

Consolidated Financial Statements for the 12-month period ended March 31st, 2021 (FY2021/3), Japan GAAP

May 10th, 2021

Company Name



Tokyo Seimitsu Co., Ltd.

Stock Listing: First Section TSE

ACCRETECH

Code number: 7729

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Date of Shareholders Meeting (planned): June 21st, 2021

Dividend Payment Date (planned): June 22nd, 2021

Date of Annual Financial Statement Filing (planned) : June 25th, 2021

Supplementary document for Quarterly Financial Results : Yes

Holding of Financial Results Meeting: Yes (for Security Analysts, Investors)

(Millions of yen, rounded down)

1. Consolidated Results for Period of FY2021/3 (April 1st, 2020– March 31st, 2021)

(1) Consolidated sales and earnings (Percentage figures represent changes from of previous year)

	Net Sales (Millions of Yen)		Operating Profit (Millions of Yen)		Recurring Profit (Millions of Yen)		Net Profit Attributable to Owners of the Parent (Millions of Yen)	
FY2021/3	97,105	10.4%	15,562	26.7%	15,867	28.4%	12,175	70.1%
FY2020/3	87,927	- 13.4%	12,282	- 39.3%	12,360	- 40.6%	7,156	- 51.2%

Note: Comprehensive Income in FY2021/3 13,018 million yen (103.9%), in FY2020/3: 6,384 million yen (- 47.8%)

	Net Profit per Share (Yen)	Net Profit per Share (diluted) (Yen)	Return on Equity	Recurring Profit on Total Assets	Operating Profit Ratio
FY2021/3	293.83	291.43	10.9%	10.3%	16.0%
FY2020/3	171.89	170.72	6.7%	8.1%	14.0%

Note: Equity in earnings of affiliated companies in FY2021/3: - million yen, in FY2020/3: - million yen

(2) Consolidated financial position

	Total Assets (Millions of Yen)	Net Assets (Millions of Yen)	Equity Ratio	Net Assets per Share (yen)
FY2021/3	161,556	116,777	71.4%	2,810.79
FY2020/3	146,549	109,674	73.9%	2,601.10

Note: Equity in FY2021/3 115,368 million yen, in FY2020/3: 108,357 million yen

(3) Consolidated Statements of Cash Flows

	Cash flows from operating activities (Millions of Yen)	Cash flows from investing activities: (Millions of Yen)	Cash flows from financing activities: (Millions of Yen)	Cash and cash equivalents at end of Fiscal Year (Millions of Yen)
FY2021/3	22,062	- 5,191	- 8,282	43,624
FY2020/3	5,965	- 6,116	- 6,375	34,605

2. Dividends

	Per Share Dividend in Fiscal Year					Total Dividend (for Year)	Dividend Pay Out Ratio (consolidated)	Dividend on Net Assets (consolidated)
	Q1 End	Q2 End	Q3 End	Q4 End	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
FY2020/3	-	38.00	-	38.00	76.00	3,165	44.2	3.0
FY2021/3	-	42.00	-	62.00	104.00	4,295	35.4	3.8
FY2022/3 (Projected)	-	65.00	-	65.00	130.00		35.0	

3. Forecast for FY2022/3 (April 1st, 2021 - March 31st, 2022) (% figures represent changes from the previous year)

	Net Sales (Millions of Yen)		Operating Profit (Millions of Yen)		Recurring Profit (Millions of Yen)		Net Profit attributable to Owners of the Parent (Millions of Yen)		Net Profit per Share (yen)
Interim	59,000	30.8%	10,800	71.9%	10,800	68.4%	7,500	60.4%	182.70
Full Year	118,000	21.5%	22,000	41.4%	22,000	38.6%	15,200	24.8%	370.30

*** Notes**

(1) Significant changes in subsidiaries during the term under review: No

(2) Changes in accounting principles, estimates and restatements

- 1) Changes due to revision of accounting standards, etc.: No
- 2) Changes other than 1): No
- 3) Changes in accounting estimates: No
- 4) Restatement: No

(3) Number of shares outstanding (common shares)

1) Number of shares outstanding at the end of period (including treasury shares):	FY2021/3	41,759,981 shares	FY2020/3	41,695,381 shares
2) Number of treasury shares at the end of period:	FY2021/3	715,164 shares	FY2020/3	37,207 shares
3) Average Number of shares outstanding during the period:	FY2021/3	41,435,808 shares	FY2020/3 3Q	41,634,084 shares

Reference: Summary of non-consolidated results

Non-Consolidated Results for the Period of FY2021/3 (April 1st, 2020 - March 31st, 2021)

(1) Non-consolidated sales and earnings (percentage figures represent changes from previous year)

