

Translation

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Summary of Consolidated Financial Results for the Six Months Ended July 31, 2021 (Based on Japanese GAAP)

September 10, 2021

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: September 10, 2021
 Scheduled date to commence dividend payments: October 14, 2021
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended July 31, 2021 (from February 1, 2021 to July 31, 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	%
Six months ended July 31, 2021	64,228	45.8	5,962	720.3	6,075	672.5	4,509	749.5
Six months ended July 31, 2020	44,041	4.2	726	–	786	–	530	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended July 31, 2021	123.37		–	
Six months ended July 31, 2020	14.52		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of July 31, 2021	115,508	53,078	45.7
As of January 31, 2021	96,256	47,782	49.4

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended January 31, 2021	–	3.00	–	18.00	21.00
Year ending January 31, 2022	–	9.00	–	–	–
Year ending January 31, 2022 (Forecast)	–	–	–	18.00	27.00

3. Forecast of consolidated financial results for the year ending January 31, 2022 (from February 1, 2021 to January 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
Full year	134,800	38.5	11,600	206.1	11,700	199.4	7,800	200.9	213.39

4. Notes

- (1) Changes in significant subsidiaries during the six months ended July 31, 2021
 (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 July 31, 2021	39,466,865 shares	As of January 31, 2021	39,466,865 shares
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Number of treasury shares at the end of the period

As of July 31, 2021	2,913,661 shares	As of January 31, 2021	2,912,905 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended July 31, 2021	36,553,601 shares	Six months ended July 31, 2020	36,555,068 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of January 31, 2021	As of July 31, 2021
Assets		
Current assets		
Cash and deposits	14,748	20,780
Notes and accounts receivable - trade	14,767	18,625
Electronically recorded monetary claims - operating	3,079	3,833
Securities	3,000	2,700
Merchandise and finished goods	4,100	4,320
Work in process	2,453	2,801
Raw materials and supplies	2,094	2,964
Other	2,633	3,236
Allowance for doubtful accounts	(14)	(14)
Total current assets	46,863	59,246
Non-current assets		
Property, plant and equipment		
Buildings and structures	36,761	37,682
Accumulated depreciation	(24,153)	(24,688)
Buildings and structures, net	12,607	12,993
Machinery, equipment and vehicles	66,213	71,005
Accumulated depreciation	(46,127)	(48,201)
Machinery, equipment and vehicles, net	20,085	22,803
Tools, furniture and fixtures	22,435	23,465
Accumulated depreciation	(20,049)	(21,062)
Tools, furniture and fixtures, net	2,385	2,403
Land	7,616	7,382
Right of use assets	1,424	1,513
Accumulated deprecation	(835)	(907)
Right of use assets, net	589	605
Construction in progress	3,690	7,171
Total property, plant and equipment	46,975	53,359
Intangible assets	480	684
Investments and other assets		
Investment securities	1,022	1,136
Deferred tax assets	293	381
Retirement benefit asset	175	258
Other	444	440
Total investments and other assets	1,936	2,217
Total non-current assets	49,392	56,262
Total assets	96,256	115,508

(Millions of yen)

	As of January 31, 2021	As of July 31, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	7,679	10,350
Current portion of long-term borrowings	2,341	6,790
Income taxes payable	640	1,925
Provision for bonuses for directors (and other officers)	80	86
Lease obligations	26	29
Other	4,286	4,724
Total current liabilities	15,054	23,907
Non-current liabilities		
Long-term borrowings	32,886	38,036
Provision for retirement benefits for directors (and other officers)	212	168
Retirement benefit liability	99	102
Lease obligations	127	117
Deferred tax liabilities	61	65
Other	32	32
Total non-current liabilities	33,419	38,522
Total liabilities	48,473	62,430
Net assets		
Shareholders' equity		
Share capital	16,403	16,403
Capital surplus	14,661	14,661
Retained earnings	21,170	25,021
Treasury shares	(3,036)	(3,040)
Total shareholders' equity	49,198	53,046
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	187	266
Deferred gains or losses on hedges	(3)	20
Foreign currency translation adjustment	(1,661)	(349)
Remeasurements of defined benefit plans	(184)	(163)
Total accumulated other comprehensive income	(1,662)	(225)
Non-controlling interests	246	257
Total net assets	47,782	53,078
Total liabilities and net assets	96,256	115,508

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended July 31, 2020	Six months ended July 31, 2021
Net sales	44,041	64,228
Cost of sales	38,683	52,636
Gross profit	5,358	11,591
Selling, general and administrative expenses	4,631	5,628
Operating profit	726	5,962
Non-operating income		
Interest income	29	19
Foreign exchange gains	–	136
Rent income of real estate	53	51
Subsidies for employment adjustment	69	15
Other	92	80
Total non-operating income	245	303
Non-operating expenses		
Interest expenses	48	55
Foreign exchange losses	3	–
Loss on sales and retirement of non-current assets	21	113
Non recurring loss	82	–
Other	30	21
Total non-operating expenses	186	190
Ordinary profit	786	6,075
Extraordinary income		
Subsidy income	88	140
Total extraordinary income	88	140
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	88	–
Total extraordinary losses	88	–
Profit before income taxes	786	6,216
Income taxes	242	1,691
Profit	544	4,525
Profit attributable to non-controlling interests	13	15
Profit attributable to owners of parent	530	4,509

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended July 31, 2020	Six months ended July 31, 2021
Profit	544	4,525
Other comprehensive income		
Valuation difference on available-for-sale securities	(163)	79
Deferred gains or losses on hedges	5	23
Foreign currency translation adjustment	(780)	1,311
Remeasurements of defined benefit plans, net of tax	9	21
Total other comprehensive income	(928)	1,436
Comprehensive income	(384)	5,961
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(397)	5,946
Comprehensive income attributable to non-controlling interests	13	15