



Consolidated Financial Results for the Three Months Ended June 30, 2021 [Japanese GAAP]

August 5, 2021

Company Name A&D Company, Limited. Stock exchange listing Tokyo Stock Exchange
 Code Number 7745 URL <https://www.aandd.co.jp/>
 Representative (Position) President & CEO (Name) Yasunobu Morishima
 Contact (Position) Managing Executive Officer in charge of Business Management HQ (Name) Sadao Ito (Phone) +81-48-593-1111

Scheduled date of filing quarterly report August 6, 2021 Scheduled date of commencing dividend payments -

Availability of supplementary briefing material on quarterly financial results: Yes

Holding of quarterly financial results briefing session : No

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2021 (April 1, 2021 to June 30, 2021)

(1) Consolidated Operating Results (cumulative total)(% indicates changes from the corresponding quarter of previous year)

	Net sales		Operating profit		Ordinary profit		Quarterly profit attributable to parent company shareholders	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three Months Ended June 30, 2021	11,541	17.8	847	292.3	956	244.9	570	584.0
June 30, 2020	9,798	(8.3)	216	173.4	277	-	83	-

Note: Comprehensive income Three Months Ended June 30, 2021 837 million [42.8%] June 30, 2020 586 million [-%]

	Basic quarterly earnings per share	Diluted quarterly earnings per share
	Yen	Yen
Three Months Ended June 30, 2021	27.64	27.58
June 30, 2020	4.04	3.96

(2) Consolidated Financial Position

	Total assets	Net assets	Equity to asset ratio
	Million yen	Million yen	%
Three Months Ended June 30, 2021	53,875	23,617	38.9
June 30, 2020	54,119	23,387	38.4

Reference: Equity Three Months Ended June 30, 2021 20,977million June 30, 2020 20,772 million

Note: The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. has been applied from the beginning of the current quarterly consolidated accounting period (Q1), and the figures for the first quarter of the fiscal year ending March 31, 2022 are the figures after the application of the said accounting standard.

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	-	10.00	-	15.00	25.00
Fiscal year ending March 31, 2022	-				
Fiscal year ending March 31, 2022 (forecast)		10.00	-	15.00	25.00

Note: Presence of revisions since the latest publicized dividends forecast: No

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 year	50,000	3.3	4,200	(4.6)	4,020	(11.9)	2,552	(23.6)	123.71

Note: Presence of revisions since the latest publicized dividends forecast: No

* NOTES

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

(Changes in specified subsidiaries resulting in changes in the scope of consolidation)

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

(2) Application of special accounting methods for the preparation of quarterly consolidated financial statements: Yes

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

1) Changes in accounting policies due to the revision of accounting standards :Yes

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

3) Changes in accounting estimates :No

4) Retrospective restatement :No

Note: For details, please refer to "2. Quarterly Consolidated Financial Statements and Primary Notes (3) Notes to Quarterly Consolidated Financial Statements (Changes in Accounting Policies)" on page 8 of the attached materials.

(4) Total number of issued shares (common stock)

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

June 30, 2021	22,579,700 shares	March 31, 2021	22,579,700 shares
June 30, 2021	1,951,470 shares	March 31, 2021	1,951,470 shares
Three months ended June 30, 2021	20,628,230 shares	Three months ended June 30, 2020	20,628,340 shares

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

3) Average number of shares during the period (quarterly total)

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. (Trust E Account), and are considered to be trust properties of the board benefit trust system.

*These consolidated quarterly financial results are outside the scope of quarterly review 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, and are not intended as a promise by the Company that they will be achieved. Actual business results may differ significantly due to various factors.

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1. Qualitative Information on Quarterly Results

(1) Explanation of Operating Results

During consolidated cumulative first quarter under review, although a third emergency declaration was issued in April 2021, vaccination against the novel coronavirus started, and corporate and economic activities gradually picked up, with some positive signs such as a movement in capital investment in the manufacturing industry. In the global economy, the normalization of the Chinese economy is progressing, and in the U.S. vaccinations are progressing, employment is recovering, and personal consumption is picking up. However, in other regions the outlook remains uncertain due to the increase in infections caused by novel coronavirus variants in India and some other regions.

