

**Preliminary**

## Summary of Consolidated Financial Statements of Fiscal 2020 (12 Months Ended March 31, 2021 (IFRS Basis))

Listed company name: **Nitto Denko Corporation**  
 Stock exchange listing: First Section of Tokyo Stock Exchange  
 Code Number: 6988 URL <https://www.nitto.com/>  
 Company Representative: Hideo Takasaki, President  
 Contact Person: Yasuhiro Iseyama, Senior Vice President, Director of Corporate Accounting & Finance Division  
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Date of the general shareholders' meeting: June 18, 2021  
 Estimated starting date of dividend paying: June 21, 2021  
 Filing date of financial statements: June 18, 2021  
 Preparation of supplementary explanatory materials: Yes  
 Holding of quarterly earnings release conference: Yes (for investment analysts and institutional investors)

(All monetary values noted herein are rounded down to the nearest million yen)

### 1. Consolidated financial results of Fiscal 2020 (April 1, 2020 through March 31, 2021)

#### (1) Operating results (% of change from same period in the previous year)

	Revenue		Operating income		Income before income taxes		Net income		Net income attributable to owners of the parent company		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2020	761,321	2.7	93,809	34.5	93,320	35.2	70,308	48.9	70,235	48.9	89,796	154.0
Fiscal 2019	741,018	-8.1	69,733	-24.8	69,013	-24.9	47,224	-29.1	47,156	-29.2	35,359	-43.0

	Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of the parent company	Net income to total assets	Operating income to revenue
	Yen	Yen	%	%	%
Fiscal 2020	472.71	472.39	10.0	9.9	12.3
Fiscal 2019	301.32	301.08	6.8	7.5	9.4

(Reference) Equity in earnings of affiliates: (Fiscal 2020) 25 million yen (Fiscal 2019) 13 million yen

#### (2) Financial position

	Total assets	Total equity	Equity attributable to owners of the parent company	Ratio of equity attributable to owners of the parent company to total assets	Equity attributable to owners of the parent company per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2021	965,901	716,686	715,868	74.1	4,838.07
March 31, 2020	921,900	690,204	689,446	74.8	4,479.29

#### (3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2020	116,309	-57,538	-68,297	300,888
Fiscal 2019	123,641	-59,991	-51,637	304,922

## 2. Dividends

	Dividends per share					Dividends total (Annual)	Dividend payout ratio (Consolidated)	Dividends to equity attributable to owners of the parent company (Consolidated)
	1Q	2Q	3Q	Year-end	Annual			
	yen	yen	yen	yen	yen	Millions of yen	%	%
March, 2020	-	100.00	-	100.00	200.00	31,081	66.4	4.5
March, 2021	-	100.00	-	100.00	200.00	29,593	42.3	4.3
(Forecast) March, 2022	-	110.00	-	110.00	220.00		43.4	

## 3. Forecast of Fiscal 2021 (April 1, 2021 through March 31, 2022)

(% of change from same period in the previous year)

	Revenue		Operating income		Income before income taxes		Net income		Net income attributable to owners of the parent company		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	
Annual	785,000	3.1	105,000	11.9	105,000	12.5	75,000	6.7	75,000	6.8	yen 506.87

## - Others

(1) Changes in significant subsidiaries during this fiscal year: No

(2) Changes in accounting policies applied and changes in accounting estimates

1. Changes in accounting policies required by IFRS: No
2. Changes in accounting policies other than the above: No
3. Changes in accounting estimates: No

(3) Number of shares outstanding (Common stock)

1. Number of shares outstanding at the end of the period (including treasury stock)
 

March, 2021: 149,758,428	March, 2020: 158,758,428
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2. Number of treasury stock at the end of the period
 

March, 2021: 1,792,681	March, 2020: 4,839,755
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3. Average number of outstanding shares during the period (cumulative from the beginning of the period)
 

Fiscal 2020: 148,580,010	Fiscal 2019: 156,501,732
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(Reference) Non-consolidated financial results of Fiscal 2020 (April 1, 2020 through March 31, 2021)

(1) Operating results

(% of change from previous year)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2020	481,473	2.3	51,919	22.4	69,522	17.1	51,855	12.5
Fiscal 2019	470,701	-4.1	42,406	4.1	59,356	-31.5	46,093	-35.9

	Net income per share - Basic	Net income per share - Diluted
	yen	yen
Fiscal 2020	349.01	348.77
Fiscal 2019	294.52	294.29

