



November 19, 2020

Company name Nitta Gelatin Inc.  
Representative Koichi Ogata,  
Representative Director and President  
(Stock code: 4977; First Section of Tokyo Stock Exchange)  
Contact Norifumi Nagaoka,  
Director and Executive Officer  
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## **Notice Concerning Absorption-Type Merger with Wholly-Owned Subsidiary (Simplified Merger and Short-Form Merger)**

Nitta Gelatin Inc. (hereinafter “Nitta Gelatin”) hereby announces that at its Board of Directors’ meeting held on November 19, 2020, Nitta Gelatin passed a resolution with respect to carrying out an absorption-type merger with its wholly-owned subsidiary Nitta Biolab Inc. (hereinafter “Nitta Biolab”) as follows, with the planned effective date of the merger being April 1, 2021.

Because the merger constitutes an absorption-type merger involving a wholly-owned subsidiary, certain disclosure matters and details are not being disclosed herein.

### **1. Objective of the merger**

Since the establishment of Nitta Biolab, which is a wholly-owned subsidiary of Nitta Gelatin, on September 1, 2004, it has planned, developed and sold products for consumers. Nitta Gelatin will carry out an absorption-type merger with Nitta Biolab with the aim of increasing the efficiency of management and strengthening the planning and development of new products.

### **2. Outline of the merger**

#### **(1) Schedule**

Board resolution of the merger agreement	November 19, 2020
Execution of the merger agreement	November 19, 2020
Planned date of the merger (effective date)	April 1, 2021 (tentative)

- \* The merger is a simplified merger pursuant to Article 796, paragraph (2) of the Companies Act from the perspective of Nitta Gelatin, and a short-form merger pursuant to Article 784, paragraph (1) of the Companies Act from the perspective of Nitta Biolab. Accordingly, neither of the two companies will hold a shareholders meeting in order to gain approval for the merger agreement.

## (2) Method of the merger

The merger is an absorption-type merger with Nitta Gelatin as the surviving company and Nitta Biolab to be dissolved.

## (3) Details of allotment in the merger

The merger will involve neither issuance of new shares nor payment of money delivered upon merger because Nitta Biolab is a wholly-owned subsidiary of Nitta Gelatin.

## (4) Treatment of subscription rights to shares and bonds with subscription rights to shares of the absorbed company

Not applicable.

## 3. Outline of the parties involved in the merger

(1) Trade name	Nitta Gelatin Inc. (Surviving company)	Nitta Biolab Inc. (Absorbed company)
(2) Head office address	4-26, Sakuragawa 4-chome, Naniwa-ku, Osaka	4-26, Sakuragawa 4-chome, Naniwa-ku, Osaka
(3) Representative	Representative Director and President Koichi Ogata	Representative Director and President Yoshitaka Oda
(4) Businesses	Production and sales of gelatin, collagen and peptide, and products and byproducts thereof; production and sales of adhesives, etc.; production, sales and installation of chemical machinery; production and sales of food products and food additives; leasing of machinery and equipment; production and sales of pharmaceuticals; production and sales of materials for medical use; production and sales of quasi-drugs; production and sales of cosmetics; production and sales of biochemical reagents; and production and sales of fine chemical materials, etc.	Planning, development, import, production and sales of pharmaceuticals, quasi-drugs, cosmetics and medical devices; planning, development, import, production and sales of daily consumer goods; planning, development, import, production and sales of foods; and advertising agency business
(5) Capital	JPY 3,144 million	JPY 95 million
(6) Date incorporated	February 10, 1945	September 1, 2004
(7) No. of shares issued	18,373,974 shares (as of September 30, 2020)	2,000 shares
(8) Fiscal year-end	March 31	March 31

(9) Major shareholders and shareholding ratio of each	IBP Co., Ltd. .... 19.05% The Master Trust Bank of Japan, Ltd. (Trust a/c).....5.71% Nitta Corporation .....4.57% Sumitomo Mitsui Banking Corporation .....3.43% MUFG Bank, Ltd. ....3.38% Nitta Gelatin Employees Shareholding Association .....2.56% Custody Bank of Japan, Ltd. (Trust a/c).....2.23% Ishizuka Corporation.....2.13% Hiroshi Nitta .....2.12% Nitta Gelatin Business Partners Shareholding Association .....1.89% (As of September 30, 2020)	Nitta Gelatin Inc. .... 100%
(10) Financial condition and operational results for the most recent fiscal year		
Fiscal year ended	March 31, 2020 (consolidated)	March 31, 2020 (non-consolidated)
Net assets	JPY 17,461 million	JPY 71 million
Total assets	JPY 33,551 million	JPY 124 million
Net assets per share	JPY 852.71	JPY 35,822.05
Net sales	JPY 34,543 million	JPY 332 million
Operating income	JPY 1,690 million	JPY 12 million
Ordinary income	JPY 1,798 million	JPY 12 million
Net income (loss) attributable to owners of the parent	JPY (694) million	JPY 10 million
Net income (loss) per share	JPY (37.79)	JPY 5,211.65

#### 4. Status after the merger

Subsequent to the absorption-type merger, there will be no changes with respect to the trade name, head office address, title and name of the representative, businesses, capital or fiscal year-end of Nitta Gelatin, the surviving company.

#### 5. Impact on financial results

The merger has no material impact on Nitta Gelatin's consolidated financial forecast for the fiscal year ending March 31, 2021.

**(For reference)** Full-year Consolidated Financial Forecast and the Latest Full-year Consolidated Financial Results of the Surviving Company (announced on November 11, 2020)

	Full-year consolidated financial forecast (FY3/2021)	Latest full-year consolidated financial results (FY3/2020)
Net sales	JPY 31,500 million	JPY 34,543 million
Operating income	JPY 1,300 million	JPY 1,690 million
Ordinary income	JPY 1,200 million	JPY 1,798 million
Net income (loss) attributable to owners of the parent	JPY 800 million	JPY (694) million
Net income (loss) per share	JPY 44.26	JPY (37.79)