	Net Sales (Millions of Yen)		Operating Profit (Millions of Yen)		Recurring Profit (Millions of Yen)		Net Profit (Millions of Yen)	
FY2021/3	77,793	13.3%	10,722	46.7%	12,392	- 17.0%	8,923	- 18.5%
FY2020/3	68,647	- 18.9%	7,310	- 44.5%	14,928	0.2%	10,942	- 1.5%

	Net Profit per Share (Yen)	Net Profit per Share (diluted) (Yen)
FY2021/3	215.36	213.59
FY2020/3	262.83	261.03

(2) Non-consolidated financial position

	Total Assets (Millions of Yen)	Net Assets (Millions of Yen)	Equity Ratio (%)	Net Assets per Share (yen)
FY2021/3	130,515	90,367	68.6%	2,179.93
FY2020/3	119,436	87,068	72.3%	2,071.56

Notes : Equity in FY2021/3:89,474 million yen, in FY2020/3:86,297 million yen

*** This consolidated financial statements report is not subject to audit procedures.**

*** Cautionary Statements with respect to Forward-looking Statements**

All forecasts and other forward-looking statements in this document are based on information currently available to the Company and assumptions that the Company considers reasonable. Various uncertainties could cause actual results to significantly differ from these forecasts. Please refer to supplementary statement.

*** Cautionary Statements with respect to the translation of the document**

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1. Overview of Business Performance and Financial Position

(1) Overview of Business Performance

[Overall]

In the Fiscal Year 2021/3 ended March 2021 (FY2021/3), worldwide economies except for certain countries including China faced negative growth in real GDP because individual consumption and capital investment were reduced due to the spread of COVID-19. Although the economic slowdown in many countries was less severe than expected due to interventionary monetary and financial policies, the recovery was not strong and the overall situation was still severe. Under these circumstances, business performance in some industries dropped while other industries remain steady. The business performances of our customers were tremendously varied among industries.

Under these business conditions, because the business performance of SPE business increased, both Sales and Profits in the Group were increased from the previous Fiscal Year. Consolidated Orders in the Fiscal Year 2021/3 (April 1st, 2020 - March 31st, 2021) were ¥117,060 million (up 33.7% YoY), Sales were ¥97,105 million (up 10.4% YoY), Operating Profit was ¥15,562 million (up 26.7% YoY), Recurring Profit was ¥15,867 million (up 28.4% YoY). Other than ordinary transactions, the Company proactively sold a part of Cross-Shareholdings stocks (including ones in the Retirement Benefit Trust) and had a gain on sales of investment securities and on return of assets from the Retirement Benefits Trust. In addition, an Impairment loss for fixed assets and Extra retirement payments as a final phase of restructuring in Charge/discharge testing systems was accounted for. As a result, Net Profit Attributable to Owners of the Parent came to ¥12,175 million (up 70.1% YoY).

[Performance by Business Segments]

A. Semiconductor Production Equipment (SPE) Segment

In the SPE business segment, the solid demand for Logic devices and Electronic components for expansion of 5G networks and remote work were steady. Also, even though there were temporary demand adjustments from the trade conflict between the United States and China, demand within China increased and demand for display driver IC and automotive semiconductor rebounded, both Sales and Orders increased from the previous fiscal year and notably Orders achieved a fiscal year high point.

The demand for equipment for the Testing Process in Taiwan was strong and the demand for both equipment for the Testing Process and the Assembly Process in China were steady, in addition to strong demand for equipment for the Assembly Process in European and Asian countries. Under these circumstances, we focused on product development to meet customers' needs, expansion of production capacity and sales promotion of consumables.

As a result, Orders for our SPE segment in the same period was ¥93,181 million (up 61.5% YoY), Sales was ¥71,745 million (up 27.7% YoY), and Operating Profit was ¥13,565 million (up 71.4% YoY).

B. Metrology Equipment Segment

In our Metrology Equipment segment, in addition to the slowdown of capital investment across the entire manufacturing sector that began in the previous period, the expansion of COVID-19 broadly impacted industries such as the automotive industry and the machinery industry and their capital investment continued to be slow even though a recovery was expected. As a result, both Orders and Sales decreased in the Metrology segment YoY.

Under these circumstances, we made efforts to provide solutions for the needs of automation in manufacturing industries in addition to hosting online seminars to build strong relationships with customers, strengthening overseas sales, expanding our products for New Energy Vehicles (NEV) and medical fields and improving in-house measuring services.

As a result, Orders in our Metrology Equipment segment in the same period was ¥23,878 million (down 20.1% YoY), Sales was ¥25,359 million (down 20.1% YoY) and Operating Profit was ¥1,996 million (down 54.3% YoY).

