

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2018 (Based on Japanese GAAP)

February 5, 2019

Company name: NITTO KOHKI CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 6151 URL: <http://www.nitto-kohki.co.jp>  
 Representative: Representative Director, President Akinobu Ogata  
 Inquiries: Director Yutaka Nishida TEL 03-3755-1111  
 Scheduled date to file Quarterly Securities Report: February 6, 2019  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the nine months ended December 31, 2018 (from April 1, 2018 to December 31, 2018)

#### (1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2018	21,868	3.9	4,235	1.3	4,238	0.0	2,956	0.4
Nine months ended December 31, 2017	21,041	8.6	4,182	27.3	4,237	28.9	2,943	28.0

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2018	139.13	–
Nine months ended December 31, 2017	138.51	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2018	61,144	53,750	87.9	2,529.35
As of March 31, 2018	61,821	52,807	85.4	2,484.97

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2018	–	30.00	–	41.00	71.00
Year ending March 31, 2019	–	34.50	–		
Year ending March 31, 2019 (Forecast)				34.50	69.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	28,700	1.7	5,170	(5.3)	5,280	(3.9)	3,650	(2.2)	171.78

#### 4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2018  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

#### (4) Number of issued shares (common shares)

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

As of December 31, 2018	21,803,295 shares	As of March 31, 2018	21,803,295 shares
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Number of treasury shares at the end of the period

As of December 31, 2018	555,634 shares	As of March 31, 2018	555,561 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2018	21,247,700 shares	Nine months ended December 31, 2017	21,247,823 shares
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## Quarterly consolidated financial statements

### Consolidated balance sheets

(Millions of yen)

	As of March 31, 2018	As of December 31, 2018
Assets		
Current assets		
Cash and deposits	25,904	24,563
Notes and accounts receivable - trade	7,310	7,415
Securities	4,699	5,499
Merchandise and finished goods	3,227	3,344
Work in process	276	252
Raw materials and supplies	1,844	2,112
Other	341	302
Allowance for doubtful accounts	(3)	(3)
Total current assets	43,602	43,486
Non-current assets		
Property, plant and equipment		
Buildings and structures	11,053	11,146
Accumulated depreciation	(5,318)	(5,561)
Buildings and structures, net	5,734	5,584
Machinery, equipment and vehicles	3,698	3,826
Accumulated depreciation	(2,569)	(2,746)
Machinery, equipment and vehicles, net	1,128	1,080
Tools, furniture and fixtures	6,791	6,866
Accumulated depreciation	(6,191)	(6,332)
Tools, furniture and fixtures, net	599	533
Land	3,684	3,686
Leased assets	1,716	1,721
Accumulated depreciation	(583)	(630)
Leased assets, net	1,133	1,091
Construction in progress	210	243
Total property, plant and equipment	12,492	12,219
Intangible assets		
Other	485	606
Total intangible assets	485	606
Investments and other assets		
Investment securities	3,540	3,064
Long-term loans receivable	60	55
Deferred tax assets	1,168	1,312
Other	488	414
Allowance for doubtful accounts	(15)	(15)
Total investments and other assets	5,241	4,831
Total non-current assets	18,218	17,657
Total assets	61,821	61,144

(Millions of yen)

	As of March 31, 2018	As of December 31, 2018
Liabilities		
Current liabilities		
Notes and accounts payable - trade	751	1,084
Lease obligations	205	198
Income taxes payable	1,651	173
Provision for bonuses	629	309
Provision for directors' bonuses	20	14
Other	1,550	1,531
Total current liabilities	4,807	3,311
Non-current liabilities		
Lease obligations	923	888
Net defined benefit liability	2,545	2,587
Provision for directors' retirement benefits	383	261
Asset retirement obligations	11	11
Other	341	333
Total non-current liabilities	4,205	4,082
Total liabilities	9,013	7,394
Net assets		
Shareholders' equity		
Capital stock	1,850	1,850
Capital surplus	1,924	1,924
Retained earnings	48,805	50,157
Treasury shares	(918)	(918)
Total shareholders' equity	51,661	53,012
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,138	794
Foreign currency translation adjustment	23	(36)
Remeasurements of defined benefit plans	(23)	(27)
Total accumulated other comprehensive income	1,139	729
Non-controlling interests	7	7
Total net assets	52,807	53,750
Total liabilities and net assets	61,821	61,144

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Net sales	21,041	21,868
Cost of sales	10,171	10,606
Gross profit	10,869	11,262
Selling, general and administrative expenses		
Salaries and allowances	1,750	1,770
Provision for bonuses	174	178
Retirement benefit expenses	125	117
Provision for directors' retirement benefits	27	26
Promotion expenses	663	747
Research and development expenses	572	669
Other	3,372	3,515
Total selling, general and administrative expenses	6,686	7,027
Operating profit	4,182	4,235
Non-operating income		
Interest income	23	30
Dividend income	51	59
Foreign exchange gains	6	—
House rent income	24	24
Other	36	51
Total non-operating income	141	164
Non-operating expenses		
Sales discounts	78	80
Foreign exchange losses	—	64
Other	9	16
Total non-operating expenses	87	162
Ordinary profit	4,237	4,238
Extraordinary income		
Gain on sales of non-current assets	98	—
Total extraordinary income	98	—
Extraordinary losses		
Loss on sales of non-current assets	57	—
Total extraordinary losses	57	—
Profit before income taxes	4,278	4,238
Income taxes	1,334	1,281
Profit	2,943	2,956
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	2,943	2,956

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Profit	2,943	2,956
Other comprehensive income		
Valuation difference on available-for-sale securities	467	(344)
Foreign currency translation adjustment	127	(60)
Remeasurements of defined benefit plans, net of tax	12	(4)
Total other comprehensive income	608	(409)
Comprehensive income	3,551	2,547
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,551	2,547
Comprehensive income attributable to non-controlling interests	0	0