(2) Financial position

	Total assets	Net assets	Shareholders' equity to total assets	Net assets per share
	Millions of yen	Millions of yen	%	yen
March 31, 2021	681,499	454,160	66.6	3,066.03
March 31, 2020	679,932	464,800	68.3	3,015.27

(Reference) Shareholders' equity: (March 31, 2021) 453,667 million yen (March 31, 2020) 464,106 million yen

- This summary is not subject to audit procedures by Certified Public Accountants or audit firm.
- Explanations for adequate utilization of the forecast and other special matters

The forward-looking statements shown in this report, including the forecast, are prepared based on information available to the Company and on certain assumptions deemed reasonable as of the issuing date of the report. Consequently, the statements herein do not constitute promises regarding actual results by the Company. Actual results may differ materially from forecasted figures due to various unknown factors.

		Fiscal 2019 (April 1, 2019 through March 31, 2020)	Fiscal 2020 (April 1, 2020 through March 31, 2021)	
		Revenue	Revenue	Y-o-Y (%)
Industrial Tape	Functional Base Products	181,218	187,305	103.4
	Transportation	137,345	121,757	88.7
	Total	318,564	309,063	97.0
	Operating income	20,525	27,311	133.1
Optronics	Information Fine Materials	355,009	372,822	105.0
	Flexible Printed Circuits	43,289	56,063	129.5
	Total	398,299	428,886	107.7
	Operating income	57,294	80,727	140.9
Life Science	Revenue	27,129	29,855	110.0
	Operating income	-2,546	-3,011	-
Others	Revenue	26,943	23,266	86.4
	Operating income	-2,622	-7,496	-
Corporate/Elimination	Revenue	-29,918	-29,750	-
	Operating income	-2,916	-3,722	-
Total	Revenue	741,018	761,321	102.7
	Operating income	69,733	93,809	134.5

\* With the changes in the management structure that have been made during the fiscal year 2020 under review, partial changes have been made to reporting segments.

Such change has also been reflected in the figures for the fiscal year ended March 31, 2020.

#### 4. Consolidated Financial Statements

##### (1) Consolidated statements of financial position

(Yen in Millions)

	March 31, 2020	March 31, 2021
(Assets)		
Current assets		
Cash and cash equivalents	304,922	300,888
Trade and other receivables	154,473	182,939
Inventories	96,124	107,668
Other financial assets	2,642	1,399
Other current assets	17,893	17,121
Total current assets	576,056	610,017
Non-current assets		
Property, plant and equipment	266,948	270,813
Right-of-use assets	16,266	14,979
Goodwill	4,852	4,593
Intangible assets	10,198	13,620
Investments accounted for using equity method	206	392
Financial assets	7,242	10,856
Deferred tax assets	25,694	25,951
Other non-current assets	14,434	14,676
Total non-current assets	345,843	355,884
Total assets	921,900	965,901

	March 31, 2020	March 31, 2021
Liabilities and equity		
(Liabilities)		
Current liabilities		
Trade and other payables	90,811	100,790
Bonds and borrowings	90	545
Income tax payables	10,036	11,225
Other financial liabilities	24,050	22,834
Other current liabilities	36,907	47,387
Total current liabilities	161,895	182,783
Non-current liabilities		
Other financial liabilities	18,976	17,161
Defined benefit liabilities	48,272	46,754
Deferred tax liabilities	284	347
Other non-current liabilities	2,266	2,167
Total non-current liabilities	69,800	66,431
Total liabilities	231,696	249,214
(Equity)		
Equity attributable to owners of the parent company		
Share capital	26,783	26,783
Capital surplus	50,271	50,070
Retained earnings	643,521	635,916
Treasury stock	-27,505	-10,039
Other components of equity	-3,624	13,136
Total equity attributable to owners of the parent company	689,446	715,868
Non-controlling interests	757	817
Total equity	690,204	716,686
Total liabilities and equity	921,900	965,901

(2) Consolidated statements of income and consolidated statements of comprehensive income  
(Consolidated statements of income)

(Yen in Millions)

	Fiscal 2019 (April 1, 2019 through March 31, 2020)	Fiscal 2020 (April 1, 2020 through March 31, 2021)
Revenue	741,018	761,321
Cost of sales	519,090	517,872
Gross profit	221,927	243,449
Selling, general and administrative expenses	111,368	107,722
Research and development expenses	33,765	35,261
Other income	5,423	4,466
Other expenses	12,483	11,122
Operating income	69,733	93,809
Financial income	886	559
Financial expenses	1,620	1,073
Equity in profits (losses) of affiliates	13	25
Income before income taxes	69,013	93,320
Income tax expenses	21,788	23,012
Net income	47,224	70,308
Net income attributable to:		
Owners of the parent company	47,156	70,235
Non-controlling interests	68	72
Total	47,224	70,308
Earnings per share attributable to owners of the parent company		
Basic earnings per share (yen)	301.32	472.71
Diluted earnings per share (yen)	301.08	472.39

