



May 14, 2025

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

(Japanese Accounting Standards)

Name of the Listed Company: **Nitta Gelatin Inc.**  
 Listing: Standard Market of Tokyo Stock Exchange  
 Stock code: 4977  
 URL: <http://www.nitta-gelatin.co.jp>  
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Scheduled date of General Shareholders' Meeting: June 27, 2025  
 Scheduled date to file Securities Report: June 23, 2025  
 Scheduled date to commence dividend payments: June 30, 2025  
 Supplementary explanatory materials prepared: Yes  
 Explanatory meeting: No

(Millions of yen with fractional amounts discarded, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended March 31, 2025

(April 1, 2024 to March 31, 2025)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	38,745	(4.1)	3,930	114.0	4,145	74.0	3,159	—
March 31, 2024	40,420	3.1	1,836	(18.7)	2,382	5.9	(1,850)	—

Note: Comprehensive income

For the fiscal year ended March 31, 2025: ¥3,579 million (848.6%)

For the fiscal year ended March 31, 2024: ¥377 million (-80.9%)

Fiscal year ended	Earnings per share	Diluted earnings per share	Return on equity (ROE)	Ordinary income / Total assets	Operating income / Net sales
	Yen	Yen	%	%	%
March 31, 2025	173.94	—	16.3	10.3	10.1
March 31, 2024	(101.98)	—	(9.9)	5.8	4.5

Reference: Equity in earnings of affiliates

For the fiscal year ended March 31, 2025: -¥144 million

For the fiscal year ended March 31, 2024: -¥51 million

Note: Diluted earnings per share for the fiscal year ended March 31, 2025 is not disclosed due to the absence of latent shares with dilution effect.

Diluted earnings per share for the fiscal year ended March 31, 2024 is not disclosed due to the absence of latent shares with dilution effect because of the net loss per share.

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	40,413	25,374	51.2	1,138.94
March 31, 2024	39,962	22,269	45.5	1,001.56

Reference: Equity

As of March 31, 2025: ¥20,692 million

As of March 31, 2024: ¥18,188 million

## (3) Consolidated cash flows

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	5,183	(1,176)	(2,554)	4,636
March 31, 2024	4,911	(3,022)	(1,610)	3,297

## 2. Cash dividends

	Cash dividends per share					Total amount of dividends	Payout ratio (consolidated)	Dividends on net assets (consolidated)
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of	%	%
Fiscal year ended March 31, 2024	—	8.00	—	8.00	16.00	290	—	1.6
Fiscal year ended March 31, 2025	—	9.00	—	16.00	25.00	454	14.4	2.3
Fiscal year ending March 31, 2026 (Forecasts)	—	12.00	—	12.00	24.00		20.8	

Note: Breakdown of fiscal 2025 year-end dividends

Ordinary dividend: ¥11.00

Special dividend: ¥5.00

## 3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	19,000	(3.7)	1,900	(10.7)	2,000	1.5	1,000	21.9	55.04
Fiscal year ending March 31, 2026	40,000	3.2	4,000	1.8	4,100	(1.1)	2,100	(33.5)	115.59

**Notes:**

- (1) Changes to scope of consolidation during the period under review: Yes  
 New: None  
 Excluded: 1 (company name: Nitta Gelatin USA, Inc.)
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of revisions  
 a. Changes in accounting policies due to revisions to accounting standards and other guidelines: Yes  
 b. Changes in accounting policies due to reasons other than a. above: None  
 c. Changes in accounting estimates: None  
 d. Restatement of revisions: None
- (3) Number of common shares issued  
 a. Total number of issued shares at the end of the period (including treasury stock)  
 As of March 31, 2025: 18,373,974 shares  
 As of March 31, 2024: 18,373,974 shares
- b. Number of shares of treasury stock at the end of the period  
 As of March 31, 2025: 206,188 shares  
 As of March 31, 2024: 213,988 shares
- c. Average number of shares  
 For the fiscal year ended March 31, 2025: 18,164,786 shares  
 For the fiscal year ended March 31, 2024: 18,150,278 shares

(Reference) Summary of non-consolidated operating results

**1. Non-consolidated financial results for the fiscal year ended March 31, 2025**  
**(April 1, 2024 to March 31, 2025)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income (loss)	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	25,012	0.7	1,898	109.3	2,229	13.3	2,563	—
March 31, 2024	24,846	9.6	907	201.8	1,968	133.2	(2,408)	—

Fiscal year ended	Earnings (loss) per share	Diluted earnings per share
	Yen	Yen
March 31, 2025	141.14	—
March 31, 2024	(132.69)	—

Note: Diluted earnings per share for the fiscal year ended March 31, 2025 is not disclosed due to the absence of latent shares with dilution effect.

