

Highlights of Consolidated Financial Results for the Fiscal Year Ending March 2020 (IFRS)

Both revenue and profits decreased.

◇ Revenue	721.8 billion yen	0.3% down
◇ Operating profit	28.4 billion yen	6.6% down
◇ Profit before tax	26.9 billion yen	7.7% down
◇ Profit attributable to owners of the	14.4 billion yen	13.3% down

Forecasts for the fiscal year ending March 31, 2021 are on a par with the results for the fiscal year ended March 31, 2020. The dividend forecast for the current fiscal year is left unchanged.

Assets, Liabilities and Net Assets

(Unit: billion yen)	3/2019	3/2020	Comparison with 3/2019	
			Change	Change(%)
Total assets	549.5	551.7	2.2	0.4%
Gross interest-bearing debt (Note 1)	139.5	143.4	3.9	2.8%
Net interest-bearing debt	50.0	51.8	1.8	3.7%
Shareholders' equity (Note 2)	125.2	130.8	5.6	4.5%
Retained earnings	60.7	69.5	8.8	14.5%
Other components of equity	11.2	7.9	(3.4)	(29.9%)
Equity ratio (Note 3)	22.8%	23.7%	0.9pt up	-
Net debt-equity ratio (Note 4)	0.40times	0.40times	Almost same	-

【Total assets】

Increased 2.2 billion yen mainly due to increases in property, plant and equipment.

【Interest-bearing debt】

Net interest-bearing debt rose 1.8 billion yen.

【Shareholders' equity】

Increased 5.6 billion yen chiefly due to the accumulation of retained earnings.

Equity ratio is 23.7%.

Net debt-equity ratio stood at 0.4 times

Profit & loss statement

(Unit: billion yen)	FY2019	FY2020	Year-on-year		FY2021	
			Change	Change(%)	Forecast	YoY Change (%)
Revenue	723.8	721.8	(2.0)	(0.3%)	700.0	(3.0%)
Gross profit	110.0	110.9	0.9	0.8%	-	-
Selling, general and administrative expenses	(80.4)	(82.7)	(2.3)	-	-	-
Other income (expenses)	0.7	0.2	(0.6)	(77.3%)	-	-
Operating profit	30.3	28.4	(2.0)	(6.6%)	27.0	(4.8%)
Interest income (expenses)	(2.3)	(2.5)	(0.2)	-	-	-
Dividend income	1.2	1.1	(0.0)	-	-	-
Other finance income (costs)	(0.4)	(0.5)	(0.0)	-	-	-
Finance income (costs)	(1.5)	(1.8)	(0.3)	-	-	-
Share of profit (loss) of investments accounted for using the equity method	0.4	0.4	0.0	-	-	-
Profit before tax	29.2	26.9	(2.2)	(7.7%)	26.0	(3.5%)
Income tax expense	(8.7)	(8.7)	0.0	-	-	-
Profit for the year	20.4	18.2	(2.2)	(10.8%)	-	-
Profit attributable to owners of the parent	16.6	14.4	(2.2)	(13.3%)	14.5	0.7%

【Revenue】

Decreased 2.0 billion yen overall, affected by falls in the Electronics & Devices and the Steel, Materials & Plant segments, despite increases in the Foods & Grain and the Motor Vehicles & Aerospace segments.

【Operating profit】

Decreased 2.0 billion yen overall, despite an increase in the Electronics & Devices segment.

【Profit before tax】

Decreased 2.2 billion yen due to a decrease in operating profit.

【Profit attributable to owners of the parent】

Decreased 2.2 billion yen due to a decline in profit before tax.

Earnings per share (yen)	198.22	172.43	(25.79)	(13.0%)	173.63	0.7%
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Cash Flows

(Unit: billion yen)	FY2019	FY2020
CF from operating activities	24.7	24.3
CF from investing activities	(6.6)	(10.2)
Free cash flows	18.1	14.0
CF from financing activities	(7.2)	(11.6)
Increase (decrease) in cash and cash equivalents	11.0	2.5

【CF from operating activities】

Net cash provided by operating activities was 24.3 billion yen, mainly reflecting the accumulation of operating revenue.

【CF from investing activities】

Net cash used in investing activities was 10.2 billion yen, mainly due to the acquisition of subsidiaries and property, plant and equipment, and payments for leasehold deposits.

【CF from financing activities】

Net cash used in financing activities was 11.6 billion yen, mainly due to repayment of borrowings, lease obligations repaid, and cash dividends paid.

(Note) Due to the mandatory application of IFRS 16 (leases), starting from the fiscal year ended March 31, 2020, cash flows from operating activities increased 5.7 billion yen and cash flows from financing activities decreased 5.7 billion yen, respectively, compared to the levels before the application.

