



Financial Results FY2022

Nitto Denko Corporation

April 26, 2023

Nitto

Innovation for Customers

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Full-year Results for FY2022

Summary of Financial Results

Full year Results for FY2022

Revenue

929.0 B. yen

Operating
Income

147.2 B. yen

YoY

Revenue

+75.6 B. yen
(+8.9%)

Operating
Income

+14.9 B. yen
(+11.3%)

- Revenue of Information Fine Materials and Flexible Printed Circuits grew
- For Industrial Tape and Human Life, revenue increased, but operating income decreased
- Impact of yen weakness on operating income was 69.5 B. yen

FY2022 Results

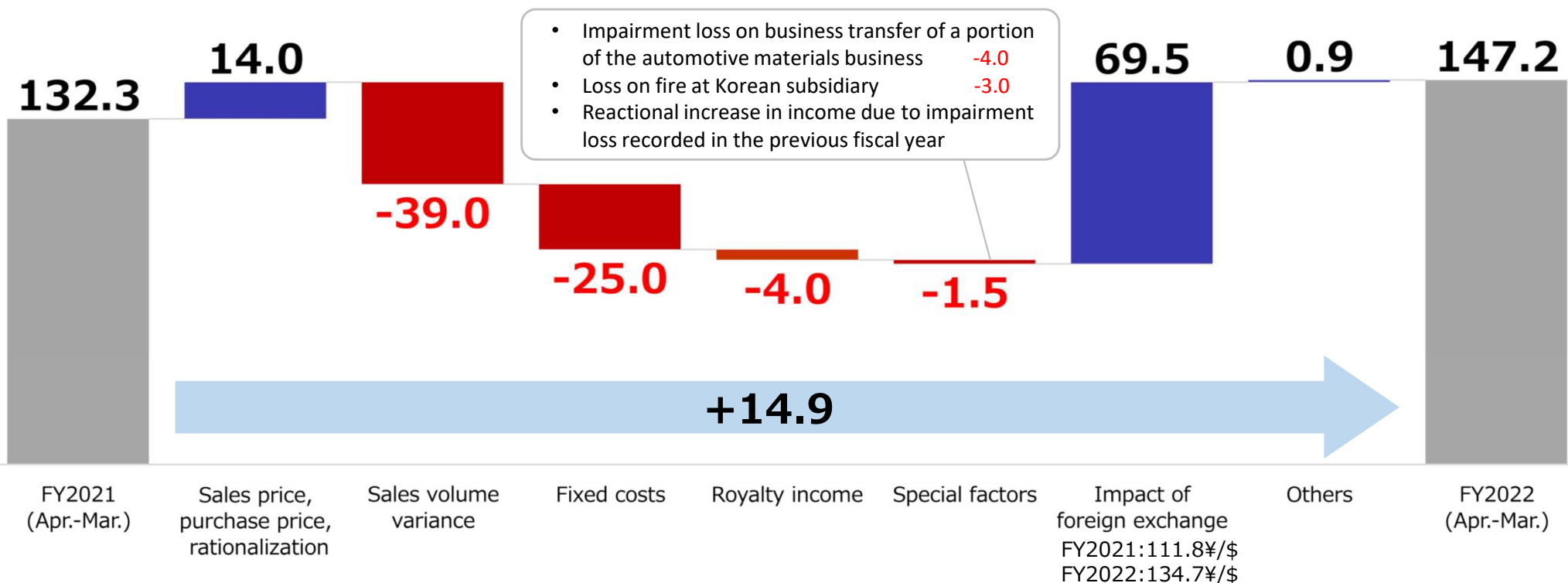
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(Billion yen)

| | FY2021 (Apr.-Mar.) | FY2022 (Apr.-Mar.) | YoY | Change % |
|---|-----------------------|-----------------------|-------|-------------|
| Revenue | 853.4 | 929.0 | +75.6 | +8.9% |
| Operating income | 132.3 | 147.2 | +14.9 | +11.3% |
| Operating income to revenue | 15.5% | 15.8% | +0.3% | — |
| Income before income taxes | 132.4 | 146.8 | +14.5 | +10.9% |
| Net income attributable to owners of the parent company | 97.1 | 109.2 | +12.0 | +12.4% |
| Yen/1US\$ | 111.8 | 134.7 | +22.9 | +20.5% |

