

FY2021 First Quarter Consolidated Financial Results

(Advantest's consolidated financial statements are prepared in accordance with IFRS)
(Period ended June 30, 2021)

July 28, 2021

Company Name : **Advantest Corporation**
 (URL <https://www.advantest.com/investors>)
 Stock Exchange on which shares are listed : First section of the Tokyo Stock Exchange
 Stock Code Number : 6857
 Company Representative : Yoshiaki Yoshida, Representative Director, President and CEO
 Contact Person : Atsushi Fujita, Director, Senior Executive Officer
 Executive Vice President, Corporate Administration Group
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 Quarterly Report Filing Date (as planned) : August 13, 2021
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 Quarterly Results Supplemental Materials : Yes
 Quarterly Results Presentation Meeting : Yes

(Rounded to the nearest million yen)

1. Consolidated Results of FY2021 Q1 (April 1, 2021 through June 30, 2021)

(1) Consolidated Financial Results (Accumulated)

(% changes as compared to the corresponding period of the previous fiscal year)

	Net sales		Operating income		Income before income taxes		Net income		Net income attributable to owners of the parent		Total comprehensive income for the year	
	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)	Million yen	% increase (decrease)
FY2021 Q1	97,116	45.5	26,125	94.1	25,741	99.6	19,344	83.4	19,344	83.4	19,875	96.1
FY2020 Q1	66,725	0.8	13,458	(11.2)	12,895	(13.7)	10,550	(12.7)	10,550	(12.7)	10,137	16.5

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY2021 Q1	98.42	97.87
FY2020 Q1	53.16	52.89

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Million yen	Million yen	Million yen	%
FY2021 Q1	428,169	284,986	284,986	66.6
FY2020	422,641	280,369	280,369	66.3

2. Dividends

	Dividend per share				
	First quarter end	Second quarter end	Third quarter end	Year end	Annual total
	Yen	Yen	Yen	Yen	Yen
FY2020	—	38.00	—	80.00	118.00
FY2021	—	N/A	N/A	N/A	N/A
FY2021 (forecast)	N/A	50.00	—	—	—

(Note) Revision of dividends forecast for this period: **Yes**

3. Projected Results for FY2021 (April 1, 2021 through March 31, 2022)

(% changes as compared to the previous fiscal year)

	Net sales		Operating income		Income before income taxes		Net income		Net income attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2021	385,000	23.1	100,000	41.4	100,000	43.6	75,000	7.5	75,000	7.5

(Note) Revision of earnings forecast for this period: **Yes**

For details, please refer to the (4) Outlook, page 5.

4. Others

(1) Material changes in subsidiaries during this period (changes in scope of consolidation resulting from changes in subsidiaries): None

(2) Changes in accounting policies and accounting estimates
 1) Changes in accounting policies required by IFRS: None
 2) Changes arising from factors other than 1: None
 3) Changes in accounting estimates: None

(3) Number of issued and outstanding share (ordinary share):
 1) Number of issued and outstanding share at the end of each fiscal period (including treasury share):
 FY2021 Q1 199,566,770 shares; FY2020 199,566,770 shares.
 2) Number of treasury share at the end of each fiscal period:
 FY2021 Q1 2,818,332 shares; FY2020 3,132,075 shares.
 3) Average number of outstanding share for each period (cumulative term):
 FY2021 Q1 196,550,687 shares; FY2020 Q1 198,481,834 shares.

(Note) Advantest's share (FY2021 Q1 453,859 shares, FY2020 694,832 shares), which is being kept as performance-based stock remuneration in trust account, is included in the number of treasury share at the end of each fiscal period. Moreover, the Advantest's share that mentioned above is also included in the treasury share which is deducted during the calculation of average number of outstanding share for each period.

Status of Audit Procedures

This quarterly financial results report is not subject to quarterly review procedures by independent auditors.

Explanation on the Appropriate Use of Future Earnings Projections and Other Special Instructions

This document contains "forward-looking statements" that are based on Advantest's current expectations, estimates and projections. These statements include, among other things, the discussion of Advantest's business strategy, outlook and expectations as to market and business developments, production and capacity plans. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "anticipate," "believe," "estimate," "expect," "intend," "project," "should" and similar expressions. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause Advantest's actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements.