(2) Analysis of Financial Position

[Assets, Liabilities and Net Assets]

Total Assets as at March 31st, 2021 amounted to ¥161,556 million, an increase of ¥15,007 million from the end of FY2020/3. The major factors behind this change include increases in Cash and cash equivalents of ¥9,016 million, in Building and structures of ¥3,045 million, in Inventories including merchandise and finished goods, Raw materials and supplies and Work in progress of ¥2,734 million and in Notes and accounts receivable (including electronically recorded monetary claims) of ¥1,313 million and a decrease in Construction in process of ¥1,838 million.

Total Liabilities increased by ¥7,904 million to ¥44,778 million. This was mainly from increases in Notes and accounts payable (including electronically recorded obligations-operating) of ¥6,166 million, Income taxes payable of ¥3,342 million, and a decrease in Long-term debt of ¥2,000 million.

Net Assets increased by ¥7,103 million and totaled ¥116,777 million; the Equity Ratio decreased by 2.5 point and came to 71.4%.

(3) Analysis of Cash flows

Cash and cash equivalents as at March 31st, 2021 amounted to ¥43,624 million, an increase of ¥9,018 million from the end of FY2020/3. The status of cash flows and factors behind them are given below.

Net cash earned from operating activities was ¥22,062 million, mainly due to Income before income taxes and minority interests of ¥16,147 million, an increase in Notes and accounts payable of ¥5,584 million, Depreciation of ¥3,516 million, a decrease in Allowance for employee retirement benefits of ¥2,881 million, an increase in inventories of ¥3,491 million, Gain on return of assets from retirement benefits trust of ¥1,189 million, an increase in Notes and accounts receivable of ¥987 million and Payment of income taxes of ¥1,304 million.

Net cash used in investing activities was ¥5,191 million, mainly due to Proceeds from sales of investment securities of ¥864 million and Payment for purchase of tangible fixed assets ¥5,864 million.

Net cash used in financing activities came to ¥8,282 million. The major element of this was Payment of dividends of ¥3,333 million, Repurchase of Treasury stock of ¥3,002 million and Repayments of long-term debt of ¥2,000 million.

Trends in financial indices are shown below.

	FY2019/3	FY2020/3	FY2021/3
Equity ratio (%)	67.3	73.9	71.4
Equity ratio, based on market value (%)	74.3	87.6	130.1
Interest-bearing debt/cash flow ratio	0.9	1.6	0.3
Interest coverage ratio (times)	690.1	150.4	335.0

Equity ratio: Equity/total assets

Equity ratio based on market value: Total market value of equity/total assets

Interest-bearing debt/cash flow ratio: Interest-bearing debt/Operating cash flows

Interest coverage ratio: Operating cash flows/interest payments

Notes:

- All indices are calculated on consolidated financial statements.
- The total market value of equity is calculated by multiplying market price at the end of FY by the number of shares outstanding at the end of FY.
- “Operating cash flows” refers to cash flows from operating activities as shown in the consolidated cash flow statements.
- Interest-bearing debts refer to all debts in the Consolidated Balance Sheet on which we pay interest. “Interest payments” denotes interest payments as reflected in the consolidated cash flow statements.

(4) Forecasts for Next Fiscal Year

[Overall and Business Segment-based Forecasts]

Looking ahead to the Fiscal Year 2022/3 (ending March 31st, 2022), while the recovery from COVID-19 is unsure, growth in real GDP is nonetheless expected. The demand from semiconductor businesses related to 5G is expected to be higher and the automobile and machinery industries are expected to be slightly recovered even though the recovery speed is varied in each industry in the manufacturing sector.

In light of these conditions, Tokyo Seimitsu Group expects strong business forecasts in the SPE business and a slight recovery in the Metrology business. Expected Consolidated Business Results for the Fiscal Year 2022/3 ending March 31st, 2022 are as follows.

The entire Group will aim to achieving mid-term goal in FY2022/3 as the final year of mid-term target.

	Interim	Full Year
Sales	¥59.0 billion (up 30.8% YoY)	¥118.0 billion (up 21.5% YoY)
SPE	¥47.0 billion (up 40.7% YoY)	¥92.0 billion (up 28.2% YoY)
Metrology	¥12.0 billion (up 2.5% YoY)	¥26.0 billion (up 2.5% YoY)
Operating Profit	¥10.8 billion (up 71.9% YoY)	¥22.0 billion (up 41.4% YoY)
Recurring Profit	¥10.8 billion (up 68.4% YoY)	¥22.0 billion (up 38.6% YoY)
Net Profit attributable to owners of the parent	¥7.5 billion (up 60.4% YoY)	¥15.2 billion (up 24.8% YoY)

The followings are overall and Business Segment-based Forecasts.

