

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	20.00	-
FY02/2020	YoY	(8.9%)	(54.3%)	(56.1%)	(54.8%)	-	-	-
FY02/2021CoE	YoY	6.1%	79.1%	71.6%	83.5%	-	-	-
Consolidated Q1 to Q3 (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 to Q3 FY02/2019		13,243	670	770	523	-	-	-
Q1 to Q3 FY02/2020		11,110	93	111	37	-	-	-
Q1 to Q3 FY02/2021		10,852	391	435	277	-	-	-
Q1 to Q3 FY02/2020	YoY	(16.1%)	(86.1%)	(85.5%)	(92.8%)	-	-	-
Q1 to Q3 FY02/2021	YoY	(2.3%)	320.4%	290.9%	634.0%	-	-	-

Source: Company Data, WRJ Calculation

1.0 Results Update (13 January 2021)


Developments Overseas

On 8 January 2021, FREUND CORPORATION, developing, manufacturing and selling equipment as well as chemicals, released its Q1 to Q3 FY02/2021 results. It has been revealed that the Company is to pay year-end dividend of ¥20.00, implying payout ratio of 47.8%, while it had been undecided till then. The impacts stemming from COVID-19 will remain unavoidable, but it appears that initial Company forecasts (announced on 24 April 2020) are to be met for profit attributable to owners of parent. Meanwhile, the Company is now keen on implementing investments to drive developments overseas with an objective to beef up its long-term growth potential. For example, on 5 November 2020, the Company announced that it had invested some ¥1,200m to make an Italian manufacturer of pharmaceutical production equipment wholly owned subsidiary. Going forward, the Company plans to focus on creating synergies associated with this deal. Furthermore, on 1 December 2020, the Company announced that it had concluded contract to establish a joint company in China (capitalized at RMB 50m with a 49% stake), while planning to provide services associated with formulation technology with local pharmaceutical manufacturers. We are to interview with management to discuss the issues more in depth so that we should be able to update [FREUND CORPORATION \(6312\) Company Forecasts to be Met \(17 November 2020\)](#) 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 November 2020)	
No. of Shares	18,400,000 shares, including 1,655,480 treasury shares (as of the end of November 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 also on industrial-related equipment (mainly chemicals and foods) ● On the Chemicals side, the mainstay pharmaceutical excipients, the key earnings 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: 432, Parent: 233 (as of the end of November 2020)	

