

Translation

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**Summary of Consolidated Financial Results
for the Nine Months Ended December 31, 2020
(Based on Japanese GAAP)**

January 29, 2021

Company name: Aica Kogyo Company, Limited
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 4206 URL <http://www.aica.co.jp>
 Representative: President Yuji Ono
 General Manager, Financial Management
 Inquiries: Department Yousuke Mori TEL 052-533-3135
 Scheduled date to file Quarterly Securities Report: February 15, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2020 (from April 1, 2020 to December 31, 2020)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2020	124,399	(11.7)	11,727	(24.6)	12,191	(25.0)	7,117	(29.2)
Nine months ended December 31, 2019	140,872	0.1	15,552	2.2	16,253	3.5	10,051	6.3

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2020	109.00	108.96
Nine months ended December 31, 2019	153.93	153.87

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2020	197,304	144,588	65.5
As of March 31, 2020	206,169	146,074	63.2

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2020	–	49.00	–	57.00	106.00
Year ending March 31, 2021	–	49.00	–		
Year ending March 31, 2021 (Forecast)				57.00	106.00

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	174,500	(8.9)	16,500	(20.9)	17,000	(20.3)	10,000	(21.5)	153.15

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2020
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: Yes

(4) Number of issued shares (common shares)

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

As of December 31, 2020	67,590,664 shares	As of March 31, 2020	67,590,664 shares
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Number of treasury shares at the end of the period

As of December 31, 2020	2,297,249 shares	As of March 31, 2020	2,296,827 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2020	65,293,601 shares	Nine months ended December 31, 2019	65,294,181 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	40,690	39,344
Notes and accounts receivable - trade	61,691	55,549
Merchandise and finished goods	10,153	9,527
Work in process	1,132	1,302
Raw materials and supplies	8,098	7,350
Other	8,002	7,142
Allowance for doubtful accounts	(620)	(797)
Total current assets	129,148	119,418
Non-current assets		
Property, plant and equipment	50,366	49,959
Intangible assets		
Goodwill	4,624	5,042
Other	7,167	7,241
Total intangible assets	11,792	12,283
Investments and other assets		
Other	14,874	15,654
Allowance for doubtful accounts	(12)	(12)
Total investments and other assets	14,862	15,642
Total non-current assets	77,021	77,885
Total assets	206,169	197,304
Liabilities		
Current liabilities		
Notes and accounts payable - trade	24,799	21,776
Electronically recorded obligations - operating	5,207	5,658
Short-term borrowings	5,947	6,301
Income taxes payable	3,616	1,202
Provision for bonuses	1,957	1,273
Other	10,040	7,834
Total current liabilities	51,568	44,046
Non-current liabilities		
Long-term borrowings	914	945
Retirement benefit liability	1,476	1,492
Other	6,136	6,231
Total non-current liabilities	8,526	8,669
Total liabilities	60,095	52,715

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Net assets		
Shareholders' equity		
Share capital	9,891	9,891
Capital surplus	13,276	13,276
Retained earnings	106,786	106,969
Treasury shares	(2,009)	(2,010)
Total shareholders' equity	127,945	128,126
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,743	3,512
Deferred gains or losses on hedges	16	(3)
Foreign currency translation adjustment	(474)	(2,289)
Remeasurements of defined benefit plans	(33)	(58)
Total accumulated other comprehensive income	2,252	1,161
Share acquisition rights	27	27
Non-controlling interests	15,848	15,273
Total net assets	146,074	144,588
Total liabilities and net assets	206,169	197,304

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Net sales	140,872	124,399
Cost of sales	102,895	89,659
Gross profit	37,976	34,740
Selling, general and administrative expenses	22,424	23,013
Operating profit	15,552	11,727
Non-operating income		
Interest income	122	145
Dividend income	353	307
Gain on sales of investment securities	216	556
Other	620	754
Total non-operating income	1,314	1,764
Non-operating expenses		
Interest expenses	83	137
Sales discounts	127	103
Delayed delivery fee	-	552
Other	402	505
Total non-operating expenses	613	1,299
Ordinary profit	16,253	12,191
Extraordinary losses		
Business restructuring costs	-	273
Loss on disaster	18	-
Total extraordinary losses	18	273
Profit before income taxes	16,234	11,918
Income taxes - current	4,620	4,085
Income taxes - deferred	449	(15)
Total income taxes	5,070	4,069
Profit	11,164	7,849
Profit attributable to non-controlling interests	1,113	732
Profit attributable to owners of parent	10,051	7,117

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Profit	11,164	7,849
Other comprehensive income		
Valuation difference on available-for-sale securities	531	768
Deferred gains or losses on hedges	3	(19)
Foreign currency translation adjustment	(1,982)	(2,409)
Remeasurements of defined benefit plans, net of tax	(69)	(25)
Share of other comprehensive income of entities accounted for using equity method	(46)	(5)
Total other comprehensive income	(1,564)	(1,690)
Comprehensive income	9,600	6,158
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,680	6,025
Comprehensive income attributable to non-controlling interests	920	132