

Consolidated Financial Review

For the Year Ended March 31, 2021 [Japanese GAAP]



May14, 2021
Listed Market: TSE 1st section.

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Date of the annual shareholders meeting: Jun.29, 2021 Date of payment for cash dividends: Jun,30, 2021

Date planned for the filing of the financial report: Jun.29, 2021

For reference only

The Japanese version of this Financial Review is the original, English version is essentially a translation from Japanese.
The accompanying financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.

Amounts are rounded down to the nearest million yen.

1. Financial highlights for the year ended March 31, 2021 (4/01/2020-3/31/2021)

(1) Consolidated operating results

% are the changes from the previous corresponding year

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Twelve months ended Mar.31, 2021	24,195	10.4	727	---	739	---	337	---
Twelve Months ended Mar.31,2020	21,914	-39.2	-361	-119.6	-443	-124.0	-958	-187.6

Note: Comprehensive income

Twelve months ended Mar. 31, 2021 ¥393 million (---%)

Twelve months ended Mar. 31, 2020 -¥1,039 million (---%)

	Profit per share	Profit per share-diluted	Return on Equity	Ordinary Income to total asset	Operating Income to net sales
Twelve months ended Mar. 31,2021	Yen 37.19	Yen 36.90	% 2.4	% 1.9	% 3.0
Twelve months ended Mar. 31,2020	-106.08	---	-6.7	-1.1	-1.6

Note: Equity in earnings /losses of affiliates accounted for by the equity method

Twelve months ended Mar.31, 2021: 1 million: Twelve months ended Mar.31, 2020: -0 million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net Assets per Share
	Mill. Yen	Mill. Yen	%	Yen
Mar.31.2021	37.508	14.125	37.5	1,548.94
Mar.31.2020	39.135	14.065	35.3	1,525.83

Note: Equity

As of Mar. 31, 2021: ¥14,074 million

As of Mar. 31, 2020: ¥13,818 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flow investment activities	Cash flow from financial activities	Cash and cash equivalents at end of period
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Twelve months ended Mar.31,2021	3,477	-540	548	9,932
Mar.31,2020	-2,652	44	1,188	6,450

2. Cash Dividends

	Cash dividends per share					Total Cash dividend	Consolidated payout ratio	Dividend on equity consolidated
	1 st Quarter	2 nd Quarter	3 rd Quarter	Year end	Annual total			
	Yen	Yen	Yen	Yen	Yen	Mill. Yen	%	%
Fiscal year ended Mar. 31 2020	---	10.00	---	10.00	20.00	181	-18.9	1.3
Fiscal year ended Mar. 31 2021	---	10.00	---	10.00	20.00	181	53.8	1.3
Fiscal year ending Mar.31 2022 (forecast)	---	12	---	12	24		27.3	

3. Corporate estimates for the year ending March 31, 2022

(% are the rate of increase or decrease from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share
	Mill.Yen	%	Mill. Yen	%	Mill.Yen	%	Mill. Yen	%	Yen
Fiscal year ending Mar. 2022	30,000	24.0	1,600	120	1,500	102.7	800	137.0	88.04

Notes

(1) Changes in significant consolidated subsidiaries (Changes in specified subsidiaries involving changes in scope of consolidation): None

(2) Changes of accounting policies, changes in accounting estimates and retrospective restatement

① Changes of accounting policies accompanied by revision of accounting standard etc.: None

② Changes of accounting policies other than ① : None

③ Changes in accounting estimates : None

④ Retrospective restatement : None

(3) Number of issued shares outstanding (Common shares)

① Number of issued shares outstanding as of end of period (including treasury stock)

As of Mar. 31, 2021: 9,758,947 shares.

As of Mar. 31, 2020: 9,758,947 shares.

② Number of treasury stock as of end of period

As of Mar. 31, 2021: 672,594 shares.

As of Mar. 31, 2020: 702,714 shares.

③ Average number of issued shares outstanding.

Twelve months ended Mar.31 2021: 9,075,568 shares

Twelve months ended Mar. 31, 2020: 9,039,958 shares.

*This financial report is exempt from review procedure based upon the Financial Instruments and Exchange Act.

*Explanation for appropriate use of forecasts and other notes

The forward-looking statements such as operational forecasts contained in this document are based on the information currently available to us and certain assumptions that are regarded as legitimate. We do not promise that the forecasts or estimates will be accurate. Large discrepancies may be seen in the actual results due to various factors. Please refer to P. 5 Analysis of operating results and financial condition (3) Future forecast.