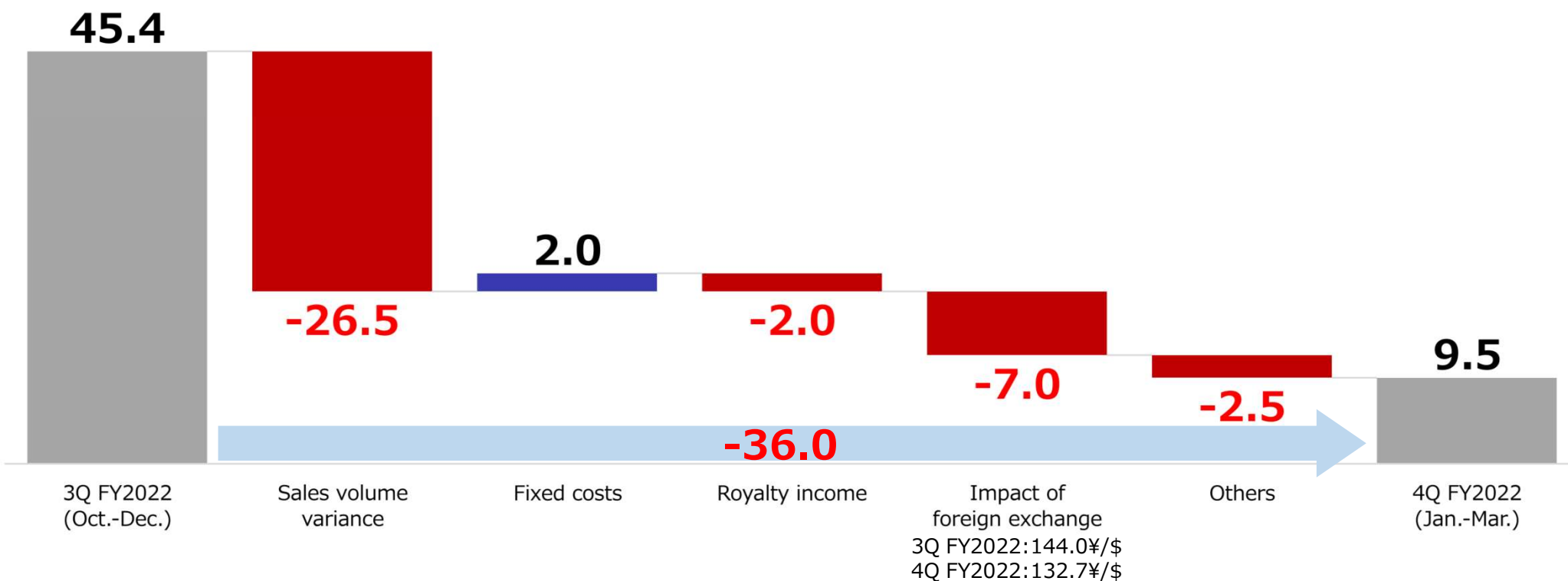
FY2022 YoY Operating Income Change Analysis

(Billion yen) *Figures in analysis are estimates



4Q FY2022 QoQ Operating Income Change Analysis

(Billion yen) *Figures in analysis are estimates



FY2022 Results by Segment

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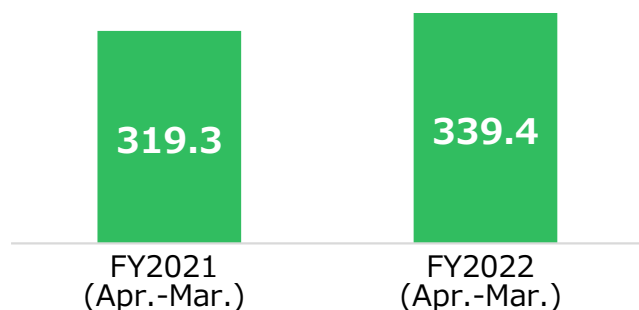
(Billion yen)

| Upper row: Revenue Lower row: Operating income | FY2021 (Apr.-Mar.) | FY2022 (Apr.-Mar.) | YoY | Change % |
|--|-----------------------|-----------------------|--------------|---------------|
| Industrial Tape* | 319.3 | 339.4 | +20.1 | +6.3% |
| | 37.8 | 27.6 | -10.3 | -27.1% |
| Optronics | 459.6 | 482.4 | +22.9 | +5.0% |
| | 96.6 | 1,29.9 | +33.3 | +34.4% |
| Human Life* | 92.2 | 133.4 | +41.2 | +44.7% |
| | 7.2 | 0.8 | -6.4 | -88.4% |
| Others | 0.0 | 0.0 | +0.0 | +143.4% |
| | -5.9 | -5.7 | +0.3 | - |
| Corporate/Elimination | -17.6 | -26.2 | -8.6 | - |
| | -3.4 | -5.4 | -2.0 | - |
| Total | 853.4 | 929.0 | +75.6 | +8.9% |
| | 132.3 | 147.2 | +14.9 | +11.3% |

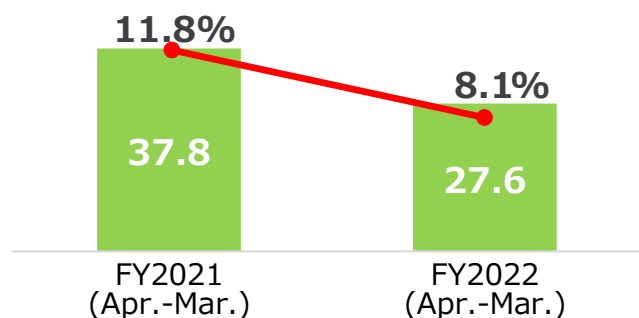
* The personal care components business of Mondj, acquired in the first quarter of FY2022, is included in "Human Life".
 Certain related businesses has been transferred from "Industrial Tape" to "Personal Care Materials".
 Such changes have been reflected in the figures for FY2021, FY2022.

