## **Walden Research Japan**

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# FREUND CORPORATION (6312)

Consolidated FY		Sales	Operating	Recurring	Profit Attributable to	EPS	DPS	BPS
(Million Yen)		Jaies	Profit	Profit	Owners of Parent	(Yen)	(Yen)	(Yen)
FY02/2018		19,801	1,971	1,994	1,477	85.7	20.0	767.9
FY02/2019		18,408	1,223	1,326	843	50.2	20.0	791.3
FY02/2020CoE		17,500	1,000	1,000	700	41.8	20.0	
FY02/2019	YoY	(7.0%)	(37.9%)	(33.5%)	(42.9%)	-	-	-
FY02/2020CoE	YoY	(4.9%)	(18.2%)	(24.6%)	(17.0%)	-	-	-
Consolidated Quarter		Sales	Operating	Recurring	Profit Attributable to	EPS	DPS	BPS
(Million Yen)		Sales	Profit	Profit	Owners of Parent	(Yen)	(Yen)	(Yen)
Q1 FY02/2019		4,849	399	478	347	-	-	-
Q2 FY02/2019		4,267	193	205	118	-	-	-
Q3 FY02/2019		4,126	77	86	57	-	-	-
Q4 FY02/2019		5,164	552	555	319			
Q1 FY02/2020		2,878	(214)	(217)	(158)	-	-	-
Q1 FY02/2020	YoY	(40.6%)	-	-	-	-	-	-

Source: Company Data, WRJ Calculation

## 1.0 Results Update (28 June 2019)

#### All at Once

On 28 June 2019, FREUND CORPORATION, developing, manufacturing and selling equipment and chemicals, released its Q1 FY02/2020 results. It has been revealed that sales with the Company are swinging downward due to delayed sales on the Equipment side. Still, incoming order intake is rather higher than the levels during the same period in the previous year and thus the delayed sales are driving order backlog. Sales of Japan came down almost as much as 70%, suffering from delayed sales in particular. Meanwhile, on the Chemicals side, sales growth rate is decelerating and earnings are now not growing. Still, it appears this has a lot to do with some short-term negative factors. In other words, the Company suffers from short-term negative factors across the board all at once in Q1, implying no necessity to revise full-year Company forecasts. We are to interview with management to discuss the issues more in depth so that we should be able to update FREUND CORPORATION (6312) Starting Over (16 May 2019) and release anew.

IR Representative: Corporate Communications Department (+81 3 6890 0767 ir@freund.co.jp)

# 2.0 Company Profile

## **Equipment and Chemicals**

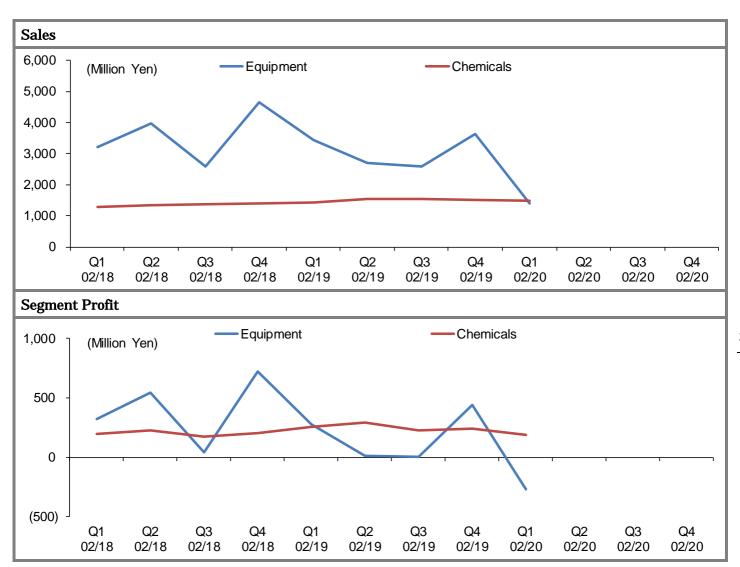
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Company Name	FREUND CORPORATION
	Company Website  IR Information  FREUND
	IR Information // FREUND
	Share Price (Japanese)
Established	22 April 1964
Listing	24 July 1996: Tokyo Stock Exchange JASDAQ Standard (ticker: 6312)
Capital	¥1,035m (as of the end of May 2019)
No. of Shares	18,400,000 shares, including 1,655,480 treasury shares (as of the end of May 2019)
Main Features	Leading the market of Japan for granulation / coating equipment with market
	share of 60% to 70%
	• Focus on new products, i.e., tablet-printing equipment (TABREX),
	rechargeable-battery-related manufacturing equipment, etc.
	Pharmaceutical excipients, the key growth driver on the Chemicals side
Business Segments	. Equipment
	. Chemicals
Top Management	President & CEO: Iwao Fusejima
Shareholders	Own shares holdings 8.9%, KK Fusejima Yokosha 8.9%, Yasutoyo Fusejima 7.0%,
	MUFG Bank 4.5% (as of the end of February 2019)
Headquarters	FREUND Bldg., 6-25-13 Nishishinjuku, Shinjuku-ku, Tokyo, JAPAN
No. of Employees	Consolidated: 372, Parent: 208 (as of the end of February 2019)

Source: Company Data

## 3.0 Recent Trading and Prospects

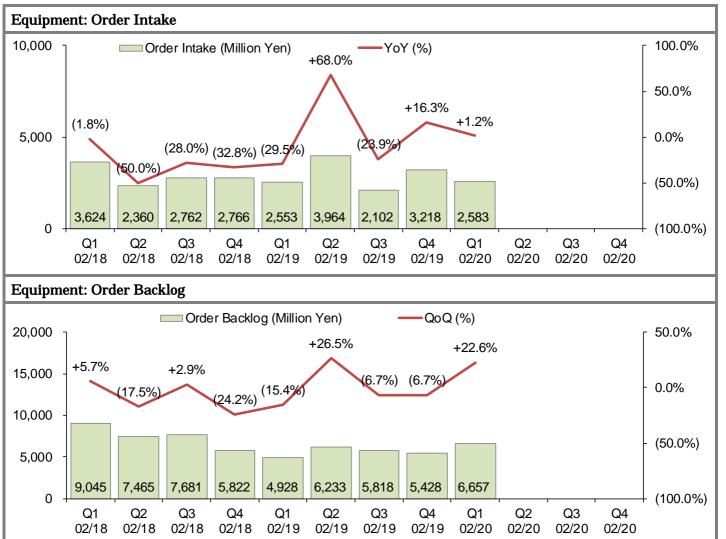
#### Q1 FY02/2020 Results

In Q1 FY02/2020, sales came in at \$2,878m (down 40.6% YoY), operating profit negative \$214m (versus \$399m during the same period in the previous year), recurring profit negative \$217m (\$478m) and profit attributable to owners of parent negative \$158m (\$347m), while operating profit margin negative 7.5% (down 15.7% points).



Source: Company Data, WRJ Calculation

On the Equipment side, sales came in at \$1,386m (down 59.6%), segment profit negative \$267m (\$278m) and segment profit margin negative 19.3% (down 27.4% points). By region, sales of Japan came in at \$894m (down 67.9%) and sales overseas \$491m (down 24.3%), implying that sales of Japan are delayed in particular. Order intake came in at \$2,583m, which is up 1.2% over the same period in the previous year, while order backlog as of the end of Q1 stands at \$6,657m, up 22.6% from the end of directly preceding quarter, i.e., Q4 FY02/2019.