Diluted earnings per share for the fiscal year ended March 31, 2024 is not disclosed due to the absence of latent shares with dilution effect because of the net loss per share.

**(2) Non-consolidated financial position**

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	26,441	13,544	51.2	745.55
March 31, 2024	25,432	11,316	44.5	623.16

Reference: Equity

As of March 31, 2025: ¥13,544 million

As of March 31, 2024: ¥11,316 million

- \* This financial report is not subject to audits by Certified Public Accountants or the independent auditor.
- \* Proper use of earnings forecasts, and other special matters

(Note concerning forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not guarantee that the Company will achieve its earnings forecasts. In addition, actual business and other results may differ substantially due to various factors. For details on the conditions assumed and the cautionary notes and items in the financial forecasts, please refer to “(4) Outlook” under “1. Overview of Business Results” on page 5 of the Attachment to this report.

(Method for obtaining supplementary financial results explanatory materials)

Supplementary financial results explanatory materials are disclosed on TDnet on the same day and posted to the Company’s website.

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## **1. Overview of Business Results**

### **(1) Operating Results for the fiscal year ended March 31, 2025**

During the fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025), Japan's economy continued to recover gradually, reflecting the recovery in personal consumption from the improved employment and income environment as well as favorable business sentiment in consumption related sectors driven by firm inbound tourism demand. Meanwhile, internationally, the outlook for the environment surrounding the Group remains uncertain. This is driven by several factors, including the prolonged tensions in Ukraine and the Middle East, the slowdown in China's economy, and developments surrounding the future of US tariff policies.

In this context, in order for the Group to achieve sustainable growth and transform into a highly profitable company, we are implementing a new three-year Medium-Term Management Plan (from fiscal 2025 to fiscal 2027), which is designated as a time for fundamentally strengthening profitability and cash-generating capabilities. The basic policy of the Medium-Term Management Plan is as follows:

1. Fundamentally strengthen profitability by enhancing cost competitiveness through production system reorganization and turning the biomedical business profitable
2. Strengthen cash-generating capabilities through more efficient use of working capital, etc.
3. Strengthen the management base to stabilize earnings by enhancing global governance and increasing the value of human capital

Based on these policies, we focused on improving the profitability and efficiency of our business across all product categories, including gelatin, collagen peptides, food ingredients, and biomedical products. At the same time, we enhanced global governance and worked to increase the value of our human capital.

During the fiscal year ended March 31, 2025, sales declined in North America due to the suspension of production at Nitta Gelatin USA, Inc. (NGU) in January 2024, where productivity had deteriorated significantly. As a result, net sales amounted to ¥38,745 million (down 4.1% year on year). Meanwhile, operating income increased 114.0% year on year to ¥3,930 million and ordinary income rose 74.0% to ¥4,145 million, driven by strong domestic sales and improved profitability following the suspension of production at NGU. In addition, as a result of decreases in income taxes - current and income taxes - deferred, net income attributable to owners of the parent totaled ¥3,159 million, compared to a net loss attributable to owners of the parent of ¥1,850 million in the previous fiscal year.

The Group maintains a single segment, the collagen business, but from fiscal 2025, the description of business lines has been changed from the previous sales classification (Food Solutions, Health Support, Specialties) to product classification (gelatin, collagen peptide, food ingredients, biomedical).

The categories of finished goods and sales summary are as shown in the table below.

Category	Lineup
Gelatin	Gelatin for food, capsules, photography, by-products (such as calcium phosphate), etc.
Collagen peptide	Collagen peptide for health foods, beauty products, etc.
Food ingredients	Stabilizers for processed meat products, gelling agents for desserts, etc.
Biomedical	Collagen, gelatin, etc. for medical use

### **(Gelatin)**

In Japan, sales increased due to ongoing firm demand for gelatin used in soft capsules and gummy candies. Additionally, the impact of higher prices led to a rise in demand for home-cooked meals, resulting in growth in sales of gelatin for confectionery, cooking purposes, and frozen foods. Sales of gelatin for photography also remained strong, leading to an increase in net sales.

