

Translation

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**Summary of Consolidated Financial Results
for the Three Months Ended April 30, 2020
(Based on Japanese GAAP)**

June 9, 2020

Company name: Mitsui High-tec, Inc.
 Stock exchange listing: Tokyo, Fukuoka
 Stock code: 6966 URL <https://www.mitsui-high-tec.com/>
 Representative: President and Representative Director Yasunari Mitsui
 Executive Managing Director
 Inquiries: Senior General Manager Kozo Mitsui TEL 093-614-1111
 General Administration Unit
 Scheduled date to file Quarterly Securities Report: June 9, 2020
 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 April 30, 2020 (from February 1, 2020 to April 30, 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	%
Three months ended April 30, 2020	21,689	5.3	147	–	180	–	76	–
Three months ended April 30, 2019	20,588	1.0	(347)	–	(226)	–	(315)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended April 30, 2020	2.10		–	
Three months ended April 30, 2019	(8.41)		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of April 30, 2020	93,101	44,739	47.8
As of January 31, 2020	89,507	45,859	51.0

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 January 31, 2020	–	2.00	–	4.00	6.00
Year ending January 31, 2021	–				
Year ending January 31, 2021 (Forecast)		3.00	–	3.00	6.00

3. Forecast of consolidated financial results for the year ending January 31, 2021 (from February 1, 2020 to January 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	–	–	–	–	–	–	–	–	–

4. Notes

- (1) Changes in significant subsidiaries during the three months ended April 30, 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: No

(4) Number of issued shares (common shares)

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

As of April 30, 2020	39,466,865 shares	As of January 31, 2020	39,466,865 shares
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Number of treasury shares at the end of the period

As of April 30, 2020	2,911,772 shares	As of January 31, 2020	2,911,768 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended April 30, 2020	36,555,095 shares	Three months ended April 30, 2019	37,485,424 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of January 31, 2020	As of April 30, 2020
Assets		
Current assets		
Cash and deposits	15,793	17,952
Notes and accounts receivable - trade	12,203	12,264
Electronically recorded monetary claims - operating	2,312	2,334
Securities	3,700	3,200
Merchandise and finished goods	3,333	3,783
Work in process	1,965	2,199
Raw materials and supplies	2,093	2,198
Other	2,011	2,457
Allowance for doubtful accounts	(12)	(11)
Total current assets	43,402	46,379
Non-current assets		
Property, plant and equipment		
Buildings and structures	35,287	36,286
Accumulated depreciation	(23,450)	(23,509)
Buildings and structures, net	11,836	12,776
Machinery, equipment and vehicles	59,319	60,009
Accumulated depreciation	(42,973)	(43,385)
Machinery, equipment and vehicles, net	16,345	16,623
Tools, furniture and fixtures	22,794	23,015
Accumulated depreciation	(20,265)	(20,265)
Tools, furniture and fixtures, net	2,529	2,749
Land	7,634	7,600
Right of use assets	1,441	1,408
Accumulated depreciation	(817)	(804)
Right of use assets, net	624	603
Construction in progress	4,439	3,834
Total property, plant and equipment	43,410	44,188
Intangible assets	449	425
Investments and other assets		
Investment securities	1,060	875
Deferred tax assets	296	326
Retirement benefit asset	318	337
Other	570	568
Total investments and other assets	2,245	2,108
Total non-current assets	46,104	46,722
Total assets	89,507	93,101

(Millions of yen)

	As of January 31, 2020	As of April 30, 2020
Liabilities		
Current liabilities		
Accounts payable - trade	5,806	6,232
Current portion of long-term borrowings	1,979	2,579
Income taxes payable	357	150
Provision for bonuses for directors (and other officers)	–	4
Lease obligations	27	25
Other	3,794	5,200
Total current liabilities	11,965	14,194
Non-current liabilities		
Long-term borrowings	31,250	33,730
Provision for retirement benefits for directors (and other officers)	183	169
Retirement benefit liability	98	96
Lease obligations	150	147
Other	–	24
Total non-current liabilities	31,682	34,167
Total liabilities	43,648	48,362
Net assets		
Shareholders' equity		
Share capital	16,403	16,403
Capital surplus	14,661	14,661
Retained earnings	18,833	18,764
Treasury shares	(3,033)	(3,033)
Total shareholders' equity	46,864	46,795
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	214	85
Foreign currency translation adjustment	(1,367)	(2,295)
Remeasurements of defined benefit plans	(80)	(74)
Total accumulated other comprehensive income	(1,233)	(2,284)
Non-controlling interests	227	228
Total net assets	45,859	44,739
Total liabilities and net assets	89,507	93,101

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended April 30, 2019	Three months ended April 30, 2020
Net sales	20,588	21,689
Cost of sales	18,696	19,133
Gross profit	1,892	2,556
Selling, general and administrative expenses	2,240	2,409
Operating profit (loss)	(347)	147
Non-operating income		
Interest income	26	17
Foreign exchange gains	64	102
Other	59	50
Total non-operating income	150	170
Non-operating expenses		
Interest expenses	19	22
Loss on sales and retirement of non-current assets	4	11
Non recurring loss	–	83
Other	5	20
Total non-operating expenses	29	138
Ordinary profit (loss)	(226)	180
Extraordinary income		
Subsidy income	19	90
Total extraordinary income	19	90
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	–	90
Total extraordinary losses	–	90
Profit (loss) before income taxes	(207)	180
Income taxes	98	96
Profit (loss)	(305)	83
Profit attributable to non-controlling interests	9	6
Profit (loss) attributable to owners of parent	(315)	76

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended April 30, 2019	Three months ended April 30, 2020
Profit (loss)	(305)	83
Other comprehensive income		
Valuation difference on available-for-sale securities	16	(128)
Foreign currency translation adjustment	400	(927)
Remeasurements of defined benefit plans, net of tax	0	5
Total other comprehensive income	417	(1,050)
Comprehensive income	111	(967)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	102	(973)
Comprehensive income attributable to non-controlling interests	9	6