

Consolidated Financial Results for the Fiscal Year Ended March 31, 2021
[Japanese GAAP]

 Company name: **C. Uyemura & Co., Ltd.**

Listing: Second Section of the Tokyo Stock Exchange

Stock code: 4966

 URL: <https://www.uyemura.co.jp/>

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Scheduled date of annual general meeting of shareholders: June 29, 2021

Scheduled date of filing of annual securities report: June 29, 2021

Starting date of dividend payment: June 30, 2021

Preparation of supplementary materials for financial results: Yes

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

Note: The original disclosure in Japanese was released on May 14, 2021 at 13:20 (GMT +9).

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 1, 2020 – March 31, 2021)
(1) Results of operations

(Percentages represent year-over-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, 2021	55,947	7.1	9,490	25.9	9,920	26.1	7,128	33.0
Fiscal year ended Mar. 31, 2020	52,223	0.5	7,539	(8.2)	7,870	(8.0)	5,358	(5.2)

Note: Comprehensive income (million yen) Fiscal year ended Mar. 31, 2021: 7,205 (up 41.4%)

Fiscal year ended Mar. 31, 2020: 5,095 (up 19.4%)

	Net income per share (basic)	Net income per share (diluted)	ROE	Ordinary profit on total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 31, 2021	805.78	-	10.7	12.1	17.0
Fiscal year ended Mar. 31, 2020	598.60	-	8.6	10.0	14.4

Reference: Equity in earnings of unconsolidated subsidiaries (million yen)

Fiscal year ended Mar. 31, 2021: -

Fiscal year ended Mar. 31, 2020: -

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2021	85,105	69,473	81.6	7,858.82
As of Mar. 31, 2020	79,117	63,887	80.8	7,202.86

Reference: Shareholders' equity (million yen)

As of Mar. 31, 2021: 69,473

As of Mar. 31, 2020: 63,887

(3) Cash flows

	Net cash provided by (used in)			Cash and cash equivalents at the end of period
	operating activities	investing activities	financing activities	
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Mar. 31, 2021	8,677	(3,905)	(1,782)	26,149
Fiscal year ended Mar. 31, 2020	4,302	(9,109)	(2,495)	23,145

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, 2020	-	0.00	-	160.00	160.00	1,419	26.7	2.3
Fiscal year ended Mar. 31, 2021	-	0.00	-	180.00	180.00	1,591	22.3	2.4
Fiscal year ending Mar. 31, 2022 (forecast)	-	0.00	-	90.00	90.00		26.5	

Note: At the Board of Directors meeting held on May 14, 2021, the Company resolved to conduct a 2-for-1 share split effective on July 1, 2021. The year-end dividend forecast for the fiscal year ending March 31, 2022 is adjusted to reflect the stock split. For details, please refer to the press release "Notice regarding Share Split and Associated Partial Amendment to the Articles of Incorporation" that was announced today (May 14, 2021). Prior to this adjustment, the year-end dividend forecast was 180 yen per share.

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 – March 31, 2022)

(Percentages represent year-over-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	25,700	(2.4)	4,000	5.3	4,100	2.4	3,000	2.7	339.12
Full year	55,000	(1.7)	8,400	(11.5)	8,700	(12.3)	6,000	(15.8)	678.23

*Notes

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

Newly added: -

Excluded: -

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

1) Changes in accounting policies due to revisions in accounting standards, others: None

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

3) Changes in accounting-based estimates: None

4) Restatements: None

(3) Number of shares outstanding (common shares)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Mar. 31, 2021: 9,878,040 shares As of Mar. 31, 2020: 9,878,040 shares

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

As of Mar. 31, 2021: 1,037,824 shares As of Mar. 31, 2020: 1,008,245 shares

3) Average number of shares outstanding during the period

Fiscal year ended Mar. 31, 2021: 8,846,547 shares Fiscal year ended Mar. 31, 2020: 8,952,421 shares

(Reference) Summary of Non-consolidated Financial Results

Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 1, 2020 – March 31, 2021)

(1) Results of operations

(Percentages represent year-over-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2021	32,839	11.6	5,601	39.0	9,230	15.2	7,319	24.0
Fiscal year ended Mar. 31, 2020	29,414	15.5	4,029	20.6	8,014	21.1	5,903	28.4

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Fiscal year ended Mar. 31, 2021	827.35	-
Fiscal year ended Mar. 31, 2020	659.40	-

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2021	58,062	48,543	83.6	5,491.22
As of Mar. 31, 2020	52,121	42,466	81.5	4,787.78

Reference: Shareholders' equity (million yen)

As of Mar. 31, 2021: 48,543

As of Mar. 31, 2020: 42,466

***The current financial report is not subject to audit by certified public accountants or auditing firms.**

*Cautionary statement with respect to forward-looking statements and other special items

Forecasts of future performance in this report are based on assumptions judged to be valid and information currently available to the Company, but are not promises by the Company regarding future performance. Actual results are affected by various factors and may differ substantially. For discussion of the assumptions and notes of caution for usage, please refer to "1. Overview of Results of Operations, (4) Outlook" on page 4 of the attachments.

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1. Overview of Results of Operations

(1) Results of Operations

For the fiscal year ended March 31, 2021 (hereinafter “the fiscal year under review”), the Japanese economy remained unstable mainly due to the worsening employment environment and slowdown in recovery of consumer spending, impacted by the COVID-19 pandemic. Outlook for the global economy also remains extremely uncertain because it is not predictable when the spread of COVID-19 infection will be contained, despite signs of economic activities resuming worldwide.

In the electronic device market, which is the Uyemura Group’s main market area, demand for servers remained solid backed by the commercialization of the 5G (5th generation mobile communication system) related technologies and the wider spread of telework. In the car electronics segment, on-board semiconductors are facing a growing supply shortage and there are concerns over its adverse effect on automobile manufacturing.

