



## 2. Dividends

	Dividends per share					Total Dividend Amount	Payout Ratio	per Net Assets
	1-Qtr.	2-Qtr.	3-Qtr.	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million¥	%	%
Year ended Sept. 2019	—	55.00	—	55.00	110.00	890	21.3	2.4
Year ended Sept. 2020	—	55.00	—	55.00	110.00	890	26.8	2.3
Year ended Sept. 2021 (forecast)	—	55.00	—	55.00	110.00		33.0	

## 3. Consolidated Forecasts for the Fiscal Year Ending September 30, 2021 (October 1, 2020 - September 30, 2021)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share (basic)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
1st Half	26,000	(2.4)	1,500	(19.8)	1,500	(25.7)	1,050	(14.0)	129.74
Full Year	53,000	(0.9)	4,000	(16.5)	4,000	(20.1)	2,700	(18.6)	333.63

## 4. Others

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

(2) Changes in accounting treatment for consolidated financial statement:

1) Changes in accounting policies due to the revision of accounting standards: Yes

Note: "Lease" has been applied to consolidated subsidiaries applying IFRS from the beginning of the current fiscal year.

2) Changes in accounting policies other than 1) above: Yes

Note: ASBJ Statement No.29 (Accounting Standard for Revenue Recognition) has been applied to consolidated companies in Japan from the beginning of the current fiscal year.

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(3) Number of shares outstanding (common stock)

1) Number of shares outstanding at the end of the period (incl. treasury stock)

Sept. 2020: 8,615,269 shares                      Sept. 2019: 8,615,269 shares

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

Sept. 2020: 522,836 shares                      Sept. 2019: 523,859 shares

3) Average number of shares in the fiscal year

Sept. 2020: 8,092,820 shares                      Sept. 2019: 8,103,913 shares

### \* Cautionary statement

-This Yearly Financial Results Report ("TANSHIN") is out of scope of annual audit under Financial Instruments and Exchange Act of Japan.

-The forecasts above are based on currently available information at the time of announcement. Actual results may differ from these forecasts for a number of factors.

## 5. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Millions of Yen)

	As of September 30, 2019	As of September 30, 2020
<b>Assets</b>		
<b>Current Assets</b>		
Cash and deposits	15,867	15,445
Notes and accounts receivable-trade	12,236	14,128
Securities	1,999	1,999
Finished goods	2,516	2,188
Work in process	3,198	3,965
Raw materials and supplies	1,764	1,885
Other	1,197	1,126
Allowance for doubtful accounts	(156)	(182)
<b>Total Current Assets</b>	<b>38,623</b>	<b>40,557</b>
<b>Non-Current Assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	16,305	20,321
Machinery, equipment and vehicles	10,490	11,863
Land	4,845	4,989
Construction in progress	2,058	529
Other	2,028	2,335
Accumulated depreciation & Impairment Loss	(16,858)	(18,357)
<b>Total property, plant and equipment</b>	<b>18,868</b>	<b>21,681</b>
<b>Intangible assets</b>		
Goodwill	24	184
Other	278	410
<b>Total intangible assets</b>	<b>303</b>	<b>595</b>
<b>Investments and other assets</b>		
Investment securities	1,355	1,418
Deferred tax assets	795	769
Other	173	179
Allowance for doubtful accounts	(7)	(20)
<b>Total investments and other assets</b>	<b>2,317</b>	<b>2,347</b>
<b>Total Non-Current Assets</b>	<b>21,490</b>	<b>24,623</b>
<b>TOTAL ASSETS</b>	<b>60,113</b>	<b>65,180</b>

(Millions of Yen)

	As of September 30, 2019	As of September 30, 2020
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Notes and accounts payable-trade	6,460	6,538
Current portion of long-term loans payable	142	426
Accrued expenses	2,508	2,543
Income taxes payable	312	906
Advances received	4,326	4,345
Provision for bonuses	474	525
Provision for directors' bonuses	75	72
Provision for product warranties	685	678
Provision for point card certificates	37	—
Provision for loss on factory reconstruction	86	—
Other	2,530	1,988
<b>Total Current Liabilities</b>	<b>17,641</b>	<b>18,024</b>
<b>Non-Current Liabilities</b>		
Long-term loans payable	1,040	1,772
Net defined benefit liability	4,422	4,323
Deferred tax liabilities	92	383
Other	85	100
<b>Total Non-Current Liabilities</b>	<b>5,639</b>	<b>6,580</b>
<b>Total Liabilities</b>	<b>23,281</b>	<b>24,605</b>
<b>Net Assets</b>		
<b>Shareholders' Equity</b>		
Capital stock	14,496	14,496
Capital surplus	5,124	5,122
Retained earnings	26,147	28,719
Treasury stock	(2,404)	(2,399)
<b>Total Shareholders' Equity</b>	<b>43,363</b>	<b>45,939</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	101	64
Deferred gains or losses on hedges	(24)	44
Foreign currency translation adjustment	(5,916)	(4,949)
Remeasurements of defined benefit plans	(794)	(642)
<b>Total accumulated other comprehensive income</b>	<b>(6,633)</b>	<b>(5,483)</b>
Subscription rights to shares	102	113
Non-controlling interests	—	5
<b>Total Net Assets</b>	<b>36,832</b>	<b>40,575</b>
<b>Total Liabilities and Net Assets</b>	<b>60,113</b>	<b>65,180</b>

