

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 13, 2022

Company name: C. Uyemura & Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 4966 URL <https://www.uyemura.co.jp/>
 Representative: President Hiroya Uyemura
 Director and Head of Corporate Management
 Inquiries: Shigeo Sakabe TEL 06-6202-8518
 Division
 Scheduled date of ordinary general meeting of shareholders: June 29, 2022
 Scheduled date to file Securities Report: June 29, 2022
 Scheduled date to commence dividend payments: June 30, 2022
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Consolidated operating results

Percentages indicate year-on-year changes

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|---------------------------|-----------------|------|------------------|------|-----------------|------|---|------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Year ended March 31, 2022 | 72,303 | 29.2 | 13,947 | 47.0 | 14,606 | 47.2 | 9,681 | 35.8 |
| Year ended March 31, 2021 | 55,947 | 7.1 | 9,490 | 25.9 | 9,920 | 26.1 | 7,128 | 33.0 |

| | Earnings per share | Diluted earnings per share | Profit attributable to owners of parent/equity | Ordinary profit/total assets | Operating profit/net sales |
|---------------------------|--------------------|----------------------------|--|------------------------------|----------------------------|
| | Yen | Yen | % | % | % |
| Year ended March 31, 2022 | 559.61 | – | 13.1 | 15.7 | 19.3 |
| Year ended March 31, 2021 | 402.89 | – | 10.7 | 12.1 | 17.0 |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|----------------------|-----------------|-----------------|--------------|----------------------|
| | Millions of yen | Millions of yen | % | Yen |
| As of March 31, 2022 | 101,189 | 78,712 | 77.8 | 4,567.35 |
| As of March 31, 2021 | 85,105 | 69,473 | 81.6 | 3,929.41 |

(3) Consolidated cash flows

| | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|---------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| Year ended March 31, 2022 | 7,417 | (4,693) | (3,785) | 26,280 |
| Year ended March 31, 2021 | 8,677 | (3,905) | (1,782) | 26,149 |

2. Cash dividends

| | Annual dividends per share | | | | | Total cash dividends (Total) | Dividend payout ratio (Consolidated) | Ratio of dividends to net assets (Consolidated) |
|---------------------------------------|----------------------------|-----------------|-----------------|-----------------|--------|------------------------------|--------------------------------------|---|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total | | | |
| | Yen | Yen | Yen | Yen | Yen | Millions of yen | % | % |
| Year ended March 31, 2021 | – | 0.00 | – | 180.00 | 180.00 | 1,591 | 22.3 | 2.4 |
| Year ended March 31, 2022 | – | 0.00 | – | 130.00 | 130.00 | 2,240 | 23.2 | 3.1 |
| Year ending March 31, 2023 (Forecast) | – | 0.00 | – | 180.00 | 180.00 | | 28.6 | |

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

Percentages indicate year-on-year changes

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Earnings per share |
|--------------------------------------|-----------------|-----|------------------|-----|-----------------|-------|---|------|--------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Six months ending September 30, 2022 | 35,300 | 6.9 | 6,400 | 2.8 | 6,700 | 2.1 | 5,500 | 21.0 | 317.91 |
| Full year | 75,000 | 3.7 | 14,000 | 0.4 | 14,600 | (0.0) | 10,900 | 12.6 | 630.03 |

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

| | | | |
|----------------------|-------------------|----------------------|-------------------|
| As of March 31, 2022 | 19,756,080 shares | As of March 31, 2021 | 19,756,080 shares |
|----------------------|-------------------|----------------------|-------------------|

Number of treasury shares at the end of the period

| | | | |
|----------------------|------------------|----------------------|------------------|
| As of March 31, 2022 | 2,522,368 shares | As of March 31, 2021 | 2,075,648 shares |
|----------------------|------------------|----------------------|------------------|

Average number of shares during the period

| | | | |
|---------------------------|-------------------|---------------------------|-------------------|
| Year ended March 31, 2022 | 17,300,719 shares | Year ended March 31, 2021 | 17,693,095 shares |
|---------------------------|-------------------|---------------------------|-------------------|

Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

| | As of March 31, 2021 | As of March 31, 2022 |
|--|----------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 30,541,231 | 31,052,681 |
| Notes and accounts receivable - trade | 15,780,705 | – |
| Notes receivable - trade | – | 4,961,049 |
| Accounts receivable - trade | – | 15,822,063 |
| Contract assets | – | 508,858 |
| Securities | 44,077 | 51,629 |
| Merchandise and finished goods | 2,995,296 | 4,462,996 |
| Work in process | 1,578,340 | 2,740,296 |
| Raw materials and supplies | 1,709,607 | 3,752,141 |
| Other | 1,070,264 | 2,763,683 |
| Allowance for doubtful accounts | (66,027) | (118,500) |
| Total current assets | 53,653,495 | 65,996,900 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 22,053,017 | 23,200,066 |
| Accumulated depreciation | (13,176,134) | (14,565,835) |
| Buildings and structures, net | 8,876,883 | 8,634,230 |
| Machinery, equipment and vehicles | 11,569,374 | 12,386,592 |
| Accumulated depreciation | (9,153,911) | (10,089,611) |
| Machinery, equipment and vehicles, net | 2,415,462 | 2,296,981 |
| Land | 4,382,771 | 6,100,030 |
| Leased assets | 356,133 | 632,136 |
| Accumulated depreciation | (134,982) | (172,631) |
| Leased assets, net | 221,151 | 459,504 |
| Construction in progress | 306,188 | 80,488 |
| Other | 5,466,948 | 5,906,725 |
| Accumulated depreciation | (4,457,641) | (4,795,595) |
| Other, net | 1,009,307 | 1,111,130 |
| Total property, plant and equipment | 17,211,764 | 18,682,365 |
| Intangible assets | 303,129 | 332,714 |
| Investments and other assets | | |
| Investment securities | 12,865,612 | 14,786,928 |
| Retirement benefit asset | 151,616 | 187,004 |
| Deferred tax assets | 453,072 | 572,463 |
| Other | 535,635 | 705,357 |
| Allowance for doubtful accounts | (68,829) | (74,571) |
| Total investments and other assets | 13,937,108 | 16,177,182 |
| Total non-current assets | 31,452,002 | 35,192,261 |
| Total assets | 85,105,498 | 101,189,162 |

(Thousands of yen)

| | As of March 31, 2021 | As of March 31, 2022 |
|--|----------------------|----------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 2,224,067 | 4,113,405 |
| Electronically recorded obligations - operating | 3,533,356 | 4,233,185 |
| Short-term borrowings | 473,063 | 457,789 |
| Lease liabilities | 116,169 | 198,163 |
| Income taxes payable | 2,362,751 | 2,680,544 |
| Contract liabilities | – | 3,255,950 |
| Provision for bonuses | 164,659 | 170,901 |
| Provision for bonuses for directors (and other officers) | 177,250 | 213,050 |
| Other | 2,238,245 | 2,146,079 |
| Total current liabilities | 11,289,563 | 17,469,070 |
| Non-current liabilities | | |
| Long-term guarantee deposits | 648,549 | 680,334 |
| Lease liabilities | 245,140 | 460,663 |
| Deferred tax liabilities | 2,035,492 | 2,142,944 |
| Provision for retirement benefits for directors (and other officers) | 193,765 | – |
| Retirement benefit liability | 917,074 | 1,111,771 |
| Long-term accounts payable - other | – | 255,664 |
| Other | 302,214 | 356,401 |
| Total non-current liabilities | 4,342,235 | 5,007,780 |
| Total liabilities | 15,631,799 | 22,476,850 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 1,336,936 | 1,336,936 |
| Capital surplus | 1,269,750 | 1,276,650 |
| Retained earnings | 68,100,768 | 76,245,125 |
| Treasury shares | (4,527,433) | (6,515,214) |
| Total shareholders' equity | 66,180,021 | 72,343,497 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 747,353 | 707,807 |
| Foreign currency translation adjustment | 2,505,718 | 5,610,272 |
| Remeasurements of defined benefit plans | 40,604 | 50,733 |
| Total accumulated other comprehensive income | 3,293,677 | 6,368,814 |
| Total net assets | 69,473,699 | 78,712,311 |
| Total liabilities and net assets | 85,105,498 | 101,189,162 |

Consolidated statements of income and consolidated statements of comprehensive income

