



Date: April 25, 2025

Summary of Consolidated Financial Statements for the Year Ended March 31, 2025 (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 20, 2025
 Estimated starting date of dividend paying: June 23, 2025
 Filing date of financial statements: June 18, 2025
 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, 2025

(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, 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)
For the year ended March 31, 2024	915,139	(1.5)	139,132	(5.5)	138,901	(5.4)	102,755	(6.0)	102,679	(5.9)	164,910	20.2

	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, 2025	195.74	195.65	13.5	14.4	18.3
For the year ended March 31, 2024	143.91	143.86	10.9	11.6	15.2

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

(For the year ended March 31, 2025) (108) million yen (For the year ended March 31, 2024) 34 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, 2024 and for the year ended March 31, 2025 are based on the assumption that the stock split is conducted at the beginning of the fiscal year ended March 31, 2024.

(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, 2025	1,321,920	1,045,114	1,044,083	79.0	1,502.42
As of the year ended March 31, 2024	1,251,087	985,048	984,020	78.7	1,391.36

(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, 2024 and for the year ended March 31, 2025 are based on the assumption that the stock split is conducted at the beginning of the fiscal year ended March 31, 2024.

(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, 2025	217,908	(115,105)	(78,890)	363,344
For the year ended March 31, 2024	155,521	(67,927)	(90,784)	342,269

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, 2024	-	130.00	-	130.00	260.00	36,919	36.1	4.0
March, 2025	-	140.00	-	28.00	-	39,110	28.6	3.9
(Forecast) March, 2026	-	30.00	-	30.00	60.00		33.4	

(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 annual 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. Without taking the stock split into account, the year-end dividend per share for the fiscal year ended March 31, 2025 would be 140 yen and the total annual dividend per share for the fiscal year ended March 31, 2025 would be 280 yen.

3. Forecast for the fiscal year ending March 31, 2026

(% 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	%	Yen
First half	492,000	(5.7)	86,000	(21.3)	86,000	(21.1)	63,000	(21.3)	63,000	(21.2)	90.66
Annual	984,000	(2.9)	170,000	(8.4)	170,000	(8.3)	125,000	(9.0)	125,000	(8.9)	179.87

- 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 issued shares (Common stock)

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

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

As of March 31, 2024: 717,758,675

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

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

As of March 31, 2024: 10,521,360

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

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

For the year ended March 31, 2024: 713,483,993

(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, 2024.

(Reference) Non-consolidated financial results for the year ended March 31, 2025

(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, 2025	598,416	15.4	122,014	38.0	131,046	39.0	94,998	26.9
For the year ended March 31, 2024	518,626	(4.7)	88,403	(9.1)	94,261	(17.1)	74,874	(18.1)

	Net profit per share - Basic	Net profit per share -Diluted
	Yen	Yen
For the year ended March 31, 2025	135.50	135.44
For the year ended March 31, 2024	104.94	104.90

(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, 2024.

(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, 2025	824,328	537,478	65.2	773.00
As of the year ended March 31, 2024	782,752	515,511	65.8	728.49

(Reference) Shareholders' equity: (March 31, 2025) 537,185 million yen (March 31, 2024) 515,218 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, 2024.

- 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, 2026" on page 6 of the Attachment to this summary of consolidated financial results.

(Attached Documents)

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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 fiscal 2024 saw changes in the monetary policies, as the Central Bank of Europe and the United States began to lower interest rates in light of the easing of global inflationary pressures. In the United States, while consumer spending remained strong, the Federal Reserve Board (FRB) lowered interest rates due to a gradual slowdown in the labor market. Since the inauguration of the new President Trump administration, concerns about the resurgence of inflation intensified after the president announced his intention to impose additional tariffs and other policies. In Europe, while consumer spending recovered as a result of an increase in real income, manufacturing sector declined, particularly in Germany. In China, the government implemented a trade-in program to promote the replacement of consumer goods in response to a slowdown of the economy caused by a prolonged real estate recession and a harsh employment environment. In Japan, the economy experienced moderate recovery as a result of wage increases that outpaced inflation, growth in inbound consumption due to the record number of foreign tourists visiting Japan, and robust capital investments made by corporations.