In this environment, the Group has focused on the development of high value-added products, and proposal and sales activities for these products to make the operations more profitable.

As a result, consolidated sales for the fiscal year under review were 55,947 million yen (up 7.1% year-over-year), operating profit 9,490 million yen (up 25.9%), ordinary profit 9,920 million yen (up 26.1%), and profit attributable to owners of parent 7,128 million yen (up 33.0%).

The results of operations by business segment are shown as below.

1) Surface finishing materials business

Both segment sales and profit of mainstay plating chemicals for printed wiring boards (PWBs) and package PWBs saw year-on-year increases thanks to an increase in demand for 5G-related products, as well as an expanded demand for PCs and data centers against a backdrop of the rapid spread of teleworking and online learning.

Consequently, sales in the surface finishing materials business increased 11.9% year-over-year to 43,131 million yen and segment profit increased 30.3% year-over-year to 8,330 million yen.

2) Surface finishing machinery business

Both segment sales and profit of the surface finishing machinery business increased year-over-year because of an increase in sales of high value-added plating machines for semiconductor wafers in addition to sales of mechanical equipment for the aircraft industry.

Consequently, sales in the surface finishing machinery business increased 5.3% year-over-year to 7,825 million yen and segment profit increased 23.8% year-over-year to 916 million yen.

3) Plating job business

Both segment sales and profit of the plating job business decreased year-over-year, affected by the continued slowdown of the automotive industry in Thailand and Indonesia.

Consequently, sales in the plating job business decreased 24.5% year-over-year to 4,196 million yen and segment loss was 222 million yen (compared with segment loss of 15 million yen in the previous fiscal year).

4) Real estate rental business

Both segment sales and profit of the real estate rental business increased year-over-year thanks to the rent revision for an office building for rent in Shin-Osaka.

Consequently, sales in the real estate rental business increased 4.6% year-over-year to 804 million yen and segment profit increased 10.7% year-over-year to 454 million yen.

It is noted that sales of the segments above include intersegment sales and transfers.

(2) Financial Position

Analysis of assets, liabilities, net assets

Total assets increased 5,988 million yen from the end of the previous fiscal year to 85,105 million yen at the end of the fiscal year under review. This was primarily attributable to a 4,068 million yen increase in cash and deposits, a 2,074 million yen increase in investment securities, and a 905 million yen increase in notes and accounts receivable-trade, which were partially offset by a 1,075 million yen decrease in work in process, a 540 million yen decrease in buildings and structures, net, and a 266 million yen decrease in machinery, equipment and vehicles, net.

Total liabilities increased 402 million yen from the end of the previous fiscal year to 15,631 million yen. This was primarily attributable to a 214 million yen increase in deferred tax liabilities, which was partially offset by a 255 million yen decrease in electronically recorded obligations-operating and a 207 million yen decrease in notes and accounts payable-trade.

Total net assets increased 5,585 million yen from the end of the previous fiscal year to 69,473 million yen. This was primarily attributable to a 5,709 million yen increase in retained earnings and a 389 million yen increase in valuation difference on available-for-sale securities, which were partially offset by a 375 million yen decrease in foreign currency translation adjustment and a 200 million yen increase in treasury shares.

As a result, the equity ratio increased from 80.8% at the end of the previous fiscal year to 81.6%.

(3) Cash Flows

Cash and cash equivalents (hereinafter “net cash”) at the end of the fiscal year under review increased 3,003 million yen from the end of the previous fiscal year to 26,149 million yen.

A summary of cash flows for the fiscal year under review is as follows:

(Cash flows from operating activities)

Net cash provided by operating activities was 8,677 million yen (compared with net cash provided of 4,302 million yen in the previous fiscal year). Positive factors included profit before income taxes of 9,926 million yen and depreciation of 2,066 million yen, while negative factors included income taxes paid of 3,084 million yen and a 949 million yen increase in trade receivables.

(Cash flows from investing activities)

Net cash used in investing activities was 3,905 million yen (compared with net cash used of 919 million yen in the previous fiscal year). Positive factors included proceeds from withdrawal of time deposits of 247 million yen, while negative factors included purchase of investment securities of 1,559 million yen and payments into time deposits of 1,362 million yen.

(Cash flows from financing activities)

Net cash used in financing activities was 1,782 million yen (compared with 2,495 million yen used in the previous fiscal year). Negative factors included dividends paid of 1,419 million yen, purchase of treasury shares of 200 million yen and repayments of lease obligations of 124 million yen.

The following table illustrates the movements of cash flow-related indicators

	FY3/2017	FY3/2018	FY3/2019	FY3/2020	FY3/2021
Shareholders' equity ratio (%)	76.4	79.1	78.4	80.8	81.6
Shareholders' equity ratio based on market prices (%)	78.3	100.3	75.0	65.6	81.9
Cash flows to debt ratio (years)	0.2	0.2	0.1	0.1	0.1
Interest coverage ratio (x)	318.0	299.4	467.4	371.0	888.9

Notes: Shareholders' equity ratio: Shareholders' equity / Total assets

Shareholders' equity ratio based on market prices: Market capitalization / Total assets

Cash flows to debt ratio: Interest-bearing liabilities / Operating cash flow

Interest coverage ratio: Operating cash flow / Interest payments

1. These indicators are calculated on a consolidated basis.
2. Market capitalization: Closing price of stock on the balance sheet date x Number of shares outstanding (net of treasury shares) on the balance sheet date.
3. Net cash provided by operating activities on the consolidated statements of cash flows is used as operating cash flow. Interest-bearing liabilities include all liabilities on the consolidated balance sheets that incur interest. Interests paid on the consolidated statements of cash flows are used as interest payments.

(4) Outlook

Regarding the future prospects of the domestic economy, the outlook remains extremely uncertain with the spread of COVID-19 infection and U.S.-China standoff continuing over security.

