



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

May 11, 2021

Company Name A&D Company, Ltd. Stock exchange listing Tokyo Stock Exchange
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 Holding of annual financial results briefing session : Yes (For Institutional Investors and Analysts)

(Amounts of less than one million yen are truncated.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 1, 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 parent company shareholders	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2021	48,424	(1.6)	4,404	19.0	4,564	33.0	3,339	111.8
Fiscal year ended March 31, 2020	49,197	1.8	3,700	34.5	3,432	27.9	1,576	(17.0)

Note: Comprehensive income Fiscal year ended March 31, 2021 ¥4,267million [403.5%] March 31, 2020 ¥847million [(51.9)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2021	161.87	161.50	17.6	8.8	9.1
March 31, 2020	76.88	73.53	9.2	6.8	7.5

Reference: Investment gains (losses) on equity method Fiscal year ended March 31, 2021 ¥-million March 31, 2020 ¥5million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity to asset ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2021	54,119	23,387	38.4	1,007.01
As of March 31, 2020	49,302	18,576	34.9	833.97

Reference: Equity As of March 31, 2021 ¥20,772million As of March 31, 2020 ¥17,203million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2021	5,194	(2,222)	(257)	12,129
March 31, 2020	4,309	(1,100)	(1,308)	9,105

2. Dividends

	Annual dividends					Total dividends (sum)	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2020	-	10.00	-	10.00	20.00	417	26.0	2.4
March 31, 2021	-	10.00	-	15.00	25.00	524	15.4	2.7
Fiscal year ending March 31, 2022 (forecast)	-	10.00	-	15.00	25.00		20.2	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period, or corresponding quarter of previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to parent company shareholders		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
2nd quarter (cumulative)	22,800	3.5	1,368	(8.0)	1,280	(15.3)	934	(18.5)	45.28
Full period	50,000	3.3	4,200	(4.6)	4,020	(11.9)	2,552	(23.6)	123.71

* NOTES

(1) Changes in significant subsidiaries during the period under review : No

New -companies (Company name) ; Excluded -companies (Company name)

(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 stock)

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

March 31, 2021	22,579,700shares	March 31, 2020	22,579,700shares
March 31, 2021	1,951,470shares	March 31, 2020	1,951,360shares
Fiscal year ended March 31, 2021	20,628,310shares	Fiscal year ended March 31, 2020	20,504,537shares

2) Total number of treasury stock at the end of the period

3) Average number of shares during the period

Note: The number of treasury stock deducted when calculating the total number of treasury stock at the end of the period and the average number of shares during the period includes the Company's shares held by Custody Bank of Japan, Ltd. (Formerly Trust & Custody Services Bank, Ltd.) (Trust E Account), and are considered to be trust properties of the board benefit trust system.

* These consolidated financial results are outside the scope of audit by certified public accountants or audit corporations.

* Explanation of the proper use of financial results forecasts and other notes

Forward-looking statements in this document, including business performance forecasts, are based on information available to the Company at the time of publication. Actual business results may differ significantly due to various factors. For matters regarding financial results forecasts, please refer to "1. Overview of Business Results, (4) Future Outlook" on Appendix Page 3.

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1. Overview of Business Results, etc.

(1) Overview of Business Results for the Period Under Review

The economic environment surrounding A&D Company, Ltd. (the "Company") and its subsidiaries (collectively, the "Group") during the fiscal year was characterized by economic downturn due to restrictions imposed on economic activity during two declared state of emergency periods to address the spread of COVID-19. Overseas, China showed earlier resumption of economic activity, while the US showed large-scale economic measures and vaccine administration, which allowed for progress in resumption of economic activity. However, Europe showed longer periods of economic restrictions due to the spread of the UK COVID-19 variant and other variants. Overall, the worldwide situation continued to be uncertain, with administration of vaccines, the spread of variant viruses, and ongoing trade friction between the US and China.

Amid such circumstances, the Group implemented webinars and online meetings with a goal of preventing the spread of infection while promoting sales activities. In addition, reduction of production costs and efforts to control fixed costs were addressed while responding to the diverse and changing needs of clients and society through ongoing active investment in growth segments, which differentiated the Group from its competitors.

As a result, net sales for the fiscal year were ¥48,424 million (down 1.6% year-on-year), operating profit was ¥4,404 million (up 19.0% year-on-year), ordinary profit was ¥4,564 million (up 33.0% year-on-year), and profit attributable to parent company shareholders was ¥3,339 million (up 111.8% year-on-year).

