

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

July 28, 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
 Inquiries: General Manager, Financial Management Department Yousuke Mori TEL 052-533-3135
 Scheduled date to file Quarterly Securities Report: August 6, 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 three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(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	%
Three months ended June 30, 2021	45,487	21.7	4,120	63.7	4,441	47.8	2,645	73.3
Three months ended June 30, 2020	37,364	(14.2)	2,516	(42.9)	3,005	(34.8)	1,527	(45.1)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	40.52		40.51	
Three months ended June 30, 2020	23.39		23.38	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	216,581	153,798	63.0
As of March 31, 2021	207,363	150,505	65.0

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, 2021	–	49.00	–	58.00	107.00
Year ending March 31, 2022	–				
Year ending March 31, 2022 (Forecast)		50.00	–	58.00	108.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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
Six months ending September 30, 2021	93,500	20.0	9,000	49.0	9,300	43.4	5,600	45.8	85.77
Full year	200,000	14.5	21,000	16.7	21,400	16.1	13,000	20.8	199.10

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2021
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (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: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2021	67,590,664 shares	As of March 31, 2021	67,590,664 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	2,297,619 shares	As of March 31, 2021	2,297,405 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2021	65,293,174 shares	Three months ended June 30, 2020	65,293,769 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	42,420	41,227
Notes and accounts receivable - trade	57,892	57,553
Merchandise and finished goods	9,537	12,936
Work in process	1,064	1,444
Raw materials and supplies	7,584	9,506
Other	8,582	8,784
Allowance for doubtful accounts	(612)	(646)
Total current assets	126,468	130,806
Non-current assets		
Property, plant and equipment	50,750	53,133
Intangible assets		
Goodwill	4,589	6,293
Other	7,931	8,065
Total intangible assets	12,520	14,358
Investments and other assets		
Other	17,635	18,283
Allowance for doubtful accounts	(12)	(1)
Total investments and other assets	17,623	18,282
Total non-current assets	80,894	85,774
Total assets	207,363	216,581
Liabilities		
Current liabilities		
Notes and accounts payable - trade	23,469	25,358
Electronically recorded obligations - operating	4,887	4,925
Short-term borrowings	6,015	6,878
Income taxes payable	3,428	4,151
Provision for bonuses	2,090	2,501
buy-sell transaction liabilities	–	1,848
Other	7,633	7,506
Total current liabilities	47,524	53,171
Non-current liabilities		
Long-term borrowings	1,255	1,192
Retirement benefit liability	1,486	1,533
Other	6,591	6,885
Total non-current liabilities	9,333	9,611
Total liabilities	56,858	62,782

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Net assets		
Shareholders' equity		
Share capital	9,891	9,891
Capital surplus	13,280	13,422
Retained earnings	110,563	109,435
Treasury shares	(2,011)	(2,153)
Total shareholders' equity	131,724	130,596
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,594	4,483
Deferred gains or losses on hedges	(0)	(1)
Foreign currency translation adjustment	(1,512)	972
Remeasurements of defined benefit plans	(26)	295
Total accumulated other comprehensive income	3,055	5,750
Share acquisition rights	27	27
Non-controlling interests	15,697	17,424
Total net assets	150,505	153,798
Total liabilities and net assets	207,363	216,581

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	37,364	45,487
Cost of sales	27,442	33,541
Gross profit	9,921	11,945
Selling, general and administrative expenses	7,405	7,824
Operating profit	2,516	4,120
Non-operating income		
Interest income	45	45
Dividend income	148	144
Gain on sale of investment securities	536	-
Other	305	249
Total non-operating income	1,036	439
Non-operating expenses		
Interest expenses	36	51
Sales discounts	33	-
Delivery delay compensation	364	-
Other	113	66
Total non-operating expenses	547	118
Ordinary profit	3,005	4,441
Profit before income taxes	3,005	4,441
Income taxes - current	1,560	1,641
Income taxes - deferred	(345)	(144)
Total income taxes	1,215	1,496
Profit	1,790	2,944
Profit attributable to non-controlling interests	263	298
Profit attributable to owners of parent	1,527	2,645

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	1,790	2,944
Other comprehensive income		
Valuation difference on available-for-sale securities	197	(111)
Deferred gains or losses on hedges	(17)	(1)
Foreign currency translation adjustment	(2,628)	3,329
Remeasurements of defined benefit plans, net of tax	(10)	321
Share of other comprehensive income of entities accounted for using equity method	8	(3)
Total other comprehensive income	(2,450)	3,535
Comprehensive income	(660)	6,479
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(213)	5,339
Comprehensive income attributable to non-controlling interests	(446)	1,139