Results by Segment: Industrial Tape

Revenue
(Billion yen)



Operating income/Operating income to revenue
(Billion yen)



| | |
|------------------|---------------------------------|
| Revenue | 339.4 B. yen (YoY +6.3%) |
| Operating income | 27.6 B. yen (YoY -27.1%) |

■ Electronics

- Demand for process materials of ceramic capacitors, declined due to deteriorating market conditions

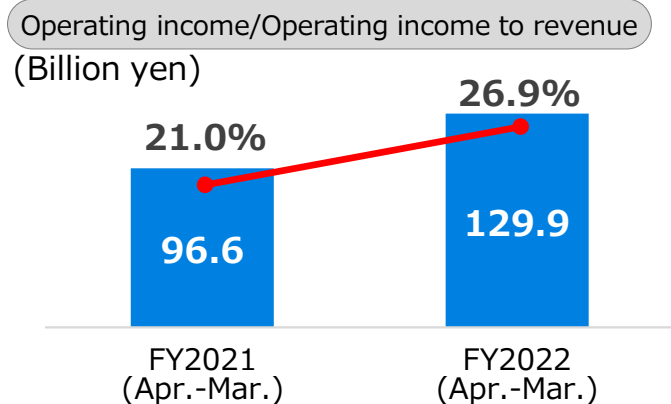
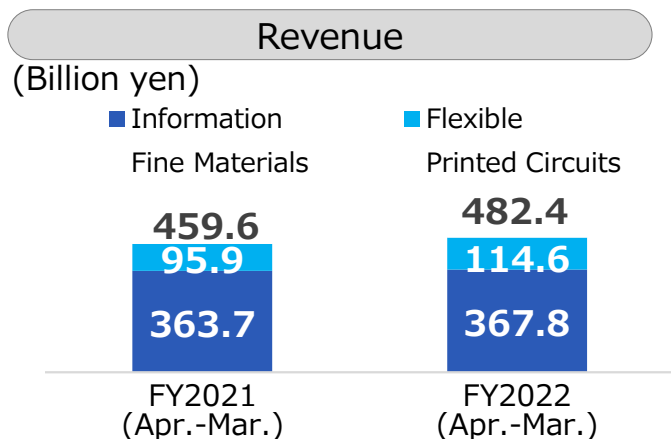
■ Process Materials

- Demand for process materials of semiconductors, declined due to deteriorating market conditions

■ Others

- In automotive materials, the impact of semiconductor shortages eased, and demand increased due to a recovery in automobile production. On the other hand, the Group agreed to transfer a portion of the business and recorded an impairment loss

Results by Segment: Optronics



| | |
|-------------------------|----------------------------------|
| Revenue | 482.4 B. yen (YoY +5.0%) |
| Operating income | 129.9 B. yen (YoY +34.4%) |

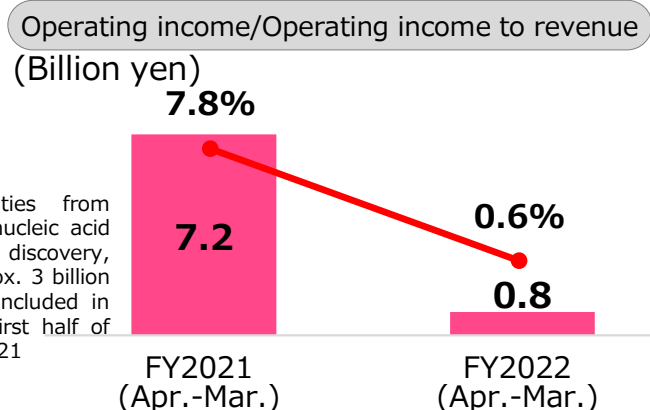
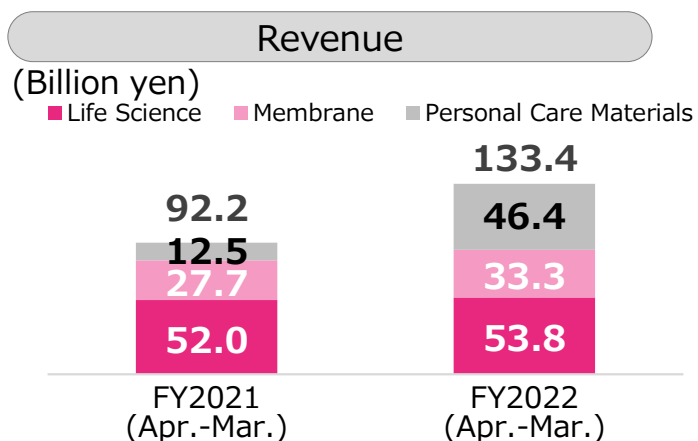
■ Information Fine Materials

- Demand of optical films for automotive increased
- Demand of optical films for TV and high-end laptops declined due to deteriorating market conditions

■ Flexible Printed Circuits

- Increased number of models in high-end smartphones adopting high-precision circuits contributed to the results
- Demand of CIS for data centers decreased due to an adjustment in HDD market