Under these circumstances, the Group focused on developing new customers and markets while taking measures to prevent the spread of infectious diseases, while continuing to promote cost reduction measures for our products. In addition, we have sought to differentiate ourselves from our competitors by responding to the diverse and changing needs of clients and society through ongoing, active investment. With regard to the Group's related businesses, demand in the measurement and weighing instruments business is on course for recovery, and there is firm demand in the medical and healthcare business, resulting in strong overall performance.

As a result, net sales for consolidated cumulative first quarter under review were ¥11,541 million (up 17.8% year-on-year), operating profit was ¥847 million (up 292.3% year-on-year), ordinary profit was ¥956 million (up 244.9% year-on-year), and profit attributable to parent company shareholders was ¥570 million (up 584.0% year-on-year).

The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. has been applied from the beginning of the current quarterly consolidated accounting period (Q1). For details on the impact of the application of this accounting standard on the Company's financial position and operating results, please refer to "2. Quarterly Consolidated Financial Statements and Primary Notes (3) Notes to Quarterly Consolidated Financial Statements (Changes in Accounting Policies) and (Segment Information, etc.), Segment Information 2. Items related to changes in reportable segments."

Business results by segment are as follows.

1) Measurement and Weighing Instruments Business

In Japan, both sales and profits increased due to the recovery in demand for weighing instruments.

In the Americas, both sales and profits increased significantly due to a recovery in demand for mainstay weighing instruments, an expansion in sales of metal detectors and checkweighers, and progress in the production of measurement, control, and simulation systems (DSP systems), for which orders began to recover during the second half of the previous fiscal year.

In Asia and Oceania, sales of weighing instruments increased significantly in South Korea. Sales of metal detectors, checkweighers, and other weighing instruments in general increased in Australia, and sales in India remained steady because the impact of lockdowns was not severer than that the previous consolidated cumulative first quarter. Demand in other products and regions also showed signs of recovery, resulting in an increase in both sales and profits.

As a result, net sales in the measurement and weighing instruments business were ¥6,615 million (up 16.0% year-on-year), and operating profit was ¥421 million (up 116.8% year-on-year).

2) Medical and Healthcare Business

In Japan, demand for home blood pressure monitors remained strong, and a recovery in capital investment by hospitals and nursing care facilities led to a large increase in sales and profits, as products for medical use, especially clinical-use weighing instruments, grew significantly.

In the Americas, while sales were strong due to the continuation of large projects in the U.S. and a recovery in demand for products for the Department of Veterans Affairs, profits declined due to an increase in air freight costs caused by a shortage of containers bound for the U.S. and an increase in expenses as economic and business activities recovered.

In Europe, sales increased significantly due to the recovery of demand for both healthcare and medical instruments in Russia, but as in the United States, profits decreased due to an increase in expenses caused by the recovery of economic and business activities.

As a result, net sales in the medical and healthcare business were ¥4,925 million (up 20.3% year-on-year), and operating profit was ¥720 million (down 0.2% year-on-year).

(2) Explanation of Financial Position

(Status of assets, liabilities and net assets)

Total assets at the end of the current quarterly consolidated accounting period (Q1) were ¥53,875 million, a decrease of ¥243 million compared to the end of the previous fiscal year. This was primarily attributable to a decrease of ¥884 million in current

assets resulting from a decrease bills and accounts receivable, and an increase of ¥640 million in fixed assets resulting from the construction of a new building for consolidated subsidiary Holon Co., Ltd.

Total liabilities at the end of the current quarterly consolidated accounting period (Q1) were ¥30,257 million, a decrease of ¥474 million compared to the end of the previous fiscal year. This was primarily attributable to a decrease of ¥92 million in current liabilities due to a decrease in provision for bonuses and corporate taxes payable, as well as a decrease in fixed liabilities of ¥381 million due to a decrease in long-term borrowings.

