

Translation

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Summary of Consolidated Financial Results for the Nine months Ended September 30, 2021 (Based on Japanese GAAP)

November 9, 2021

Company name: Optorun Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 6235 URL <http://www.optorun.co.jp>
 Representative: Representative Director and President/CEO Ihei Hayashi
 Director and Executive Officer
 Inquiries: General Manager of Corporate Management Mitsuo Yamada TEL 03-6635-9487
 Dept.
 Scheduled date to file Securities Report: November 9, 2021
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated Results for Nine months Ended September 30, 2021 (January 1, 2021 to September 30, 2021)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months Ended September 30, 2021	22,001	(10.7)	4,821	(13.2)	5,388	(4.6)	4,526	6.6
Nine months Ended September 30, 2020	24,648	(27.0)	5,551	(36.9)	5,650	(38.2)	4,246	(43.2)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months Ended September 30, 2021	105.04	102.35
Nine months Ended September 30, 2020	99.50	96.22

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2021	61,092	43,259	70.8
As of December 31, 2020	54,327	39,515	72.7

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 December 31, 2020	-	0.00	-	50.00	50.00
Year ended December 31, 2021	-	0.00	-	-	-
Year ending December 31, 2021 (Forecast)	-	-	-	50.00	50.00

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

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	30,300	(19.2)	6,800	(21.2)	7,100	(17.5)	5,600	(17.6)	130.02

4. Notes

(1) Changes in significant subsidiaries during the year ended December 31, 2021

(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

Newly consolidated : Optorun Semiconductor Equipment Co.,Ltd.

(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 September 30, 2021	44,358,000 shares	As of December 31, 2020	44,358,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2021	1,219,976 shares	As of December 31, 2020	1,386,947 shares
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Average number of shares during the period

As of September 30, 2021	43,092,926 shares	As of September 30, 2020	42,676,090 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of December 31, 2020	As of September 30, 2021
Assets		
Current assets		
Cash and deposits	22,722,838	32,470,043
Notes and accounts receivable - trade	9,769,664	4,677,664
Work in process	7,297,242	8,267,937
Raw materials and supplies	3,850,246	3,891,141
Other	1,275,525	1,626,416
Allowance for doubtful accounts	(343,692)	(326,749)
Total current assets	44,571,825	50,606,454
Non-current assets		
Property, plant and equipment	3,193,917	3,908,299
Intangible assets		
Goodwill	752,494	648,204
Other	69,340	54,311
Total intangible assets	821,835	702,515
Investments and other assets		
Investment securities	350,000	350,000
Investments in capital	4,749,314	4,904,775
Deferred tax assets	412,501	391,024
Other	227,905	228,975
Total investments and other assets	5,739,721	5,874,776
Total non-current assets	9,755,474	10,485,591
Total assets	54,327,299	61,092,046

(Thousands of yen)

	As of December 31, 2020	As of September 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,702,784	2,320,694
Short-term loans payable	401,675	400,868
Current portion of long-term loans payable	66,000	66,000
Lease obligations	21,565	18,232
Income taxes payable	355,785	835,372
Advances received	8,921,891	10,806,870
Provision for bonuses	310,830	423,309
Provision for product warranties	421,152	246,057
Other	1,453,008	1,353,630
Total current liabilities	13,654,694	16,471,036
Non-current liabilities		
Long-term loans payable	54,000	4,500
Lease obligations	27,195	19,969
Deferred tax liabilities	641,885	1,003,545
Retirement benefit liability	156,835	174,707
Other	277,277	158,459
Total non-current liabilities	1,157,193	1,361,182
Total liabilities	14,811,888	17,832,218
Net assets		
Shareholders' equity		
Capital stock	400,000	400,000
Capital surplus	9,819,208	9,433,403
Retained earnings	30,053,492	32,431,234
Treasury shares	(91,311)	(80,384)
Total shareholders' equity	40,181,389	42,184,253
Accumulated other comprehensive income		
Foreign currency translation adjustment	(692,903)	1,062,035
Total accumulated other comprehensive income	(692,903)	1,062,035
Non-controlling interests	26,925	13,539
Total net assets	39,515,411	43,259,827
Total liabilities and net assets	54,327,299	61,092,046

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Nine months Ended September 30, 2020	Nine months Ended September 30, 2021
Net sales	24,648,083	22,001,125
Cost of sales	14,824,776	12,244,344
Gross profit	9,823,307	9,756,780
Selling, general and administrative expenses	4,271,392	4,935,710
Operating profit	5,551,914	4,821,070
Non-operating income		
Interest income	36,057	18,662
Rent income	57,601	19,692
Foreign exchange gains	34,619	514,228
Subsidy income	89,526	43,609
Other	21,972	34,311
Total non-operating income	239,776	630,504
Non-operating expenses		
Interest expenses	3,584	3,237
Share of loss of entities accounted for using equity method	107,971	60,034
Contribution	15,831	—
Other	14,107	74
Total non-operating expenses	141,493	63,346
Ordinary profit	5,650,196	5,388,228
Extraordinary income		
Gain on sales of non-current assets	2,380	9,000
Gain on step acquisitions	66,719	—
Gain on sale of investments	—	886,008
Total extraordinary income	69,100	895,008
Extraordinary losses		
Loss on retirement of non-current assets	1,130	52,873
Total extraordinary losses	1,130	52,873
Profit before income taxes	5,718,165	6,230,363
Income taxes - current	1,471,996	1,701,756
Profit	4,246,169	4,528,606
Profit (loss) attributable to non-controlling interests	—	2,311
Profit attributable to owners of parent	4,246,169	4,526,294