(Thousands of yen)

| | Fiscal year ended March 31, 2021 | Fiscal year ended March 31, 2022 |
|--|-------------------------------------|-------------------------------------|
| Net sales | 55,947,358 | 72,303,623 |
| Cost of sales | 36,730,991 | 47,614,159 |
| Gross profit | 19,216,367 | 24,689,464 |
| Selling, general and administrative expenses | | |
| Packing and Carrying expense | 598,225 | 741,831 |
| Provision of allowance for doubtful accounts | (5,673) | 42,226 |
| Salaries and allowances | 2,716,492 | 2,910,810 |
| Bonuses | 524,211 | 656,596 |
| Provision for bonuses | 72,355 | 77,929 |
| Provision for bonuses for directors (and other officers) | 177,250 | 213,050 |
| Retirement benefit expenses | 158,806 | 114,325 |
| Provision for retirement benefits for directors (and other officers) | 11,600 | 61,899 |
| Communication and transportation expenses | 203,952 | 230,261 |
| Depreciation | 565,255 | 569,336 |
| Taxes and dues | 180,974 | 240,663 |
| Research and development expenses | 2,116,139 | 2,260,632 |
| Other | 2,405,904 | 2,622,649 |
| Total selling, general and administrative expenses | 9,725,493 | 10,742,214 |
| Operating profit | 9,490,873 | 13,947,249 |
| Non-operating income | | |
| Interest income | 148,556 | 135,418 |
| Dividend income | 49,581 | 60,589 |
| Valuable resource recovery income | 74,543 | 48,947 |
| Foreign exchange gains | – | 296,815 |
| Subsidy income | 92,553 | 67,763 |
| Technical advisory fee income | 64,576 | 21,882 |
| Other | 82,514 | 82,944 |
| Total non-operating income | 512,327 | 714,361 |
| Non-operating expenses | | |
| Interest expenses | 9,530 | 18,466 |
| Sales discounts | 3,678 | – |
| Foreign exchange losses | 30,640 | – |
| Commission expenses | 15,847 | 18,352 |
| Commission for purchase of treasury shares | 1,344 | 5,920 |
| Loss on disposal of inventories | 6,593 | 6,695 |
| Other | 14,867 | 6,059 |
| Total non-operating expenses | 82,501 | 55,495 |
| Ordinary profit | 9,920,699 | 14,606,115 |

(Thousands of yen)

| | Fiscal year ended March 31, 2021 | Fiscal year ended March 31, 2022 |
|---|-------------------------------------|-------------------------------------|
| Extraordinary income | | |
| Gain on sale of non-current assets | 17,072 | 24,050 |
| Reversal of impairment loss | 8,646 | – |
| Total extraordinary income | 25,718 | 24,050 |
| Extraordinary losses | | |
| Loss on sale and retirement of non-current assets | 19,762 | 29,518 |
| Impairment losses | – | 533,334 |
| Total extraordinary losses | 19,762 | 562,852 |
| Profit before income taxes | 9,926,656 | 14,067,312 |
| Income taxes - current | 2,940,133 | 4,365,065 |
| Income taxes - deferred | (141,876) | 20,651 |
| Total income taxes | 2,798,256 | 4,385,717 |
| Profit | 7,128,400 | 9,681,594 |
| Profit attributable to | | |
| Profit attributable to owners of parent | 7,128,400 | 9,681,594 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 389,123 | (39,546) |
| Foreign currency translation adjustment | (375,495) | 3,104,553 |
| Remeasurements of defined benefit plans, net of tax | 63,250 | 10,129 |
| Total other comprehensive income | 76,878 | 3,075,136 |
| Comprehensive income | 7,205,278 | 12,756,731 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 7,205,278 | 12,756,731 |

Consolidated statements of changes in equity

Fiscal year ended March 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 |
| Cumulative effects of changes in accounting policies | | | | | – |
| Restated balance | 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) |
| Disposal of treasury shares | | | | | – |
| 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 |
| Cumulative effects of changes in accounting policies | | | | | – |
| Restated balance | 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) |
| Disposal of treasury shares | | | | | – |
| 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 |

