

FREUND CORPORATION (6312)

Consolidated FY (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY02/2019		18,408	1,223	1,326	843	50.15	20.00	791.34
FY02/2020		16,772	558	582	381	22.79	20.00	790.94
FY02/2021CoE		17,800	1,000	1,000	700	41.80	-	-
FY02/2020	YoY	(8.9%)	(54.3%)	(56.1%)	(54.8%)	-	-	-
FY02/2021CoE	YoY	6.1%	79.1%	71.6%	83.5%	-	-	-
Consolidated Half Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 to Q2 FY02/2020		6,817	3	6	(7)	-	-	-
Q3 to Q4 FY02/2020		9,955	555	576	389	-	-	-
Q1 to Q2 FY02/2021		7,043	251	271	183	-	-	-
Q3 to Q4 FY02/2021CoE		10,756	748	728	516	-	-	-
Q1 to Q2 FY02/2021	YoY	3.3%	-	-	-	-	-	-
Q3 to Q4 FY02/2021CoE	YoY	8.0%	34.9%	26.3%	32.6%	-	-	-

Source: Company Data, WRJ Calculation

1.0 Results Update (8 October 2020)


Recovery from the Bottom

On 6 October 2020, FREUND CORPORATION, developing, manufacturing and selling equipment as well as chemicals, released its Q1 to Q2 FY02/2021 results. It has been revealed that there is a tendency now for order intake on the Equipment side to be in the process of recovery from the bottom in a midterm perspective. It appears that this is due mainly to recovery of demand for the pharmaceutical-related domain in Japan, which accounts for the majority of segment sales. Meanwhile, it has been disclosed that the U.S. subsidiary received a subsidy of \$2.1m (some ¥230m) from the U.S. government for the countermeasure against COVID-19, which has cut back on SG&A expenses as a whole for the Company to the same extent. The Company suggests that this has been all reflected on the Equipment side in terms of segment profit. On the Chemicals side, the Company spots that food preservatives have suffered from decreased sales and earnings, due mainly to sluggish sale of souvenirs and/or confectionaries sold at department stores in line with the impacts stemming from COVID-19. We are to watch videos on the financial results that the Company is planning to post on its website, while interviewing with management to gather information more in depths, so that we should be able to update [FREUND CORPORATION \(6312\) Reversal of Performance \(7 August 2020\)](#) and release anew.

IR Representative: Corporate Planning Division (81-(0)3-6890-0767 / ir@freund.co.jp)