In the electronic devices market, which is the primary market for products of the Uyemura Group, investment in semiconductors for smartphones and data centers is expected to remain active, while, in the car electronics segment, on-board semiconductor supply shortage is unlikely to be solved anytime soon.

Under such environment, the Group will aim for continued growth in the 21st century. We will optimize the collective strength of our group in order to get well-prepared to take immediate measures and we will improve our competitive position by emphasizing innovation at the factory level.

We will proactively engage in marketing and technological development by strengthening development and sales capabilities for the plating chemicals which are used in the semiconductor and car electronics industries and also for those which meet environmental regulations, and at the same time by establishing the machinery business that can deliver new functions to the customers and win the competition for lower cost.

By taking these measures, we forecast sales of 55,000 million yen (down 1.7% year-over-year), operating profit of 8,400 million yen (down 11.5% year-over-year), ordinary profit of 8,700 million yen (down 12.3% year-over-year), and profit attributable to owners of parent of 6,000 million yen (down 15.8% year-over-year) for the fiscal year ending March 31, 2022.

(5) Profit Allocation Policy and Dividends for the Current and Next Fiscal Years

Strengthening corporate governance and providing benefits for shareholders by improvement of capital efficiency is positioned as one of the major management challenges of us. We have a policy to strengthen financial soundness and reserve retained earnings to make investments in business fields and regions with prospects for growth, M&A opportunities and acquisition of new technologies if necessary, as well as flexibly repurchase treasury shares based on comprehensive consideration of the current economic conditions and our financial conditions etc.

In addition, we have a basic policy to maintain a sound foundation for business activities and improve the return on equity. We believe that the consistent payment of dividends in accordance with its operating results is necessary for return of earnings to shareholders. In accordance with this policy, we target 10% for the return on equity and 30% for the total shareholder earnings distribution ratio on a consolidated basis.

We plan to pay an ordinary year-end dividend of 180 yen per share (consolidated dividend payout ratio of 22.3%) for the fiscal year under review.

Regarding the fiscal year ending March 31, 2022, we plan to pay an ordinary dividend of 90 yen per share. The Company plans to conduct a 2-for-1 share split effective on July 1, 2021. This year-end dividend per share forecast is adjusted to reflect the stock split. Prior to this adjustment, the ordinary dividend forecast was 180 yen per share.

2. Basic Approach to the Selection of Accounting Standards

The Group has a policy of preparing its consolidated financial statements using Japanese GAAP for the time being so as to ensure cross-sectional as well as inter-temporal comparability of the consolidated financial statements.

We will nevertheless consider applying International Financial Reporting Standards (IFRS) in light of future trends in our foreign investor ownership ratio and application of IFRS by our industry peers.

3. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

	(Thousands of yen)	
	FY3/2020 (As of Mar. 31, 2020)	FY3/2021 (As of Mar. 31, 2021)
Assets		
Current assets		
Cash and deposits	26,472,648	30,541,231
Notes and accounts receivable-trade	14,874,974	15,780,705
Securities	45,471	44,077
Merchandise and finished goods	2,254,642	2,995,296
Work in process	2,653,921	1,578,340
Raw materials and supplies	1,350,852	1,709,607
Other	1,342,568	1,070,264
Allowance for doubtful accounts	(72,060)	(66,027)
Total current assets	48,923,020	53,653,495
Non-current assets		
Property, plant and equipment		
Buildings and structures	*1 21,991,903	*1 22,053,017
Accumulated depreciation	*2 (12,574,873)	*2 (13,176,134)
Buildings and structures, net	9,417,029	8,876,883
Machinery, equipment and vehicles	11,407,297	11,569,374
Accumulated depreciation	*2 (8,725,302)	*2 (9,153,911)
Machinery, equipment and vehicles, net	2,681,994	2,415,462
Land	*1 4,259,787	*1 4,382,771
Leased assets	297,336	356,133
Accumulated depreciation	*2 (146,690)	*2 (134,982)
Leased assets, net	150,645	221,151
Construction in progress	527,407	306,188
Other	5,463,815	5,466,948
Accumulated depreciation	*2 (4,211,277)	*2 (4,457,641)
Other, net	1,252,537	1,009,307
Total property, plant and equipment	18,289,402	17,211,764
Intangible assets	296,239	303,129
Investments and other assets		
Investment securities	10,791,241	12,865,612
Retirement benefit asset	64,650	151,616
Deferred tax assets	293,805	453,072
Other	527,004	535,635
Allowance for doubtful accounts	(68,275)	(68,829)
Total investments and other assets	11,608,426	13,937,108
Total non-current assets	30,194,068	31,452,002
Total assets	79,117,088	85,105,498

	(Thousands of yen)	
	FY3/2020	FY3/2021
	(As of Mar. 31, 2020)	(As of Mar. 31, 2021)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	2,431,413	2,224,067
Electronically recorded obligations-operating	3,789,010	3,533,356
Short-term borrowings	*1 516,642	*1 473,063
Lease obligations	125,823	116,169
Income taxes payable	2,489,948	2,362,751
Provision for bonuses	169,408	164,659
Provision for bonuses for directors (and other officers)	159,150	177,250
Other	1,614,198	2,238,245
Total current liabilities	11,295,595	11,289,563
Non-current liabilities		
Long-term guarantee deposits	624,406	648,549
Lease obligations	179,314	245,140
Deferred tax liabilities	1,821,132	2,035,492
Provision for retirement benefits for directors (and other officers)	182,165	193,765
Retirement benefit liability	846,136	917,074
Other	280,482	302,214
Total non-current liabilities	3,933,637	4,342,235
Total liabilities	15,229,233	15,631,799
Net assets		
Shareholders' equity		
Share capital	1,336,936	1,336,936
Capital surplus	1,269,750	1,269,750
Retained earnings	62,391,536	68,100,768
Treasury shares	(4,327,166)	(4,527,433)
Total shareholders' equity	60,671,056	66,180,021
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	358,230	747,353
Foreign currency translation adjustment	2,881,214	2,505,718
Remeasurements of defined benefit plans	(22,646)	40,604
Total accumulated other comprehensive income	3,216,798	3,293,677
Total net assets	63,887,855	69,473,699
Total liabilities and net assets	79,117,088	85,105,498