In the foreign exchange market, although a volatile environment was observed with the yen rapidly appreciating from a historically weak levels that exceeded 160 yen against the U.S. dollar, the yen weakened compared with the same period of the previous year.

In the key markets of Nitto Group (the “Group”) under these circumstances, demand for our products increased due to higher-than-expected production of high capacity Hard Disk Drives (HDDs) used in data centers, and IT devices.

The yen’s exchange rate against the U.S. dollar for the fiscal year ended March 31, 2025, was 152.9 yen to the dollar, a 6.3% depreciation of the yen compared with the same period of the previous year, and the effect of the weaker yen increased operating profit by 23.3 billion yen.

As a result of the above, revenue increased by 10.8% from the same period of the previous year (changes hereafter are given in comparison with the same period of the previous year) to 1,013,878 million yen. Operating profit increased by 33.4% to 185,667 million yen, profit before income taxes increased by 33.4% to 185,329 million yen, net profit increased by 33.6% to 137,307 million yen, and net profit attributable to owners of the parent company increased by 33.7% to 137,237 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 expansion of models adopting existing materials as well as from the launch of new electrical release tapes used for fixing batteries in place. In addition, demand for process materials used in the production of semiconductor memories and ceramic capacitors continued its gradual recovery. Demand for automotive materials were sluggish due to a decrease in the number of automotive unit productions.

As a result of the above, revenue increased by 5.3% to 355,733 million yen and operating profit increased by 19.0% to 46,043 million yen.

(Optronics)

In Information Fine Materials, revenue increased from the same period of the previous year. Demand for optical films and transparent conductive films (ITO) increased significantly as the production of high-end laptop PCs and tablets remained strong. Additionally, while the number of global automotive unit production remained sluggish, demand for high durability optical films also increased due to expansion in automotive display size and increase in the number of displays installed.

In Circuit Materials, revenue increased from the same period of the previous year. The spread of generative AI has pushed up demand for storage used in data centers as well as for HDDs with higher capacity, and thus the demand for Circuit Integrated Suspension (CIS) increased significantly. Demand for high-precision circuits increased, as the production of high-end smartphones remained strong. Separately, the Group decided to discontinue commercialization of plastic optical fiber cables and recorded an impairment loss, etc. of 2,690 million yen during the third quarter of the fiscal year ended March 31, 2025.

As a result of the above, revenue increased by 15.4% to 542,999 million yen and operating profit increased by 39.0% to 173,121 million yen.

(Human Life)

In Life Science, revenue increased from the same period of the previous year. In the oligonucleotide contract manufacturing business, the production of projects that are expected to be commercialized at a future date started at our new plant established in Massachusetts, United States. In addition, demand for nucleic acid synthesis materials (NittoPhaseTM) used in commercial drugs increased among some customers. In nucleic acid drug discovery, Phase 1 clinical trial of intractable cancer drug was completed in the first quarter and the Group continues to work toward out-licensing its pipeline.

In Membrane (high-polymer separation membrane), revenue increased from the same period of the previous year. While demand for various industrial applications decreased particularly in China, demand for Zero Liquid Discharge (ZLD) contributing to the complete reduction of industrial wastewater and effluent increased due to the tightening of environmental regulations relating to wastewater in India.

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, after reviewing the business plan for Nitto Advanced Film Gronau GmbH, a consolidated subsidiary of the Group, the Group recorded a goodwill impairment loss of 3,298 million yen during the fourth quarter of the fiscal year ended March 31, 2025.

As a result of the above, revenue increased by 6.1% to 132,098 million yen and operating loss amounted to 11,902 million yen. (operating loss of 9,490 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. Separately, after reviewing the business plan for flexible sensors at Nitto Bend Technologies, Inc., a consolidated subsidiary of the Group, the Group recorded a goodwill impairment loss of 5,199 million yen during the third quarter of the fiscal year ended March 31, 2025.

