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## Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 13, 2022

Company name: Ashimori Industry Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 3526 URL <https://www.ashimori.co.jp/>  
 Representative: President Shigeyuki Washine  
 General Manager, Finance&Accounting Dept. Tsutomu Omachi TEL 06-6105-1863  
 Inquiries: Tsutomu Omachi  
 Scheduled date of ordinary general meeting of shareholders: June 24, 2022  
 Scheduled date to file Securities Report: June 24, 2022  
 Scheduled date to commence dividend payments: June 27, 2022  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

#### (1) Consolidated operating results

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	%
Year ended March 31, 2022	53,514	4.4	536	49.3	671	60.0	510	—
Year ended March 31, 2021	51,248	(12.1)	359	(40.1)	419	(35.7)	(433)	—

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2022	84.97	84.81	3.0	1.4	1.0
Year ended March 31, 2021	(72.27)	—	(2.6)	0.9	0.7

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	50,283	17,263	34.3	2,868.24
As of March 31, 2021	46,855	16,290	34.7	2,706.35

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	(1,021)	(4,190)	1,738	2,181
Year ended March 31, 2021	3,487	(1,019)	(221)	5,574

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	—	0.00	—	0.00	0.00	—	—	—
Year ended March 31, 2022	—	0.00	—	25.00	25.00	150	29.4	0.9
Year ending March 31, 2023 (Forecast)	—	0.00	—	50.00	50.00		30.0	

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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	57,000	6.5	1,300	142.5	1,250	86.1	1,000	96.0	166.52

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2022	6,056,939 shares	As of March 31, 2021	6,056,939 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	51,606 shares	As of March 31, 2021	52,823 shares
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Average number of shares during the period

Year ended March 31, 2022	6,004,521 shares	Year ended March 31, 2021	6,003,707 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	5,659	2,390
Notes and accounts receivable - trade	13,176	—
Notes receivable - trade	—	570
Accounts receivable - trade	—	12,098
Contract assets	—	751
Electronically recorded monetary claims - operating	1,957	2,013
Merchandise and finished goods	1,624	2,147
Work in process	1,281	1,237
Raw materials and supplies	5,117	7,327
Other	1,284	1,718
Allowance for doubtful accounts	(362)	(194)
Total current assets	29,740	30,062
Non-current assets		
Property, plant and equipment		
Buildings and structures	11,048	11,310
Accumulated depreciation	(5,697)	(6,079)
Buildings and structures, net	5,351	5,230
Machinery, equipment and vehicles	18,900	19,167
Accumulated depreciation	(14,917)	(15,517)
Machinery, equipment and vehicles, net	3,983	3,650
Tools, furniture and fixtures	13,531	14,076
Accumulated depreciation	(12,097)	(12,530)
Tools, furniture and fixtures, net	1,434	1,546
Land	2,099	5,606
Leased assets	56	54
Accumulated depreciation	(17)	(17)
Leased assets, net	39	36
Construction in progress	647	632
Total property, plant and equipment	13,556	16,704
Intangible assets		
Goodwill	925	761
Other	336	275
Total intangible assets	1,261	1,037
Investments and other assets		
Investment securities	1,208	1,247
Long-term loans receivable	1	0
Deferred tax assets	634	760
Retirement benefit asset	238	265
Other	224	226
Allowance for doubtful accounts	(11)	(20)
Total investments and other assets	2,296	2,479
Total non-current assets	17,114	20,221
Total assets	46,855	50,283

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	5,938	6,074
Electronically recorded obligations - operating	4,362	4,628
Short-term borrowings	4,601	4,960
Current portion of long-term borrowings	1,316	2,158
Lease liabilities	17	16
Accounts payable - other	841	1,084
Income taxes payable	481	162
Accrued consumption taxes	304	25
Contract liabilities	—	384
Provision for bonuses	546	499
Provision for bonuses for directors (and other officers)	5	8
Provision for product warranties	213	97
Other provisions	53	213
Other	1,183	1,120
Total current liabilities	19,865	21,435
Non-current liabilities		
Bonds payable	3,000	3,000
Long-term borrowings	5,308	6,438
Lease liabilities	37	33
Deferred tax liabilities	143	—
Retirement benefit liability	2,096	1,969
Provision for product warranties	—	30
Asset retirement obligations	29	29
Other	84	84
Total non-current liabilities	10,699	11,584
Total liabilities	30,564	33,020
<b>Net assets</b>		
Shareholders' equity		
Share capital	8,388	8,388
Capital surplus	1,632	1,632
Retained earnings	6,610	7,120
Treasury shares	(157)	(151)
Total shareholders' equity	16,474	16,989
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	216	212
Deferred gains or losses on hedges	(0)	(4)
Foreign currency translation adjustment	(394)	(4)
Remeasurements of defined benefit plans	(45)	32
Total accumulated other comprehensive income	(225)	235
Share acquisition rights	24	21
Non-controlling interests	17	17
Total net assets	16,290	17,263
Total liabilities and net assets	46,855	50,283

