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May 13, 2022
Tatsuta Electric Wire
and Cable Co.,Ltd.

FY2021 Financial Summary

1. Business Segment Information (vs. FY2020)

(Millions of yen)

	FY2020 Actual (①)							FY2021 Newly announced forecast (②)							Amount of change (②-①)			FY2022 Forecast (③)			Amount of change (③-②)		
	1Q	2Q	1st half	3Q	4Q	2nd half	Full year	1Q	2Q	1st half	3Q	4Q	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year	1st half	2nd half	Full year
Electric Wire and Cable Business	8,338	8,060	16,399	8,071	8,536	16,608	33,007	9,550	9,781	19,331	10,547	10,521	21,068	40,400	○2,932	○4,460	○7,393	22,900	24,100	47,000	○3,568	○3,031	○6,599
Electronic Materials Business	4,644	5,485	10,130	5,241	4,223	9,464	19,595	4,249	5,043	9,292	4,439	3,515	7,955	17,247	× 837	× 1,509	× 2,347	10,600	9,400	20,000	○1,307	○1,444	○2,752
Other Businesses	390	483	873	498	574	1,073	1,946	485	509	994	555	693	1,248	2,243	○121	○175	○296	1,200	1,500	2,700	○205	○251	○456
Adjustment (Note)	▲ 8	▲ 8	▲ 16	▲ 7	▲ 8	▲ 15	▲ 32	▲ 7	▲ 7	▲ 15	▲ 7	▲ 7	▲ 14	▲ 29	○1	○0	○2	-	-	-	○15	○14	○29
Net Sales	13,365	14,020	27,386	13,803	13,326	27,130	54,516	14,276	15,327	29,604	15,535	14,722	30,257	59,861	○2,217	○3,127	○5,345	34,700	35,000	69,700	○5,095	○4,742	○9,838
Electric Wire and Cable Business	51	214	266	27	115	143	409	191	215	407	132	210	343	750	○141	○200	○341	350	650	1,000	× 57	○306	○249
Electronic Materials Business	846	1,281	2,128	1,341	343	1,685	3,813	649	997	1,646	708	350	1,059	2,705	× 481	× 625	× 1,107	1,900	1,200	3,100	○253	○140	○394
Other Businesses	▲ 44	1	▲ 43	8	73	82	39	▲ 10	17	6	33	99	133	139	○50	○50	○100	50	250	300	○43	○116	○160
Adjustment (Note)	▲ 159	▲ 179	▲ 339	▲ 204	▲ 185	▲ 390	▲ 729	▲ 181	▲ 173	▲ 355	▲ 174	▲ 180	▲ 355	▲ 710	× 16	○34	○18	▲ 400	▲ 400	▲ 800	× 44	× 44	× 89
Operating Income	693	1,318	2,011	1,173	347	1,521	3,532	648	1,056	1,704	701	480	1,181	2,885	× 307	× 340	× 647	1,900	1,700	3,600	○195	○518	○714
(Operating Profit Margin)	(5.2%)	(9.4%)	(7.3%)	(8.5%)	(2.6%)	(5.6%)	(6.5%)	(4.5%)	(6.9%)	(5.8%)	(4.5%)	(3.3%)	(3.9%)	(4.8%)				(5.5%)	(4.9%)	(5.2%)			
Ordinary Income	703	1,328	2,032	1,217	379	1,597	3,629	716	1,114	1,830	731	552	1,283	3,114	× 201	× 313	× 514	1,950	1,750	3,700	○119	○466	○585
(Ordinary Profit Margin)	(5.3%)	(9.5%)	(7.4%)	(8.8%)	(2.8%)	(5.9%)	(6.7%)	(5.0%)	(7.3%)	(6.2%)	(4.7%)	(3.8%)	(4.2%)	(5.2%)				(5.6%)	(5.0%)	(5.3%)			
Net Income	517	943	1,460	847	337	1,185	2,645	526	807	1,334	432	564	996	2,330	× 126	× 188	× 315	1,450	1,250	2,700	○115	○253	○369

2. Business Segment Information (vs. 2021 forecast)

(Millions of yen)

