



## Consolidated Financial Results for Fiscal Year 2020

(Fiscal Year 2020: Year ended March 31, 2020)

May 12, 2020

Company Name	<b>NORITAKE CO., LIMITED</b>
Stock Exchange Listings	Tokyo, Nagoya
Code Number	5331
Location of the Head Office	Nagoya, Japan
URL	<a href="https://www.noritake.co.jp/eng/">https://www.noritake.co.jp/eng/</a>
Representative	Hiroshi Kato, President
Contact Person	Yoshimasa Nakamura, Group Deputy General Manager of Corporate Administration Group. General Manager of Finance and Accounting Dept. (Tel: +81-52-561-7116)
Date of Payment of Year-end Dividend	June 5, 2020

(Millions of Yen: Amounts less than 1 million yen have been omitted)

### 1. Consolidated Financial Results for Fiscal Year 2020 (April 1, 2019 through March 31, 2020)

#### (1) Operating Results

	Net Sales		Operating Profit		Ordinary Profit	
	Millions of Yen	Change	Millions of Yen	Change	Millions of Yen	Change
FY 2020	120,611	(4.1%)	4,207	(43.8%)	6,312	(35.3%)
FY 2019	125,802	6.7%	7,484	46.8%	9,764	39.6%

  

	Profit Attributable to Owners of Parent		Basic Earnings per Share	Diluted Earnings per Share	Return on Average Shareholders' Equity	Ratio of Ordinary Profit to Average Assets	Ratio of Operating Profit to Net Sales
	Millions of Yen	Change	Yen	Yen	%	%	%
FY 2020	3,415	(64.8%)	237.22	—	3.3	4.2	3.5
FY 2019	9,707	(27.7%)	675.77	—	9.5	6.3	5.9

(Reference) Share of profit of entities accounted for using equity method: FY2020 831 million yen  
FY2019 935 million yen

#### (2) Financial Position

	Total Assets	Net Assets	Ratio of Shareholders' Equity	Shareholders' Equity per Share
	Millions of Yen	Millions of Yen	%	Yen
FY 2020	145,923	103,757	69.0	6,986.33
FY 2019	151,773	107,349	68.4	7,219.82

(Reference) Shareholders' Equity: FY2020 100,668 million yen, FY2019 103,747 million yen

## (3) Cash Flows

	Net Cash provided by (used in) Operating Activities	Net Cash provided by (used in) Investing Activities	Net Cash provided by (used in) Financing Activities	Cash and Cash Equivalents at end of period
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
FY 2020	8,232	(7,473)	(2,210)	9,939
FY 2019	8,237	(2,408)	(10,348)	11,395

## 2. Dividends \*

	Dividends per Share			Total Dividends Millions of Yen	Dividend Payout Ratio %	Dividend on Equity Ratio %
	Interim	Year-end	Total			
	Yen	Yen	Yen			
FY 2019	40.00	50.00	90.00	1,314	13.3	1.3
FY 2020	50.00	50.00	100.00	1,465	42.2	1.4
(Forecast) FY 2021	—	—	—	—	—	—

\*The dividends forecast for FY 2021 has yet to be determined.

## 3. Forecast for Fiscal Year 2021 \*

Forecast for FY 2021 is yet to be determined at this stage because it is difficult to make rational calculations of the impact of COVID-19 pandemic.

We will promptly announce as soon as disclosure of a reasonable forecast becomes possible.

## 4. Other Information

(1) Status changes of specified subsidiaries involving changes in the scope of consolidation : None

(2) Change in accounting policies, accounting estimates or restatement

- ① Changes in accordance with revision of accounting standards : None
- ② Other changes in accounting policies : None
- ③ Changes in accounting estimates : None
- ④ Restatement : None

(3) Number of shares outstanding (Common Shares)

	Outstanding shares at end of period (including treasury shares)	Treasury shares at end of period		Average number of shares outstanding over period
FY 2020	14,842,849	433,424	FY 2020	14,399,380
FY 2019	14,842,849	473,049	FY 2019	14,365,181

**【For reference】****1. Non-consolidated Financial Results for Fiscal Year 2020  
(April 1, 2019 through March 31, 2020)****(1) Operating Results**

	Net Sales		Operating Profit		Ordinary Profit	
	Millions of Yen	Change	Millions of Yen	Change	Millions of Yen	Change
FY 2020	66,897	(5.1%)	363	(85.1%)	3,112	(37.4%)
FY 2019	70,482	6.4%	2,434	382.5%	4,974	67.2%
	Profit		Basic Earnings per Share	Diluted Earnings per Share		
	Millions of Yen	Change	Yen	Yen		
FY 2020	1,774	(73.4%)	123.27	—		
FY 2019	6,676	(34.7%)	464.79	—		