2.0 Company Profile

Equipment and Chemicals

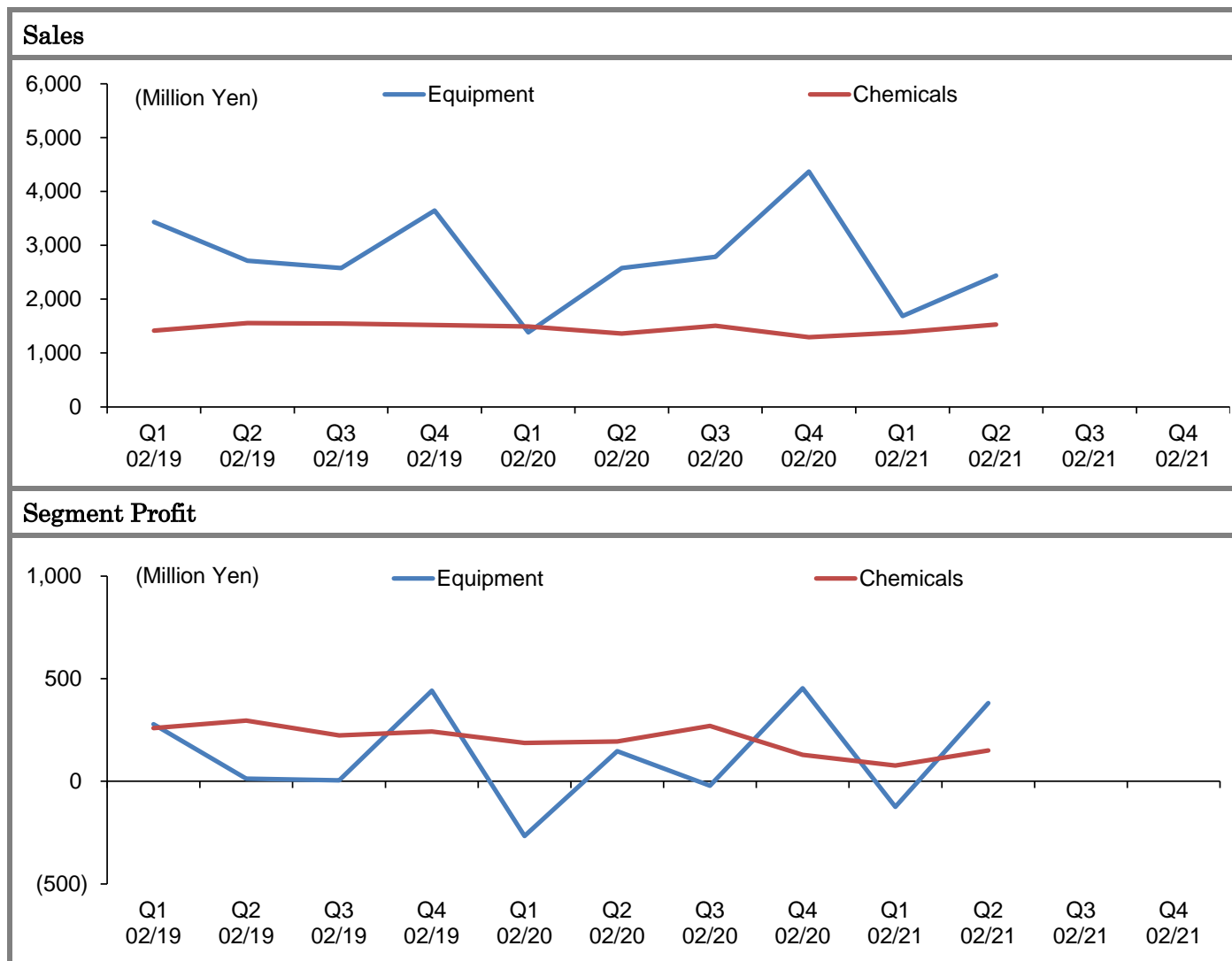
Company Name	FREUND CORPORATION Company Website IR Information Share Price (Japanese)	
Established	22 April 1964	
Listing	24 July 1996: Tokyo Stock Exchange JASDAQ Standard (ticker: 6312)	
Capital	¥1,035m (as of the end of August 2020)	
No. of Shares	18,400,000 shares, including 1,655,480 treasury shares (as of the end of August 2020)	
Main Features	<ul style="list-style-type: none"> ● Leading the market in Japan for granulation and coating equipment with market share of 60% to 70% ● Focus on non-pharmaceuticals (chemicals, foods, dietary supplements, etc.) ● On the Chemicals side, the mainstay pharmaceutical excipients, the key earning source 	
Business Segments	I . Equipment II . Chemicals	
Top Management	President and CEO: Iwao Fusejima	
Shareholders	Fusejima Yokosha 9.84%, Yasutoyo Fusejima 7.62%, MUFG Bank 4.99% (as of the end of August 2020, but for treasury shares)	
Headquarters	FREUND Building, 6-25-13 Nishishinjuku Shinjuku-ku Tokyo, JAPAN	
No. of Employees	Consolidated: 384, Parent: 234 (as of the end of August 2020)	