Source: Company Data, WRJ Calculation

On the Chemicals side, sales came in at ¥1,491m (up 5.3%), segment profit ¥187m (down 27.8%) and segment profit margin 12.6% (down 5.8% points). Food preservatives suffer from decreased sales and earnings due to intensifying competition. Meanwhile, pharmaceutical excipients, having consistently driven earnings here on the Chemicals side are now "accelerating further with the sentiment", according to the Company. Still, sales rate of this business segment is rather decelerating, while earnings are coming down, implying it should be the case that there are some short-term negative factors on this side as well.

#### FY02/2020 Company Forecasts

FY02/2020 Company forecasts have remained unchanged, going for prospective sales of \$17,500m (down 4.9% YoY), operating profit of \$1,000m (down 18.2%), recurring profit of \$1,000m (down 24.6%) and profit attributable to owners of parent of \$700m (down 17.0%), while operating profit margin of 5.7% (down 0.9% points). Company forecasts are also going for annual dividend of \$20.0 per share, implying payout ratio of 47.8%.

## 4.0 Financial Statements

## Income Statement (Cumulative, Quarterly)

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Income Statement	Cons.Act	Cons. Act	Cons.Act	Cons.Act	Cons. Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	02/2019	02/2019	02/2019	02/2019	02/2020	02/2020	02/2020	02/2020	Net Chg.
Sales	4,849	9,117	13,243	18,408	2,878	-	-	-	(1,971)
Cost of Sales	3,245	6,100	8,874	12,220	1,830	-	-		(1,414)
Gross Profit	1,604	3,016	4,368	6,188	1,047	-	-	-	(556)
SG&A	1,204	2,423	3,698	4,964	1,262	-	-	-	+57
Operating Profit	399	592	670	1,223	(214)	-	-	-	(613)
Non Operating Balance	79	91	100	103	(2)	-	-	-	(82)
Recurring Profit	478	684	770	1,326	(217)	-	-	-	(696)
Extraordinary Balance	21	21	22	(70)	7	-	-	-	(14)
Profit before Income Taxes	500	705	792	1,255	(210)	-	-	-	(710)
Total Income Taxes	153	239	269	412	(52)	-	-	-	(205)
Profit Attributable to Owners of Parent	347	466	523	843	(158)	-	-	-	(505)
Sales YoY	+8.4%	(6.9%)	(3.7%)	(7.0%)	(40.6%)	-	-	-	-
Operating Profit YoY	+3.0%	(44.8%)	(41.9%)	(37.9%)	-	-	-	-	-
Recurring Profit YoY	+20.3%	(37.3%)	(34.4%)	(33.5%)	-	-	-	-	-
Profit Attributable to Owners of Parent YoY	+26.6%	(36.5%)	(38.4%)	(42.9%)	-	-	-	-	-
Gross Profit Margin	33.1%	33.1%	33.0%	33.6%	36.4%	-	-	-	+3.3%
SG&A / Sales	24.8%	26.6%	27.9%	27.0%	43.9%	-	-	-	+19.0%
Operating Profit Margin	8.2%	6.5%	5.1%	6.6%	(7.5%)	-	-	-	(15.7%)
Recurring Profit Margin	9.9%	7.5%	5.8%	7.2%	(7.6%)	-	-	-	(17.4%)
Profit Attributable to Owners of Parent Margin	7.2%	5.1%	4.0%	4.6%	(5.5%)	-	-		(12.7%)
Total Income Taxes / Profit before Income Taxes	30.6%	33.9%	34.0%	32.8%	-	_	-		-
Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
Income Statement	Cons.Act Q1	Cons.Act Q2		Cons.Act Q4	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	YoY
			Cons.Act						
Income Statement  (Million Yen) Sales	Q1	Q2 02/2019	Cons.Act Q3	Q4	Q1	Q2	Q3	Q4	Net Chg.
(Million Yen)	Q1 02/2019	Q2	Cons.Act Q3 02/2019	Q4 02/2019 5,164	Q1 02/2020	Q2	Q3	Q4	Net Chg. (1,971)
(Million Yen) Sales	Q1 02/2019 4,849 3,245	Q2 02/2019 <b>4,267</b> 2,855	Q3 02/2019 4,126 2,773	Q4 02/2019 <b>5,164</b> 3,345	Q1 02/2020 2,878 1,830	Q2	Q3	Q4	Net Chg. (1,971) (1,414)
(Million Yen) Sales Cost of Sales	Q1 02/2019 4,849 3,245 1,604	Q2 02/2019 <b>4,267</b> 2,855 1,412	Q3 02/2019 4,126 2,773 1,352	Q4 02/2019 <b>5,164</b> 3,345 1,819	Q1 02/2020 2,878 1,830 1,047	Q2	Q3	Q4	Net Chg. (1,971) (1,414) (556)
(Million Yen) Sales Cost of Sales Gross Profit SG&A	Q1 02/2019 4,849 3,245 1,604 1,204	Q2 02/2019 4,267 2,855 1,412 1,218	Q3 02/2019 4,126 2,773 1,352 1,275	Q4 02/2019 5,164 3,345 1,819 1,266	Q1 02/2020 2,878 1,830 1,047 1,262	Q2	Q3	Q4	(1,971) (1,414) (556) +57
(Million Yen) Sales Cost of Sales Gross Profit SG&A Operating Profit	Q1 02/2019 4,849 3,245 1,604 1,204 399	Q2 02/2019 4,267 2,855 1,412 1,218 193	Q3 02/2019 4,126 2,773 1,352 1,275	Q4 02/2019 5,164 3,345 1,819 1,266 552	Q1 02/2020 2,878 1,830 1,047 1,262 (214)	Q2	Q3	Q4	Net Chg. (1,971) (1,414) (556) +57 (613)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Operating Profit Non Operating Balance	Q1 02/2019 4,849 3,245 1,604 1,204 399	Q2 02/2019 4,267 2,855 1,412 1,218 193 11	Cons.Act Q3 02/2019 4,126 2,773 1,352 1,275 77 8	Q4 02/2019 5,164 3,345 1,819 1,266 552 2	Q1 02/2020 2,878 1,830 1,047 1,262 (214) (2)	Q2	Q3	Q4	Net Chg. (1,971) (1,414) (556) +57 (613) (82)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Operating Profit Non Operating Balance Recurring Profit	Q1 02/2019 4,849 3,245 1,604 1,204 399 79 478	Q2 02/2019 4,267 2,855 1,412 1,218 193 11 205	Cons.Act Q3 02/2019 4,126 2,773 1,352 1,275 77 8 866	Q4 02/2019 5,164 3,345 1,819 1,266 552 2 555	Q1 02/2020 2,878 1,830 1,047 1,262 (214) (2) (217)	Q2	Q3	Q4	Net Chg. (1,971) (1,414) (556) +57 (613) (82) (696)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance	Q1 02/2019 4,849 3,245 1,604 1,204 399 79 478 21	Q2 02/2019 4,267 2,855 1,412 1,218 193 11 205	Cons.Act Q3 02/2019 4,126 2,773 1,352 1,275 77 8 866 0	Q4 02/2019 5,164 3,345 1,819 1,266 552 2 555 (92)	Q1 02/2020 2,878 1,830 1,047 1,262 (214) (2) (217)	Q2	Q3	Q4	Net Chg. (1,971) (1,414) (556) +57 (613) (82) (696) (14)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes	Q1 02/2019 4,849 3,245 1,604 1,204 399 79 478 21	Q2 02/2019 4,267 2,855 1,412 1,218 193 11 205 0	Cons.Act Q3 02/2019 4,126 2,773 1,352 1,275 77 8 866 0 86	Q4 02/2019 5,164 3,345 1,819 1,266 552 2 555 (92) 462	Q1 02/2020 2,878 1,830 1,047 1,262 (214) (2) (217) 7 (210)	Q2	Q3	Q4	Net Chg. (1,971) (1,414) (556) +57 (613) (82) (696) (14) (710)
(Million Yen)  Sales  Cost of Sales Gross Profit SG&A  Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes	Q1 02/2019 4,849 3,245 1,604 1,204 399 79 478 21 500 153	Q2 02/2019 4,267 2,855 1,412 1,218 193 11 205 0 205 86	Cons.Act Q3 02/2019 4,126 2,773 1,352 1,275 77 8 86 0 86 29	Q4 02/2019 5,164 3,345 1,819 1,266 552 2 555 (92) 462 142	Q1 02/2020 2,878 1,830 1,047 1,262 (214) (2) (217) 7 (210) (52)	Q2	Q3	Q4	Net Chg. (1,971) (1,414) (556) +57 (613) (82) (696) (14) (710) (205)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Owners of Parent	Q1 02/2019 4,849 3,245 1,604 1,204 399 79 478 21 500 153 347	Q2 02/2019 4,267 2,855 1,412 1,218 193 11 205 0 205 86 118	Cons.Act Q3 02/2019 4,126 2,773 1,352 1,275 77 8 86 0 86 29 57	Q4 02/2019 5,164 3,345 1,819 1,266 552 2 555 (92) 462 142 319	Q1 02/2020 2,878 1,830 1,047 1,262 (214) (2) (217) 7 (210) (52) (158)	Q2	Q3	Q4	Net Chg. (1,971) (1,414) (556) +57 (613) (82) (696) (14) (710)