**(2) Financial Position**

	Total Assets	Net Assets	Ratio of Shareholders' Equity	Shareholders' Equity per Share
	Millions of Yen	Millions of Yen	%	Yen
FY 2020	110,460	72,272	65.4	5,015.65
FY 2019	116,576	75,610	64.9	5,261.73

(Reference) Shareholders' Equity: FY2020 72,272 million yen, FY2019 75,610 million yen

**\*Cautionary Statement**

1. This report is not subject to audit procedures by certified public accountants or auditing firms.
2. Forecast for FY 2021 has yet to be determined.

**CONSOLIDATED BALANCE SHEETS**

	FY 2019	FY 2020
	As of March 31, 2019	As of March 31, 2020
	Millions of Yen	Millions of Yen
<b>Assets</b>		
Current assets		
Cash and deposits	14,076	12,589
Notes and accounts receivable - trade	31,156	27,384
Electronically recorded monetary claims - operating	4,325	3,952
Merchandise and finished goods	9,409	9,515
Work in process	6,536	7,913
Raw materials and supplies	5,503	5,081
Other	1,684	2,149
Allowance for doubtful accounts	(21)	(44)
Total current assets	72,671	68,541
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	16,894	18,034
Machinery, equipment and vehicles, net	8,437	9,912
Land	12,905	12,963
Construction in progress	496	1,886
Other, net	2,856	3,312
Total property, plant and equipment	41,590	46,109
Intangible assets	1,188	1,183
Investments and other assets		
Investment securities	33,336	28,524
Retirement benefit asset	1,759	291
Deferred tax assets	695	760
Other	646	630
Allowance for doubtful accounts	(116)	(119)
Total investments and other assets	36,323	30,088
Total non-current assets	79,101	77,381
Total assets	151,773	145,923

	FY 2019	FY 2020
	As of March 31, 2019	As of March 31, 2020
	Millions of Yen	Millions of Yen
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	13,250	11,476
Electronically recorded obligations - operating	8,622	6,702
Short-term borrowings	3,456	4,184
Current portion of long-term borrowings	348	9
Accrued expenses	2,911	3,290
Income taxes payable	1,526	859
Provision for bonuses	1,619	1,626
Notes payable - facilities	569	2,125
Electronically recorded obligations - non-operating	577	569
Other	2,137	4,000
<b>Total current liabilities</b>	<b>35,018</b>	<b>34,843</b>
<b>Non-current liabilities</b>		
Long-term borrowings	975	915
Deferred tax liabilities	5,453	3,296
Provision for retirement benefits for directors (and other officers)	212	229
Provision for share-based remuneration for directors (and other officers)	299	289
Retirement benefit liability	1,795	1,893
Other	668	696
<b>Total non-current liabilities</b>	<b>9,405</b>	<b>7,321</b>
<b>Total liabilities</b>	<b>44,424</b>	<b>42,165</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	15,632	15,632
Capital surplus	18,751	18,560
Retained earnings	60,800	62,753
Treasury shares	(1,190)	(1,217)
<b>Total shareholders' equity</b>	<b>93,994</b>	<b>95,729</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	12,038	8,214
Foreign currency translation adjustment	(3,198)	(3,068)
Remeasurements of defined benefit plans	913	(207)
<b>Total accumulated other comprehensive income</b>	<b>9,753</b>	<b>4,939</b>
<b>Non-controlling interests</b>	<b>3,602</b>	<b>3,089</b>
<b>Total net assets</b>	<b>107,349</b>	<b>103,757</b>
<b>Total liabilities and net assets</b>	<b>151,773</b>	<b>145,923</b>