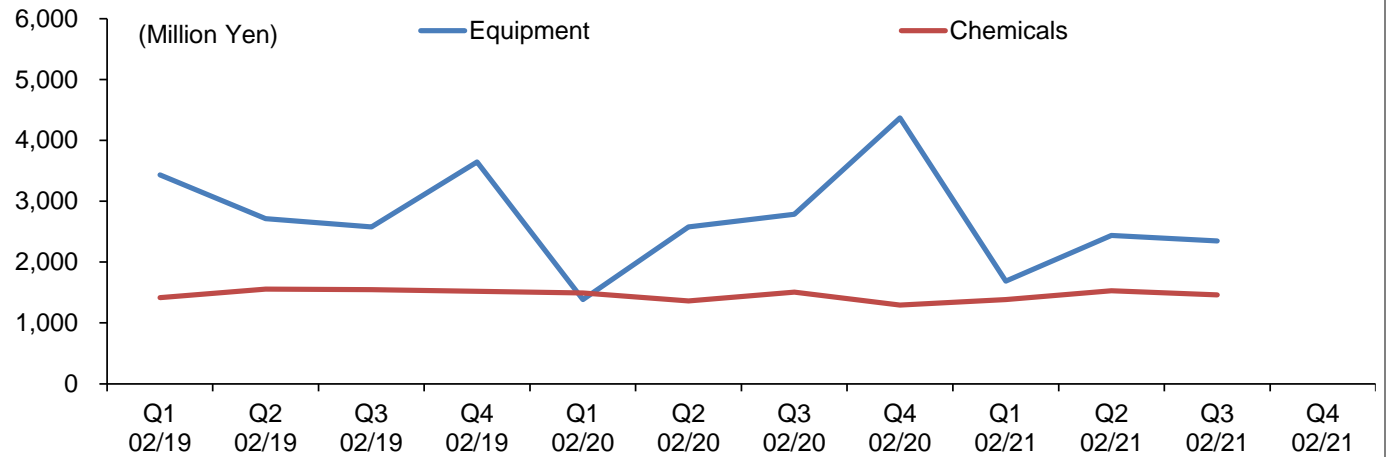
Source: Company Data

3.0 Recent Trading and Prospects

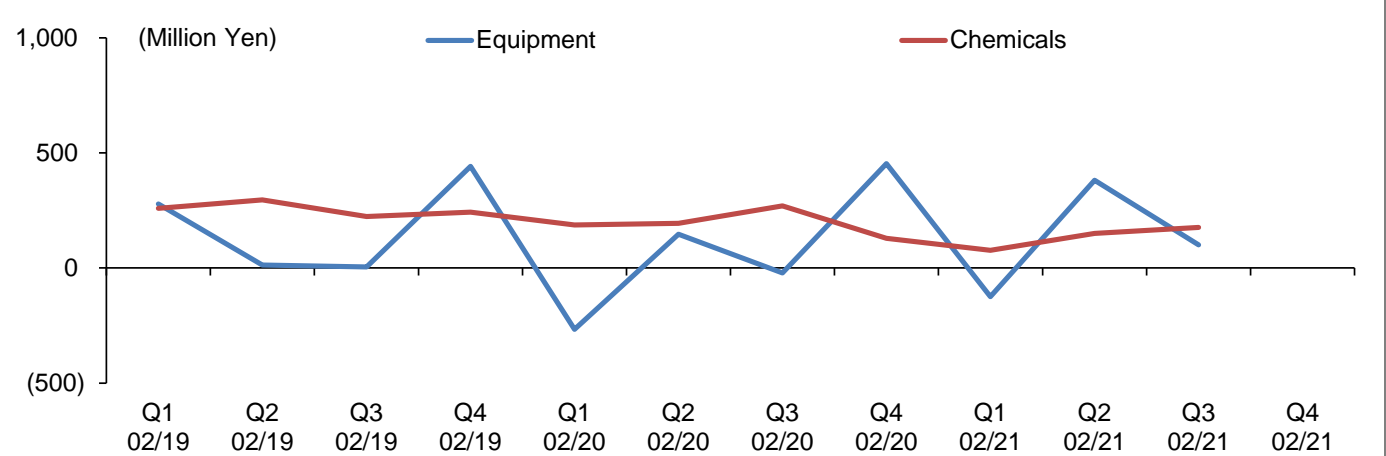
Q1 to Q3 FY02/2021 Results

In Q1 to Q3 FY02/2021, sales came in at ¥10,852m (down 2.3% YoY), operating profit ¥391m (up 320.4%), recurring profit ¥435m (up 290.9%) and profit attributable to owners of parent ¥277m (up 634.0%), while operating profit margin 3.6% (up 2.8% points).