(2) Consolidated Statements of Income and Comprehensive Income

(Thousands of yen)

	FY3/2020 (Apr. 1, 2019 – Mar. 31, 2020)	FY3/2021 (Apr. 1, 2020 – Mar. 31, 2021)
Net sales	52,223,003	55,947,358
Cost of sales	*1 34,619,916	*1 36,730,991
Gross profit	17,603,086	19,216,367
Selling, general and administrative expenses		
Packing and carrying expenses	582,486	598,225
Provision of allowance for doubtful accounts	(17,074)	(5,673)
Salaries and allowances	2,700,934	2,716,492
Bonuses	500,668	524,211
Provision for bonuses	76,647	72,355
Provision for bonuses for directors (and other officers)	159,150	177,250
Retirement benefit expenses	192,334	158,806
Provision for retirement benefits for directors (and other officers)	12,225	11,600
Communication and transportation expenses	364,774	203,952
Depreciation	506,633	565,255
Taxes and dues	197,607	180,974
Research and development expenses	*2 2,274,683	*2 2,116,139
Other	2,512,107	2,405,904
Total selling, general and administrative expenses	10,063,177	9,725,493
Operating profit	7,539,909	9,490,873
Non-operating income		
Interest income	174,130	148,556
Dividend income	48,668	49,581
Valuable resource recovery income	26,957	74,543
Subsidy income	51,250	92,553
Technical advisory fee income	13,796	-
Other	161,689	147,091
Total non-operating income	476,493	512,327
Non-operating expenses		
Interest expenses	11,764	9,530
Sales discounts	8,204	3,678
Foreign exchange losses	79,975	30,640
Commission expenses	14,821	15,847
Other	31,325	22,804
Total non-operating expenses	146,091	82,501
Ordinary profit	7,870,311	9,920,699

	(Thousands of yen)	
	FY3/2020	FY3/2021
	(Apr. 1, 2019 – Mar. 31, 2020)	(Apr. 1, 2020 – Mar. 31, 2021)
Extraordinary income		
Gain on sale of non-current assets	*3 455,084	*3 17,072
Reversal of impairment losses	-	*4 8,646
Total extraordinary income	455,084	25,718
Extraordinary losses		
Loss on sale and retirement of non-current assets	*5 67,064	*5 19,762
Impairment losses	*6 467,948	-
Loss on valuation of investment securities	13,020	-
Total extraordinary losses	548,033	19,762
Profit before income taxes	7,777,362	9,926,656
Income taxes-current	2,590,045	2,940,133
Income taxes-deferred	(171,635)	(141,876)
Total income taxes	2,418,410	2,798,256
Profit	5,358,951	7,128,400
Profit attributable to:		
Profit attributable to owners of parent	5,358,951	7,128,400
Other comprehensive income		
Valuation difference on available-for-sale securities	(359,073)	389,123
Foreign currency translation adjustment	100,891	(375,495)
Remeasurements of defined benefit plans, net of tax	(5,609)	63,250
Total other comprehensive income	*7 (263,792)	*7 76,878
Comprehensive income	5,095,159	7,205,278
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	5,095,159	7,205,278

(3) Consolidated Statements of Changes in Shareholders' Equity

FY3/2020 (Apr. 1, 2019 – Mar. 31, 2020)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,336,936	1,269,750	58,382,870	(3,327,258)	57,662,299
Changes during period					
Dividends of surplus			(1,350,286)		(1,350,286)
Profit attributable to owners of parent			5,358,951		5,358,951
Purchase of treasury shares				(999,907)	(999,907)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	4,008,665	(999,907)	3,008,757
Balance at end of period	1,336,936	1,269,750	62,391,536	(4,327,166)	60,671,056

	Accumulated other comprehensive income				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	717,304	2,780,323	(17,036)	3,480,590	61,142,889
Changes during period					
Dividends of surplus					(1,350,286)
Profit attributable to owners of parent					5,358,951
Purchase of treasury shares					(999,907)
Net changes in items other than shareholders' equity	(359,073)	100,891	(5,609)	(263,792)	(263,792)
Total changes during period	(359,073)	100,891	(5,609)	(263,792)	2,744,965
Balance at end of period	358,230	2,881,214	(22,646)	3,216,798	63,887,855

FY3/2021 (Apr. 1, 2020 – Mar. 31, 2021)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,336,936	1,269,750	62,391,536	(4,327,166)	60,671,056
Changes during period					
Dividends of surplus			(1,419,167)		(1,419,167)
Profit attributable to owners of parent			7,128,400		7,128,400
Purchase of treasury shares				(200,267)	(200,267)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	5,709,232	(200,267)	5,508,965
Balance at end of period	1,336,936	1,269,750	68,100,768	(4,527,433)	66,180,021

	Accumulated other comprehensive income				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	358,230	2,881,214	(22,646)	3,216,798	63,887,855
Changes during period					
Dividends of surplus					(1,419,167)
Profit attributable to owners of parent					7,128,400
Purchase of treasury shares					(200,267)
Net changes in items other than shareholders' equity	389,123	(375,495)	63,250	76,878	76,878
Total changes during period	389,123	(375,495)	63,250	76,878	5,585,843
Balance at end of period	747,353	2,505,718	40,604	3,293,677	69,473,699