Business results by segment are as follows.

1) Measurement and Weighing Instruments Business

In Japan, spread of COVID-19 caused slumping demand and postponement of capital investment. Sales of weighing instruments and measurement and control simulation systems (DSP systems) were all down year-on-year, leading to lower profits. Sales of equipment related to semiconductor production went through as planned but still showed decrease.

In the US, sales of measurement and control simulation systems (DSP systems) were down year-on-year, with orders showing recovery in the later half. Sales of weighing instruments were expected to be stagnant due to the effects of the COVID-19 pandemic, but profits increased thanks to cost reduction efforts.

In Asia and Oceania, sales of all weighing instruments increased in Australia, including metal detectors and checkweighers. Likewise, South Korea and India showed gradual recovery of economic activity and steady sales. In addition, the Taiwanese company which became a subsidiary in the previous 4th quarter (A&D SCIENTECH TAIWAN LIMITED) contributed to sales, with an increase in sales and profits year-on-year.

As a result, net sales in the measurement and weighing instrument business were ¥26,662 million (down 13.3% year-on-year), and operating profit was ¥1,693 million (down 33.5% year-on-year).

2) Medical and Healthcare Business

In Japan, the spread of COVID-19 caused a large increase in sales of healthcare instruments, especially contactless thermometers. Medical instruments like clinical-use weighing instruments showed gradual recovery leading to strong sales, accompanied by a large increase in sales and profits.

In the Americas, shipments for a large-scale project continued in the US, and increased demand for telemedicine services lead to an increase in sales of blood pressure monitors and body weight scales with transmission modules. In Canada, household-use blood pressure monitors showed excellent sales through major retailers, with an increase in sales and profits.

In Europe, extension of the UK lockdown and the popularity of online shopping contributed to an increase in sales. In Russia, blood pressure monitors and thermometers were popular and showed an increase in local currency sales, but depreciation of the ruble showed a decrease in sales in yen. However, profits increased thanks to cost reduction efforts.

As a result, net sales in the medical and healthcare business were ¥21,762 million (up 17.9% year-on-year), and operating profit was ¥4,608 million (up 116.4% year-on-year).

(2) Overview of Financial Position for the Period Under Review

Total assets as of March 31, 2021 were ¥54,119 million, an increase of ¥4,816 million compared to the end of the previous fiscal year. This is due to an increase of ¥3,758 million in current assets centered on cash and deposits, and an increase of ¥1,058 million in fixed assets, mainly land and construction in progress.

Total liabilities as of March 31, 2021 were ¥30,731 million, an increase of ¥4 million compared to the end of the previous fiscal year. This was primarily attributable to an increase of ¥718 million in current liabilities due to corporate taxes payable and short-term borrowings. However, fixed liabilities decrease by ¥713 million due to a decrease in long-term borrowings and other factors.

Net assets as of March 31, 2021 were ¥23,387 million, an increase of ¥4,811 million compared to the end of the previous fiscal year. This was primarily attributable to an increase of ¥1,252 million in non-controlling interests as capital investment in HOLON Co., Ltd., and an increase of ¥2,891 million in shareholders' equity due to profit attributable to parent company shareholders.

(3) Overview of Cash Flows for the Period Under Review

Cash and cash equivalents (“funding”) as of March 31, 2021 amounted to ¥12,129 million (up 33.2% year-on-year), resulting from ¥5,194 million cash flow provided by operating activities, ¥(2,222) million used in investing activities, ¥(257) million used in financing activities, and ¥308 million resulting from effects of exchange rate changes on cash and cash equivalents.

Overview of Cash Flows as of March 31, 2021 and the factors are as follows.

1) Cash flows from operating activities

Funding provided by operating activities amounted to ¥5,194 million (up 20.5% year-on-year.) This is mainly attributable to corporate taxes paid of ¥1,089 million, while profit before taxes and depreciation amounted to ¥4,536 million and ¥1,615 million, respectively.

2) Cash flows from investing activities

Funding used for investing activities amounted to ¥2,222 million (up 101.9% year-on-year). This is mainly attributable to payment of ¥1,645 million to purchase tangible fixed assets, and payment of ¥507 million to purchase intangible fixed assets.