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1. Overview of Business Results

(1) Overview of Business Results

Consolidated Financial Results of FY2021 Q1 (April 1, 2021 through June 30, 2021)

(in billion yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021	As compared to the corresponding period of the previous fiscal year increase (decrease)
Orders received	61.5	161.2	2.6 times
Net sales	66.7	97.1	45.5%
Operating income	13.5	26.1	94.1%
Income before income taxes	12.9	25.7	99.6%
Net income	10.6	19.3	83.4%

During Advantest's first quarter ended June 30, 2021, the global economic outlook remained uncertain, as the emergence of COVID-19 variants prolonged the pandemic, with no clear end in sight. On the other hand, in China, the United States, Europe, and other places, vaccine rollouts have propelled economies out of the historic recession caused by the response to the pandemic, and aggressive economic stimulus and relief measures undertaken by governments have helped overall economic activity to begin returning to normal.

In the semiconductor market, the acceleration of digitalization in industry and in all areas of life has boosted demand for semiconductors used in data centers, PCs, and AI applications. Competition among 5G smartphone manufacturers has stimulated demand for related semiconductors and called forth responses to higher functionality requirements. In addition, as final demand recovers amid the lifting of COVID-19-related restrictions, semiconductor shortages have become palpable in the automotive industry and other sectors. Furthermore, on top of trends such as inventory buildups amidst expectations of a "post-Covid" recovery, players throughout the semiconductor market have become more eager to invest in production capacity enhancements and advanced technology.

Amidst these circumstances, Advantest has endeavored to capture the expanding demand for semiconductor test from every angle by utilizing its broad product portfolio, which is one of its strengths as a solutions provider. In addition, Advantest has put the greatest emphasis on stable procurement of parts despite tight semiconductor and electronic component supply conditions, to ensure its ability to meet the ongoing robust demand for test equipment.

As a result, orders received were (Y) 161.2 billion (2.6 times increase in comparison to the corresponding period of the previous fiscal year), significantly exceeding its previous record high for quarterly orders. Sales were (Y) 97.1 billion (45.5% increase in comparison to the corresponding period of the previous fiscal year), which reached another record high in this quarter. In terms of profit, operating income was (Y) 26.1 billion (94.1% increase in comparison to the corresponding period of the previous fiscal year), income before income taxes was (Y) 25.7 billion (99.6% increase in comparison to the corresponding period of the previous fiscal year), and net income was (Y) 19.3 billion (83.4% increase in comparison to the corresponding period of the previous fiscal year). Average currency exchange rates in the period were 1 USD to 109 JPY (108 JPY in the corresponding period of the previous fiscal year), and 1 EUR to 131 JPY (118 JPY in the corresponding period of the previous fiscal year). The percentage of net sales to overseas customers was 97.0% (96.7% in the corresponding period of the previous fiscal year).

Conditions of business segments are described below.

<Semiconductor and Component Test System Segment>

(in billion yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021	As compared to the corresponding period of the previous fiscal year increase (decrease)
Orders received	42.4	116.2	2.7 times
Net sales	42.3	67.3	59.2%
Segment income	11.8	24.4	2.1 times

In this segment, demand for SoC semiconductor test equipment increased overall, mainly driven by the move to higher-end smartphones and improving market conditions in the automotive and industrial equipment sectors. In particular, application processors and HPC devices have become more complex thanks to miniaturization, and this has been a strong demand driver for Advantest's products. The increasing tendency among customers to advance-order our products also contributed to the increase in orders for SoC semiconductor test equipment. Demand for memory semiconductor test equipment remained roughly flat with the corresponding period of the previous fiscal year, as last year's favorable market environment continued.

As a result of the above, orders received were (Y) 116.2 billion (2.7 times increase in comparison to the corresponding period in the previous fiscal year), net sales were (Y) 67.3 billion (59.2% increase in comparison to the corresponding period in the previous fiscal year), and segment income was (Y) 24.4 billion (2.1 times increase in comparison to the corresponding period in the previous fiscal year).

< Mechatronics System Segment >

(in billion yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021	As compared to the corresponding period of the previous fiscal year increase (decrease)
Orders received	8.5	14.0	64.9%
Net sales	8.9	11.5	29.1%
Segment income (loss)	0.2	2.0	10.9 times

In this segment, demand for device interfaces and test handlers for memory semiconductor test equipment was robust, correlated with high levels of demand for the said equipment. In addition, thanks to the increasing adoption of EUV lithography technology, demand for our nanotechnology products was also strong.

As a result of the above, orders received were (Y) 14.0 billion (64.9% increase in comparison to the corresponding period in the previous fiscal year), net sales were (Y) 11.5 billion (29.1% increase in comparison to the corresponding period in the previous fiscal year), and segment income was (Y) 2.0 billion ((Y) 10.9 times increase in comparison to the corresponding period in the previous fiscal year).