Dividends

【FY2020】

Interim	30.0 yen per share
Year-end (Plan)	30.0 yen per share
Annual (Plan)	60.0 yen per share

【FY2021】

Interim (Plan)	30.0 yen per share
Year-end (Plan)	30.0 yen per share
Annual (Plan)	60.0 yen per share

	FY2019	FY2020	FY2021 (Plan)
Consolidated payout ratio	30.3%	34.8%	34.6%

Segment information

(Unit: billion yen)	Revenue			Operating profit		
	FY2019	FY2020	Change	FY2019	FY2020	Change
Electronics & Devices	265.5	254.5	(11.0)	18.5	19.0	0.4
Foods & Grain	244.9	251.4	6.5	4.0	2.4	(1.6)
Steel, Materials & Plant	139.4	129.9	(9.6)	4.4	3.8	(0.6)
Motor Vehicles & Aerospace	62.1	74.6	12.5	2.5	2.4	(0.2)
Total for reportable segments	711.9	710.4	(1.5)	29.5	27.5	(1.9)
Other (including adjustment)	12.0	11.4	(0.5)	0.9	0.8	(0.1)
Grand total	723.8	721.8	(2.0)	30.3	28.4	(2.0)

【Electronics & Devices】 Decline in revenue and increase in profit

The ICT solutions business remained strong due to IT investment demand for servers and storage, as well as in the virtualization and security markets. The mobile business performed well mainly due to improvement in the efficiency of store operations and growth in corporate business. The semiconductor and LCD manufacturing equipment business was affected by the COVID-19 coronavirus outbreak in China.

【Foods & Grain】 Increase in revenue and decline in profit

In the food business, transactions involving agricultural processed products held firm thanks to the procurement of raw materials that matched consumer needs and product development. The meat products business remained robust despite price volatility caused by global demand and supply imbalances. However, the feedstuff business struggled due to a slump mainly in pet-related transactions and transactions involving aquafeed.

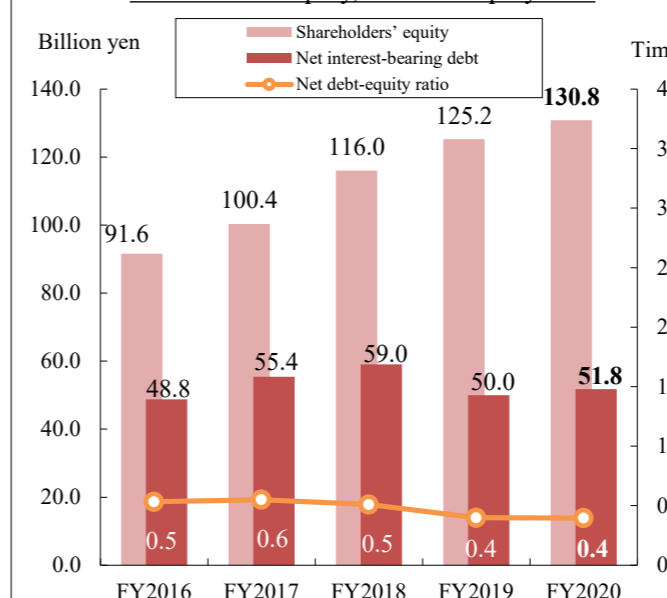
【Steel, Materials & Plant】 Decline in revenue and profit

The energy business performed strongly, driven by domestic transactions. The oilfield tubing business slowed down under the impact of falling oil prices. The machine tools and industrial machinery business also experienced a slump in overseas transactions mainly in the China and the U.S., and the plant infrastructure business also reported lower profit due to the suspension of transactions with the Middle East.

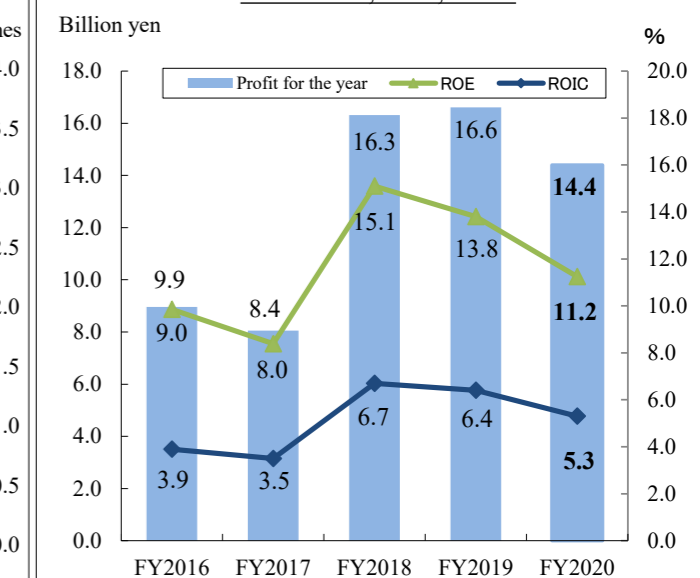
【Motor Vehicles & Aerospace】 Increase in revenue and decline in profit

In the aerospace business, core transactions involving aircraft parts held firm. The motor vehicles and parts business had a strong showing overall but reported lower profit due to the suspension of transactions with the Middle East.

Shareholder's equity, Net debt-equity ratio



Net income, ROE, ROIC



* The forward-looking statements, including results forecasts, included in this material are based on information that the Company has obtained and certain assumptions that the Company considers reasonable.
The Company does not promise to achieve them. Actual results might differ materially from the forecasts due to a number of factors.
* Since the figures above are rounded off to the nearest 100 million yen, the sum of each item and the total may differ.