

Translation

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Summary of Non-Consolidated Financial Results for the Three Months Ended March 31, 2021 (Based on Japanese GAAP)

May 14, 2021

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 14, 2021
 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, 2021 (from January 1, 2021 to March 31, 2021)

(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, 2021	5,319	115.5	1,184	784.0	1,205	850.7	837	814.0
Three months ended March 31, 2020	2,468	(8.9)	134	32.0	126	20.6	91	28.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended March 31, 2021	81.07		80.67	
Three months ended March 31, 2020	10.20		10.07	

(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, 2021	20,141	12,671	62.7	1,223.34
As of December 31, 2020	18,829	12,164	64.4	1,174.55

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, 2020	–	0.00	–	33.00	33.00
Year ending December 31, 2021	–	–	–	–	–
Year ending December 31, 2021 (Forecast)	–	0.00	–	25.00	25.00

3. Forecast of non-consolidated financial results for the year ending December 31, 2021 (from January 1, 2021 to December 31, 2021)

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	12,000	(3.9)	1,500	6.0	1,650	5.6	1,144	0.7	110.75

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: No

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, 2021	10,406,500 shares	As of December 31, 2020	10,403,500 shares
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Number of treasury shares at the end of the period

As of March 31, 2021	75,699 shares	As of December 31, 2020	75,699 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, 2021	10,329,423 shares	Three months ended March 31, 2020	8,986,164 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of December 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	6,520,039	6,380,900
Notes and accounts receivable - trade	4,748,840	6,103,223
Electronically recorded monetary claims - operating	1,206,374	1,275,116
Securities	452	483
Merchandise and finished goods	840,165	728,955
Work in process	870,751	860,716
Raw materials and supplies	387,413	383,015
Other	24,505	9,928
Allowance for doubtful accounts	(8,947)	(13,052)
Total current assets	14,589,596	15,729,286
Non-current assets		
Property, plant and equipment		
Land	2,055,014	2,057,914
Other	1,509,743	1,616,865
Total property, plant and equipment	3,564,757	3,674,779
Intangible assets	115,026	107,430
Investments and other assets		
Other	587,002	653,470
Allowance for doubtful accounts	(26,824)	(23,800)
Total investments and other assets	560,177	629,670
Total non-current assets	4,239,962	4,411,880
Total assets	18,829,558	20,141,167
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,320,088	1,739,394
Electronically recorded obligations - operating	2,327,072	2,509,128
Short-term borrowings	300,000	300,000
Current portion of long-term borrowings	44,268	44,268
Income taxes payable	407,141	458,617
Provision for product warranties	51,242	53,965
Provision for bonuses	108,522	306,918
Provision for loss on order received	4,109	11,991
Other	1,116,346	1,079,788
Total current liabilities	5,678,790	6,504,070
Non-current liabilities		
Bonds payable	100,000	100,000
Long-term borrowings	163,035	151,968
Provision for retirement benefits	701,519	690,957
Other	21,672	22,765
Total non-current liabilities	986,227	965,690
Total liabilities	6,665,018	7,469,761

(Thousands of yen)

	As of December 31, 2020	As of March 31, 2021
Net assets		
Shareholders' equity		
Share capital	2,056,919	2,058,525
Capital surplus	2,098,251	2,099,856
Retained earnings	8,014,697	8,511,329
Treasury shares	(49,841)	(49,841)
Total shareholders' equity	12,120,026	12,619,869
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	10,453	18,221
Total valuation and translation adjustments	10,453	18,221
Share acquisition rights	34,060	33,314
Total net assets	12,164,540	12,671,405
Total liabilities and net assets	18,829,558	20,141,167

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended March 31, 2020	Three months ended March 31, 2021
Net sales	2,468,648	5,319,285
Cost of sales	1,925,442	3,521,352
Gross profit	543,205	1,797,933
Selling, general and administrative expenses		
Freight and packing costs	83,053	221,490
Remuneration for directors (and other officers)	25,460	21,606
Salaries	129,635	137,077
Provision of allowance for doubtful accounts	(15,216)	1,079
Provision for bonuses	42,705	54,980
Retirement benefit expenses	8,546	8,275
Provision for product warranties	(1,338)	2,723
Other	136,351	166,091
Total selling, general and administrative expenses	409,197	613,325
Operating profit	134,007	1,184,607
Non-operating income		
Interest income	257	40
Dividend income	275	229
Foreign exchange gains	–	17,431
Other	4,125	4,056
Total non-operating income	4,658	21,757
Non-operating expenses		
Interest expenses	613	682
Past year consumption tax	175	519
Foreign exchange losses	2,383	–
Share issuance costs	8,729	–
Other	–	34
Total non-operating expenses	11,902	1,236
Ordinary profit	126,763	1,205,128
Profit before income taxes	126,763	1,205,128
Income taxes - current	89,342	424,788
Income taxes - deferred	(54,199)	(57,109)
Total income taxes	35,142	367,679
Profit	91,620	837,449