As a result of the above, revenue increased by 53.9% to 19 million yen and operating loss amounted to 12,229 million yen. (operating loss of 5,661 million yen was reported in the same period of the previous year)

		For the year ended March 31, 2024	For the year ended March 31, 2025	
		Revenue	Revenue	Y-o-Y (%)
Industrial Tape	Revenue	337,735	355,733	105.3
	Operating profit	38,696	46,043	119.0
Optronics	Information Fine Materials	365,934	407,440	111.3
	Circuits Materials	104,580	135,558	129.6
	Total	470,515	542,999	115.4
	Operating profit	124,556	173,121	139.0
Human Life	Life Science	41,500	44,529	107.3
	Membrane	32,788	34,357	104.8
	Personal Care Materials	50,212	53,211	106.0
	Total	124,501	132,098	106.1
Others	Operating profit	(9,490)	(11,902)	-
	Revenue	12	19	153.9
Adjustment	Operating profit	(5,661)	(12,229)	-
	Revenue	(17,625)	(16,972)	-
Total	Operating profit	(8,968)	(9,365)	-
	Revenue	915,139	1,013,878	110.8
	Operating profit	139,132	185,667	133.4

(Note) As a result of changes in the management structure made for the year ended March 31, 2025, certain related businesses have been transferred from Industrial Tape to Optronics.

Such changes have been reflected in the figures for the year ended March 31, 2024.

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

Cash and cash equivalents (hereinafter referred to as “Cash”) was 363,344 million yen at the end of the fiscal year ended March 31, 2025, an increase of 21,074 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 217,908 million yen as a result of operating activities (an increase of 155,521 million yen at the end of the previous fiscal year). The main factors responsible for the increase were profit before income taxes of 185,329 million yen and depreciation and amortization of 65,595 million yen and impairment losses of 12,339 million yen and increase (decrease) in defined benefit liabilities of 1,048 million yen and increase (decrease) in trade and other payables of 2,369 million yen and interest and dividend income of 2,849 million yen, while the main offsetting factor was decrease (increase) in trade and other receivables of 3,791 million yen and decrease (increase) in inventories of 8,526 million yen and income taxes (paid) refunded of 34,304 million yen.

(Cash flow from investing activities)

Cash decreased by 115,105 million yen as a result of investing activities (a decrease of 67,927 million yen at the end of the previous fiscal year). The main factors responsible for the decrease were the purchase of property, plant and equipment and intangible assets of 106,003 million yen, decrease (increase) in time deposits of 2,371 million yen and purchase of shares of subsidiaries and affiliates of 6,256 million yen.

(Cash flow from financing activities)

Cash decreased by 78,890 million yen as a result of financing activities (a decrease of 90,784 million yen at the end of the previous fiscal year). The main factors responsible for the decrease were repayment of lease liabilities of 5,822 million yen, decrease (increase) in treasury shares of 35,062 million yen, cash dividends paid of 38,040 million yen.

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

	March 2022	March 2023	March 2024	March 2025
Ratio of equity attributable to owners of the parent company to total assets (%)	75.0	78.2	78.7	79.0
Ratio of equity attributable to owners of the parent company on a market value basis (%)	119.3	108.1	155.8	143.8
Ratio of liabilities with interest to cash flow (year)	0.2	0.1	0.2	0.1
Interest coverage ratio (times)	269.8	337.4	255.0	269.3

(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, 2026

In the fiscal year ending March 2026 (April 1, 2025 to March 31, 2026), the global economy is showing signs of intensifying trade friction as President Trump's implementation of reciprocal tariffs on global imports to the U.S. has led some countries to suggest retaliatory measures. Furthermore, the U.S. has long been the driving force behind the global economy, but there are growing concerns of a slowdown in the U.S. economy occurring alongside a rise in inflation, resulting in stagflation and has thus heightened uncertainty about the future of the global economy.

Under these circumstances, the Group is entering the final year of the medium-term management plan, "Nitto for Everyone 2025". In an ever-changing environment, the Group will anticipate the next growth point and aggressively invest resources in areas that will grow, while at the same time implementing structural reforms in low-growth and low-profit areas to build a robust business foundation immune to the external environment. In addition, the Group aims to simultaneously solve social issues and create economic value by growing PlanetFlags/HumanFlags certified products into Niche Top, which we define as products that contribute to the environment and humanity. Through these initiatives, the Group will continue to move forward toward realizing our 2030 Ideal State: an "essential top ESG company" that continually brings amazement and inspiration as a Niche Top creator.

