

**Consolidated Financial Results**  
**For the Fiscal Year Ended March 31, 2022**  
**(Japanese GAAP)**



May 13, 2022

Tokyo Stock Exchanges in Japan

Company name : NHK SPRING CO., LTD.  
Code number : 5991  
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Date of the annual general shareholder's meeting : June 28, 2022  
Payment date of cash dividends : June 29, 2022  
Filing date of financial statements : June 29, 2022  
Supplemental materials prepared for financial results : Yes  
Earnings announcement for financial results : Yes(Intended for securities analysts)

(Amounts less than one million yen are rounded down)

**1. Consolidated Results for the Fiscal Year 2022 (April 1, 2021 through March 31, 2022)**

Net sales		Operating income		Ordinary Income		Profit attributable to owners of parent		
Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	
FY2022	586,903	—	21,359	104.1	30,674	111.1	31,998	240.5
FY2021	572,639	(13.8)	10,463	(49.5)	14,533	(31.7)	9,396	103.7

Note: Comprehensive income FY2022 45,791 million yen ( 110.7 %) FY2021 21,730 million yen ( — %)

	Net income per share, Basic	Net income per share, Diluted	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to sales
	Yen	Yen	%	%	%
FY2022	140.33	—	10.5	5.3	3.6
FY2021	40.45	—	3.4	2.7	1.8

Reference: Equity in earnings (losses) of affiliates FY2022 1,159 million yen FY2021 982 million yen

Note: Since "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29), etc. are applied from the beginning of the fiscal year ending March 31, 2022, the above amounts of consolidated results for the fiscal year 2022 reflect the application of the accounting standard, etc.  
Therefore, the rate of change in "Net sales" compared to the previous fiscal year is not stated.

**(2) Consolidated Financial Position**

	Total assets	Net assets	Shareholders' equity to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2022	588,091	338,847	54.9	1,414.87
FY2021	560,769	299,975	50.6	1,245.48

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

FY2022 322,614 million yen FY2021 283,993 million yen

**(3) Consolidated Cash Flows**

	Net cash provided by operating activities	Net cash provided by investing activities	Net cash provided by financing activities	Cash & cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2022	34,505	4,987	(27,658)	91,894
FY2021	29,636	(24,107)	2,792	78,986

**2. Dividends**

	Cash dividends per share					Amount of dividends paid (Annual)	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Full year			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY2021	—	5.00	—	12.00	17.00	3,904	42.0	1.4
FY2022	—	12.00	—	15.00	27.00	6,156	19.2	2.0
FY2023 (Forecast)	—	15.00	—	—	—	—	—	—

Note: Forecasts of year-end dividend for FY2023 is currently undetermined.

**3. Forecast of Consolidated Results for Fiscal Year 2023 (April 1, 2022 through March 31, 2023)**

(Percentage indicates change from the previous fiscal year / period)

	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
First half	308,000	10.4	15,700	52.5	16,700	23.3	10,000	18.8	43.86
Full year	635,000	8.2	38,000	77.9	40,000	30.4	24,000	(25.0)	105.25

#### 4. Others

(1) Changes of significant subsidiaries in fiscal year 2022 : No  
(Transfer of subsidiaries resulting in changes in the scope of consolidation)

(2) Changes in accounting policies, procedures and methods of presentation for preparing the consolidated financial statements

[1] Changes due to revisions of accounting standards : Yes  
[2] Changes due to other reasons : No  
[3] Changes of estimation due to accounting issues : No  
[4] Restatements : No

(3) Number of outstanding shares (Common Stock)

[1] Number of outstanding shares	As of March 31, 2022	244,066,144 shares	As of March 31, 2021	244,066,144 shares
[2] Number of treasury stock	As of March 31, 2022	16,048,264 shares	As of March 31, 2021	16,047,128 shares
[3] Average number of shares	FY2022	228,018,540 shares	FY2021	232,307,849 shares

#### (Reference) Non-consolidated Financial Results Highlights (April 1, 2021 through March 31, 2022)

(1) Non-consolidated Financial Results (Percentage indicates change from the previous fiscal year)

	Net Sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2022	257,895	—	11,390	163.6	28,283	155.5	31,052	525.9
FY2021	264,687	(11.8)	4,320	(38.0)	11,071	9.0	4,961	—

	Net income per share, Basic		Net income per share, Diluted	
	Yen	Yen	Yen	Yen
FY2022	136.18	—	—	—
FY2021	21.36	—	—	—

Note : Since “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29), etc. are applied from the beginning of the fiscal year ending March 31, 2022, the above amounts of Non-consolidated results for the fiscal year 2022 reflect the application of the accounting standard, etc.

