

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 <under Japanese GAAP>

Company name: **MIKUNI CORPORATION**
 Listing: First Section of Tokyo Stock Exchange
 Securities code: 7247
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Scheduled date of Ordinary General Meeting of Shareholders: June 29, 2021
 Scheduled date to commence dividend payments: June 30, 2021
 Scheduled date to file the Annual Securities Report: June 29, 2021
 Preparation of supplementary material on financial results: Yes
 Holding of financial results presentation meeting: Yes (for institutional investors and analysts)

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated financial results for the fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(1) Consolidated operating results

(Percentages indicate year-on-year changes. Figures in parentheses are negative figures.)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2021	86,962	(21.3)	569	(76.4)	597	(67.9)	(125)	—
March 31, 2020	110,499	(9.3)	2,410	(45.3)	1,858	(57.6)	(4,014)	—

Note: Comprehensive income Fiscal year ended March 31, 2021: 1,954 million yen [— %]
 Fiscal year ended March 31, 2020: (5,706) million yen [— %]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	yen	yen	%	%	%
March 31, 2021	(3.73)	—	(0.5)	0.6	0.7
March 31, 2020	(119.30)	—	(13.9)	2.0	2.2

Reference: Share of income (loss) of entities accounted for using equity method

Fiscal year ended March 31, 2021: (264) million yen

Fiscal year ended March 31, 2020: (141) million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	yen
March 31, 2021	93,891	28,396	29.4	822.12
March 31, 2020	90,396	26,726	28.6	767.72

Reference: Equity As of March 31, 2021: 27,560 million yen
As of March 31, 2020: 25,841 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2021	318	(2,876)	2,217	4,249
March 31, 2020	2,389	(6,997)	3,022	4,672

2. Dividends

	Annual dividends					Total dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	yen	yen	yen	yen	yen	Millions of yen	%	%
Fiscal year ended March 31, 2020	–	5.00	–	5.00	10.00	338	–	1.2
Fiscal year ended March 31, 2021	–	–	–	5.00	5.00	170	–	0.6
Fiscal year ending March 31, 2022 (Forecast)	–	5.00	–	5.00	10.00		–	

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Percentages indicate year-on-year changes. Figures in parentheses are negative figures.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Six months ending September 30, 2021	41,800	–	1,230	–	640	–	50	–	1.49
Fiscal year ending March 31, 2022	84,400	–	3,000	–	2,200	–	800	–	23.82

Note: In order to apply the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29) from the beginning of the fiscal year ending March 31, 2022, the above consolidated earnings forecasts are forecasts after applying the Accounting Standard, and the rate of year-on-year change is not given.

*** Notes**

- (1) Changes in significant subsidiaries during the fiscal year under review (changes in specified subsidiaries resulting in changes in the scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections
- a. Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - b. Changes in accounting policies due to other reasons: None
 - c. Changes in accounting estimates: None
 - d. Restatement of prior period financial statements after error corrections: None

(3) Number of issued shares (common shares)

- a. Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2021	34,049,423 shares
As of March 31, 2020	34,049,423 shares

- b. Number of treasury shares at the end of the period

As of March 31, 2021	525,429 shares
As of March 31, 2020	389,592 shares

- c. Average number of shares during the period

Fiscal year ended March 31, 2021	33,586,684 shares
Fiscal year ended March 31, 2020	33,651,641 shares

(Note) The Company's shares held by the "Management Board Incentive Plan (BIP) Trust" and "Employee Stock Ownership Plan (ESOP) Trust" are included in the number of treasury shares at the end of the period (489,880 shares as of March 31, 2021 and 204,280 shares as of March 31, 2020).

In addition, the Company's shares held by the "Management Board Incentive Plan (BIP) Trust" and "Employee Stock Ownership Plan (ESOP) Trust" are included in treasury shares, which are deducted in calculating the average number of shares during the period. (334,987 shares in the fiscal year ended March 31, 2021 and 212,808 shares in the fiscal year ended March 31, 2020)

(Reference) Summary of non-consolidated financial results

**Non-consolidated financial results for the fiscal year ended March 31, 2021
(from April 1, 2020 to March 31, 2021)**

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2021	54,535	(27.7)	(2,449)	–	(530)	–	(939)	–
March 31, 2020	75,458	(12.5)	(1,032)	–	1,930	44.6	(2,851)	–

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	yen	yen
March 31, 2021	(27.96)	–
March 31, 2020	(84.73)	–

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	yen
March 31, 2021	67,855	18,544	27.3	553.18
March 31, 2020	62,365	17,750	28.5	527.34

Reference: Equity As of March 31, 2021: 18,544 million yen
As of March 31, 2020: 17,750 million yen

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Disclaimer regarding forward-looking statements

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company at the time of the release of these materials. Actual results may differ from the forecasts due to various factors.