In Industrial Tape, against the backdrop of progress in Right to Repair regulation for electronic devices such as smartphones particularly in Europe, expansion of models adopting our electrical release tapes used for fixing batteries in place that newly launched in the fiscal year ended March 31, 2025, is expected. Taking advantage of the momentum toward the creation of a resource-recycling society, the Group will leverage our releasing technology to further expand our business. In addition, with the spread of generative AI, demand for process materials used in the production of semiconductor memories and ceramic capacitors is expected to increase. On the other hand, while the automotive materials are expected to continue to face a challenging business environment due to a sluggish growth in the number of global automobile unit productions, the Group will continue to build a business foundation that can consistently generate high profit margins in the Industrial Tape segment as a whole.

In Information Fine Materials under Optronics, as the display market matures, the Group will focus on high-end products for automotive displays and foldable smartphones. For automotive displays, the number of displays installed per vehicle and expansion in display size has been robust for the past several years, and demand for our high durability optical films is expected to remain strong. For foldable smartphones, as new displays that do not require optical films are becoming mainstream, the Group is developing products that assign optical properties to Optical Clear Adhesive (OCA). In addition, the Group will actively promote CO₂ emissions reduction by reducing solvent use in manufacturing process and pursue further added value as a total solution provider for display peripheral components.

In Circuit Materials, 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. In light of this, the Group will increase production capacity at our site in Vietnam and expand the sales of products for HAMR. For high-precision circuits, the Group is working on developing new products used in other applications for our existing customers.

In Life Science under Human Life, demand for oligonucleotide contract manufacturing business is expected to increase, consistent with the progress of large-scale projects that are expected to be commercialized at a future date. Furthermore, increase in production is expected at our new plant in Massachusetts, United States which started production during the fiscal year ended March 31, 2025. 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. For the development of intractable cancer drug, the Group continues to work toward out-licensing its pipeline.

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, particularly in India.

In Personal Care Materials, the Group will continue to improve profitability by expanding sales of new products in hygiene materials for diapers and environmentally friendly products using biodegradable technologies.

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

The forecasts for the consolidated fiscal year ending March 31, 2026, are as follows: The exchange rate is assumed to be 1\$ = 146yen.

(The forecasts for the consolidated fiscal year ending March 31, 2026)

Revenue	984,000 million yen (down by 2.9% from the previous fiscal year)
Operating profit	170,000 million yen (down by 8.4% from the previous fiscal year)
Profit before income taxes	170,000 million yen (down by 8.3% from the previous fiscal year)
Net profit	125,000 million yen (down by 9.0% from the previous fiscal year)
Net profit attributable to owners of the parent company	125,000 million yen (down by 8.9% from the previous fiscal year)

(The forecasts for the first six months of the fiscal year ending March 31, 2026 (April 1, 2025 through September 30, 2025))

Revenue	492,000 million yen (down by 5.7% from the previous fiscal year)
Operating profit	86,000 million yen (down by 21.3% from the previous fiscal year)
Profit before income taxes	86,000 million yen (down by 21.1% from the previous fiscal year)
Net profit	63,000 million yen (down by 21.3% from the previous fiscal year)
Net profit attributable to owners of the parent company	63,000 million yen (down by 21.2% 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 we aim to maintain DOE (dividend on equity) of 4% 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 28 yen per share for fiscal 2024. Please note that the Group implemented a five-for-one common stock split, with a record date of September 30, 2024, and an effective date of October 1, 2024, and the annual dividend on a pre-stock split basis would total to 280 yen per share (planned).

The Group has planned to pay 60 yen per share as the annual dividend for the next fiscal year, an increase of 4 yen from the fiscal 2024 annual dividend of 56 yen (post-stock split basis).