Therefore, the rate of change in “Net sales” compared to the previous fiscal year is not stated.

(2) Non-consolidated Financial Position

	Total assets	Net assets	Shareholders' equity to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2022	382,276	188,454	49.3	826.49
FY2021	358,804	161,221	44.9	707.05

Reference: Shareholders' equity FY2022 188,454 million yen FY2021 161,221 million yen

\* This earnings report is out of the scope of Audit by Independent Auditor.

\* 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.

**Consolidated Financial Statements**  
(1) Consolidated Balance Sheets

	(Unit: Millions of yen)	
	FY2021	FY2022
	(As of 31 March, 2021)	(As of 31 March, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	79,331	92,130
Notes and accounts receivable - trade	140,633	—
Notes, accounts receivable - trade and contract assets	—	138,124
Merchandise and finished goods	18,855	24,461
Work in process	9,585	11,487
Raw materials and supplies	18,969	27,244
Partly-finished goods	7,407	10,680
Other	19,970	21,277
Allowance for doubtful accounts	(193)	(126)
Total current assets	294,560	325,279
Non-current assets		
Property, plant and equipment		
Buildings and structures	154,326	157,256
Accumulated depreciation	(100,418)	(103,227)
Buildings and structures, net	53,907	54,028
Machinery, equipment and vehicles	277,127	283,793
Accumulated depreciation	(209,660)	(222,507)
Machinery, equipment and vehicles, net	67,466	61,286
Land	29,444	30,483
Leased assets	1,476	1,337
Accumulated depreciation	(889)	(818)
Leased assets, net	586	518
Construction in progress	13,997	10,275
Other	80,470	84,040
Accumulated depreciation	(70,206)	(74,415)
Other, net	10,263	9,624
Total property, plant and equipment	175,667	166,217
Intangible assets	3,032	3,034
Investments and other assets		
Investment securities	55,756	58,703
Long-term loans receivable	2,938	1,670
Deferred tax assets	9,952	10,050
Net defined benefit asset	10,195	13,199
Other	9,787	10,839
Allowance for doubtful accounts	(1,121)	(904)
Total investments and other assets	87,508	93,559
Total non-current assets	266,208	262,811
Total assets	560,769	588,091

	(Unit: Millions of yen)	
	FY2021	FY2022
	(As of 31 March, 2021)	(As of 31 March, 2022)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	80,555	80,027
Electronically recorded obligations - operating	33,114	31,162
Short-term loans payable	43,053	28,672
Income taxes payable	3,702	12,652
Provision for directors' bonuses	244	247
Notes payable - facilities	2,557	2,281
Other	31,446	32,281
Total current liabilities	194,675	187,325
Non-current liabilities		
Bonds payable	—	10,000
Long-term loans payable	26,211	11,110
Lease obligations	467	721
Deferred tax liabilities	9,837	12,712
Net defined benefit liability	23,331	22,262
Provision for directors' retirement benefits	630	614
Provision for officers' retirement benefits	791	843
Other	4,848	3,654
Total non-current liabilities	66,118	61,919
Total liabilities	260,793	249,244
Net assets		
Shareholders' equity		
Capital stock	17,009	17,009
Capital surplus	19,579	19,679
Retained earnings	234,113	260,692
Treasury stock	(14,295)	(14,296)
Total shareholders' equity	256,407	283,085
Accumulated other comprehensive income		
Remeasurements of defined benefit plans	23,740	25,292
Foreign currency translation adjustment	4,497	11,592
Remeasurements of defined benefit plans	(652)	2,644
Total accumulated other comprehensive income	27,585	39,529
Non-controlling interests	15,982	16,232
Total net assets	299,975	338,847
Total liabilities and net assets	560,769	588,091