Segment Sales



Segment Profit



Source: Company Data, WRJ Calculation

Equipment

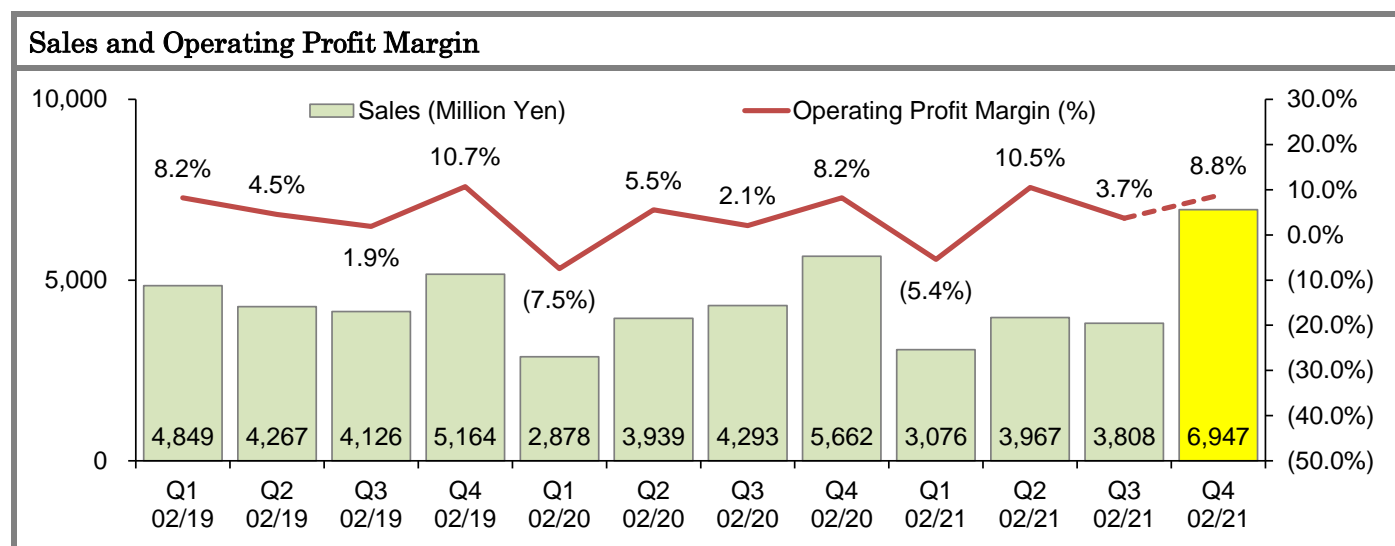
On the Equipment side, segment sales came in at ¥6,472m (down 4.1%), segment profit ¥357m (versus minus ¥142m during the same period of the previous year) and segment profit margin 5.5% (up 7.6% points). Meanwhile, order intake came in at ¥9,084m (up 26.0%) and order backlog stood at ¥7,389m (up 23.3%). For granulation and coating equipment, accounting for the majority of sales in the mainstay pharmaceutical-related, the Company suffered from delayed shipment for some parts of export project due to the impacts stemming from COVID-19, having resulted in segment sales marginally below the level during the same period of the previous year. Nevertheless, the Company saw net increase by ¥499m for segment profit in the same manner. On top of the fact that the subsidiary in the United States has received a subsidy of US\$2.1m (some ¥230m) from Washington for taking counter measures against the corona virus, the Company suggests that measures to cut back on expenses on a group basis worked very well. Meanwhile, order intake is trending nicely both in Japan and overseas. In particular, the expansion of order intake in China, which is a part of “Middle East, Asia & Oceania”, is conspicuous, according to the Company.

Chemicals

On the Chemicals side, segment sales came in at ¥4,379m (up 0.4%), segment profit ¥404m (down 38.0%) and segment profit margin 9.2% (down 5.7% points). For consignment production of health foods, the Company saw increased sales and earnings, driven by demand for inventory accumulation generated at customer. However, all those operations are said to have limited impacts to earnings as a whole for this business segment in the first place. Meanwhile, with regard to pharmaceutical excipients, i.e., the key contributor to earnings, the Company has continued to suffer from delayed timing of delivery of some products, having resulted in decreased sales and earnings. The Company also saw decreased sales and earnings with respect to food preservatives, having directly suffered from the impacts stemming from COVID-19. Demand for souvenir sweet treats and those of being sold at department stores slowed down sharply and thus that of the Company’s food preservatives used in all those sweet treats likewise.

FY02/2021 Company Forecasts

FY02/2021 initial Company forecasts (announced on 24 April 2020) 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 had been undecided due to uncertainty associated with the impacts stemming from COVID-19 since the beginning of the fiscal year. More importantly, however, the Company has announced that it will pay year-end dividend of ¥20.00, implying payout ratio of 47.8%, on the occasion of Q3 results. Meanwhile, it appears that sales are to concentrate in Q4 to a large extent as was the case in the last two years.