[Attached Material]

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1. Overview of operating results and others

(1) Overview of operating results for the fiscal year

In the current fiscal year (from April 1, 2020 to March 31, 2021), the Japanese economy continued to pick up from the effects of COVID-19, but with weakness seen in some areas, a strong recovery was not achieved. As for overseas, a recovery trend continued, with production activities gradually resuming after restrictions on movement were eased. In addition to economic recovery in China, headway was made with the normalization of production in India, but the economic outlook remained different from country to country.

In this business environment, partly due to a decline in sales in the Automobile-related Products Business and the Aircraft Component Import and Sales Business, the Group's net sales amounted to 86,962 million yen (down 21.3% year-on-year) and operating income amounted to 569 million yen (down 76.4% year-on-year). As a result, ordinary income amounted to 597 million yen (down 67.9% year-on-year) and net loss attributable to owners of parent stood at 125 million yen (net loss attributable to owners of parent of 4,014 million yen in the previous fiscal year).

Operating results by segment are as follows.

(i) <Automobile-related Products Business>

Sales in this business, which centers on the manufacture and sale of fuel supply systems for automobiles, motorcycles, and general purpose engines and engine-related functional components, decreased compared with the previous fiscal year. Demand for products for both automobiles and motorcycles dropped sharply due to the effects of the global spread of COVID-19, but demand was seen to recover since summer. In addition, production remained steady in India. As a result, net sales in this business amounted to 60,345 million yen (down 14.0% year-on-year), while operating income was 772 million yen (down 71.8% year-on-year).

(ii) <Household Appliances Device Products Business>

Sales in this business, which centers on the manufacture and sale of control systems for gas appliances and water appliances, were nearly the same as the previous fiscal year, and operating loss narrowed. While affected by the spread of COVID-19, the revision of product strategies resulted in net sales in this business of 5,818 million yen (down 0.0% year-on-year), and operating loss narrowed to 221 million yen, from an operating loss of 345 million yen in the previous fiscal year.

(iii) <Aircraft Component Import and Sales Business>

Sales of aircraft components decreased from the previous fiscal year. Affected by a significant decline in air passenger demand, net sales in this business amounted to 16,441 million yen (down 42.8% year-on-year), and operating income was 190 million yen (down 45.1% year-on-year).

(iv) <Turf-maintenance Equipment, etc. Sales Business>

Sales of the Turf-maintenance Equipment, etc. Sales Business declined from the previous fiscal year. Due in part to the spread of COVID-19, the appetite of customers, mainly golf courses, to make capital investments cooled, resulting in net sales in this business amounting to 2,568 million yen (down 25.8% year-on-year). On the other hand, operating loss narrowed from an operating loss of 386 million yen in the previous fiscal year to 169 million yen mainly due to a revision of product mix.

(v) <Other Businesses>

Sales in this segment, which handles the manufacture and sale of vehicle heaters, welfare and care devices and other products, decreased from the previous fiscal year. Net sales in Other Businesses amounted to 1,788 million yen (down 21.7% year-on-year), and operating loss was 2 million yen (operating income of 59 million yen in the previous fiscal year).

[Comparison table of operating results by segment]

(Millions of yen)

	Fiscal year ended March 31, 2020		Fiscal year ended March 31, 2021		Change in net sales		Change in operating income	
	Net sales	Operating income	Net sales	Operating income	Amount	Ratio	Amount	Ratio
Automobile-related Products Business	70,200	2,736	60,345	772	(9,855)	(14.0)%	(1,963)	(71.8)%
Household Appliances Device Products Business	5,819	(345)	5,818	(221)	(0)	(0.0)%	124	—
Aircraft Component Import and Sales Business	28,733	346	16,441	190	(12,292)	(42.8)%	(156)	(45.1)%
Turf-maintenance Equipment, etc. Sales Business	3,462	(386)	2,568	(169)	(893)	(25.8)%	216	—
Other Businesses	2,284	59	1,788	(2)	(495)	(21.7)%	(61)	—
Total	110,499	2,410	86,962	569	(23,537)	(21.3)%	(1,840)	(76.4)%
Reference: exchange rate	1 USD = 109.03 yen		1 USD = 106.76 yen		—		—	

- (Notes) 1. The figures inside parentheses in the column presenting operating income indicate the amount of operating loss.
2. Amounts less than one million yen are discarded.
3. “—” indicates a negative change in the current fiscal year or the previous fiscal year or both.