3) Cash flows from financing activities

Funding used for financing activities amounted to ¥257 million (down 80.3% year-on-year). This is mainly attributable to ¥2,811 million proceeds from long-term borrowings and ¥1,021 million proceeds from share issuance to non-controlling shareholders, while ¥3,448 was used for repayment of long-term borrowings.

(Reference) Cash flow indicators by year

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Equity-to-asset ratio (%)	32.4	33.6	33.6	34.9	38.4
Equity-to-asset ratio based on market value (%)	20.4	28.7	30.7	26.8	47.4
Ratio of cash flow to interest- bearing liabilities (years)	8.7	4.7	8.8	4.4	3.7
Interest coverage ratio (times)	13.3	21.7	9.6	18.5	30.8

Equity-to-asset ratio: Equity capital / Total assets

Equity-to-asset ratio based on market value: Total market value of shares / Total assets

Ratio of cash flow to interest-bearing liabilities: Interest-bearing liabilities / Cash flow

Interest coverage ratio: Cash flow / Interest paid

(Note 1) Indicators were calculated using consolidated financial figures.

(Note 2) Total market value of shares was calculated based on total number of issued shares excluding treasury shares.

(Note 3) Cash flow is operating cash flow.

(Note 4) Interest-bearing liabilities include all liabilities recorded on the Consolidated Balance Sheets for which interest is paid. In addition, interest paid is the amount of paid interest shown in the Consolidated Statement of Cash Flows.

(4) Future Outlook

Regarding the future outlook, financial growth is anticipated worldwide as vaccination for COVID-19 becomes widespread and countries implement large-scale economic measures. However, the spread of variant viruses with a higher infection rate and ongoing trade friction between the US and China make it difficult to see which direction the economy will take.

Amid such circumstances, the Group will perceive changes in social values and production structure as opportunities, and aim to strengthen its management qualities. The Group will strive to maintain and improve business performance by strengthening profitability through improvement of business practices, promoting aggressive investment in new segments and growth segments, and making efforts to implement cost reduction and efficient selling, general, and management costs.

1) Measurement and Weighing Instruments Business

Regarding DSP systems, the Group aims to improve operation efficiency by strengthening cooperation with subsidiaries and reevaluate business structure to address new fields like CASE (Connected, Autonomous, Shared, Electric) in the automotive sector. In addition, the Group will reach beyond in-house development and promote joint development with outside companies to actively respond to new markets and new technologies.

Regarding weighing instruments, the Group will promote product development to address changing market demands while responding to increasingly stricter standards in each country and working to expand market share.

Regarding business related to electron beams, when the subsidiary HOLON Co., Ltd. will move to its new office (scheduled for completion in July 2021), it will be an opportunity for collaboration to further advance development of next-generation equipment and new products, while expanding business performance by cultivating more customers in the booming

semiconductor industry.

2) Medical and Healthcare Business

Regarding medical instruments, sales regions will be expanded for products that were previously limited including fully automatic blood pressure monitors, 24-hour wearable blood pressure monitors, and clinical-use body weight scales, while addressing stronger medical instrument regulations in each country.

Regarding healthcare instruments, product lineups and applications for telemedicine and remote diagnosis needs driven by the COVID-19 pandemic will be expanded, while deepening cooperation with business partners and working to expand market share.

However, business performance forecasts suggest that profits will be suppressed due to anticipated rises in material costs for semiconductors and other products. Amid such circumstances, the consolidated future outlook for the next period is estimated to be ¥50,000 million in net sales, ¥4,200 million in operating profits, ¥4,020 million in ordinary profits, and ¥2,552 million profit attributable to parent company shareholders.

Please note that these outlooks assume an exchange rate of USD 1 = JPY 105 and RUB 1 = JPY 1.4.

2. Basic Stance Concerning Choice of Accounting Standards

Regarding the timing of application of International Financial Reporting Standards (IFRS), the Group continues discussions in consideration of various situations.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Unit: Million yen)