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1. Analysis of operating results and financial conditions

(1) Analysis of operating results

a) Operating result of this financial period

The global economy in the current consolidated fiscal year, nevertheless recovery of economy of P.R.C. which quickly escaped from the corona disaster and resume of economic activities in Europe, still remained uncertain condition due to pandemic of COVID -19, restricted economic activities in each country, new coronavirus variant infection and ongoing conflict between US and P.R.C.

The semiconductor industry to which we belong has been increasing demand for 5G, EVs, data centers and consumer products and needs for refurbish of supply chain occurred from conflict between US and P.R.C. Thus, business chance tremendously expanded. Under these economic circumstances, our group has been endeavoring to develop and sell equipment that capture every time changing customer needs with expectations of new demand for 5G-related, AI, IoT and EVs.

As results of these, sales amounted to ¥24,195 million (10.4% increased compared to the previous financial year), operating income marked ¥727 million (the previous financial year was loss ¥361 million), and ordinary income marked ¥739 million (the previous financial year was loss ¥443 million), profit attributable to owners of the parent marked ¥337 million (the previous financial year was loss ¥958 million yen) and showed a big recovery.

Each segment result is as follows:

(Mechatronics-related business)

Due to strong demand for data centers and power semiconductors, burnisher equipment for HDD and laser annealers for power semiconductors, taping equipment and automatic machines for electronic parts such as 5G, and in-vehicle related parts such as EVs went well and sales and profit increased.

As a result, net sales in the mechatronics-related business amounted to ¥10,168 million (20.9% increased compared to the previous financial year), and segment profit was ¥573 million (118.9% increased compared to the previous financial year).

(Display related business)

Economic activity in China, which is the main market, resumed, and sales for orders received in the previous fiscal year were recorded, resulting in a significant increase in sales.

As a result, sales of display-related business amounted to ¥6,686 million (46.3% increased compared to the previous financial year), and segment loss was ¥262 million (the previous financial year was loss ¥1,047 million).

(Industrial machinery related business)

The domestic cleaning market was greatly affected by the spread of new coronavirus infections and work style changes, on the other hand, the Chinese cleaning market did not seem to recover, resulting in a significant decrease in sales and profits.

As a result, sales in the industrial machinery related business amounted to ¥818 million (53.7% decreased compared to the previous financial year), and segment loss was ¥259 million (the previous financial year was loss ¥13 million).

(Electronics related business)

Control communication equipment for electric power companies and artificial dialysis equipment remained stable, and development costs decreased, resulting in a significant increase of profit.

As a result, net sales of the electronics related business amounted to ¥6,522 million (8.9% decreased compared to the previous financial year), and segment income was ¥469 million (62.0% increased compared to the previous financial year).

(2) Analysis of financial conditions

a) Conditions of assets, liabilities, and net assets

Current assets as of Mar.31, 2021 stood at ¥29,166 million decreased by ¥1,385 million compared to Mar.31, 2020. Main increased items were cash and deposit by ¥3,478million and merchandise and finished products by ¥217 million. Main decreased items were work in process by ¥2,653 million and trade note and accounts receivable by ¥2,274 million, Noncurrent assets as of Mar.31, 2021 amounted to ¥8,341 million decreased by

¥241 million compared to Mar.31, 2020. As a result, total assets as of Mar.31, 2021 stood at ¥37,508 million, decreased by ¥1,626 million compared to Mar.31, 2020.

Current liabilities as of Mar.31, 2021 stood at ¥15,388 million, decreased by ¥2,058 million compared to Mar.31, 2020. Main increased items were short term loans payable by ¥852 million and income tax payable by ¥248 million. Main decreased items were notes and account payable trade by ¥1,817 million and advance received by ¥747 million and current portion of bond payable by ¥700 million.

Fixed liabilities as of Mar.31, 2021 amounted to ¥7,993 million, increased by ¥370 million compared to Mar.31, 2020. Main increased items were bond payable by ¥500 million and long-term loans payable by ¥149 million. Main decreased item was provision for business liquidation losses by ¥152 million. As a result, total liabilities as of Mar.31, 2021 stood at ¥23,382 million, decreased by ¥1,687 million compared to Mar.31, 2020.