Source: Company Data

3.0 Recent Trading and Prospects

Q1 to Q2 FY02/2021 Results

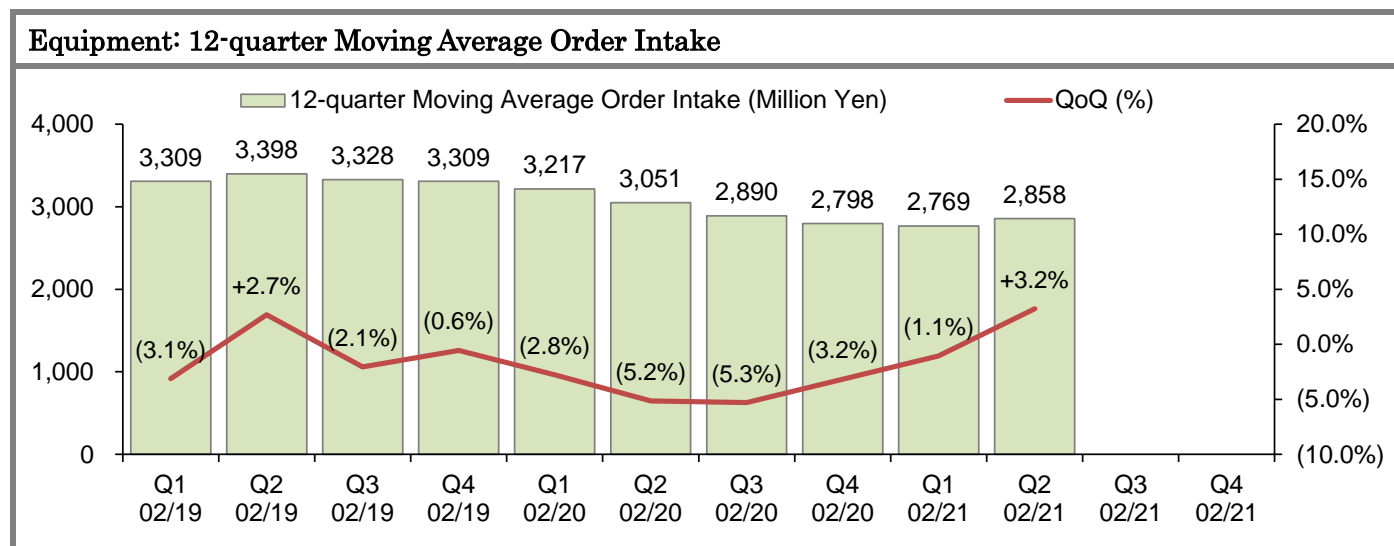
In Q1 to Q2 FY02/2021, sales came in at ¥7,043m (up 3.3% YoY), operating profit ¥251m (versus ¥3m during the same period of the previous year), recurring profit ¥271m (¥6m) and profit attributable to owners of parent ¥183m (minus ¥7m), while operating profit margin 3.6% (up 3.5% points).



Source: Company Data, WRJ Calculation

On the Equipment side, sales came in at ¥4,125m (up 4.1%), segment profit ¥255m (minus ¥119m) and segment profit margin 6.2% (up 9.2% points). Meanwhile, order intake came in at ¥6,705m (up 26.3%) and order backlog stood at ¥7,330m (up 7.1%). In both sales and order intake, the trend of recovery in demand for the mainstay granulation and coating equipment in Japan appears to be contributing significantly. With respect to situations overseas, sales and order intake in Latin Americas have been on the decrease due to the impacts stemming from COVID-19.

We calculate 12-quarter moving average order intake on the Equipment side with the aim of ascertaining tendency of order intake in a midterm perspective, which came in at ¥2,858m (up 3.2% quarter on quarter) in Q2. By the said quarter, the Company had consistently suffered from decline on a quarter on quarter basis for 7 quarters in a row, suggesting that there is a tendency now for order intake to be in the process of recovery from the bottom in a midterm perspective.



Source: Company Data, WRJ Calculation

Meanwhile, on the Chemicals side, sales came in at ¥2,917m (up 2.3%), segment profit ¥228m (down 40.2%) and segment profit margin 7.8% (down 5.6% points). Segment sales were driven by those of dietary supplements, but not segment profit as they carry low gross profit margin. A major decline in segment profit is attributable to decreased sales of food preservatives. It appears that sales declined sharply due to the impacts stemming from COVID-19, which was rather intensified here. With respect to pharmaceutical excipients, accounting for the bulk of segment profit, sales came down due to one-off factors and thus earnings likewise. Still, in Q1 to Q2, the Company saw earnings decreased more for food preservatives.