(4) Consolidated Statements of Cash Flows

	(Thousands of yen)	
	FY3/2020	FY3/2021
	(Apr. 1, 2019 – Mar. 31, 2020)	(Apr. 1, 2020 – Mar. 31, 2021)
Cash flows from operating activities		
Profit before income taxes	7,777,362	9,926,656
Depreciation	2,143,969	2,066,594
Reversal of impairment losses	-	(8,646)
Impairment losses	467,948	-
Increase (decrease) in allowance for doubtful accounts	(17,074)	(5,673)
Increase (decrease) in provision for bonuses for directors (and other officers)	(7,500)	18,100
Increase (decrease) in retirement benefit liability	110,681	73,071
Decrease (increase) in retirement benefit asset	793	4,199
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(23,360)	11,600
Interest and dividend income	(222,798)	(198,138)
Interest expenses	11,764	9,530
Loss (gain) on sale and retirement of non-current assets	(388,020)	2,690
Decrease (increase) in trade receivables	(1,247,408)	(949,687)
Decrease (increase) in inventories	(793,415)	(40,675)
Increase (decrease) in trade payables	(546,071)	(179,753)
Other, net	(364,534)	848,883
Subtotal	6,902,336	11,578,750
Interest and dividends received	199,688	193,653
Interest paid	(11,596)	(9,770)
Income taxes paid	(2,787,915)	(3,084,811)
Net cash provided by (used in) operating activities	4,302,512	8,677,821
Cash flows from investing activities		
Payments into time deposits	(391,825)	(1,362,993)
Proceeds from withdrawal of time deposits	575,137	247,680
Purchase of non-current assets	(2,213,103)	(1,352,165)
Proceeds from sale of non-current assets	493,761	59,737
Purchase of investment securities	(7,574,966)	(1,559,675)
Other, net	1,504	62,095
Net cash provided by (used in) investing activities	(9,109,490)	(3,905,321)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(38,813)	(37,697)
Repayments of lease obligations	(106,281)	(124,892)
Purchase of treasury shares	(999,907)	(200,267)
Dividends paid	(1,350,286)	(1,419,167)
Net cash provided by (used in) financing activities	(2,495,288)	(1,782,024)
Effect of exchange rate change on cash and cash equivalents	(145,884)	13,438
Net increase (decrease) in cash and cash equivalents	(7,448,152)	3,003,914
Cash and cash equivalents at beginning of period	30,593,368	23,145,215
Cash and cash equivalents at end of period	*1 23,145,215	*1 26,149,130

(5) Notes to Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Basis for Presentation of the Consolidated Financial Statements

1. Scope of consolidation

The number of consolidated subsidiaries: 11

Names of consolidated subsidiaries

Sumix Corporation
Taiwan Uyemura Co., Ltd.
Uyemura International Corporation
Uyemura (Shanghai) Co., Ltd.
Sum Hitech Co., Ltd.
Uyemura (Malaysia) Sdn. Bhd.
Uyemura International (Singapore) Pte Ltd
Uyemura International (Hong Kong) Co., Ltd.
Uyemura (Shenzhen) Co., Ltd.
Uyemura Korea Co., Ltd.
PT. Uyemura Indonesia

2. Application of equity method

The Company has no subsidiaries and affiliates accounted for by the equity method.

3. Closing date of consolidated subsidiaries

Of the consolidated subsidiaries, overseas subsidiaries' fiscal year ends on December 31. Therefore, the financial statements of the overseas consolidated subsidiaries as of their closing date are used herein with necessary adjustments applied for consolidation purposes regarding the important transactions that have occurred between the said closing date, December 31 and the consolidated closing date, March 31.

4. Accounting policies

(1) Valuation standards and method for major assets

1. Securities

1) Trading securities

Valued at the market price, cost of sales that is determined by the moving average method.

2) Other securities

Securities with market quotations

Valued at the market price, using a market value at the end of the fiscal year, differences in valuation to be included in net assets, and cost of securities sold that is determined by the moving average method.

Securities without market quotations

Valued at cost that is determined by the moving average method.

2. Inventories

1) Merchandise

Primarily valued at cost that is determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).

2) Finished goods and work in process

Plating chemicals

Primarily valued at cost that is determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).

Surface finishing machinery

Primarily valued at cost that is determined by the identification method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).

3) Raw materials and supplies

Primarily valued at cost that is determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).

(2) Depreciation method for major depreciable assets

1) Property, plant and equipment (excluding leased assets)

The declining balance method is used in the Company and its domestic consolidated subsidiary, while the straight-line method is primarily used in overseas consolidated subsidiaries.

Useful life of principle assets is as follows:

Buildings and structures: 10-50 years

Machinery, equipment and vehicles: 2-15 years

2) Intangible assets

Intangible assets are amortized using the straight-line method.

Software for internal use is amortized over an estimated useful period of internal use, which is 3 to 5 years.

3) Leased assets

Leased assets associated with finance lease transactions where there is no transfer of ownership

The straight-line method with no residual value is applied with the lease period used as the useful life of the asset.

(3) Recognition of major reserves

1) Allowance for doubtful accounts

To prepare for credit losses on accounts receivable, allowances equal to the estimated amount of uncollectible receivables are accounted for based on historical write-off ratio for general receivables, and based on case-by-case determination of collectibility for bad receivables and claims in bankruptcy.

2) Provision for bonuses

In the Company and its domestic consolidated subsidiary, to prepare for the payment of bonus to employees, an allowance is accounted for a portion accrued for the fiscal year under review of the estimated amount of future payment.

3) Provision for bonuses for directors (and other officers)

In the Company and its domestic consolidated subsidiary, to prepare for the payment of bonus to directors, an allowance is accounted for the estimated bonus obligations in the fiscal year under review.

4) Provision for retirement benefits for directors (and other officers)

In the Company and its domestic consolidated subsidiary, to prepare for the payment of retirement benefits to directors, an allowance is accounted for in the aggregate amount payable at the end of the fiscal year pursuant to the Company's rules on directors' retirement benefits.