Total net assets as of Mar.31, 2021 amounted to ¥14,125 million increased by ¥60 million compared to Mar.31, 2020. As a result, equity ratio at the end of this consolidated financial year came to 37.5% and net assets per share came to ¥1,548.94.

b) Condition of Cash Flows

Cash and cash equivalent at the end of this financial year was increased by ¥3,481 million compared to the previous financial year end, to ¥9,932 million.

Condition of cash flows and main factors of this consolidated financial year are as follows.

(Cash flows from operating activities)

Cash flows from operating activities during this financial year ended Mar.31, 2021 was positive ¥3,477 million compared to the negative ¥2,652 million during the previous financial year ended Mar.31, 2020.

The main positive factors were decrease ¥2,443 million in trade receivables, decrease ¥2,388 in inventories, ¥730 million earnings before income tax, ¥587 million depreciation and amortization and ¥386 million refund of paid income tax. The main negative factors were decrease ¥1,884 million in trade payable, decrease ¥752 in advance received, ¥198 income taxes paid and ¥104 million interest paid.

(Cash flows from investing activities.)

Cash flows from investing activities during this financial year ended Mar.31, 2021 was negative ¥540 million compared to positive ¥44 million during the previous financial year. The main positive factor was ¥145 million proceed from sale of tangible fixed asset, and main negative factors were ¥499 million payment for acquisition of tangible fixed asset and ¥175 million payment for acquisition of affiliate companies' stock.

(Cash flows from financing activities)

Cash flows from financing activities during this financial year ended Mar.31, 2021 was positive ¥548 million compared to positive ¥1,188 million during the previous financial year ended Mar.31, 2020.

The main positive factors were ¥3,276 million proceeds from long-term loans payable, increase ¥1,311 million in short term loans payable and ¥500 million proceed from new bond issue. The main negative factors were ¥3,598 million repayment of long term loans payable, ¥700 million repayment of issued bond and ¥181 million payment for dividends.

(3) Future forecast.

We, the Group, celebrates its 50th anniversary in May 2023 and we proceed building a stronger group structure with aiming for sustainable development.

We will endeavor to develop new products required in society such as Ai, IoT, EV related products and medical related products with restructuring of 17 group companies and promoting cost reduction aiming to become a more muscular corporate.

The business environment remains uncertain, but we will improve the display-related business and industrial equipment-related business, and aim to further accelerate growth with imaging that the strong mechatronics-related business and electronic equipment-related business will continue.

We forecast the consolidated business result 12 months ending Mar.31, 2022 as follows: net sales will be ¥30,000 million, operating income will be ¥1,600 million, ordinary income will be ¥1,500 million and profit attributable to owners of parent will be ¥800 million.

(4) Basic policy on profit allocation and payment of dividends for current and next financial years

Basic policy of YAC group is to let corporate value keep increasing continuously and to return profit to shareholders corresponding amount to corporate operating results. In order to achieve our basic policy, we endeavor to strengthen corporate body, to proceed our R&D activities and to pay dividends stably with considering the amount of retained earnings balance to cope with the changes of atmosphere.

We plan to pay a dividend 10 yen per share as a year-end dividend of this financial year. As a result, the dividend entire financial year is planned to be 20 yen per share including the interim dividend 10 yen per share.

For the following financial year, we plan to increase paying dividend to pay 24 yen per share as a full year dividend based on basic policy such as aiming further growth with considering the projected operating results.

2. Basic philosophy on selection of accounting standards

Our group's consolidated financial statements have been prepared in accordance with Japanese G.A.A.P., in order to secure the comparability with competitors in Japan.

3. Consolidated financial information

(1) Consolidated Balance Sheets

(Millions of yen)