	Previous Consolidated Fiscal Year (March 31, 2020)	Consolidated Fiscal Year Under Review (March 31, 2021)
Assets		
Current assets		
Cash and deposits	9,756	13,118
Bills and accounts receivable	13,719	13,108
Marketable securities	280	-
Products	6,081	6,583
Unfinished goods	2,643	2,259
Raw materials and supplies	3,109	3,606
Other	759	1,453
Allowance for doubtful accounts	(81)	(100)
Total current assets	36,269	40,028
Fixed assets		
Tangible fixed assets		
Buildings and structures	8,336	8,401
Accumulated depreciation	(5,378)	(5,609)
Buildings and structures (net)	2,958	2,792
Machinery, equipment, and vehicles	2,081	2,205
Accumulated depreciation	(1,776)	(1,884)
Machinery, equipment, and vehicles (net)	305	320
Tools, furniture, and fixtures	7,012	7,077
Accumulated depreciation	(6,196)	(6,465)
Tools, furniture, and fixtures (net)	815	612
Land	4,476	5,104
Leased assets	477	526
Accumulated depreciation	(229)	(248)
Leased assets (net)	247	277
Right-of-use assets	600	678
Accumulated depreciation	(156)	(323)
Right-of-use assets (net)	444	354
Construction in progress	126	723
Total tangible fixed assets	9,374	10,185
Intangible fixed assets		
Goodwill	316	210
Trademark rights	69	25
Software	1,394	1,322
Leased assets	0	-
Other	87	80
Total intangible fixed assets	1,869	1,638
Investments, etc.		
Investment securities	114	164
Retirement benefit assets	-	78
Deferred tax assets	1,052	1,440
Other	644	585
Allowance for doubtful accounts	(21)	(2)
Total investments, etc.	1,789	2,267
Total fixed assets	13,033	14,091
Total assets	49,302	54,119

(Unit: Million yen)

	Previous Consolidated Fiscal Year (March 31, 2020)	Consolidated Fiscal Year Under Review (March 31, 2021)
Liabilities		
Current liabilities		
Bills and accounts payable	4,513	4,290
Short-term borrowings	11,136	11,374
Long-term borrowings to be repaid within one year	2,869	2,867
Lease obligations	274	295
Accrued corporate taxes, etc.	542	850
Provision for bonuses	1,084	1,211
Provision for product warranties	177	178
Other	3,271	3,520
Total current liabilities	23,869	24,588
Fixed liabilities		
Corporate bonds	500	500
Long-term borrowings	4,415	3,825
Lease obligations	440	366
Provision for product warranties	58	62
Retirement benefit liabilities	1,021	954
Provision for directors' share benefits	60	79
Asset retirement obligations	29	29
Other	332	325
Total fixed liabilities	6,857	6,143
Total liabilities	30,726	30,731
Net assets		
Shareholders' equity		
Share capital	6,388	6,388
Share capital surplus	6,442	6,413
Retained earnings	8,586	11,506
Treasury shares	(1,056)	(1,056)
Total shareholders' equity	20,361	23,252
Accumulated other comprehensive income		
Unrealized gains on other marketable securities	14	28
Foreign currency translation adjustments	(3,529)	(2,907)
Accumulated adjustment on retirement benefits	357	399
Total accumulated other comprehensive income	(3,157)	(2,479)
Share acquisition rights	10	-
Non-controlling interests	1,362	2,614
Total net assets	18,576	23,387
Total liabilities and net assets	49,302	54,119

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Unit: Million yen)

	Previous Consolidated Fiscal Year (From April 1, 2019 To March 31, 2020)	Consolidated Fiscal Year Under Review (From April 1, 2020 To March 31, 2021)
Net sales	49,197	48,424
Cost of sales	27,411	26,787
Gross profit	21,786	21,636
Selling, general, and management expenses	18,085	17,232
Operating profit	3,700	4,404
Non-operating income		
Interest income	50	59
Dividend income	19	13
Investment gain on equity method	5	-
Foreign exchange gains	-	89
Insurance income	9	-
Rental income from land and buildings	33	39
Subsidy income	22	151
Other	82	94
Total non-operating income	224	447
Non-operating expenses		
Interest expenses	227	165
Sales discounts	17	20
Foreign exchange losses	150	-
Other	97	101
Total non-operating expenses	493	287
Ordinary profit	3,432	4,564
Extraordinary income		
Gain on step acquisitions	14	-
Gain on sales of fixed assets	1	2
Total extraordinary income	15	2
Extraordinary loss		
Loss on sales of fixed assets	0	1
Loss on retirement of fixed assets	21	2
Impairment losses	-	25
Loss on valuation of investment securities	2	-
Total extraordinary loss	24	29
Profit before taxes	3,423	4,536
Corporate tax, resident income tax, and business taxes	930	1,338
Corporate tax adjustments	417	(386)
Total corporate taxes	1,347	952
Profit	2,075	3,584
Profit attributable to non-controlling shareholders' equity	499	245
Profit attributable to parent company shareholders	1,576	3,339