(Million Yen)  Sales  Cost of Sales Gross Profit SG&A  Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Owners of Parent Sales YoY	Q1 02/2019 4,849 3,245 1,604 1,204 399 79 478 21 500 153 347	Q2 02/2019 4,267 2,855 1,412 1,218 193 11 205 0 205 86 118 (19.7%)	Cons.Act Q3 02/2019 4,126 2,773 1,352 1,275 77 8 86 0 86 29 57	Q4 02/2019 5,164 3,345 1,819 1,266 552 2 555 (92) 462 142 319 (14.7%)	Q1 02/2020 2,878 1,830 1,047 1,262 (214) (2) (217) 7 (210) (52)	Q2	Q3	Q4	Net Chg. (1,971) (1,414) (556) +57 (613) (82) (696) (14) (710) (205)
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(Million Yen)  Sales  Cost of Sales Gross Profit SG&A  Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Owners of Parent  Sales YoY Operating Profit YoY Recurring Profit YoY	Q1 02/2019 4,849 3,245 1,604 1,204 399 79 478 21 500 153 347 +8.4% +3.0% +20.3%	Q2 02/2019 4,267 2,855 1,412 1,218 193 11 205 0 205 86 118 (19.7%) (71.8%) (70.4%)	Cons.Act Q3 02/2019 4,126 2,773 1,352 1,275 77 8 86 0 86 29 57 +4.3% (0.9%) +4.3%	Q4 02/2019 5,164 3,345 1,819 1,266 552 2 555 (92) 462 142 319 (14.7%) (32.5%) (32.2%)	Q1 02/2020 2,878 1,830 1,047 1,262 (214) (2) (217) 7 (210) (52) (158) (40.6%)	Q2	Q3	Q4 02/2020 - - - - - - - - - - - - - - - -	Net Chg. (1,971) (1,414) (556) +57 (613) (82) (696) (14) (710) (205)
(Million Yen)  Sales  Cost of Sales Gross Profit SG&A  Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Owners of Parent  Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY	Q1 02/2019 4,849 3,245 1,604 1,204 399 79 478 21 500 153 347 +8.4% +3.0% +20.3% +26.6%	Q2 02/2019 4,267 2,855 1,412 1,218 193 11 205 0 205 86 118 (19.7%) (71.8%) (70.4%) (74.1%)	Cons.Act Q3 02/2019 4,126 2,773 1,352 1,275 77 8 86 0 86 29 57 +4.3% (0.9%) +4.3% (50.1%)	Q4 02/2019 5,164 3,345 1,819 1,266 552 2 555 (92) 462 142 319 (14.7%) (32.5%) (32.2%) (49.1%)	Q1 02/2020 2,878 1,830 1,047 1,262 (214) (2) (217) 7 (210) (52) (158) (40.6%)	Q2	Q3	Q4 02/2020 - - - - - - - - - - - - - - - - - -	Net Chg. (1,971) (1,414) (556) +57 (613) (82) (696) (14) (710) (205) (505)
(Million Yen)  Sales  Cost of Sales Gross Profit SG&A  Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Owners of Parent  Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin	Q1 02/2019 4,849 3,245 1,604 1,204 399 79 478 21 500 153 347 +8.4% +3.0% +20.3% +26.6% 33.1%	Q2 02/2019 4,267 2,855 1,412 1,218 193 11 205 0 205 86 118 (19.7%) (71.8%) (70.4%) (74.1%)	Cons.Act Q3 02/2019 4,126 2,773 1,352 1,275 77 8 86 0 86 29 57 +4.3% (0.9%) +4.3% (50.1%) 32.8%	Q4 02/2019 5,164 3,345 1,819 1,266 552 2 555 (92) 462 142 319 (14.7%) (32.5%) (32.2%) (49.1%)	Q1 02/2020 2,878 1,830 1,047 1,262 (214) (2) (217) 7 (210) (52) (158) (40.6%)	Q2	Q3	Q4 02/2020 - - - - - - - - - - - - - - - -	Net Chg. (1,971) (1,414) (556) +57 (613) (82) (696) (14) (710) (205) (505)  +3.3%
(Million Yen)  Sales  Cost of Sales Gross Profit SG&A  Operating Profit Non Operating Balance  Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Owners of Parent  Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin SG&A / Sales	Q1 02/2019 4,849 3,245 1,604 1,204 399 79 478 21 500 153 347 +8.4% +3.0% +20.3% +26.6% 33.1% 24.8%	Q2 02/2019 4,267 2,855 1,412 1,218 193 11 205 0 205 86 118 (19.7%) (71.8%) (70.4%) (74.1%) 33.1% 28.5%	Cons.Act Q3 02/2019 4,126 2,773 1,352 1,275 77 8 86 0 86 29 57 +4.3% (0.9%) +4.3% (50.1%) 32.8% 30.9%	Q4 02/2019 5,164 3,345 1,819 1,266 552 2 555 (92) 462 142 319 (14.7%) (32.5%) (32.2%) (49.1%) 35.2% 24.5%	Q1 02/2020 2,878 1,830 1,047 1,262 (214) (2) (217) 7 (210) (52) (158) (40.6%)	Q2	Q3	Q4 02/2020 - - - - - - - - - - - - - - - - - -	Net Chg. (1,971) (1,414) (556) +57 (613) (82) (696) (14) (710) (205) (505)  +3.3% +19.0%
(Million Yen)  Sales  Cost of Sales Gross Profit SG&A  Operating Profit Non Operating Balance  Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Owners of Parent  Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin SG&A / Sales Operating Profit Margin	Q1 02/2019 4,849 3,245 1,604 1,204 399 79 478 21 500 153 347 +8.4% +3.0% +20.3% +26.6% 33.1% 24.8% 8.2%	Q2 02/2019 4,267 2,855 1,412 1,218 193 11 205 0 205 86 118 (19.7%) (71.8%) (70.4%) (74.1%) 33.1% 28.5% 4.5%	Cons.Act Q3 02/2019 4,126 2,773 1,352 1,275 77 8 86 0 86 29 57 +4.3% (0.9%) +4.3% (50.1%) 32.8% 30.9% 1.9%	Q4 02/2019 5,164 3,345 1,819 1,266 552 2 555 (92) 462 142 319 (14.7%) (32.5%) (32.5%) (49.1%) 35.2% 24.5% 10.7%	Q1 02/2020 2,878 1,830 1,047 1,262 (214) (2) (217) 7 (210) (52) (158) (40.6%) 36.4% 43.9% (7.5%)	Q2	Q3	Q4 02/2020 - - - - - - - - - - - - - - - - - -	Net Chg. (1,971) (1,414) (556) +57 (613) (82) (696) (14) (710) (205) (505)  +3.3% +19.0% (15.7%)
(Million Yen)  Sales  Cost of Sales Gross Profit SG&A  Operating Profit Non Operating Balance  Recurring Profit Extraordinary Balance  Profit before Income Taxes Total Income Taxes  Profit Attributable to Owners of Parent  Sales YoY  Operating Profit YoY  Recurring Profit YoY  Profit Attributable to Owners of Parent YoY  Gross Profit Margin  SG&A / Sales  Operating Profit Margin  Recurring Profit Margin	Q1 02/2019 4,849 3,245 1,604 1,204 399 79 478 21 500 153 347 +8.4% +3.0% +20.3% +26.6% 33.1% 24.8% 8.2% 9.9%	Q2 02/2019 4,267 2,855 1,412 1,218 193 11 205 0 205 86 118 (19.7%) (71.8%) (70.4%) (74.1%) 33.1% 28.5% 4.5% 4.8%	Cons.Act Q3 02/2019 4,126 2,773 1,352 1,275 77 8 86 0 86 29 57 +4.3% (0.9%) +4.3% (50.1%) 32.8% 30.9% 1.9% 2.1%	Q4 02/2019 5,164 3,345 1,819 1,266 552 2 555 (92) 462 142 319 (14.7%) (32.5%) (32.2%) (49.1%) 35.2% 24.5% 10.7% 10.8%	Q1 02/2020 2,878 1,830 1,047 1,262 (214) (2) (217) 7 (210) (52) (158) (40.6%) 36.4% 43.9% (7.5%) (7.6%)	Q2	Q3	Q4 02/2020 - - - - - - - - - - - - - - - - - -	Net Chg. (1,971) (1,414) (556) +57 (613) (82) (696) (14) (710) (205) (505)  +3.3% +19.0% (15.7%) (17.4%)
(Million Yen)  Sales  Cost of Sales Gross Profit SG&A  Operating Profit Non Operating Balance  Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Owners of Parent  Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin SG&A / Sales Operating Profit Margin	Q1 02/2019 4,849 3,245 1,604 1,204 399 79 478 21 500 153 347 +8.4% +3.0% +20.3% +26.6% 33.1% 24.8% 8.2%	Q2 02/2019 4,267 2,855 1,412 1,218 193 11 205 0 205 86 118 (19.7%) (71.8%) (70.4%) (74.1%) 33.1% 28.5% 4.5%	Cons.Act Q3 02/2019 4,126 2,773 1,352 1,275 77 8 86 0 86 29 57 +4.3% (0.9%) +4.3% (50.1%) 32.8% 30.9% 1.9%	Q4 02/2019 5,164 3,345 1,819 1,266 552 2 555 (92) 462 142 319 (14.7%) (32.5%) (32.5%) (49.1%) 35.2% 24.5% 10.7%	Q1 02/2020 2,878 1,830 1,047 1,262 (214) (2) (217) 7 (210) (52) (158) (40.6%) 36.4% 43.9% (7.5%)	Q2	Q3	Q4 02/2020 - - - - - - - - - - - - - - - - - -	Net Chg. (1,971) (1,414) (556) +57 (613) (82) (696) (14) (710) (205) (505)  +3.3% +19.0% (15.7%)

