

## Summary of Consolidated Financial Statements for the Year Ended March 31, 2026 (IFRS Basis)

Listed company name: **Nitto Denko Corporation**  
 Stock exchange listing: Tokyo Stock Exchange, Prime Market  
 Code Number: 6988 URL <https://www.nitto.com/>  
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Date of the general shareholders' meeting: June 19, 2026  
 Estimated starting date of dividend paying: June 22, 2026  
 Filing date of financial statements: June 17, 2026  
 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 for the year ended March 31, 2026

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

	Revenue		Operating profit		Profit before income taxes		Net profit		Net profit 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	%
For the year ended March 31, 2026	1,028,171	1.4	183,615	(1.1)	184,976	(0.2)	133,537	(2.7)	133,498	(2.7)	203,629	53.3
For the year ended March 31, 2025	1,013,878	10.8	185,667	33.4	185,329	33.4	137,307	33.6	137,237	33.7	132,869	(19.4)

	Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of the parent company	Net profit to total assets	Operating profit to revenue
	Yen	Yen	%	%	%
For the year ended March 31, 2026	197.20	197.11	12.2	13.4	17.9
For the year ended March 31, 2025	195.74	195.65	13.5	14.4	18.3

(Reference) Share of profit of investments accounted for using the equity method:

(For the year ended March 31, 2026) 147 million yen (For the year ended March 31, 2025) (108) million yen

(Note) The Company has implemented the stock split with an effective date of October 1, 2024 and a record date of September 30, 2024. Each share of common stock has been split into five shares. The above basic and diluted earnings per share for the year ended March 31, 2025 and 2026 are based on the assumption that the stock split is conducted at the beginning of the fiscal year ended March 31, 2025.

(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
As of the year ended March 31, 2026	1,441,757	1,149,103	1,148,027	79.6	1,704.17
As of the year ended March 31, 2025	1,321,920	1,045,114	1,044,083	79.0	1,502.42

(Note) The Company has implemented the stock split with an effective date of October 1, 2024 and a record date of September 30, 2024. Each share of common stock has been split into five shares. The above equity attributable to owners of the parent company per share for the year ended March 31, 2025 and 2026 are based on the assumption that the stock split is conducted at the beginning of the fiscal year ended March 31, 2025.

(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
For the year ended March 31, 2026	192,183	(107,436)	(106,597)	359,805
For the year ended March 31, 2025	217,908	(115,105)	(78,890)	363,344

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, 2025	-	140.00	-	28.00	-	39,110	28.6	3.9
March, 2026	-	30.00	-	30.00	60.00	40,419	30.4	3.7
(Forecast) March, 2027	-	32.00	-	32.00	64.00		30.6	

(Note) The Company has implemented the stock split with an effective date of October 1, 2024 and a record date of September 30, 2024. Each share of common stock has been split into five shares. The above year-end dividend per share for the fiscal year ended March 31, 2025 is based on a number of shares taking into account the stock split. The total annual dividend per share for the fiscal year ended March 31, 2025 is not presented because the total of the interim dividend and the year-end dividend cannot be calculated due to effect of the stock split. With taking the stock split into account, the interim dividend per share for the fiscal year ended March 31, 2025 would be 28 yen and the total annual dividend per share for the fiscal year ended March 31, 2025 would be 56 yen.

3. Forecast for the fiscal year ending March 31, 2027

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

	Revenue		Operating profit		Profit before income taxes		Net profit		Net profit 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	%	
First half	527,500	2.7	97,000	2.6	97,000	1.9	71,000	3.0	71,000	3.0	105.39
Annual	1,065,000	3.6	193,000	5.1	193,000	4.3	141,000	5.6	141,000	5.6	209.30

- 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 issued shares (Common stock)

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

As of March 31, 2026: 678,659,700

As of March 31, 2025: 706,760,750

2. Number of treasury shares at the end of the period

As of March 31, 2026: 4,999,950

As of March 31, 2025: 11,826,050

3. Average number of issued shares during the period (cumulative from the beginning of the period)

For the year ended March 31, 2026: 676,979,122

For the year ended March 31, 2025: 701,124,380

(Note) The Company has implemented the stock split with an effective date of October 1, 2024 and a record date of September 30, 2024. Each share of common stock has been split into five shares. The above “Number of issued shares at the end of the period”, “Number of treasury shares at the end of the period” and “Average number of issued shares during the period” are based on the assumption that the stock split is conducted at the beginning of the fiscal year ended March 31, 2025.

(Reference) Non-consolidated financial results for the year ended March 31, 2026

(1) Operating results

(% of change from previous year)

	Net sales		Operating profit		Ordinary profit		Net profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the year ended March 31, 2026	576,097	(3.7)	106,522	(12.7)	125,083	(4.6)	95,589	0.6
For the year ended March 31, 2025	598,416	15.4	122,014	38.0	131,046	39.0	94,998	26.9

	Net profit per share - Basic	Net profit per share -Diluted
	Yen	Yen
For the year ended March 31, 2026	141.20	141.14
For the year ended March 31, 2025	135.50	135.44

(Note) The Company has implemented the stock split with an effective date of October 1, 2024 and a record date of September 30, 2024. Each share of common stock has been split into five shares. The above basic and diluted net profit per share are based on the assumption that the stock split is conducted at the beginning of the fiscal year ended March 31, 2025.

(2) Financial position

	Total assets	Net assets	Ratio of shareholder's equity to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of the year ended March 31, 2026	840,085	533,980	63.5	792.22
As of the year ended March 31, 2025	824,328	537,478	65.2	773.00

(Reference) Shareholders' equity: (March 31, 2026) 533,687 million yen (March 31, 2025) 537,185 million yen

(Note) The Company has implemented the stock split with an effective date of October 1, 2024 and a record date of September 30, 2024. Each share of common stock has been split into five shares. The above net assets per share is based on the assumption that the stock split is conducted at the beginning of the fiscal year ended March 31, 2025.