(4) Accounting method for retirement benefit obligations

i. Method of attributing estimated retirement benefit obligations to periods

In calculation of retirement benefit obligations, the Company uses the straight-line method for attributing estimated retirement benefit obligations to periods.

ii. Amortization of actuarial differences and past service cost

Past service cost is charged to expenses for the fiscal year when they were incurred.

The actuarial differences are mainly amortized and charged to expense in the year following the fiscal year in which such actuarial differences are recognized by the straight-line method over a certain period (12 years) which is within the average length of remaining work period of employees.

(5) Translation of the important assets or liabilities in foreign currency into Japanese currency

The monetary assets and liabilities in foreign currency are translated into Japanese currency based on the spot exchange rate as of the closing date of the fiscal year under review, with the conversion difference to be accounted for as profit or loss. The assets and liabilities of overseas consolidated subsidiaries are translated into Japanese currency based on the spot exchange rate as of the closing date of the fiscal year under review, and revenue and expenses into Japanese currency based on the average conversion rate throughout the entire period, with the conversion difference to be accounted for so as to be included in foreign currency translation adjustment in the net assets section.

(6) Definition of cash and cash equivalents in the consolidated statements of cash flows

Cash and cash equivalents in the consolidated statements of cash flows is composed of 1) cash on hand, 2) bank deposit payable on demand, and 3) short-term investments readily redeemable within six months from the acquisition that has little risk on changes in valuation.

(7) Other important principles for presentation of consolidated financial statements

Consumption taxes

All amounts stated are exclusive of consumption taxes.

Notes to Consolidated Balance Sheets***1. Assets pledged as collateral and liabilities with collateral**

	(Thousands of yen)	
	FY3/2020 (As of Mar. 31, 2020)	FY3/2021 (As of Mar. 31, 2021)
Assets pledged as collateral		
Buildings and structures	1,750,837	1,642,624
Land	47,200	47,200
Total	1,798,037	1,689,824
Liabilities with collateral		
Short-term borrowings	400,000	400,000
Total	400,000	400,000

***2. Accumulated depreciation**

Amounts of accumulated depreciation include accumulated impairment losses.

Notes to Consolidated Statements of Income and Comprehensive Income

*1. The ending inventory is the amount written down to reflect the effect of lower profit margins. The following loss on valuation of inventories is included in cost of sales.

	(Thousands of yen)	
	FY3/2020 (Apr. 1, 2019 – Mar. 31, 2020)	FY3/2021 (Apr. 1, 2020 – Mar. 31, 2021)
	36,446	(9,162)

***2. Research and development expenses included in selling, general and administrative expenses**

	(Thousands of yen)	
	FY3/2020 (Apr. 1, 2019 – Mar. 31, 2020)	FY3/2021 (Apr. 1, 2020 – Mar. 31, 2021)
	2,274,683	2,116,139

***3. Gains on sale of non-current assets**

	(Thousands of yen)	
	FY3/2020 (Apr. 1, 2019 – Mar. 31, 2020)	FY3/2021 (Apr. 1, 2020 – Mar. 31, 2021)
Machinery, equipment and vehicles	28,488	13,920
Land	370,315	-
Others	56,280	3,151
Total	455,084	17,072

***4. Gain on reversal of impairment losses**

FY3/2021 (Apr. 1, 2020 – Mar. 31, 2021)

Based on the International Financial Reporting Standards that our consolidated subsidiary Taiwan Uyemura Co., Ltd. should follow, gain on reversal of impairment losses were recognized for building and structures and land.

*5. Loss on sale and retirement of non-current assets

(Thousands of yen)

	FY3/2020 (Apr. 1, 2019 – Mar. 31, 2020)	FY3/2021 (Apr. 1, 2020 – Mar. 31, 2021)
Buildings and structures	6,007	3,497
Machinery, equipment and vehicles	2,186	9,477
Retirement cost	56,218	4,636
Others	2,650	2,150
Total	67,064	19,762

*6. Impairment losses

FY3/2020 (Apr. 1, 2019 – Mar. 31, 2020)

The Group recognized impairment losses on the following groups of assets.

Location	Use	Item
Taoyuan City, Taiwan	Operating assets	Buildings and structures, land
Yao City, Osaka Prefecture, Japan	Idle assets	Land, construction in progress

In principle, we group our operating assets into the smallest unit that generates largely independent cash flows and our idle assets according to each asset type.

For the fiscal year ended March 31, 2020, we wrote down the carrying value of the groups of assets that have reported operating losses on a consistent basis and that of the idle assets not in use for business to their recoverable amounts. The difference between the carrying value and the recoverable amount was then accounted for as impairment losses of 467,948 thousand yen and presented as an extraordinary loss. The amount of impairment losses consists of 2,097 thousand yen for Taoyuan City, Taiwan (of which, minus 14,040 thousand yen for buildings and structures and 16,138 thousand yen for land) and 465,850 thousand yen for Yao City, Osaka Prefecture, Japan (of which, 434,010 thousand yen for land and 31,840 thousand yen for construction in progress).

The recoverable amounts of the groups of assets are measured at net selling price. The net selling price is calculated based on real estate appraisal price.