Results by Segment: Human Life



| | |
|------------------|----------------------------------|
| Revenue | 133.4 B. yen (YoY +44.7%) |
| Operating income | 0.8 B. yen (YoY -88.4%) |

■ Life Science

- Demand for oligonucleotide contract manufacturing and synthesis (Nitto Phase™) increased with the expansion in nucleic acid drug market
- Demand for immunologic adjuvants for vaccines declined as the global COVID-19 cases stabilized

■ Membranes

- Demand for high-polymer separation membranes for industrial applications increased

■ Personal Care Materials

- The personal care components business of Mondi started operations with the existing hygiene business under a new business division

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Full-year Forecasts for FY2023

Full-year Forecasts for FY2023

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(Billion yen)

| | FY2022 | FY2023 Forecasts | YoY | Change % |
|---|--------|---------------------|-------|-------------|
| Revenue | 929.0 | 935.0 | +6.0 | +0.6% |
| Operating income | 147.2 | 150.0 | +2.8 | +1.9% |
| Operating income to revenue | 15.8% | 16.0% | +0.2% | – |
| Income before income taxes | 146.8 | 150.0 | +3.2 | +2.2% |
| Net income attributable to owners of the parent company | 109.2 | 110.0 | +0.8 | +0.8% |
| Yen/1US\$ | 134.7 | 130.0 | -4.7 | -3.5% |

Full-year Forecasts for FY2023 by Segment

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(Billion yen)

| Upper row: Revenue Lower row: Operating income | FY2022 | FY2023 Forecasts | YoY | Change % |
|---|------------------------------|------------------------------|----------------------------|------------------------------|
| Industrial tape* | 345.1 27.4 | 335.0 35.5 | -10.1 +8.1 | -2.9% +29.7% |
| Optronic | 482.4 127.4 | 475.0 123.0 | -7.4 -4.4 | -1.5% -3.5% |
| Human Life* | 126.4 0.4 | 145.0 5.0 | +18.6 +4.6 | +14.7% +1311.1% |
| Others | 0.0 -3.9 | 0.0 -5.5 | -0.0 -1.6 | - - |
| Corporate/Elimination | -25.0 -4.1 | -20.0 -8.0 | +5.0 -3.9 | - - |
| Total | 929.0 147.2 | 935.0 150.0 | +6.0 +2.8 | +0.6% +1.9% |

* From FY2023, some changes have been made to reporting segments as follows.

1. The plastic optical cable business has been transferred from "Others" to "Optronic".
2. Certain related businesses has been transferred from "Human Life" to "Industrial Tape".
3. Certain business included in "Corporate/Elimination" has been transferred to "Others".

Such changes have been reflected in the figures for FY2022.

