

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2025

[Japanese GAAP]

Company name: NITTOKU CO., LTD.

Listing: Tokyo Stock Exchange

Stock code: 6145

URL: <https://nittoku.co.jp/english/>

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Scheduled date of Annual General Meeting of Shareholders: June 26, 2025

Scheduled date of filing of Annual Securities Report: June 27, 2025

Scheduled date of payment of dividend: June 27, 2025

Preparation of supplementary materials for financial results: Yes

Holding of financial results meeting: Yes (for analysts and institutional investors)

Note: The original disclosure in Japanese was released on May 9, 2025, at 17:00 (GMT +9).

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024–March 31, 2025)

(1) Consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2025	33,268	8.0	1,119	(73.1)	1,225	(71.4)	1,307	(52.3)
Fiscal year ended Mar. 31, 2024	30,803	4.6	4,164	34.5	4,280	37.2	2,744	23.4

Note: Comprehensive income (million yen) Fiscal year ended Mar. 31, 2025: (102) (–%)

Fiscal year ended Mar. 31, 2024: 4,314 (up 52.5%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit on total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 31, 2025	73.97	–	3.5	2.1	3.4
Fiscal year ended Mar. 31, 2024	151.92	–	7.3	8.2	13.5

Reference: Equity in earnings of affiliates (million yen) Fiscal year ended Mar. 31, 2025: – Fiscal year ended Mar. 31, 2024: –

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2025	60,415	36,603	60.2	2,156.82
As of Mar. 31, 2024	56,785	39,770	69.4	2,182.00

Reference: Shareholders' equity (million yen) As of Mar. 31, 2025: 36,390

As of Mar. 31, 2024: 39,420

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Mar. 31, 2025	50	154	(329)	14,274
Fiscal year ended Mar. 31, 2024	525	116	1,195	14,503

2. Dividends

	Dividend per share					Total dividends	Payout ratio (consolidated)	Dividend on equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended Mar. 31, 2024	–	17.00	–	17.00	34.00	614	22.4	1.6
Fiscal year ended Mar. 31, 2025	–	21.00	–	21.00	42.00	733	56.8	1.9
Fiscal year ending Mar. 31, 2026 (forecast)	–	21.00	–	21.00	42.00		49.5	

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025–March 31, 2026)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	17,500	22.9	500	–	500	–	350	2.5	20.74
Full year	38,000	14.2	2,280	103.7	2,280	86.1	1,500	14.7	88.90

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes

Newly added: 3 companies (Astecnos Co., Ltd., API Hard- & Software GmbH, and Astecnos America Corporation)

Excluded: —

(2) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

Note: For more information, please refer to page 13 of the attachments “3. Consolidated Financial Statements and Notes, (5) Notes to Consolidated Financial Statements (Changes in Accounting Policies).”

(3) Number of issued shares (common stock)

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

As of Mar. 31, 2025: 18,098,923 shares As of Mar. 31, 2024: 18,098,923 shares

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

As of Mar. 31, 2025: 1,226,741 shares As of Mar. 31, 2024: 32,575 shares

3) Average number of shares outstanding during the period

Fiscal year ended Mar. 31, 2025: 17,682,838 shares Fiscal year ended Mar. 31, 2024: 18,066,484 shares

Reference: Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024–March 31, 2025)

(1) Non-consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2025	19,646	(11.3)	1,330	(63.6)	2,442	(34.9)	2,362	(14.1)
Fiscal year ended Mar. 31, 2024	22,139	(1.6)	3,654	84.1	3,753	61.0	2,749	60.5

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended Mar. 31, 2025	133.59	—
Fiscal year ended Mar. 31, 2024	152.17	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2025	43,915	27,006	61.5	1,600.66
As of Mar. 31, 2024	41,086	28,705	69.9	1,588.90

Reference: Shareholders' equity (million yen) As of Mar. 31, 2025: 27,006

As of Mar. 31, 2024: 28,705

2. Non-consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025–March 31, 2026)

(Percentages represent year-on-year changes)

	Net sales		Ordinary profit		Profit		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
First half	13,500	64.7	650	(48.3)	450	(69.5)	26.67
Full year	30,000	52.7	2,000	(18.1)	1,650	(30.2)	97.79

* The current financial report is not subject to audit procedures by certified public accountants or an audit firm.

* Explanation of appropriate use of earnings forecasts, and other special items

Forecasts of future performance in these materials are based on assumptions judged to be valid and information currently available to the Company's management at the time the materials were prepared. As such, they do not constitute an assurance that the Company promises to achieve the future performance. Actual results may differ significantly from these forecasts for a number of reasons. For discussion of the assumptions and other factors considered by the Company in preparing the above projections, please refer to page 4 of the attachments “1. Overview of Results of Operations, (4) Future Outlook.”

The Company plans to hold a results presentation for institutional investors and analysts on May 30, 2025. Materials will be available on the Company's website.