[Reference] Performance trends for each quarter from the fiscal year ended March 31, 2019 to fiscal year ended March 31, 2021

(Millions of yen)

		Fiscal year ended March 31, 2019				Fiscal year ended March 31, 2020				Fiscal year ended March 31, 2021			
		First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter
Automobile-related Products Business	Net sales	16,954	17,645	18,846	18,690	16,801	16,904	17,399	19,094	10,977	12,751	17,594	19,021
	Operating income	1,065	631	1,365	1,097	639	283	679	1,133	(323)	(946)	505	1,537
Household Appliances Device Products Business	Net sales	1,663	1,817	1,685	1,458	1,319	1,458	1,557	1,483	1,032	1,325	1,777	1,682
	Operating income	(20)	(102)	(63)	(161)	(166)	(118)	(23)	(37)	(144)	(120)	51	(7)
Aircraft Component Import and Sales Business	Net sales	8,697	8,980	9,383	8,570	7,473	7,180	6,892	7,186	6,173	3,019	2,906	4,341
	Operating income	219	299	206	44	139	65	100	40	200	60	(46)	(24)
Turf-maintenance Equipment, etc. Sales Business	Net sales	1,053	1,152	988	1,270	1,083	1,098	565	714	1,019	822	106	621
	Operating income	(38)	(53)	(120)	(35)	(18)	(58)	(133)	(175)	(8)	(92)	(2)	(65)
Other Businesses	Net sales	677	665	802	799	574	490	561	658	412	368	458	549
	Operating income	(27)	(19)	82	36	(38)	(30)	44	84	(11)	(52)	15	45
Total	Net sales	29,046	30,261	31,706	30,789	27,252	27,132	26,977	29,137	19,615	18,285	22,843	26,216
	Operating income	1,197	755	1,469	980	555	140	668	1,045	(286)	(1,151)	522	1,484

- (Notes) 1. The figures inside parentheses in the row presenting operating income indicate the amount of operating loss.
2. Amounts less than one million yen are discarded.

Future outlook

The global economy appears to be on a recovery trend due to economic policies and vaccination progress in each country. The Group also expects to return to a growth trajectory by seizing business opportunities. We will work on research and development with an eye to minimizing carbon emissions, promote DX (digital transformation), and improve production efficiency. Based on the current information, our consolidated earnings forecasts for the next fiscal year (ending March 31, 2022) are as follows:

Consolidated earnings forecasts for the fiscal year ending March 31, 2022
(from April 1, 2021 to March 31, 2022)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Basic earnings per share (Yen)
Current Forecast	84,400	3,000	2,200	800	23.82
Results for the previous fiscal year	86,962	569	597	(125)	(3.73)

- (Notes) 1. In order to apply the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29) from the beginning of the fiscal year ending March 31, 2022, the above consolidated earnings forecasts are forecasts after applying the Accounting Standard.
2. The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ significantly from the forecasts due to various factors.

(2) Overview of financial position for the fiscal year

a. Assets, liabilities and net assets

(Assets)

Total assets at the end of the fiscal year under review amounted to 93,891 million yen, an increase of 3,495 million yen from the previous fiscal year-end.

Current assets amounted to 46,474 million yen, an increase of 3,295 million yen from the previous fiscal year-end. This was mainly due to an increase in merchandise and finished goods of 2,955 million yen.

Non-current assets amounted to 47,417 million yen, an increase of 199 million yen from the previous fiscal year-end. This was mainly due to the fact that although property, plant and equipment decreased by 2,021 million yen, there was an increase of 2,420 million yen in investment securities.

(Liabilities)

Total liabilities at the end of the fiscal year under review amounted to 65,495 million yen, an increase of 1,825 million yen from the previous fiscal year-end.

Current liabilities amounted to 31,218 million yen, an increase of 11 million yen from the previous fiscal year-end. This was mainly due to the fact that although notes and accounts payable - trade decreased by 1,145 million yen, there was an increase of 1,578 million yen in short-term borrowings.

Non-current liabilities amounted to 34,276 million yen, an increase of 1,814 million yen from the previous fiscal year-end. This was mainly due to an increase of 1,587 million yen in long-term borrowings.