- 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. For conditions regarding this forecast and precaution for use, please refer to "1. Overview of operating results, etc. (2) Outlook for the fiscal year ending March 31, 2027" on page 6 of the Attachment to this summary of consolidated financial results.

(Attached Documents)

Index

1. Overview of operating results, etc.....	2
(1) Overview of consolidated operating results and financial position during the period.....	2
(2) Outlook for the fiscal year ending March 31, 2027.....	6
(3) Dividend policy and dividends for the current and next fiscal years.....	7
2. Basic Approach to Selection of Accounting Standards.....	7
3. Consolidated Financial Statements and Key Notes.....	8
(1) Consolidated statement of financial position.....	8
(2) Consolidated statement of profit or loss and consolidated statement of comprehensive income.....	10
(3) Consolidated statement of changes in equity.....	12
(4) Consolidated statement of cash flows.....	14
(5) Notes on consolidated financial statements.....	15
(Notes on going concern assumption).....	15
(Notes on consolidated financial statements).....	15
(Additional information).....	16
(Segment information).....	17
(Notes on dividends).....	20
(Equity and other equity items).....	21
(Revenue).....	22
(Impairment losses).....	24
(Per share information).....	25
(Significant subsequent events).....	25

## 1. Overview of operating results, etc

### (1) Overview of operating results and financial position during the period

#### ① Overview of operating results

#### **Overview of overall business**

The economic environment in the fiscal year ended March 31, 2026, was characterized by a series of tariff measures implemented by the United States, which caused disruption to the economies and trade policies of countries around the world. In response, major economies took steps to support economic conditions through monetary and fiscal policies. Furthermore, toward the end of the fiscal year, increasing uncertainty in the business environment emerged amid a rapid escalation of tensions in the Middle East. In the United States, concerns over persistently high inflation and a slowdown in employment conditions led the Federal Reserve Board (FRB) to implement accommodative monetary policy, which provided resilience in personal consumption and capital investment. In Europe, defense-related spending and investments in the IT sector helped mitigate economic deterioration, while recovery in manufacturing industries such as automobiles remained sluggish. In China, the government's continued implementation of a trade-in program to promote the replacement of consumer goods supported personal consumption, and demand for semiconductors and IT-related products remained strong. Additionally, exports routed through Southeast Asian countries increased as companies sought to circumvent U.S. tariffs. In Japan, business sentiment remained resilient, supported by rising capital investment and broader wage increases by companies amid labor shortages.

Under these circumstances, in the key markets of Nitto Group (the "Group"), production units of IT devices and high-end smartphones exceeded expectations, leading to increased demand for our products. In oligonucleotide contract manufacturing business, a project related to major diseases progressed from the clinical stage to the commercialization stage, contributing to improved profitability.

Separately, the yen's exchange rate against the U.S. dollar for the fiscal year ended March 31, 2026, was 150.2 yen to the dollar, a 1.7% appreciation of the yen compared with the same period of the previous year, and the effect of the stronger yen decreased operating profit by 8.1 billion yen.

As a result of the above, revenue increased by 1.4% from the same period of the previous year (changes hereafter are given in comparison with the same period of the previous year) to 1,028,171 million yen. Operating profit decreased by 1.1% to 183,615 million yen, profit before income taxes decreased by 0.2% to 184,976 million yen, net profit decreased by 2.7% to 133,537 million yen, and net profit attributable to owners of the parent company decreased by 2.7% to 133,498 million yen.

#### **Summary of results by segment**

##### (Industrial Tape)

In Functional Base Products, revenue increased from the same period of the previous year. Demand for assembly materials used in high-end smartphones increased due to the expansion of models adopting battery bonding electrical release tape. In addition, demand for process materials used in the production of semiconductor memories and ceramic capacitors increased. Revenue for automotive materials decreased due to the decline in the number of automotive unit production by Japanese manufacturers in China.

As a result of the above, revenue increased by 4.2% to 366,607 million yen and operating profit increased by 12.6% to 51,662 million yen.

##### (Optronics)

In Information Fine Materials, revenue did not reach the level of the same period of the previous year. Demand for optical films increased as production units of high-end laptop PCs and tablets remained strong. On the other hand, revenue decreased due to the strategic withdrawal from optical films for LCD smartphones and price reductions resulting from material rationalization of process protection films.

In Circuit Materials, revenue increased from the same period of the previous year. Demand for high-precision circuits increased due to the strong production of high-end smartphones. Additionally, demand for Circuit Integrated Suspension (CIS) used in Hard Disk Drives (HDDs) with higher capacity for data centers remained strong driven by the spread of generative AI.

As a result of the above, revenue decreased by 2.6% to 527,812 million yen and operating profit decreased by 13.4% to 149,871 million yen.

(Human Life)

In Life Science, revenue increased from the same period of the previous year. Demand for oligonucleotide contract manufacturing and nucleic acid synthesis materials (NittoPhase<sup>TM</sup>) used within the manufacturing process increased. Additionally, production for the large-scale project expected to be commercialized in the future began in the second quarter of the current fiscal year. In nucleic acid drug discovery, Phase 1 clinical trial of intractable cancer drug was completed in the first quarter of the previous fiscal year, and we continue our efforts toward potential out-licensing opportunities.

In Membrane (high-polymer separation membrane), revenue did not reach the level of the same period of the previous year. While demand for Zero Liquid Discharge (ZLD) contributing to the complete reduction of industrial wastewater and effluent remained strong in China due to the tightening of environmental regulations relating to wastewater, demand for high-polymer separation membrane for various industrial applications decreased.

In Personal Care Materials, revenue increased from the same period of the previous year. The Group promoted our new products in hygiene materials for diapers and environmentally friendly products using biodegradable technologies. Separately, the Group recorded an impairment loss on fixed assets of 1,452 million yen in the third quarter of the current fiscal year.