Source: Company Data, WRJ Calculation

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	Q1 to Q4	Net Chg.
	02/2020	02/2020	02/2020	02/2020	02/2021	02/2021	02/2021	02/2021	02/2021	
Sales	2,878	6,817	11,110	16,772	3,076	7,043	10,852	-	-	(258)
Cost of Sales	1,830	4,400	7,331	11,344	2,130	4,779	7,323	-	-	(8)
Gross Profit	1,047	2,416	3,779	5,428	945	2,263	3,529	-	-	(250)
SG&A Expenses	1,262	2,413	3,686	4,870	1,111	2,012	3,138	-	-	(548)
Operating Profit	(214)	3	93	558	(165)	251	391	-	-	+298
Non Operating Balance	(2)	2	18	24	10	20	44	-	-	+25
Recurring Profit	(217)	6	111	582	(154)	271	435	-	-	+324
Extraordinary Balance	7	11	(16)	(14)	0	(4)	(15)	-	-	+1
Profit before Income Taxes	(210)	17	94	568	(155)	266	419	-	-	+325
Total Income Taxes	(52)	24	56	187	(33)	82	142	-	-	+85
Profit Attributable to Owners of Parent	(158)	(7)	37	381	(121)	183	277	-	-	+239
Sales YoY	(40.6%)	(25.2%)	(16.1%)	(8.9%)	+6.9%	+3.3%	(2.3%)	-	-	-
Operating Profit YoY	-	(99.4%)	(86.1%)	(54.3%)	-	-	+320.4%	-	-	-
Recurring Profit YoY	-	(99.1%)	(85.5%)	(56.1%)	-	-	+290.9%	-	-	-
Profit Attributable to Owners of Parent YoY	-	-	(92.8%)	(54.8%)	-	-	+634.0%	-	-	-
Gross Profit Margin	36.4%	35.4%	34.0%	32.4%	30.7%	32.1%	32.5%	-	-	(1.5%)
Sales to SG&A Expenses Ratio	43.9%	35.4%	33.2%	29.0%	36.1%	28.6%	28.9%	-	-	(4.3%)
Operating Profit Margin	(7.5%)	0.0%	0.8%	3.3%	(5.4%)	3.6%	3.6%	-	-	+2.8%
Recurring Profit Margin	(7.6%)	0.1%	1.0%	3.5%	(5.0%)	3.9%	4.0%	-	-	+3.0%
Profit Attributable to Owners of Parent Margin	(5.5%)	(0.1%)	0.3%	2.3%	(4.0%)	2.6%	2.6%	-	-	+2.2%
Total Income Taxes/Profit before Income Taxes	-	145.1%	60.0%	32.9%	-	31.0%	34.0%	-	-	(26.1%)
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	Q4	Net Chg.
	02/2020	02/2020	02/2020	02/2020	02/2021	02/2021	02/2021	02/2021	02/2021	
Sales	2,878	3,939	4,293	5,662	3,076	3,967	3,808	-	-	(484)
Cost of Sales	1,830	2,570	2,930	4,012	2,130	2,649	2,543	-	-	(387)
Gross Profit	1,047	1,368	1,362	1,649	945	1,317	1,265	-	-	(97)
SG&A Expenses	1,262	1,150	1,272	1,183	1,111	900	1,125	-	-	(147)
Operating Profit	(214)	218	89	465	(165)	417	140	-	-	+50
Non Operating Balance	(2)	5	15	6	10	9	23	-	-	+8
Recurring Profit	(217)	223	105	471	(154)	426	164	-	-	+58
Extraordinary Balance	7	3	(27)	2	0	(4)	(10)	-	-	+17
Profit before Income Taxes	(210)	227	77	474	(155)	421	153	-	-	+76
Total Income Taxes	(52)	76	31	130	(33)	115	60	-	-	+28
Profit Attributable to Owners of Parent	(158)	150	45	343	(121)	305	93	-	-	+47
Sales YoY	(40.6%)	(7.7%)	+4.0%	+9.6%	+6.9%	+0.7%	(11.3%)	-	-	-
Operating Profit YoY	-	+12.5%	+15.8%	(15.8%)	-	+91.2%	+56.1%	-	-	-
Recurring Profit YoY	-	+8.7%	+21.9%	(15.2%)	-	+90.7%	+55.9%	-	-	-
Profit Attributable to Owners of Parent YoY	-	+26.3%	(20.7%)	+7.5%	-	+103.4%	+105.0%	-	-	-
Gross Profit Margin	36.4%	34.7%	31.7%	29.1%	30.7%	33.2%	33.2%	-	-	+1.5%
Sales to SG&A Expenses Ratio	43.9%	29.2%	29.7%	20.9%	36.1%	22.7%	29.5%	-	-	(0.1%)
Operating Profit Margin	(7.5%)	5.5%	2.1%	8.2%	(5.4%)	10.5%	3.7%	-	-	+1.6%
Recurring Profit Margin	(7.6%)	5.7%	2.5%	8.3%	(5.0%)	10.7%	4.3%	-	-	+1.9%
Profit Attributable to Owners of Parent Margin	(5.5%)	3.8%	1.1%	6.1%	(4.0%)	7.7%	2.4%	-	-	+1.4%
Total Income Taxes/Profit before Income Taxes	-	33.9%	41.1%	27.5%	-	27.5%	39.2%	-	-	(2.0%)