Consolidated Statements of Comprehensive Income

(Unit: Million yen)

	Previous Consolidated Fiscal Year (From April 1, 2019 To March 31, 2020)	Consolidated Fiscal Year Under Review (From April 1, 2020 To March 31, 2021)
Profit	2,075	3,584
Other comprehensive income		
Unrealized gains on other marketable securities	(7)	13
Foreign currency translation adjustments	(1,014)	626
Adjustments related to retirement benefits	(207)	41
Equity equivalent for equity method affiliates	0	-
Total other comprehensive income	(1,228)	682
Comprehensive income	847	4,267
(Breakdown)		
Comprehensive income attributable to parent company shareholders	358	4,017
Comprehensive income attributable to non-controlling shareholders' equity	489	249

(3) Consolidated Statements of Changes in Net Assets

For the previous fiscal year (from April 1, 2019 to March 31, 2020)

(Unit: Million yen)

	Shareholders' equity				
	Share capital	Share capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period under review	6,388	6,412	7,406	(1,136)	19,070
Cumulative effects of changes in accounting policies			19		19
Balance at beginning of period reflecting changes in accounting policies	6,388	6,412	7,426	(1,136)	19,090
Changes during period					
Dividends of surplus			(416)		(416)
Profit attributable to parent company shareholders			1,576		1,576
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		47		80	128
Changes in interests of parent due to transactions with non-controlling interests		(17)			(17)
Capital increase of consolidated subsidiaries					-
Net changes in items other than shareholders' equity					
Total changes during period	-	30	1,159	80	1,270
Balance at end of period under review	6,388	6,442	8,586	(1,056)	20,361

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Unrealized gains on other marketable securities	Foreign currency translation adjustments	Accumulated adjustment on retirement benefits	Total accumulated other comprehensive income			
Balance at beginning of period under review	21	(2,526)	564	(1,939)	11	948	18,090
Cumulative effects of changes in accounting policies							19
Balance at beginning of period reflecting changes in accounting policies	21	(2,526)	564	(1,939)	11	948	18,110
Changes during period							
Dividends of surplus							(416)
Profit attributable to parent company shareholders							1,576
Purchase of treasury shares							(0)
Disposal of treasury shares					(0)		127
Changes in interests of parent due to transactions with non-controlling interests		3		3		(31)	(44)
Capital increase of							-

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Unrealized gains on other marketable securities	Foreign currency translation adjustments	Accumulated adjustment on retirement benefits	Total accumulated other comprehensive income			
consolidated subsidiaries							
Net changes in items other than shareholders' equity	(7)	(1,007)	(207)	(1,221)	-	444	(777)
Total changes during period	(7)	(1,003)	(207)	(1,218)	(0)	413	465
Balance at end of period under review	14	(3,529)	357	(3,157)	10	1,362	18,576

For the fiscal year under review (from April 1, 2020 to March 31, 2021)

(Unit: Million yen)

	Shareholders' equity				
	Share capital	Share capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period under review	6,388	6,442	8,586	(1,056)	20,361
Cumulative effects of changes in accounting policies					-
Balance at beginning of period reflecting changes in accounting policies	6,388	6,442	8,586	(1,056)	20,361
Changes during period					
Dividends of surplus			(419)		(419)
Profit attributable to parent company shareholders			3,339		3,339
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares					-
Changes in interests of parent due to transactions with non-controlling interests					-
Capital increase of consolidated subsidiaries		(28)			(28)
Net changes in items other than shareholders' equity					
Total changes during period	-	(28)	2,919	(0)	2,891
Balance at end of period under review	6,388	6,413	11,506	(1,056)	23,252

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Unrealized gains on other marketable securities	Foreign currency translation adjustments	Accumulated adjustment on retirement benefits	Total accumulated other comprehensive income			
Balance at beginning of period under review	14	(3,529)	357	(3,157)	10	1,362	18,576
Cumulative effects of changes in accounting policies							-
Balance at beginning of period reflecting changes in accounting policies	14	(3,529)	357	(3,157)	10	1,362	18,576
Changes during period							
Dividends of surplus							(419)
Profit attributable to parent company shareholders							3,339
Purchase of treasury shares							(0)
Disposal of treasury shares							-
Changes in interests of parent due to transactions with non-controlling interests							-
Capital increase of consolidated subsidiaries						1,050	1,021