## Segmented Information (Cumulative, Quarterly)

Segmented Information	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	02/2019	02/2019	02/2019	02/2019	02/2020	02/2020	02/2020	02/2020	Net Chg.
Equipment	3,433	6,145	8,723	12,368	1,386	-	-	-	(2,046)
Chemicals	1,416	2,971	4,519	6,040	1,491	-	-	-	+75
Sales	4,849	9,117	13,243	18,408	2,878	<u>-</u>			(1,971)
Machinery	+7.4%	(14.3%)	(10.5%)	(14.1%)	(59.6%)	-	-	-	-
Chemicals	+11.1%	+13.5%	+13.0%	+11.9%	+5.3%	-	-	-	-
Sales (YoY)	+8.4%	(6.9%)	(3.7%)	(7.0%)	(40.6%)		<u>-</u>		
Equipment	70.8%	67.4%	65.9%	67.2%	48.2%	-	-	-	-
Chemicals	29.2%	32.6%	34.1%	32.8%	51.8%	-	-	-	-
Sales (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-	-
Equipment	278	291	295	737	(267)	-	-	-	(545)
Chemicals	259	556	781	1,024	187	-	-	-	(72)
Segment Profit	537	847	1,076	1,762	(79)	-	-	-	(617)
Elimination	(138)	(254)	(406)	(538)	(135)	-	-	-	+3
Operating Profit	399	592	670	1,223	(214)	-	-	-	(613)
Equipment	(14.8%)	(66.5%)	(67.5%)	(54.8%)					-
Chemicals	+32.5%	+32.1%	+31.5%	+27.9%	(27.8%)	-	-	-	-
Segment Profit (YoY)	+2.9%	(34.3%)	(28.4%)	(27.6%)		-	-	-	-
Equipment	51.7%	34.4%	27.5%	41.8%					
Chemicals	48.3%	65.6%	72.5%	58.2%	-	-	-	-	-
Segment Profit (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	_	_	_	-	-
Equipment	8.1%	4.7%	3.4%	6.0%	(19.3%)				(27.4%)
Chemicals	18.3%	18.7%	17.3%	17.0%	12.6%	_	_		(5.8%)
Elimination	(2.9%)	(2.8%)	(3.1%)	(2.9%)	(4.7%)	_	_		(1.8%)
Operating Profit Margin	8.2%	6.5%	5.1%	6.6%	(7.5%)	_	_		(15.7%)
Segmented Information	Cons.Act	Cons. Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	, ,
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY
(Million Yen)	02/2019	02/2019	02/2019	02/2019	02/2020	02/2020	02/2020	02/2020	Net Chg.
Equipment	3,433	2,712	2,577	_	1 206				(2,046)
				3.644	1.300		-		
Chemicals				3,644 1,520	1,386 1 491	_	-	_	
Chemicals Sales	1,416	1,555	1,548	1,520	1,491	-	-	-	+75
Sales	1,416 <b>4,849</b>	1,555 <b>4,267</b>	1,548 <b>4,126</b>	1,520 <b>5,164</b>	1,491 <b>2,878</b>	- 	- <u>-</u>	<u>-</u>	
Sales Machinery	1,416 	1,555 <b>4,267</b> (31.7%)	1,548 	1,520 	1,491 <b>2,878</b> (59.6%)	- 	- - - -	<u>:</u>	+75
Sales  Machinery Chemicals	1,416 <b>4,849</b> +7.4% +11.1%	1,555 <b>4,267</b> (31.7%) +15.8%	1,548 <b>4,126</b> +0.1% +12.1%	1,520 	1,491 <b>2,878</b> (59.6%) +5.3%	- 	- 	<del>-</del> -	+75
Sales  Machinery Chemicals Sales (YoY)	1,416 <b>4,849</b> +7.4% +11.1% <b>+8.4</b> %	1,555 <b>4,267</b> (31.7%) +15.8% <b>(19.7%)</b>	1,548 <b>4,126</b> +0.1% +12.1% <b>+4.3%</b>	1,520 <b>5,164</b> (21.7%) +8.6% <b>(14.7%)</b>	1,491 <b>2,878</b> (59.6%) +5.3% <b>(40.6%)</b>		<u>-</u>		+75
Sales  Machinery Chemicals Sales (YoY) Equipment	1,416 4,849 +7.4% +11.1% +8.4% 70.8%	1,555 <b>4,267</b> (31.7%) +15.8% <b>(19.7%)</b> 63.6%	1,548 4,126 +0.1% +12.1% +4.3% 62.5%	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6%	1,491 <b>2,878</b> (59.6%) +5.3% <b>(40.6%)</b> 48.2%				+75
Sales  Machinery Chemicals  Sales (YoY)  Equipment Chemicals	1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2%	1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4%	1,548 4,126 +0.1% +12.1% +4.3% 62.5% 37.5%	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6% 29.4%	1,491 2,878 (59.6%) +5.3% (40.6%) 48.2% 51.8%	- 			+75
Sales  Machinery Chemicals  Sales (YoY)  Equipment Chemicals  Sales (Composition Ratio)	1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0%	1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0%	1,548  4,126 +0.1% +12.1% +4.3% 62.5% 37.5% 100.0%	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6% 29.4% 100.0%	1,491 2,878 (59.6%) +5.3% (40.6%) 48.2% 51.8% 100.0%		- - - - - - - -	- - - - - - -	+75 (1,971)
Sales  Machinery Chemicals  Sales (YoY)  Equipment Chemicals  Sales (Composition Ratio)  Equipment	1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0%	1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0%	1,548 4,126 +0.1% +12.1% +4.3% 62.5% 37.5% 100.0%	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6% 29.4% 100.0%	1,491 2,878 (59.6%) +5.3% (40.6%) 48.2% 51.8% 100.0%				+75 (1,971)
Sales  Machinery Chemicals  Sales (YoY)  Equipment Chemicals  Sales (Composition Ratio)  Equipment Chemicals	1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259	1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0%	1,548 4,126 +0.1% +12.1% +4.3% 62.5% 37.5% 100.0% 4 224	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6% 29.4% 100.0% 441 243	1,491 2,878 (59.6%) +5.3% (40.6%) 48.2% 51.8% 100.0% (267) 187				+75 (1,971)
Sales  Machinery Chemicals  Sales (YoY)  Equipment Chemicals  Sales (Composition Ratio)  Equipment Chemicals  Segment Profit	1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537	1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309	1,548 4,126 +0.1% +12.1% +4.3% 62.5% 37.5% 100.0% 4 224 229	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6% 29.4% 100.0% 441 243 685	1,491 2,878 (59.6%) +5.3% (40.6%) 48.2% 51.8% 100.0% (267) 187 (79)				+75 (1,971)
Sales  Machinery Chemicals  Sales (YoY)  Equipment Chemicals  Sales (Composition Ratio)  Equipment Chemicals  Segment Profit Elimination	1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537 (138)	1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309 (116)	1,548 4,126 +0.1% +12.1% +4.3% 62.5% 37.5% 100.0% 4 224 229 (151)	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6% 29.4% 100.0% 441 243 685 (132)	1,491 2,878 (59.6%) +5.3% (40.6%) 48.2% 51.8% 100.0% (267) 187 (79) (135)				+75 (1,971)
Sales  Machinery Chemicals  Sales (YoY)  Equipment Chemicals  Sales (Composition Ratio)  Equipment Chemicals  Segment Profit Elimination  Operating Profit	1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537 (138)	1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309 (116) 193	1,548 4,126 +0.1% +12.1% +4.3% 62.5% 37.5% 100.0% 4 224 229 (151) 77	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6% 29.4% 100.0% 441 243 685 (132) 552	1,491 2,878 (59.6%) +5.3% (40.6%) 48.2% 51.8% 100.0% (267) 187 (79)				+75 (1,971)
Sales  Machinery Chemicals  Sales (YoY)  Equipment Chemicals  Sales (Composition Ratio)  Equipment Chemicals  Segment Profit Elimination  Operating Profit  Equipment	1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537 (138) 399 (14.8%)	1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309 (116) 193 (97.5%)	1,548 4,126 +0.1% +12.1% +4.3% 62.5% 37.5% 100.0% 4 224 229 (151) 77 (90.0%)	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6% 29.4% 100.0% 441 243 685 (132) 552 (38.7%)	1,491 2,878 (59.6%) +5.3% (40.6%) 48.2% 51.8% 100.0% (267) 187 (79) (135) (214)				+75 (1,971)