FY02/2021 Company Forecasts

FY02/2021 initial Company forecasts have remained unchanged, going for prospective sales of ¥17,800m (up 6.1% YoY), operating profit of ¥1,000m (up 79.1%), recurring profit of ¥1,000m (up 71.6%) and profit attributable to owners of parent of ¥700m (up 83.5%), while operating profit margin of 5.6% (up 2.3% points). With respect to prospective dividend, Company forecasts have remained undecided since the initial stage as the impacts stemming from COVID-19 have been unclear. More importantly, however, the Company is going for payout ratio of 30% as the target, while revealing it has dividend policy to consistently pay dividend with a stability.

4.0 Financial Statements

Income Statement (Cumulative/Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		Net Chg.
	02/2020	02/2020	02/2020	02/2020	02/2021	02/2021	02/2021	02/2021		
Sales	2,878	6,817	11,110	16,772	3,076	7,043	-	-	-	+226
Cost of Sales	1,830	4,400	7,331	11,344	2,130	4,779	-	-	-	+379
Gross Profit	1,047	2,416	3,779	5,428	945	2,263	-	-	-	(152)
SG&A Expenses	1,262	2,413	3,686	4,870	1,111	2,012	-	-	-	(400)
Operating Profit	(214)	3	93	558	(165)	251	-	-	-	+247
Non Operating Balance	(2)	2	18	24	10	20	-	-	-	+17
Recurring Profit	(217)	6	111	582	(154)	271	-	-	-	+265
Extraordinary Balance	7	11	(16)	(14)	0	(4)	-	-	-	(16)
Profit before Income Taxes	(210)	17	94	568	(155)	266	-	-	-	+249
Total Income Taxes	(52)	24	56	187	(33)	82	-	-	-	+57
Profit Attributable to Owners of Parent	(158)	(7)	37	381	(121)	183	-	-	-	+191
Sales YoY	(40.6%)	(25.2%)	(16.1%)	(8.9%)	+6.9%	+3.3%	-	-	-	-
Operating Profit YoY	-	(99.4%)	(86.1%)	(54.3%)	-	-	-	-	-	-
Recurring Profit YoY	-	(99.1%)	(85.5%)	(56.1%)	-	-	-	-	-	-
Profit Attributable to Owners of Parent YoY	-	-	(92.8%)	(54.8%)	-	-	-	-	-	-
Gross Profit Margin	36.4%	35.4%	34.0%	32.4%	30.7%	32.1%	-	-	-	(3.3%)
Sales to SG&A Expenses Ratio	43.9%	35.4%	33.2%	29.0%	36.1%	28.6%	-	-	-	(6.8%)
Operating Profit Margin	(7.5%)	0.0%	0.8%	3.3%	(5.4%)	3.6%	-	-	-	+3.5%
Recurring Profit Margin	(7.6%)	0.1%	1.0%	3.5%	(5.0%)	3.9%	-	-	-	+3.8%
Profit Attributable to Owners of Parent Margin	(5.5%)	(0.1%)	0.3%	2.3%	(4.0%)	2.6%	-	-	-	+2.7%
Total Income Taxes/Profit before Income Taxes	-	145.1%	60.0%	32.9%	-	31.0%	-	-	-	(114.2%)
Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Net Chg.
	02/2020	02/2020	02/2020	02/2020	02/2021	02/2021	02/2021	02/2021		
Sales	2,878	3,939	4,293	5,662	3,076	3,967	-	-	-	+28
Cost of Sales	1,830	2,570	2,930	4,012	2,130	2,649	-	-	-	+79
Gross Profit	1,047	1,368	1,362	1,649	945	1,317	-	-	-	(50)
SG&A Expenses	1,262	1,150	1,272	1,183	1,111	900	-	-	-	(249)
Operating Profit	(214)	218	89	465	(165)	417	-	-	-	+198
Non Operating Balance	(2)	5	15	6	10	9	-	-	-	+3
Recurring Profit	(217)	223	105	471	(154)	426	-	-	-	+202
Extraordinary Balance	7	3	(27)	2	0	(4)	-	-	-	(8)
Profit before Income Taxes	(210)	227	77	474	(155)	421	-	-	-	+194
Total Income Taxes	(52)	76	31	130	(33)	115	-	-	-	+38
Profit Attributable to Owners of Parent	(158)	150	45	343	(121)	305	-	-	-	+155
Sales YoY	(40.6%)	(7.7%)	+4.0%	+9.6%	+6.9%	+0.7%	-	-	-	-
Operating Profit YoY	-	+12.5%	+15.8%	(15.8%)	-	+91.2%	-	-	-	-
Recurring Profit YoY	-	+8.7%	+21.9%	(15.2%)	-	+90.7%	-	-	-	-
Profit Attributable to Owners of Parent YoY	-	+26.3%	(20.7%)	+7.5%	-	+103.4%	-	-	-	-
Gross Profit Margin	36.4%	34.7%	31.7%	29.1%	30.7%	33.2%	-	-	-	(1.5%)
Sales to SG&A Expenses Ratio	43.9%	29.2%	29.7%	20.9%	36.1%	22.7%	-	-	-	(6.5%)
Operating Profit Margin	(7.5%)	5.5%	2.1%	8.2%	(5.4%)	10.5%	-	-	-	+5.0%
Recurring Profit Margin	(7.6%)	5.7%	2.5%	8.3%	(5.0%)	10.7%	-	-	-	+5.1%
Profit Attributable to Owners of Parent Margin	(5.5%)	3.8%	1.1%	6.1%	(4.0%)	7.7%	-	-	-	+3.9%
Total Income Taxes/Profit before Income Taxes	-	33.9%	41.1%	27.5%	-	27.5%	-	-	-	(6.4%)