	As of Mar. 31, 2020	As of Mar. 31, 2021
(Assets)		
Current assets		
Cash and deposits	6,531	10,009
Trade notes and account receivables	12,469	10,195
Securities	0	0
Merchandise and finished goods	1,073	1,291
Work in process	8,341	5,688
Raw materials and supplies	1,423	1,397
Others	859	647
Allowance for doubtful accounts	-148	-63
Total current assets	<u>30,552</u>	<u>29,166</u>
Noncurrent assets		
Tangible fixed assets		
Buildings and structures	5,165	5,031
Accumulated depreciation	-3,206	-3,180
Building and structures(net)	<u>1,959</u>	<u>1,851</u>
Machinery, equipment, and vehicle	2,202	2,434
Accumulated depreciation	-1,739	-1,875
Machinery, equipment, and vehicle(net)	<u>462</u>	<u>558</u>
Tools, equipment, and fixtures	3,483	3,574
Accumulated depreciation	-3,067	-3,189
Tools, equipment, and fixtures(net)	<u>415</u>	<u>385</u>
Land	3,610	3,597
Leased assets	264	303
Accumulated depreciation	-111	-145
Leased assets(net)	<u>153</u>	<u>158</u>
Construction in progress account	157	188
Total tangible fixed assets	<u>6,759</u>	<u>6,739</u>
Intangible assets		
Goodwill	299	179
Soft wares	80	60
Leased assets	44	30
Telephone subscription rights	20	20
Others	5	14
Total intangible assets	<u>450</u>	<u>305</u>
Investments and other assets		
Investment securities	393	442
Long-term lending	1	0
Differed income taxes	781	672
Long-term retention receivables	188	166
Others	221	205
Allowance for doubtful accounts	-213	-190
Total investments and other assets	<u>1,373</u>	<u>1,296</u>
Total noncurrent assets	<u>8,583</u>	<u>8,341</u>
Total assets	<u>39,135</u>	<u>37,508</u>

(Millions of yen)

	As of Mar. 31, 2020	As of Mar. 31, 2021
Liabilities		
Current liabilities		
Notes and account payable trade	5,754	3,937
Short-term loans payable	8,322	9,175
Lease obligations	66	70
Income taxes payable	---	248
Provision for bonuses	363	374
Provision for product warranties	82	71
Expense payable	404	418
Advances received	1,603	856
Current portion of bonds payable	700	---
Others	148	237
Total current liabilities	17,446	15,388
Fixed liabilities		
Bonds payable	---	500
Long-term loans payable	5,439	5,588
Expense payable long term	81	1
Lease obligations	158	138
Deferred tax payable	96	90
Obligations related to retirement benefits	1,160	1,157
Asset retirement obligation	63	48
Provision for business liquidation losses	592	439
Others	30	28
Total fixed liabilities	7,623	7,993
Total liabilities	25,070	23,382
Net assets		
Shareholders' equity		
Capital stock	2,801	2,801
Capital surplus	3,635	3,637
Retained earnings	8,296	8,452
Treasury stock	-600	-574
Total shareholders' equity	14,132	14,316
Accumulated other comprehensive income		
Valuation difference on available-for-sale security	-27	1
Foreign currency translation adjustment	-298	-248
Pension liability adjustments	11	4
Total accumulated other comprehensive Income	-314	-242
Subscription rights to shares	51	51
Non controlling interest	195	---
Total net assets	14,065	14,125
Total liabilities and net assets	39,135	37,508

(2) Consolidated statements of income and comprehensive income
(Consolidated Statements of Income 1)

(Millions of yen)

	The previous corresponding period.	This financial year
	(Apr.1, 2019 to Mar.31, 2020)	(Apr.1, 2020 to Mar.31,2021)
Net sales	21,914	24,195
Cost of sales	17,613	19,087
Gross profit	4,300	5,107
Selling, G&A expenses		
Salary & directors' compensations	1,751	1,826
Provision for bonuses	106	82
Fringe benefit expenses	67	68
Rent expenses	187	189
Outsourcing expenses	138	104
R&D expenses	498	426
Depreciation	202	179
Others	1,709	1,502
Total selling, G&A expenses	4,662	4,380
Operating income (loss)	-361	727
Non-operating income		
Interest income	13	11
Dividends income	23	40
Foreign exchange gains	---	2
Rents income	13	17
Subsidy income	0	73
Equity method investment gain	---	1
Others	61	49
Total non-operating income	112	195
Non-operating expenses		
Interest expenses	83	98
Foreign currency exchange loss	45	---
Equity method investment loss	0	---
Others	64	84
Total non-operating losses	194	182
Ordinary income (loss)	(443)	739

(Consolidated Statements of Income 2)

(Millions of Yen)