Sales  Machinery Chemicals  Sales (YoY)  Equipment Chemicals  Sales (Composition Ratio)  Equipment Chemicals  Segment Profit Elimination  Operating Profit  Equipment Chemicals	1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537 (138) 399 (14.8%) +32.5%	1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309 (116) 193 (97.5%) +31.9%	1,548 4,126 +0.1% +12.1% +4.3% 62.5% 37.5% 100.0% 4 224 229 (151) 77 (90.0%) +30.0%	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6% 29.4% 100.0% 441 243 685 (132) 552 (38.7%) +17.5%	1,491 2,878 (59.6%) +5.3% (40.6%) 48.2% 51.8% 100.0% (267) 187 (79) (135)				+75 (1,971)
Sales  Machinery Chemicals  Sales (YoY)  Equipment Chemicals  Sales (Composition Ratio)  Equipment Chemicals  Segment Profit Elimination  Operating Profit  Equipment Chemicals  Segment Profit  Segment Profit  Equipment Chemicals  Segment Profit Chemicals	1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537 (138) 399 (14.8%) +32.5% +2.9%	1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309 (116) 193 (97.5%) +31.9% (59.6%)	1,548 4,126 +0.1% +12.1% +4.3% 62.5% 37.5% 100.0% 4 224 229 (151) 77 (90.0%) +30.0% +6.6%	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6% 29.4% 100.0% 441 243 685 (132) 552 (38.7%) +17.5% (26.2%)	1,491 2,878 (59.6%) +5.3% (40.6%) 48.2% 51.8% 100.0% (267) 187 (79) (135) (214)			-	(545) (617)
Sales  Machinery Chemicals  Sales (YoY)  Equipment Chemicals  Sales (Composition Ratio)  Equipment Chemicals  Segment Profit Elimination  Operating Profit  Equipment Chemicals  Segment Profit Equipment Chemicals  Segment Profit	1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537 (138) 399 (14.8%) +32.5% +2.9% 51.7%	1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309 (116) 193 (97.5%) +31.9% (59.6%) 4.3%	1,548 4,126 +0.1% +12.1% +4.3% 62.5% 37.5% 100.0% 4 224 229 (151) 77 (90.0%) +30.0% +6.6% 1.8%	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6% 29.4% 100.0% 441 243 685 (132) 552 (38.7%) +17.5% (26.2%) 64.5%	1,491 2,878 (59.6%) +5.3% (40.6%) 48.2% 51.8% 100.0% (267) 187 (79) (135) (214)				+75 (1,971)
Sales  Machinery Chemicals  Sales (YoY)  Equipment Chemicals  Sales (Composition Ratio)  Equipment Chemicals  Segment Profit Elimination  Operating Profit  Equipment Chemicals  Segment Profit (YoY)  Equipment Chemicals	1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0% 278 259 537 (138) 399 (14.8%) +32.5% +2.9% 51.7% 48.3%	1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0% 13 296 309 (116) 193 (97.5%) +31.9% (59.6%) 4.3%	1,548 4,126 +0.1% +12.1% +4.3% 62.5% 37.5% 100.0%  4 224 229 (151) 77 (90.0%) +30.0% +6.6% 98.2%	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6% 29.4% 100.0% 441 243 685 (132) 552 (38.7%) +17.5% (26.2%) 64.5% 35.5%	1,491 2,878 (59.6%) +5.3% (40.6%) 48.2% 51.8% 100.0% (267) 187 (79) (135) (214)			-	(545) (617)
Sales  Machinery Chemicals  Sales (YoY)  Equipment Chemicals  Sales (Composition Ratio)  Equipment Chemicals  Segment Profit Elimination  Operating Profit  Equipment Chemicals  Segment Profit (YoY)  Equipment Chemicals  Segment Profit (YoY)  Equipment Chemicals  Segment Profit (Composition Ratio)	1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0%  278 259 537 (138) 399 (14.8%) +32.5% +2.9% 51.7% 48.3% 100.0%	1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0%  13 296 309 (116) 193 (97.5%) +31.9% (59.6%) 4.3% 95.7% 100.0%	1,548 4,126 +0.1% +12.1% +4.3% 62.5% 37.5% 100.0%  4 224 229 (151) 77 (90.0%) +30.0% -6.6% -1.8% 98.2% 100.0%	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6% 29.4% 100.0%  441 243 685 (132) 552 (38.7%) +17.5% (26.2%) 64.5% 35.5% 100.0%	1,491 2,878 (59.6%) +5.3% (40.6%) 48.2% 51.8% 100.0% (267) 187 (79) (135) (214)				+75 (1,971)
Sales  Machinery Chemicals  Sales (YoY)  Equipment Chemicals  Sales (Composition Ratio)  Equipment Chemicals  Segment Profit Elimination  Operating Profit  Equipment Chemicals  Segment Profit (YoY)  Equipment Chemicals  Segment Profit (YoY)  Equipment Chemicals  Segment Profit (Composition Ratio)  Equipment	1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0%  278 259 537 (138) 399 (14.8%) +32.5% +2.9% 48.3% 100.0% k	1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0%  13 296 309 (116) 193 (97.5%) +31.9% (59.6%) 4.3% 95.7% 100.0% 0.5%	1,548 4,126 +0.1% +12.1% +4.3% 62.5% 37.5% 100.0%  4 224 229 (151) 77 (90.0%) +30.0% -6.6% 98.2% 100.0% 0.2%	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6% 29.4% 100.0% 441 243 685 (132) 552 (38.7%) +17.5% (26.2%) 64.5% 35.5% 100.0%	1,491 2,878 (59.6%) +5.3% (40.6%) 48.2% 51.8% 100.0% (267) 187 (79) (135) (214) - (27.8%)			-	+75 (1,971)
Sales  Machinery Chemicals  Sales (YoY)  Equipment Chemicals  Sales (Composition Ratio)  Equipment Chemicals  Segment Profit Elimination  Operating Profit  Equipment Chemicals  Segment Profit (YoY)  Equipment Chemicals  Segment Profit (Composition Ratio)  Equipment Chemicals	1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0%  278 259 537 (138) 399 (14.8%) +32.5% +2.9% 48.3% 100.0% k 18.3%	1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0%  13 296 309 (116) 193 (97.5%) +31.9% (59.6%) 4.3% 95.7% 100.0%	1,548 4,126 +0.1% +12.1% +4.3% 62.5% 37.5% 100.0%  4 224 229 (151) 77 (90.0%) +30.0% -6.6% 98.2% 100.0% 0.2% 14.5%	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6% 29.4% 100.0% 441 243 685 (132) 552 (38.7%) +17.5% (26.2%) 64.5% 35.5% 100.0% 12.1% 16.0%	1,491 2,878 (59.6%) +5.3% (40.6%) 48.2% 51.8% 100.0% (267) 187 (79) (135) (214) - (27.8%) - (19.3%) 12.6%				+75 (1,971) 
Sales  Machinery Chemicals  Sales (YoY)  Equipment Chemicals  Sales (Composition Ratio)  Equipment Chemicals  Segment Profit Elimination  Operating Profit  Equipment Chemicals  Segment Profit (YoY)  Equipment Chemicals  Segment Profit (YoY)  Equipment Chemicals  Segment Profit (Composition Ratio)  Equipment	1,416 4,849 +7.4% +11.1% +8.4% 70.8% 29.2% 100.0%  278 259 537 (138) 399 (14.8%) +32.5% +2.9% 48.3% 100.0% k	1,555 4,267 (31.7%) +15.8% (19.7%) 63.6% 36.4% 100.0%  13 296 309 (116) 193 (97.5%) +31.9% (59.6%) 4.3% 95.7% 100.0% 0.5%	1,548 4,126 +0.1% +12.1% +4.3% 62.5% 37.5% 100.0%  4 224 229 (151) 77 (90.0%) +30.0% -6.6% 98.2% 100.0% 0.2%	1,520 5,164 (21.7%) +8.6% (14.7%) 70.6% 29.4% 100.0% 441 243 685 (132) 552 (38.7%) +17.5% (26.2%) 64.5% 35.5% 100.0%	1,491 2,878 (59.6%) +5.3% (40.6%) 48.2% 51.8% 100.0% (267) 187 (79) (135) (214) - (27.8%)				+75 (1,971)