As a result of the above, revenue increased by 8.5% to 143,702 million yen and operating loss amounted to 5,041 million yen. (operating loss of 11,718 million yen was reported in the same period of the previous year)

(Others)

Please note that this segment includes new products that have not generated sufficient revenue yet. The Group is concentrating our management resources on themes that are candidates for PlanetFlags<sup>TM</sup>/HumanFlags<sup>TM</sup> in areas of next generation semiconductors, environmental solutions, and digital health, with the aim of commercializing them as early as possible.

As a result of the above, revenue decreased by 40.6% to 11 million yen and operating loss amounted to 6,971 million yen. (operating loss of 12,229 million yen was reported in the same period of the previous year)

		For the year ended March 31, 2025	For the year ended March 31, 2026	
		Revenue	Revenue	Y-o-Y (%)
Industrial Tape	Revenue	351,829	366,607	104.2
	Operating profit	45,864	51,662	112.6
Optronics	Information Fine Materials	407,654	386,234	94.7
	Circuits Materials	134,339	141,577	105.4
	Total	541,993	527,812	97.4
	Operating profit	173,117	149,871	86.6
Human Life	Life Science	44,529	54,011	121.3
	Membrane	34,671	33,409	96.4
	Personal Care Materials	53,211	56,280	105.8
	Total	132,411	143,702	108.5
	Operating profit	(11,718)	(5,041)	-
Others	Revenue	19	11	59.4
	Operating profit	(12,229)	(6,971)	-
Adjustment	Revenue	(12,376)	(9,961)	-
	Operating profit	(9,365)	(5,905)	-
Total	Revenue	1,013,878	1,028,171	101.4
	Operating profit	185,667	183,615	98.9

(Note) As a result of changes in the management structure for the year ended March 31, 2026, some changes have been made to reporting segments. Such changes have been reflected in the figures for the year ended March 31, 2025.

② Overview of consolidated financial position and cash flows during the period

Cash and cash equivalents (hereinafter referred to as “Cash”) was 359,805 million yen at the end of the fiscal year ended March 31, 2026, a decreased of 3,538 million yen from the end of the previous fiscal year. The following are changes in the financial position by each cash flow activity and their factors.

(Cash flow from operating activities)

Cash increased by 192,183 million yen as a result of operating activities (an increase of 217,908 million yen at the end of the previous fiscal year). The main factors responsible for the increase were profit before income taxes of 184,976 million yen and depreciation and amortization of 70,677 million yen and impairment losses of 4,717 million yen and interest and dividend income of 3,214 million yen, while the main offsetting factors were decrease (increase) in defined benefit liabilities of 1,196 million yen and decrease (increase) in trade and other receivables of 4,670 million yen and decrease (increase) in inventories of 5,957 million yen and interest expenses paid of 1,036 million yen and income taxes (paid) refunded of 57,302 million yen and others of 2,111 million yen.

(Cash flow from investing activities)

Cash decreased by 107,436 million yen as a result of investing activities (a decrease of 115,105 million yen at the end of the previous fiscal year). The main factors responsible for the decrease were purchase of property, plant and equipment and intangible assets of 96,607 million yen, decrease (increase) in time deposits of 12,110 million yen and purchase of investment securities of 3,123 million yen, while the main offsetting factor was proceeds from sale of property, plant and equipment and intangible assets of 4,534 million yen.

(Cash flow from financing activities)

Cash decreased by 106,597 million yen as a result of financing activities (a decrease of 78,890 million yen at the end of the previous fiscal year). The main factors responsible for the decrease were repayment of lease liabilities of 6,626 million yen, decrease (increase) in treasury shares of 60,287 million yen, cash dividends paid of 39,667 million yen.

Shown below are the changes in the Group’s cash flow indices.

	March 2023	March 2024	March 2025	March 2026
Ratio of equity attributable to owners of the parent company to total assets (%)	78.2	78.7	79.0	79.6
Ratio of equity attributable to owners of the parent company on a market value basis (%)	108.1	155.8	143.8	143.2
Ratio of liabilities with interest to cash flow (year)	0.1	0.2	0.1	0.2
Interest coverage ratio (times)	337.4	255.0	269.3	185.5

(Notes) 1 Each index is calculated using the following formulae based on consolidated financial results.

Ratio of equity attributable to owners of the parent company to total assets (%):  $\text{Equity attributable to owners of the parent company} / \text{Total assets}$

Ratio of equity attributable to owners of the parent company on a market value basis (%):  $\text{Market capitalization} / \text{Total assets}$

Ratio of liabilities with interest to cash flow (year):  $\text{Liabilities with interest} / \text{Cash flow from operating activities}$

Interest coverage ratio (times):  $\text{Cash flow from operating activities} / \text{Interest payment}$

- 2 Market capitalization is calculated by the closing price of the share at the end of the year multiplied by the number of shares issued at the end of the year, after deduction of treasury shares.
- 3 Cash flow from operating activities is used to calculate the Group’s cash flow indices shown above.
- 4 Liabilities with interest represent all liabilities included in the consolidated statement of financial position for which interest is paid.

## (2) Outlook for the fiscal year ending March 31, 2027

In the fiscal year ending March 31, 2027 (April 1, 2026 to March 31, 2027), the global economy is expected to face risks such as rising energy prices, increasing logistics costs, and supply chain disruptions as geopolitical tensions in the Middle East intensify, requiring careful assessment of their potential impact. While inflation has generally shown signs of easing in the near term, a prolonged surge in energy prices could lead to a renewed acceleration of inflation and further intensification of global economic disruption.

