

Translation

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Summary of Non-Consolidated Financial Results for the Nine Months Ended October 31, 2021 (Based on Japanese GAAP)

December 10, 2021

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 10, 2021
 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, 2021 (from February 1, 2021 to October 31, 2021)

(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, 2021	5,018	7.8	570	13.7	570	8.7	397	9.4
Nine months ended October 31, 2020	4,654	(1.6)	501	30.6	524	38.7	363	39.3

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended October 31, 2021	29.52		29.00	
Nine months ended October 31, 2020	26.85		26.28	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of October 31, 2021	3,597	2,230	61.9
As of January 31, 2021	3,511	2,099	59.6

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, 2021	—	0.00	—	3.50	3.50
Year ending January 31, 2022	—	0.00	—	—	—
Year ending January 31, 2022 (Forecast)	—	—	—	3.50	3.50

3. Forecast of non-consolidated financial results for the year ending January 31, 2022 (from February 1, 2021 to January 31, 2022)

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	6,500	8.6	700	15.3	700	10.8	485	14.8	36.06

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, 2021	13,535,200 shares	As of January 31, 2021	13,532,400 shares
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Number of treasury shares at the end of the period

As of October 31, 2021	140,372 shares	As of January 31, 2021	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, 2021	13,463,429 shares	Nine months ended October 31, 2020	13,530,894 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of January 31, 2021	As of October 31, 2021
Assets		
Current assets		
Cash and deposits	1,712,044	1,022,164
Accounts receivable - trade	1,097,687	1,168,326
Securities	–	300,000
Merchandise	181,670	355,456
Work in process	1,712	32,688
Other	153,272	303,536
Allowance for doubtful accounts	(3,846)	–
Total current assets	3,142,540	3,182,172
Non-current assets		
Property, plant and equipment	57,935	54,673
Intangible assets	46,809	69,137
Investments and other assets		
Other	273,501	300,958
Allowance for doubtful accounts	(9,720)	(9,720)
Total investments and other assets	263,781	291,238
Total non-current assets	368,526	415,049
Total assets	3,511,067	3,597,221
Liabilities		
Current liabilities		
Accounts payable - trade	494,372	478,373
Income taxes payable	173,607	65,000
Advances received	593,887	759,892
Other	118,894	32,243
Total current liabilities	1,380,762	1,335,510
Non-current liabilities		
Other	30,755	30,755
Total non-current liabilities	30,755	30,755
Total liabilities	1,411,517	1,366,265
Net assets		
Shareholders' equity		
Share capital	234,036	235,065
Capital surplus	261,036	262,065
Retained earnings	1,579,026	1,929,157
Treasury shares	(336)	(192,738)
Total shareholders' equity	2,073,763	2,233,550
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	19,770	(8,559)
Deferred gains or losses on hedges	16	–
Total valuation and translation adjustments	19,786	(8,559)
Share acquisition rights	6,000	5,966
Total net assets	2,099,550	2,230,956
Total liabilities and net assets	3,511,067	3,597,221

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended October 31, 2020	Nine months ended October 31, 2021
Net sales	4,654,794	5,018,749
Cost of sales	3,765,552	4,039,990
Gross profit	889,241	978,758
Selling, general and administrative expenses	387,833	408,462
Operating profit	501,407	570,296
Non-operating income		
Interest income	101	310
Foreign exchange gains	15,774	–
Receiving and selling incentives	–	3,500
Subsidy income	7,138	4,786
Other	103	292
Total non-operating income	23,117	8,890
Non-operating expenses		
Foreign exchange losses	–	8,633
Share issuance costs	107	–
Other	0	384
Total non-operating expenses	108	9,018
Ordinary profit	524,417	570,168
Extraordinary income		
Gain on reversal of share acquisition rights	48	–
Total extraordinary income	48	–
Profit before income taxes	524,465	570,168
Income taxes - current	158,707	160,819
Income taxes - deferred	2,374	11,856
Total income taxes	161,082	172,675
Profit	363,383	397,492