**CONSOLIDATED STATEMENTS OF INCOME**

	FY 2019 (April 1, 2018 through March 31, 2019) Millions of Yen	FY 2020 (April 1, 2019 through March 31, 2020) Millions of Yen
Net sales	125,802	120,611
Cost of sales	91,852	90,045
Gross profit	33,949	30,566
Selling, general and administrative expenses		
Selling expenses	18,043	17,984
General and administrative expenses	8,422	8,374
Total selling, general and administrative expenses	26,465	26,358
Operating profit	7,484	4,207
Non-operating income		
Interest income	126	133
Dividend income	729	787
Rental income	427	450
Foreign exchange gains	98	—
Share of profit of entities accounted for using equity method	935	831
Electricity sale income	71	81
Other	164	134
Total non-operating income	2,554	2,418
Non-operating expenses		
Interest expenses	33	20
Foreign exchange losses	—	55
Rental expenses on non-current assets	148	158
Electricity sale expenses	34	34
Other	56	44
Total non-operating expenses	273	313
Ordinary profit	9,764	6,312
Extraordinary income		
Gain on sales of non-current assets	2,789	23
Gain on sales of investment securities	5	39
Gain on step acquisitions	49	—
Gain on reversal of PCB disposal costs	—	68
Total extraordinary income	2,843	130
Extraordinary losses		
Loss on disposal of non-current assets	264	138
Disposal costs of buried objects	—	1,086
Loss on valuation of investment securities	—	223
Other	17	22
Total extraordinary losses	281	1,469
Profit before income taxes	12,326	4,973
Income taxes - current	2,405	1,486
Income taxes - deferred	(47)	(80)
Total income taxes	2,358	1,406
Profit	9,968	3,567
Profit attributable to non-controlling interests	260	151
Profit attributable to owners of parent	9,707	3,415

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	FY 2019 (April 1, 2018 through March 31, 2019)	FY 2020 (April 1, 2019 through March 31, 2020)
	Millions of Yen	Millions of Yen
Profit	9,968	3,567
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,986)	(3,826)
Foreign currency translation adjustment	(799)	196
Remeasurements of defined benefit plans, net of tax	(664)	(1,124)
Share of other comprehensive income of entities accounted for using equity method	(3)	18
Total other comprehensive income	(4,454)	(4,735)
Comprehensive income	5,513	(1,168)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,301	(1,398)
Comprehensive income attributable to non-controlling interests	212	229

**CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS**

FY 2019 (April 1, 2018 through March 31, 2019)

(Millions of Yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	15,632	18,783	52,261	(1,228)	85,448
Changes during period					
Dividends of surplus			(1,168)		(1,168)
Profit attributable to owners of parent			9,707		9,707
Disposal of treasury shares		0		49	50
Purchase of treasury shares				(11)	(11)
Capital increase of consolidated subsidiaries		(32)			(32)
Net changes in items other than shareholders' equity					
Total changes during period	—	(32)	8,539	38	8,545
Balance at end of period	15,632	18,751	60,800	(1,190)	93,994

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	15,012	(2,437)	1,584	14,159	3,418	103,026
Changes during period						
Dividends of surplus						(1,168)
Profit attributable to owners of parent						9,707
Disposal of treasury shares						50
Purchase of treasury shares						(11)
Capital increase of consolidated subsidiaries						(32)
Net changes in items other than shareholders' equity	(2,974)	(760)	(670)	(4,405)	183	(4,222)
Total changes during period	(2,974)	(760)	(670)	(4,405)	183	4,322
Balance at end of period	12,038	(3,198)	913	9,753	3,602	107,349



FY 2020 (April 1, 2019 through March 31, 2020)

(Millions of Yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	15,632	18,751	60,800	(1,190)	93,994
Changes during period					
Dividends of surplus			(1,462)		(1,462)
Profit attributable to owners of parent			3,415		3,415
Disposal of treasury shares		114		221	336
Purchase of treasury shares				(248)	(248)
Purchase of shares of consolidated subsidiaries		(288)			(288)
Capital increase of consolidated subsidiaries		(16)			(16)
Net changes in items other than shareholders' equity					
Total changes during period	—	(190)	1,952	(26)	1,735
Balance at end of period	15,632	18,560	62,753	(1,217)	95,729

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	12,038	(3,198)	913	9,753	3,602	107,349
Changes during period						
Dividends of surplus						(1,462)
Profit attributable to owners of parent						3,415
Disposal of treasury shares						336
Purchase of treasury shares						(248)
Purchase of shares of consolidated subsidiaries						(288)
Capital increase of consolidated subsidiaries						(16)
Net changes in items other than shareholders' equity	(3,823)	130	(1,120)	(4,813)	(513)	(5,327)
Total changes during period	(3,823)	130	(1,120)	(4,813)	(513)	(3,591)
Balance at end of period	8,214	(3,068)	(207)	4,939	3,089	103,757