Fiscal year ended March 31, 2022

(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 | 68,100,768 | (4,527,433) | 66,180,021 |
| Cumulative effects of changes in accounting policies | | | 54,000 | | 54,000 |
| Restated balance | 1,336,936 | 1,269,750 | 68,154,768 | (4,527,433) | 66,234,021 |
| Changes during period | | | | | |
| Dividends of surplus | | | (1,591,238) | | (1,591,238) |
| Profit attributable to owners of parent | | | 9,681,594 | | 9,681,594 |
| Purchase of treasury shares | | | | (2,000,597) | (2,000,597) |
| Disposal of treasury shares | | 6,900 | | 12,816 | 19,716 |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | - | 6,900 | 8,090,356 | (1,987,780) | 6,109,475 |
| Balance at end of period | 1,336,936 | 1,276,650 | 76,245,125 | (6,515,214) | 72,343,497 |

| | 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 | 747,353 | 2,505,718 | 40,604 | 3,293,677 | 69,473,699 |
| Cumulative effects of changes in accounting policies | | | | | 54,000 |
| Restated balance | 747,353 | 2,505,718 | 40,604 | 3,293,677 | 69,527,699 |
| Changes during period | | | | | |
| Dividends of surplus | | | | | (1,591,238) |
| Profit attributable to owners of parent | | | | | 9,681,594 |
| Purchase of treasury shares | | | | | (2,000,597) |
| Disposal of treasury shares | | | | | 19,716 |
| Net changes in items other than shareholders' equity | (39,546) | 3,104,553 | 10,129 | 3,075,136 | 3,075,136 |
| Total changes during period | (39,546) | 3,104,553 | 10,129 | 3,075,136 | 9,184,612 |
| Balance at end of period | 707,807 | 5,610,272 | 50,733 | 6,368,814 | 78,712,311 |

Consolidated statements of cash flows

(Thousands of yen)

| | Fiscal year ended March 31, 2021 | Fiscal year ended March 31, 2022 |
|---|-------------------------------------|-------------------------------------|
| Cash flows from operating activities | | |
| Profit before income taxes | 9,926,656 | 14,067,312 |
| Depreciation | 2,066,594 | 1,913,233 |
| Reversal of impairment loss | (8,646) | – |
| Impairment losses | – | 533,334 |
| Increase (decrease) in allowance for doubtful accounts | (5,673) | 42,226 |
| Increase (decrease) in provision for bonuses for directors (and other officers) | 18,100 | 35,800 |
| Increase (decrease) in retirement benefit liability | 73,071 | 89,112 |
| Decrease (increase) in retirement benefit asset | (3,856) | (16,594) |
| Increase (decrease) in provision for retirement benefits for directors (and other officers) | 11,600 | (193,765) |
| Interest and dividend income | (198,138) | (196,007) |
| Interest expenses | 9,530 | 18,466 |
| Loss (gain) on sale and retirement of non-current assets | 2,690 | 5,468 |
| Decrease (increase) in trade receivables | (949,687) | (3,941,077) |
| Decrease (increase) in inventories | (40,675) | (4,193,496) |
| Increase (decrease) in trade payables | (179,753) | 2,085,348 |
| Other, net | 856,938 | 1,179,252 |
| Subtotal | 11,578,750 | 11,428,615 |
| Interest and dividends received | 193,653 | 192,325 |
| Interest paid | (9,770) | (18,963) |
| Income taxes paid | (3,084,811) | (4,184,470) |
| Net cash provided by (used in) operating activities | 8,677,821 | 7,417,507 |
| Cash flows from investing activities | | |
| Payments into time deposits | (1,362,993) | (1,389,565) |
| Proceeds from withdrawal of time deposits | 247,680 | 1,446,700 |
| Purchase of non-current assets | (1,352,165) | (2,718,070) |
| Proceeds from sale of non-current assets | 59,737 | 57,828 |
| Purchase of investment securities | (1,559,675) | (2,028,874) |
| Other, net | 62,095 | (61,595) |
| Net cash provided by (used in) investing activities | (3,905,321) | (4,693,577) |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | (37,697) | (21,090) |
| Repayments of lease liabilities | (124,892) | (172,102) |
| Purchase of treasury shares | (200,267) | (2,000,597) |
| Dividends paid | (1,419,167) | (1,591,238) |
| Net cash provided by (used in) financing activities | (1,782,024) | (3,785,028) |
| Effect of exchange rate change on cash and cash equivalents | 13,438 | 1,192,091 |
| Net increase (decrease) in cash and cash equivalents | 3,003,914 | 130,992 |
| Cash and cash equivalents at beginning of period | 23,145,215 | 26,149,130 |
| Cash and cash equivalents at end of period | 26,149,130 | 26,280,122 |