

Highlights of Consolidated Financial Results for the Fiscal Year Ending March 2021(IFRS)

■ Revenue and profits both fell year on year. Second-half operating profit returns to pre-pandemic levels.

◇Revenue	649.1 billion yen	10.1% down
◇Operating profit	23.6 billion yen	16.6% down
◇Profit before tax	23.6 billion yen	12.5% down
◇Profit attributable to owners of the parent	13.3 billion yen	7.5% down

■ The Company forecasts a return to pre-pandemic levels on a full-year basis in the fiscal year ending March 2022.

Profit & loss statement						
(Unit: billion yen)	FY2020	FY2021	Year-on-year		FY2022	
			Change	Change(%)	Forecast	YoY Change (%)
Revenue	721.8	649.1	(72.7)	(10.1%)	700.0	7.8%
Gross profit	110.9	101.5	(9.4)	(8.5%)	-	-
Selling, general and administrative expenses	(82.7)	(78.9)	3.8	-	-	-
Other income (expenses)	0.2	1.0	0.8	324.4%	-	-
Operating profit	28.4	23.6	(4.7)	(16.6%)	28.0	18.5%
Interest income (expenses)	(2.5)	(1.7)	0.8	-	-	-
Dividend income	1.1	1.1	(0.0)	-	-	-
Other finance income (costs)	(0.5)	(0.2)	0.3	-	-	-
Finance income (costs)	(1.8)	(0.7)	1.1	-	-	-
Share of profit (loss) of investments accounted for using the equity method	0.4	0.7	0.3	77.9%	-	-
Profit before tax	26.9	23.6	(3.4)	(12.5%)	28.0	18.7%
Income tax expense	(8.7)	(7.3)	1.4	-	-	-
Profit for the year	18.2	16.3	(2.0)	(10.9%)	-	-
Profit attributable to owners of the parent	14.4	13.3	(1.1)	(7.5%)	15.0	12.7%
Earnings per share (yen)	172.43	159.44	(12.99)	(7.5%)	179.62	12.7%

【Revenue】
Decreased 72.7 billion yen, primarily in the Electronics & Devices and the Steel, Materials & Plant segments.

【Operating profit】
Decreased 4.7 billion yen, primarily in the Steel, Materials & Plant segment.

【Profit before tax】
Decreased 3.4 billion yen due to a drop in operating profit.

【Profit attributable to owners of the parent】
Decreased 1.1 billion yen as a result of a decline in profit before tax.

Assets, Liabilities and Net Assets				
(Unit: billion yen)	3/2020	3/2021	Comparison with 3/2020	
			Change	Change(%)
Total assets	551.7	557.5	5.8	1.1%
Gross interest-bearing debt (Note 1)	143.4	122.2	(21.2)	(14.8%)
Net interest-bearing debt	51.8	40.5	(11.3)	(21.8%)
Shareholders' equity (Note 2)	130.8	143.9	13.1	10.0%
Retained earnings	69.5	78.1	8.5	12.3%
Other components of equity	7.9	12.4	4.5	57.1%
Equity ratio (Note 3)	23.7%	25.8%	2.1% up	-
Net debt-equity ratio (Note 4)	0.4 times	0.3 times	0.1 pt down	-

【Total assets】
Total assets rose 5.8 billion yen, principally reflecting an increase in investment assets associated with rising share prices.

【Interest-bearing debt】
Net interest-bearing debt fell 11.3 billion yen mainly due to a decrease in short-term borrowings and the redemption of bonds.

【Shareholders' equity】
Equity increased 13.1 billion yen, primarily due to a buildup of retained earnings and an increase in other equity components as a result of yen depreciation and rising share prices.

Equity ratio is 25.8%.
Net debt-equity ratio stood at 0.3 times.

(Note1) Gross interest-bearing debt = Total amount of bonds and loans minus lease liabilities
(Note2) Shareholder's equity = Total equity attribute to owners of the parent (Note 3) Equity ratio = Shareholder's equity / Total assets
(Note 4) Net debt-equity ratio = Net interest-bearing debt / Equity capital

Cash Flows			Dividends	
(Unit: billion yen)	FY2020	FY2021	【FY2021】	
			Interim	Year-end
CF from operating activities	24.3	37.0	30.0 yen per share	30.0 yen per share
CF from investing activities	(10.2)	(9.9)	Annual	60.0 yen per share
Free cash flows	14.0	27.1	【FY2022】	
CF from financing activities	(11.6)	(37.5)	Interim (Plan)	30.0 yen per share
Increase (decrease) in cash and cash equivalents	2.5	(10.4)	Year-end (Plan)	30.0 yen per share
Ending balance of cash and cash	91.1	81.0	Annual (Plan)	60.0 yen per share

【CF from operating activities】
Net cash provided by operating activities was 37 billion yen, mainly reflecting the accumulation of operating revenue.