In North America, sales of gelatin for general food and bovine bone gelatin for soft capsules imported from Nitta Gelatin India Ltd. remained strong. However, sales of porcine gelatin declined due to the suspension of production at NGU, causing a decrease in net sales.

In India, demand for soft capsules remained firm. As for gelatin for hard capsules, net sales continued to decline amid intensifying sales competition globally, but we managed to recover our previous market share.

As a result, overall net sales in the gelatin category decreased 6.1% year on year to ¥28,821 million.

### **(Collagen Peptide)**

In Japan, sales declined due to a decrease in sales of collagen products by customers.

In North America, while selling prices continued to decline due to price competition, net sales increased on expanded sales volume through new sales promotions and other factors. Additionally, demand remained strong in India and other Asian markets.

As a result, overall net sales in the collagen peptide category increased 4.2% year on year to ¥6,489 million.

### **(Food Ingredients)**

In Japan, sales of gelling agents for confectionery and desserts were strong, but sales of stabilizers for processed meat declined. Consequently, overall net sales of food ingredients decreased 4.8% year on year to ¥3,085 million.

### **(Biomedical)**

In Japan, sales to major customers increased and sales of medical-use gelatin to overseas medical material makers, which began in the second quarter, were strong. As a result, overall biomedical net sales increased 31.8% year on year to ¥349 million.

## **(2) Financial Position**

### **(Assets)**

Net assets amounted to ¥40,413 million at March 31, 2025, ¥451 million higher than at March 31, 2024. This was mainly attributable to decreases in inventories of ¥1,025 million, despite increases in cash and deposits of ¥926 million as well as investments and other assets of ¥595 million.

### **(Liabilities)**

Total liabilities amounted to ¥15,038 million at March 31, 2025, ¥2,654 million lower than at March 31, 2024. This was mainly attributable to decreases in short-term loans payable of ¥2,125 million, in other current liabilities of ¥274 million, in deferred tax liabilities of ¥278 million, in net retirement benefit liability of ¥152 million, despite an increase in notes and accounts payable - trade of ¥142 million.

### **(Net assets)**

Net assets amounted to ¥25,374 million at March 31, 2025, ¥3,105 million higher than at March 31, 2024. This was mainly attributable to increases in retained earnings of ¥2,850 million and non-controlling interests of ¥601 million, despite a decrease in foreign currency translation adjustments of ¥330 million.

As a result, the equity ratio stood at 51.2% at March 31, 2025 compared with 45.5% at March 31, 2024.

## **(3) Cash Flows**

Cash and cash equivalents (“cash”) as of March 31, 2025 totaled ¥4,636 million, up ¥1,338 million from March 31, 2024.

Cash flows for each activity and reasons are as follows.

### **(Cash flows from operating activities)**

Operating activities provided net cash of ¥5,183 million. The main factors were income before provision for income taxes of ¥4,490 million, depreciation of ¥1,202 million, and income taxes paid of ¥908 million.

### **(Cash flows from investing activities)**

Investing activities used net cash of ¥1,176 million. The main components were purchase of property, plant and equipment ¥1,408 million, purchase of intangible assets of ¥539 million, and proceeds from withdrawal of time deposits of ¥778 million.

### **(Cash flows from financing activities)**

Financing activities used net cash of ¥2,554 million. The main components were proceeds from long-term loans payable of ¥2,500 million, repayment of long-term loans payable of ¥2,404 million, net decrease in short-term loans payable of ¥2,105 million, and cash dividends paid of ¥308 million.

Trends in the Group's cash flow indicators are presented below.

**(Reference)**

Trends in cash flow indicators:

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Equity ratio (%)	48.1	48.3	45.9	45.5	51.2
Market value equity ratio (%)	34.7	32.3	37.6	32.6	37.0
Interest-bearing debt to cash flow ratio (Years)	2.4	8.0	—	2.0	1.5
Interest coverage ratio (Times)	31.7	10.7	—	24.1	48.5

Equity ratio: equity / total assets

Market value equity ratio: market capitalization / total assets

Interest-bearing debt to cash flow ratio: interest-bearing debt / cash flow

Interest coverage ratio: cash flow / paid interest

- Notes:
1. All indicators are calculated using consolidated financial figures.
  2. Market capitalization is calculated based on the number of issued shares, excluding treasury stock, as of the end of the fiscal year.
  3. The figure used for cash flow is “net cash provided by operating activities” on the consolidated statements of cash flows.
  4. Interest-bearing debt includes all liabilities recorded on the consolidated balance sheets on which interest was paid. In addition, for interest payments, the interest payment amount in the consolidated statements of cash flows is used.
  5. The interest-bearing debt to cash flow ratio and interest coverage ratio for the fiscal year ended March 31, 2023 are not presented because operating cash flows were negative.