A. Semiconductor Production Equipment (SPE) Segment

The continuing 5G related demand for data centers and for 5G devices are expected to be high. Also, in the SPE business, expansion is anticipated in the mid and long-term because of supply chain restructuring by 5G manufacturers, the increasing production of semiconductors for vehicles and power semiconductors due to the increasing demands of auto driving and electrification of vehicles, the demand in China as a new market, and the production expansion of sensor devices and electronic components for IoT.

In the next Fiscal Year, although there are certain temporary adjustment concerns from supply-demand balance in semiconductor devices and electronic components; we expect strong demand in the SPE segment overall.

Under these conditions, Tokyo Seimitsu Group will maintain its focus on developing products and specifications to meet customers' needs and providing solutions for assembly products that are rapidly improving and changing in addition to expanding production capacity.

B. Metrology Equipment Segment

The automotive industry and machine tools industries, which are the major users of our Metrology products, postponed or cancelled their capital expenditures in FY2021/3 but we anticipate recovering demand flowing from re-investment in FY2022/3. We expect a slight recovery in our Metrology Equipment business in light of this.

Under these business conditions, Tokyo Seimitsu Group will focus on developing products to meet the demand for higher precision and higher functionality, across our full product line-up: in multipurpose measuring instruments such as the 3D coordinate measuring machine, surface texture and contour measuring instruments, and roundness and cylindrical profile measuring instruments; and automatic measuring instruments such as machine control gauges and sensors. Also, the Company will further continue to expand new markets for the Charge/discharge testing systems business and the SBS balancer business by responding carefully to customers' needs.

(5) Policy for Profit Distribution and Dividends for Fiscal Year 2021/3 and 2022/3

Tokyo Seimitsu management is committed to enhancing its corporate value and constantly distributing profits to shareholders through a business model of providing World's No. 1 products based on state-of-the-art technologies in the SPE market and the Metrology Equipment market. The Company determines distribution of its profits in line with its policy for profit distribution to shareholders, outlined below.

For FY2021/3, given the improvement in Company results beyond previous forecasts, the Company plans to issue an additional additional ¥20 per share on top of the forecast ¥42(total ¥62) per share year-end dividend previously announced on February 2nd, 2020 in line with the policy relating to dividend payment, targeting a consolidated dividend payout ratio of 35%.

Consequently, including the interim dividend (¥42 per share) already paid on December 14th 2020, dividend payments in the FY2021/3 will total ¥104 per share.

Looking ahead to FY2021/3, the Company anticipates paying ¥65 per share interim dividend, ¥65 per share year-end dividend, totaling ¥130 per share annual dividends.

< Policy for Profit Distribution to the Shareholders >

The Company considers maintaining a core policy regarding the distribution of profits linked to the business performance of the Company and aims to pay stable dividends targeting a consolidated dividend payout ratio of 35%. Also, considering the aim to provide stable and continuous dividend payments, the Company deems to maintain an annual dividend of ¥20 per share regardless of consolidated profits of the Company. However, it is at the discretion of the Board to review this basic policy if the Company experiences losses in two consecutive years.

The Company's normal operating procedure is to pay a dividend twice a year. The shareholders' meeting determines the year-end dividend and the Company's Board of Directors decides the interim dividend.

Retained earnings will be used effectively for the research and development and capital investment that are necessary for growing existing businesses and improving our competitiveness, strength and optimization of production and sales activities, expansion of overseas sales, sophistication of information security systems, new business development, and M&A investment. Also, since our product lines are greatly impacted by economic fluctuations, the Company considers it important to strengthen our financial position and prepare for possible economic downturns.

The Company's acquisition of its own outstanding stock is one of the returns that supplement its dividends from retained earnings. The Company will analyze its cash flows and retained earnings before undertaking stock acquisition.

2. Selection of Accounting Standards

In consideration of ease of comparing business results over several periods and/or against other enterprises, Tokyo Seimitsu plans to continue adopting Japan GAAP accounting conventions for presentation of its Consolidated Financial Statements.

The Company will actively review the adoption of International Financial Reporting Standards (IFRS), in light of changes that may emerge from convergence with Japan GAAP, and ongoing revisions to the IFRS.

3. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

(Millions of Yen)

	FY2020/3 (March 31 st , 2020)	FY2021/3 (March 31 st , 2021)
ASSETS		
Current Assets		
Cash and cash equivalents	34,640	43,657
Notes and accounts receivable	24,279	27,304
Electronically recorded monetary claims	5,353	3,642
Merchandise and finished goods	2,344	2,657
Work in progress	20,120	22,028
Raw materials and supplies	7,687	8,200
Others	3,389	4,076
Allowance for doubtful accounts	- 44	- 50
Total current assets	97,771	111,516
Fixed Assets		
Tangible fixed assets		
Building and structures(net)	28,885	32,561
Accumulated depreciation	- 14,848	- 15,478
Building and structures(net)	14,037	17,082
Machinery, equipment and vehicles	10,031	10,046
Accumulated depreciation	- 8,164	- 8,131
Machinery, equipment and vehicles (net)	1,866	1,914
Equipment	7,995	9,037
Accumulated depreciation	- 5,923	- 6,270
Equipment(net)	2,072	2,767
Land	14,055	14,210
Lease assets	522	483
Accumulated depreciation	- 211	- 221
Lease assets (net)	311	262
Construction in process account	2,246	407
Total Tangible Fixed Assets	34,589	36,645
Intangible Fixed Assets		
Goodwill	263	220
Lease assets	22	14
Others	4,260	3,754
Total Intangible Fixed Assets	4,546	3,989
Investments and other assets		
Investment securities	3,279	3,163
Long-term loans receivable	119	231
Net defined benefit assets	2,579	2,211
Differed tax assets	3,070	3,319
Others	593	592
Allowance for doubtful accounts	-	- 112
Total Investments and other assets	9,642	9,405
Total Fixed Assets	48,777	50,039
Total Assets	146,549	161,556

(Millions of Yen)

	FY2020/3 (March 31 st , 2020)	FY2021/3 (March 31 st , 2021)
LIABILITIES		
Current Liabilities		
Notes and accounts payable	7,500	9,379
Electronically recorded obligations-operating	9,395	13,682
Short-term debt	1,300	1,300
Current portion of long-term debt	2,000	2,000
Lease liabilities	110	114
Income taxes payable	593	3,935
Reserves for bonus	1,340	1,381
Reserves for director's bonuses	6	2
Others	6,771	7,500
Total current liabilities	29,017	39,296
Fixed Liabilities		
Long-term debt	6,000	4,000
Lease liabilities	231	167
Deferred tax liabilities	7	6
Allowance for director retirement benefits	60	47
Net defined benefit liabilities	1,157	1,059
Asset retirement obligations	297	64
Others	104	136
Total fixed liabilities	7,857	5,482
Total Liabilities	36,874	44,778
NET ASSETS		
Shareholder's Equity		
Common stock	10,703	10,818
Capital surplus	21,721	21,918
Retained earnings	75,032	83,874
Treasury stock	- 122	- 3,124
Total Shareholder's Equity	107,334	113,487
Accumulated other comprehensive income		
Holding gain or loss in investment	117	476
Foreign currency translation adjustment	670	220
Remeasurements of defined benefit plans	234	1,184
Total accumulated other comprehensive income	1,022	1,881
Share subscription rights	770	892
Non-controlling interests	546	516
Total Net Assets	109,674	116,777
Total Liabilities and Net Assets	146,549	161,556

(2) Consolidated Statements of Income, and Comprehensive Income

(Consolidated Statements of Income)

(Millions of Yen)

	FY2020/3 (April 1 st , 2019- March 31 st , 2020)	FY2021/3 (April 1 st , 2020- March 31 st , 2021)
Net Sales	87,927	97,105
Cost of goods sold	53,452	60,190
Gross Profit on Sales	34,474	36,914
Selling, general and administrative expenses	22,192	21,351
Operating Profit	12,282	15,562
Non-operating income		
Interest income	30	20
Dividend income	100	88
Foreign exchange gains	-	121
Subsidy income	-	117
Others	124	192
Total Non-operating income	255	540
Non-operating expenses		
Interest expenses	81	72
Commission fee	-	30
Provision of allowance for doubtful accounts	-	112
Foreign exchange loss	31	-
Loss on disposal or sales of fixed assets	14	-
Others	50	19
Total Non-operating expenses	177	235
Recurring Profit	12,360	15,867
Extraordinary gains		
Gain on sales of investment securities	55	133
Gain on return of assets from retirement benefits trust	-	1,189
Gain on reversal of subscription rights to shares	2	8
Others	-	22
Total Extraordinary gains	57	1,354
Extraordinary losses		
Costs to demolish existing buildings	-	292
Impairment loss for fixed assets	1,652	668
Extra retirement payments	60	108
Others	-	5
Total Extraordinary losses	1,712	1,074
Profit before income taxes and minority interests	10,705	16,147
Income tax and other taxes	3,654	4,806
Adjustment on income tax	- 55	- 828
Total Income tax and others	3,598	3,978
Profit before minority interests	7,106	12,169
Net Profit attributable to minority interests	- 49	- 6
Net Profit attributable to Owners of the Parent	7,156	12,175

