



Non-consolidated Financial Results for the Six Months Ended September 30, 2021 [Japanese GAAP]

November 12, 2021

Company name: QD Laser, Inc.

Stock exchange listing: Tokyo

Code number: 6613

URL: <https://www.qdlaser.com/>

Representative: Mitsuru Sugawara

Contact: Shinji Konoya

Phone: 044(333)3338

President and Chief Executive Officer

Chief Financial Officer

Scheduled date of filing quarterly securities report: November 12, 2021

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down)

1. Non-consolidated Financial Results for the Six Months Ended September 30, 2021 (April 01, 2021 to September 30, 2021)

(1) Non-consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2021	547	61.1	(276)	-	(276)	-	(260)	-
September 30, 2020	339	-	(392)	-	(419)	-	(581)	-

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2021	(7.52)	-
September 30, 2020	(23.14)	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of September 30, 2021	4,271	3,637	85.2
March 31, 2021	4,675	3,808	81.5

(Reference) Equity: As of September 30, 2021: ¥ 3,637 million

As of March 31, 2021: ¥ 3,808 million

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	-	0.00	-	0.00	0.00
Fiscal year ending March 31, 2022	-	0.00			
Fiscal year ending March 31, 2022 (Forecast)			-	0.00	0.00

(Note) Revision to the forecast for dividends announced most recently: No

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022(April 01, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	1,260	40.8	(533)	-	(505)	-	(508)	-	(14.71)

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Accounting policies adopted specially for the preparation of quarterly Non-consolidated financial statements: Yes

(2) 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: Yes

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

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

September 30, 2021: 34,830,380 shares

March 31, 2021: 34,584,180 shares

2) Total number of treasury shares at the end of the period:

September 30, 2021: 80 shares

March 31, 2021: 80 shares

3) Average number of shares during the period:

Six months ended September 30, 2021: 34,658,000 shares

Six months ended September 30, 2020: 25,132,380 shares

Quarterly Non-consolidated Financial Statements
Quarterly Non-consolidated Balance Sheets

(Thousand yen)

	As of March 31,2021	As of September 30,2021
Assets		
Current assets		
Cash and deposits	3,224,311	2,790,535
Accounts receivable - trade	225,970	230,306
Merchandise and finished goods	261,265	332,365
Work in process	161,047	162,508
Raw materials and supplies	382,802	397,039
Accounts receivable - other	82,688	42,168
Prepaid expenses	11,627	12,506
Other	97	2,068
Total current assets	4,349,812	3,969,498
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings, net	192,569	184,142
Machinery and equipment, net	60,076	48,969
Tools, furniture and fixtures, net	5,433	4,306
Leased assets, net	4,221	3,194
Construction in progress	26,400	26,400
Total property, plant and equipment	288,701	267,012
Intangible assets		
Software	5,268	4,257
Leased assets	2,964	2,305
Trademark right	2,573	2,370
Total intangible assets	10,806	8,933
Investments and other assets		
Shares of subsidiaries and associates	3,372	3,372
Guarantee deposits	22,415	22,415
Other	40	40
Total investments and other assets	25,827	25,827
Total non-current assets	325,335	301,774
Total assets	4,675,147	4,271,272

(Thousand yen)

	As of March 31,2021	As of September 30,2021
Liabilities		
Current liabilities		
Accounts payable - trade	218,308	211,282
Current portion of long-term borrowings	257,964	216,384
Lease obligations	3,744	3,805
Accounts payable - other	133,381	39,563
Accrued expenses	4,898	7,088
Income taxes payable	4,415	20,635
Provision for bonuses	51,238	48,347
Deposits received	3,245	3,286
Asset retirement obligations	-	7,551
Other	13,559	18,356
Total current liabilities	690,754	576,300
Non-current liabilities		
Long-term borrowings	107,392	19,990
Lease obligations	4,355	2,437
Asset retirement obligations	59,338	30,384
Deferred tax liabilities	4,675	4,500
Total non-current liabilities	175,762	57,312
Total liabilities	866,517	633,613
Net assets		
Shareholders' equity		
Share capital	2,242,753	2,287,638
Capital surplus	4,726,525	4,771,410
Retained earnings	(3,160,522)	(3,421,263)
Treasury shares	(126)	(126)
Total shareholders' equity	3,808,629	3,637,659
Total net assets	3,808,629	3,637,659
Total liabilities and net assets	4,675,147	4,271,272

Quarterly Non-consolidated Statements of Income

Quarterly Non-consolidated Statements of Income (For the six months)

(Thousand yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
Net sales	339,894	547,408
Cost of sales	246,972	389,608
Gross profit	92,921	157,800
Selling, general and administrative expenses	485,255	434,495
Operating loss	(392,334)	(276,695)
Non-operating income		
Interest income	239	22
Foreign exchange gains	-	4,402
Gain on sale of scraps	325	-
Other	274	166
Total non-operating income	839	4,592
Non-operating expenses		
Interest expenses	2,834	1,512
Foreign exchange losses	19,110	-
Financing expenses	2,800	1,500
Rental expenses	1,305	1,087
Other	2,328	473
Total non-operating expenses	28,378	4,573
Ordinary loss	(419,872)	(276,677)
Extraordinary income		
Gain on reversal of asset retirement obligations	-	21,449
Total extraordinary income	-	21,449
Extraordinary losses		
Impairment losses	161,282	3,582
Total extraordinary losses	161,282	3,582
Loss before income taxes	(581,155)	(258,810)
Income taxes - current	1,555	2,105
Income taxes - deferred	(1,002)	(174)
Total income taxes	552	1,930
Loss	(581,707)	(260,740)

Quarterly Non-consolidated Statements of Cash Flows

(Thousand yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
Cash flows from operating activities		
Loss before income taxes	(581,155)	(258,810)
Depreciation	47,837	23,890
Impairment losses	161,282	3,582
Increase (decrease) in provision for bonuses	(5,482)	(2,890)
Interest and dividend income	(239)	(22)
Interest expenses	2,834	1,512
Foreign exchange losses (gains)	17,061	(3,710)
Gain on reversal of asset retirement obligations	-	(21,449)
Decrease (increase) in trade receivables	49,262	(4,335)
Decrease (increase) in inventories	(173,272)	(86,797)
Increase (decrease) in trade payables	(18,112)	(7,026)
Decrease (increase) in other current assets	73,381	37,666
Increase (decrease) in other current liabilities	(102,115)	(45,120)
Other, net	5,055	1,399
Subtotal	(523,660)	(362,112)
Interest and dividends received	239	22
Interest paid	(2,765)	(1,508)
Income taxes paid	(3,110)	(4,415)
Subsidies received	134	7,946
Net cash provided by (used in) operating activities	(529,163)	(360,067)
Cash flows from investing activities		
Purchase of property, plant and equipment	(32,711)	(35,976)
Other, net	(353)	-
Net cash provided by (used in) investing activities	(33,064)	(35,976)
Cash flows from financing activities		
Repayments of long-term borrowings	(45,662)	(128,982)
Proceeds from issuance of shares	-	89,395
Repayments of lease obligations	(1,797)	(1,856)
Other, net	(2,628)	-
Net cash provided by (used in) financing activities	(50,088)	(41,443)
Effect of exchange rate change on cash and cash equivalents	(17,061)	3,710
Net increase (decrease) in cash and cash equivalents	(629,378)	(433,776)
Cash and cash equivalents at beginning of period	1,464,175	3,224,311
Cash and cash equivalents at end of period	834,797	2,790,535