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

	(Unit: Millions of yen)	
	FY2021 (For the year ended March 31, 2021)	FY2022 (For the year ended March 31, 2022)
Net sales	572,639	586,903
Cost of sales	517,479	513,099
Gross profit	55,159	73,803
Selling, general and administrative expenses	44,695	52,443
Operating profit	10,463	21,359
Non-operating income		
Interest income	525	469
Dividend income	1,187	1,741
Share of profit of entities accounted for using equity method	982	1,159
Real estate rent	884	668
Foreign exchange gains	1,229	6,529
Other	3,871	2,009
Total non-operating income	8,681	12,578
Non-operating expenses		
Interest expenses	333	351
Loss on retirement of non-current assets	396	560
Loss on disaster	2,294	927
Other	1,586	1,424
Total non-operating expenses	4,611	3,263
Ordinary profit	14,533	30,674
Extraordinary income		
Gain on sales of non-current assets	—	26,692
Gain on sales of investment securities	659	209
Total extraordinary income	659	26,901
Extraordinary losses		
Impairment loss	433	7,117
Loss on sales of investment securities	—	25
Loss on valuation of shares of subsidiaries and associates	—	38
Loss on sales of investments in capital of subsidiaries and affiliates	—	288
Total extraordinary losses	433	7,470
Profit before income taxes	14,759	50,105
Income taxes - current	5,597	16,018
Income taxes - deferred	(1,279)	812
Total income taxes	4,318	16,830
Profit	10,441	33,275
Profit attributable to non-controlling interests	1,044	1,276
Profit attributable to owners of parent	9,396	31,998

(Consolidated Statements of Comprehensive Income)

	(Unit: Millions of yen)	
	FY2021 (For the year ended March 31, 2021)	FY2022 (For the year ended March 31, 2022)
Profit	10,441	33,275
Other comprehensive income		
Valuation difference on available-for-sale securities	9,122	1,549
Foreign currency translation adjustment	(3,685)	7,088
Remeasurements of defined benefit plans, net of tax	5,928	3,187
Share of other comprehensive income of entities accounted for using equity method	(76)	690
Total other comprehensive income	11,289	12,516
Comprehensive income	21,730	45,791
Comprehensive income attributable to:		
Owners of parent	20,777	43,908
Non-controlling interests	953	1,882

(3) Consolidated Statement of Changes in Net Assets  
FY2021(April 1, 2020 to March 31, 2021)

(Unit: Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	17,009	19,579	227,062	(8,868)	254,782
Changes of items during period					
Dividends of surplus			(2,345)		(2,345)
Profit attributable to owners of parent			9,396		9,396
Change of scope of consolidation					—
Purchase of treasury stock				(5,427)	(5,427)
Disposal of treasury stock		0		0	0
Change in treasury shares of parent arising from transactions with non-controlling shareholders		0			0
Net changes of items other than shareholders' equity					
Total changes of items during period	—	0	7,051	(5,427)	1,625
Balance at end of current period	17,009	19,579	234,113	(14,295)	256,407

	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 current period	14,642	8,117	(6,555)	16,205	15,565	286,553
Changes of items during period						
Dividends of surplus						(2,345)
Profit attributable to owners of parent						9,396
Change of scope of consolidation						—
Purchase of treasury stock						(5,427)
Disposal of treasury stock						0
Change in treasury shares of parent arising from transactions with non-controlling shareholders						0
Net changes of items other than shareholders' equity	9,097	(3,620)	5,903	11,380	416	11,796
Total changes of items during period	9,097	(3,620)	5,903	11,380	416	13,421
Balance at end of current period	23,740	4,497	(652)	27,585	15,982	299,975

FY2022 (April 1, 2021 to March 31, 2022)