(Consolidated Statements of Comprehensive Income)

	(Millions of Yen)	
	FY2020/3	FY2021/3
	(April 1 st , 2019- March 31 st , 2020)	(April 1 st , 2020- March 31 st , 2021)
Profit (Loss) before minority interests	7,106	12,169
Accumulated other comprehensive income		
Holding gain or loss in investment	- 751	359
Foreign currency translation adjustment	478	- 460
Remeasurements of defined benefit plans	- 449	950
Total accumulated other comprehensive income	- 722	849
Comprehensive Income	6,384	13,018
(breakdown)		
Comprehensive income attributable to owners of the parent	6,426	13,034
Comprehensive income attributable to non-controlling interests	- 42	- 15

(3) Consolidated Statements of Changes in Net Assets

FY 2020/3 (April 1st, 2019 – March 31st, 2020)

(Millions of Yen)

	Shareholder's equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total Shareholder's equity
Balance as of previous fiscal year	10,591	21,608	72,200	- 120	104,280
Changes during the fiscal year					
Issue of new shares	112	112			224
Cash dividends paid			- 4,325		- 4,325
Net Profit (loss) attributable to Owners of the Parent			7,156		7,156
Purchases of treasury stock				- 1	- 1
Changes of items other than shareholders' equity(net)					
Total changes during the fiscal year	112	112	2,831	- 1	3,054
Balance as of end of the fiscal year	10,703	21,721	75,032	- 122	107,334

	Accumulated other comprehensive income				Share Subscription Rights	Minority Interests	Total Net Assets
	Holding gain or loss in investment	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance as of previous fiscal year	868	199	683	1,751	784	587	107,403
Changes during the fiscal year							
Issue of new shares							224
Cash dividends paid							- 4,325
Net Profit (loss) attributable to Owners of the Parent							7,156
Purchases of treasury stock							- 1
Changes of items other than Shareholders' equity(net)	- 751	471	- 449	- 729	- 13	- 40	- 783
Total changes during the fiscal year	- 751	471	- 449	- 729	- 13	- 40	2,270
Balance as of end of the fiscal year	117	670	234	1,022	770	546	109,674

FY 2021/3 (April 1st, 2020 – March 31st, 2021)

(Millions of Yen)

	Shareholder's equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total Shareholder's equity
Balance as of previous fiscal year	10,703	21,721	75,032	- 122	107,334
Changes during the fiscal year					
Issue of new shares	115	115			230
Cash dividends paid			- 3,333		- 3,333
Net Profit (loss) attributable to Owners of the Parent			12,175		12,175
Purchases of treasury stock				- 3,002	- 3,002
Changes of items other than shareholders' equity(net)		82			82
Total changes during the fiscal year	115	197	8,841	- 3,002	6,152
Balance as of end of the fiscal year	10,818	21,918	83,874	- 3,124	113,487

	Accumulated other comprehensive income				Share Subscription Rights	Minority Interests	Total Net Assets
	Holding gain or loss in investment	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance as of previous fiscal year	117	670	234	1,022	770	546	109,674
Changes during the fiscal year							
Issue of new shares							230
Cash dividends paid							-3,333
Net Profit (loss) attributable to Owners of the Parent							12,175
Purchases of treasury stock							-3,002
Changes of items other than Shareholders' equity(net)	359	- 450	950	858	121	- 29	1,033
Total changes during the fiscal year	359	- 450	950	858	121	- 29	7,103
Balance as of end of the fiscal year	476	220	1,184	1,881	892	516	116,777