Source: Company Data, WRJ Calculation

Segmented Information (Cumulative/Quarterly)

Segmented Information	Cons.Act Q1	Cons.Act Q1 to Q2	Cons.Act Q1 to Q3	Cons.Act Q1 to Q4	Cons.Act Q1	Cons.Act Q1 to Q2	Cons.Act Q1 to Q3	Cons.Act Q1 to Q4	YoY Net Chg.
(Million Yen)	02/2020	02/2020	02/2020	02/2020	02/2021	02/2021	02/2021	02/2021	
Equipment	1,386	3,964	6,749	11,118	1,689	4,125	-	-	+161
Chemicals	1,491	2,852	4,360	5,654	1,386	2,917	-	-	+65
Sales	2,878	6,817	11,110	16,772	3,076	7,043	-	-	+226
Equipment	(59.6%)	(35.5%)	(22.6%)	(10.1%)	+21.9%	+4.1%	-	-	-
Chemicals	+5.3%	(4.0%)	(3.5%)	(6.4%)	(7.1%)	+2.3%	-	-	-
Sales (YoY)	(40.6%)	(25.2%)	(16.1%)	(8.9%)	+6.9%	+3.3%	-	-	-
Equipment	48.2%	58.2%	60.8%	66.3%	54.9%	58.6%	-	-	-
Chemicals	51.8%	41.8%	39.2%	33.7%	45.1%	41.4%	-	-	-
Sales (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-
Equipment	(267)	(119)	(142)	311	(125)	255	-	-	+375
Chemicals	187	382	652	781	77	228	-	-	(153)
Segment Profit	(79)	262	510	1,092	(47)	484	-	-	+221
Elimination	(135)	(259)	(417)	(534)	(118)	(233)	-	-	+25
Operating Profit	(214)	3	93	558	(165)	251	-	-	+247
Equipment	-	-	-	(57.8%)	-	-	-	-	-
Chemicals	(27.8%)	(31.3%)	(16.5%)	(23.7%)	(58.5%)	(40.2%)	-	-	-
Segment Profit (YoY)	-	(69.0%)	(52.6%)	(38.0%)	-	+84.6%	-	-	-
Equipment	-	(45.7%)	(27.9%)	28.5%	-	52.8%	-	-	-
Chemicals	-	145.7%	127.9%	71.5%	-	47.2%	-	-	-
Segment Profit (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-
Equipment	(19.3%)	(3.0%)	(2.1%)	2.8%	(7.4%)	6.2%	-	-	+9.2%
Chemicals	12.6%	13.4%	15.0%	13.8%	5.6%	7.8%	-	-	(5.6%)
Elimination	(4.7%)	(3.8%)	(3.8%)	(3.2%)	(3.9%)	(3.3%)	-	-	+0.5%
Operating Profit Margin	(7.5%)	0.0%	0.8%	3.3%	(5.4%)	3.6%	-	-	+3.5%