【CF from investing activities】
Net cash used in investing activities was 9.9 billion yen, mainly due to the acquisition of property, plant and equipment and capital contributions to equity-method affiliates.

【CF from financing activities】
Net cash used in financing activities was 37.5 billion yen, mainly due to the repayment of borrowings and lease liabilities, dividends paid, and the redemption of bonds.

Annual	FY2020	FY2021	FY2022 (Plan)
Consolidated payout ratio	34.8%	37.6%	33.4%

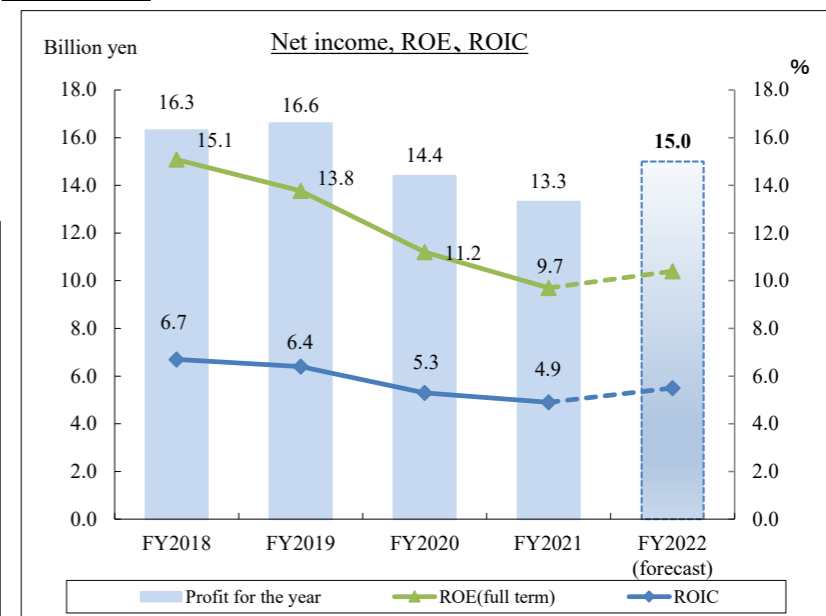
Segment information									
(Unit: billion yen)	Revenue			Operating profit			Profit attributable to owners of the parent		
	FY2020	FY2021	Change	FY2020	FY2021	Change	FY2020	FY2021	Change
Electronics & Devices	254.5	226.1	(28.4)	19.0	17.6	(1.4)	9.3	8.5	(0.8)
Foods, Meat & Grain	251.4	244.6	(6.8)	2.4	1.5	(0.9)	1.3	1.5	0.2
Steel, Materials & Plant	129.9	96.8	(33.0)	3.8	1.8	(2.0)	2.3	2.1	(0.2)
Motor Vehicles & Aerospace	74.6	71.1	(3.5)	2.4	2.1	(0.3)	1.7	1.5	(0.2)
Total for reportable segments	710.4	638.6	(71.7)	27.5	23.0	(4.6)	14.5	13.5	(1.0)
Other (including adjustment)	11.4	10.5	(0.9)	0.8	0.7	(0.1)	(0.1)	(0.2)	(0.1)
Grand total	721.8	649.1	(72.7)	28.4	23.6	(4.7)	14.4	13.3	(1.1)

【Causes of increase/decrease in operating profit】
【Electronics & Devices】 Decline in revenue and profit
The ICT solutions business turned in a generally solid performance, despite slow growth in server and storage related sales to the manufacturing industry and services sector. The mobile business remained weak mainly due to decreased store footfall reflecting shorter business hours. The semiconductor parts and manufacturing equipment business performed solidly in areas such as shipments to China in transactions involving LCD manufacturing equipment.

【Foods, Meat & Grain】 Decline in revenue and profit
The grain business remained strong, partly due to growing demand for home-cooked food and rallying prices. The foods business and the meat products business gave weak performances due largely to struggling sales related to the food service sector.

【Steel, Materials & Plant】 Decline in revenue and profit
The energy business performed solidly mainly thanks to improvement in the profitability of domestic transactions involving petroleum products. The iron and steel business was lackluster mainly due to the effect of high raw materials prices and the stagnation of overseas markets, despite an improvement in market conditions for transactions involving iron and steel in Japan after manufacturers adopted a policy of raising prices. The machine tools and industrial machinery business was also weak primarily because of postponed capital investment plans, and the oilfield tubing business also performed poorly under the continued impact of weak drilling demand.

【Motor Vehicles & Aerospace】 Decline in revenue and profit
In the aerospace business, domestic aircraft-related transactions with government agencies were solid, offsetting a slump in overseas transactions involving aircraft parts. The motor vehicles and parts business recovered slightly from the decline in global demand but was still affected and remained weak.



* 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.