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

	FY2020/3 (April 1 st , 2019- March 31 st , 2020)	FY2021/3 (April 1 st , 2020- March 31 st , 2021)
Cash flows from operating activities:		
Profit(loss) before income taxes and minority interests	10,705	16,147
Depreciation	3,450	3,516
Amortization of goodwill	41	28
Stock related expense	135	171
Change in allowance for employee retirement benefits (-:increase)	- 386	2,881
Change in allowance for employee retirement debts (-:decrease)	334	- 142
Change in allowance for director retirement benefits (-:decrease)	6	- 12
Change in allowance for doubtful accounts (-:decrease)	- 31	116
Interest and dividend income	- 130	- 109
Interest expense	81	72
Subsidy income	-	-117
Gain(loss) on sales of investment securities (-: gain)	- 55	- 133
Gain on return of assets from retirement benefits trust	-	- 1,189
Impairment loss for fixed assets	1,652	668
Extra retirement payments	60	108
Change in trade notes and accounts receivable (-: increase)	6,598	- 987
Change in inventories (-: increase)	- 171	- 3,491
Change in trade notes and accounts payable(-:decrease)	- 9,347	5,584
Others	- 356	97
Subtotal	12,587	23,210
Proceeds from interest and dividend income	130	108
Payment of interest	- 84	- 69
Proceeds from subsidy income	-	117
Payment/Refund of income taxes (-: payment)	- 6,668	- 1,304
Net cash provided by (used in) operating activities	5,965	22,062
Cash flows from investing activities:		
Payment for time deposits	- 133	- 43
Proceeds from time deposits	308	45
Payment for purchase of tangible fixed assets	- 4,433	- 5,864
Proceeds from sales of tangible fixed assets	19	67
Payment for purchase of intangible fixed assets	- 442	- 188
Payment for purchase of investment securities	- 99	- 50
Proceeds from sales of investment securities	357	864
Payment for purchase of shares of affiliated company	- 217	-
Payment for purchase of investments in capital of affiliates	- 31	-
Payments for transfer of business	- 1,208	-
Payment for loans receivable	-	- 0
Proceeds from collection of loans receivable	2	2
Payments for lease deposits and guarantee deposits	- 247	- 25
Proceed from collection of lease deposits and guarantee deposits	8	2
Net cash provided by (used in) investing activities	- 6,116	- 5,191

	FY2020/3 (April 1 st , 2019- March 31 st , 2020)	FY2021/3 (April 1 st , 2020- March 31 st , 2021)
Cash flows from financing activities:		
Repayment of long-term debt	- 2,000	- 2,000
Repayment of lease liability	- 127	- 135
Proceeds from exercise of stock options	78	188
Dividend payments	- 4,325	- 3,333
Repurchase of Treasury stock	- 1	- 3,002
Net cash provided by (used in) financing activities	- 6,375	- 8,282
Effect of exchange rate changes on cash and cash equivalents	- 159	429
Net increase/decrease in cash and cash equivalents (-: decrease)	- 6,685	9,018
Cash and cash equivalents at beginning of year	41,290	34,605
Cash and cash equivalents at end of year	34,605	43,624

(5) Notes

(Note on Assumptions for Going Concern)

Not applicable.

(Segment Information and others)

(i). Overview of reportable segments

The reportable segments of the Company and consolidated subsidiaries are the business segments for which separate financial information can be obtained and are at the level where the Company's Board of Directors conducts periodic reviews leading to the allocation of resources and evaluation of business performance. The Company consists of internal companies known as the Semiconductor Company and the Metrology Company, and each company's products and services are managed under comprehensive strategies inside and outside of Japan.

Therefore, the Company defines "SPE" and "Metrology Equipment" as reportable segments based on the intercompany system and their outputs.

The "SPE" consists of manufacturing and sales of Assembly and Testing equipment to be applied to Semiconductor Manufacturing Processes and the "Metrology Equipment" consists of manufacturing and sales of precision measurement equipment such as 3D coordinate measuring machines, surface texture and contour measuring instruments.

(ii). Method of calculation of sales, profit/loss, assets/liabilities and/or others in reportable segments

The method of calculating segment results is mostly the same as applied to the consolidated financial statements. Therefore, segment profit is based on consolidated Operating Profit. Corporate assets are not allotted to each segment.

(iii). Net sales, profit/loss assets/liabilities and/or others in reportable segments

FY2020/3 (April 1st, 2019 – March 31st, 2020)

(Millions of yen)

	Reportable Segments			Adjustment *1	Consolidated Total *2
	SPE	Metrology Equipment	Total		
Sales					
Sales to third party:	56,198	31,728	87,927	-	87,927
Intersegment sales to transfer	-	-	-	-	-
Total	56,198	31,728	87,927	-	87,927
Segment Profit	7,915	4,366	12,282	-	12,282
Segment Assets	99,393	46,350	145,743	805	146,549
Others					
Depreciation and amortization	2,450	1,000	3,450	-	3,450
Amortization of goodwill	39	1	41	-	41
Increase in tangible / intangible Fixed assets	3,832	3,644	7,477	-	7,477

FY2021/3 (April 1st, 2020 – March 31st, 2021)

(Millions of yen)

	Reportable Segments			Adjustment *1	Consolidated Total *2
	SPE	Metrology Equipment	Total		
Sales					
Sales to third party:	71,745	25,359	97,105	-	97,105
Intersegment sales to transfer					
Total	71,745	25,359	97,105	-	97,105
Segment Profit	13,565	1,996	15,562	-	15,562
Segment Assets	118,547	42,040	160,587	968	161,556
Others					
Depreciation and amortization	2,343	1,172	3,516	-	3,516
Amortization of goodwill	7	20	28	-	28
Increase in tangible / intangible Fixed assets	3,499	2,450	5,950	-	5,950

Notes *1: Adjustment for corporate assets which are not allotted to the segments such as long-term investments (other investment securities).