Net assets at the end of the current quarterly consolidated accounting period were ¥23,617 million, an increase of ¥230 million compared to the end of the previous fiscal year. This was primarily attributable to an increase of ¥137 million in accumulated other comprehensive income due to changes in foreign currency translation adjustments.

(3) Explanation Regarding the Consolidated Financial Results Forecast and Other Future Information

There are no changes from the consolidated financial results forecast announced on May 11, 2021.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Unit: Million yen)

	Previous Consolidated Fiscal Year (March 31, 2021)	Current quarterly consolidated accounting period (Q1) (June 30, 2021)
Assets		
Current assets		
Cash and deposits	13,118	12,815
Bills and accounts receivable	13,108	-
Bills/accounts receivable and contract assets	-	11,486
Products	6,583	6,992
Unfinished goods	2,259	2,949
Raw materials and supplies	3,606	3,970
Other	1,453	1,025
Allowance for doubtful accounts	(100)	(95)
Total current assets	40,028	39,144
Fixed assets		
Tangible fixed assets		
Land	5,104	5,103
Other (net)	5,081	5,657
Total tangible fixed assets	10,185	10,760
Intangible fixed assets		
Goodwill	210	189
Other	1,427	1,373
Total intangible fixed assets	1,638	1,562
Investments, etc.	2,267	2,408
Total fixed assets	14,091	14,731
Total assets	54,119	53,875
Liabilities		
Current liabilities		
Bills and accounts payable	4,290	4,819
Short-term borrowings	11,374	11,612
Long-term borrowings to be repaid within one year	2,867	2,803
Accrued corporate taxes, etc.	850	356
Provision for bonuses	1,211	740
Provision for product warranties	178	191
Other	3,815	3,972
Total current liabilities	24,588	24,495
Fixed liabilities		
Corporate bonds	500	500
Long-term borrowings	3,825	3,507
Provision for product warranties	62	73
Retirement benefit liabilities	954	952
Provision for directors' share benefits	79	70
Other	721	658
Total fixed liabilities	6,143	5,762
Total liabilities	30,731	30,257

(Unit: Million yen)

	Previous Consolidated Fiscal Year (March 31, 2021)	Current quarterly consolidated accounting period (Q1) (June 30, 2021)
Net assets		
Shareholders' equity		
Share capital	6,388	6,388
Share capital surplus	6,413	6,413
Retained earnings	11,506	11,573
Treasury shares	(1,056)	(1,056)
Total shareholders' equity	23,252	23,319
Accumulated other comprehensive income		
Unrealized gains on other marketable securities	28	28
Foreign currency translation adjustments	(2,907)	(2,745)
Accumulated adjustment on retirement benefits	399	375
Total accumulated other comprehensive income	(2,479)	(2,341)
Non-controlling interests	2,614	2,640
Total net assets	23,387	23,617
Total liabilities and net assets	54,119	53,875

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Consolidated cumulative first quarter

(Unit: Million yen)

	Previous consolidated cumulative first quarter (From April 1, 2020 to June 30, 2020)	Consolidated cumulative first quarter under review (From April 1, 2021 to June 30, 2021)
Net sales	9,798	11,541
Cost of sales	5,486	6,329
Gross profit	4,312	5,211
Selling, general and administrative expenses	4,096	4,364
Operating profit	216	847
Non-operating income		
Interest income	17	13
Foreign exchange gains	65	27
Subsidy income	27	116
Rental income from land and buildings	9	9
Other	12	27
Total non-operating income	133	195
Non-operating expenses		
Settlement money	-	44
Interest expenses	44	33
Other	27	7
Total non-operating expenses	71	85
Ordinary profit	277	956
Extraordinary income		
Gain on sales of fixed assets	0	1
Total extraordinary income	0	1
Extraordinary loss		
Loss on sales of fixed assets	-	0
Loss on retirement of fixed assets	0	0
Total extraordinary loss	0	0
Quarterly profit before taxes	277	957
Corporate tax, resident income tax, and business taxes	244	240
Corporate tax adjustments	(194)	17
Total corporate taxes	50	258
Quarterly profit	227	698
Quarterly profit attributable to non-controlling shareholders' equity	143	128
Quarterly profit attributable to parent company shareholders	83	570