*7. Reclassification adjustments and tax effect with respect to other comprehensive income

(Thousands of yen)

	FY3/2020 (Apr. 1, 2019 – Mar. 31, 2020)	FY3/2021 (Apr. 1, 2020 – Mar. 31, 2021)
Valuation difference on available-for-sale securities		
Amount incurred during the year	(517,546)	560,858
Re-classification adjustments	-	-
Before tax effect adjustments	(517,546)	560,858
Tax effect	158,472	(171,734)
Valuation difference on available-for-sale securities	(359,073)	389,123
Foreign currency translation adjustment		
Amount incurred during the year	100,891	(375,495)
Remeasurements of defined benefit plans, net of tax		
Amount incurred during the year	(18,091)	83,109
Re-classification adjustments	10,006	8,055
Before tax effect adjustments	(8,085)	91,165
Tax effect	2,475	(27,914)
Remeasurements of defined benefit plans, net of tax	(5,609)	63,250
Total other comprehensive income	(263,792)	76,878

Notes to Consolidated Statements of Changes in Shareholders' Equity

FY3/2020 (Apr. 1, 2019 – Mar. 31, 2020)

1. Types and total number of outstanding shares and treasury shares

	Number of shares as of Apr. 1, 2019 (Shares)	Increase (Shares)	Decrease (Shares)	Number of shares as of Mar. 31, 2020 (Shares)
Outstanding shares				
Common shares	9,878,040	-	-	9,878,040
Total	9,878,040	-	-	9,878,040
Treasury shares				
Common shares (Note)	876,129	132,116	-	1,008,245
Total	876,129	132,116	-	1,008,245

Note: The number of common shares of treasury shares was increased by 132,100 shares due to the acquisition of treasury shares resolved at the Board of Directors meeting and by 16 shares due to purchase of odd-lot shares.

2. Dividends

(1) Dividend payment

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 27, 2019	Common shares	1,350,286	150	Mar. 31, 2019	Jun. 28, 2019

(2) Dividends with a record date in the fiscal year ended March 31, 2020 but an effective date in the following fiscal year

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Source of dividend	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 26, 2020	Common shares	1,419,167	Retained earnings	160	Mar. 31, 2020	Jun. 29, 2020

FY3/2021 (Apr. 1, 2020 – Mar. 31, 2021)

1. Types and total number of outstanding shares and treasury shares

	Number of shares as of Apr. 1, 2020 (Shares)	Increase (Shares)	Decrease (Shares)	Number of shares as of Mar. 31, 2021 (Shares)
Outstanding shares				
Common shares	9,878,040	-	-	9,878,040
Total	9,878,040	-	-	9,878,040
Treasury shares				
Common shares (Note)	1,008,245	29,579	-	1,037,824
Total	1,008,245	29,579	-	1,037,824

Note: The number of common shares of treasury shares was increased by 29,500 shares due to the acquisition of treasury shares resolved at the Board of Directors meeting and by 79 shares due to purchase of odd-lot shares.

2. Dividends

(1) Dividend payment

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 26, 2020	Common shares	1,419,167	160	Mar. 31, 2020	Jun. 29, 2020

(2) Dividends with a record date in the fiscal year under review but an effective date in the following fiscal year

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Source of dividend	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 29, 2021	Common shares	1,591,238	Retained earnings	180	Mar. 31, 2021	Jun. 30, 2021

Notes to Consolidated Statements of Cash Flows

*1. Reconciliation of the balance of cash and cash equivalents at the end of the fiscal year and the amount stated in the consolidated balance sheets

(Thousands of yen)

	FY3/2020 (Apr. 1, 2019 – Mar. 31, 2020)	FY3/2021 (Apr. 1, 2020 – Mar. 31, 2021)
Cash and deposits	26,472,648	30,541,231
Time deposits maturing with deposit period of more than 6 months	(3,327,432)	(4,392,101)
Cash and cash equivalents	23,145,215	26,149,130

Segment and Other Information**Segment information**

1. Overview of reportable segment

Segments used for financial reporting are the Company'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 Company has established individual sales divisions that oversee specific product, merchandise and service categories. Each division conducts its business in line with the comprehensive strategy it has devised for products, merchandise and services in both domestic and overseas markets.

The Company's business activities thus comprise of four reportable segments classified by type and nature of the products, merchandise and services; the surface finishing materials business, the surface finishing machinery business, the plating job business and the real estate rental business.

The surface finishing materials business mainly handles the sale of plating chemicals for PWBs, plating chemicals for aluminum magnetic disks, industrial chemicals, non-ferrous metals and others. The surface finishing machinery business mainly deals with plating machinery for PWBs and plating machinery for aluminum magnetic disks. The plating job business is mainly engaged in plastic plating services and PWB plating services. The real estate rental business generates revenue by renting out office buildings and apartment houses.

2. Calculation method for sales, profit or loss, assets or liabilities, and other items for each reportable segment

The accounting method used for reportable business segments is the same as the methods listed in "Basis for Presentation of the Consolidated Financial Statements."

Intersegment sales and transfer are based on market prices.

3. Information related to sales, profit or loss, assets or liabilities, and other items for each reportable segment
FY3/2020 (Apr. 1, 2019 – Mar. 31, 2020)

(Thousands of yen)

	Reportable segment					Other (Note 1)	Total	Adjustment (Notes 2, 3)	Amounts shown on consolidated financial statements (Note 4)
	Surface Finishing Materials	Surface Finishing Machinery	Plating Job	Real Estate Rental	Subtotal				
Net sales									
Sales to third parties	38,495,541	7,383,783	5,561,130	769,933	52,210,388	12,614	52,223,003	-	52,223,003
Intersegment sales and transfers	54,041	50,751	102	-	104,895	-	104,895	(104,895)	-
Total	38,549,582	7,434,535	5,561,232	769,933	52,315,283	12,614	52,327,898	(104,895)	52,223,003
Segment profit (loss)	6,393,260	740,454	(15,158)	410,863	7,529,419	10,489	7,539,909	-	7,539,909
Segment assets	36,977,242	8,119,205	7,488,794	2,522,398	55,107,641	-	55,107,641	24,009,446	79,117,088
Other items									
Depreciation	1,305,310	122,534	560,006	156,118	2,143,969	-	2,143,969	-	2,143,969
Impairment losses	-	-	-	2,097	2,097	-	2,097	465,850	467,948
Increase in property, plant and equipment and intangible assets	1,586,500	118,962	409,496	91	2,115,051	-	2,115,051	-	2,115,051

Notes: 1. The "Other" business segment consists of activities that are not included in any of the four reportable segments, and its sales include royalty revenues.