**(4) Outlook**

**(Outlook for Business Performance in the Fiscal Year Ending March 31, 2026)**

The business environment surrounding the Group is expected to continue to recover gradually in Japan. Yet, the outlook is expected to remain uncertain due to factors including elevated geopolitical risks, rising resource and energy prices, the impact of US tariffs, and exchange rate trends.

The United States intends to levy tariffs on gelatin, collagen peptides, and other products that the Group manufactures mainly in Japan and India and exports to the country. However, we intend to minimize the impact on profits by passing on the additional tariffs to our customers through product prices. However, if we are unable to pass on these price increases to customers in a timely manner or if intensified price competition causes changes in sales volume, there is a risk that this could impact our financial results to some degree. The consolidated forecast of financial results below takes into account the impact of the 10% additional tariffs assuming they will continue until March 31, 2026.

The following presents the outlook for markets related to our businesses. In gelatin, we aim to expand sales by responding to diversifying customer needs in Japan's gummy candies market, which is expected to remain strong. We will also continue to focus on capturing demand for gelatin for capsules, which is showing firm growth globally. In India, we will bolster our gelatin production

capacity (from 4,500 to 6,000 tons per year) with the aim of starting operations in July 2027.

For collagen peptides, we will continue to focus on capturing demand, which is recovering in North America, while taking advantage of increased production capacity in India from June 2025 to expand sales in growth markets such as Asia.

Regarding the food ingredients business, we will work to strengthen our manufacturing and sales in Vietnam, where Japanese food manufacturers continue to expand.

In the biomedical category, we aim to achieve early profitability by cultivating our relationships in China, where the market for medical-use collagen and gelatin is growing.

Based on the above, the forecast for consolidated financial results for the fiscal year ending March 31, 2025 calls for net sales of ¥40,000 million, operating income of ¥4,000 million, ordinary income of ¥4,100 million, and net income attributable to owners of parent of ¥2,100 million. The foreign exchange rate assumptions are ¥150 per US dollar, ¥109 per Canadian dollar, and ¥1.75 per Indian rupee.

## **2. Basic Approach to Selection of Accounting Standard**

The Nitta Gelatin Group plans to prepare its consolidated financial statements based on Japanese accounting standards in the near future. This is in consideration of the need to ensure that the consolidated financial statements can be readily compared between different periods and different companies.

Looking ahead, considering its management policies and various conditions in Japan and abroad, Nitta Gelatin plans to examine the adoption of International Financial Reporting Standards (IFRS). In doing so, the Group will take into account trends such as the adoption of IFRS by its peer companies.

### 3. Consolidated Financial Statements and Key Notes

#### (1) Consolidated Balance Sheets

	(Millions of yen)	
	Fiscal 2024 (As of March 31, 2024)	Fiscal 2025 (As of March 31, 2025)
Assets		
Current assets		
Cash and deposits	4,080	5,007
Notes and accounts receivable–trade	8,374	8,014
Merchandise and finished goods	7,155	6,684
Work in process	1,784	1,530
Raw materials and supplies	3,364	3,063
Securities	—	110
Other	444	452
Allowance for doubtful accounts	(7)	(18)
Total current assets	25,196	24,845
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	12,412	9,684
Accumulated depreciation	(8,549)	(5,447)
Buildings and structures, net	3,862	4,236
Machinery, equipment and vehicles	18,139	13,047
Accumulated depreciation	(16,259)	(10,769)
Machinery, equipment and vehicles, net	1,879	2,277
Land	1,889	1,554
Lease assets	1,002	874
Accumulated depreciation	(470)	(366)
Lease assets, net	532	507
Construction in process	528	458
Other	1,880	1,800
Accumulated depreciation	(1,543)	(1,474)
Other, net	337	326
Total property, plant and equipment	9,029	9,361
Intangible assets		
Goodwill	157	91
Other	306	300
Total intangible assets	463	391
Investments and other assets		
Investment securities	3,131	3,073
Long-term loans receivable	2	2
Deferred tax assets	133	137
Net defined benefit asset	1,362	1,360
Other	786	1,381
Allowance for doubtful accounts	(143)	(142)
Total investments and other assets	5,272	5,813
Total noncurrent assets	14,766	15,567
Total assets	39,962	40,413