(Net assets)

Net assets amounted to 28,396 million yen, an increase of 1,669 million yen from the previous fiscal year-end. This was mainly due to an increase of 1,911 million yen in valuation difference on available-for-sale securities.

b. Cash flows

Cash and cash equivalents (hereinafter, “cash”) for the fiscal year under review decreased by 423 million yen from the previous fiscal year-end, to 4,249 million yen.

The respective cash flow positions for the fiscal year under review are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities in the fiscal year under review was 318 million yen (2,389 million yen was provided in the previous fiscal year). This was mainly due to the fact that positive factors based on depreciation of 4,651 million yen, exceeded negative factors based on a decrease in inventories of 3,113 million yen and a decrease in trade payables of 1,076 million yen.

(Cash flows from investing activities)

Net cash used in investing activities in the fiscal year under review amounted to 2,876 million yen (6,997 million yen was used in the previous fiscal year). This was mainly due to 3,963 million yen in the purchase of non-current assets.

(Cash flows from financing activities)

Net cash provided by financing activities in the fiscal year under review totaled 2,217 million yen (3,022 million yen was provided in the previous fiscal year). This was mainly due to proceeds from a 2,962 million yen net increase in borrowings.

(3) Basic policy for distributing incomes, and dividends for the fiscal year under review and next fiscal year

The Company, taking into consideration the operating results of the fiscal year and future business development, has a basic policy regarding dividends from surplus, etc. of carrying out result-based distributions in a stable manner based on a medium- to long-term perspective.

Stable dividends and future business development, etc. were comprehensively examined, and as a result, a plan is in place to submit a proposal at the 99th Ordinary General Meeting of Shareholders, which is scheduled to be held on June 29, 2021, to a regular dividend of 5 yen per share of common shares of the Company.

Regarding projected dividends for the next fiscal year (ending March 31, 2022), the Company expects, based on earnings forecasts and current forecasts of the financial position, to pay a regular interim dividend of 5 yen per share of common shares, and a regular year-end dividend of 5 yen per share, giving projected annual dividends of 10 yen per share.

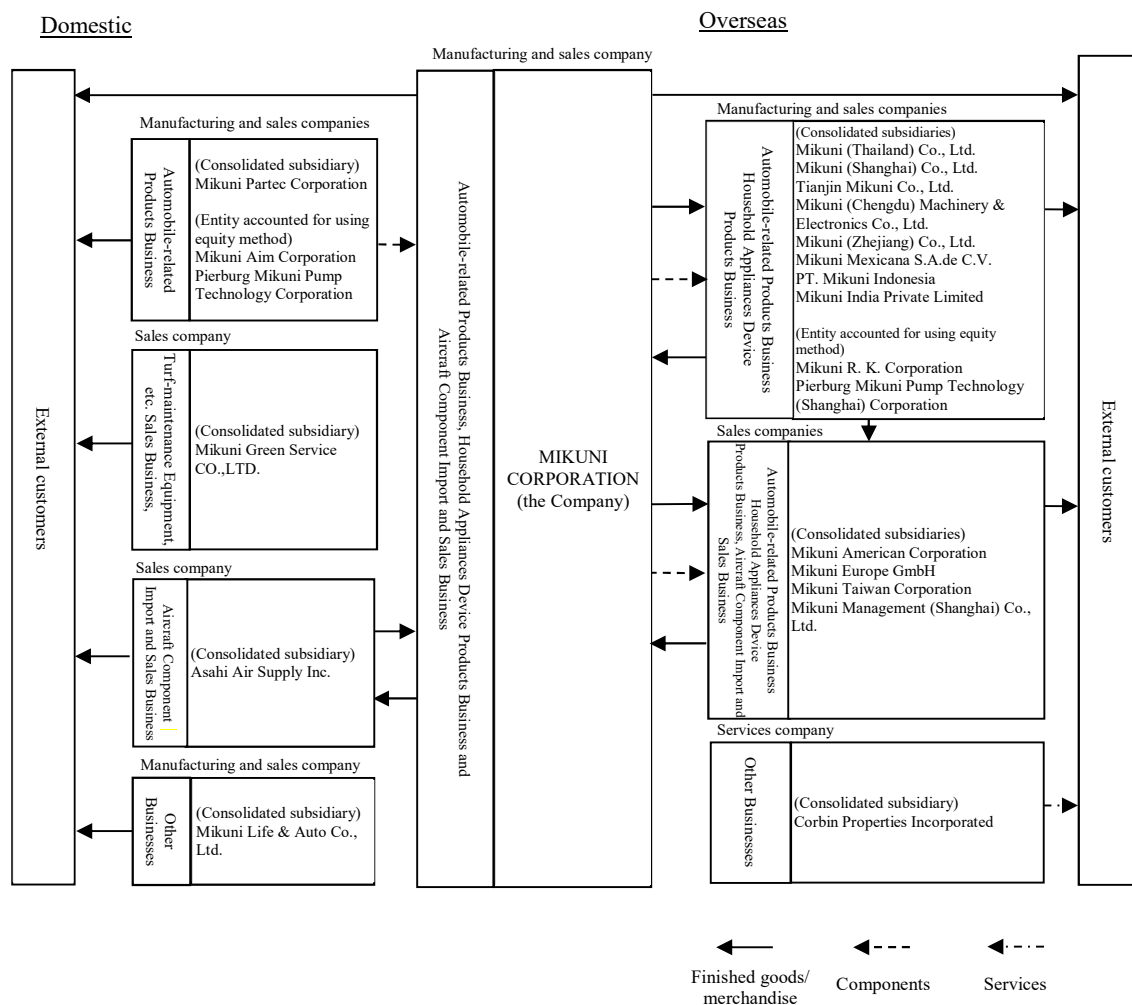
(Note) The forecasts for the next fiscal year contained in these materials are forward-looking statements including risks and uncertainties. Therefore, the actual results may differ from the forecasts stated herein due to changes of various factors.