2. The 24,009,446 thousand yen adjustment of segment assets includes minus 14,764 thousand yen in elimination of inter-segment transactions and corporate assets of 24,024,211 thousand yen. Corporate assets mainly include excess funds (cash and deposits) and long-term invested assets (investment securities) of the parent company.

3. The 465,850 thousand yen adjustment of impairment losses represents impairment losses on idle assets.

4. Total segment profit (loss) is equal to operating profit shown on the consolidated financial statements.

FY3/2021 (Apr. 1, 2020 – Mar. 31, 2021)

(Thousands of yen)

	Reportable segment					Other (Note 1)	Total	Adjustment (Notes 2)	Amounts shown on consolidated financial statements (Note 3)
	Surface Finishing Materials	Surface Finishing Machinery	Plating Job	Real Estate Rental	Subtotal				
Net sales									
Sales to third parties	43,109,690	7,823,423	4,196,433	804,988	55,934,536	12,822	55,947,358	-	55,947,358
Intersegment sales and transfers	22,075	2,340	-	-	24,415	-	24,415	(24,415)	-
Total	43,131,765	7,825,764	4,196,433	804,988	55,958,952	12,822	55,971,774	(24,415)	55,947,358
Segment profit (loss)	8,330,241	916,895	(222,068)	454,648	9,479,717	11,156	9,490,873	-	9,490,873
Segment assets	38,869,250	5,722,649	6,392,254	2,348,542	53,332,697	-	53,332,697	31,772,800	85,105,498
Other items									
Depreciation	1,265,805	127,147	530,929	142,712	2,066,594	-	2,066,594	-	2,066,594
Reversal of impairment losses	-	-	-	(8,646)	(8,646)	-	(8,646)	-	(8,646)
Increase in property, plant and equipment and intangible assets	945,554	144,569	195,509	-	1,285,633	-	1,285,633	-	1,285,633

Notes: 1. The "Other" business segment consists of activities that are not included in any of the four reportable segments, and its sales include royalty revenues.

2. The 31,772,800 thousand yen adjustment of segment assets includes minus 36,340 thousand yen in elimination of inter-segment transactions and corporate assets of 31,809,140 thousand yen. Corporate assets mainly include excess funds (cash and deposits) and long-term invested assets (investment securities) of the parent company.

3. Total segment profit (loss) is equal to operating profit shown on the consolidated financial statements.

Related information

FY3/2020 (Apr. 1, 2019 – Mar. 31, 2020)

1. Information by product or service

Omitted because the same information is presented in the segment information section.

2. Information by region

(1) Net sales

(Thousands of yen)

Japan	Taiwan	China	Other	Total
21,208,316	9,683,502	6,799,073	14,532,111	52,223,003

(2) Property, plant and equipment

(Thousands of yen)

Japan	Taiwan	Thailand	Other	Total
8,921,467	3,648,063	3,144,179	2,575,691	18,289,402

3. Information about specific customers

Omitted because no single external customer accounts for 10% or more of sales shown on the consolidated statements of income and comprehensive income.

FY3/2021 (Apr. 1, 2020 – Mar. 31, 2021)

1. Information by product or service

Omitted because the same information is presented in the segment information section.

2. Information by region

(1) Net sales

(Thousands of yen)

Japan	Taiwan	China	Other	Total
23,062,924	11,768,906	7,864,980	13,250,547	55,947,358

(2) Property, plant and equipment

(Thousands of yen)

Japan	Taiwan	Thailand	Other	Total
8,730,811	3,528,550	2,575,109	2,377,293	17,211,764

3. Information about specific customers

Omitted because no single external customer accounts for 10% or more of sales shown on the consolidated statements of income and comprehensive income.

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

FY3/2020 (Apr. 1, 2019 – Mar. 31, 2020)

Omitted because the same information is presented in the segment information section.

FY3/2021 (Apr. 1, 2020 – Mar. 31, 2021)

Omitted because the same information is presented in the segment information section.

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

Not applicable.

Information related to gain on bargain purchase for each reportable segment

Not applicable.

Per Share Data

(Yen)

	FY3/2020 (Apr. 1, 2019 – Mar. 31, 2020)	FY3/2021 (Apr. 1, 2020 – Mar. 31, 2021)
Net assets per share	7,202.86	7,858.82
Net income per share (basic)	598.60	805.78

Notes: 1. Net income per share (diluted) is not disclosed since there is no dilutive share.

2. Basis for calculation of net assets per share is as follows:

(Thousands of yen, unless otherwise stated)

	FY3/2020 (As of Mar. 31, 2020)	FY3/2021 (As of Mar. 31, 2021)
Total net assets on balance sheets	63,887,855	69,473,699
Deduction from total net assets	-	-
Net assets applicable to common shares	63,887,855	69,473,699
Number of shares outstanding (common shares)	9,878,040 shares	9,878,040 shares
Number of treasury shares (common shares)	1,008,245 shares	1,037,824 shares
Number of common shares used in calculation of net assets per share	8,869,795 shares	8,840,216 shares

3. Basis for calculation of net income per share (basic) is as follows:

(Thousands of yen, unless otherwise stated)

	FY3/2020 (Apr. 1, 2019 – Mar. 31, 2020)	FY3/2021 (Apr. 1, 2020 – Mar. 31, 2021)
Profit attributable to owners of parent	5,358,951	7,128,400
Amount not available to common shareholders	-	-
Profit attributable to common shareholders of parent	5,358,951	7,128,400
Average number of shares of common shares outstanding during period	8,952,421 shares	8,846,547 shares

Material Subsequent Events

Not applicable.

4. Others**Changes in Directors and Corporate Auditors**

Not applicable.

Note: This report of consolidated financial results is solely a translation of summary of Japanese “Kessan Tanshin” (including the attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer English translation. All readers are recommended to refer to the original version in Japanese of the report for complete information.