

# Translation

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## Summary of Non-Consolidated Financial Results for the Nine Months Ended October 31, 2020 (Based on Japanese GAAP)

December 9, 2020

Company name: Ascentech K.K.  
 Stock exchange listing: Tokyo  
 Stock code: 3565 URL <https://www.ascentech.co.jp/>  
 Representative: CEO Naohiro Sato  
 Inquiries: CFO Masanobu Sato TEL 03(5296)9331  
 Scheduled date to file Quarterly Securities Report: December 9, 2020  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Non-consolidated financial results for the nine months ended October 31, 2020 (from February 1, 2020 to October 31, 2020)

#### (1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended October 31, 2020	4,654	(1.6)	501	30.6	524	38.7	363	39.3
Nine months ended October 31, 2019	4,730	11.9	383	20.9	378	17.3	260	17.4

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended October 31, 2020	26.85		26.28	
Nine months ended October 31, 2019	19.47		19.07	

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of October 31, 2020	3,188	2,078	65.0
As of January 31, 2020	2,768	1,704	61.4

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended January 31, 2020	–	0.00	–	7.00	7.00
Year ending January 31, 2021	–	0.00	–	–	–
Year ending January 31, 2021 (Forecast)	–	–	–	3.50	3.50

### 3. Forecast of non-consolidated financial results for the year ending January 31, 2021 (from February 1, 2020 to January 31, 2021)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	6,200	4.5	568	24.5	588	30.3	407	25.0	30.07

#### 4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of October 31, 2020	13,532,400 shares	As of January 31, 2020	13,522,800 shares
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Number of treasury shares at the end of the period

As of October 31, 2020	372 shares	As of January 31, 2020	372 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended October 31, 2020	13,530,894 shares	Nine months ended October 31, 2019	13,398,800 shares
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**Quarterly non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of January 31, 2020	As of October 31, 2020
<b>Assets</b>		
Current assets		
Cash and deposits	1,248,700	1,289,817
Accounts receivable - trade	631,360	1,041,579
Merchandise	432,473	320,221
Work in process	4,291	4,692
Other	215,778	159,697
Allowance for doubtful accounts	(2,235)	(3,679)
Total current assets	2,530,369	2,812,328
Non-current assets		
Property, plant and equipment	62,338	53,982
Intangible assets	14,129	38,783
Investments and other assets		
Other	171,097	292,791
Allowance for doubtful accounts	(9,720)	(9,720)
Total investments and other assets	161,377	283,071
Total non-current assets	237,845	375,837
Total assets	2,768,214	3,188,166
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	420,820	361,686
Income taxes payable	83,719	103,008
Advances received	460,318	523,139
Other	68,254	88,574
Total current liabilities	1,033,113	1,076,408
Non-current liabilities		
Other	30,755	33,195
Total non-current liabilities	30,755	33,195
Total liabilities	1,063,868	1,109,603
<b>Net assets</b>		
Shareholders' equity		
Share capital	233,700	234,036
Capital surplus	260,700	261,036
Retained earnings	1,203,985	1,520,040
Treasury shares	(336)	(336)
Total shareholders' equity	1,698,050	2,014,777
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	247	58,244
Deferred gains or losses on hedges	—	(459)
Total valuation and translation adjustments	247	57,784
Share acquisition rights	6,048	6,000
Total net assets	1,704,346	2,078,562
Total liabilities and net assets	2,768,214	3,188,166

**Non-consolidated statements of income (cumulative)**

(Thousands of yen)

	Nine months ended October 31, 2019	Nine months ended October 31, 2020
Net sales	4,730,217	4,654,794
Cost of sales	3,958,097	3,765,552
Gross profit	772,119	889,241
Selling, general and administrative expenses	388,138	387,833
Operating profit	383,981	501,407
Non-operating income		
Interest income	22	101
Foreign exchange gains	10,306	15,774
Subsidy income	4,974	7,138
Other	265	103
Total non-operating income	15,569	23,117
Non-operating expenses		
Interest expenses	64	—
Share issuance cost	683	107
Market change costs	20,467	—
Other	295	0
Total non-operating expenses	21,510	108
Ordinary profit	378,040	524,417
Extraordinary income		
Gain on reversal of share acquisition rights	192	48
Total extraordinary income	192	48
Profit before income taxes	378,232	524,465
Income taxes - current	113,807	158,707
Income taxes - deferred	3,545	2,374
Total income taxes	117,352	161,082
Profit	260,879	363,383