Against this backdrop, the Group will strive to mitigate the impact on its production activities and continue to supply products to customers in a stable and reliable manner. Furthermore, with a view to medium- to long-term growth, the Group aims to expand the number of highly selected products (Double recognized products) that satisfy both PlanetFlags™/HumanFlags™—recognized for their particularly high level of contribution to the environment and human life based on our proprietary criteria—and Niche Top products. Through this initiative, we seek to simultaneously solve social issues and create economic value. Going forward, the Group will proactively allocate resources to the creation and expansion of Double recognized products, while simultaneously implementing structural reforms in low-profit and low-margin businesses. Through these efforts, the Group will aim to build a resilient business portfolio. Even amid rapid changes in the external environment, the Group will regard change as an opportunity, remain true to the Nitto spirit, and continue to promote ESG-oriented management.

In Industrial Tape, as Europe moves to mandate the “Right to Repair” for electronic devices such as smartphones, demand is expected to grow for battery bonding electrical release tape. Leveraging our release technologies and aiming for further business expansion, the Group has decided to make its largest-ever investment of 39 billion yen at the Toyohashi plant.

In addition, against the backdrop of the spread of generative AI, the Group will accelerate sales expansion by developing new applications for process materials used in the production of semiconductor memories and ceramic capacitors, with the aim of further improving profitability across the Industrial Tape segment as a whole.

In Information Fine Materials under Optronics, the Group will continue to focus on high-end products for automotive displays and foldable smartphones, which remain growth areas, while closely monitoring the potential impact of semiconductor memory shortages on production units of IT devices and smartphones. In these areas, rather than offering a single product, the Group will contribute to the evolution of display by providing customers with total solutions that combine multiple related products. In addition, in response to changes in the market environment, the Group will work to create new businesses in non-display markets to drive medium- to long-term growth.

In Circuit Materials, demand for Circuit Integrated Suspension (CIS) used in Hard Disk Drives (HDDs) is expected to increase, driven by continued rise of storage demand for data centers in the HDD market, and further increase in HDD capacity driven by advances in new technologies such as HAMR (Heat-Assisted Magnetic Recording) are expected. Additionally, for high-precision circuits used in high-end smartphones, the Group plans to expand sales to our existing customer by introducing a new product for a new application, alongside the existing application.

In Life Science under Human Life, for oligonucleotide contract manufacturing business, demand for a large-scale project that has progressed from the clinical stage to the commercialization stage is expected to increase. Furthermore, to meet growing demand for nucleic acid synthesis materials (NittoPhase™), existing plant with expanded capacity in Japan and new plant in the United States are expected to begin full-scale operations. In nucleic acid drug discovery, the Group will continue to focus on developing nucleic acid Drug Delivery System (DDS) designing technologies and concluding licensing agreements. With regard to out-licensing activities for intractable cancer drug, the Group will determine the appropriate course of action while taking into account the business environment and other relevant factors.

In Membrane (high-polymer separation membrane), in response to the tightening of environmental regulations relating to wastewater in various countries, demand for products contributing to the complete reduction of industrial wastewater and effluent is expected to increase. In addition, the Group will focus on developing energy-efficient and long-life products that support the reduction of customers’ operating costs.

In Personal Care Materials, the Group will continue to expand sales of new products in hygiene materials for diapers, as well as environmentally friendly products using biodegradable technologies, with the aim of improving profitability.

For new businesses in Others, the Group will concentrate our management resources on themes that are candidates for PlanetFlags™/HumanFlags™ in areas of advanced semiconductors, environmental solutions, and medical devices, with the aim of commercializing them as early as possible.

The forecasts for the consolidated fiscal year ending March 31, 2027, are as follows: The exchange rate is assumed to be 1\$ = 153yen.

(The forecasts for the consolidated fiscal year ending March 31, 2027)

Revenue	1,065,000 million yen (up by 3.6% from the previous fiscal year)
Operating profit	193,000 million yen (up by 5.1% from the previous fiscal year)
Profit before income taxes	193,000 million yen (up by 4.3% from the previous fiscal year)
Net profit	141,000 million yen (up by 5.6% from the previous fiscal year)
Net profit attributable to owners of the parent company	141,000 million yen (up by 5.6% from the previous fiscal year)

(The forecasts for the first six months of the fiscal year ending March 31, 2027 (April 1, 2026 through September 30, 2026))

Revenue	527,500 million yen (up by 2.7% from the previous fiscal year)
Operating profit	97,000 million yen (up by 2.6% from the previous fiscal year)
Profit before income taxes	97,000 million yen (up by 1.9% from the previous fiscal year)
Net profit	71,000 million yen (up by 3.0% from the previous fiscal year)
Net profit attributable to owners of the parent company	71,000 million yen (up by 3.0% from the previous fiscal year)

The earnings forecasts and other data above are based on information currently available to the Company, and they involve potential risks and uncertainties. Please be aware that actual results may vary significantly due to various factors.

### (3) Dividend policy and dividends for the current and next fiscal years

The Group's dividend policy is to ensure stable and fair returns to its shareholders, and our targets are DOE (dividend on equity) of 4% or higher and a total payout ratio of 60% or higher. In addition, the Group will acquire treasury shares as part of our flexible capital policy and comprehensive shareholder return policy.

In accordance with the basic policy outlined above, the Group has planned to pay year-end dividend of 30 yen per share for fiscal 2025. The Group has planned to pay 64 yen per share as the annual dividend for the next fiscal year, an increase of 4 yen from the fiscal 2025 annual dividend of 60 yen.

## 2. Basic Approach to Selection of Accounting Standards

For the purposes of improving international comparability of financial information and unifying accounting within the Group, the International Financial Reporting Standards (IFRS) has been introduced from the first quarter of the year ended March 31, 2015 in order to prepare consolidated financial statements accordingly.