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, 2024	As of the year ended March 31, 2025
Assets		
Current assets		
Cash and cash equivalents	342,269	363,344
Trade and other receivables	209,341	210,418
Inventories	136,804	142,932
Other financial assets	5,220	7,732
Other current assets	24,321	25,781
Total current assets	717,957	750,209
Noncurrent assets		
Property, plant and equipment	378,535	417,636
Right-of-use assets	19,321	19,058
Goodwill	66,056	57,167
Intangible assets	20,674	17,026
Investments accounted for using equity method	2,115	7,319
Financial assets	9,192	11,096
Deferred tax assets	20,985	17,873
Other noncurrent assets	16,248	24,533
Total noncurrent assets	533,130	571,711
Total assets	1,251,087	1,321,920

(Millions of yen)

	As of the year ended March 31, 2024	As of the year ended March 31, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	98,965	100,508
Borrowings	345	455
Income tax payables	13,402	28,183
Other financial liabilities	38,396	36,102
Other current liabilities	55,746	56,485
Total current liabilities	206,856	221,735
Noncurrent liabilities		
Other financial liabilities	20,843	20,160
Defined benefit liabilities	33,130	28,991
Deferred tax liabilities	3,427	3,856
Other noncurrent liabilities	1,779	2,062
Total noncurrent liabilities	59,182	55,070
Total liabilities	266,038	276,806
Equity		
Equity attributable to owners of the parent company		
Share capital	26,783	26,783
Capital surplus	49,928	49,934
Retained earnings	808,062	890,040
Treasury shares	(23,298)	(31,799)
Other components of equity	122,544	109,124
Total equity attributable to owners of the parent company	984,020	1,044,083
Noncontrolling interests	1,028	1,031
Total equity	985,048	1,045,114
Total liabilities and equity	1,251,087	1,321,920

(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, 2024	For the year ended March 31, 2025
Revenue	915,139	1,013,878
Cost of sales	584,280	618,365
Gross profit	330,858	395,513
Selling, general and administrative expenses	146,143	151,835
Research and development expenses	43,485	46,771
Other income	9,914	11,827
Other expenses	12,012	23,066
Operating profit	139,132	185,667
Finance income	2,195	2,901
Finance expenses	2,460	3,131
Share of profit of investments accounted for using the equity method	34	(108)
Profit before income taxes	138,901	185,329
Income tax expenses	36,146	48,021
Net profit	102,755	137,307
Net profit attributable to:		
Owners of the parent company	102,679	137,237
Noncontrolling interests	75	70
Total	102,755	137,307
Earnings per share attributable to owners of the parent company		
Basic earnings per share (Yen)	143.91	195.74
Diluted earnings per share (Yen)	143.86	195.65

(Consolidated statement of comprehensive income)

(Millions of yen)

	For the year ended March 31, 2024	For the year ended March 31, 2025
Net profit	102,755	137,307
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	85	(12)
Remeasurement of defined benefit liability	5,999	9,066
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	55,986	(13,453)
Net changes in fair value of cash flow hedges	1	0
Share of other comprehensive income of investments accounted for using equity method	81	(39)
Total other comprehensive income	62,154	(4,438)
Total comprehensive income	164,910	132,869
Total comprehensive income attributable to:		
Owners of the parent company	164,816	132,783
Noncontrolling interests	93	86
Total	164,910	132,869

(3) Consolidated statement of changes in equity
For the year ended March 31, 2024

(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, 2023	26,783	50,047	786,269	(27,631)	66,741	902,211	983	903,194
Net profit	-	-	102,679	-	-	102,679	75	102,755
Other comprehensive income	-	-	-	-	62,136	62,136	17	62,154
Total comprehensive income	-	-	102,679	-	62,136	164,816	93	164,910
Share based remuneration transactions	-	(47)	-	-	(1)	(48)	-	(48)
Dividends	-	-	(36,041)	-	-	(36,041)	(28)	(36,070)
Changes in treasury shares	-	(51,254)	-	4,333	-	(46,921)	-	(46,921)
Transfer from other components of equity to retained earnings	-	-	6,333	-	(6,333)	-	-	-
Acquisition of NCI without change in control	-	3	-	-	-	3	(20)	(17)
Transfer from retained earnings to capital surplus	-	51,178	(51,178)	-	-	-	-	-
Total transactions with owners	-	(119)	(80,887)	4,333	(6,334)	(83,007)	(49)	(83,056)
Balance as of March 31, 2024	26,783	49,928	808,062	(23,298)	122,544	984,020	1,028	985,048

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

(4) Consolidated statement of cash flows

(Millions of yen)