## Sales by Region / Equipment (Cumulative, Quarterly)

Sales by Region / Equipment	Cons.Act	Cons. Act	Cons.Act	Cons. Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
Sales by Region / Equipment	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	02/2019	02/2019	02/2019	02/2019	02/2020	02/2020	02/2020	02/2020	Net Chg.
Japan						02/2020	02/2020	02/2020	(1,888)
·	2,783	4,352	5,846	7,312	894	-	-	-	, , , ,
North America / Latin America Europe / Africa	289	1,007	1,726	3,352	308	-	-	-	+19
'	80	141	270	337	81	-	-	-	(178)
Middle East / Asia / Oceania	279	643	879	1,366	101	-	-	-	` '
Overseas Sales	649	1,793	2,876	5,055	491	-	-	-	(157) <b>(2,046)</b>
	<b>3,433</b> +8.5%	6,145	8,723	12,368	1,386			-	(2,040)
Japan		(4.5%)	(0.6%)	(13.9%)	(67.9%)	-	-	-	-
North America / Latin America	(12.7%)	(10.0%)	(3.8%)	+12.5%	+6.7%	-	-	-	-
Europe / Africa	(62.0%)	(86.1%)	(79.0%)	(81.1%)	+1.2%	-	-	-	-
Middle East / Asia / Oceania	+215.0%	+35.8%	+12.5%	+19.1%	(63.6%)	-	-	-	-
Overseas	+2.9%	(31.4%)	(25.6%)	(14.5%)	(24.3%)	-	-	-	-
Sales (YoY)	+7.4%	(14.3%)	(10.5%)	(14.1%)	(59.6%)	-	-	-	-
Japan	81.1%	70.8%	67.0%	59.1%	64.5%	-	-	-	-
North America / Latin America	8.4%	16.4%	19.8%	27.1%	22.3%	-	-	-	-
Europe / Africa	2.3%	2.3%	3.1%	2.7%	5.9%	-	-	-	-
Middle East / Asia / Oceania	8.2%	10.5%	10.1%	11.0%	7.3%	-	-	-	-
Overseas	18.9%	29.2%	33.0%	40.9%	35.5%	-	-	-	-
Sales (Composition)	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-	-
Sales by Region / Equipment	Cons.Act	Cons. Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	., .,
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY
(Million Yen)	02/2019	02/2019	02/2019	02/2019	02/2020	02/2020	02/2020	02/2020	Net Chg.
Japan	2,783	1,568	1,494	1,466	894	-	-		(1,888)
North America / Latin America								-	
_ , , , , ,	289	718	718	1,625	308	-	-	-	+19
Europe / Africa	80	61	129	66	81	-	-		0
Middle East / Asia / Oceania	80 279	61 363	129 235	66 486	81 101	- - -	- - -	-	0 (178)
Middle East / Asia / Oceania Overseas	80 279 649	61 363 1,143	129 235 1,083	66 486 2,178	81 101 491	- - -	- - -	- - - -	0 (178) (157)
Middle East / Asia / Oceania Overseas Sales	80 279 649 <b>3,433</b>	61 363 1,143 <b>2,712</b>	129 235 1,083 <b>2,577</b>	66 486 2,178 <b>3,644</b>	81 101 491 <b>1,386</b>	- - - -	- - - -	- - - -	0 (178)
Middle East / Asia / Oceania Overseas Sales Japan	80 279 649 <b>3,433</b> +8.5%	61 363 1,143 <b>2,712</b> (21.3%)	129 235 1,083 <b>2,577</b> +12.9%	66 486 2,178 <b>3,644</b> (43.8%)	81 101 491 <b>1,386</b> (67.9%)	- - - -	- - - - -	-	0 (178) (157)
Middle East / Asia / Oceania Overseas Sales Japan North America / Latin America	80 279 649 <b>3,433</b> +8.5% (12.7%)	61 363 1,143 <b>2,712</b> (21.3%) (8.8%)	129 235 1,083 <b>2,577</b> +12.9% +6.4%	66 486 2,178 <b>3,644</b> (43.8%) +37.2%	81 101 491 <b>1,386</b> (67.9%) +6.7%	- - - - -	- - - - - -	-	0 (178) (157)
Middle East / Asia / Oceania Overseas  Sales  Japan North America / Latin America Europe / Africa	80 279 649 <b>3,433</b> +8.5% (12.7%) (62.0%)	61 363 1,143 <b>2,712</b> (21.3%) (8.8%) (92.4%)	129 235 1,083 <b>2,577</b> +12.9% +6.4% (52.0%)	66 486 2,178 <b>3,644</b> (43.8%) +37.2% (86.6%)	81 101 491 <b>1,386</b> (67.9%) +6.7% +1.2%	- - - - -	- - - - -	-	0 (178) (157)
Middle East / Asia / Oceania Overseas  Sales  Japan North America / Latin America Europe / Africa Middle East / Asia / Oceania	80 279 649 <b>3,433</b> +8.5% (12.7%) (62.0%) +215.0%	61 363 1,143 <b>2,712</b> (21.3%) (8.8%) (92.4%) (5.5%)	129 235 1,083 <b>2,577</b> +12.9% +6.4% (52.0%) (23.4%)	66 486 2,178 <b>3,644</b> (43.8%) +37.2% (86.6%) +33.0%	81 101 491 <b>1,386</b> (67.9%) +6.7% +1.2% (63.6%)	- - - - - - -	- - - - - - -	-	0 (178) (157)
Middle East / Asia / Oceania Overseas  Sales  Japan North America / Latin America Europe / Africa	80 279 649 <b>3,433</b> +8.5% (12.7%) (62.0%)	61 363 1,143 <b>2,712</b> (21.3%) (8.8%) (92.4%)	129 235 1,083 <b>2,577</b> +12.9% +6.4% (52.0%)	66 486 2,178 <b>3,644</b> (43.8%) +37.2% (86.6%)	81 101 491 <b>1,386</b> (67.9%) +6.7% +1.2%	- - - - - - - - -	- - - - - - - - -	-	0 (178) (157)