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Unrealized gains on other marketable securities	Foreign currency translation adjustments	Accumulated adjustment on retirement benefits	Total accumulated other comprehensive income			
Net changes in items other than shareholders' equity	13	622	41	678	(10)	202	870
Total changes during period	13	622	41	678	(10)	1,252	4,811
Balance at end of period under review	28	(2,907)	399	(2,479)	-	2,614	23,387

(4) Consolidated Statements of Cash Flows

(Unit: Million yen)

	Previous Consolidated Fiscal Year (From April 1, 2019 To March 31, 2020)	Consolidated Fiscal Year Under Review (From April 1, 2020 To March 31, 2021)
Cash flows from operating activities		
Profit before taxes	3,423	4,536
Depreciation	1,804	1,615
Impairment losses	-	25
Amortization of goodwill	135	108
Amortization of trademark rights	56	48
Gain on step acquisitions	(14)	-
Increase (decrease) in allowance for doubtful accounts	(94)	(6)
Interest and dividend income	(69)	(72)
Interest expenses	227	165
Commission for syndicated loans	30	-
Insurance income	(9)	-
Subsidy income	(22)	(151)
Loss (gain) on sales of fixed assets	(0)	(1)
Loss on retirement of fixed assets	21	2
Decrease (increase) in trade receivables	496	991
Decrease (increase) in inventories	808	(90)
Increase (decrease) in trade payables	(507)	(564)
Increase (decrease) in provision for bonuses	(52)	127
Increase (decrease) in provision for product warranties	33	(0)
Increase (decrease) in retirement benefit liabilities	(176)	(58)
Decrease (increase) in retirement benefit assets	-	(78)
Increase (decrease) in provision for share-based remuneration for directors (and other officers)	18	19
Other	(635)	(390)
Subtotal	5,473	6,227
Interest and dividends received	81	73
Interest expenses paid	(232)	(168)
Proceeds from insurance income	10	-
Subsidies received	22	151
Corporate taxes paid	(1,046)	(1,089)
Cash flows from operating activities	4,309	5,194
Cash flows from investing activities		
Payments into time deposits	(605)	(584)
Proceeds from withdrawal of time deposits	560	551
Purchase of properties, plants, and equipment	(619)	(1,645)
Proceeds from sales of properties, plants, and equipment	6	5
Purchase of intangible fixed assets	(461)	(507)
Purchase of investment securities	(2)	(26)
Proceeds from collection of loans receivable	3	4
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	12	-
Other	4	(21)
Cash flows from investing activities	(1,100)	(2,222)

(Unit: Million yen)

	Previous Consolidated Fiscal Year (From April 1, 2019 to March 31, 2020)	Consolidated Fiscal Year Under Review (From April 1, 2020 to March 31, 2021)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowing	(668)	3
Proceeds from long-term borrowings	3,730	2,811
Repayments of long-term borrowings	(3,600)	(3,448)
Commission for syndicated loans paid	(30)	-
Proceeds from redemption of bonds	(10)	(5)
Repayments of lease obligations	(334)	(315)
Proceeds from sale and leaseback transactions	71	152
Purchase of treasury shares	(0)	(0)
Proceeds from sales of treasury shares	127	-
Purchase of treasury share acquisition rights	-	(10)
Dividends paid	(416)	(418)
Proceeds from share issuance to non-controlling shareholders	-	1,021
Dividends paid to non-controlling shareholders	(45)	(49)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(131)	-
Cash flows from financing activities	(1,308)	(257)
Effect of exchange rate change on cash and cash equivalents	(321)	308
Increase (decrease) in cash and cash equivalents	1,578	3,023
Restated balance of cash and cash equivalents at beginning of period	7,527	9,105
Restated balance of cash and cash equivalents at end of period	9,105	12,129

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Segment information)

1. Summary of reportable segments

Reportable segments of the Group are components of the Group about which separate financial statements are available, which are evaluated regularly at Board of Directors meetings to guide decisions in how to allocate the management resources and in assessing performance. The Group manufactures and distributes measurement and weighing instruments as well as medical and healthcare instruments. In Japan, the Company and its subsidiaries are in charge. Outside Japan, overseas subsidiaries in the Americas (the US and Canada), Europe (the UK, Germany, and Russia), Asia and Oceania (China, South Korea, India, Australia, etc.) are in charge of each region. Each of the overseas subsidiaries is an independent management unit which guides each region's comprehensive strategies for the products handled and develops its business activities.