	For the year ended March 31, 2024	For the year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	138,901	185,329
Depreciation and amortization	60,811	65,595
Impairment losses	1,651	12,339
Increase (decrease) in defined benefit liabilities	1,371	1,048
Decrease (increase) in trade and other receivables	(19,033)	(3,791)
Decrease (increase) in inventories	11,769	(8,526)
Increase (decrease) in trade and other payables	3,804	2,369
Increase (decrease) in advances received	(1,312)	(413)
Interest and dividend income	2,065	2,849
Interest expenses paid	(609)	(809)
Income taxes (paid) refunded	(41,030)	(34,304)
Others	(2,868)	(3,779)
Net cash provided by (used in) operating activities	155,521	217,908
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(67,774)	(106,003)
Proceeds from sale of property, plant and equipment and intangible assets	602	208
Decrease (increase) in time deposits	(2,465)	(2,371)
Purchase of investment securities	(723)	(762)
Proceeds from sale of investment securities	551	55
Purchase of shares of subsidiaries and affiliates	-	(6,256)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	1,871	-
Others	10	23
Net cash provided by (used in) investing activities	(67,927)	(115,105)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowing	72	109
Repayment of lease liabilities	(7,631)	(5,822)
Decrease (increase) in treasury shares	(47,167)	(35,062)
Cash dividends paid	(36,041)	(38,040)
Others	(16)	(75)
Net cash provided by (used in) financing activities	(90,784)	(78,890)
Effect of exchange rate changes on cash and cash equivalents	13,573	(2,837)
Reclassification of cash and cash equivalents included in assets held for sale in the opening balance	1,920	-
Net increase (decrease) in cash and cash equivalents	12,302	21,074
Cash and cash equivalents at the beginning of the period	329,966	342,269
Cash and cash equivalents at the end of the period	342,269	363,344

(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 Hideo Takasaki, President, and Yasuhiro Iseyama, CFO on April 25, 2025.

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, 2025.

(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, 2024

(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	333,282	463,890	116,629	913,802	12	913,815	1,323	915,139
Intersegment revenue	4,452	6,624	7,872	18,949	-	18,949	(18,949)	-
Total segment revenue	337,735	470,515	124,501	932,751	12	932,764	(17,625)	915,139
Operating profit (loss)	38,696	124,556	(9,490)	153,762	(5,661)	148,100	(8,968)	139,132
Finance income								2,195
Finance expenses								(2,460)
Share of profit of investments accounted for using the equity method								34
Profit before income taxes								138,901
Segment assets	276,813	673,391	229,671	1,179,877	14,407	1,194,284	56,803	1,251,087
Other items:								
Depreciation and amortization	17,323	25,632	9,821	52,777	719	53,496	7,314	60,811
Impairment losses	395	230	893	1,519	18	1,537	113	1,651
Increase in property, plant and equipment and intangible assets	17,424	30,243	30,674	78,342	573	78,916	4,529	83,445

(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) in the amount of (8,968) million yen includes other incomes (losses) not allocated to each segment.

3. Adjustment of segment assets in the amount of 56,803 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 made for the year ended March 31, 2025, certain related businesses have been transferred from Industrial Tape to Optronics.

Such changes have been reflected in the figures for the year ended March 31, 2024.

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	351,698	537,481	123,203	1,012,383	19	1,012,403	1,475	1,013,878
Intersegment revenue	4,034	5,517	8,894	18,447	-	18,447	(18,447)	-
Total segment revenue	355,733	542,999	132,098	1,030,830	19	1,030,850	(16,972)	1,013,878
Operating profit (loss)	46,043	173,121	(11,902)	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	301,822	749,022	228,804	1,279,649	9,719	1,289,369	32,551	1,321,920
Other items:								
Depreciation and amortization	18,490	27,263	11,523	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) in the amount of (9,365) million yen includes other incomes (losses) not allocated to each segment.

3. Adjustment of segment assets in the amount of 32,551 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, 2024

(1) Dividend payments

Resolution	Type of shares	Cash dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date	Source of dividends
June 23, 2023 Ordinary General Meeting of Shareholders	Common stock	17,510	120	March 31, 2023	June 26, 2023	Retained earnings
October 26, 2023 Board of Directors Meeting	Common stock	18,531	130	September 30, 2023	November 24, 2023	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 21, 2024 Ordinary General Meeting of Shareholders	Common stock	18,388	130	March 31, 2024	June 24, 2024	Retained earnings

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

(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 26, 2024, the Company has acquired its treasury shares. According to this repurchase, treasury shares increased by 1,095 thousand and 15,014 million yen in the fiscal year ended March 31, 2025, completing the share repurchase under that resolution.