## (Consolidated statements of comprehensive income)

(Yen in Millions)

	Fiscal 2019 (April 1, 2019 through March 31, 2020)	Fiscal 2020 (April 1, 2020 through March 31, 2021)
Net income	47,224	70,308
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net gain (loss) on financial assets measured at fair value through other comprehensive income	-489	1,457
Reevaluation of defined benefit liability	3,515	2,626
Items that will be reclassified to profit or loss		
Exchange differences on translating foreign operations	-14,884	15,402
Net gain (loss) in fair value of cash flow hedges	0	-4
Share of other comprehensive income of associates accounted for using equity method	-7	6
Total other comprehensive income	-11,864	19,488
Total comprehensive income	35,359	89,796
Total comprehensive income attributable to:		
Owners of the parent company	35,290	89,714
Non-controlling interests	69	82
Total	35,359	89,796



(3) Consolidated statements of changes in equity  
Fiscal 2019 (April 1, 2019 through March 31, 2020)

(Yen in Millions)

	Equity attributable to owners of the parent company						Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury stock	Other components of equity	Total		
Balance as of April 1, 2019	26,783	50,319	622,025	-11,081	12,395	700,443	744	701,187
Net income	-	-	47,156	-	-	47,156	68	47,224
Other comprehensive income	-	-	-	-	-11,866	-11,866	1	-11,864
Total comprehensive income	-	-	47,156	-	-11,866	35,290	69	35,359
Share-based payment transactions	-	-37	-	-	-8	-45	-	-45
Dividends	-	-	-29,806	-	-	-29,806	-23	-29,829
Changes in treasury stock	-	-12	-	-16,424	-	-16,437	-	-16,437
Transfer from other components of equity to retained earnings	-	-	4,146	-	-4,146	-	-	-
Additional purchase of shares of consolidated subsidiaries	-	1	-	-	-	1	-32	-30
Total transactions with owners	-	-48	-25,660	-16,424	-4,154	-46,287	-55	-46,343
Balance as of March 31, 2020	26,783	50,271	643,521	-27,505	-3,624	689,446	757	690,204

Fiscal 2020 (April 1, 2020 through March 31, 2021)

(Yen in Millions)

	Equity attributable to owners of the parent company						Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury stock	Other components of equity	Total		
Balance as of April 1, 2020	26,783	50,271	643,521	-27,505	-3,624	689,446	757	690,204
Net income	-	-	70,235	-	-	70,235	72	70,308
Other comprehensive income	-	-	-	-	19,478	19,478	10	19,488
Total comprehensive income	-	-	70,235	-	19,478	89,714	82	89,796
Share-based payment transactions	-	-200	-	-	5	-195	-	-195
Dividends	-	-	-30,188	-	-	-30,188	-22	-30,211
Changes in treasury stock	-	-50,374	-	17,466	-	-32,908	-	-32,908
Transfer from other components of equity to retained earnings	-	-	2,723	-	-2,723	-	-	-
Transfer from retained earnings to capital surplus	-	50,374	-50,374	-	-	-	-	-
Total transactions with owners	-	-200	-77,840	17,466	-2,717	-63,291	-22	-63,314
Balance as of March 31, 2021	26,783	50,070	635,916	-10,039	13,136	715,868	817	716,686

## (4) Consolidated statements of cash flows

(Yen in Millions)