(Millions of yen)

	Fiscal 2024 (As of March 31, 2024)	Fiscal 2025 (As of March 31, 2025)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable–trade	2,695	2,837
Short-term loans payable	2,988	862
Current portion of long-term loans payable	2,148	2,218
Lease obligations	232	218
Accounts payable–other	1,670	1,663
Income taxes payable	292	192
Provision for bonuses	211	284
Other	833	559
Total current liabilities	11,072	8,837
Noncurrent liabilities		
Long-term loans payable	4,078	4,104
Lease obligations	350	336
Deferred tax liabilities	763	484
Net defined benefit liability	1,410	1,257
Other	17	17
Total noncurrent liabilities	6,619	6,200
Total liabilities	17,692	15,038
<b>Net Assets</b>		
Shareholders' equity		
Capital stock	3,144	3,144
Capital surplus	2,966	2,960
Retained earnings	9,326	12,177
Treasury stock	(143)	(137)
Total shareholders' equity	15,295	18,145
Accumulated other comprehensive income		
Valuation difference on other available-for-sale	1,114	1,082
Deferred gains on hedges	(19)	(21)
Foreign currency translation adjustments	1,450	1,119
Remeasurements of defined benefit plans	347	366
Total accumulated other comprehensive income	2,893	2,546
Non-controlling interests	4,081	4,682
Total net assets	22,269	25,374
Total liabilities and net assets	39,962	40,413

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

(Consolidated Statements of Income)

	(Millions of yen)	
	Fiscal 2024 (From April 1, 2023 to March 31, 2024)	Fiscal 2025 (From April 1, 2024 to March 31, 2025)
Net sales	40,420	38,745
Cost of sales	32,131	28,785
Gross profit on sales	8,289	9,960
Selling, general and administrative expenses	6,452	6,029
Operating income	1,836	3,930
Non-operating income		
Interest income	48	132
Dividend income	49	59
Rental income	60	62
Outsourcing service income	25	26
Foreign exchange gains	537	144
Other	79	55
Total non-operating income	802	481
Non-operating expenses		
Interest expenses	190	104
Equity in losses of affiliates	51	144
Commission paid	9	11
Other	5	6
Total non-operating expenses	257	267
Ordinary income	2,382	4,145
Extraordinary gains		
Gain on sales of noncurrent assets	0	254
Gain on donation of noncurrent assets	2	—
Gain on reversal of impairment losses	—	302
Other	—	86
Total extraordinary gains	3	643
Extraordinary losses		
Loss on sale of noncurrent assets	10	29
Loss on retirement of noncurrent assets	33	14
Loss on tax purpose reduction entry of non-current assets	2	—
Losses related to plant closures	—	253
Loss on business liquidation	118	—
Losses associated with suspension of production	59	—
Impairment loss	2,210	—
Total extraordinary losses	2,435	297
Income (loss) before provision for income taxes	(50)	4,490
Income taxes	686	685
Income taxes-deferred	426	(255)
Total income taxes	1,112	430
Net income (loss)	(1,163)	4,060
Net income attributable to non-controlling interests	687	900
Net income (loss) attributable to owners of the parent	(1,850)	3,159

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal 2024 (From April 1, 2023 to March 31, 2024)	Fiscal 2025 (From April 1, 2024 to March 31, 2025)
Net income (loss)	(1,163)	4,060
Other comprehensive income		
Valuation difference on other available-for-sale securities	273	(32)
Deferred gains on hedges	(15)	(4)
Foreign currency translation adjustments	868	(570)
Pension liability adjustment	361	22
Share of other comprehensive losses of associates accounted for using equity method	52	104
Total other comprehensive income	1,540	(480)
Comprehensive income	377	3,579
Comprehensive income attributable to:		
Owners of the parent	(620)	2,812
Non-controlling interests	997	766