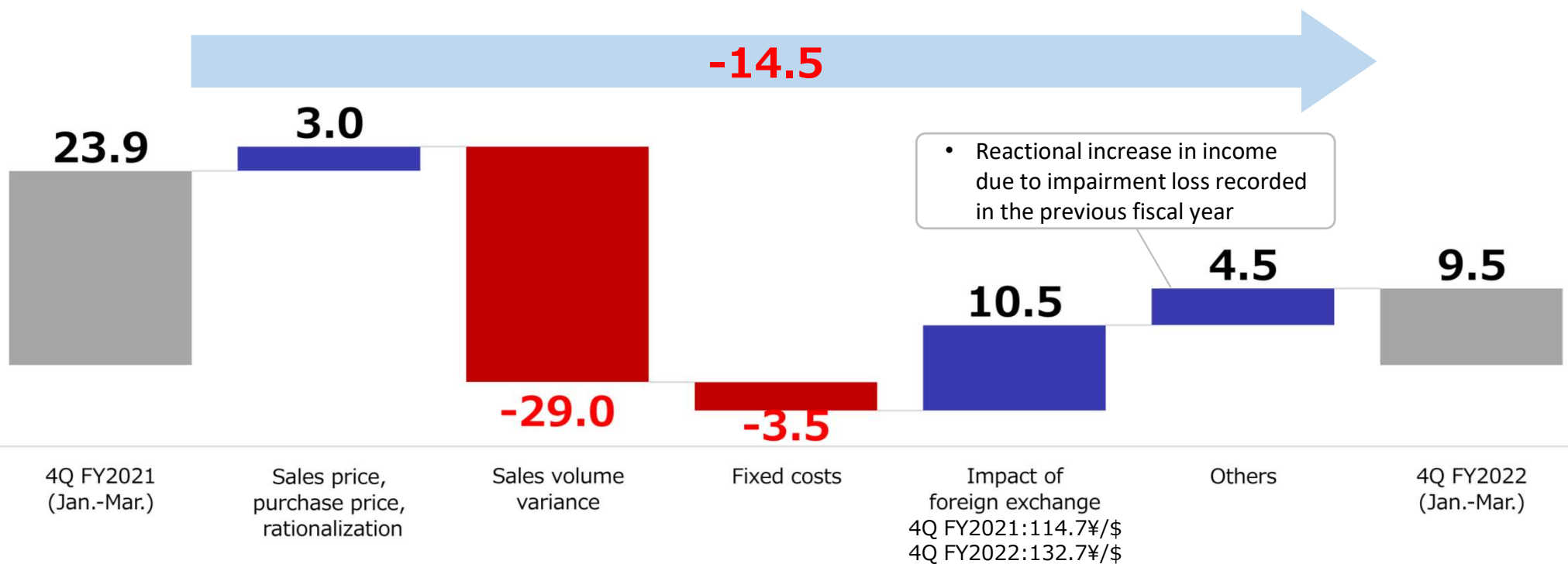
<Notes regarding this material>

1. Forward-looking statements such as those relating to earnings forecasts and other projections contained in this material are management's current assumptions and beliefs based on currently available information. Such forward-looking statements are subject to a number of risks, uncertainties and other factors. Accordingly, actual results may differ materially from those projected due to various factors.
2. Amounts and rates (%) are rounded off to the nearest whole unit.

3 Supplementary Data

4Q FY2022 YoY Operating Income Change Analysis

(Billion yen) *Figures in analysis are estimates

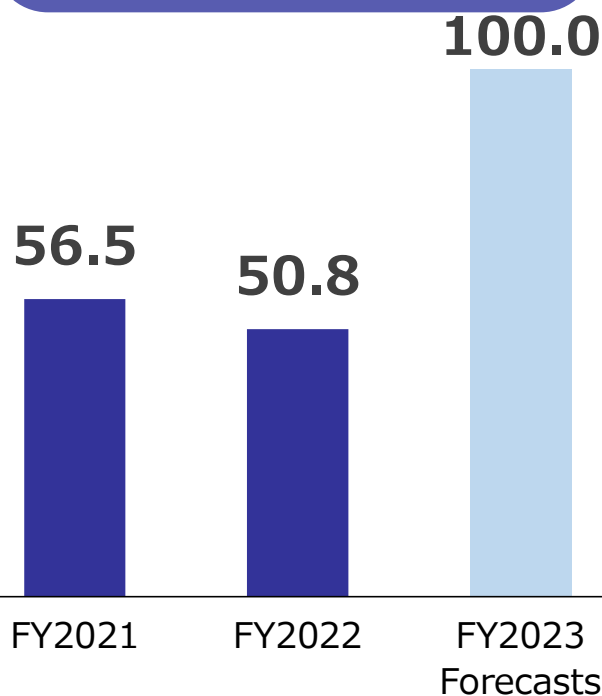


Capital Expenditure, Depreciation and Amortization, R&D Expenditure

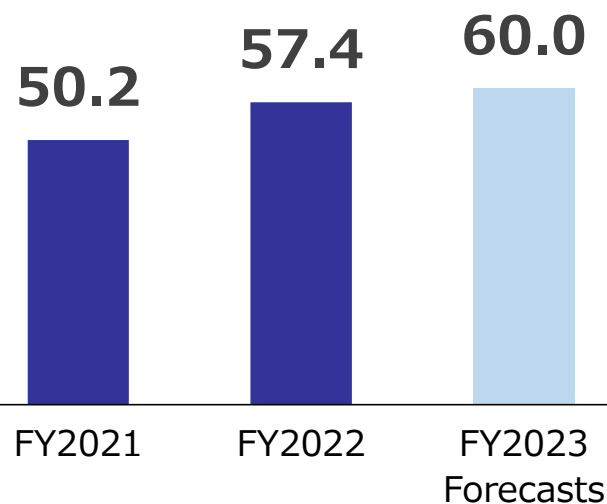
18

(Billion yen)

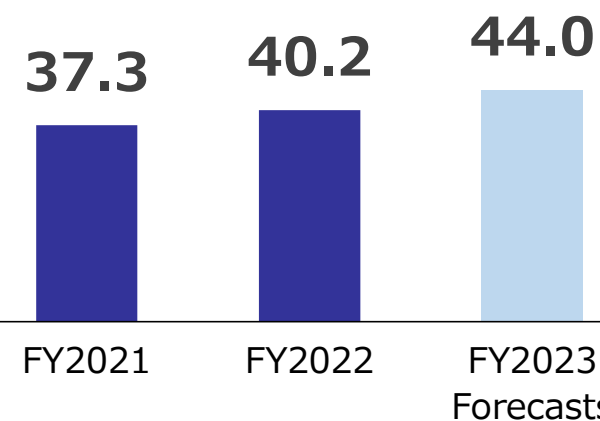
Capital Expenditure



Depreciation and Amortization



R&D Expenditure



Consolidated Cash Flow Statement

19

- Increase in expenditures in CF from investing was due to M&A
(Personal Care Components Business of Mondi and Bend Labs)