### 3. Consolidated Financial Statements and Key Notes

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

(Millions of yen)

	As of the year ended March 31, 2025	As of the year ended March 31, 2026
<b>Assets</b>		
Current assets		
Cash and cash equivalents	363,344	359,805
Trade and other receivables	210,418	231,880
Inventories	142,932	157,870
Other financial assets	7,732	19,436
Other current assets	25,781	28,301
Total current assets	750,209	797,294
Noncurrent assets		
Property, plant and equipment	417,636	466,960
Right-of-use assets	19,058	20,608
Goodwill	57,167	64,125
Intangible assets	17,026	16,942
Investments accounted for using equity method	7,319	6,687
Financial assets	11,096	13,516
Deferred tax assets	17,873	19,095
Other noncurrent assets	24,533	36,526
Total noncurrent assets	571,711	644,463
Total assets	1,321,920	1,441,757

(Millions of yen)

	As of the year ended March 31, 2025	As of the year ended March 31, 2026
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	100,508	103,605
Borrowings	455	-
Income tax payables	28,183	17,932
Other financial liabilities	36,102	39,828
Other current liabilities	56,485	64,604
<b>Total current liabilities</b>	<b>221,735</b>	<b>225,970</b>
<b>Noncurrent liabilities</b>		
Other financial liabilities	20,160	21,711
Defined benefit liabilities	28,991	29,809
Deferred tax liabilities	3,856	11,780
Other noncurrent liabilities	2,062	3,381
<b>Total noncurrent liabilities</b>	<b>55,070</b>	<b>66,683</b>
<b>Total liabilities</b>	<b>276,806</b>	<b>292,653</b>
<b>Equity</b>		
<b>Equity attributable to owners of the parent company</b>		
Share capital	26,783	26,783
Capital surplus	49,934	49,934
Retained earnings	890,040	912,008
Treasury shares	(31,799)	(13,849)
Other components of equity	109,124	173,150
<b>Total equity attributable to owners of the parent company</b>	<b>1,044,083</b>	<b>1,148,027</b>
Noncontrolling interests	1,031	1,075
<b>Total equity</b>	<b>1,045,114</b>	<b>1,149,103</b>
<b>Total liabilities and equity</b>	<b>1,321,920</b>	<b>1,441,757</b>

(2) Consolidated statement of profit or loss and consolidated statement of comprehensive income  
(Consolidated statement of profit or loss)

(Millions of yen)

	For the year ended March 31, 2025	For the year ended March 31, 2026
Revenue	1,013,878	1,028,171
Cost of sales	618,365	637,408
Gross profit	395,513	390,763
Selling, general and administrative expenses	151,835	156,322
Research and development expenses	46,771	48,025
Other income	11,827	12,571
Other expenses	23,066	15,371
Operating profit	185,667	183,615
Finance income	2,901	3,258
Finance expenses	3,131	2,045
Share of profit of investments accounted for using the equity method	(108)	147
Profit before income taxes	185,329	184,976
Income tax expenses	48,021	51,438
Net profit	137,307	133,537
Net profit attributable to:		
Owners of the parent company	137,237	133,498
Noncontrolling interests	70	38
Total	137,307	133,537
Earnings per share attributable to owners of the parent company		
Basic earnings per share (Yen)	195.74	197.20
Diluted earnings per share (Yen)	195.65	197.11

(Consolidated statement of comprehensive income)

(Millions of yen)

	For the year ended March 31, 2025	For the year ended March 31, 2026
Net profit	137,307	133,537
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net changes on financial assets measured at fair value through other comprehensive income	(12)	103
Remeasurement of defined benefit liability	9,066	5,963
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(13,453)	63,723
Net changes in fair value of cash flow hedges	0	(0)
Share of other comprehensive income of investments accounted for using equity method	(39)	302
Total other comprehensive income	<u>(4,438)</u>	<u>70,092</u>
Total comprehensive income	<u>132,869</u>	<u>203,629</u>
Total comprehensive income attributable to:		
Owners of the parent company	132,783	203,566
Noncontrolling interests	86	63
Total	<u>132,869</u>	<u>203,629</u>

## (3) Consolidated statement of changes in equity

For the year ended March 31, 2025

(Millions of yen)

	Equity attributable to owners of the parent company						Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total		
Balance as of April 1, 2024	26,783	49,928	808,062	(23,298)	122,544	984,020	1,028	985,048
Net profit	-	-	137,237	-	-	137,237	70	137,307
Other comprehensive income	-	-	-	-	(4,454)	(4,454)	15	(4,438)
Total comprehensive income	-	-	137,237	-	(4,454)	132,783	86	132,869
Share based remuneration transactions	-	-	-	-	123	123	-	123
Dividends	-	-	(38,040)	-	-	(38,040)	(20)	(38,060)
Changes in treasury shares	-	(26,308)	-	(8,501)	-	(34,809)	-	(34,809)
Transfer from other components of equity to retained earnings	-	-	9,089	-	(9,089)	-	-	-
Acquisition of NCI without change in control	-	6	-	-	-	6	(63)	(56)
Transfer from retained earnings to capital surplus	-	26,308	(26,308)	-	-	-	-	-
Total transactions with owners	-	6	(55,259)	(8,501)	(8,965)	(72,720)	(83)	(72,803)
Balance as of March 31, 2025	26,783	49,934	890,040	(31,799)	109,124	1,044,083	1,031	1,045,114

For the year ended March 31, 2026

(Millions of yen)

	Equity attributable to owners of the parent company					Total	Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity			
Balance as of April 1, 2025	26,783	49,934	890,040	(31,799)	109,124	1,044,083	1,031	1,045,114
Net profit	-	-	133,498	-	-	133,498	38	133,537
Other comprehensive income	-	-	-	-	70,067	70,067	24	70,092
Total comprehensive income	-	-	133,498	-	70,067	203,566	63	203,629
Share based remuneration transactions	-	19	-	-	(88)	(69)	-	(69)
Dividends	-	-	(39,667)	-	-	(39,667)	(19)	(39,687)
Changes in treasury shares	-	(77,835)	-	17,950	-	(59,884)	-	(59,884)
Transfer from other components of equity to retained earnings	-	-	5,952	-	(5,952)	-	-	-
Transfer from retained earnings to capital surplus	-	77,815	(77,815)	-	-	-	-	-
Others	-	-	-	-	-	-	0	0
Total transactions with owners	-	0	(111,530)	17,950	(6,041)	(99,622)	(18)	(99,640)
Balance as of March 31, 2026	26,783	49,934	912,008	(13,849)	173,150	1,148,027	1,075	1,149,103