Segmented Information	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	YoY Net Chg.
(Million Yen)	02/2020	02/2020	02/2020	02/2020	02/2021	02/2021	02/2021	02/2021	
Equipment	1,386	2,578	2,785	4,368	1,689	2,436	-	-	(142)
Chemicals	1,491	1,360	1,508	1,293	1,386	1,531	-	-	+170
Sales	2,878	3,939	4,293	5,662	3,076	3,967	-	-	+28
Equipment	(59.6%)	(5.0%)	+8.0%	+19.9%	+21.9%	(5.5%)	-	-	-
Chemicals	+5.3%	(12.5%)	(2.6%)	(14.9%)	(7.1%)	+12.5%	-	-	-
Sales (YoY)	(40.6%)	(7.7%)	+4.0%	+9.6%	+6.9%	+0.7%	-	-	-
Equipment	48.2%	65.5%	64.9%	77.2%	54.9%	61.4%	-	-	-
Chemicals	51.8%	34.5%	35.1%	22.8%	45.1%	38.6%	-	-	-
Sales (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-
Equipment	(267)	147	(22)	453	(125)	381	-	-	+234
Chemicals	187	194	270	129	77	150	-	-	(44)
Segment Profit	(79)	342	247	582	(47)	531	-	-	+189
Elimination	(135)	(124)	(158)	(116)	(118)	(114)	-	-	+9
Operating Profit	(214)	218	89	465	(165)	417	-	-	+198
Equipment	-	-	-	+2.6%	-	+158.9%	-	-	-
Chemicals	(27.8%)	(34.3%)	+20.1%	(47.0%)	(58.5%)	(22.7%)	-	-	-
Segment Profit (YoY)	-	+10.4%	+8.2%	(15.0%)	-	+55.5%	-	-	-
Equipment	-	43.0%	(9.0%)	77.8%	-	71.7%	-	-	-
Chemicals	-	57.0%	109.0%	22.2%	-	28.3%	-	-	-
Segment Profit (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-
Equipment	(19.3%)	5.7%	(0.8%)	10.4%	(7.4%)	15.7%	-	-	+9.9%
Chemicals	12.6%	14.3%	17.9%	10.0%	5.6%	9.8%	-	-	(4.5%)
Elimination	(4.7%)	(3.2%)	(3.7%)	(2.1%)	(3.9%)	(2.9%)	-	-	+0.3%
Operating Profit Margin	(7.5%)	5.5%	2.1%	8.2%	(5.4%)	10.5%	-	-	+5.0%

Source: Company Data, WRJ Calculation

Sales of Equipment by Region (Cumulative/Quarterly)