	The previous corresponding period. (Apr.1, 2019 to Mar.31, 2020)	This financial year (Apr.1,2020 to Mar.31,2021)
Extraordinary income		
Gains on disposal of fixed assets	1	44
Gains on disposal of securities.	36	---
Income on negative good will	502	---
Others	26	7
Total extraordinary income	566	51
Extraordinary loss		
Loss on disposal of fixed assets	2	23
Valuation losses on investment securities	3	---
Business restructuring expenses	18	36
Loss on liquidation of affiliates	20	---
Loss on business liquidation	699	---
Others	15	0
Total extraordinary loss	759	61
Income (loss) before income tax	(636)	730
Income taxes	220	315
Income tax adjustment	137	93
Total income tax	357	409
Profit (loss)	(994)	321
Profit attributable to non-controlling interest(loss)	(35)	(16)
Profit attributable to owners of parent(loss)	(958)	337

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	The previous corresponding period (Apr.1, 2019 to Mar.31, 2020)	This financial year (Apr.1, 2020 to Mar. 31, 2021)
Profit (loss)	(994)	321
Other comprehensive income		
Valuation difference on available for sale securities	-41	29
Foreign currency translation adjustment	-20	50
Pension liability adjustments	17	-7
Total other comprehensive income	-45	72
Comprehensive income	-1,039	393
(Breakdown)		
Attributable to owners of parent	-1,003	409
Attributable to non- controlling interests	-35	-16

(3) Consolidated Statements of Changes in Net Assets
The previous corresponding period (From Apr.1, 2019 to Mar.31, 2020)

(Millions of ¥)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at beginning of period	2,801	3,630	9,436	-638	15,230
Changes during period					
Payout of retained earning			-180		-180
Profit attributable to owners of parent			-958		-958
Increase / decrease in ownership due to acquisition of shares of consolidated subsidiary					
Acquisition of treasury stock				-0	-0
Disposal of treasury stock		4		37	42
Net changes during period except shareholders' equity					
Total changes during period	---	4	-1,139	37	-1,097
Balance at end of period	2,801	3,635	8,296	-600	14,132

(Millions of ¥)

	Accumulated Other Comprehensive Income				Subscription right to shares	Minority Interest	Total Net Asset
	Valuation difference on available for sale securities	Foreign currency translation adjustment	Accumulated pension liability adjustments	Total accumulated other comprehensive income			
Balance at beginning of period	13	-277	-5	-269	51	249	15,261
Changes during period							
Payout of retained earning							-180
Profit(loss) attributable to owners of parent							-958
Increase / decrease in ownership due to acquisition of shares of consolidated subsidiary							
Acquisition of treasury' stock							-0
Disposal of treasury stock							42
Net changes during period except shareholders' equity	-41	-20	17	-44		-54	-98
Total changes during period	-41	-20	17	-44	---	-54	-1,196
Balance at end of period	-27	-298	11	-314	51	195	14,065

This financial period (From Apr.1, 2020 to Mar.31, 2021)

(Millions of ¥)

	Shareholders' Equity				Total Shareholders' Equity
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	
Balance at beginning of period	2,801	3,635	8,296	-600	14,132
Changes during period					
Payout of retained earning			-181		-181
Profit attributable to owners of parent			337		337
Increase / decrease in ownership due to acquisition of shares of consolidated subsidiary		3			3
Acquisition of treasury stock					
Disposal of treasury stock		-2		26	24
Net changes during period except shareholders' equity					
Total changes during period	---	1	156	26	184
Balance at end of period	2,801	3,637	8,452	-574	14,316

(Millions of ¥)

	Accumulated Other Comprehensive Income				Subscription right to shares	Minority Interest	Total Net Asset
	Valuation difference on available for sale securities	Foreign currency translation adjustment	Accumulated pension liability adjustments	Total accumulated other comprehensive income			
Balance at beginning of period	-27	-298	11	-314	51	195	14,065
Changes during period							
Payout of retained earning							-181
Profit(loss) attributable to owners of parent							337
Increase / decrease in ownership due to acquisition of shares of consolidated subsidiary							3
Acquisition of treasury' stock							
Disposal of treasury stock							24
Net changes during period except shareholders' equity	28	50	-7	71		-195	-123
Total changes during period	28	50	-7	71	---	-195	60
Balance at end of period	1	-248	4	-242	51	---	14,125

(4) Consolidated cash flows

(Millions of ¥)