*2: Segment profit is same amount as Operating Profit stated in the Consolidated Financial Statements.

(Per Share Information)

FY2020/3 (April 1 st , 2019 - March 31 st , 2020)		FY2021/3 (April 1 st , 2020 - March 31 st , 2021)	
Net assets per share	2,601.10 yen	Net assets per share	2,810.79 yen
Earnings per share	171.89 yen	Earnings per share	293.83 yen
Diluted earnings per share	170.72 yen	Diluted earnings per share	291.43 yen

Notes 1: Bases for calculation of net assets per share are as follows.

Item	FY2020/3 (March 31 st , 2020)	FY2021/3 (March 31 st , 2021)
Total net assets in consolidated balance sheet (millions of yen)	109,674	116,777
Amounts to be deducted from total net assets (millions of yen)	1,317	1,409
(Share subscription rights (millions of yen))	(770)	(892)
(Minority Interests(millions of yen))	(546)	(516)
Net assets related to common stock as at the end of Fiscal Year (millions of yen)	108,357	115,368
Number of outstanding shares that are bases for calculation of net assets per share as at the end of Fiscal Year (thousands of shares)	41,658	41,044

Notes 2: Bases for calculation of earnings per share and diluted earnings per share are as follows.

Item	FY2020/3 (April 1 st , 2019 - March 31 st , 2020)	FY2021/3 (April 1 st , 2020 - March 31 st , 2021)
Earnings per Share		
Net profit (loss) attributable to owners of the parent (millions of yen)	7,156	12,175
Amount not attributed to common shareholders (millions of yen)	-	-
Net profit (loss) attributable to owners of the parent related to common stock (millions of yen)	7,156	12,175
Average number of shares of common stock during the fiscal year (thousands of shares)	41,634	41,435
Diluted earnings per share		
Details of adjusted net profit (millions of yen)	-	-
Increase in common stock share subscription rights (thousands of shares)	286	342
Shares excluded from the calculation of diluted earnings per share due to the lack of dilutive effects	Share Subscription rights (Stock Option Type)(units) The 15 th 74	Share Subscription rights (Stock Option Type)(units) The 15 th 73

(Significant subsequent events)

Not applicable.

4. Additional Information

(1) Production, Orders and Sales

(i). Actual Production (Millions of yen)

Reportable Segment	FY2020/3 (April 1 st , 2019 - March 31 st , 2020)	FY2021/3 (April 1 st , 2020 - March 31 st , 2021)
SPE	61,005	66,893
Metrology Equipment	29,281	22,113
Total	90,287	89,006

Note: The above production results are based on the sales prices and are exclusive of consumption tax.

(ii). Actual Orders (Millions of yen)

Reportable Segment	FY2020/3 (April 1 st , 2019 - March 31 st , 2020)		FY2021/3 (April 1 st , 2020 - March 31 st , 2021)	
	Orders received	Order backlog	Orders received	Order backlog
SPE	57,709	29,182	93,181	50,619
Metrology Equipment	29,866	7,782	23,878	6,301
Total	87,576	36,965	117,060	56,920

Note: The above amounts are exclusive of consumption tax.

(iii). Actual Sales (Millions of yen)

Reportable Segment	FY2020/3 (April 1 st , 2019 - March 31 st , 2020)	FY2021/3 (April 1 st , 2020 - March 31 st , 2021)
SPE	56,198	71,745
Metrology Equipment	31,728	25,359
Total	87,927	97,105

Note: The above amounts are exclusive of consumption tax.

(2) Director Changes

(Effective date (planned): June 21st, 2021)

Changes in Directorships excluding directors serving as an Audit and Supervisory Committee member

Candidate for director (To be elected at the Annual General Meeting of Shareholders(AGM) scheduled on June 21st, 2021)

Mr. Shuichi TSUKADA current position: Head of Metrology Company, Tokyo Seimitsu Co., Ltd.

Candidate for External director (To be elected at the AGM scheduled on June 21st, 2021)

Mr. Kiyoshi TAKAMASU current position: External Director erving as an Audit and
Supervisory Committee member,
President, The Japan Society for Precision Engineering

Retiring directors

Mr. Masahiro TOMOEDA

Mr. Naomi INOUE External director

Changes in Directorship serving as an Audit and Supervisory Committee member

Candidate for director (To be elected at the AGM scheduled on June 21st, 2021)

Mr. Masaki SUNAGA current position: Certified public accountant, Tax accountant
Representative Partner of Marunouchi Business
Consulting (Tax accountants' corporation)

Retiring director

Mr. Kiyoshi TAKAMASU

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