Sales of Equipment by Region		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)		02/2020	02/2020	02/2020	02/2020	02/2021	02/2021	02/2021	02/2021	Net Chg.
Japan		894	2,557	4,265	6,696	1,354	2,989	-	-	+432
North & Latin Americas		308	1,005	1,743	2,915	193	553	-	-	(452)
Europe & Africa		81	150	236	452	27	139	-	-	(11)
Middle East, Asia & Oceania		101	251	509	1,054	114	443	-	-	+192
Overseas		491	1,407	2,489	4,422	335	1,136	-	-	(270)
Sales		1,386	3,964	6,749	11,118	1,689	4,125	-	-	+161
Japan		(67.9%)	(41.2%)	(27.0%)	(8.4%)	+51.3%	+16.9%	-	-	-
North & Latin Americas		+6.7%	(0.2%)	+1.0%	(13.0%)	(37.2%)	(45.0%)	-	-	-
Europe & Africa		+1.2%	+6.2%	(12.7%)	+13.8%	(66.2%)	(7.4%)	-	-	-
Middle East, Asia & Oceania		(63.6%)	(61.0%)	(42.1%)	(19.2%)	+12.4%	+76.8%	-	-	-
Overseas		(24.3%)	(21.5%)	(13.5%)	(12.5%)	(31.7%)	(19.3%)	-	-	-
Sales (YoY)		(59.6%)	(35.5%)	(22.6%)	(10.1%)	+21.9%	+4.1%	-	-	-
Japan		64.5%	64.5%	63.2%	60.2%	80.1%	72.5%	-	-	-
North & Latin Americas		22.3%	25.4%	25.8%	26.2%	11.5%	13.4%	-	-	-
Europe & Africa		5.9%	3.8%	3.5%	4.1%	1.6%	3.4%	-	-	-
Middle East, Asia & Oceania		7.3%	6.3%	7.5%	9.5%	6.8%	10.8%	-	-	-
Overseas		35.5%	35.5%	36.9%	39.8%	19.9%	27.5%	-	-	-
Sales (Composition)		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-

Sales of Equipment by Region		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)		02/2020	02/2020	02/2020	02/2020	02/2021	02/2021	02/2021	02/2021	Net Chg.
Japan		894	1,662	1,707	2,431	1,354	1,635	-	-	(27)
North & Latin Americas		308	696	737	1,172	193	359	-	-	(337)
Europe & Africa		81	69	86	215	27	111	-	-	+42
Middle East, Asia & Oceania		101	149	258	545	114	329	-	-	+180
Overseas		491	915	1,081	1,933	335	800	-	-	(114)
Sales		1,386	2,578	2,785	4,368	1,689	2,436	-	-	(142)
Japan		(67.9%)	+6.0%	+14.3%	+65.8%	+51.3%	(1.6%)	-	-	-
North & Latin Americas		+6.7%	(3.0%)	+2.6%	(27.9%)	(37.2%)	(48.5%)	-	-	-
Europe & Africa		+1.2%	+12.8%	(33.4%)	+224.4%	(66.2%)	+61.8%	-	-	-
Middle East, Asia & Oceania		(63.6%)	(59.0%)	+9.7%	+12.0%	+12.4%	+120.8%	-	-	-
Overseas		(24.3%)	(20.0%)	(0.1%)	(11.3%)	(31.7%)	(12.6%)	-	-	-
Sales (YoY)		(59.6%)	(5.0%)	+8.0%	+19.9%	+21.9%	(5.5%)	-	-	-
Japan		64.5%	64.5%	61.2%	55.7%	80.1%	67.1%	-	-	-
North & Latin Americas		22.3%	27.0%	26.4%	26.9%	11.5%	14.7%	-	-	-
Europe & Africa		5.9%	2.7%	3.1%	4.9%	1.6%	4.6%	-	-	-
Middle East, Asia & Oceania		7.3%	5.8%	9.3%	12.5%	6.8%	13.5%	-	-	-
Overseas		35.5%	35.5%	38.8%	44.3%	19.9%	32.9%	-	-	-
Sales (Composition)		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-

Source: Company Data, WRJ Calculation

Balance Sheet (Quarterly)