Source: Company Data, WRJ Calculation

Segmented Information (Cumulative/Quarterly)

Segmented Information (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		
Equipment	1,386	3,964	6,749	11,118	1,689	4,125	6,472	-	(277)	
Chemicals	1,491	2,852	4,360	5,654	1,386	2,917	4,379	-	+19	
Sales	2,878	6,817	11,110	16,772	3,076	7,043	10,852	-	(258)	
Equipment	(59.6%)	(35.5%)	(22.6%)	(10.1%)	+21.9%	+4.1%	(4.1%)	-	-	
Chemicals	+5.3%	(4.0%)	(3.5%)	(6.4%)	(7.1%)	+2.3%	+0.4%	-	-	
Sales (YoY)	(40.6%)	(25.2%)	(16.1%)	(8.9%)	+6.9%	+3.3%	(2.3%)	-	-	
Equipment	48.2%	58.2%	60.8%	66.3%	54.9%	58.6%	59.6%	-	-	
Chemicals	51.8%	41.8%	39.2%	33.7%	45.1%	41.4%	40.4%	-	-	
Sales (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	
Equipment	(267)	(119)	(142)	311	(125)	255	357	-	+499	
Chemicals	187	382	652	781	77	228	404	-	(247)	
Segment Profit	(79)	262	510	1,092	(47)	484	762	-	+251	
Elimination	(135)	(259)	(417)	(534)	(118)	(233)	(371)	-	+46	
Operating Profit	(214)	3	93	558	(165)	251	391	-	+298	
Equipment	-	-	-	(57.8%)	-	-	-	-	-	
Chemicals	(27.8%)	(31.3%)	(16.5%)	(23.7%)	(58.5%)	(40.2%)	(38.0%)	-	-	
Segment Profit (YoY)	-	(69.0%)	(52.6%)	(38.0%)	-	+84.6%	+49.4%	-	-	
Equipment	-	(45.7%)	(27.9%)	28.5%	-	52.8%	46.9%	-	-	
Chemicals	-	145.7%	127.9%	71.5%	-	47.2%	53.1%	-	-	
Segment Profit (Composition Ratio)	100.0%	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%	5.5%	-	+7.6%	
Chemicals	12.6%	13.4%	15.0%	13.8%	5.6%	7.8%	9.2%	-	(5.7%)	
Elimination	(4.7%)	(3.8%)	(3.8%)	(3.2%)	(3.9%)	(3.3%)	(3.4%)	-	+0.3%	
Operating Profit Margin	(7.5%)	0.0%	0.8%	3.3%	(5.4%)	3.6%	3.6%	-	+2.8%	

Segmented Information (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		
Equipment	1,386	2,578	2,785	4,368	1,689	2,436	2,346	-	(438)	
Chemicals	1,491	1,360	1,508	1,293	1,386	1,531	1,462	-	(46)	
Sales	2,878	3,939	4,293	5,662	3,076	3,967	3,808	-	(484)	
Equipment	(59.6%)	(5.0%)	+8.0%	+19.9%	+21.9%	(5.5%)	(15.8%)	-	-	
Chemicals	+5.3%	(12.5%)	(2.6%)	(14.9%)	(7.1%)	+12.5%	(3.1%)	-	-	
Sales (YoY)	(40.6%)	(7.7%)	+4.0%	+9.6%	+6.9%	+0.7%	(11.3%)	-	-	
Equipment	48.2%	65.5%	64.9%	77.2%	54.9%	61.4%	61.6%	-	-	
Chemicals	51.8%	34.5%	35.1%	22.8%	45.1%	38.6%	38.4%	-	-	
Sales (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	
Equipment	(267)	147	(22)	453	(125)	381	101	-	+123	
Chemicals	187	194	270	129	77	150	176	-	(93)	
Segment Profit	(79)	342	247	582	(47)	531	277	-	+29	
Elimination	(135)	(124)	(158)	(116)	(118)	(114)	(137)	-	+20	
Operating Profit	(214)	218	89	465	(165)	417	140	-	+50	
Equipment	-	-	-	+2.6%	-	+158.9%	-	-	-	
Chemicals	(27.8%)	(34.3%)	+20.1%	(47.0%)	(58.5%)	(22.7%)	(34.7%)	-	-	
Segment Profit (YoY)	-	+10.4%	+8.2%	(15.0%)	-	+55.5%	+12.1%	-	-	
Equipment	-	43.0%	(9.0%)	77.8%	-	71.7%	36.5%	-	-	
Chemicals	-	57.0%	109.0%	22.2%	-	28.3%	63.5%	-	-	
Segment Profit (Composition Ratio)	100.0%	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%	4.3%	-	+5.1%	
Chemicals	12.6%	14.3%	17.9%	10.0%	5.6%	9.8%	12.1%	-	(5.9%)	
Elimination	(4.7%)	(3.2%)	(3.7%)	(2.1%)	(3.9%)	(2.9%)	(3.6%)	-	+0.1%	
Operating Profit Margin	(7.5%)	5.5%	2.1%	8.2%	(5.4%)	10.5%	3.7%	-	+1.6%	