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1. Overview of Results of Operations

(1) Overview of Results of Operations for the Current Fiscal Year

During the fiscal year ended March 31, 2025 (April 1, 2024 through March 31, 2025), the Japanese economy continued to grow moderately overall as corporate earnings, employment, and income conditions improved and consumer spending and capital investment remained strong, backed by the weak yen trend in exchange rate and increased demand from inbound tourists. On the other hand, overseas situations remained highly uncertain due to several factors, including the slowdown of the European and Chinese economies, geopolitical risks stemming from the situations in Ukraine and the Middle East, the impact of the U.S. presidential election, such as Trump's tariffs, on its fiscal policy, financial and international trade markets, etc., and trends in resources and energy prices.

Against the backdrop of accommodative financial conditions, the business environment surrounding the Group saw a gradual increase in capital investments, except in the European market where business confidence has deteriorated, due to factors such as investments to address labor shortages, digital-related investments, research and development investments in growth areas and decarbonization, investments to strengthen supply chains, capital investments in electrical equipment and safety in the automotive industry, and the need for automation, efficiency, and quality improvement of manufacturing and production systems.

The Group provides technologies and ideas for designing and building users' overall production systems. As a "line builder" that contributes to the efficiency and quality improvements of the entire production process, we also provide integrated production lines that meet each user's specific needs and wants. On top of such customer-specific machines, we also focus on developing and selling industry-standard machines. At a semiconductor industry exhibition held in Japan in the current fiscal year, our semiconductor-related industry-standard machines received positive feedback, leading to numerous business inquiries. Through these efforts, we are propelling our internal reform measures to balance technical capabilities with profitability. In addition, we are working to secure superior ready-to-work human resources in niche industries through a "satellite strategy" aimed at securing ready-to-work human resources, such as by opening technical centers in locations where human resources we want to hire are gathered.

In response to the recent society's demand for firms to contribute to SDGs and pursue ESG management, the Group provides users with production systems that enable them to save resources, materials, and electricity. We are also working at IMD Co., Ltd., our affiliate, on the research of motors without insulating media that enable the reduction of motor waste and at the Company on the research of production systems for such motors. Through these activities, we endeavor to contribute to global environmental conservation and the international community.

The Group is working with users to develop cutting-edge equipment for their automation projects involving new products in response to new technological innovations, mainly in the mobility industry. Also, the scale of production equipment has become larger, and the delivery times have become longer than in the past. In the current fiscal year, a large percentage of projects involved the elements of new development (evolution and change of user-developed products). Such projects require more time to respond to additional specification changes and quality adjustments based on users' requests, as well as additional costs to meet acceptance inspection conditions and modifications after delivery, which resulted in several events of prolonged delivery times and additional costs. Moreover, profits significantly decreased year on year, partly attributable to the underperformance of overseas subsidiaries, particularly in Germany and other European countries, where the economic downturn in the mobility industry adversely affected their business performance. Meanwhile, some low-profit projects we worked on in the current fiscal year have already received repeat orders, which will contribute to future revenue growth.

As a result of the above, for the fiscal year ended March 31, 2025, the Group reported net sales of 33,268 million yen (up 8.0% year on year), operating profit of 1,119 million yen (down 73.1% year on year), ordinary profit of 1,225 million yen (down 71.4% year on year), and profit attributable to owners of parent of 1,307 million yen (down 52.3% year on year) on a consolidated basis.

In this business environment, results by business segment were as follows.

Winding System & Mechatronics Business

The Group has pursued a business model of providing a production system that helps users improve their competitive advantage in the global market. To this end, we provide a variety of production line construction by

means of production systems that enable high-performance multi-axis synchronous control through the use of our proprietary OS, based on the technology to integrate multiple processes such as coil winding, handling, assembly, and inspection through a transfer system. We must promptly cater to individual users' unique and diverse needs and wants. In doing so, we are striving to raise the barriers to entry for competitors and further improve our competitiveness and market presence by globally promoting our Black Ocean tactics—tactics to promote collaboration and co-creation with users and suppliers through open innovation in niche areas. As a result of such efforts, the Company has expanded its capabilities in the mechatronics business into areas not involving a coil winding process, such as high-precision die bonders and handlers for the semiconductor industry and winders for the battery industry.

In recent years, with the rapid progress of digitalization, devices and tools have become more sophisticated. In this business, the Group has transformed itself from a conventional “production facility manufacturer” to a “line builder.” This involves providing technologies and ideas for designing and building of overall production systems of users as well as contributing to production efficiency and quality improvements for the entire process.

As mentioned above, during the current fiscal year, profits significantly decreased year on year, partly due to the prolonged delivery period associated with new development activities, several cost-intensive events, and the underperformance of overseas subsidiaries.

As a result of the above, the Winding System & Mechatronics Business segment, which accounts for about 95% of the Group's total net sales, reported net sales of 31,474 million yen (up 11.0% year on year) and segment profit (operating profit) of 1,786 million yen (down 59.5% year on year) on a consolidated basis. On a non-consolidated basis, orders received increased to 22,263 million yen (up 21.4% year on year), net sales decreased to 17,839 million yen (down 9.5% year on year), and the order backlog at the end of the current fiscal year increased to 23,005 million yen (up 23.8% year on year).

Contactless IC Tag & Card Business

During the current fiscal year, net sales of contactless IC cards decreased by 7.4% year on year. Net sales of tags, such as FA and battery tags used to manage production lines, decreased by 73.0% year on year, partly due to adjustments to tag inventory that users had arranged in advance when semiconductors were in short supply.