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 02/2020	Q2 02/2020	Q3 02/2020	Q4 02/2020	Q1 02/2021	Q2 02/2021	Q3 02/2021	Q4 02/2021		
Cash and Deposit	4,607	5,030	4,232	4,314	4,707	4,743	-	-	-	(287)
Accounts Receivables	4,039	3,800	4,320	5,431	4,207	4,193	-	-	-	+393
Inventory	3,308	3,447	3,870	3,051	3,161	3,056	-	-	-	(391)
Other	387	443	457	396	262	331	-	-	-	(111)
Current Assets	12,342	12,721	12,881	13,193	12,338	12,325	-	-	-	(396)
Tangible Assets	3,857	3,997	4,206	4,209	4,192	4,094	-	-	-	+97
Intangible Assets	17	16	96	96	92	90	-	-	-	+73
Investments and Other Assets	1,009	978	998	1,006	1,082	1,015	-	-	-	+37
Fixed Assets	4,885	4,992	5,301	5,311	5,367	5,200	-	-	-	+208
Total Assets	17,227	17,713	18,182	18,505	17,706	17,525	-	-	-	(188)
Accounts Payables	2,043	2,350	2,783	3,121	2,346	1,866	-	-	-	(484)
Short Term Debt	-	-	-	32	-	-	-	-	-	-
Other	2,216	2,317	2,235	1,869	2,136	2,415	-	-	-	+97
Current Liabilities	4,259	4,668	5,019	5,023	4,483	4,281	-	-	-	(386)
Long Term Debt	-	-	-	-	230	-	-	-	-	-
Other	244	238	241	237	247	246	-	-	-	+8
Fixed Liabilities	244	238	241	237	477	246	-	-	-	+8
Total Liabilities	4,504	4,906	5,260	5,261	4,961	4,528	-	-	-	(378)
Shareholders' Equity	12,976	13,127	13,172	13,516	13,059	13,364	-	-	-	+237
Adjustments	(253)	(319)	(251)	(272)	(314)	(367)	-	-	-	(47)
Total Assets	12,723	12,807	12,921	13,243	12,744	12,997	-	-	-	+189
Total Liabilities and Net Assets	17,227	17,713	18,182	18,505	17,706	17,525	-	-	-	(188)
Equity Capital	12,723	12,807	12,921	13,243	12,744	12,997	-	-	-	+190
Interest Bearing Debt	-	-	-	32	230	-	-	-	-	-
Net Debt	(4,607)	(5,030)	(4,232)	(4,281)	(4,476)	(4,743)	-	-	-	+287
Equity Capital Ratio	73.9%	72.3%	71.1%	71.6%	72.0%	74.2%	-	-	-	-
Net-Debt-Equity Ratio	(36.2%)	(39.3%)	(32.8%)	(32.3%)	(35.1%)	(36.5%)	-	-	-	-
ROE (12 months)	2.7%	2.9%	2.8%	2.9%	3.3%	4.4%	-	-	-	-
ROA (12 months)	3.6%	3.7%	3.7%	3.2%	3.7%	4.8%	-	-	-	-
Total Assets Turnover	67%	89%	94%	122%	69%	91%	-	-	-	-
Inventory Turnover	2.2	3.0	3.0	5.3	2.7	3.5	-	-	-	-
Days of Inventory	165	122	121	69	135	105	-	-	-	-
Quick Ratio	203%	189%	170%	194%	199%	209%	-	-	-	-
Current Ratio	290%	273%	257%	263%	275%	288%	-	-	-	-

Source: Company Data, WRJ Calculation

Cash Flow Statement (Cumulative)

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 02/2020	Q1 to Q2 02/2020	Q1 to Q3 02/2020	Q1 to Q4 02/2020	Q1 02/2021	Q1 to Q2 02/2021	Q1 to Q3 02/2021	Q1 to Q4 02/2021		
Operating Cash Flow	-	289	-	(27)	-	977	-	-	-	+687
Investment Cash Flow	-	(414)	-	(852)	-	(171)	-	-	-	+242
Operating CF and Investment CF	-	(124)	-	(880)	-	805	-	-	-	+930
Financing Cash Flow	-	(359)	-	(325)	-	(366)	-	-	-	(7)

Source: Company Data, WRJ Calculation

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.

Company name: Walden Research Japan Incorporated

Head office: Level 4 Ginza Ishii Building, 6-14-8 Ginza Chuo-ku Tokyo 104-0061, JAPAN

URL: www.walden.co.jp

E-mail: info@walden.co.jp

Tel: 81-(0)3-3553-3769