2. Status of the corporate group

The Group (the Company and its affiliates) consists of the Company (MIKUNI CORPORATION), 21 subsidiaries, and four associates. The Group is engaged in manufacturing and sales of fuel injection-related products, carburetors, heaters, pumps, gas control devices, etc., the import and sales of aircraft components, sales of turf-maintenance equipment, etc., and real estate leasing and other services.

Business organization chart

Reportable segments are the Automobile-related Products Business, the Household Appliances Device Products Business, the Aircraft Component Import and Sales Business, and the Turf-maintenance Equipment, etc. Sales Business. The business organization chart of the Group as of March 31, 2021 (showing the Company and its main affiliates) is shown below.



3. Basic concept regarding selection of accounting standards

The Group has prepared the consolidated financial statements in accordance with Japanese GAAP, and there is no immediate plan to change its accounting standards. Concerning the policy for the application of IFRS, the Group will respond to this issue appropriately while giving consideration to various circumstances in Japan and overseas.

4. Consolidated financial statements and significant notes thereto

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	4,672	4,253
Notes and accounts receivable - trade	17,875	18,350
Electronically recorded monetary claims - operating	1,881	1,929
Merchandise and finished goods	9,603	12,558
Work in process	4,337	4,518
Raw materials and supplies	2,043	2,001
Other	2,822	2,943
Allowance for doubtful accounts	(56)	(81)
Total current assets	43,178	46,474
Non-current assets		
Property, plant and equipment		
Buildings and structures	32,002	32,038
Accumulated depreciation	(22,910)	(23,522)
Buildings and structures, net	9,092	8,515
Machinery, equipment and vehicles	49,533	50,150
Accumulated depreciation	(36,839)	(37,341)
Machinery, equipment and vehicles, net	12,693	12,808
Tools, furniture and fixtures	19,545	19,828
Accumulated depreciation	(17,276)	(17,662)
Tools, furniture and fixtures, net	2,269	2,165
Land	11,838	11,797
Construction in progress	3,758	2,343
Total property, plant and equipment	39,652	37,630
Intangible assets		
Other	975	892
Total intangible assets	975	892
Investments and other assets		
Investment securities	4,288	6,709
Long-term loans receivable	39	20
Deferred tax assets	737	744
Other	1,683	1,575
Allowance for doubtful accounts	(160)	(155)
Total investments and other assets	6,589	8,894
Total non-current assets	47,217	47,417
Total assets	90,396	93,891

