

# Consolidated Financial Results

## For the Third Quarter of the Fiscal Year Ending March 31, 2021 (Japanese GAAP)



February 4, 2021  
Tokyo Stock Exchanges in Japan

Company name : NHK SPRING CO., LTD.  
 Code number : 5991  
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Filing date of quarterly securities report : February 5, 2021  
 Payment date of cash dividends : —  
 Supplemental materials prepared for financial results : No  
 Earnings announcement for financial results : No

(Amounts less than one million yen are rounded down)

### 1. Consolidated Results for the Third Quarter of Fiscal Year 2021 (April 1, 2020 through December 31, 2020)

(1) Consolidated Financial Results (Percentage indicates change from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary Income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2021 3rd quarter	399,528	(19.0)	624	(94.8)	1,085	(92.0)	76	(98.5)
FY2020 3rd quarter	493,000	(3.9)	11,933	(49.1)	13,511	(49.9)	5,061	(73.8)

Note: Comprehensive income : FY2021 3rd quarter 571 million yen ( (92.3) %) FY2020 3rd quarter 7,411 million yen ( (46.6) %)

	Net income per share, Basic	Net income per share, Diluted
	Yen	Yen
FY2021 3rd quarter	0.33	—
FY2020 3rd quarter	21.35	—

### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity to total assets
	Millions of yen	Millions of yen	%
FY2021 3rd quarter	538,597	279,088	48.9
FY2020	532,615	286,553	50.9

Reference: Shareholders' equity (Net assets excluding non-controlling interests)

: FY2021 3rd quarter 263,515 million yen FY2020 270,988 million yen

### 2. Dividends

	Cash dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Full year
	Yen	Yen	Yen	Yen	Yen
FY2020	—	12.00	—	5.00	17.00
FY2021	—	5.00	—	—	—
FY2021 (Forecast)	—	—	—	—	—

Notes 1. Revisions to the forecast of dividends since the latest announcement: No

2. Forecasts of year-end dividend for FY2021 are currently undecided.

### 3. Forecast of Consolidated Results for Fiscal Year 2021 (April 1, 2020 through March 31, 2021)

(Percentage indicates change from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share, Basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	561,000	(15.6)	6,000	(71.0)	7,000	(67.1)	4,500	(2.4)	19.37

Note: Revisions to the forecast of consolidated results since the latest announcement: Yes

#### 4. Others

- (1) Changes of significant subsidiaries in the second quarter of fiscal year 2021 : No  
(Transfer of subsidiaries resulting in changes in the scope of consolidation)
- (2) Application of specific accounting for preparing the quarterly consolidated financial statements : No
- (3) Changes in accounting policies, procedures and methods of presentation for preparing the consolidated financial statements
- [1] Changes due to revisions of accounting standards : No
  - [2] Changes due to other reasons : No
  - [3] Changes of estimation due to accounting issues : No
  - [4] Restatements : No

(4) Number of outstanding shares (Common Stock)

[1] Number of outstanding shares	As of December 31, 2020	244,066,144 shares	As of March 31, 2020	244,066,144 shares
[2] Number of treasury stock	As of December 31, 2020	16,046,935 shares	As of March 31, 2020	8,637,279 shares
[3] Average number of shares	3rd quarter of FY2021	233,711,419 shares	3rd quarter of FY2020	237,090,875 shares

\* This quarterly report is out of the scope of the quarterly review.

\* Explanation about appropriate use of the financial results forecasts, and other noteworthy matters  
Statements related to the future, including the forecast of financial results, were based on the information available as of the date when this document was released. Therefore, actual results may differ considerably due to various factors that might occur in the future.

**Quarterly consolidated Financial Statements**

(1) Quarterly consolidated Balance Sheets

(Unit: Millions of yen)