## (4) Consolidated statement of cash flows

(Millions of yen)

	For the year ended March 31, 2025	For the year ended March 31, 2026
<b>Cash flows from operating activities</b>		
Profit before income taxes	185,329	184,976
Depreciation and amortization	65,595	70,677
Impairment losses	12,339	4,717
Increase (decrease) in defined benefit liabilities	1,048	(1,196)
Decrease (increase) in trade and other receivables	(3,791)	(4,670)
Decrease (increase) in inventories	(8,526)	(5,957)
Increase (decrease) in trade and other payables	2,369	332
Increase (decrease) in advances received	(413)	540
Interest and dividend income	2,849	3,214
Interest expenses paid	(809)	(1,036)
Income taxes (paid) refunded	(34,304)	(57,302)
Others	(3,779)	(2,111)
Net cash provided by (used in) operating activities	217,908	192,183
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(106,003)	(96,607)
Proceeds from sale of property, plant and equipment and intangible assets	208	4,534
Decrease (increase) in time deposits	(2,371)	(12,110)
Purchase of investment securities	(762)	(3,123)
Proceeds from sale of investment securities	55	8
Purchase of shares of subsidiaries and affiliates	(6,256)	(206)
Others	23	68
Net cash provided by (used in) investing activities	(115,105)	(107,436)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowing	109	-
Repayment of lease liabilities	(5,822)	(6,626)
Decrease (increase) in treasury shares	(35,062)	(60,287)
Cash dividends paid	(38,040)	(39,667)
Others	(75)	(15)
Net cash provided by (used in) financing activities	(78,890)	(106,597)
Effect of exchange rate changes on cash and cash equivalents	(2,837)	18,311
Net increase (decrease) in cash and cash equivalents	21,074	(3,538)
Cash and cash equivalents at the beginning of the period	342,269	363,344
Cash and cash equivalents at the end of the period	363,344	359,805

(5) Notes on consolidated financial statements

(Notes on going concern assumption)

Not applicable.

(Notes on consolidated financial statements)

1. Reporting entity

Nitto Denko Corporation (the “Company”) is a corporation domiciled in Japan. The consolidated financial statements above comprise the Company and its subsidiaries (the “Group”) and the Group’s affiliates. The Group is engaged mainly in the “Industrial Tape business,” the “Optronics business,” the “Human Life business,” and “Others” (related businesses with a broad range of products). See “Segment information,” for details.

2. Basis of preparation

(1) Accounting standards compliance

The Group’s consolidated financial statements, which meet the requirements of a “specified company complying with any designated international accounting standards” defined in Article 1-2 of the Regulation on Consolidated Financial Statements, have been prepared in accordance with IFRS as prescribed in Article 312 of the Regulation on Consolidated Financial Statements.

(2) Presentation currency and units

The consolidated financial statements are presented in Japanese yen and figures less than a million yen are rounded down to the nearest million yen.

(3) Significant accounting estimates and judgments

When preparing the consolidated financial statements, management makes judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, and the effect of revised accounting estimates is recognized in the current and future accounting periods.

(4) Approval of the consolidated financial statements

The consolidated financial statements were approved by Tatsuya Akagi, President, and Yasuhiro Iseyama, CFO on April 27, 2026.

3. Material accounting policies

Material accounting policies implemented in the consolidated financial statements are the same as the accounting policies implemented in the Group’s consolidated financial statements for the fiscal year ended March 31, 2026.

(Additional information)

(Share Repurchase)

The Company resolved at a meeting of its Board of Directors on March 30, 2026 the repurchase of its own shares pursuant to Article 156 of the Companies Act of Japan as applied pursuant to Article 165, Paragraph 3.

1. Purpose of the Share Repurchase

To enable an execution of agile capital management policy following changes in the business environment as a part of the return to shareholders.

2. Details of the Share Repurchase

- (1) Class of shares to be repurchased: Common stock
- (2) Total number of repurchasable shares: 20,000,000 shares (maximum)  
(2.97% of the total number of issued shares [excluding treasury shares])
- (3) Total repurchase amount: JPY 50,000,000,000 (maximum)
- (4) Repurchase period: From April 8, 2026 to August 31, 2026
- (5) Method of repurchase: Market purchase at Tokyo Stock Exchange

(Segment information)

(1) Outline of reportable segments

Reportable segments of the Group are determined as segments whose separate financial information is available among the constituent units of the Group and which are regularly used by the Board of Directors, the chief operating decision maker, to determine the allocation of management resources and to evaluate their business results.

The Group has divisions by product, and each division develops comprehensive domestic and overseas strategies for its products and conducts business activities.

The Group's segments are based on three product divisions, and its three reportable segments are the Industrial Tape segment, the Optronics segment and the Human Life segment. Each reportable segment is grouped into one operating segment based on similarities in products, markets, and other aspects.

Intersegment revenue is based on prevailing market prices.

Major products for each segment

Operating segment	Major products or business
Industrial Tape	Functional Base Products (bonding and joining products, protective materials, processing materials, automotive products, etc.)
Optronics	Information Fine Materials (optical films, etc.), Circuits Materials (CIS (Circuit Integrated Suspension), high-precision circuits, etc.)
Human Life	Life Science (oligonucleotide contract manufacturing business, nucleic acid synthesis materials, nucleic acid drug discovery, medical products, etc.), Membrane (high-polymer separation membrane), Personal Care Materials (functional film for hygienic materials, etc.)
Others	New Business, Other Products

(2) Information regarding revenue, profit or loss, assets, and other items by segments

Segment information regarding the Group's reportable segments is as follows.