Source: Company Data, WRJ Calculation

Sales of Equipment by Region (Cumulative/Quarterly)

Sales of Equipment by Region (Million Yen)		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	
Japan		894	2,557	4,265	6,696	1,354	2,989	4,232	-	(32)
North & Latin Americas		308	1,005	1,743	2,915	193	553	1,014	-	(728)
Europe & Africa		81	150	236	452	27	139	258	-	+22
Middle East, Asia & Oceania		101	251	509	1,054	114	443	966	-	+457
Overseas		491	1,407	2,489	4,422	335	1,136	2,240	-	(248)
Sales		1,386	3,964	6,749	11,118	1,689	4,125	6,472	-	(277)
Japan		(67.9%)	(41.2%)	(27.0%)	(8.4%)	+51.3%	+16.9%	(0.8%)	-	-
North & Latin Americas		+6.7%	(0.2%)	+1.0%	(13.0%)	(37.2%)	(45.0%)	(41.8%)	-	-
Europe & Africa		+1.2%	+6.2%	(12.7%)	+13.8%	(66.2%)	(7.4%)	+9.5%	-	-
Middle East, Asia & Oceania		(63.6%)	(61.0%)	(42.1%)	(19.2%)	+12.4%	+76.8%	+89.7%	-	-
Overseas		(24.3%)	(21.5%)	(13.5%)	(12.5%)	(31.7%)	(19.3%)	(10.0%)	-	-
Sales (YoY)		(59.6%)	(35.5%)	(22.6%)	(10.1%)	+21.9%	+4.1%	(4.1%)	-	-
Japan		64.5%	64.5%	63.2%	60.2%	80.1%	72.5%	65.4%	-	-
North & Latin Americas		22.3%	25.4%	25.8%	26.2%	11.5%	13.4%	15.7%	-	-
Europe & Africa		5.9%	3.8%	3.5%	4.1%	1.6%	3.4%	4.0%	-	-
Middle East, Asia & Oceania		7.3%	6.3%	7.5%	9.5%	6.8%	10.8%	14.9%	-	-
Overseas		35.5%	35.5%	36.9%	39.8%	19.9%	27.5%	34.6%	-	-
Sales (Composition)		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-