	FY2020 (As of 31 March, 2020)	FY2021 (As of 31 December, 2020)
<b>Assets</b>		
Current assets		
Cash and deposits	74,593	82,473
Notes and accounts receivable - trade	134,315	132,319
Merchandise and finished goods	20,236	17,634
Work in process	9,412	10,530
Raw materials and supplies	18,016	17,713
Partly-finished goods	7,119	7,753
Other	20,865	21,596
Allowance for doubtful accounts	(136)	(213)
Total current assets	284,423	289,808
Non-current assets		
Property, plant and equipment		
Buildings and structures	153,589	153,000
Accumulated depreciation	(97,106)	(98,805)
Buildings and structures, net	56,483	54,194
Machinery, equipment and vehicles	261,246	270,023
Accumulated depreciation	(200,100)	(203,690)
Machinery, equipment and vehicles, net	61,146	66,332
Land	31,149	29,235
Leased assets	1,427	1,475
Accumulated depreciation	(753)	(854)
Leased assets, net	674	621
Construction in progress	19,943	12,762
Other	77,904	78,387
Accumulated depreciation	(66,997)	(67,849)
Other, net	10,906	10,538
Total property, plant and equipment	180,302	173,685
Intangible assets	3,187	3,050
Investments and other assets		
Investment securities	42,853	48,985
Long-term loans receivable	2,760	2,472
Deferred tax assets	9,081	9,161
Net defined benefit asset	1,941	2,591
Other	9,117	10,062
Allowance for doubtful accounts	(1,052)	(1,220)
Total investments and other assets	64,701	72,052
Total non-current assets	248,192	248,788
<b>Total assets</b>	<b>532,615</b>	<b>538,597</b>

(Unit: Millions of yen)

	FY2020 (As of 31 March, 2020)	FY2021 (As of 31 December, 2020)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	78,999	75,055
Electronically recorded obligations - operating	37,880	35,323
Short-term loans payable	20,363	52,861
Income taxes payable	3,038	996
Provision for directors' bonuses	236	188
Notes payable - facilities	3,380	2,221
Other	35,000	30,457
Total current liabilities	178,899	197,103
Non-current liabilities		
Long-term loans payable	33,228	27,022
Lease obligations	547	500
Deferred tax liabilities	3,811	5,816
Net defined benefit liability	23,190	22,908
Provision for directors' retirement benefits	615	603
Provision for officers' retirement benefits	875	991
Other	4,893	4,562
Total non-current liabilities	67,162	62,405
Total liabilities	246,061	259,508
<b>Net assets</b>		
Shareholders' equity		
Capital stock	17,009	17,009
Capital surplus	19,579	19,579
Retained earnings	227,062	224,794
Treasury stock	(8,868)	(14,295)
Total shareholders' equity	254,782	247,088
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,642	19,580
Foreign currency translation adjustment	8,117	2,867
Remeasurements of defined benefit plans	(6,555)	(6,020)
Total accumulated other comprehensive income	16,205	16,427
Non-controlling interests	15,565	15,572
Total net assets	286,553	279,088
<b>Total liabilities and net assets</b>	<b>532,615</b>	<b>538,597</b>

(2) Quarterly consolidated Statement of Comprehensive Income  
(Quarterly consolidated Statements of Income)  
(Nine Months Ended December 31, 2020)

(Unit: Millions of yen)

	FY2020 (9 months ended December 31, 2019)	FY2021 (9 months ended December 31, 2020)
Net sales	493,000	399,528
Cost of sales	446,443	366,382
Gross profit	46,557	33,146
Selling, general and administrative expenses	34,624	32,521
Operating profit	11,933	624
Non-operating income		
Interest income	674	399
Dividend income	1,778	1,074
Share of profit of entities accounted for using equity method	—	170
Subsidy income	12	1,801
Other	1,990	2,057
Total non-operating income	4,456	5,504
Non-operating expenses		
Interest expenses	217	276
Shutdown losses	—	295
Foreign exchange losses	1,653	1,332
Other	1,007	3,140
Total non-operating expenses	2,878	5,043
Ordinary profit	13,511	1,085
Extraordinary income		
Gain on sales of investment securities	—	621
Total extraordinary income	—	621
Extraordinary losses		
Loss of antitrust law	3,122	—
Total extraordinary losses	3,122	—
Profit before income taxes	10,389	1,707
Income taxes - current	4,396	1,039
Profit	5,992	667
Profit attributable to non-controlling interests	930	590
Profit attributable to owners of parent	5,061	76

(Quarterly Consolidated Statements of Comprehensive Income)  
(Nine Months Ended December 31, 2020)

	(Unit: Millions of yen)	
	FY2020 (9 months ended December 31, 2019)	FY2021 (9 months ended December 31, 2020)
Profit	5,992	667
Other comprehensive income		
Valuation difference on available-for-sale securities	1,535	4,950
Foreign currency translation adjustment	89	(5,268)
Remeasurements of defined benefit plans, net of tax	232	559
Share of other comprehensive income of entities accounted for using equity method	(438)	(337)
Total other comprehensive income	1,419	(95)
Comprehensive income	7,411	571
Comprehensive income attributable to:		
Owners of parent	6,632	298
Non-controlling interests	779	273