<Services, Support and Others Segment>

(in billion yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021	As compared to the corresponding period of the previous fiscal year increase (decrease)
Orders received	10.9	31.0	2.9 times
Net sales	15.9	18.4	15.5%
Segment income	3.7	3.2	(12.6%)

In this segment, orders for system-level test products increased, mainly due to the mainstreaming of high-spec SSDs and the strength of the server and PC markets. Here, too, some advance-order trends fed an increase in orders. In addition, as our installed base increased, demand for field services was also strong. On the other hand, a decline in the favorability of our sales mix impacted profitability.

As a result of the above, orders received were (Y) 31.0 billion (2.9 times increase in comparison to the corresponding period in the previous fiscal year), net sales were (Y) 18.4 billion (15.5% increase in comparison to the corresponding period in the previous fiscal year), and segment income was (Y) 3.2 billion (12.6% decrease in comparison to the corresponding period in the previous fiscal year).

(2) Overview of Financial Condition

Total assets at June 30, 2021 amounted to (Y) 428.2 billion, an increase of (Y) 5.5 billion compared to March 31, 2021, primarily due to increases of (Y) 7.4 billion in inventory, and (Y) 2.3 billion in trade and other receivables, offset by a decrease of (Y) 4.1 billion in cash and cash equivalents. The amount of total liabilities was (Y) 143.2 billion, an increase of (Y) 0.9 billion compared to March 31, 2021, primarily due to an increase of (Y) 3.4 billion in other financial liabilities mainly resulting from an increase of deposits received and an increase of (Y) 2.2 billion in other current liabilities primarily due to an increase of advance receipt, offset by a decrease of (Y) 4.9 billion in trade and other payables. Total equity was (Y) 285.0 billion. Ratio of equity attributable to owners of the parent was 66.6%, an increase of 0.3 percentage points from March 31, 2021.

(3) Overview of Cash Flows

Cash and cash equivalents held at June 30, 2021 were (Y) 145.1 billion, a decrease of (Y) 4.1 billion from March 31, 2021. Significant cash flows during the three-month period of this fiscal year and their causes are described below.

Net cash provided by operating activities was (Y) 14.6 billion (net cash inflow of (Y) 9.8 billion in the corresponding period of the previous fiscal year). This amount was primarily attributable to an increase of (Y) 7.3 billion in inventory, income tax paid of (Y) 6.7 billion, and adjustments of non-cash items such as depreciation and amortization in addition to the income before income taxes of (Y) 25.7 billion.

Net cash used in investing activities was (Y) 3.1 billion (net cash outflow of (Y) 3.0 billion in the corresponding period of the previous fiscal year). This amount was primarily attributable to purchases of property, plant and equipment in the amount of (Y) 3.1 billion.

Net cash used in financing activities was (Y) 15.8 billion (net cash outflow of (Y) 7.9 billion in the corresponding period of the previous fiscal year). This amount was primarily attributable to dividends paid of (Y) 15.3 billion.

(4) Outlook

In terms of the market environment, Advantest anticipates that demand for semiconductors will grow as a result of increasing final demand and higher functionality of end products, driving continued capacity expansion investments to solve the semiconductor supply shortage in the near term. Amidst the ongoing "digital revolution" and the push to improve energy efficiency, there is also an increasing need for technology investments to achieve even higher semiconductor performance. Taking all of this together, Advantest expects the semiconductor and related markets to grow in the short and medium-to-long term.

Although Advantest anticipates some falloff in reaction to the sharp increase in orders in the first quarter, Advantest expects that orders will continue to hold a high level in the second quarter and beyond. Despite concerns about any potential sales impact from parts procurement status changes, Advantest expects stable sales to continue.

Based on this outlook, and on actual business results for the first quarter of the current consolidated period, Advantest has revised its full-year consolidated business results forecast for fiscal 2021 as follows: Orders received, (Y) 400.0 billion (was (Y) 350.0 billion in the forecast published in April 2021), sales, (Y) 385.0 billion (was (Y) 350.0 billion), operating income and income before income taxes, (Y) 100.0 billion (was (Y) 85.0 billion) respectively, and net income (Y) 75.0 billion (was (Y) 64.0 billion). This forecast is based on exchange rate assumptions of 1 USD to 110 JPY and 1 EUR to 135 JPY for the nine months from the second quarter of the current consolidated fiscal year.