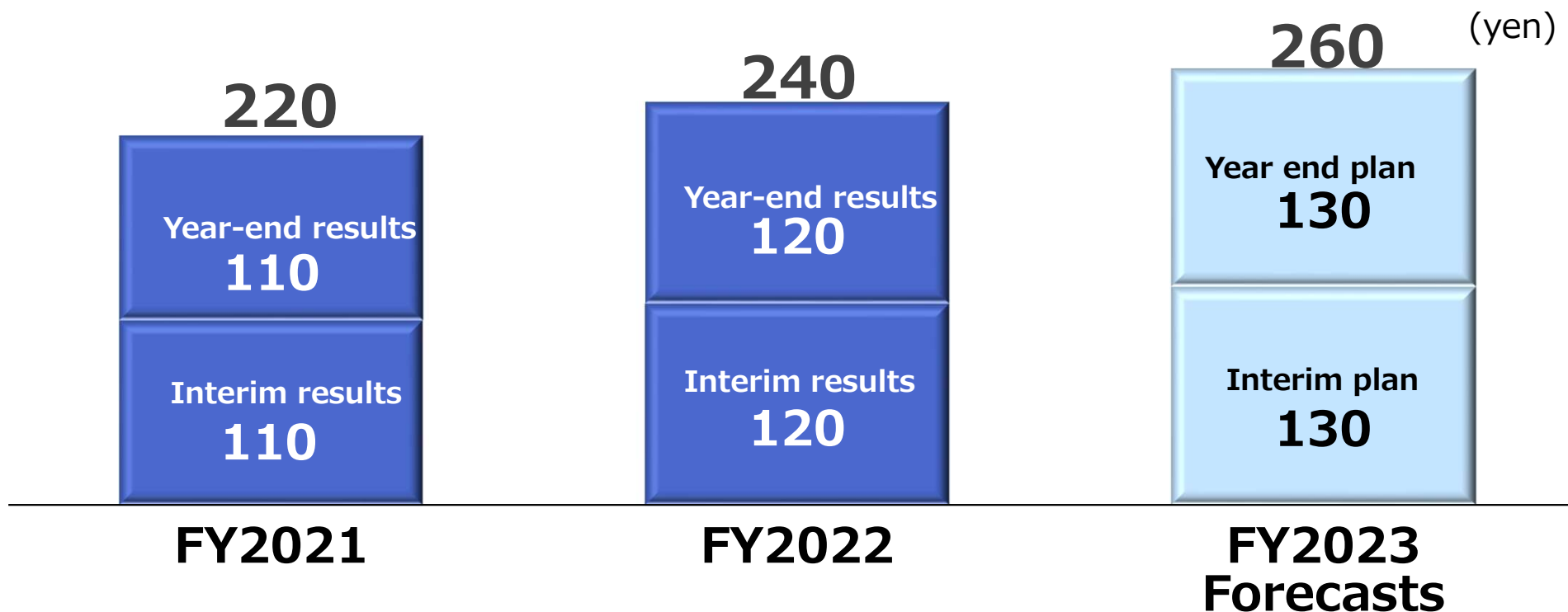
(Billion yen)

| | FY2021 (Apr.-Mar.) | FY2022 (Apr.-Mar.) | YoY |
|---|-----------------------|-----------------------|--------|
| Cash flows from operating activities (Operating CF) | 144.5 | 181.7 | +37.2 |
| Cash flows from investing activities (Investment CF) | -57.6 | -159.9 | -102.3 |
| Free cash flow (FCF) | 86.9 | 21.8 | -65.1 |
| Cash flows from financing activities (Financial CF) | -36.6 | -57.6 | -21.0 |
| Effect of exchange rate changes on cash and cash equivalents | 10.9 | 3.8 | -7.2 |
| Net increase (decrease) in cash and cash equivalents | 61.2 | -32.1 | -93.2 |
| Cash and cash equivalents at the end of the period | 362.0 | 330.0 | -32.1 |