	Fiscal 2019 (April 1, 2019 through March 31, 2020)	Fiscal 2020 (April 1, 2020 through March 31, 2021)
Cash flows from operating activities		
Income before income taxes	69,013	93,320
Depreciation and amortization	49,390	47,950
Impairment losses	7,327	6,011
Increase (decrease) in defined benefit liabilities	2,677	1,878
Decrease (increase) in trade and other receivables	12,805	-21,058
Decrease (increase) in inventories	-5,132	-7,607
Increase (decrease) in trade and other payables	-4,899	9,234
Interest and dividend income	822	587
Interest expenses paid	-650	-617
Income taxes (paid) refunded	-13,332	-24,560
Others	5,619	11,171
Net cash provided by (used in) operating activities	123,641	116,309
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	-59,797	-57,724
Proceeds from sale of property, plant and equipment and intangible assets	1,444	341
Decrease (increase) in time deposits	-1,941	769
Purchase of investment securities	-1,236	-507
Proceeds from sale of investment securities	1,531	292
Purchase of shares of subsidiaries and associates	-	-880
Others	7	170
Net cash provided by (used in) investing activities	-59,991	-57,538
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	-336	428
Repayment of finance lease obligations	-4,735	-5,199
Decrease (increase) in treasury stock	-16,701	-33,312
Cash dividends paid	-29,820	-30,188
Others	-44	-25
Net cash provided by (used in) financing activities	-51,637	-68,297
Effect of exchange rate changes on cash and cash equivalents	-4,771	5,492
Net increase (decrease) in cash and cash equivalents	7,240	-4,034
Cash and cash equivalents at the beginning of the period	297,682	304,922
Cash and cash equivalents at the end of the period	304,922	300,888

## (Segment information)

Information regarding revenue, income, or loss, assets, liabilities, and other items by segments

Fiscal 2019 (April 1, 2019 through March 31, 2020)

(Yen in Millions)

	Industrial Tape	Optronics	Life Science	Others	Total	Adjustment	Figures in consolidated statements of income
Revenue from outside customers	303,321	390,262	22,638	23,744	739,967	1,050	741,018
Inter-segment revenue	15,242	8,037	4,490	3,198	30,969	-30,969	-
Total segment revenue	318,564	398,299	27,129	26,943	770,936	-29,918	741,018
Operating income (loss)	20,525	57,294	-2,546	-2,622	72,650	-2,916	69,733
Financial income							886
Financial expenses							-1,620
Equity in profits (losses) of affiliates							13
Income before income taxes							69,013
Segment assets	245,836	437,729	33,931	29,361	746,859	175,041	921,900
Other items:							
Depreciation and amortization	15,915	23,274	2,354	1,876	43,420	5,969	49,390
Impairment losses	4,241	2,398	99	-	6,739	587	7,327
Increase in property, plant and equipment and intangible assets	15,261	30,257	1,937	2,227	49,683	9,247	58,930

(Note) 1. -2,916 million yen in adjustment of operating income (loss) includes other profits (losses) not allocated to each segment.

2. 175,041 million yen in adjustment of segment assets includes Cash and cash equivalents, Property, plant and equipment and others not belonging to each business segment.

3. With the changes in the management structure that have been made during the fiscal year 2020 under review, partial changes have been made to reporting segments.

Such change has also been reflected in the figures for the fiscal year ended March 31, 2020.

## Major products for each segment

Business segment	Major products
Industrial Tape	Functional Base Products (bonding and joining products, protective materials, processing materials, etc.), Automotive Products
Optronics	Information Fine Materials, Flexible Printed Circuits
Life Science	Medical Products
Others	Membrane Products, Other Products

	Industrial Tape	Optronics	Life Science	Others	Total	Adjustment	Figures in consolidated statements of income
Revenue from outside customers	293,529	420,073	25,901	20,784	760,289	1,032	761,321
Inter-segment revenue	15,533	8,813	3,953	2,482	30,782	-30,782	-
Total segment revenue	309,063	428,886	29,855	23,266	791,071	-29,750	761,321
Operating income (loss)	27,311	80,727	-3,011	-7,496	97,531	-3,722	93,809
Financial income							559
Financial expenses							-1,073
Equity in profits (losses) of affiliates							25
Income before income taxes							93,320
Segment assets	256,913	486,969	39,269	29,368	812,520	153,380	965,901
Other items:							
Depreciation and amortization	16,108	20,884	2,405	2,129	41,527	6,422	47,950
Impairment losses	3,809	836	1,258	0	5,904	106	6,011
Increase in property, plant and equipment and intangible assets	12,660	29,697	1,358	2,272	45,989	4,608	50,597

(Note) 1. -3,722 million yen in adjustment of operating income (loss) includes other profits (losses) not allocated to each segment.

2. 153,380 million yen in adjustment of segment assets includes Cash and cash equivalents, Property, plant and equipment and others not belonging to each business segment.

#### Major products for each segment

Business segment	Major products
Industrial Tape	Functional Base Products (bonding and joining products, protective materials, processing materials, etc.), Automotive Products
Optronics	Information Fine Materials, Flexible Printed Circuits
Life Science	Medical Products
Others	Membrane Products, Other Products