### (3) Consolidated Statements of Changes in Net Assets

Fiscal 2024 (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of fiscal year	3,144	2,964	11,486	(160)	17,434
Changes during the fiscal year					
Dividends from surplus			(308)		(308)
Net income (loss) attributable to owners of the parent			(1,850)		(1,850)
Purchase of treasury stock				(3)	(3)
Disposal of treasury stock		2		20	23
Net changes of items other than shareholders' equity					—
Total changes during fiscal year	—	2	(2,159)	17	(2,139)
Balance at the end of fiscal year	3,144	2,966	9,326	(143)	15,295

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on other available-for-sale securities	Deferred gains on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of fiscal year	842	(3)	841	(17)	1,662	3,159	22,256
Changes during the fiscal year							
Dividends from surplus					—		(308)
Net income (loss) attributable to owners of the parent					—		(1,850)
Purchase of treasury stock					—		(3)
Disposal of treasury stock					—		23
Net changes of items other than shareholders' equity	272	(15)	608	365	1,230	921	2,152
Total changes during fiscal year	272	(15)	608	365	1,230	921	12
Balance at the end of fiscal year	1,114	(19)	1,450	347	2,893	4,081	22,269

**Fiscal 2025 (From April 1, 2024 to March 31, 2025)**

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of fiscal year	3,144	2,966	9,326	(143)	15,295
Changes during the fiscal year					
Dividends from surplus			(308)		(308)
Net income (loss) attributable to owners of the parent			3,159		3,159
Disposal of treasury stock		0		5	6
Purchase of shares of consolidated subsidiaries		(6)			(6)
Net changes of items other than shareholders' equity					—
Total changes during fiscal year	—	(5)	2,850	5	2,850
Balance at the end of fiscal year	3,144	2,960	12,177	(137)	18,145

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on other available-for-sale securities	Deferred gains on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of fiscal year	1,114	(19)	1,450	347	2,893	4,081	22,269
Changes during the fiscal year							
Dividends from surplus					—		(308)
Net income (loss) attributable to owners of the parent					—		3,159
Disposal of treasury stock					—		6
Purchase of shares of consolidated subsidiaries					—		(6)
Net changes of items other than shareholders' equity	(32)	(2)	(330)	18	(346)	601	254
Total changes during fiscal year	(32)	(2)	(330)	18	(346)	601	3,105
Balance at the end of fiscal year	1,082	(21)	1,119	366	2,546	4,682	25,374

#### (4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal 2024 (From April 1, 2023 to March 31, 2024)	Fiscal 2025 (From April 1, 2024 to March 31, 2025)
Cash flows from operating activities		
Income (loss) before provision for income taxes	(50)	4,490
Depreciation and amortization	1,663	1,202
Amortization of goodwill	62	65
Increase (decrease) in allowance for doubtful accounts	(0)	11
Increase (decrease) in provision for bonuses	(56)	76
Increase (decrease) in net defined benefit liability	(102)	(123)
Interest and dividends income	(98)	(191)
Interest expenses	190	104
Foreign exchange losses (gains)	(295)	(26)
Equity in losses of affiliates	51	144
Loss (gain) on sales of property, plant and equipment	9	(225)
Loss on retirement of noncurrent assets	33	14
Impairment loss	2,210	—
Gain on reversal of impairment losses	—	(302)
Loss (gain) on sales of investment securities	(0)	—
Loss on tax purpose reduction entry of non-current assets	2	—
Gain on donation of noncurrent assets	(2)	—
Loss on business liquidation	118	—
Losses associated with suspension of production	59	—
Losses related to plant closures	—	253
Decrease (increase) in notes and accounts receivable-trade	869	241
Decrease (increase) in inventories	1,253	920
Increase (decrease) in notes and accounts payable-trade	(469)	177
Increase (decrease) in accrued consumption taxes	401	(67)
Other	(47)	(761)
Subtotal	5,802	6,004
Interest and dividends income received	97	194
Interest paid	(203)	(106)
Income taxes paid	(785)	(908)
Net cash provided by operating activities	4,911	5,183
Cash flows from investing activities		
Payments into time deposits	(756)	(495)
Proceeds from withdrawal of time deposits	7	778
Proceeds from the sale of property, plant and equipment	4	498
Purchase of property, plant and equipment	(2,170)	(1,408)
Purchase of intangible assets	(99)	(539)
Proceeds from the sale of investment securities	0	—
Purchase of investment securities	(9)	(10)
Other	0	(0)
Net cash used in investing activities	(3,022)	(1,176)

(Millions of yen)