In addition, 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 6,917 thousand and 20,044 million yen in the fiscal year ended March 31, 2025.

(Disposal of treasury shares)

Pursuant to the resolution at the Board of Directors meeting on June 21, 2024, the Company has disposed of its treasury shares as remuneration for restricted shares on July 11, 2024. According to this disposal, treasury shares decreased by 18 thousand and 222 million yen in the fiscal year ended March 31, 2025.

(Cancellation of treasury shares)

Pursuant to the resolution at the Board of Directors meeting on June 21, 2024, the Company has canceled its treasury shares on July 16, 2024. According to this cancellation, treasury shares decreased by 2,199 thousand and 26,338 million yen in the fiscal year ended March 31, 2025.

- (Note) 1. 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.
2. The above repurchase of treasury shares pursuant to the resolution at the Board of Directors meeting on January 26, 2024, and the disposal and cancellation of treasury shares pursuant to the resolution at the Board of Directors meeting on June 21, 2024 are based on the number of treasury shares before the stock split.

(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, 2024

(Millions of yen)

Segment name	Major products or business	Japan	Americas	Europe	Asia/ Oceania	Total
Industrial Tape	Functional Base Products	108,023	37,052	35,193	153,013	333,282
Optronics	Information Fine Materials	17,014	-	-	343,654	360,668
	Circuits Materials	51,545	-	-	51,676	103,221
	Total	68,560	-	-	395,330	463,890
Human Life	Life Science	4,127	32,578	4	-	36,710
	Membrane	2,625	14,067	4,992	8,365	30,051
	Personal Care Materials	-	4,349	44,955	562	49,867
	Total	6,753	50,995	49,952	8,928	116,629
Others	New Business, Other Products	1	11	-	-	12
Adjustment		1,323	-	-	-	1,323
Total		184,662	88,058	85,146	557,272	915,139

As a result of changes in the management structure made for the year ended March 31, 2025, certain related businesses have been transferred from Industrial Tape to Optronics.

Such changes have been reflected in the figures for the year ended March 31, 2024.

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, 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	175,044	351,698
Optronics	Information Fine Materials	20,743	-	-	383,101	403,844
	Circuits Materials	56,604	-	-	77,032	133,636
	Total	77,348	-	-	460,133	537,481
Human Life	Life Science	4,050	35,455	6	-	39,512
	Membrane	2,778	16,863	4,745	6,279	30,667
	Personal Care Materials	-	3,736	48,762	523	53,023
	Total	6,828	56,056	53,515	6,803	123,203
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

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, 2024

Since there is no important matter for the year ended March 31, 2024, a description is omitted.

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 commercialization of the 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 calculated based on the fair value less costs of disposal (projected sale value, etc.), and is categorized in 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 based by the discounted cash flow method, and is categorized in 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 fiscal year 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 based by the discounted cash flow method, and is categorized in 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 fiscal year and the current fiscal year are 1.4%. The discount rates (before tax) for the previous fiscal year and the current fiscal year are 7.2% and 7.5% respectively.

(Per share information)

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

	For the year ended March 31, 2024	For the year ended March 31, 2025
(1) Basic earnings per share	143.91 yen	195.74 yen
Basis for calculation		
Net profit attributable to owners of the parent company (Millions of yen)	102,679	137,237
Average number of common shares (Thousands of shares)	713,483	701,124
(2) Diluted earnings per share	143.86 yen	195.65 yen
Basis for calculation		
Increase in the number of common stock upon exercise of the stock option (Thousands of shares)	266	250
Increase in the number of common stock upon Performance-linked share-based remuneration plan (Thousands of shares)	-	49

(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, 2024 and for the year ended March 31, 2025 are based on the assumption that the stock split is conducted at the beginning of the fiscal year ended March 31, 2024.

(Significant subsequent events)

Not applicable.