

Translation

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

December 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: December 10, 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 nine months ended October 31, 2021 (from February 1, 2021 to October 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	%
Nine months ended October 31, 2021	98,690	42.0	9,552	407.0	10,064	399.5	7,371	397.6
Nine months ended October 31, 2020	69,501	7.8	1,884	–	2,014	–	1,481	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended October 31, 2021	201.67		–	
Nine months ended October 31, 2020	40.53		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of October 31, 2021	125,628	56,148	44.5
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)	–	–	–	55.00	64.00

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	138,000	41.8	13,000	243.0	13,500	245.5	9,500	266.4	259.90

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended October 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 October 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 October 31, 2021	2,913,979 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)

Nine months ended October 31, 2021	36,553,417 shares	Nine months ended October 31, 2020	36,554,999 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of January 31, 2021	As of October 31, 2021
Assets		
Current assets		
Cash and deposits	14,748	22,158
Notes and accounts receivable - trade	14,767	21,193
Electronically recorded monetary claims - operating	3,079	3,100
Securities	3,000	6,000
Merchandise and finished goods	4,100	4,850
Work in process	2,453	2,856
Raw materials and supplies	2,094	2,957
Other	2,633	3,363
Allowance for doubtful accounts	(14)	(15)
Total current assets	46,863	66,464
Non-current assets		
Property, plant and equipment		
Buildings and structures	36,761	38,077
Accumulated depreciation	(24,153)	(25,059)
Buildings and structures, net	12,607	13,017
Machinery, equipment and vehicles	66,213	73,785
Accumulated depreciation	(46,127)	(49,638)
Machinery, equipment and vehicles, net	20,085	24,147
Tools, furniture and fixtures	22,435	24,327
Accumulated depreciation	(20,049)	(21,564)
Tools, furniture and fixtures, net	2,385	2,763
Land	7,616	7,670
Right of use assets	1,424	1,561
Accumulated deprecation	(835)	(945)
Right of use assets, net	589	616
Construction in progress	3,690	7,879
Total property, plant and equipment	46,975	56,094
Intangible assets	480	742
Investments and other assets		
Investment securities	1,022	1,184
Deferred tax assets	293	397
Retirement benefit asset	175	339
Other	444	405
Total investments and other assets	1,936	2,327
Total non-current assets	49,392	59,163
Total assets	96,256	125,628

(Millions of yen)

	As of January 31, 2021	As of October 31, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	7,679	11,222
Current portion of long-term borrowings	2,341	7,056
Income taxes payable	640	2,600
Provision for bonuses for directors (and other officers)	80	131
Lease obligations	26	32
Other	4,286	5,642
Total current liabilities	15,054	26,684
Non-current liabilities		
Long-term borrowings	32,886	42,292
Provision for retirement benefits for directors (and other officers)	212	174
Retirement benefit liability	99	106
Lease obligations	127	122
Deferred tax liabilities	61	66
Other	32	32
Total non-current liabilities	33,419	42,795
Total liabilities	48,473	69,479
Net assets		
Shareholders' equity		
Share capital	16,403	16,403
Capital surplus	14,661	14,661
Retained earnings	21,170	27,554
Treasury shares	(3,036)	(3,042)
Total shareholders' equity	49,198	55,577
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	187	299
Deferred gains or losses on hedges	(3)	(76)
Foreign currency translation adjustment	(1,661)	242
Remeasurements of defined benefit plans	(184)	(151)
Total accumulated other comprehensive income	(1,662)	314
Non-controlling interests	246	257
Total net assets	47,782	56,148
Total liabilities and net assets	96,256	125,628

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended October 31, 2020	Nine months ended October 31, 2021
Net sales	69,501	98,690
Cost of sales	60,431	80,647
Gross profit	9,070	18,042
Selling, general and administrative expenses	7,186	8,490
Operating profit	1,884	9,552
Non-operating income		
Interest income	36	31
Foreign exchange gains	12	585
Rent income of real estate	80	77
Subsidies for employment adjustment	111	15
Other	117	113
Total non-operating income	358	823
Non-operating expenses		
Interest expenses	74	88
Loss on sales and retirement of non-current assets	31	188
Non recurring loss	82	-
Other	38	34
Total non-operating expenses	227	310
Ordinary profit	2,014	10,064
Extraordinary income		
Subsidy income	98	145
Total extraordinary income	98	145
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	88	4
Total extraordinary losses	88	4
Profit before income taxes	2,024	10,205
Income taxes	522	2,814
Profit	1,502	7,391
Profit attributable to non-controlling interests	20	19
Profit attributable to owners of parent	1,481	7,371

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended October 31, 2020	Nine months ended October 31, 2021
Profit	1,502	7,391
Other comprehensive income		
Valuation difference on available-for-sale securities	(104)	112
Deferred gains or losses on hedges	12	(73)
Foreign currency translation adjustment	(784)	1,904
Remeasurements of defined benefit plans, net of tax	13	33
Total other comprehensive income	(862)	1,976
Comprehensive income	639	9,368
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	618	9,348
Comprehensive income attributable to non-controlling interests	20	19