As a result, net sales of the Contactless IC Tag & Card Business came in at 1,793 million yen (down 26.4% year on year) and segment profit (operating profit) came in at 445 million yen (down 43.3% year on year) on a consolidated basis. On a non-consolidated basis, orders received decreased to 1,889 million yen (down 8.3% year on year), net sales decreased to 1,807 million yen (down 25.9% year on year), and the order backlog at the end of the current fiscal year increased to 675 million yen (up 13.9% year on year).

(2) Overview of Financial Position for the Current Fiscal Year

1) Assets

Current assets increased by 2,333 million yen from the end of the prior fiscal year to 41,527 million yen. This was mainly attributable to increases of 2,133 million yen in work in process and 1,236 million yen in notes and accounts receivable-trade, which were partially offset by decreases of 905 million yen in electronically recorded monetary claims-operating and 121 million yen in cash and deposits.

Non-current assets increased by 1,296 million yen from the end of the prior fiscal year to 18,888 million yen. This was mainly attributable to increases of 1,167 million yen in buildings and structures, net; 1,067 million yen in land; 211 million yen in goodwill; and 215 million yen in machinery, equipment and vehicles, net; which were partially offset by a decrease of 1,991 million yen in investment securities.

As a result, total assets increased by 3,630 million yen from the end of the prior fiscal year to 60,415 million yen.

2) Liabilities

Current liabilities increased by 2,805 million yen from the end of the prior fiscal year to 16,328 million yen. This was mainly attributable to increases of 2,404 million yen in contract liabilities and 1,567 million yen in current portion of long-term borrowings, which were partially offset by a decrease of 1,080 million yen in electronically recorded obligations-operating.

Non-current liabilities increased by 3,992 million yen from the end of the prior fiscal year to 7,483 million yen. This was mainly attributable to an increase of 4,483 million yen in long-term borrowings. Consequently, total liabilities increased by 6,797 million yen from the end of the prior fiscal year to 23,812 million yen.

3) Net assets

Total net assets decreased by 3,167 million yen from the end of the prior fiscal year to 36,603 million yen. This was mainly attributable to an increase of 2,304 million yen in treasury shares.

(3) Overview of Cash Flows for the Current Fiscal Year

Cash and cash equivalents (hereinafter “net cash”) at the end of the current fiscal year decreased by 229 million yen from the end of the prior fiscal year to 14,274 million yen. The cash flow components during the current fiscal year and the main reasons for changes are as described below.

Cash flows from operating activities

Net cash provided by operating activities was 50 million yen (compared with 525 million yen provided for the prior fiscal year). The main factors include the recording of profit before income taxes of 1,710 million yen, depreciation of 1,215 million yen, and increase in contract liabilities of 1,983 million yen, despite income taxes paid of 1,672 million yen and increase in inventories of 1,100 million yen.

Cash flows from investing activities

Net cash provided by investing activities was 154 million yen (compared with 116 million yen provided for the prior fiscal year). The main factors include proceeds from sale of investment securities of 942 million yen, proceeds from redemption of securities of 386 million yen, and proceeds from withdrawal of time deposits of 302 million yen, despite purchase of property, plant and equipment of 809 million yen and purchase of insurance funds of 594 million yen.

Cash flows from financing activities

Net cash used in financing activities was 329 million yen (compared with 1,195 million yen provided for the prior fiscal year). The main factors include repayments of long-term borrowings of 2,383 million yen, purchase of treasury shares of 2,309 million yen, and dividends paid of 685 million yen, despite proceeds from long-term borrowings of 5,400 million yen.

(4) Future Outlook

Hereafter, the Company will promote a “satellite strategy” aimed at securing ready-to-work human resources, “M&A strategy” to expand its business and operations through synergy effects, “Black Ocean tactics” to further improve its competitiveness and market presence, and expansion of strategic product lineup, including high-precision die bonders for the semiconductor industry and winders for the battery industry, among other initiatives.

In Japan, the Company concluded a basic agreement on business alliance with DAIICHI JITSUGYO CO., LTD. in March 2025, and will establish a strategic partnership in the areas of battery manufacturing, automotive and automotive-related parts manufacturing, and global area strategy, aiming to enhance the corporate value of both companies and contribute to society through product supply. In addition, the FA Business Division previously handled business for the domestic semiconductor industry, but in April 2025, the organization became independent as the Semiconductor Business Division to increase the speed of response to the market’s needs and wants. Overseas, the Company opened the Da Nang branch of the local subsidiary in Vietnam in March 2025, aiming to improve its services for users in central Vietnam and to expand and revitalize its sales activities.

We, as a “line builder” contributing to the global environment and the sustainable growth of the international community, will capture business opportunities arising from current mega trends toward digitalization and greening, as represented by SDGs, carbon emission reduction, etc., to meet customers’ need for investing in large-scale and advanced facilities.

We will continuously generate profit, increase corporate value, and realize a sustainable society through resolution of social problems.

