

Translation

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Summary of Non-Consolidated Financial Results for the Three Months Ended March 31, 2022 (Based on Japanese GAAP)

May 13, 2022

Company name: AIRTECH JAPAN,LTD.
 Stock exchange listing: Tokyo
 Stock code: 6291 URL <https://www.airtech.co.jp>
 Representative: President Shinya Hirasawa
 Inquiries: Vice President Naoki Watanabe TEL 03(3872)9192
 Scheduled date to file Quarterly Securities Report: May 13, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the three months ended March 31, 2022 (from January 1, 2022 to March 31, 2022)

(1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended March 31, 2022	3,430	(35.5)	421	(64.4)	427	(64.5)	294	(64.8)
Three months ended March 31, 2021	5,319	115.5	1,184	784.0	1,205	850.7	837	814.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended March 31, 2022	28.77		28.70	
Three months ended March 31, 2021	81.07		80.67	

(2) Non-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	19,462	13,134	67.4	1,280.12
As of December 31, 2021	19,968	13,456	67.2	1,293.71

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended December 31, 2021	–	0.00	–	50.00	50.00
Year ending December 31, 2022	–				
Year ending December 31, 2022 (Forecast)		0.00	–	50.00	50.00

3. Forecast of non-consolidated financial results for the year ending December 31, 2022 (from January 1, 2022 to December 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	13,000	(9.0)	1,500	(24.7)	1,650	(24.9)	1,170	(26.2)	113.00

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: 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	10,455,200 shares	As of December 31, 2021	10,450,200 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	215,219 shares	As of December 31, 2021	72,019 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2022	10,237,830 shares	Three months ended March 31, 2021	10,329,423 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of December 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	7,815,177	6,649,090
Notes and accounts receivable - trade	3,533,716	–
Notes and accounts receivable - trade, and contract assets	–	4,240,782
Electronically recorded monetary claims - operating	1,310,824	1,232,442
Securities	499	535
Merchandise and finished goods	1,513,461	1,122,299
Work in process	709,156	665,579
Raw materials and supplies	483,907	553,015
Other	32,683	37,376
Allowance for doubtful accounts	(4,511)	(3,734)
Total current assets	15,394,914	14,497,388
Non-current assets		
Property, plant and equipment		
Land	2,226,684	2,226,684
Other	1,653,605	1,814,816
Total property, plant and equipment	3,880,289	4,041,501
Intangible assets	85,482	78,249
Investments and other assets		
Other	619,064	853,578
Allowance for doubtful accounts	(11,640)	(8,640)
Total investments and other assets	607,423	844,937
Total non-current assets	4,573,195	4,964,688
Total assets	19,968,110	19,462,076
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,066,714	975,822
Electronically recorded obligations - operating	2,247,096	2,374,514
Short-term borrowings	280,000	280,000
Current portion of bonds payable	100,000	–
Current portion of long-term borrowings	74,256	74,256
Income taxes payable	427,318	233,745
Provision for product warranties	9,083	11,697
Provision for bonuses	115,449	285,777
Provision for loss on order received	4,949	14,066
Other	1,079,597	992,916
Total current liabilities	5,404,464	5,242,795
Non-current liabilities		
Long-term borrowings	410,785	392,221
Provision for retirement benefits	659,423	647,171
Provision for loss on guarantees	–	9,516
Other	37,099	35,760
Total non-current liabilities	1,107,307	1,084,668
Total liabilities	6,511,771	6,327,463

(Thousands of yen)

	As of December 31, 2021	As of March 31, 2022
Net assets		
Shareholders' equity		
Share capital	2,084,215	2,086,405
Capital surplus	2,127,262	2,129,450
Retained earnings	9,258,257	9,112,865
Treasury shares	(47,235)	(226,664)
Total shareholders' equity	13,422,499	13,102,056
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,832	6,379
Total valuation and translation adjustments	3,832	6,379
Share acquisition rights	30,006	26,177
Total net assets	13,456,338	13,134,613
Total liabilities and net assets	19,968,110	19,462,076

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended March 31, 2021	Three months ended March 31, 2022
Net sales	5,319,285	3,430,967
Cost of sales	3,521,352	2,487,596
Gross profit	1,797,933	943,370
Selling, general and administrative expenses		
Freight and packing costs	221,490	133,186
Remuneration for directors (and other officers)	21,606	19,076
Salaries	137,077	136,242
Provision of allowance for doubtful accounts	1,079	(3,777)
Provision for bonuses	54,980	45,828
Retirement benefit expenses	8,275	7,146
Provision for product warranties	2,723	2,614
Other	166,091	181,839
Total selling, general and administrative expenses	613,325	522,155
Operating profit	1,184,607	421,215
Non-operating income		
Interest income	40	39
Dividend income	229	125
Foreign exchange gains	17,431	12,287
Other	4,056	5,823
Total non-operating income	21,757	18,276
Non-operating expenses		
Interest expenses	682	952
Provision for loss on guarantees	–	9,516
Past year consumption tax	519	–
Other	34	1,527
Total non-operating expenses	1,236	11,995
Ordinary profit	1,205,128	427,496
Extraordinary income		
Gain on reversal of share acquisition rights	–	2,765
Total extraordinary income	–	2,765
Profit before income taxes	1,205,128	430,261
Income taxes - current	424,788	208,116
Income taxes - deferred	(57,109)	(72,383)
Total income taxes	367,679	135,732
Profit	837,449	294,528