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,104	10,959
Short-term borrowings	5,683	7,261
Current portion of long-term borrowings	4,850	4,625
Lease obligations	353	384
Accounts payable - other	2,510	1,868
Income taxes payable	307	387
Accrued expenses	2,294	2,422
Provision for bonuses	1,350	1,230
Provision for product warranties	940	275
Other	810	1,801
Total current liabilities	31,206	31,218
Non-current liabilities		
Long-term borrowings	23,093	24,681
Lease obligations	551	491
Deferred tax liabilities	1,747	2,642
Deferred tax liabilities for land revaluation	2,249	2,249
Provision for management board incentive plan trust	52	50
Provision for share awards	–	11
Retirement benefit liability	3,668	3,268
Other	1,099	882
Total non-current liabilities	32,462	34,276
Total liabilities	63,669	65,495
Net assets		
Shareholders' equity		
Share capital	2,215	2,215
Capital surplus	1,923	1,923
Retained earnings	15,862	15,566
Treasury shares	(166)	(197)
Total shareholders' equity	19,835	19,507
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,197	3,108
Deferred gains or losses on hedges	(2)	25
Revaluation reserve for land	5,282	5,282
Foreign currency translation adjustment	114	(223)
Remeasurements of defined benefit plans	(586)	(140)
Total accumulated other comprehensive income	6,005	8,053
Non-controlling interests	885	835
Total net assets	26,726	28,396
Total liabilities and net assets	90,396	93,891

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net sales	110,499	86,962
Cost of sales	96,419	76,107
Gross profit	14,080	10,854
Selling, general and administrative expenses	11,670	10,285
Operating income	2,410	569
Non-operating income		
Interest income	75	39
Dividend income	195	160
Foreign exchange gains	–	169
Rental income	112	113
Subsidy income	–	357
Other	156	177
Total non-operating income	539	1,019
Non-operating expenses		
Interest expenses	425	594
Share of loss of entities accounted for using equity method	141	264
Rental expenses	53	50
Foreign exchange losses	363	–
Other	107	82
Total non-operating expenses	1,091	991
Ordinary income	1,858	597
Extraordinary income		
Gain on sale of non-current assets	24	0
Gain on sale of investment securities	0	351
Reversal of provision for product warranties	–	339
Other	8	1
Total extraordinary income	33	692
Extraordinary losses		
Loss on sale and retirement of non-current assets	76	74
Impairment losses	2,009	133
Loss on valuation of investment securities	30	127
Provision for product warranties	678	–
Litigation settlement-related expenses	121	116
Other	17	50
Total extraordinary losses	2,934	503
Income (loss) before income taxes	(1,042)	786
Income taxes - current	1,328	816
Income taxes - deferred	1,604	42
Total income taxes	2,933	859
Net loss	(3,975)	(72)
Net income attributable to non-controlling interests	38	52
Net loss attributable to owners of parent	(4,014)	(125)

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net loss	(3,975)	(72)
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,356)	1,911
Deferred gains or losses on hedges	0	27
Foreign currency translation adjustment	(194)	(359)
Remeasurements of defined benefit plans, net of tax	(150)	446
Share of other comprehensive income of entities accounted for using equity method	(30)	0
Total other comprehensive income	(1,730)	2,026
Comprehensive income	(5,706)	1,954
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(5,752)	1,922
Comprehensive income attributable to non- controlling interests	46	32

(3) Consolidated statement of changes in equity

Fiscal year ended March 31, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,215	1,923	20,371	(181)	24,328
Changes during period					
Dividends of surplus			(507)		(507)
Net loss attributable to owners of parent			(4,014)		(4,014)
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				15	15
Transfer of loss on disposal of treasury shares					-
Change in scope of consolidation			14		14
Net changes in items other than shareholders' equity					-
Total changes during period	-	-	(4,508)	15	(4,493)
Balance at end of period	2,215	1,923	15,862	(166)	19,835

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,553	(3)	5,282	311	(436)	7,708	918	32,955
Changes during period								
Dividends of surplus								(507)
Net loss attributable to owners of parent								(4,014)
Purchase of treasury shares								(0)
Disposal of treasury shares								15
Transfer of loss on disposal of treasury shares								-
Change in scope of consolidation								14
Net changes in items other than shareholders' equity	(1,356)	0	-	(197)	(150)	(1,702)	(33)	(1,735)
Total changes during period	(1,356)	0	-	(197)	(150)	(1,702)	(33)	(6,228)
Balance at end of period	1,197	(2)	5,282	114	(586)	6,005	885	26,726

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,215	1,923	15,862	(166)	19,835
Changes during period					
Dividends of surplus			(169)		(169)
Net loss attributable to owners of parent			(125)		(125)
Purchase of treasury shares				(77)	(77)
Disposal of treasury shares		(4)		46	41
Transfer of loss on disposal of treasury shares		4	(4)		-
Change in scope of consolidation			2		2
Net changes in items other than shareholders' equity					-
Total changes during period	-	-	(296)	(31)	(327)
Balance at end of period	2,215	1,923	15,566	(197)	19,507