In the next fiscal year ending on March 31, 2026, we expect to record net sales of 38,000 million yen (up 14.2% year on year), operating profit of 2,200 million yen (up 103.7% year on year), ordinary profit of 2,200 million yen (up 86.1% year on year), and profit attributable to owners of parent of 1,500 million yen (up 14.7% year on year). Although it is uncertain whether the European economy will recover from the recession, the impact of the U.S. tariff measures is highly indeterminable, and new development projects will again account for a reasonably high percentage of our net sales in the next fiscal year, we expect to achieve record-high net sales.

In conjunction with holding a results presentation for institutional investors and analysts scheduled for late May 2025, we will announce a medium-term business plan that covers the fiscal years ending March 31, 2026 to March 31, 2028, outlining the direction of our growth strategy for the next three years. We will endeavor to develop a management strategy for each business area and business division and implement financial and capital policies to strengthen our management foundation, enhance our sales and market share, improve our profitability, and boost our corporate value. At the same time, we will work to further increase our shareholder value through these initiatives. As we recognize the significance of engaging in dialogue with investors and shareholders, we will present the details of this medium-term business plan through our investor relations briefings and one-on-one meetings so as to enhance value-sharing with them.

Effective from the next fiscal year, the target consolidated dividend payout ratio will be increased from the current 30% or more to 40% or more (up 10% year on year), and the annual dividend for the next fiscal year will be 42 yen (the same amount as the prior fiscal year) or more per share.

2. Basic Approach to the Selection of Accounting Standards

The Company prepares its financial statements in accordance with the Japanese Generally Accepted Accounting Principles (JGAAP). To prepare for the voluntary application in the future of International Financial Reporting Standards (IFRS Accounting Standards), we are preparing manuals and policies and considering the proper timing to start using these standards. Actions concerning these standards will be taken in an appropriate manner.

3. Consolidated Financial Statements and Notes**(1) Consolidated Balance Sheet**

(Millions of yen)

	Prior fiscal year (As of Mar. 31, 2024)	Current fiscal year (As of Mar. 31, 2025)
Assets		
Current assets		
Cash and deposits	15,028	14,907
Notes and accounts receivable-trade	6,910	8,147
Electronically recorded monetary claims-operating	2,514	1,609
Work in process	11,094	13,227
Raw materials and supplies	2,702	2,469
Other	1,014	1,238
Allowance for doubtful accounts	(72)	(73)
Total current assets	39,193	41,527
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,132	6,299
Machinery, equipment and vehicles, net	1,039	1,254
Land	2,811	3,878
Other, net	700	617
Total property, plant and equipment	9,683	12,050
Intangible assets		
Goodwill	—	211
Other	181	237
Total intangible assets	181	449
Investments and other assets		
Investment securities	4,991	2,999
Retirement benefit asset	681	700
Deferred tax assets	46	268
Other	2,006	2,419
Total investments and other assets	7,726	6,387
Total non-current assets	17,591	18,888
Total assets	56,785	60,415

	(Millions of yen)	
	Prior fiscal year (As of Mar. 31, 2024)	Current fiscal year (As of Mar. 31, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	1,913	2,496
Electronically recorded obligations-operating	2,105	1,025
Income taxes payable	1,201	185
Contract liabilities	5,450	7,855
Provision for bonuses	722	748
Current portion of long-term borrowings	399	1,966
Other	1,730	2,050
Total current liabilities	13,523	16,328
Non-current liabilities		
Long-term borrowings	1,584	6,067
Retirement benefit liability	1	6
Deferred tax liabilities	1,186	902
Other	719	507
Total non-current liabilities	3,491	7,483
Total liabilities	17,014	23,812
Net assets		
Shareholders' equity		
Share capital	6,884	6,884
Capital surplus	2,528	2,562
Retained earnings	24,722	25,343
Treasury shares	(29)	(2,334)
Total shareholders' equity	34,106	32,456
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,178	1,099
Foreign currency translation adjustment	2,846	2,649
Remeasurements of defined benefit plans	289	183
Total accumulated other comprehensive income	5,314	3,933
Non-controlling interests	349	212
Total net assets	39,770	36,603
Total liabilities and net assets	56,785	60,415

(2) Consolidated Statements of Income and Comprehensive Income**Consolidated Statement of Income**

	(Millions of yen)	
	Prior fiscal year (Apr. 1, 2023–Mar. 31, 2024)	Current fiscal year (Apr. 1, 2024–Mar. 31, 2025)
Net sales	30,803	33,268
Cost of sales	20,874	25,260
Gross profit	9,929	8,007
Selling, general and administrative expenses	5,764	6,887
Operating profit	4,164	1,119
Non-operating income		
Interest income	101	60
Dividend income	62	57
Insurance claim income	–	40
Subsidy income	26	36
Other	99	110
Total non-operating income	290	305
Non-operating expenses		
Interest expenses	32	61
Foreign exchange losses	91	43
Company funeral-related expenses	–	40
Other	50	53
Total non-operating expenses	174	199
Ordinary profit	4,280	1,225
Extraordinary income		
Gain on sale of investment securities	–	428
Gain on sale of golf club membership	–	56
Total extraordinary income	–	485
Profit before income taxes	4,280	1,710
Income taxes-current	1,281	663
Income taxes-deferred	255	(250)
Total income taxes	1,536	412
Profit	2,744	1,298
Loss attributable to non-controlling interests	(0)	(9)
Profit attributable to owners of parent	2,744	1,307

