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Consolidated Financial Results for the Year Ended March 31, 2021 [Japanese GAAP]

May 11, 2021

Company name: Aichi Tokei Denki Co., Ltd.

Stock exchange listing: Tokyo, Nagoya

Code number: 7723

URL: <https://www.aichitokei.co.jp/>

Representative: Toshiyuki Hoshika

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Scheduled date of Annual General Meeting of Shareholders: June 22, 2021

Scheduled date of commencing dividend payments: June 23, 2021

Scheduled date of filing annual securities report: June 23, 2021

Availability of supplementary briefing material on annual financial results: No

Schedule of annual financial results briefing session: No

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 01, 2020 to March 31, 2021)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2021	46,225	(3.9)	3,002	0.6	3,298	2.6	2,987	26.9
March 31, 2020	48,118	3.0	2,985	(12.6)	3,215	(15.5)	2,354	(16.8)

(Note) Comprehensive income: Fiscal year ended March 31, 2021: ¥ 4,894 million [212.3%]
Fiscal year ended March 31, 2020: ¥ 1,567 million [(39.3)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2021	583.95	581.27	9.3	6.0	6.5
March 31, 2020	458.68	454.18	7.9	6.1	6.2

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2021: ¥ - million
Fiscal year ended March 31, 2020: ¥ - million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2021	57,167	34,357	60.1	6,700.65
March 31, 2020	52,434	30,318	57.6	5,878.00

(Reference) Equity: As of March 31, 2021: ¥ 34,342 million
As of March 31, 2020: ¥ 30,190 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2021	4,192	(2,423)	(1,022)	8,310
March 31, 2020	3,739	(900)	(1,856)	7,562

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2020	-	50.00	-	70.00	120.00	616	26.2	2.1
March 31, 2021	-	50.00	-	80.00	130.00	666	22.3	2.1
Fiscal year ending March 31, 2022 (Forecast)	-	50.00	-	70.00	120.00		24.2	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 01, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	46,740	1.1	3,260	8.6	3,490	5.8	2,540	(15.0)	495.59

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

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

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2021: 5,140,000 shares

March 31, 2020: 5,140,000 shares

2) Total number of treasury shares at the end of the period:

March 31, 2021: 14,811 shares

March 31, 2020: 3,767 shares

3) Average number of shares during the period:

Fiscal Year ended March 31, 2021: 5,116,565 shares

Fiscal Year ended March 31, 2020: 5,132,533 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 01, 2020 to March 31, 2021)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2021	46,205	(3.6)	2,456	0.8	2,961	8.9	2,725	40.3
March 31, 2020	47,913	2.4	2,436	(17.1)	2,720	(24.2)	1,942	(26.8)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2021	532.64	530.20
March 31, 2020	378.40	374.69

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2021	54,500	32,223	59.1	6,284.30
March 31, 2020	50,650	29,349	57.7	5,689.46

(Reference) Equity: As of March 31, 2021: ¥ 32,208 million
As of March 31, 2020: ¥ 29,222 million

Consolidated Financial Statements

Consolidated Balance Sheets

(Million yen)

	As of March 31,2020	As of March 31,2021
Assets		
Current assets		
Cash and deposits	11,071	13,843
Notes and accounts receivable - trade	13,556	13,279
Finished goods	1,368	1,319
Work in process	6,756	6,924
Raw materials and supplies	220	226
Other	319	315
Allowance for doubtful accounts	(12)	(8)
Total current assets	33,280	35,900
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,140	4,612
Machinery, equipment and vehicles, net	976	1,299
Land	1,497	1,505
Leased assets, net	196	257
Construction in progress	861	321
Other, net	242	311
Total property, plant and equipment	7,914	8,308
Intangible assets		
Leased assets	60	68
Other	18	18
Total intangible assets	78	86
Investments and other assets		
Investment securities	8,215	9,507
Long-term loans receivable	2	1
Retirement benefit asset	1,153	2,152
Deferred tax assets	1,403	856
Other	389	358
Allowance for doubtful accounts	(4)	(4)
Total investments and other assets	11,160	12,871
Total non-current assets	19,153	21,267
Total assets	52,434	57,167

(Million yen)

	As of March 31,2020	As of March 31,2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,570	3,934
Electronically recorded obligations - operating	3,077	2,647
Short-term borrowings	298	298
Current portion of long-term borrowings	55	5,000
Lease obligations	92	112
Income taxes payable	441	1,106
Provision for bonuses for directors (and other officers)	57	57
Other	3,073	3,164
Total current liabilities	10,664	16,320
Non-current liabilities		
Long-term borrowings	5,406	433
Lease obligations	186	243
Retirement benefit liability	5,799	5,767
Asset retirement obligations	5	6
Other	53	40
Total non-current liabilities	11,451	6,490
Total liabilities	22,115	22,810
Net assets		
Shareholders' equity		
Share capital	3,218	3,218
Capital surplus	311	311
Retained earnings	24,962	27,257
Treasury shares	(14)	(64)
Total shareholders' equity	28,478	30,722
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,907	3,911
Foreign currency translation adjustment	(66)	(148)
Remeasurements of defined benefit plans	(1,129)	(144)
Total accumulated other comprehensive income	1,712	3,619
Share acquisition rights	127	15
Total net assets	30,318	34,357
Total liabilities and net assets	52,434	57,167