Middle East / Asia / Oceania Overseas  Sales  Japan North America / Latin America Europe / Africa Middle East / Asia / Oceania	80 279 649 <b>3,433</b> +8.5% (12.7%) (62.0%) +215.0% +2.9% + <b>7.4</b> %	61 363 1,143 <b>2,712</b> (21.3%) (8.8%) (92.4%) (5.5%) (42.3%) (31.7%)	129 235 1,083 <b>2,577</b> +12.9% +6.4% (52.0%) (23.4%) (13.5%) +0.1%	66 486 2,178 <b>3,644</b> (43.8%) +37.2% (86.6%) +33.0% +6.5% (21.7%)	81 101 491 1,386 (67.9%) +6.7% +1.2% (63.6%) (24.3%) (59.6%)	- - - - - - - - -	- - - - - - - - - -	-	0 (178) (157)
Middle East / Asia / Oceania Overseas  Sales  Japan North America / Latin America Europe / Africa Middle East / Asia / Oceania Overseas  Sales (YoY)  Japan	80 279 649 <b>3,433</b> +8.5% (12.7%) (62.0%) +215.0% +2.9% <b>+7.4%</b>	61 363 1,143 <b>2,712</b> (21.3%) (8.8%) (92.4%) (5.5%) (42.3%) (31.7%) 57.8%	129 235 1,083 <b>2,577</b> +12.9% +6.4% (52.0%) (23.4%) (13.5%) +0.1% 58.0%	66 486 2,178 <b>3,644</b> (43.8%) +37.2% (86.6%) +33.0% +6.5% (21.7%)	81 101 491 1,386 (67.9%) +6.7% +1.2% (63.6%) (24.3%) (59.6%)	- - - - - - - - - - -	- - - - - - - - - - - -	- - - - - -	0 (178) (157)
Middle East / Asia / Oceania Overseas  Sales  Japan North America / Latin America Europe / Africa Middle East / Asia / Oceania Overseas  Sales (YoY)  Japan North America / Latin America	80 279 649 <b>3,433</b> +8.5% (12.7%) (62.0%) +215.0% +2.9% <b>+7.4%</b> 81.1% 8.4%	61 363 1,143 <b>2,712</b> (21.3%) (8.8%) (92.4%) (5.5%) (42.3%) (31.7%) 57.8% 26.5%	129 235 1,083 <b>2,577</b> +12.9% +6.4% (52.0%) (23.4%) (13.5%) +0.1% 58.0% 27.9%	66 486 2,178 <b>3,644</b> (43.8%) +37.2% (86.6%) +33.0% +6.5% (21.7%) 40.2% 44.6%	81 101 491 1,386 (67.9%) +6.7% +1.2% (63.6%) (24.3%) (59.6%) 64.5% 22.3%	- - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - -	-	0 (178) (157)
Middle East / Asia / Oceania Overseas  Sales  Japan North America / Latin America Europe / Africa Middle East / Asia / Oceania Overseas  Sales (YoY)  Japan	80 279 649 <b>3,433</b> +8.5% (12.7%) (62.0%) +215.0% +2.9% <b>+7.4%</b>	61 363 1,143 <b>2,712</b> (21.3%) (8.8%) (92.4%) (5.5%) (42.3%) (31.7%) 57.8%	129 235 1,083 <b>2,577</b> +12.9% +6.4% (52.0%) (23.4%) (13.5%) +0.1% 58.0%	66 486 2,178 <b>3,644</b> (43.8%) +37.2% (86.6%) +33.0% +6.5% (21.7%)	81 101 491 1,386 (67.9%) +6.7% +1.2% (63.6%) (24.3%) (59.6%)	- - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - -	-	0 (178) (157)
Middle East / Asia / Oceania Overseas  Sales  Japan North America / Latin America Europe / Africa Middle East / Asia / Oceania Overseas  Sales (YoY)  Japan North America / Latin America	80 279 649 3,433 +8.5% (12.7%) (62.0%) +215.0% +2.9% +7.4% 81.1% 8.4% 2.3% 8.2%	61 363 1,143 <b>2,712</b> (21.3%) (8.8%) (92.4%) (5.5%) (42.3%) (31.7%) 57.8% 26.5% 2.3% 13.4%	129 235 1,083 <b>2,577</b> +12.9% +6.4% (52.0%) (23.4%) (13.5%) + <b>0.1%</b> 58.0% 27.9% 5.0% 9.1%	66 486 2,178 <b>3,644</b> (43.8%) +37.2% (86.6%) +33.0% +6.5% (21.7%) 40.2% 44.6%	81 101 491 1,386 (67.9%) +6.7% +1.2% (63.6%) (24.3%) (59.6%) 64.5% 22.3% 5.9% 7.3%	- - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - -	-	0 (178) (157)
Middle East / Asia / Oceania Overseas  Sales  Japan North America / Latin America Europe / Africa Middle East / Asia / Oceania Overseas  Sales (YoY)  Japan North America / Latin America Europe / Africa	80 279 649 3,433 +8.5% (12.7%) (62.0%) +215.0% +2.9% +7.4% 81.1% 8.4% 2.3%	61 363 1,143 <b>2,712</b> (21.3%) (8.8%) (92.4%) (5.5%) (42.3%) (31.7%) 57.8% 26.5% 2.3%	129 235 1,083 <b>2,577</b> +12.9% +6.4% (52.0%) (23.4%) (13.5%) + <b>0.1%</b> 58.0% 27.9% 5.0%	66 486 2,178 <b>3,644</b> (43.8%) +37.2% (86.6%) +33.0% +6.5% ( <b>21.7%</b> ) 40.2% 44.6% 1.8%	81 101 491 1,386 (67.9%) +6.7% +1.2% (63.6%) (24.3%) (59.6%) 64.5% 22.3% 5.9%	- - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - -	-	0 (178) (157)