	Fiscal 2024 (From April 1, 2023 to March 31, 2024)	Fiscal 2025 (From April 1, 2024 to March 31, 2025)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(1,108)	(2,105)
Proceeds from long-term loans payable	2,500	2,500
Repayment of long-term loans payable	(2,480)	(2,404)
Proceeds from sale-and-leaseback transactions	125	133
Repayments of lease obligations	(259)	(250)
Cash dividends paid	(308)	(308)
Purchase of shares of subsidiaries not resulting in change in	—	(26)
Purchase of treasury stock	(3)	—
Cash dividends paid to non-controlling interests	(75)	(92)
Net cash used in financing activities	(1,610)	(2,554)
Effect of exchange rate change on cash and cash equivalents	172	(113)
Net increase (decrease) in cash and cash equivalents	450	1,338
Cash and cash equivalents at beginning of period	2,846	3,297
Cash and cash equivalents at end of period	3,297	4,636

**(5) Notes to Consolidated Financial Statements**  
**(Note Concerning Going Concern Assumption)**

None

**(Note Concerning Changes in Accounting Policies)**

(Application of “Accounting Standards for Income Taxes - Current”)

The “Accounting Standard for Income Taxes - Current” (Corporate Accounting Standard No. 27, October 28, 2022; hereinafter referred to as the “2022 Revised Accounting Standards”) has been applied from the beginning of the fiscal year ended March 31, 2025.

The amendments to the classification of income taxes (taxation on other comprehensive income) are in accordance with the transitional treatments prescribed in the proviso of Paragraph 20-3 of the 2022 Revised Accounting Standards and the proviso of Paragraph 65-2(2) of the “Implementation Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022). The change in accounting policy had no impact on the consolidated financial statements.

**(Unapplied Accounting Standards)**

- Accounting Standard for Leases (ASBJ Statement No. 34, September 13, 2024, Accounting Standards Board of Japan)
- Implementation Guidance on Accounting Standard for Leases (ASBJ Guidance No. 33, September 13, 2024, Accounting Standards Board of Japan) etc.

**(1) Summary**

As part of its efforts to make J-GAAP consistent with international standards, the Accounting Standards Board of Japan (ASBJ) has been studying international accounting standards to develop accounting standards for leases that recognize assets and liabilities for all leases of lessees. As a basic policy, the ASBJ has published lease accounting standards that are based on the single lessee accounting treatment model of IFRS 16 without adopting all of the provisions of IFRS 16. Rather these standards adopt only the main provisions, aiming to be simple and convenient, and to essentially eliminate the need for revisions even if the provisions of IFRS 16 are used in individual financial statements.

As for the lessee’s accounting treatment, a single lessee accounting treatment model will be applied to all leases as the method of allocating lease expenses, regardless of whether the lease is a finance lease or an operating lease, in which depreciation on right-of-use assets and an amount equivalent to interest on the lease liabilities will be recorded, similar to IFRS 16.

**(2) Scheduled Date of Application**

This accounting standard will be applied from the beginning of the fiscal year ending March 31, 2028.

### (3) Impact from the Application of this Accounting Standard

The impact of the application of the Accounting Standard for Leases, etc. on the consolidated financial statements is currently being evaluated.

### **(Revenue Recognition)**

Information that breaks down revenue generated from customer contracts

Net sales broken down by product category are as follows.

(Millions of yen)

	Fiscal 2024	Fiscal 2025
Gelatin	30,686	28,821
Collagen peptide	6,228	6,489
Food ingredients	3,239	3,085
Biomedical	264	349
Annual	40,420	38,745

Note: From the fiscal year ended March 31, 2025, the description of business lines has been changed from the previous sales classification (Food Solutions, Health Support, Specialties) to product classification (gelatin, collagen peptide, food ingredients, biomedical).

“Information that breaks down revenue generated from customer contracts” for the fiscal year ended March 31, 2024 has been prepared based on the revised classification method.

### **(Note on Segment Information)**

#### **Segment Information**

##### **Fiscal 2024 (From April 1, 2023 to March 31, 2024)**

The Nitta Gelatin Group’s collagen business has become the Company’s only reporting segment, so information is omitted.

##### **Fiscal 2025 (From April 1, 2024 to March 31, 2025)**

The Nitta Gelatin Group’s collagen business has become the Company’s only reporting segment, so information is omitted.