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Prior fiscal year (Apr. 1, 2023–Mar. 31, 2024)	Current fiscal year (Apr. 1, 2024–Mar. 31, 2025)
Profit	2,744	1,298
Other comprehensive income		
Valuation difference on available-for-sale securities	603	(1,078)
Foreign currency translation adjustment	997	(216)
Remeasurements of defined benefit plans, net of tax	(30)	(105)
Total other comprehensive income	1,570	(1,400)
Comprehensive income	4,314	(102)
Comprehensive income attributable to:		
Owners of parent	4,290	(72)
Non-controlling interests	23	(30)

(3) Consolidated Statement of Changes in Equity

Prior fiscal year (Apr. 1, 2023–Mar. 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,884	2,535	22,555	(28)	31,948
Changes during period					
Dividends of surplus			(578)		(578)
Profit attributable to owners of parent			2,744		2,744
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares					–
Purchase of shares of consolidated subsidiaries					–
Capital increase of consolidated subsidiaries		(7)			(7)
Net changes in items other than shareholders' equity					
Total changes during period	–	(7)	2,166	(0)	2,158
Balance at end of period	6,884	2,528	24,722	(29)	34,106

(Millions of yen)

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,575	1,873	319	3,767	309	36,024
Changes during period						
Dividends of surplus						(578)
Profit attributable to owners of parent						2,744
Purchase of treasury shares						(0)
Disposal of treasury shares						–
Purchase of shares of consolidated subsidiaries						–
Capital increase of consolidated subsidiaries						(7)
Net changes in items other than shareholders' equity	603	973	(30)	1,546	40	1,587
Total changes during period	603	973	(30)	1,546	40	3,745
Balance at end of period	2,178	2,846	289	5,314	349	39,770

Current fiscal year (Apr. 1, 2024–Mar. 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,884	2,528	24,722	(29)	34,106
Changes during period					
Dividends of surplus			(686)		(686)
Profit attributable to owners of parent			1,307		1,307
Purchase of treasury shares				(2,309)	(2,309)
Disposal of treasury shares		4		5	9
Purchase of shares of consolidated subsidiaries		29			29
Capital increase of consolidated subsidiaries					—
Net changes in items other than shareholders' equity					
Total changes during period	—	33	621	(2,304)	(1,649)
Balance at end of period	6,884	2,562	25,343	(2,334)	32,456

(Millions of yen)

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,178	2,846	289	5,314	349	39,770
Changes during period						
Dividends of surplus						(686)
Profit attributable to owners of parent						1,307
Purchase of treasury shares						(2,309)
Disposal of treasury shares						9
Purchase of shares of consolidated subsidiaries						29
Capital increase of consolidated subsidiaries						—
Net changes in items other than shareholders' equity	(1,078)	(196)	(105)	(1,380)	(136)	(1,517)
Total changes during period	(1,078)	(196)	(105)	(1,380)	(136)	(3,167)
Balance at end of period	1,099	2,649	183	3,933	212	36,603

(4) Consolidated Statement of Cash Flows

	(Millions of yen)	
	Prior fiscal year	Current fiscal year
	(Apr. 1, 2023–Mar. 31, 2024)	(Apr. 1, 2024–Mar. 31, 2025)
Cash flows from operating activities		
Profit before income taxes	4,280	1,710
Depreciation	934	1,215
Amortization of goodwill	–	52
Increase (decrease) in allowance for doubtful accounts	60	(1)
Increase (decrease) in provision for bonuses	78	(66)
Increase (decrease) in retirement benefit liability	(19)	5
Decrease (increase) in retirement benefit asset	(156)	(170)
Interest and dividend income	(163)	(118)
Foreign exchange losses (gains)	(62)	(10)
Subsidy income	(26)	(36)
Loss (gain) on sale of property, plant and equipment	(2)	(14)
Loss (gain) on sale of investment securities	–	(428)
Decrease (increase) in trade receivables	(2,444)	244
Decrease (increase) in inventories	(2,940)	(1,100)
Increase (decrease) in trade payables	(625)	(1,139)
Loss (gain) on sale of golf club membership	–	(55)
Increase (decrease) in contract liabilities	1,462	1,983
Other, net	325	(446)
Subtotal	699	1,622
Interest and dividends received	156	125
Interest paid	(32)	(61)
Income taxes paid	(325)	(1,672)
Subsidies received	26	36
Net cash provided by (used in) operating activities	525	50
Cash flows from investing activities		
Payments into time deposits	(949)	(306)
Proceeds from withdrawal of time deposits	2,121	302
Purchase of property, plant and equipment	(665)	(809)
Proceeds from sale of property, plant and equipment	18	67
Purchase of intangible assets	(96)	(79)
Purchase of investment securities	(302)	(110)
Proceeds from sale of investment securities	40	942
Proceeds from redemption of securities	–	386
Purchase of golf club membership	–	(15)
Proceeds from sale of golf club membership	–	88
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(107)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	–	332
Purchase of insurance funds	(611)	(594)
Proceeds from maturity of insurance funds	561	55
Other, net	–	0
Net cash provided by (used in) investing activities	116	154
Cash flows from financing activities		
Proceeds from long-term borrowings	2,000	5,400
Repayments of long-term borrowings	(16)	(2,383)
Purchase of treasury shares	(0)	(2,309)
Dividends paid	(578)	(685)
Other, net	(209)	(350)
Net cash provided by (used in) financing activities	1,195	(329)
Effect of exchange rate change on cash and cash equivalents	642	(104)
Net increase (decrease) in cash and cash equivalents	2,479	(229)
Cash and cash equivalents at beginning of period	12,023	14,503
Cash and cash equivalents at end of period	14,503	14,274