Sales of Equipment by Region (Million Yen)		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	
Japan		894	1,662	1,707	2,431	1,354	1,635	1,242	-	(464)
North & Latin Americas		308	696	737	1,172	193	359	461	-	(275)
Europe & Africa		81	69	86	215	27	111	119	-	+33
Middle East, Asia & Oceania		101	149	258	545	114	329	522	-	+264
Overseas		491	915	1,081	1,933	335	800	1,103	-	+21
Sales		1,386	2,578	2,785	4,368	1,689	2,436	2,346	-	(438)
Japan		(67.9%)	+6.0%	+14.3%	+65.8%	+51.3%	(1.6%)	(27.2%)	-	-
North & Latin Americas		+6.7%	(3.0%)	+2.6%	(27.9%)	(37.2%)	(48.5%)	(37.4%)	-	-
Europe & Africa		+1.2%	+12.8%	(33.4%)	+224.4%	(66.2%)	+61.8%	+39.1%	-	-
Middle East, Asia & Oceania		(63.6%)	(59.0%)	+9.7%	+12.0%	+12.4%	+120.8%	+102.2%	-	-
Overseas		(24.3%)	(20.0%)	(0.1%)	(11.3%)	(31.7%)	(12.6%)	+2.0%	-	-
Sales (YoY)		(59.6%)	(5.0%)	+8.0%	+19.9%	+21.9%	(5.5%)	(15.8%)	-	-
Japan		64.5%	64.5%	61.2%	55.7%	80.1%	67.1%	53.0%	-	-
North & Latin Americas		22.3%	27.0%	26.4%	26.9%	11.5%	14.7%	19.7%	-	-
Europe & Africa		5.9%	2.7%	3.1%	4.9%	1.6%	4.6%	5.1%	-	-
Middle East, Asia & Oceania		7.3%	5.8%	9.3%	12.5%	6.8%	13.5%	22.3%	-	-
Overseas		35.5%	35.5%	38.8%	44.3%	19.9%	32.9%	47.0%	-	-
Sales (Composition)		100.0%	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	4,009	-	(222)	
Accounts Receivables	4,039	3,800	4,320	5,431	4,207	4,193	4,124	-	(196)	
Inventory	3,308	3,447	3,870	3,051	3,161	3,056	3,888	-	+17	
Other	387	443	457	396	262	331	687	-	+229	
Current Assets	12,342	12,721	12,881	13,193	12,338	12,325	12,708	-	(172)	
Tangible Assets	3,857	3,997	4,206	4,209	4,192	4,094	4,520	-	+313	
Intangible Assets	17	16	96	96	92	90	1,188	-	+1,091	
Investments and Other Assets	1,009	978	998	1,006	1,082	1,015	1,036	-	+38	
Fixed Assets	4,885	4,992	5,301	5,311	5,367	5,200	6,744	-	+1,443	
Total Assets	17,227	17,713	18,182	18,505	17,706	17,525	19,453	-	+1,271	
Accounts Payables	2,043	2,350	2,783	3,121	2,346	1,866	2,506	-	(277)	
Short Term Debt	-	-	-	32	-	-	50	-	+50	
Other	2,216	2,317	2,235	1,869	2,136	2,415	3,101	-	+865	
Current Liabilities	4,259	4,668	5,019	5,023	4,483	4,281	5,657	-	+638	
Long Term Debt	-	-	-	-	230	-	-	-	-	
Other	244	238	241	237	247	246	726	-	+485	
Fixed Liabilities	244	238	241	237	477	246	726	-	+485	
Total Liabilities	4,504	4,906	5,260	5,261	4,961	4,528	6,384	-	+1,123	
Shareholders' Equity	12,976	13,127	13,172	13,516	13,059	13,364	13,458	-	+285	
Adjustments	(253)	(319)	(251)	(272)	(314)	(367)	(388)	-	(137)	
Total Assets	12,723	12,807	12,921	13,243	12,744	12,997	13,069	-	+147	
Total Liabilities and Net Assets	17,227	17,713	18,182	18,505	17,706	17,525	19,453	-	+1,271	
Equity Capital	12,723	12,807	12,921	13,243	12,744	12,997	13,069	-	+148	
Interest Bearing Debt	-	-	-	32	230	-	50	-	+50	
Net Debt	(4,607)	(5,030)	(4,232)	(4,281)	(4,476)	(4,743)	(3,959)	-	+273	
Equity Capital Ratio	73.9%	72.3%	71.1%	71.6%	72.0%	74.2%	67.2%	-	-	
Net-Debt-Equity Ratio	(36.2%)	(39.3%)	(32.8%)	(32.3%)	(35.1%)	(36.5%)	(30.3%)	-	-	
ROE (12 months)	2.7%	2.9%	2.8%	2.9%	3.3%	4.4%	4.8%	-	-	
ROA (12 months)	3.6%	3.7%	3.7%	3.2%	3.7%	4.8%	4.8%	-	-	
Total Assets Turnover	67%	89%	94%	122%	69%	91%	78%	-	-	
Inventory Turnover	2.2	3.0	3.0	5.3	2.7	3.5	2.6	-	-	
Days of Inventory	165	122	121	69	135	105	140	-	-	
Quick Ratio	203%	189%	170%	194%	199%	209%	144%	-	-	
Current Ratio	290%	273%	257%	263%	275%	288%	225%	-	-	

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	-	-	-	
Investment Cash Flow	-	(414)	-	(852)	-	(171)	-	-	-	
Operating CF and Investment CF	-	(124)	-	(880)	-	805	-	-	-	
Financing Cash Flow	-	(359)	-	(325)	-	(366)	-	-	-	

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.

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