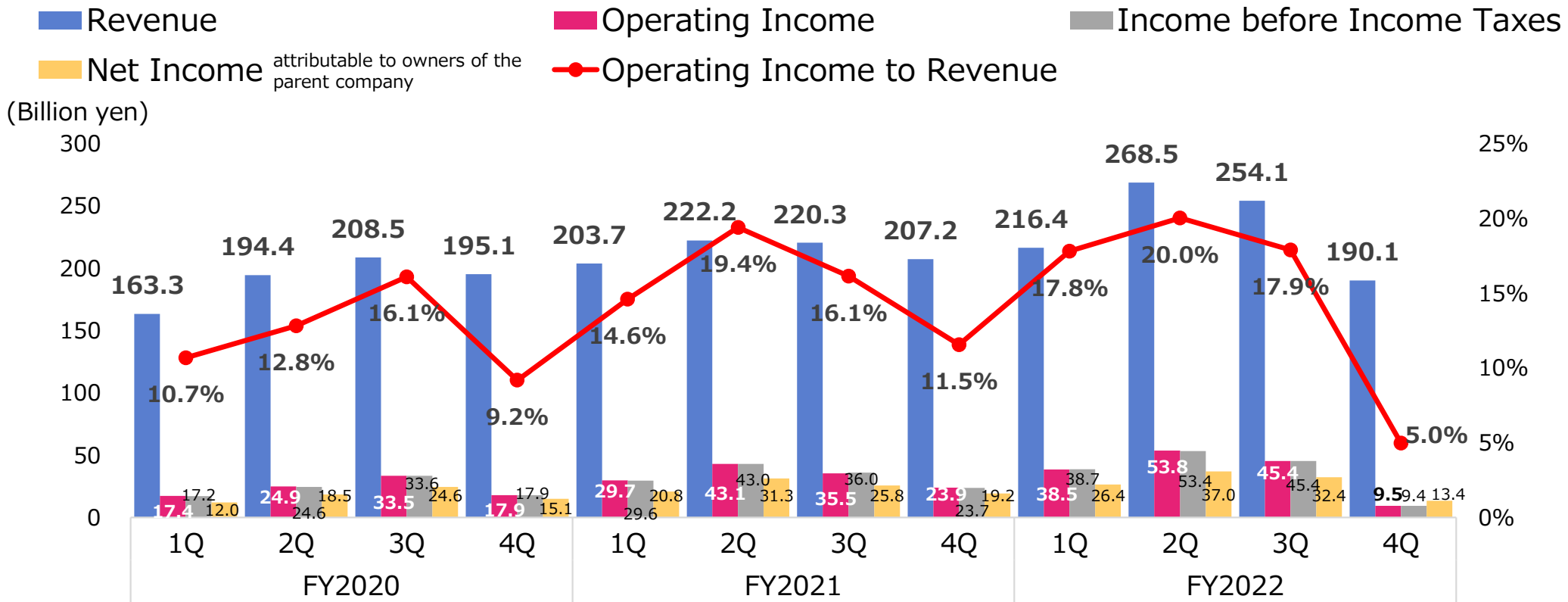
Shareholder Returns

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- Dividend of full-year total 260 yen per share planned for next fiscal year, an increase of 20 yen
- Share Repurchase up to 50 billion yen planned from February to July 2023



Performance Trend (Quarterly)



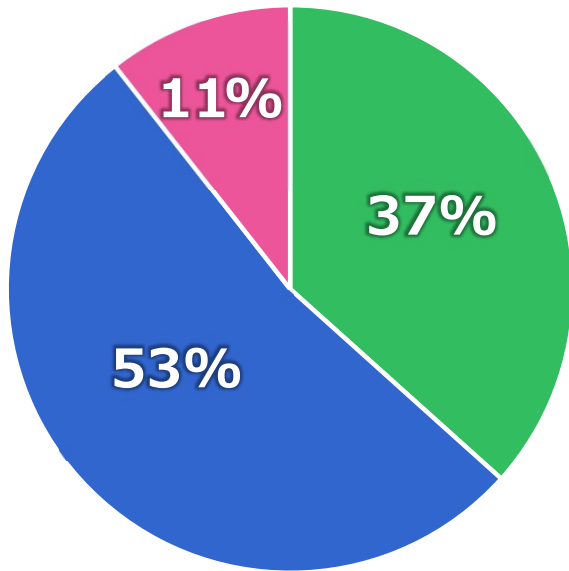
Business Portfolio Status

(*Component ratios not including Corporate/Elimination)

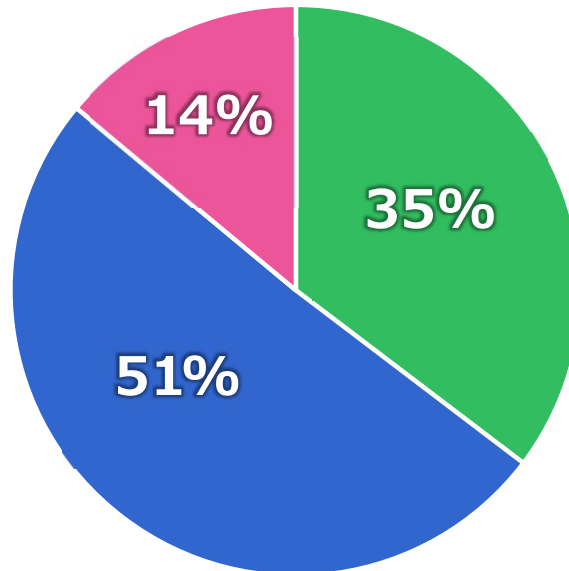
Revenue

Industrial Tape Optronics Human Life

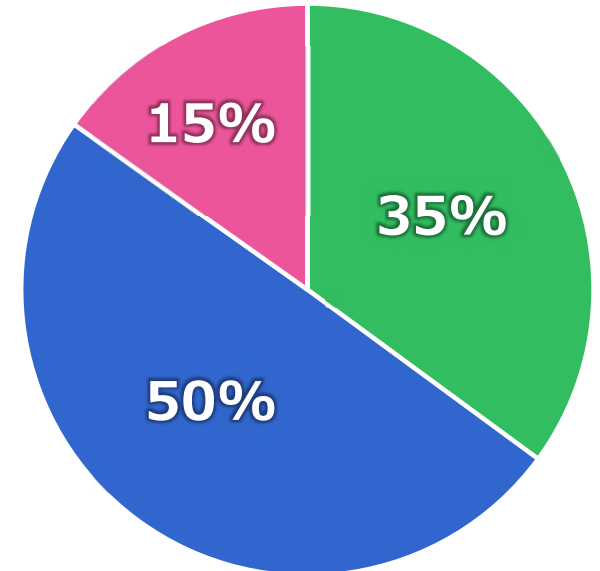
FY2021 results
853.4 B. yen
(111.8 ¥/\$)