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	FY 2019 (April 1, 2018 through March 31, 2019) Millions of Yen	FY 2020 (April 1, 2019 through March 31, 2020) Millions of Yen
Cash flows from operating activities		
Profit before income taxes	12,326	4,973
Depreciation	4,057	4,442
Loss (gain) on step acquisitions	(49)	—
Increase (decrease) in allowance for doubtful accounts	(3)	27
Increase (decrease) in net defined benefit liability and asset	81	(52)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(22)	17
Increase (decrease) in provision for share-based remuneration for directors (and other officers)	98	(9)
Interest and dividend income	(855)	(920)
Interest expenses	33	20
Share of loss (profit) of entities accounted for using equity method	(935)	(831)
Loss (gain) on sales of short-term and long-term investment securities	3	(38)
Loss (gain) on valuation of short-term and long-term investment securities	—	223
Loss (gain) on sales and retirement of property, plant and equipment and intangible assets	(2,524)	1,200
Decrease (increase) in trade receivables	(200)	4,159
Decrease (increase) in inventories	(3,015)	(1,034)
Increase (decrease) in trade payables	1,790	(3,701)
Other, net	(8)	1,096
Subtotal	<u>10,776</u>	<u>9,571</u>
Interest and dividends received	1,125	1,187
Interest paid	(41)	(20)
Income taxes paid	<u>(3,622)</u>	<u>(2,504)</u>
Net cash provided by (used in) operating activities	<u>8,237</u>	<u>8,232</u>
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(5,329)	(7,118)
Proceeds from sales of property, plant and equipment and intangible assets	3,508	129
Purchase of investment securities	(21)	(324)
Proceeds from sales of investment securities	109	47
Loan advances	(287)	(91)
Collection of loans receivable	273	87
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(17)	—
Payments into time deposits	(3,273)	(3,818)
Proceeds from withdrawal of time deposits	3,166	3,846
Other, net	<u>(537)</u>	<u>(230)</u>
Net cash provided by (used in) investing activities	<u>(2,408)</u>	<u>(7,473)</u>
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(754)	710
Proceeds from long-term borrowings	900	—
Repayments of long-term borrowings	(9,252)	(398)
Proceeds from sales of treasury shares	0	243
Purchase of treasury shares	(11)	(248)
Dividends paid	(1,168)	(1,462)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	(858)
Other, net	<u>(61)</u>	<u>(197)</u>
Net cash provided by (used in) financing activities	<u>(10,348)</u>	<u>(2,210)</u>
Effect of exchange rate change on cash and cash equivalents	<u>(173)</u>	<u>(4)</u>
Net increase (decrease) in cash and cash equivalents	<u>(4,692)</u>	<u>(1,455)</u>
Cash and cash equivalents at beginning of period	<u>16,087</u>	<u>11,395</u>
Cash and cash equivalents at end of period	<u>11,395</u>	<u>9,939</u>

## SEGMENT INFORMATION

FY 2019 (April 1, 2018 through March 31, 2019) (Millions of Yen)

	Industrial Products	Ceramics & Materials	Engineering	Tabletop	Total	Adjustments	Consolidated
Net sales:							
External customers	63,171	34,832	19,326	8,472	125,802	—	125,802
Segment profit (loss)	2,333	3,690	2,231	(771)	7,484	—	7,484
Segment assets	51,269	37,405	10,073	7,014	105,762	46,010	151,773
Other items:							
Intersegment sales and transfers	10	70	465	260	807	(807)	—
Depreciation	2,335	1,095	256	371	4,057	—	4,057
Investments in equity-method associates	351	4,458	—	90	4,900	—	4,900
Increases in tangible and intangible fixed assets	1,697	2,290	154	249	4,392	907	5,299

FY 2020 (April 1, 2019 through March 31, 2020) (Millions of Yen)

	Industrial Products	Ceramics & Materials	Engineering	Tabletop	Total	Adjustments	Consolidated
Net sales:							
External customers	58,579	32,240	22,326	7,465	120,611	—	120,611
Segment profit (loss)	258	2,218	2,616	(885)	4,207	—	4,207
Segment assets	50,503	39,879	10,971	6,932	108,287	37,636	145,923
Other items:							
Intersegment sales and transfers	14	72	553	260	901	(901)	—
Depreciation	2,483	1,291	288	378	4,442	—	4,442
Investments in equity-method associates	361	5,048	—	74	5,484	—	5,484
Increases in tangible and intangible fixed assets	2,903	5,075	226	232	8,437	528	8,965

Notes: (1) Adjustments column in "Segment assets" denotes unallocated general corporate items which were not assigned to specific segments such as cash, short-term and long-term investments in securities and general managed property.

(2) Adjustments column in "Other items: Intersegment sales and transfers" denotes eliminations of intersegment transactions.

(3) Adjustments column in "Other items: Increases in tangible and intangible fixed assets" denotes capital expenditures of administrative department which were not assigned to specific segments.