(5) Notes to Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Changes in Accounting Policies

(Application of the accounting standards for current income taxes)

The Company has applied the revised “Accounting Standard for Current Income Taxes, etc.” (Accounting Standard Board of Japan (“ASBJ”) Statement No. 27, October 28, 2022; hereinafter referred to as the “2022 Revised Accounting Standard”), “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022), and “Accounting Standard for Presentation of Comprehensive Income” (ASBJ Statement No. 25, October 28, 2022) from the beginning of the current fiscal year.

Previously, the Company recorded corporate tax, inhabitant tax, enterprise tax, etc., on income and other items (hereinafter referred to as “income taxes”) in profit or loss in the amount calculated in accordance with laws and regulations. However, the Company has decided to record income taxes on income separately in profit or loss, shareholder’s equity, and other comprehensive income according to the transactions, etc. that generate the income taxes. With regard to income taxes recorded in other comprehensive income, the Company has decided to record the corresponding tax amount when the transactions, etc., that cause the income taxes to be imposed are recorded in profit or loss. If the transactions subject to tax are related to shareholders’ equity or other comprehensive income in addition to profit or loss, but it is difficult to calculate the amount of income taxes imposed on shareholders’ equity or other comprehensive income, the amount of such taxes is recorded in profit or loss.

Revisions regarding the classification of income taxes are in accordance with the transitional treatment stipulated in the proviso to Article 20-3 of the 2022 Revised Accounting Standard.

The effect of this change in accounting policy on the consolidated financial statements is immaterial.

Segment and Other Information

Segment information

1. Overview of reportable segment

(1) Method of determining the reportable segments

Segments used for financial reporting are the Group’s constituent units for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

The two reportable segments that the NITTOKU Group uses are based on the products and services provided by these business divisions. The two segments are the Winding System & Mechatronics Business and the Contactless IC Tag & Card Business.

(2) Products and services by each reportable segment

The Winding System & Mechatronics Business segment involves the manufacture and sale of winding machines, winding systems, and peripheral equipment and the provision of maintenance services. The Contactless IC Tag & Card Business segment involves the manufacture and sale of IC tags, cards, and inlets.

2. Calculation methods for net sales, profits/losses, assets, liabilities, and other items for each reportable segment

The accounting methods for reportable segments are largely the same as those described in “Basis of Preparing the Consolidated Financial Statements.”

3. Information related to net sales, profit/losses, assets, and other items for each reportable segment

Prior fiscal year (Apr. 1, 2023–Mar. 31, 2024)

(Millions of yen)

	Reportable segment		Total
	Winding System & Mechatronics Business	Contactless IC Tag & Card Business	
Net sales			
External sales	28,365	2,437	30,803
Inter-segment sales and transfers	–	–	–
Total	28,365	2,437	30,803
Segment profit	4,408	786	5,195
Segment assets	37,746	2,560	40,307
Other items			
Depreciation	758	81	839
Change in property, plant and equipment and intangible assets	1,455	134	1,590

Current fiscal year (Apr. 1, 2024–Mar. 31, 2025)

(Millions of yen)

	Reportable segment		Total
	Winding System & Mechatronics Business	Contactless IC Tag & Card Business	
Net sales			
External sales	31,474	1,793	33,268
Inter-segment sales and transfers	–	–	–
Total	31,474	1,793	33,268
Segment profit	1,786	445	2,232
Segment assets	43,865	2,591	46,456
Other items			
Depreciation	1,057	65	1,123
Change in property, plant and equipment and intangible assets	1,092	94	1,187

4. Reconciliation of amounts shown on the consolidated financial statements with total for reportable segments

(Millions of yen)

Profit	Prior fiscal year	Current fiscal year
Total for reportable segments	5,195	2,232
Corporate expenses (Note)	(1,030)	(1,113)
Operating profit on the consolidated financial statements	4,164	1,119

Note: Corporate expenses mainly include general and administrative expenses that cannot be attributed to any reportable segment.

(Millions of yen)

Assets	Prior fiscal year	Current fiscal year
Total for reportable segments	40,307	46,456
Corporate assets (Note)	16,477	13,958
Total assets on the consolidated financial statements	56,785	60,415

Note: Corporate assets mainly include cash and deposits and investment securities that cannot be attributed to any reportable segment.

(Millions of yen)

Other items	Total for reportable segments		Adjustment		Amounts shown on consolidated financial statements	
	Prior fiscal year	Current fiscal year	Prior fiscal year	Current fiscal year	Prior fiscal year	Current fiscal year
Depreciation	839	1,123	94	91	934	1,215
Change in property, plant and equipment and intangible assets	1,590	1,187	33	5	1,623	1,192

Note: Adjustment to change in property, plant and equipment and intangible assets represents head office facilities.