	FY2021 Previously announced forecast (④) *			Amount of change (②-④)		
	1st half	2nd half	Full year	1st half	2nd half	Full year
Electric Wire and Cable Business	19,331	21,268	40,600	-	× 199	× 199
Electronic Materials Business	9,292	9,407	18,700	-	× 1,452	× 1,452
Other Businesses	994	1,405	2,400	-	× 156	× 156
Adjustment (Note)	▲ 15	15	-	-	× 29	× 29
Net Sales	29,604	32,095	61,700	-	× 1,838	× 1,838
Electric Wire and Cable Business	407	642	1,050	-	× 299	× 299
Electronic Materials Business	1,646	1,553	3,200	-	× 494	× 494
Other Businesses	6	93	100	-	○39	○39
Adjustment (Note)	▲ 355	▲ 394	▲ 750	-	○39	○39
Operating Income	1,704	1,895	3,600	-	× 714	× 714
(Operating Profit Margin)	(5.8%)	(5.9%)	(5.8%)			
Ordinary Income	1,830	1,869	3,700	-	× 585	× 585
(Ordinary Profit Margin)	(6.2%)	(5.8%)	(6.0%)			
Net Income	1,334	1,315	2,650	-	× 319	× 319

(Note)

The adjustment is inter-segment eliminations and corporate expenses, which consist of general and administrative expenses and research expenses not attributable to reportable segments.

*Disclosed on Jan 27, 2022

3. Consolidated Financial Statements 【Comparison of Consolidated Statements of Income】

	(A)		(B)		(Millions of yen)	
	FY2020 (From April 1, 2020 to March 31, 2021)		FY2021 (From April 1, 2021 to March 31, 2022)		Amount of change (B)-(A)	Percent change ((B)-(A))/(A)
Net sales	54,516	100.0%	59,861	100.0%	5,345	9.8%
Cost of sales	41,301	75.8%	47,475	79.3%	6,173	14.9%
Gross income	13,215	24.2%	12,386	20.7%	△828	-6.3%
Selling, general and administrative expenses	9,682	17.8%	9,501	15.9%	△181	-1.9%
Operating income	3,532	6.5%	2,885	4.8%	△647	-18.3%
Non-operating income						
Interest income	15		17		2	
Dividend income	18		20		1	
Foreign exchange gains	-		112		112	
Royalty income	18		9		△8	
Subsidy income	24		31		7	
Other	42		50		8	
Total non-operating income	119	0.2%	243	0.4%	124	104.3%
Non-operating expenses						
Interest expenses	6		6		△0	
Foreign exchange losses	6		-		△6	
Other	8		7		△1	
Total non-operating expenses	22	0.0%	13	0.0%	△8	-37.6%
Ordinary income	3,629	6.7%	3,114	5.2%	△514	-14.2%
Extraordinary income						
Gain on sale of investment securities	0		-		△0	
Gain on sale of non-current assets	17		244		226	
Total extraordinary income	18	0.0%	244	0.4%	225	1223.9%
Extraordinary losses						
Loss on sale of non-current assets	-		4		4	
Loss on abandonment of non-current assets	29		165		135	
Total extraordinary losses	29	0.1%	169	0.3%	140	474.3%
Income before income taxes	3,618	6.6%	3,189	5.3%	△429	-11.9%
Income taxes - current	1,075		927		△147	
Income taxes - deferred	△102		△68		33	
Total income taxes	972	1.8%	858	1.4%	△113	-11.7%
Income	2,645		2,330		△315	
Income attributable to owners of parent	2,645	4.9%	2,330	3.9%	△315	-11.9%