For the year ended March 31, 2025

(Millions of yen)

	Reportable segments				Others	Total	Adjustment	Figures in consolidated statement of profit or loss
	Industrial Tape	Optronics	Human Life	Total				
Revenue from external customers	348,960	537,852	125,570	1,012,383	19	1,012,403	1,475	1,013,878
Intersegment revenue	2,869	4,141	6,841	13,851	-	13,851	(13,851)	-
Total segment revenue	351,829	541,993	132,411	1,026,234	19	1,026,254	(12,376)	1,013,878
Operating profit (loss)	45,864	173,117	(11,718)	207,262	(12,229)	195,033	(9,365)	185,667
Finance income								2,901
Finance expenses								(3,131)
Share of profit of investments accounted for using the equity method								(108)
Profit before income taxes								185,329
Segment assets	301,496	749,095	229,308	1,279,901	9,719	1,289,620	32,299	1,321,920
Other items:								
Depreciation and amortization	18,451	27,263	11,562	57,277	864	58,141	7,454	65,595
Impairment losses	885	2,016	4,042	6,945	5,211	12,156	183	12,339
Increase in property, plant and equipment and intangible assets	18,795	47,875	15,108	81,779	1,741	83,520	9,456	92,976

(Note) 1. Others is an operating segment that is not included in the reportable segments and consists of New Business.

2. Adjustment of operating profit (loss) amounted to (9,365) million yen includes other incomes (losses) not allocated to each operating segment.
3. Adjustment of segment assets amounted to 32,299 million yen includes Cash and cash equivalents, Property, plant and equipment and others not belonging to each operating segment.
4. As a result of changes in the management structure for the year ended March 31, 2026, some changes have been made to reporting segments. Such changes have been reflected in the figures for the year ended March 31, 2025.

For the year ended March 31, 2026

(Millions of yen)

	Reportable segments				Others	Total	Adjustment	Figures in consolidated statement of profit or loss
	Industrial Tape	Optronics	Human Life	Total				
Revenue from external customers	364,827	524,598	137,246	1,026,672	11	1,026,684	1,487	1,028,171
Intersegment revenue	1,780	3,213	6,455	11,448	-	11,448	(11,448)	-
Total segment revenue	366,607	527,812	143,702	1,038,121	11	1,038,132	(9,961)	1,028,171
Operating profit (loss)	51,662	149,871	(5,041)	196,492	(6,971)	189,521	(5,905)	183,615
Finance income								3,258
Finance expenses								(2,045)
Share of profit of investments accounted for using the equity method								147
Profit before income taxes								<u>184,976</u>
Segment assets	343,802	831,110	241,639	1,416,552	10,645	1,427,198	14,559	1,441,757
Other items:								
Depreciation and amortization	18,801	30,527	11,885	61,213	1,099	62,313	8,363	70,677
Impairment losses	1,476	1,389	1,520	4,385	59	4,445	272	4,717
Increase in property, plant and equipment and intangible assets	19,339	43,628	16,853	79,821	1,567	81,389	5,452	86,841

(Note) 1. Others is an operating segment that is not included in the reportable segments and consists of New Business.

2. Adjustment of operating profit (loss) amounted to (5,905) million yen includes other incomes (losses) not allocated to each operating segment.

3. Adjustment of segment assets amounted to 14,559 million yen includes Cash and cash equivalents, Property, plant and equipment and others not belonging to each operating segment.

(Notes on dividends)

For the year ended March 31, 2025

(1) Dividend payments

Resolution	Type of shares	Cash dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date	Source of dividends
June 21, 2024 Ordinary General Meeting of Shareholders	Common stock	18,388	130	March 31, 2024	June 24, 2024	Retained earnings
October 28, 2024 Board of Directors Meeting	Common stock	19,651	140	September 30, 2024	November 29, 2024	Retained earnings

(2) Of the dividends for which the record date falls during the current fiscal year, items for which the effective date is in the following fiscal year

Resolution	Type of shares	Cash dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date	Source of dividends
June 20, 2025 Ordinary General Meeting of Shareholders	Common stock	19,458	28	March 31, 2025	June 23, 2025	Retained earnings

For the year ended March 31, 2026

(1) Dividend payments

Resolution	Type of shares	Cash dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date	Source of dividends
June 20, 2025 Ordinary General Meeting of Shareholders	Common stock	19,458	28	March 31, 2025	June 23, 2025	Retained earnings
October 27, 2025 Board of Directors Meeting	Common stock	20,209	30	September 30, 2025	November 28, 2025	Retained earnings

(2) Of the dividends for which the record date falls during the current fiscal year, items for which the effective date is in the following fiscal year

Resolution	Type of shares	Cash dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date	Source of dividends
June 19, 2026 Ordinary General Meeting of Shareholders	Common stock	20,209	30	March 31, 2026	June 22, 2026	Retained earnings

(Note) The Company has implemented the stock split with an effective date of October 1, 2024 and a record date of September 30, 2024. Each share of common stock has been split into five shares. The above dividends per share as of a record date before September 30, 2024 is based on the actual amount of dividends before the stock split.

(Equity and other equity items)

(Repurchase of treasury shares)

Pursuant to the resolution at the Board of Directors meeting on January 27, 2025, the Company has acquired its treasury shares. According to this repurchase, treasury shares increased by 21,427 thousand and 60,287 million yen in the fiscal year ended March 31, 2026, completing the share repurchase under that resolution.

(Disposal of treasury shares)

Pursuant to the resolution at the Board of Directors meeting on June 20, 2025, the Company has disposed of its treasury shares as restricted share remuneration and performance-linked share-based remuneration on July 10, 2025. According to this disposal, treasury shares decreased by 152 thousand and 402 million yen in the fiscal year ended March 31, 2026.