Related information

Prior fiscal year (Apr. 1, 2023–Mar. 31, 2024)

1. Information by product or service

This information is omitted because the same information is presented in segment information.

2. Information by region

(1) Net sales

(Millions of yen)

Japan	China	Asia	America	Europe	Total
14,858	3,856	4,154	2,457	5,476	30,803

Notes: 1. Classification of net sales by region is based on the location of the client and categorized by country or region.
2. Net sales of export products on a non-consolidated basis were 7,829 million yen.

(2) Property, plant and equipment

(Millions of yen)

Japan	Other	Total
8,236	1,447	9,683

3. Information by major customer

This information is omitted because no specific external customer accounts for more than 10% of net sales on the consolidated statement of income.

Current fiscal year (Apr. 1, 2024–Mar. 31, 2025)

1. Information by product or service

This information is omitted because the same information is presented in segment information.

2. Information by region

(1) Net sales

(Millions of yen)

Japan	China	Asia	America	Europe	Total
16,224	4,963	3,311	3,056	5,711	33,268

Notes: 1. Classification of net sales by region is based on the location of the client and categorized by country or region.
2. Net sales of export products on a non-consolidated basis were 7,674 million yen.

(2) Property, plant and equipment

(Millions of yen)

Japan	Other	Total
10,662	1,388	12,050

3. Information by major customer

This information is omitted because no specific external customer accounts for more than 10% of net sales on the consolidated statement of income.

Information related to impairment of non-current assets for each reportable segment

Not applicable.

Information related to goodwill amortization and the unamortized balance for each reportable segment

Prior fiscal year (Apr. 1, 2023–Mar. 31, 2024)

Not applicable.

Current fiscal year (Apr. 1, 2024–Mar. 31, 2025)

(Millions of yen)

	Reportable segment			Elimination or corporate	Total
	Winding System & Mechatronics Business	Contactless IC Tag & Card Business	Subtotal		
Amortization of goodwill	52	–	52	–	52
Balance at end of period	211	–	211	–	211

(Significant changes in the amount of goodwill)

During the current fiscal year, the Company acquired the shares of Astecnos Co., Ltd. and API Hard- & Software GmbH, which are included in the scope of consolidation. As a result, goodwill of 264 million yen was recorded in the Winding System & Mechatronics Business.

Information related to gain on bargain purchase for each reportable segment

Not applicable.

Per-share Information

(Yen)

	Prior fiscal year (Apr. 1, 2023–Mar. 31, 2024)	Current fiscal year (Apr. 1, 2024–Mar. 31, 2025)
Net assets per share	2,182.00	2,156.82
Net income per share	151.92	73.97

Notes: 1. Diluted net income per share is not presented since the Company has no outstanding dilutive securities.
2. The following is a reconciliation of net income per share.

(Millions of yen, unless otherwise stated)

Item	Prior fiscal year (Apr. 1, 2023–Mar. 31, 2024)	Current fiscal year (Apr. 1, 2024–Mar. 31, 2025)
Net income per share		
Profit attributable to owners of parent	2,744	1,307
Amount not attributable to common shareholders	–	–
Profit attributable to common shareholders of parent	2,744	1,307
Average number of common stock shares outstanding during the period (Shares)	18,066,484	17,682,838

Material Subsequent Events

Not applicable.

4. Non-consolidated Financial Statements and Notes**(1) Balance Sheet**

	(Millions of yen)	
	Prior fiscal year (As of Mar. 31, 2024)	Current fiscal year (As of Mar. 31, 2025)
Assets		
Current assets		
Cash and deposits	7,123	5,919
Notes receivable-trade	34	172
Accounts receivable-trade	4,658	5,358
Electronically recorded monetary claims-operating	2,299	1,482
Work in process	8,065	10,388
Raw materials and supplies	1,312	1,166
Current portion of long-term loans receivable from subsidiaries and associates	15	12
Other	707	721
Allowance for doubtful accounts	(5)	(5)
Total current assets	24,211	25,215
Non-current assets		
Property, plant and equipment		
Buildings	3,606	3,473
Structures	105	87
Machinery and equipment	533	587
Vehicles	10	5
Tools, furniture and fixtures	158	153
Land	2,541	2,616
Construction in progress	323	230
Total property, plant and equipment	7,279	7,153
Intangible assets		
Software	103	136
Other	2	1
Total intangible assets	106	138
Investments and other assets		
Investment securities	4,658	2,679
Shares of subsidiaries and associates	766	1,696
Investments in capital of subsidiaries and associates	1,568	2,855
Long-term loans receivable from subsidiaries and associates	534	1,449
Insurance funds	1,588	2,167
Other	373	560
Total investments and other assets	9,489	11,407
Total non-current assets	16,875	18,699
Total assets	41,086	43,915