Regarding the impact of the COVID-19 pandemic, business restrictions continue due to restrictions on human movement and urban lockdowns in many countries, but Advantest recognizes that these restrictions had only a minor impact on its business results in the first quarter of the current consolidated period. However, due to the spread of new variants, the virus is still causing a good deal of uncertainty in the global economy. As mentioned above, Advantest currently expects a favorable medium-to-long-term market environment, but Advantest will continue to place the highest priority on flexibly responding to changes in the external environment as Advantest conducts its business activities. Advantest will also implement the growth measures set forth in its second mid-term management plan, launched in FY2021, with the aim of achieving the sales target of (Y) 400.0 billion set forth in the "Grand Design" medium-to-long-term management policy.

2. Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statement of Financial Position

	Millions of Yen	
	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and cash equivalents	149,164	145,062
Trade and other receivables	57,028	59,299
Inventories	64,340	71,776
Other current assets	8,563	9,280
Total current assets	279,095	285,417
Non-current assets		
Property, plant and equipment, net	41,613	41,090
Right-of-use assets	11,668	11,302
Goodwill and intangible assets, net	54,543	53,909
Other financial assets	10,211	10,366
Deferred tax assets	25,242	25,558
Other non-current assets	269	527
Total non-current assets	143,546	142,752
Total assets	422,641	428,169

	As of March 31, 2021	As of June 30, 2021
Liabilities and Equity		
Liabilities		
Current liabilities		
Trade and other payables	58,558	53,654
Income tax payables	8,619	8,395
Provisions	4,058	4,187
Lease liabilities	2,486	2,512
Other financial liabilities	3,509	6,892
Other current liabilities	12,581	14,731
Total current liabilities	<u>89,811</u>	<u>90,371</u>
Non-current liabilities		
Lease liabilities	9,364	8,976
Retirement benefit liabilities	36,891	37,725
Deferred tax liabilities	4,473	4,667
Other non-current liabilities	1,733	1,444
Total non-current liabilities	<u>52,461</u>	<u>52,812</u>
Total liabilities	<u>142,272</u>	<u>143,183</u>
Equity		
Share capital	32,363	32,363
Share premium	44,573	44,192
Treasury shares	(15,001)	(13,984)
Retained earnings	214,858	218,308
Other components of equity	3,576	4,107
Total equity attributable to owners of the parent	<u>280,369</u>	<u>284,986</u>
Total equity	<u>280,369</u>	<u>284,986</u>
Total liabilities and equity	<u><u>422,641</u></u>	<u><u>428,169</u></u>

(2) Condensed Consolidated Statement of Profit or Loss and Condensed Consolidated Statement of Comprehensive Income

Condensed Consolidated Statement of Profit or Loss

	Millions of Yen	
	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	66,725	97,116
Cost of sales	<u>(28,772)</u>	<u>(42,371)</u>
Gross profit	37,953	54,745
Selling, general and administrative expenses	(24,532)	(28,270)
Other income	76	163
Other expenses	<u>(39)</u>	<u>(513)</u>
Operating income	13,458	26,125
Financial income	47	17
Financial expenses	<u>(610)</u>	<u>(401)</u>
Income before income taxes	12,895	25,741
Income taxes	<u>(2,345)</u>	<u>(6,397)</u>
Net income	<u>10,550</u>	<u>19,344</u>
Net income attributable to:		
Owners of the parent	10,550	19,344
Earnings per share:	Yen	Yen
Basic	<u>53.16</u>	<u>98.42</u>
Diluted	52.89	97.87

Condensed Consolidated Statement of Comprehensive Income

	Millions of Yen	
	Three months ended June 30, 2020	Three months ended June 30, 2021
Net income	10,550	19,344
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to profit or loss		
Net change in fair value measurements of equity instruments at fair value through other comprehensive income	16	272
Items that may be subsequently reclassified to profit or loss		
Exchange differences on translation of foreign operations	(429)	259
Total other comprehensive income (loss)	(413)	531
Total comprehensive income for the period	<u>10,137</u>	<u>19,875</u>
Comprehensive income attributable to:		
Owners of the parent	10,137	19,875

