  
 \*5 kton: kiloton (1,000 ton)



# Shareholder/Stock Information (as of March 31, 2023)

Code number	6988
Stock exchange listing	Tokyo, Prime, Market
Shareholder Registry Administrator	Mitsubishi UFJ Trust and Banking Corporation
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 3,840,554 shares)</small>
Number of shareholders	28,984
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)	40,683	27.88
Custody Bank of Japan, Ltd. (Trust Account)	15,667	10.74
STATE STREET BANK AND TRUST COMPANY 505223	5,008	3.43
STATE STREET BANK WEST CLIENT-TREATY 505234	2,554	1.75
Nippon Life Insurance Company	2,082	1.43
JP MORGAN CHASE BANK 385781	1,960	1.34
SSBTC CLIENT OMNIBUS ACCOUNT	1,831	1.26
STATE STREET BANK AND TRUST COMPANY 505103	1,747	1.20
STATE STREET BANK AND TRUST COMPANY 505103	1,598	1.10
HSBC HONGKONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	1,582	1.08

Notes: 1. The ownership percentage has been calculated based on the number of shares issued, excluding treasury stock.  
2. The eighth and ninth major shareholders are listed under the same shareholder name in the shareholder registry, but they are under different names with different standing proxies.

## 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 meetings, and IR activities in management.

	The 155th meeting <small>(held on June 19, 2020)</small>	The 156th meeting <small>(held on June 18, 2021)</small>	The 157th meeting <small>(held on June 17, 2022)</small>	The 158th meeting <small>(held on June 23, 2023)</small>
Number of attendees at the Ordinary General Meeting of Shareholders	49	35	83	128



The 158th 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	6
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

The Nitto will continue to enhance its corporate value with ESG (Environmental, Social, and Corporate Governance) at the core of our management aiming to realize a sustainable environment and society. Social contribution programs were organized as part of Nitto's activities in sponsoring the Nitto ATP Finals, the season finale of the ATP Tour, which was held from Sunday, November 13 to Sunday, November 20, 2022, in Turin, Italy.

- In cooperation with U.G.I ODV, a Turin-based organization supporting childhood cancer patients, we invited the children and families they support to watch world-class tennis players compete for the championship. The children were also given an opportunity to serve as mascot kids who escort players to the court before matches. They were overjoyed at this wonderful experience, which certainly made them smile.
- During the event, we invited people to donate to UNICEF's emergency fund for natural disasters, which offers prompt support to children who are affected by flooding and other natural disasters, thus contributing a total of 1.38 million yen in Japan and the U.S.

## Nitto ATP FINALS



Family invited to watch the matches

## 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

All logos, product names, and other related names in this report are the trademarks and the registered trademarks of Nitto and other entities in Japan and/or other countries.

## 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 2023, 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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