Accordingly, the Group consists of regional segments on a basis of production and sales of the products handled ("measurement and weighing instruments" and "medical and healthcare instruments"). These two product lines are sorted into reportable segments of "Japan", "the Americas", "Europe", and "Asia and Oceania". The main products under each product line are as below.

Product line	Main products
Measurement and Weighing Instruments Business	Measurement and control simulation systems, noise and vibration comparators, A/D and D/A converters, electron guns, testing equipment, electronic balances, weight scales, bench scales, commercial scales, counting scales, weighing systems, indicators, load cells, checkweighers, metal detectors, industrial measurement instruments, hydraulic testing equipment, emission measurement instruments, etc.
Medical and Healthcare Business	Digital blood pressure monitors for household use, blood pressure monitoring systems, fully automatic blood pressure monitors, precision health scales, ultrasonic nebulizers, etc.

2. Method of measurement for the amounts of net sales, profit (loss), assets and other items for each reportable segment

The accounting method used for reporting segments is generally the same as stated in "Notes - Significant accounting policies for preparation of consolidated financial statements".

Reporting segment profit (loss) figures are based on operating profits and losses.

Inter-segment sales and transfers are based on market prices.

3. Information on net sales, profit (loss), assets and other items by reportable segment
For the previous fiscal year (from April 1, 2019 to March 31, 2020)

(Unit: Million yen)

	Measurement and Weighing Instruments Business				
	Japan	Americas	Europe	Asia and Oceania	Total
Net sales					
Net sales to outside customers	23,344	3,554	852	2,991	30,742
Inter-segment net sales and transfers	2,242	194	55	2,392	4,884
Total	25,586	3,748	908	5,383	35,626
Segment profit (loss)	2,238	147	(30)	190	2,545
Segment assets	35,483	2,412	852	4,305	43,053
Other items					
Depreciation	1,121	55	18	88	1,283
Amortization of goodwill	98	20	-	1	120
Impairment losses	-	-	-	-	-
Increases in tangible and intangible fixed assets	764	36	9	117	927

	Medical and Healthcare Business					Adjustments (Note 1)	Consolidation (Note 2)
	Japan	Americas	Europe	Asia and Oceania	Total		
Net sales							
Net sales to outside customers	4,252	6,371	7,485	346	18,455	-	49,197
Inter-segment net sales and transfers	7,660	21	20	5,434	13,137	(18,022)	-
Total	11,912	6,392	7,506	5,780	31,592	(18,022)	49,197
Segment profit (loss)	1,451	63	433	181	2,129	(974)	3,700
Segment assets	5,861	2,895	3,946	3,103	15,807	(9,558)	49,302
Other items							
Depreciation	215	32	118	159	525	51	1,860
Amortization of goodwill	-	15	-	-	15	-	135
Impairment losses	-	-	-	-	-	-	-
Increases in tangible and intangible fixed assets	191	50	88	404	734	56	1,719

(Notes) 1. (1) The adjustment of ¥(974) million in segment profit/loss includes corporate expenses of ¥(1,558) million not allocated to reportable segments. Corporate expenses are primarily general and administrative expenses for management departments.

(2) The adjustment of ¥(9,558) million in segment assets includes eliminations of inter-segment transactions of ¥(13,469) million and corporate assets of ¥3,911 million not allocated to reportable segments.

(3) The adjustment of ¥56 million in increases in tangible and intangible fixed assets is primarily capital expenditures for main systems.

(4) Depreciation and increases in tangible and intangible fixed assets include amortization of long-term prepaid expenses and increases in these expenses.

2. Segment profit (loss) is adjusted with operating profit on the Consolidated Statements of Income.

For the fiscal year under review (from April 1, 2020 to March 31, 2021)

(Unit: Million yen)

	Measurement and Weighing Instruments Business				
	Japan	Americas	Europe	Asia and Oceania	Total
Net sales					
Net sales to outside customers	19,326	3,198	802	3,333	26,662
Inter-segment net sales and transfers	2,511	151	41	2,307	5,012
Total	21,838	3,349	844	5,641	31,674
Segment profit (loss)	1,268	201	25	197	1,693
Segment assets	36,408	2,300	809	5,052	44,570
Other items					
Depreciation	987	41	20	78	1,126
Amortization of goodwill	82	6	-	7	96
Impairment losses	25	-	-	-	25
Increases in tangible and intangible fixed assets	1,959	6	16	67	2,049