(Cancellation of treasury shares)

Pursuant to the resolution at the Board of Directors meeting on September 25, 2025, the Company has canceled its treasury shares on October 15, 2025. According to this cancellation, treasury shares decreased by 28,101 thousand and 77,835 million yen in the fiscal year ended March 31, 2026.

(Revenue)

As described in (Segment information), the Group has three reportable segments which are the Industrial Tape segment, the Optronics segment and the Human Life segment. The relationship between the disaggregated revenues and the revenues from external customers in each reportable segment is as follows.

For the year ended March 31, 2025

(Millions of yen)

Segment name	Major products or business	Japan	Americas	Europe	Asia/ Oceania	Total
Industrial Tape	Functional Base Products	107,210	34,025	35,418	172,306	348,960
	Information Fine Materials	20,743	-	-	384,690	405,434
Optronics	Circuits Materials	56,604	-	-	75,813	132,417
	Total	77,348	-	-	460,503	537,852
	Life Science	4,050	35,455	6	0	39,513
Human Life	Membrane	2,778	16,863	4,745	8,646	33,034
	Personal Care Materials	-	3,736	48,762	523	53,023
	Total	6,828	56,056	53,515	9,171	125,570
Others	New Business, Other Products	0	3	-	16	19
Adjustment		1,465	9	-	-	1,475
	Total	192,852	90,094	88,934	641,997	1,013,878

As a result of changes in the management structure for the year ended March 31, 2026, some changes have been made to reporting segments. Such changes have been reflected in the figures for the year ended March 31, 2025.

Revenue by region is based on the location of each base, and the main countries and regions included in the classification other than Japan are as follows.

Americas: United States, Mexico, Brazil

Europe: Belgium, France, Germany, Sweden, Turkey

Asia/Oceania: China, Korea, Taiwan, Singapore, Malaysia, Hong Kong, Thailand, Vietnam

For the year ended March 31, 2026

(Millions of yen)

Segment name	Major products or business	Japan	Americas	Europe	Asia/ Oceania	Total
Industrial Tape	Functional Base Products	106,433	32,848	39,327	186,217	364,827
Optronics	Information Fine Materials	14,459	-	-	370,396	384,855
	Circuits Materials	43,959	-	-	95,783	139,742
	Total	58,418	-	-	466,179	524,598
Human Life	Life Science	3,774	45,533	2	0	49,310
	Membrane	2,725	15,014	5,012	8,984	31,736
	Personal Care Materials	-	3,520	52,152	526	56,199
	Total	6,499	64,069	57,166	9,511	137,246
Others	New Business, Other Products	-	11	-	-	11
Adjustment		1,487	-	-	-	1,487
	Total	172,839	96,929	96,494	661,908	1,028,171

Revenue by region is based on the location of each base, and the main countries and regions included in the classification other than Japan are as follows.

Americas: United States, Mexico, Brazil

Europe: Belgium, France, Germany, Sweden, Turkey

Asia/Oceania: China, Korea, Taiwan, Singapore, Malaysia, Hong Kong, Thailand, Vietnam

(Impairment losses)

For the year ended March 31, 2025

During the fiscal year ended March 31, 2025, impairment losses were 12,339 million yen, which are included in “Other expenses.” The major factors are as follows.

The Company has made a decision to discontinue the commercialization of plastic optical fiber/cable in Circuit Materials under Optronics segment and recorded impairment losses of 1,846 million yen on production equipment, etc. Accordingly, the carrying amount was reduced to the recoverable amount of zero. The recoverable amount is measured based on the fair value less costs of disposal (projected sale value, etc.), and is classified within the fair value hierarchy as Level 3.

In addition, the Company has recorded impairment losses of 5,199 million yen on goodwill related to the flexible sensor business of Nitto Bend Technologies, Inc. belonging to Others segment. This was because the initially envisioned revenue could no longer be expected as a result of reviewing our business plans, and it was expected that the carrying amount could not be recovered. The recoverable amount is calculated based on the fair value less costs of disposal using the discounted cash flow method, and is classified within the fair value hierarchy as Level 3. The key assumptions are projected demand and a discount rate in our business plan. The discount rates (before tax) for the previous and the current fiscal year are 29.0% and 28.3%, respectively.

In addition, the Company has recorded impairment losses of 3,298 million yen on goodwill related to Nitto Advanced Film Gronau GmbH belonging to Human Life segment. This was because the initially envisioned revenue could no longer be expected as a result of reviewing our business plans, and it was expected that the carrying amount could not be recovered. The recoverable amount is calculated based on the fair value less costs of disposal using the discounted cash flow method, and is classified within the fair value hierarchy as Level 3. The key assumptions are projected demand, perpetual growth rate and a discount rate in our business plan. The perpetual growth rate for both the previous and the current fiscal year are 1.4%. The discount rates (before tax) for the previous and the current fiscal year are 7.2% and 7.5%, respectively.

For the year ended March 31, 2026

Since there is no important matter for the year ended March 31, 2026, a description is omitted.

(Per share information)

Basic earnings per share, diluted earnings per share and basis for calculations are as follows.

	For the year ended March 31, 2025	For the year ended March 31, 2026
(1) Basic earnings per share	195.74 yen	197.20 yen
Basis for calculation		
Net profit attributable to owners of the parent company (Millions of yen)	137,237	133,498
Average number of common shares (Thousands of shares)	701,124	676,979
(2) Diluted earnings per share	195.65 yen	197.11 yen
Basis for calculation		
Increase in the number of common stock upon exercise of the stock option (Thousands of shares)	250	250
Increase in the number of common stock upon Performance-linked share-based remuneration plan (Thousands of shares)	49	34

(Note) The Company has implemented the stock split with an effective date of October 1, 2024 and a record date of September 30, 2024. Each share of common stock has been split into five shares. The above basic and diluted earnings per share for the year ended March 31, 2025 and 2026 are based on the assumption that the stock split is conducted at the beginning of the fiscal year ended March 31, 2025.

(Significant subsequent events)

Not applicable.