	(Millions of yen)	
	Prior fiscal year (As of Mar. 31, 2024)	Current fiscal year (As of Mar. 31, 2025)
Liabilities		
Current liabilities		
Notes payable-trade	402	324
Accounts payable-trade	1,110	1,827
Electronically recorded obligations-operating	2,105	690
Accounts payable-other	449	416
Contract liabilities	3,565	5,940
Provision for bonuses	512	490
Current portion of long-term borrowings	399	1,399
Other	1,316	350
Total current liabilities	9,860	11,438
Non-current liabilities		
Long-term borrowings	1,584	5,085
Long-term accounts payable-other	194	8
Deferred tax liabilities	679	311
Other	62	64
Total non-current liabilities	2,520	5,469
Total liabilities	12,381	16,908
Net assets		
Shareholders' equity		
Share capital	6,884	6,884
Capital surplus		
Legal capital surplus	2,542	2,542
Other capital surplus	—	4
Total capital surpluses	2,542	2,547
Retained earnings		
Legal retained earnings	202	202
Other retained earnings		
General reserve	2,200	2,200
Retained earnings brought forward	14,698	16,374
Total retained earnings	17,101	18,777
Treasury shares	(29)	(2,334)
Total shareholders' equity	26,499	25,875
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,205	1,131
Total valuation and translation adjustments	2,205	1,131
Total net assets	28,705	27,006
Total liabilities and net assets	41,086	43,915

(2) Statement of Income

	(Millions of yen)	
	Prior fiscal year (Apr. 1, 2023–Mar. 31, 2024)	Current fiscal year (Apr. 1, 2024–Mar. 31, 2025)
Net sales	22,139	19,646
Cost of sales	14,899	14,403
Gross profit	7,240	5,242
Selling, general and administrative expenses	3,585	3,912
Operating profit	3,654	1,330
Non-operating income		
Interest and dividend income	69	1,057
Other	72	134
Total non-operating income	141	1,192
Non-operating expenses		
Interest expenses	1	16
Depreciation	12	11
Company funeral-related expenses	—	40
Other	29	12
Total non-operating expenses	43	81
Ordinary profit	3,753	2,442
Extraordinary income		
Gain on sale of investment securities	—	428
Gain on sale of golf club membership	—	56
Total extraordinary income	—	485
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	—	88
Total extraordinary losses	—	88
Profit before income taxes	3,753	2,839
Income taxes-current	1,033	422
Income taxes-deferred	(29)	54
Total income taxes	1,004	476
Profit	2,749	2,362

(3) Statement of Changes in Equity

Prior fiscal year (Apr. 1, 2023–Mar. 31, 2024)

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Legal retained earnings	Other retained earnings		Total retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus		General reserve	Retained earnings brought forward	
Balance at beginning of period	6,884	2,542	–	2,542	202	2,200	12,527	14,930
Changes during period								
Dividends of surplus							(578)	(578)
Profit							2,749	2,749
Purchase of treasury shares								
Net changes in items other than shareholders' equity								
Total changes during period	–	–	–	–	–	–	2,171	2,171
Balance at end of period	6,884	2,542	–	2,542	202	2,200	14,698	17,101

(Millions of yen)

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(28)	24,329	1,558	1,558	25,888
Changes during period					
Dividends of surplus		(578)			(578)
Profit		2,749			2,749
Purchase of treasury shares	(0)	(0)			(0)
Net changes in items other than shareholders' equity			646	646	646
Total changes during period	(0)	2,170	646	646	2,816
Balance at end of period	(29)	26,499	2,205	2,205	28,705

Current fiscal year (Apr. 1, 2024–Mar. 31, 2025)

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
						General reserve	Retained earnings brought forward	
Balance at beginning of period	6,884	2,542	—	2,542	202	2,200	14,698	17,101
Changes during period								
Dividends of surplus							(686)	(686)
Profit							2,362	2,362
Purchase of treasury shares								
Disposal of treasury shares			4	4				
Net changes in items other than shareholders' equity								
Total changes during period	—	—	4	4	—	—	1,675	1,675
Balance at end of period	6,884	2,542	4	2,547	202	2,200	16,374	18,777

(Millions of yen)

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(29)	26,499	2,205	2,205	28,705
Changes during period					
Dividends of surplus		(686)			(686)
Profit		2,362			2,362
Purchase of treasury shares	(2,309)	(2,309)			(2,309)
Disposal of treasury shares	5	9			9
Net changes in items other than shareholders' equity			(1,074)	(1,074)	(1,074)
Total changes during period	(2,304)	(624)	(1,074)	(1,074)	(1,698)
Balance at end of period	(2,334)	25,875	1,131	1,131	27,006

5. Others

(1) Production, Orders and Sales

The NITTOKU Group (NITTOKU CO., LTD. and its affiliated companies) manufactures and sells a diverse array of products. Even similar products frequently differ in terms of their capacity, structure, style, and other specifications. Since NITTOKU believes these characteristics make it inappropriate to use monetary or volume units in reporting the volume of production and orders in each segment, non-consolidated figures are presented.

Accordingly, with regard to production and orders received, the segment results of operations in “1. Overview of Results of Operations, (1) Overview of Results of Operations for the Current Fiscal Year” are non-consolidated figures. However, sales figures in this section are consolidated figures as in prior fiscal years for consistency with the segment results of operations in “1. Overview of Results of Operations, (1) Overview of Results of Operations for the Current Fiscal Year.”

This summary report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.