	The Previous Corresponding Period (Apr.1, 2019 to Mar.31, 2020)	This Financial Period (Apr.1,2020 to Mar.31, 2021)
Cash flows from operating activities		
Earnings/(loss)before income taxes	(636)	730
Depreciation and amortization	572	587
Increase/(decrease) in allowance for doubtful accounts	(61)	(107)
Increase/(decrease) in obligations related to retirement benefits	26	(3)
Increase/(decrease) in allowance for loss on business liquidation	592	(152)
Interest and dividend revenue	-36	-51
Interest paid	83	98
Equity method investment (gain) loss	0	(1)
Foreign currency exchange loss/ (income)	5	24
Loss/(Income) on disposal of fixed assets	---	(33)
Income on negative goodwill	(502)	---
Loss (Income) on liquidation of affiliates	20	---
(Increase)/decrease in trade receivable	2,061	2,443
Increase /(decrease) of advances received	(132)	(752)
(Increase)/decrease in inventories	(1,857)	2,388
Increase/(decrease) in trade payable	(2,446)	(1,884)
Decrease/(increase)in accrued consumption tax	661	132
(Decrease)/Increase in others	(98)	(77)
Subtotal	-1,746	3,342
Receipts of interest and dividends	31	50
Interest paid	-79	-104
Income taxes paid	-1,007	-198
Refund of paid income tax	148	386
Cash flows from operating activities	-2,652	3,477
Cash flows from investing activities		
Payment for establishment of time deposit.	-348	-77
Proceeds from drawing of time deposit.	658	81
Payment for acquisition of tangible fixed asset.	-214	-499
Proceed from sale of tangible fixed asset	36	145
Payment for acquisition of intangible asset.	-28	-11
Payment for acquisition of affiliate companies' stock	-233	-175
Proceed from acquisition of subsidiaries' stock involving changes in scope of consolidation	123	---
Payment for acquisition of investment securities	-2	-2
Proceed from sale of investment securities	50	---
Proceed from distribution of investment association	2	---
Payment for accumulation of insurance reserve fund	-1	-1
Payment for lending	-1	-0
Proceed from repayment of lending	1	1
Cash flows from investing activities	44	-540

Consolidated cash flows

(Millions of ¥)

	The previous corresponding period (Apr.1, 2019 to Mar.31, 2020)	This financial period (Apr.1, 2020 to Mar.31, 2021)
Cash flows from financing activities		
Increase /(Decrease) of short-term loans payable	698	1,311
Proceeds from long-term loans payable	2,650	3,276
Repayment of long-term loans payable	-1,911	-3,598
Proceeds from new bond issue	---	500
Repayment of issued bond	---	-700
Payment for dividends	-180	-181
Payment for dividends to non-controlling interest	-18	---
Payment for acquisition of treasury stock	-0	---
(Decrease)/increase in others	-50	-59
Cash flows from financing activities	1,188	548
Effect of exchange rate changes on cash and cash equivalents	-29	-3
Net increase/(decrease) in cash and cash equivalents	(1,448)	3,481
Cash and cash equivalents balance at beginning of period	7,898	6,450
Cash and cash equivalents balance at end of period	6,450	9,932

(5) Notes on Consolidated Financial Information

(Notes Concerning Going Concern Assumption)

None

(Changes of accounting policy)

None

(Changes in accounting estimates)

None

(Additional information)

None

(Segment Information)

[Segment information.]

1. Outline of Reportable Segment

Our group reportable segments are the subject to be reviewed regularly in order board of directors to decide the allocation of management resources and review its results and make it possible to get isolated financial information of each segment.

Our operation consists of four segments by products and services based on business companies and we identify as a reportable segment “Mechatronics related business”, “Display related business”, “Industrial machinery related business” and “Electronics related business”.

“Mechatronics related business” includes manufacturing, sales and maintenance service business of hard disc manufacturing related products, semiconductor manufacturing related products, solar cell manufacturing related products, laser process and precise dicing and slicing machine. “Display related business” includes manufacturing, sales and maintenance service business of dry etching related equipment for manufacturing of flat panel and precise heat treatment related products. “Industrial machinery related business” includes manufacturing, sales and maintenance service business of cleaning related finisher and automated packaging equipment. “Electronics related business” includes manufacturing, sales and maintenance service business of industrial metering equipment and telemetering and controlling equipment, medical equipment and mold heater related products.

We have changed classification of each reportable segment in the 1st quarter of this financial year.