Consolidated Quarterly Statements of Comprehensive Income

Consolidated cumulative first quarter

(Unit: Million yen)

	Previous consolidated cumulative first quarter (From April 1, 2020 to June 30, 2020)	Consolidated cumulative first quarter under review (From April 1, 2021 to June 30, 2021)
Quarterly profit	227	698
Other comprehensive income		
Unrealized gains on other marketable securities	5	0
Foreign currency translation adjustments	378	163
Adjustments related to retirement benefits	(24)	(24)
Total other comprehensive income	359	139
Quarterly comprehensive income	586	837
(Breakdown)		
Quarterly comprehensive income attributable to parent company shareholders	442	707
Quarterly comprehensive income attributable to non- controlling shareholders' equity	144	130

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in the event of significant changes in the amount of shareholders' equity)

Not applicable.

(Changes in accounting policies)

(Application of Accounting Standard for Revenue Recognition, etc.)

The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020, hereinafter referred to as the "Revenue Recognition Accounting Standard"), etc. has been applied from the beginning of the current quarterly consolidated accounting period (Q1), and the Company will recognize revenue at the amount it expects to receive in exchange for the promised goods or services when control of the goods or services is transferred to the customer. As a result of this change, although the Company previously applied the percentage-of-completion method for construction contracts for which the outcome was deemed certain, and the completed-contract method for other construction contracts, from the beginning of the current quarterly consolidated accounting period (Q1), the Company has changed to a method of recognizing revenue upon inspection. In addition, with respect to semiconductor-related equipment handled by the Company's domestic subsidiary Holon Co., Ltd., the Company has changed its method of recognizing revenue. For overseas sales in which the revenue was previously recorded at the time of shipment, the method has been changed to record the revenue at the time of shipment and acceptance inspection. For domestic sales in which the revenue was previously recorded at the time of acceptance inspection, the method has been changed to record the revenue at the time of delivery and acceptance inspection.

With respect to the application of the Revenue Recognition Accounting Standard, etc., the Company has followed the transitional measures prescribed in the proviso of paragraph 84 of the Revenue Recognition Accounting Standard, and the cumulative effect of retroactively applying the new accounting policy prior to the beginning of the current quarterly consolidated accounting period (Q1) has been added to or deducted from retained earnings at the beginning of the current consolidated accounting period, with the new accounting policy applied from the relevant beginning balance.

As a result, net sales and cost of sales for the consolidated cumulative first quarter under review increased by ¥18 million and ¥82 million, respectively. Selling, general and administrative expenses decreased by ¥28 million, and operating profit, ordinary profit, and quarterly profit before taxes each decreased by ¥35 million. In addition, the beginning balance of retained earnings and the beginning balance of non-controlling interests decreased by ¥188 million and ¥85 million, respectively.

Due to the application of the Revenue Recognition Accounting Standard, etc., bills and accounts receivable, which were presented as "current assets" in the consolidated balance sheet for the previous fiscal year, are now included in "bills/accounts receivable and contract assets" starting from the current quarterly consolidated accounting period (Q1). In accordance with the transitional measures prescribed in Paragraph 89-2 of the Revenue Recognition Accounting Standard, no reclassification has been made to the prior year's consolidated financial statements to conform to the new presentation.

(Application of Accounting Standards for Calculation of Fair Value, etc.)

The "Accounting Standard for Measurement of Fair Value" (ASBJ Statement No. 30, July 4, 2019; hereinafter referred to as the "Fair Value Measurement Accounting Standard"), etc. has been applied from the beginning of the current quarterly consolidated accounting period (Q1). In accordance with the transitional measures prescribed in Paragraph 19 of the Fair Value Measurement Accounting Standard, as well as Paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019), the Company will apply the new accounting policy established by the Fair Value Measurement Accounting Standard prospectively. There is no effect on the quarterly consolidated financial statements due to this change.