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,197	(2)	5,282	114	(586)	6,005	885	26,726
Changes during period								
Dividends of surplus								(169)
Net loss attributable to owners of parent								(125)
Purchase of treasury shares								(77)
Disposal of treasury shares								41
Transfer of loss on disposal of treasury shares								-
Change in scope of consolidation								2
Net changes in items other than shareholders' equity	1,911	27	-	(338)	446	2,047	(49)	1,997
Total changes during period	1,911	27	-	(338)	446	2,047	(49)	1,669
Balance at end of period	3,108	25	5,282	(223)	(140)	8,053	835	28,396

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from operating activities		
Income (loss) before income taxes	(1,042)	786
Depreciation	4,621	4,651
Amortization of goodwill	77	–
Impairment losses	2,009	133
Subsidy income	–	(357)
Interest and dividend income	(271)	(200)
Interest expenses	425	594
Loss (gain) on sale and retirement of non-current assets	52	73
Share of loss (income) of entities accounted for using equity method	141	264
Increase (decrease) in retirement benefit liability	169	193
Increase (decrease) in provision for product warranties	664	(664)
Increase (decrease) in provision for bonuses	(320)	(114)
Increase (decrease) in allowance for doubtful accounts	(24)	20
Decrease (increase) in trade receivables	853	(514)
Decrease (increase) in inventories	(1,009)	(3,113)
Decrease (increase) in accounts receivable - other	177	(99)
Increase (decrease) in trade payables	(3,015)	(1,076)
Increase (decrease) in accounts payable - other	(871)	(281)
Other, net	1,281	1,071
Subtotal	3,918	1,367
Interest and dividends received	267	240
Interest paid	(429)	(587)
Subsidies received	–	342
Income taxes paid	(1,367)	(1,044)
Net cash provided by (used in) operating activities	2,389	318
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,143)	(3,789)
Proceeds from sale of property, plant and equipment	476	624
Purchase of intangible assets	(314)	(174)
Purchase of investment securities	(7)	(0)
Proceeds from sale of investment securities	0	502
Loan advances	(49)	(42)
Proceeds from collection of loans receivable	36	60
Other, net	4	(57)
Net cash provided by (used in) investing activities	(6,997)	(2,876)

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	195	1,602
Proceeds from long-term borrowings	9,414	6,381
Repayments of long-term borrowings	(5,624)	(5,021)
Purchase of treasury shares	(0)	(77)
Proceeds from sale of treasury shares	–	46
Dividends paid	(507)	(171)
Dividends paid to non-controlling interests	(77)	(81)
Other, net	(378)	(460)
Net cash provided by (used in) financing activities	3,022	2,217
Effect of exchange rate change on cash and cash equivalents	89	(138)
Net increase (decrease) in cash and cash equivalents	(1,496)	(478)
Cash and cash equivalents at beginning of period	6,046	4,672
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	122	54
Cash and cash equivalents at end of period	4,672	4,249

(5) Notes to consolidated financial statements

(Notes on premise of going concern)

Not applicable.

(Change in presentation)

1. Consolidated statement of income

“Reversal of allowance for doubtful accounts (8 million yen in the previous fiscal year),” which was presented separately under “Extraordinary income” in the previous fiscal year is included in “Other (1 million yen in the current fiscal year)” in the current fiscal year due to its decreased materiality. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

“Litigation settlement-related expenses,” which was included in “Other” under “Extraordinary losses” in the previous fiscal year is presented separately in the current fiscal year due to its increased materiality.

(Segment information, etc.)

[Segment information]

1. Outline of reportable segments

The reportable segments of the Group are components of the Group that have separate financial information available and are periodically examined to enable the Board of Directors to make decisions on the allocation of management resources and evaluate the results of business performance.

The Company establishes comprehensive domestic and overseas strategies for each product and service, and undertakes business activities in cooperation with group companies.

The Group accordingly consists of segments by product and service, with four reportable segments: Automobile Products-related Business, Household Appliances Device Products Business, Aircraft Component Import and Sales Business, and Turf-maintenance Equipment, etc. Sales Business.

The Automobile Products-related Business mainly manufactures and sells fuel supply systems for automobiles, motorcycles, and general purpose engines and engine-related functional components. The Household Appliances Device Products Business mainly manufactures and sells control systems for gas appliances and water appliances. The Aircraft Component Import and Sales Business mainly imports and sells aircraft components. The Turf-maintenance Equipment, etc. Sales Business mainly sells turf-maintenance equipment, etc.