FY2022 results
929.0B. yen
(134.7¥/\$)



FY2023 forecasts
935.0B. yen
(130.0¥/\$)



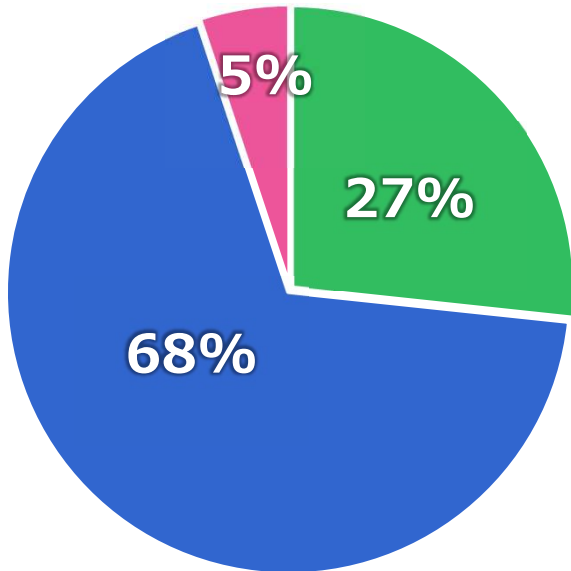
Business Portfolio Status

(*Component ratios not including Corporate/Elimination and negative segments)

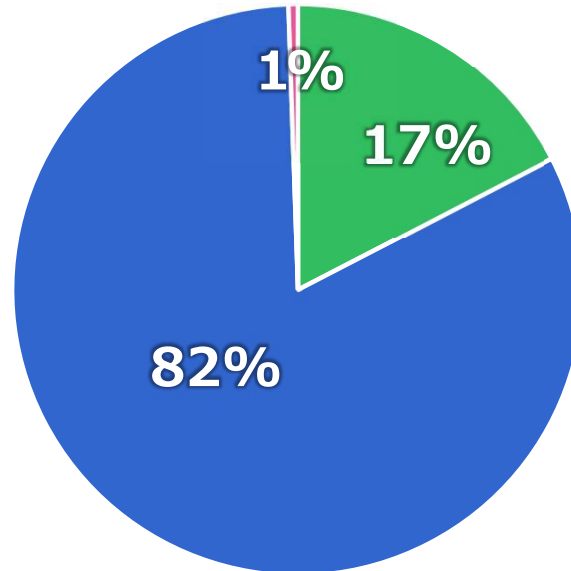
Operating Income

Industrial Tape Optronics Human Life

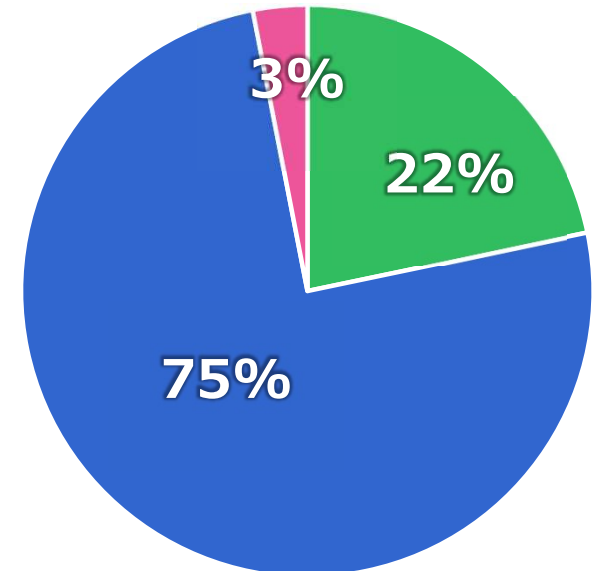
FY2021 results
132.3 B. yen
(111.8 ¥/\$)



FY2022 results
147.2B. yen
(134.7¥/\$)



FY2023 forecasts
150.0B. yen
(130.0¥/\$)



Disclosure Segment Categories

Disclosed on April 26, 2022

Disclosed on July 26, 2022

Updated on April 26, 2023

| Segment | |
|-------------------------|----------------------------|
| Industrial Tape | |
| Optronics | Information Fine Materials |
| | Flexible Printed Circuits |
| Human Life | Life Science |
| | Membranes |
| Others (New businesses) | |

| Segment | |
|-------------------------|----------------------------|
| Industrial Tape | |
| Optronics | Information Fine Materials |
| | Flexible Printed Circuits |
| Human Life | Life Science |
| | Membranes |
| | Personal Care Materials |
| Others (New businesses) | |

| Segment | |
|-------------------------|----------------------------|
| Industrial Tape | |
| Optronics | Information Fine Materials |
| | Circuit Materials |
| Human Life | Life Science |
| | Membranes |
| | Personal Care Materials |
| Others (New businesses) | |



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