## **Balance Sheet (Quarterly)**

Balance Sheet	Cons.Act	Cons.Act	Cons.Act	Cons. Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY
(Million Yen)	02/2019	02/2019	02/2019	02/2019	02/2020	02/2020	02/2020	02/2020	Net Chg.
Cash & Deposit	5,236	5,245	4,834	5,534	4,607	-	-	-	(629)
Accounts Receivables	4,576	4,377	4,499	4,332	4,039	-	-	-	(537)
Inventory	2,998	2,802	3,220	2,475	3,308	-	-	-	+310
Other	545	566	653	368	387	-	-	-	(157)
Current Assets	13,356	12,991	13,208	12,711	12,342	-	-	-	(1,013)
Tangible Assets	3,471	3,554	3,580	3,769	3,857	-	-	-	+386
Intangible Assets	96	91	93	16	17	-	-	-	(78)
Investments & Other Assets	860	847	843	951	1,009	-	-	-	+149
Fixed Assets	4,428	4,493	4,517	4,736	4,885	-	-	-	+457
Total Assets	17,784	17,484	17,726	17,448	17,227	-	-	-	(556)
Accounts Payables	2,510	2,142	2,343	2,169	2,043	-	-	-	(466)
Short Term Debt	-	-	-	-	-	-	-	-	-
Other	2,258	2,169	2,105	1,768	2,216	-	-	-	(42)
Current Liabilities	4,768	4,312	4,449	3,938	4,259	-	-	-	(509)
Long Term Debt	-	-	-	-	-	-	-	-	-
Other	323	319	323	258	244	-	-	-	(79)
Fixed Liabilities	323	319	323	258	244	-	-	-	(79)
Total Liabilities	5,092	4,632	4,772	4,197	4,504	-	-	-	(588)
Shareholders' Equity	12,973	13,092	13,149	13,469	12,976	-	-	-	+3
Adjustments	(281)	(240)	(196)	(219)	(253)	-	-	-	+28
Total Assets	12,691	12,852	12,953	13,250	12,723	-	-	-	+31
Total Liabilities & Net Assets	17,784	17,484	17,726	17,448	17,227	-	-	-	(556)
Equity Capital	12,691	12,852	12,953	13,250	12,723	-	-	-	+32
Interest Bearing Debt	-	-	-	-	-	-	-	-	-
Net Debt	(5,236)	(5,245)	(4,834)	(5,534)	(4,607)	-	-	-	+629
Equity Capital Ratio	71.4%	73.5%	73.1%	75.9%	73.9%	-	-	-	-
Net-Debt-Equity Ratio	(41.3%)	(40.8%)	(37.3%)	(41.8%)	(36.2%)	-	-	-	-
ROE (12 months)	12.5%	9.5%	9.0%	6.4%	2.7%	-	-	-	-
ROA (12 months)	11.5%	8.7%	8.5%	7.3%	3.6%	-	-	-	-
Total Assets Turnover	109%	98%	93%	118%	67%	-	-	-	-
Inventory Turnover	4.3	4.1	3.4	5.4	2.2	-	-	-	-
Days of Inventory	84	90	106	68	165	-	-	-	-
Quick Ratio	206%	223%	210%	251%	203%	-	-	-	
Current Ratio	280%	301%	297%	323%	290%	-	-	-	-

Source: Company Data, WRJ Calculation

## **Cash Flow Statement (Cumulative)**

Cash Flow Statement	Cons.Act								
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	02/2019	02/2019	02/2019	02/2019	02/2020	02/2020	02/2020	02/2020	Net Chg.
Operating Cash Flow	-	(230)	-	435	-	-	-	-	-
Investment Cash Flow	-	(190)	-	(566)	-	-	-	-	-
Operating CF & Investment CF	-	(420)	-	(130)	-	-	-	-	-
Financing Cash Flow	-	(918)	-	(921)	-	-	-	-	-

#### Disclaimer

Information here is a summary of "IR Information" of the Company, compiled by Walden Research Japan, from a neutral and professional standing point, in the form of a report. "IR Information" of the Company comprises a) contents of our interview with the Company, b) contents of presentations for institutional investors, c) contents of timely disclosed information and d) contents of the homepage etc.

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