## (2) Consolidated Statements of Income

(Millions of Yen)

	Oct. 1, 2018 - Sept. 30, 2019	Oct. 1, 2019- Sept. 30, 2020
Net sales	55,381	53,497
Cost of sales	35,305	34,139
Gross profit	20,075	19,357
Selling, general and administrative expenses	14,157	14,566
Operating profit	5,918	4,791
Non-operating income		
Gain on valuation of derivatives	65	46
Interest income	60	62
Dividend income	29	26
Equity in earnings of affiliates	72	51
Foreign exchange gains	—	1
Other	73	74
Total non-operating Income	300	263
Non-operating expenses		
Interest expenses	42	28
Foreign exchange losses	24	—
Other	51	19
Total non-operating Expenses	119	47
Ordinary profit	6,099	5,007
Extraordinary income		
Gain on sales of non-current assets	35	7
Gain on sales of investment securities	5	5
Total extraordinary income	41	13
Extraordinary loss		
Loss on sales and retirement of non-current assets	50	64
Loss on valuation of investment securities	16	30
Extra retirement payment	—	39
Provision for loss on factory reconstruction	26	—
Other	6	—
Total extraordinary loss	99	135
Income before income taxes	6,041	4,885
Income taxes - current	1,655	1,348
Income taxes – deferred	204	217
Total income taxes	1,859	1,565
Net income	4,182	3,319
Profit attributable to non-controlling interests	—	2
Profit attributable to owners of parent	4,182	3,317

(3) Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Oct. 1, 2018- Sept. 30, 2019	Oct. 1, 2019 - Sept. 30, 2020
Net Income	4,182	3,319
Other comprehensive income		
Valuation difference on available-for-sale securities	(325)	(37)
Deferred gains or losses on hedges	46	68
Foreign currency translation adjustment	(2,658)	966
Remeasurements of defined benefit plans	(260)	152
Total other comprehensive income	(3,196)	1,150
Comprehensive income	985	4,469
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	985	4,467
Comprehensive income attributable to non-controlling interests	—	2

## (4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Oct. 1, 2018 - Sept. 30, 2019	Oct. 1, 2019 - Sept. 30, 2020
Cash flows from operating activities;		
Income before income taxes	6,041	4,885
Depreciation and amortization	1,105	1,393
Amortization of goodwill	43	15
Increase (decrease) in allowance for doubtful accounts	16	34
Increase (decrease) in provision for bonuses	(5)	50
Increase (decrease) in provision for product warranties	(29)	(68)
Increase (decrease) in provision for point card certificates	(24)	(37)
Increase (decrease) in provision for loss on factory reconstruction	(117)	(86)
Increase (decrease) in net defined benefit liability	166	(71)
Interest and dividends income	(89)	(89)
Interest expenses	42	28
Equity in (earnings) losses of affiliates	(72)	(51)
Loss (gain) on valuation of derivatives	(65)	(46)
Loss (gain) on sales and retirement of non-current assets	14	56
Decrease (increase) in notes and accounts receivable-trade	(656)	(266)
Decrease (increase) in inventories	(292)	(446)
Increase (decrease) in notes and accounts payable-trade	166	(709)
Increase (decrease) in advances received	(106)	(333)
Decrease (increase) in advance payments - trade	(483)	456
Increase (decrease) in accrued expenses	(235)	(38)
Other	(26)	46
Sub total	5,389	4,720
Interests and dividends income received	241	89
Interest expenses paid	(42)	(28)
Income taxes paid	(2,396)	(790)
Net cash provided by (used in) operating activities	3,191	3,990
Cash flows from investing activities;		
Payments into time deposits	(141)	(112)
Proceeds from withdrawal of time deposits	354	70
Purchase of securities	(999)	—
Proceeds from redemption of securities	—	1,000
Purchase of property, plant and equipment	(2,217)	(4,053)
Proceeds from sales of property, plant and equipment	103	45
Purchase of intangible assets	(125)	(196)
Purchase of investment securities	(47)	(104)
Proceeds from sales of investment securities	37	18
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(542)
Other	(12)	(2)
Net cash provided by (used in) investing activities	(3,048)	(3,877)
Cash flows from financing activities;		
Proceeds from long-term loans payable	—	1,199
Repayment of long-term loans payable	(458)	(196)
Purchase of treasury shares	(533)	(4)
Cash dividends paid	(936)	(890)
Repayments of lease obligations	—	(14)
Net cash provided by (used in) financing activities	(1,928)	94
Effect of exchange rate change on cash and cash equivalents	(1,207)	328
Net increase (decrease) in cash and cash equivalents	(2,992)	536
Cash and cash equivalents at beginning of period	19,766	16,774
Cash and cash equivalents at end of period	16,774	17,310