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	51,248	53,514
Cost of sales	44,739	46,927
Gross profit	6,508	6,587
Selling, general and administrative expenses	6,149	6,051
Operating profit	359	536
Non-operating income		
Interest income	18	12
Dividend income	20	19
Rental income	21	21
Foreign exchange gains	—	221
Subsidy income	150	109
Surrender value of insurance policies	47	—
Other	83	148
Total non-operating income	341	532
Non-operating expenses		
Interest expenses	125	138
Rental costs	10	10
Share of loss of entities accounted for using equity method	19	10
Foreign exchange losses	69	—
Tariff cost	—	155
Other	56	82
Total non-operating expenses	281	397
Ordinary profit	419	671
Extraordinary income		
Gain on sale of land	94	—
Gain on sale of non-current assets	—	47
Gain on sale of investment securities	10	2
Subsidies Income	123	—
Total extraordinary income	228	49
Extraordinary losses		
Loss on COVID 19	246	—
Product warranty loss	223	13
Total extraordinary losses	469	13
Profit before income taxes	178	707
Income taxes - current	845	418
Income taxes - deferred	(233)	(221)
Total income taxes	612	196
Profit (loss)	(433)	510
Profit attributable to non-controlling interests	0	0
Profit (loss) attributable to owners of parent	(433)	510

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit (loss)	(433)	510
Other comprehensive income		
Valuation difference on available-for-sale securities	74	(3)
Deferred gains or losses on hedges	(3)	(4)
Foreign currency translation adjustment	(165)	338
Remeasurements of defined benefit plans, net of tax	150	78
Share of other comprehensive income of entities accounted for using equity method	6	50
Total other comprehensive income	61	460
Comprehensive income	(371)	970
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(372)	970
Comprehensive income attributable to non-controlling interests	0	0

## Consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,388	1,632	7,197	(165)	17,052
Changes during period					
Dividends of surplus			(150)		(150)
Profit (loss) attributable to owners of parent			(433)		(433)
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(2)		9	6
Transfer of loss on disposal of treasury shares		2	(2)		–
Net changes in items other than shareholders' equity					–
Total changes during period	–	–	(586)	8	(578)
Balance at end of period	8,388	1,632	6,610	(157)	16,474

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	140	3	(234)	(195)	(286)	21	16	16,804
Changes during period								
Dividends of surplus								(150)
Profit (loss) attributable to owners of parent								(433)
Purchase of treasury shares								(0)
Disposal of treasury shares								6
Transfer of loss on disposal of treasury shares								–
Net changes in items other than shareholders' equity	75	(3)	(160)	150	61	2	0	64
Total changes during period	75	(3)	(160)	150	61	2	0	(513)
Balance at end of period	216	(0)	(394)	(45)	(225)	24	17	16,290

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,388	1,632	6,610	(157)	16,474
Changes during period					
Dividends of surplus			–		–
Profit (loss) attributable to owners of parent			510		510
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(0)		6	5
Transfer of loss on disposal of treasury shares		0	(0)		–
Net changes in items other than shareholders' equity					–
Total changes during period	–	–	509	5	514
Balance at end of period	8,388	1,632	7,120	(151)	16,989

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	216	(0)	(394)	(45)	(225)	24	17	16,290
Changes during period								
Dividends of surplus								–
Profit (loss) attributable to owners of parent								510
Purchase of treasury shares								(0)
Disposal of treasury shares								5
Transfer of loss on disposal of treasury shares								–
Net changes in items other than shareholders' equity	(3)	(4)	390	78	460	(2)	0	457
Total changes during period	(3)	(4)	390	78	460	(2)	0	972
Balance at end of period	212	(4)	(4)	32	235	21	17	17,263



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	178	707
Depreciation	2,057	1,842
Amortization of goodwill	163	163
Increase (decrease) in provision for product warranties	213	(88)
Increase (decrease) in allowance for doubtful accounts	308	(162)
Increase (decrease) in retirement benefit asset or liability	(93)	(94)
Interest and dividend income	(38)	(31)
Interest expenses	125	138
Foreign exchange losses (gains)	198	115
Share of loss (profit) of entities accounted for using equity method	19	10
Loss (gain) on sale of investment securities	(10)	(2)
Loss (gain) on sale of land	(94)	—
Loss (gain) on sale of non-current assets	—	(47)
Decrease (increase) in trade receivables	465	(37)
Decrease (increase) in inventories	1,077	(2,435)
Increase (decrease) in trade payables	(97)	153
Decrease (increase) in other current assets	318	(200)
Increase (decrease) in accounts payable - other	(79)	(6)
Other, net	(170)	(110)
Subtotal	4,540	(87)
Interest and dividends received	38	28
Interest paid	(125)	(138)
Income taxes refund	9	108
Income taxes paid	(975)	(933)
Net cash provided by (used in) operating activities	3,487	(1,021)
Cash flows from investing activities		
Payments into time deposits	(118)	(514)
Proceeds from withdrawal of time deposits	389	402
Purchase of property, plant and equipment	(1,552)	(4,276)
Proceeds from sale of property, plant and equipment	169	250
Purchase of intangible assets	(42)	(11)
Purchase of investment securities	(13)	(46)
Proceeds from sale of investment securities	109	4
Proceeds from collection of loans receivable	0	0
Other, net	39	1
Net cash provided by (used in) investing activities	(1,019)	(4,190)

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,321)	227
Proceeds from long-term borrowings	3,530	3,700
Repayments of long-term borrowings	(1,254)	(2,174)
Purchase of treasury shares	(0)	(0)
Proceeds from disposal of treasury shares	0	0
Repayments of lease liabilities	(24)	(12)
Dividends paid	(150)	–
Net cash provided by (used in) financing activities	(221)	1,738
Effect of exchange rate change on cash and cash equivalents	15	80
Net increase (decrease) in cash and cash equivalents	2,262	(3,392)
Cash and cash equivalents at beginning of period	3,312	5,574
Cash and cash equivalents at end of period	5,574	2,181