	Medical and Healthcare Business					Adjustments (Note 1)	Consolidation (Note 2)
	Japan	Americas	Europe	Asia and Oceania	Total		
Net sales							
Net sales to outside customers	6,445	7,586	7,350	379	21,762	-	48,424
Inter-segment net sales and transfers	9,338	3	5	6,893	16,239	(21,251)	-
Total	15,783	7,589	7,355	7,272	38,001	(21,251)	48,424
Segment profit (loss)	3,011	346	943	306	4,608	(1,897)	4,404
Segment assets	7,365	3,188	5,090	3,569	19,214	(9,665)	54,119
Other items							
Depreciation	174	30	118	166	489	47	1,663
Amortization of goodwill	-	12	-	-	12	-	108
Impairment losses	-	-	-	-	-	-	25
Increases in tangible and intangible fixed assets	149	6	41	53	250	65	2,365

(Notes) 1. (1) The adjustment of ¥(1,897) million in segment profit/loss includes corporate expenses of ¥(1,625) million not allocated to reportable segments. Corporate expenses are primarily general and administrative expenses for management departments.

(2) The adjustment of ¥(9,665) million in segment assets includes eliminations of inter-segment transactions of ¥(14,216) million and corporate assets of ¥4,550 million not allocated to reportable segments.

(3) The adjustment of ¥65 million in increases in tangible and intangible fixed assets is primarily capital expenditures for main systems.

(4) Depreciation and increases in tangible and intangible fixed assets include amortization of long-term prepaid expenses and increases in these expenses.

2. Segment profit (loss) is adjusted with operating profit on the Consolidated Statements of Income.

(Per share information)

	Previous Consolidated Fiscal Year (From April 1, 2019 to March 31, 2020)	Consolidated Fiscal Year Under Review (From April 1, 2020 to March 31, 2021)
Net assets per share	¥833.97	¥1,007.01
Basic earnings per share	¥76.88	¥161.87
Diluted earnings per share	¥73.53	¥161.50

(Notes) 1. The basis for the calculation of net assets per share is as follows.

	End of Previous Consolidated Fiscal Year (March 31, 2020)	End of Consolidated Fiscal Year Under Review (March 31, 2021)
Total net assets	¥18,576 million	¥23,387 million
Amounts deducted from total net assets	¥1,372 million	¥2,614 million
(Of which, share acquisition rights)	(¥10 million)	(¥- million)
(Of which, non-controlling interests)	(¥1,362 million)	(¥2,614 million)
Net assets at end of period relating to ordinary shares	¥17,203 million	¥20,772 million
Number of ordinary shares at end of period used to calculate net assets per share	20,628 thousand	20,628 thousand

2. The basis for the calculation of basic earnings per share and diluted earnings per share is as follows.

	Previous Consolidated Fiscal Year (From April 1, 2019 to March 31, 2020)	Consolidated Fiscal Year Under Review (From April 1, 2020 to March 31, 2021)
Basic earnings per share		
Profit attributable to parent company shareholders	¥1,576 million	¥3,339 million
Amounts not attributable to ordinary shareholders	¥- million	¥- million
Profit attributable to parent company shareholders relating to ordinary shares	¥1,576 million	¥3,339 million
Average number of shares during the period	20,504 thousand	20,628 thousand
Diluted earnings per share		
Adjusted profit attributable to parent company shareholders	¥- million	¥- million
Increase in number of ordinary shares	934 thousand	47 thousand
(Of which, share acquisition rights)	(934 thousand)	(47 thousand)
Overview of potential shares not included in calculation of diluted earnings per share due to lack of dilutive effect	-----	-----

3. The Company's own stock held in the Trust, which is included in "treasury shares" under shareholders' equity, is deducted from average number of shares of common stock when calculating basic earnings per share. It is also deducted from total number of issued shares at the end of the period when calculating net assets per share.

In the calculation of basic earnings per share, average number of the deducted treasury shares during the period is 335 thousand shares for both the previous consolidated fiscal year and the consolidated fiscal year under review. In the calculation of net assets per share, the number of deducted treasury shares at the end of the period is 335 thousand shares for both the previous consolidated fiscal year and the consolidated fiscal year under review.

(Significant events after reporting period)

Not applicable.

4. Other

Changes in Officers and Directors

(1) Changes in Representatives

Not applicable.

(2) Changes in other officers

Once the content of the disclosure is determined, it will be disclosed separately.