(Application of special accounting methods for the preparation of quarterly consolidated financial statements)

	Consolidated cumulative first quarter under review (from April 1, 2021 to June 30, 2021)
Calculation of tax expenses	Certain consolidated subsidiaries calculate tax expenses by making a reasonable estimate of the effective tax rate after applying tax effect accounting to profit before taxes for the consolidated fiscal year, including the current quarterly consolidated accounting period (Q1), and multiplying quarterly

	profit before taxes by the estimated effective tax rate.
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(Segment information, etc.)

[Segment information]

I Previous consolidated cumulative first quarter (from April 1, 2020 to June 30, 2020)

1. Information on net sales and profit/loss by reportable segment

(Unit: Million yen)

	Measurement and Weighing Instruments Business				
	Japan	Americas	Europe	Asia and Oceania	Total
Net sales					
Net sales to outside customers	4,347	499	147	711	5,704
Inter-segment net sales and transfers	603	15	6	555	1,180
Total	4,950	514	153	1,266	6,885
Segment profit (loss)	199	(35)	(4)	35	194

	Medical and Healthcare Business					Adjustments (Note 1)	Amount recorded in the quarterly consolidated statements of income (Note 2)
	Japan	Americas	Europe	Asia and Oceania	Total		
Net sales							
Net sales to outside customers	941	1,746	1,332	73	4,094	-	9,798
Inter-segment net sales and transfers	2,118	0	1	1,600	3,720	(4,901)	-
Total	3,060	1,747	1,334	1,673	7,814	(4,901)	9,798
Segment profit (loss)	380	75	153	111	721	(699)	216

Notes: 1. The adjustment of ¥ (699) million in segment profit/loss includes corporate expenses of ¥ (435) million not allocated to reportable segments. Corporate expenses are primarily general and administrative expenses for management departments.

2. Segment profit/loss is adjusted with operating profit on the Quarterly Consolidated Statements of Income.

2. Information on impairment loss of fixed assets, goodwill, etc., by reportable segment

Not applicable.

II Consolidated cumulative first quarter under review (from April 1, 2021 to June 30, 2021)

1. Information on net sales and profit/loss by reportable segment

(Unit: Million yen)

	Measurement and Weighing Instruments Business				
	Japan	Americas	Europe	Asia and Oceania	Total
Net sales					
Net sales to outside customers	4,552	822	212	1,027	6,615
Inter-segment net sales and transfers	587	52	-	606	1,247
Total	5,140	875	212	1,634	7,862
Segment profit (loss)	222	81	(0)	117	421

	Medical and Healthcare Business					Adjustments (Note 1)	Amount recorded in the quarterly consolidated statements of income (Note 2)
	Japan	Americas	Europe	Asia and Oceania	Total		
Net sales							
Net sales to outside customers	1,254	1,817	1,687	166	4,925	-	11,541
Inter-segment net sales and transfers	1,877	3	4	1,538	3,423	(4,670)	-
Total	3,131	1,820	1,691	1,705	8,349	(4,670)	11,541
Segment profit (loss)	535	45	130	8	720	(294)	847

Notes: 1. The adjustment of ¥ (294) million in segment profit/loss includes corporate expenses of ¥ (407) million not allocated to reportable segments. Corporate expenses are primarily general and administrative expenses for management departments.

2. Segment profit/loss is adjusted with operating profit on the Quarterly Consolidated Statements of Income.

2. Items related to changes in reportable segments

As described in "Changes in accounting policies," the Company has applied the Revenue Recognition Accounting Standard from the beginning of the current quarterly consolidated accounting period (Q1). As the accounting method for revenue recognition has been changed, the method for calculating profit/loss for business segments has been changed as well.

As a result of this change, when compared with the previous method, net sales in the measurement and weighing instruments business in Japan for the consolidated cumulative first quarter under review increased by ¥22 million, and segment profit decreased by ¥35 million, while net sales in the medical and healthcare business in Japan decreased by ¥4 million, and segment profit was not affected.

3. Information on impairment loss of fixed assets, goodwill, etc., by reportable segment

Not applicable.