Consolidated Statements of Income and Comprehensive Income
 Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31,2020	For the fiscal year ended March 31,2021
Net sales	48,118	46,225
Cost of sales	36,371	34,732
Gross profit	11,747	11,493
Selling, general and administrative expenses	8,762	8,490
Operating profit	2,985	3,002
Non-operating income		
Interest income	2	2
Dividend income	195	239
Rental income from investment property	63	64
Other	114	107
Total non-operating income	375	413
Non-operating expenses		
Interest expenses	50	46
Other	95	71
Total non-operating expenses	145	118
Ordinary profit	3,215	3,298
Extraordinary income		
Gain on sale of investment securities	-	784
Total extraordinary income	-	784
Profit before income taxes	3,215	4,082
Income taxes - current	1,022	1,386
Income taxes - deferred	(161)	(291)
Total income taxes	860	1,094
Profit	2,354	2,987
Profit attributable to owners of parent	2,354	2,987

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31,2020	For the fiscal year ended March 31,2021
Profit	2,354	2,987
Other comprehensive income		
Valuation difference on available-for-sale securities	(553)	1,004
Foreign currency translation adjustment	(103)	(82)
Remeasurements of defined benefit plans, net of tax	(130)	985
Total other comprehensive income	(786)	1,907
Comprehensive income	1,567	4,894
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,567	4,894

Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31,2020

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,218	311	23,134	(41)	26,623
Changes during period					
Dividends of surplus			(615)		(615)
Profit attributable to owners of parent			2,354		2,354
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(10)		27	16
Transfer from retained earnings to capital surplus		10	(10)		-
Change in scope of consolidation			100		100
Net changes in items other than shareholders' equity					
Total changes during period	-	-	1,828	27	1,855
Balance at end of period	3,218	311	24,962	(14)	28,478

	Accumulated other comprehensive income				Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	3,460	36	(998)	2,498	121	29,243
Changes during period						
Dividends of surplus						(615)
Profit attributable to owners of parent						2,354
Purchase of treasury shares						(0)
Disposal of treasury shares						16
Transfer from retained earnings to capital surplus						-
Change in scope of consolidation						100
Net changes in items other than shareholders' equity	(553)	(103)	(130)	(786)	5	(780)
Total changes during period	(553)	(103)	(130)	(786)	5	1,074
Balance at end of period	2,907	(66)	(1,129)	1,712	127	30,318

For the fiscal year ended March 31,2021

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,218	311	24,962	(14)	28,478
Changes during period					
Dividends of surplus			(615)		(615)
Profit attributable to owners of parent			2,987		2,987
Purchase of treasury shares				(264)	(264)
Disposal of treasury shares		(77)		214	136
Transfer from retained earnings to capital surplus		77	(77)		-
Change in scope of consolidation					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	2,294	(50)	2,244
Balance at end of period	3,218	311	27,257	(64)	30,722

	Accumulated other comprehensive income				Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,907	(66)	(1,129)	1,712	127	30,318
Changes during period						
Dividends of surplus						(615)
Profit attributable to owners of parent						2,987
Purchase of treasury shares						(264)
Disposal of treasury shares						136
Transfer from retained earnings to capital surplus						-
Change in scope of consolidation						-
Net changes in items other than shareholders' equity	1,004	(82)	985	1,907	(112)	1,795
Total changes during period	1,004	(82)	985	1,907	(112)	4,039
Balance at end of period	3,911	(148)	(144)	3,619	15	34,357

Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31,2020	For the fiscal year ended March 31,2021
Cash flows from operating activities		
Profit before income taxes	3,215	4,082
Depreciation	1,068	977
Increase (decrease) in allowance for doubtful accounts	(13)	(4)
Decrease (increase) in retirement benefit asset	86	183
Increase (decrease) in retirement benefit liability	74	204
Interest and dividend income	(197)	(241)
Interest expenses	50	46
Foreign exchange losses (gains)	(7)	(29)
Loss (gain) on sale and retirement of property, plant and equipment	23	(4)
Loss (gain) on sale of investment securities	(27)	(783)
Decrease (increase) in trade receivables	(216)	283
Decrease (increase) in inventories	1,066	(150)
Increase (decrease) in trade payables	(327)	(60)
Increase (decrease) in accrued consumption taxes	295	(324)
Other, net	(73)	560
Subtotal	5,017	4,740
Interest and dividends received	197	241
Interest paid	(48)	(46)
Income taxes paid	(1,427)	(742)
Net cash provided by (used in) operating activities	3,739	4,192
Cash flows from investing activities		
Net decrease (increase) in time deposits	(26)	(2,024)
Proceeds from sale and redemption of securities	62	-
Purchase of property, plant and equipment	(1,048)	(1,312)
Proceeds from sale of property, plant and equipment	82	12
Purchase of investment securities	(46)	(7)
Proceeds from sale of investment securities	43	907
Other, net	33	0
Net cash provided by (used in) investing activities	(900)	(2,423)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(724)	-
Proceeds from long-term borrowings	406	27
Repayments of long-term borrowings	(812)	(55)
Repayments of lease obligations	(109)	(114)
Net decrease (increase) in treasury shares	(0)	(264)
Dividends paid	(615)	(615)
Other, net	0	-
Net cash provided by (used in) financing activities	(1,856)	(1,022)
Effect of exchange rate change on cash and cash equivalents	35	1
Net increase (decrease) in cash and cash equivalents	1,018	748
Cash and cash equivalents at beginning of period	6,543	7,562
Cash and cash equivalents at end of period	7,562	8,310