(Unit: Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	17,009	19,579	234,113	(14,295)	256,407
Cumulative effects of changes in accounting policies			52		52
Restated balance	17,009	19,579	234,166	(14,295)	256,460
Changes of items during period					
Dividends of surplus			(5,472)		(5,472)
Profit attributable to owners of parent			31,998		31,998
Change of scope of consolidation					—
Purchase of treasury stock				(1)	(1)
Disposal of treasury stock		(0)		0	0
Change in treasury shares of parent arising from transactions with non-controlling shareholders		100			100
Net changes of items other than shareholders' equity					
Total changes of items during period	—	100	26,525	(0)	26,625
Balance at end of current period	17,009	19,679	260,692	(14,296)	283,085

	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 current period	23,740	4,497	(652)	27,585	15,982	299,975
Cumulative effects of changes in accounting policies						52
Restated balance	23,740	4,497	(652)	27,585	15,982	300,028
Changes of items during period						
Dividends of surplus						(5,472)
Profit attributable to owners of parent						31,998
Change of scope of consolidation						—
Purchase of treasury stock						(1)
Disposal of treasury stock						0
Change in treasury shares of parent arising from transactions with non-controlling shareholders						100
Net changes of items other than shareholders' equity	1,552	7,094	3,296	11,943	250	12,193
Total changes of items during period	1,552	7,094	3,296	11,943	250	38,818
Balance at end of current period	25,292	11,592	2,644	39,529	16,232	338,847



(3) Consolidated Statements of Cash Flows

	(Unit: Millions of yen)	
	FY2021 (For the year ended March 31, 2021)	FY2022 (For the year ended March 31, 2022)
Cash flows from operating activities		
Profit before income taxes	14,759	50,105
Depreciation	27,498	28,300
Impairment loss	433	7,117
Increase or decrease in net defined benefit asset and liability	863	(707)
Interest and dividend income	(1,713)	(2,211)
Interest expenses	333	351
Foreign exchange losses (gains)	(205)	(2,186)
Share of (profit) loss of entities accounted for using equity method	(982)	(1,159)
Loss (gain) on sales and retirement of property, plant and equipment	190	(26,199)
Gain on sales of investment securities	(659)	(183)
Loss on sales of investments in capital of subsidiaries and affiliates	—	288
Decrease (increase) in notes and accounts receivable - trade	(7,030)	4,716
Decrease (increase) in inventories	(337)	(16,555)
Increase (decrease) in notes and accounts payable - trade	(2,598)	(2,851)
Other, net	2,368	1,232
Subtotal	32,920	40,058
Interest and dividend income received	1,980	2,242
Interest expenses paid	(355)	(374)
Income taxes paid	(4,908)	(7,420)
Cash flows from operating activities	29,636	34,505
Cash flows from investing activities		
Decrease (increase) in time deposits	(79)	108
Purchase of property, plant and equipment	(26,435)	(23,373)
Proceeds from sales of property, plant and equipment	1,970	27,472
Purchase of intangible assets	(478)	(793)
Purchase of investment securities	(22)	(544)
Proceeds from sale of investment securities	990	402
Proceeds from sale of investments in capital of subsidiaries and affiliates resulting in change in scope of consolidation	—	1,320
Payments of loans receivable	(720)	(550)
Collection of loans receivable	481	1,117
Other, net	186	(171)
Cash flows from investing activities	(24,107)	4,987

Cash flows from financing activities		
Proceeds from short-term loans payable	24,217	7,486
Repayments of short-term loans payable	(1,595)	(20,502)
Proceeds from long-term loans payable	10,000	—
Repayments of long-term loans payable	(17,084)	(17,017)
Proceeds from issuance of bonds	—	10,000
Proceeds from issuance of commercial papers	8,000	12,000
Redemption of commercial papers	(12,000)	(12,000)
Purchase of treasury stock	(5,427)	(1)
Proceeds from sales of treasury stock	0	0
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	(1,012)
Repayments of lease obligations	(441)	(403)
Cash dividends paid	(2,345)	(5,472)
Dividends paid to non-controlling interests	(531)	(737)
Cash flows from financing activities	2,792	(27,658)
Effect of exchange rate change on cash and cash equivalents	(3,649)	1,073
Net increase (decrease) in cash and cash equivalents	4,671	12,908
Cash and cash equivalents at beginning of period	74,314	78,986
Cash and cash equivalents at end of period	78,986	91,894