【Comparison of Consolidated Balance Sheets】

	(A)		(B)		(Millions of yen)		(A)		(B)		(Millions of yen)
	FY2020 (As of March 31, 2021)		FY2021 (As of March 31, 2022)		Amount of change(B)-(A)		FY2020 (As of March 31, 2021)		FY2021 (As of March 31, 2022)		Amount of change(B)-(A)
Assets						Liabilities					
Current assets						Current liabilities					
Cash and deposits	1,444		1,389		△55	Notes and accounts payable - trade	3,757		3,883		125
Notes and accounts receivable - trade	14,457		19,419		4,961	Accounts payable - other	928		815		△113
Inventories	9,040		11,954		2,914	Accrued expenses	1,469		1,518		49
Short-term loans receivable	12,579		5,686		△6,893	Income taxes payable	541		456		△85
Other	1,271		1,235		△35	Other	979		1,446		467
Allowance for doubtful accounts	△13		△13		△0	Total current liabilities	7,676	13.5%	8,121	13.8%	444
Total current assets	38,780	68.1%	39,671	67.6%	891	Non-current liabilities					
Non-current assets						Long-term borrowings	900		900		-
Property, plant and equipment						Retirement benefit liability	1,301		1,302		0
Buildings and structures, net	7,610		8,305		694	Asset retirement obligations	70		68		△2
Machinery, equipment and vehicles, net	3,357		3,259		△97	Deferred tax liabilities	1		1		△0
Tools, furniture and fixtures, net	355		417		61	Other	109		91		△17
Land	3,799		3,721		△78	Total non-current liabilities	2,383	4.2%	2,363	4.0%	△20
Construction in progress	606		522		△83	Total liabilities	10,060	17.7%	10,484	17.9%	423
Total property, plant and equipment	15,728	27.6%	16,225	27.7%	496	Net assets					
Intangible assets						Shareholders' equity					
Software	138		146		7	Share capital	6,676		6,676		-
Software in progress	9		9		△0	Capital surplus	4,516		4,516		-
Right to use facilities	5		5		△0	Retained earnings	37,717		38,936		1,218
Other	5		4		△1	Treasury shares	△2,458		△2,458		△0
Total intangible assets	158	0.3%	165	0.3%	6	Total shareholders' equity	46,452	81.6%	47,670	81.3%	1,218
Investments and other assets						Accumulated other comprehensive income					
Investment securities	922		1,082		159	Valuation difference on available-for-sale securities	212		216		4
Long-term prepaid expenses	11		2		△9	Deferred gains or losses on hedges	414		232		△182
Deferred tax assets	986		1,030		43	Foreign currency translation adjustment	△62		△63		△0
Other	566		659		92	Remeasurements of defined benefit plans	△114		113		228
Allowance for doubtful accounts	△193		△181		12	Total accumulated other comprehensive income	449	0.8%	499	0.9%	50
Total investments and other assets	2,293	4.0%	2,591	4.4%	298	Total net assets	46,901	82.3%	48,169	82.1%	1,268
Total non-current assets	18,181	31.9%	18,982	32.4%	800	Total liabilities and net assets	56,961	100.0%	58,654	100.0%	1,692
Total assets	56,961	100.0%	58,654	100.0%	1,692						

4. Capital expenditure, Depreciation, and other

(Millions of yen)

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022 Forecast
Electric Wire and Cable Business	1,199	729	926	982	1,320
Electronic Materials Business	665	1,141	479	1,401	1,780
Other Business	84	158	145	91	200
Corporate	1,480	98	396	115	1,450
Capital expenditure	3,429	2,128	1,947	2,590	4,750
Electric Wire and Cable Business	683	812	798	868	920
Electronic Materials Business	804	749	701	786	960
Other Business	79	95	101	141	190
Corporate	108	178	169	183	200
Depreciation	1,676	1,836	1,770	1,980	2,270
R&D					
R&D expenses	1,523	1,517	1,560	1,350	1,620
R&D expenses as a percentage of net sales	2.6%	2.6%	2.6%	2.3%	2.3%

Major Items of capital investment

FY 2021

- Investment to strengthen the business foundation and rationalize production of electric wire business
- R&D investment for functional film
- Maintenance business environment of Kyoto works

FY2022 Plan

- Investment to strengthen the business foundation and rationalize production of electric wire business
- Maintenance at each location of electric wire business
- R&D investment for functional film
- Investment to pursue carbon neutrality of electronic materials business
- Maintenance at each location of electronic materials business
- Investment to startups and related business development, etc.

5. Trends in the number of employees

	FY2018 (As of March 31, 2019)	FY2019 (As of March 31, 2020)	FY2020 (As of March 31, 2021)	FY2021 (As of March 31, 2022)	FY2022 (As of March 31, 2023)
Electric Wire and Cable Business	535	560	578	580	610
Electronic Materials Business	197	201	221	241	270
Other Business	97	96	97	105	110
Corporate	77	79	81	85	100
Number of employees	906	936	977	1,011	1,090

Human Resource Plan

(Main change factors from March 31, 2022 to March 31, 2023)

- Electric Wire and Cable Business : enhancement of production capability, etc.
- Electronic Materials Business : enhancement of film business foundation, etc.
- Corporate: enhancement of management system, etc.

Note:

Figures indicate number of employees including those seconded from outside the group and excluding those seconded to outside the group. Part-time and temporary employees are also excluded.