2. Calculation method of net sales, income, assets, liabilities and other amounts by reportable segments.

The method used to account for each reportable segment is similar to “The accounting policies adopted for the preparation of the consolidated financial statements”.

Income for each reportable segment is based on operating income.

Intersegment revenues and transfers are based on market prices.

3. Amount of sales and income or loss in reportable segment

The previous financial period (Apr. 1, 2019 to Mar.31, 2020)

(Millions of Yen)

	Reportable segments				Total	Adjustment Note 1	Posted on consolidated statement of income. Note 2
	Mechatronics related business.	Display related business.	Industrial machinery related business.	Electronics related business.			
Sales							
Sales to outside customer	8,412	4,570	1,768	7,162	21,914	---	21,914
Intersegment sales and transfers	0	14	1	19	36	-36	---
Total	8,413	4,585	1,770	7,182	21,951	-36	21,914
Segment income (loss)	262	(1,047)	(13)	289	(509)	147	(361)
Segment assets	10,272	13,629	3,053	8,270	35,226	3,909	39,135
Other							
Depreciation	221	132	11	155	520	51	572
Amortization of goodwill	126	---	---	---	126	---	126
Increase in tangible fixed assets and intangible assets	259	76	17	259	613	33	647

Notes

- (1) Segment income (loss) adjustment of ¥147 million is the corporate expense and income not apportioned in each reportable segment. Corporate income mainly comprises management fee and others ¥888 million from consolidated subsidiaries belong to each reportable segment. Corporate expenses are ¥740 million administration division cost not attributed to each reportable segment.
(2) Segment assets adjustment of ¥3,909 million is mainly surplus operating cash by parent company and consolidated subsidiaries and assets of headquarter.
- Segment income (loss) is adjusted with operating loss under consolidated statements of income.

This financial period (Apr. 1, 2020 to Mar.31, 2021)

(Millions of Yen)

	Reportable segments				Total	Adjustment Note 1	Posted on consolidated statement of income. Note 2
	Mechatronics related business.	Display related business.	Industrial machinery related business.	Electronics related business.			
Sales							
Sales to outside customer	10,168	6,686	818	6,522	24,195	---	24,195
Intersegment sales and transfers	---	7	12	2	22	-22	---
Total	10,168	6,693	831	6,524	24,217	-22	24,195
Segment income (loss)	573	(262)	(259)	469	521	206	727
Segment assets	9,653	10,817	2,662	8,368	31,502	6,005	37,508
Other Depreciation	251	186	12	109	559	28	587
Amortization of goodwill	119	---	---	---	119	---	119
Increase in tangible fixed assets and intangible assets	502	202	80	39	824	1	826

Notes

2. (1) Segment income (loss) adjustment of ¥206 million is the corporate expense and income not apportioned in each reportable segment. Corporate income mainly comprises management fee and others ¥868 million from consolidated subsidiaries belong to each reportable segment. Corporate expenses are ¥662 million administration division cost not attributed to each reportable segment.
- (2) Segment assets adjustment of ¥6,005 million is mainly surplus operating cash by parent company and consolidated subsidiaries and assets of headquarter.
2. Segment income (loss) is adjusted with operating income under consolidated statements of income.

(Information on per share)

(Yen)

	The previous financial period (Apr.1, 2019 to Mar.31, 2020)	This financial period (Apr.1,2020 to Mar.31,2021)
Net assets per share	1,525.83	1,548.94
Profit per share	-106.08	37.19
Profit per share-diluted	---	36.90

Note

- 1.End of the previous financial period, there were no diluted shares.
- 2.Calculation base of profit per share and profit per share-diluted are as follows.

	The previous financial period (Apr.1, 2019 to Mar.31, 2020)	This financial period (Apr.1, 2020 to Mar.31, 2021)
Profit per share		
Profit attributable to owners (Thousands of ¥)	-958	337
Amount not attributable to shareholders of ordinary stocks (Thousands of ¥)	---	---
Profit attributable to owners of parent of ordinary stocks (Thousands of ¥)	-958	337
Average number of shares issued during financial period (Thousands of share)	9,039	9,075
Profit per share-diluted		
Number of common stocks Increased. (Number of stock acquisition rights) (Thousands of share)	71 (71)	71 (71)
Residual securities not included in the calculation of profit per share after adjustment of residual securities as they do not have any diluting effect		---