#### **Related information**

##### **Fiscal 2024 (From April 1, 2023 to March 31, 2024)**

##### 1. Information by products and services

The Nitta Gelatin Group’s collagen business has become the Company’s only reporting segment, so information is omitted.

## 2. Information by countries and regions

### (1) Net sales

(Millions of yen)

Japan	India	Asia	U.S.	Canada	Other	Annual
19,498	5,552	3,270	8,701	2,959	438	40,420

Note: Sales are classified into countries or regions based on customers' locations.

### (2) Property, plant and equipment

(Millions of yen)

Japan	India	Asia	U.S.	Canada	Annual
4,956	3,023	54	271	724	9,029

## 3. Information by main customer

The Company has omitted disclosure because no sales to any external customer exceeded 10% of the total net sales on the consolidated statements of income.

## **Fiscal 2025 (From April 1, 2024 to March 31, 2025)**

### 1. Information by products and services

The Nitta Gelatin Group's collagen business has become the Company's only reporting segment, so information is omitted.

## 2. Information by countries and regions

### (1) Net sales

(Millions of yen)

Japan	India	Asia	U.S.	Canada	Other	Annual
20,188	5,261	3,517	6,798	2,504	474	38,745

Note: Sales are classified into countries or regions based on customers' locations.

### (2) Property, plant and equipment

(Millions of yen)

Japan	India	Asia	U.S.	Canada	Annual
5,222	3,247	57	193	641	9,361

## 3. Information by main customer

The Company has omitted disclosure because no sales to any external customer exceeded 10% of the total net sales on the consolidated statements of income.

**Information on impairment loss on noncurrent assets by reporting segments**

**Fiscal 2024 (From April 1, 2023 to March 31, 2024)**

The Nitta Gelatin Group's collagen business has become the Company's only reporting segment, so information is omitted.

**Fiscal 2025 (From April 1, 2024 to March 31, 2025)**

None

**Information on amortization of goodwill and unamortized amounts by reporting segments**

**Fiscal 2024 (From April 1, 2023 to March 31, 2024)**

The Nitta Gelatin Group's collagen business has become the Company's only reporting segment, so information is omitted.

**Fiscal 2025 (From April 1, 2024 to March 31, 2025)**

The Nitta Gelatin Group's collagen business has become the Company's only reporting segment, so information is omitted.

**Information on gain on negative goodwill by reporting segments**

**Fiscal 2024 (From April 1, 2023 to March 31, 2024)**

None

**Fiscal 2025 (From April 1, 2024 to March 31, 2025)**

None

**(Per Share Information)**

	Fiscal 2024 (From April 1, 2023 to March 31, 2024)	Fiscal 2025 (From April 1, 2024 to March 31, 2025)
Net assets per share	¥1,001.56	¥1,138.94
Earnings (loss) per share	¥(101.98)	¥173.94

- Notes: 1. Diluted earnings per share for the fiscal year ended March 31, 2024 is not disclosed due to the absence of latent shares with dilution effect because of the net loss per share.
2. Diluted earnings per share for the fiscal year ended March 31, 2025 is not disclosed due to the absence of latent shares with dilution effect.
3. The basis for calculating earnings (loss) per share data is shown below.

	Fiscal 2024 (From April 1, 2023 to March 31, 2024)	Fiscal 2025 (From April 1, 2024 to March 31, 2025)
Earnings (loss) per share		
Net income (loss) attributable to owners of the parent (Millions of yen)	(1,850)	3,159
Amounts not attributable to common shareholders (Millions of yen)	—	—
Net income (loss) attributable to ordinary equity holders of the parent (Millions of yen)	(1,850)	3,159
Average number of common shares during the period (shares)	18,150,278	18,164,786

**(Subsequent Events)**

None

#### 4. Other

##### (1) Changes in Directors and Audit & Supervisory Board Members

###### 1) Change in Representative Director

None

###### 2) Other Changes in Directors and Audit & Supervisory Board Members

- Candidates for Directors to be newly elected

Yumiko Oida, Outside Director

- Director scheduled to retire

Yoko Hori, Outside Director

- Candidate for an Audit & Supervisory Board Member to be newly elected

Maiko Ueda, Outside Audit & Supervisory Board Member

- Audit & Supervisory Board Member scheduled to retire

Kuniki Sato, Outside Audit & Supervisory Board Member

###### 3) Scheduled Appointment and Retirement Date

June 27, 2025

##### (2) Other

None