(3) Condensed Consolidated Statement of Changes in Equity

Three months ended June 30, 2020

	Millions of Yen						
	Equity attributable to owners of the parent					Total	Total Equity
	Share capital	Share premium	Treasury shares	Retained earnings	Other components of equity		
Balance at April 1, 2020	32,363	43,550	(4,179)	159,803	(85)	231,452	231,452
Net income				10,550		10,550	10,550
Other comprehensive income (loss), net of tax					(413)	(413)	(413)
Total comprehensive income for the period	—	—	—	10,550	(413)	10,137	10,137
Purchase of treasury shares			(1)			(1)	(1)
Disposal of treasury shares		(83)	827	(243)		501	501
Dividends				(8,135)		(8,135)	(8,135)
Share-based payments		288				288	288
Total transactions with the owners	—	205	826	(8,378)	—	(7,347)	(7,347)
Balance at June 30, 2020	<u>32,363</u>	<u>43,755</u>	<u>(3,353)</u>	<u>161,975</u>	<u>(498)</u>	<u>234,242</u>	<u>234,242</u>

Three months ended June 30, 2021

	Millions of Yen						
	Equity attributable to owners of the parent					Total	Total Equity
	Share capital	Share premium	Treasury shares	Retained earnings	Other components of equity		
Balance at April 1, 2021	32,363	44,573	(15,001)	214,858	3,576	280,369	280,369
Net income				19,344		19,344	19,344
Other comprehensive income (loss), net of tax					531	531	531
Total comprehensive income for the period	—	—	—	19,344	531	19,875	19,875
Purchase of treasury shares			(2)			(2)	(2)
Disposal of treasury shares		(644)	1,019	(179)		196	196
Dividends				(15,715)		(15,715)	(15,715)
Share-based payments		263				263	263
Total transactions with the owners	—	(381)	1,017	(15,894)	—	(15,258)	(15,258)
Balance at June 30, 2021	<u>32,363</u>	<u>44,192</u>	<u>(13,984)</u>	<u>218,308</u>	<u>4,107</u>	<u>284,986</u>	<u>284,986</u>

(4) Condensed Consolidated Statement of Cash Flows

	Millions of Yen	
	Three months ended June 30, 2020	Three months ended June 30, 2021
Cash flows from operating activities:		
Income before income taxes	12,895	25,741
Adjustments to reconcile income before income taxes to net cash provided by (used in) operating activities:		
Depreciation and amortization	2,646	3,397
Changes in assets and liabilities:		
Trade and other receivables	7,737	(2,008)
Inventories	(7,978)	(7,326)
Trade and other payables	(4,806)	(4,394)
Warranty provisions	(19)	130
Deposits received	2,702	3,317
Advance receipt	1,852	2,038
Retirement benefit liabilities	341	538
Other	(1,725)	(86)
Subtotal	13,645	21,347
Interest and dividends received	54	20
Interest paid	(44)	(38)
Income taxes paid	(3,901)	(6,744)
Net cash provided by (used in) operating activities	9,754	14,585
Cash flows from investing activities:		
Proceeds from sale of debt instruments	—	124
Purchases of property, plant and equipment	(2,862)	(3,072)
Purchases of intangible assets	(172)	(130)
Other	16	20
Net cash provided by (used in) investing activities	(3,018)	(3,058)
Cash flows from financing activities:		
Proceeds from disposal of treasury shares	503	186
Dividends paid	(7,882)	(15,320)
Payments for lease liabilities	(554)	(639)
Other	(0)	(2)
Net cash provided by (used in) financing activities	(7,933)	(15,775)
Net effect of exchange rate changes on cash and cash equivalents	(345)	146
Net change in cash and cash equivalents	(1,542)	(4,102)
Cash and cash equivalents at the beginning of period	127,703	149,164
Cash and cash equivalents at the end of period	126,161	145,062

(5) Notes to the Condensed Consolidated Financial Statements

(Notes on Going Concern): None

(Segment Information)

Three months ended June 30, 2020

Millions of Yen

	Semiconductor and Component Test System Business	Mechatronics System Business	Services, Support and Others	Elimination and Corporate	Consolidated
Net sales					
Net sales to unaffiliated customers	41,959	8,879	15,887	—	66,725
Inter-segment sales	332	—	—	(332)	—
Total	42,291	8,879	15,887	(332)	66,725
Segment income (loss) (operating income (loss) before share-based compensation expense)	11,814	183	3,713	(1,877)	13,833
Adjustment: Share-based compensation expense	—	—	—	—	(375)
Operating income	—	—	—	—	13,458
Financial income	—	—	—	—	47
Financial expenses	—	—	—	—	(610)
Income before income taxes	—	—	—	—	12,895