2. Calculation method for the amounts of net sales, income/loss, assets and other items by reportable segment

The accounting method for reportable segments is, in general, the same as that used to prepare consolidated financial statements.

Segment profit (loss) of reportable segments is provided on an operating income (loss) basis.

3. Information regarding the amounts of net sales, income/loss, assets and other items by reportable segment

Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(Millions of yen)

	Reportable segment					Other Businesses (Note)	Total	Adjustments	Amounts reported in the consolidated financial statements
	Automobile Products-related	Household Appliances Device Products	Aircraft Component Import and Sales	Turf-maintenance Equipment, etc. Sales	Total				
Net sales									
To external customers	70,200	5,819	28,733	3,462	108,215	2,284	110,499	–	110,499
Inter-segment sales or transfers	–	–	–	–	–	–	–	–	–
Total	70,200	5,819	28,733	3,462	108,215	2,284	110,499	–	110,499
Segment profit (loss)	2,736	(345)	346	(386)	2,350	59	2,410	–	2,410
Segment assets	71,368	5,758	8,470	2,223	87,820	2,576	90,396	–	90,396
Other items									
Depreciation	4,122	342	80	4	4,550	71	4,621	–	4,621
Amortization of goodwill	–	–	65	–	65	11	77	–	77
Investments in entities accounted for using equity method	664	310	–	–	974	–	974	–	974
Increase in property, plant and equipment and intangible assets	6,862	356	33	3	7,255	108	7,364	–	7,364

(Note) The “Other Businesses” category refers to a business segment not included in reportable segments including such businesses as manufacturing and sales of vehicle heaters and welfare and care devices, etc.

Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(Millions of yen)

	Reportable segment					Other Businesses (Note)	Total	Adjustments	Amounts reported in the consolidated financial statements
	Automobile Products-related	Household Appliances Device Products	Aircraft Component Import and Sales	Turf-maintenance Equipment, etc. Sales	Total				
Net sales									
To external customers	60,345	5,818	16,441	2,568	85,173	1,788	86,962	–	86,962
Inter-segment sales or transfers	–	–	–	–	–	–	–	–	–
Total	60,345	5,818	16,441	2,568	85,173	1,788	86,962	–	86,962
Segment profit (loss)	772	(221)	190	(169)	571	(2)	569	–	569
Segment assets	74,653	5,783	7,079	3,849	91,365	2,525	93,891	–	93,891
Other items									
Depreciation	4,277	261	52	9	4,600	50	4,651	–	4,651
Amortization of goodwill	–	–	–	–	–	–	–	–	–
Investments in entities accounted for using equity method	398	303	–	–	702	–	702	–	702
Increase in property, plant and equipment and intangible assets	2,982	205	45	12	3,245	38	3,284	–	3,284

(Note) The “Other Businesses” category refers to a business segment not included in reportable segments including such businesses as manufacturing and sales of vehicle heaters and welfare and care devices, etc.

(Per share information)

Item	Fiscal year ended March 31, 2020 (from April 1, 2019 to March 31, 2020)	Fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)
Net assets per share	767.72 yen	822.12 yen
Basic loss per share	(119.30) yen	(3.73) yen

- (Notes) 1. Diluted earnings per share for the previous and current fiscal year is not presented since a basic loss per share was reported and no potential shares exist.
2. The shares of the Company that remain in trust and are recorded as treasury shares in shareholders' equity are included in treasury shares that are excluded from the recording of the average number of shares during the period in calculating the amount of basic loss per share, and are included in the number of treasury shares that are excluded from the total number of issued shares at the end of the period in calculating net assets per share.

Number of treasury shares at end of period deducted in calculating net assets per share

Fiscal year ended March 31, 2020 204,280 shares

Fiscal year ended March 31, 2021 489,880 shares

Average number of treasury shares during period deducted in calculating the basic loss per share

Fiscal year ended March 31, 2020 212,808 shares

Fiscal year ended March 31, 2021 334,987 shares

3. The basis of the calculation of basic loss per share is as follows:

Item	Fiscal year ended March 31, 2020 (from April 1, 2019 to March 31, 2020)	Fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)
Net loss attributable to owners of parent (million yen)	(4,014)	(125)
Amounts not attributable to common shareholders (million yen)	—	—
Net loss attributable to owners of parent available to common shares (million yen)	(4,014)	(125)
Average number of shares during the period (shares)	33,651,641	33,586,684

(Significant subsequent events)

Not applicable.