Three months ended June 30, 2021

Millions of Yen

	Semiconductor and Component Test System Business	Mechatronics System Business	Services, Support and Others	Elimination and Corporate	Consolidated
Net sales					
Net sales to unaffiliated customers	67,298	11,463	18,355	—	97,116
Inter-segment sales	20	—	—	(20)	—
Total	67,318	11,463	18,355	(20)	97,116
Segment income (loss) (operating income (loss) before share-based compensation expense)	24,394	1,998	3,245	(3,185)	26,452
Adjustment: Share-based compensation expense	—	—	—	—	(327)
Operating income	—	—	—	—	26,125
Financial income	—	—	—	—	17
Financial expenses	—	—	—	—	(401)
Income before income taxes	—	—	—	—	25,741

(Notes)

1. Advantest uses the operating income (loss) before share-based compensation expense for management's analysis of business segment results.
2. Share-based compensation expense represents expenses for stock options and performance-based stock remuneration expense.
3. Segment income (loss) is presented on the basis of operating income (loss) before share-based compensation expense.
4. Inter-segment sales are based on market prices.
5. Adjustments to segment income (loss) in Corporate principally represent corporate general and administrative expenses and research and development expenses related to fundamental research activities that are not allocated to operating segments.

FY2021 First Quarter Consolidated Financial Results Overview

1. Orders received and Backlog

(in billion yen)

	FY2020				FY2021			FY2021 Forecast	
	1Q	2Q	3Q	4Q	1Q	vs.FY2020 1Q increase (decrease)	vs.FY2020 4Q increase (decrease)	Annual total	vs. FY2020 increase (decrease)
Orders received	61.5	64.1	95.1	109.9	161.2	2.6 times	46.6%	350.0 400.0	21.0%
Backlog	85.7	72.5	89.5	108.8	172.9	2.0 times	58.9%	108.8 123.8	13.8%

Note 1. Upper data is the forecast amount released on April 27, 2021.

2. Profit or Loss

(in billion yen)

	FY2020				FY2021			FY2021 Forecast	
	1Q	2Q	3Q	4Q	1Q	vs.FY2020 1Q increase (decrease)	vs.FY2020 4Q increase (decrease)	Annual total	vs. FY2020 increase (decrease)
Net sales	66.7	77.4	78.1	90.6	97.1	45.5%	7.2%	350.0 385.0	23.1%
Cost of sales	(28.7)	(35.8)	(37.9)	(42.1)	(42.4)	47.3%	0.6%	-	-
Selling, general and administrative expenses	(24.5)	(26.8)	(24.9)	(29.7)	(28.2)	15.2%	(4.5%)	-	-
Other income - expenses	0.0	2.6	0.0	5.7	(0.4)	-	-	-	-
Operating income	13.5	17.4	15.3	24.5	26.1	94.1%	6.4%	85.0 100.0	41.4%
Sales ratio	20.2%	22.6%	19.5%	27.1%	26.9%			26.0%	
Financial income - expenses	(0.6)	(1.0)	(1.4)	1.9	(0.4)	(31.8%)	-	-	-
Income before income taxes	12.9	16.4	13.9	26.4	25.7	99.6%	(2.7%)	85.0 100.0	43.6%
Sales ratio	19.3%	21.2%	17.7%	29.2%	26.5%			26.0%	
Income taxes	(2.3)	(2.5)	(1.9)	6.9	(6.4)	2.7 times	-	-	-
Net income	10.6	13.9	12.0	33.3	19.3	83.4%	(41.9%)	64.0 75.0	7.5%
Sales ratio	15.8%	18.0%	15.4%	36.7%	19.9%			19.5%	

(Note) Upper data is the forecast amount released on Apr 27, 2021.

3. Financial Condition

(in billion yen)

	FY2020				FY2021	
	1Q End	2Q End	3Q End	4Q End	1Q End	vs.FY2020 4Q increase (decrease)
Total assets	359.1	361.3	362.7	422.6	428.2	1.3%
Equity attributable to owners of the parent	234.2	235.5	238.7	280.4	285.0	1.6%
Ratio of equity attributable to owners of the parent	65.2%	65.2%	65.8%	66.3%	66.6%	-

4. Dividends

(in yen)

(Record Date)	FY2020			FY2021 Forecast		
	Interim	Year end	Annual total	Interim	Year end	Annual total
Dividend per share	38.00	80.00	118.00	50.00	N/A	N/A

(Note 1) The dividend forecast for FY2021 hasn't been decided yet. It will be disclosed as soon as the forecast is available based on the business performance.
(Note 2) The Company has revised the dividend policy as of May 2021 to make dividend with a minimum amount of ¥ 50 per share for a semi-annual and

¥ 100 per share for annual.