



## Consolidated Financial Results for the six months of Fiscal Year 2020

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

November 7, 2019

Company Name	<b>NORITAKE CO., LIMITED</b>
Stock Exchange Listings	Tokyo, Nagoya
Code Number	5331
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)

(Millions of Yen: Amounts less than 1 million yen are omitted.)

### 1. Consolidated Financial Results for the six months of Fiscal Year 2020 (April 1, 2019 - September 30, 2019)

#### (1) Operating Results

	Net Sales		Operating Profit		Ordinary Profit	
	Millions of Yen	Change	Millions of Yen	Change	Millions of Yen	Change
Six months of FY 2020	61,915	(0.1%)	2,690	(29.2%)	3,715	(25.1%)
Six months of FY 2019	61,961	8.9%	3,800	71.0%	4,957	56.9%

	Profit Attributable to Owners of Parent		Basic Earnings per Share	Diluted Earnings per Share
	Millions of Yen	Change	Yen	Yen
Six months of FY 2020	2,814	(31.0%)	195.56	—
Six months of FY 2019	4,077	64.5%	283.92	—

#### (2) Financial Position

	Total Assets	Net Assets	Ratio of Shareholders' Equity	Shareholders' Equity per Share
	Millions of Yen	Millions of Yen	%	Yen
2nd quarter of FY 2020	148,070	108,009	70.5	7,245.02
FY 2019	151,773	107,349	68.4	7,219.82

(Reference) Shareholders' Equity : 2nd quarter of  
 FY 2020 104,401 million yen  
 FY 2019 103,747 million yen

### 2. Dividends

	Dividends per Share		
	Interim (Yen)	Year-End (Yen)	Total (Yen)
FY 2019	40.00	50.00	90.00
FY 2020 (Actual)	50.00	—	—
FY 2020 (Forecast)	—	50.00	100.00

(Note) Revisions to forecast of dividends per share for FY 2020 : None

**3. Forecast of Consolidated Financial Results for Fiscal Year 2020 \***

	Net Sales		Operating Profit		Ordinary Profit	
	Millions of Yen	Change	Millions of Yen	Change	Millions of Yen	Change
FY 2020	121,000	(3.8%)	4,500	(39.9%)	6,600	(32.4%)

  

	Profit Attributable to Owners of Parent		Basic Earnings per Share
	Millions of Yen	Change	Yen
FY 2020	4,500	(53.6%)	312.28

(Note) Revisions to forecast of consolidated financial results : Yes

**4. Other Information**

- (1) Status changes of specified subsidiaries involving changes in the scope of consolidation : None
- (2) Adoption of accounting methods used specifically for quarterly consolidated financial statements : None
- (3) 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

**(4) 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	
2nd quarter of FY 2020	14,842,849	432,715	2nd quarter of FY 2020	14,390,600
FY 2019	14,842,849	473,049	2nd quarter of FY 2019	14,361,110

**\* Cautionary Statement:**

1. This report is not subject to quarterly review procedures by certified public accountants or auditing firms.
2. Forecast of consolidated financial results for FY 2020 is based on management's assumptions and beliefs in the light of information currently available. A number of important risks and uncertainties could cause actual results to differ materially from it, therefore Noritake suggests that you should not place undue reliance on it for investment purpose and so forth.

**CONSOLIDATED BALANCE SHEETS**

	FY 2019	FY 2020 2Q
	As of March 31, 2019	As of September 30, 2019
	Millions of Yen	Millions of Yen
<b>Assets</b>		
Current assets		
Cash and deposits	14,076	13,762
Notes and accounts receivable - trade	31,156	27,613
Electronically recorded monetary claims - operating	4,325	4,124
Merchandise and finished goods	9,409	10,249
Work in process	6,536	5,902
Raw materials and supplies	5,503	5,474
Other	1,684	1,834
Allowance for doubtful accounts	(21)	(38)
Total current assets	72,671	68,924
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	16,894	16,611
Other, net	24,695	26,561
Total property, plant and equipment	41,590	43,172
Intangible assets	1,188	1,179
Investments and other assets		
Investment securities	33,336	31,979
Retirement benefit asset	1,759	1,678
Other	1,342	1,258
Allowance for doubtful accounts	(116)	(121)
Total investments and other assets	36,323	34,794
Total non-current assets	79,101	79,146
Total assets	151,773	148,070

	FY 2019 As of March 31, 2019 Millions of Yen	FY 2020 2Q As of September 30, 2019 Millions of Yen
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	13,250	11,204
Electronically recorded obligations - operating	8,622	7,486
Short-term borrowings	3,456	3,235
Current portion of long-term borrowings	348	324
Income taxes payable	1,526	925
Provision for bonuses	1,619	1,612
Notes payable - facilities	569	1,042
Electronically recorded obligations - non-operating	577	485
Other	5,049	4,970
<b>Total current liabilities</b>	<b>35,018</b>	<b>31,288</b>
<b>Non-current liabilities</b>		
Long-term borrowings	975	920
Provisions	512	462
Retirement benefit liability	1,795	1,795
Other	6,122	5,593
<b>Total non-current liabilities</b>	<b>9,405</b>	<b>8,772</b>
<b>Total liabilities</b>	<b>44,424</b>	<b>40,061</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	15,632	15,632
Capital surplus	18,751	18,849
Retained earnings	60,800	62,884
Treasury shares	(1,190)	(1,214)
<b>Total shareholders' equity</b>	<b>93,994</b>	<b>96,152</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	12,038	10,800
Foreign currency translation adjustment	(3,198)	(3,387)
Remeasurements of defined benefit plans	913	836
<b>Total accumulated other comprehensive income</b>	<b>9,753</b>	<b>8,249</b>
<b>Non-controlling interests</b>	<b>3,602</b>	<b>3,607</b>
<b>Total net assets</b>	<b>107,349</b>	<b>108,009</b>
<b>Total liabilities and net assets</b>	<b>151,773</b>	<b>148,070</b>

**CONSOLIDATED STATEMENTS OF INCOME**

	FY 2019 2Q (April 1, 2018 through September 30, 2018)	FY 2020 2Q (April 1, 2019 through September 30, 2019)
	Millions of Yen	Millions of Yen
Net sales	61,961	61,915
Cost of sales	45,052	45,833
Gross profit	16,908	16,081
Selling, general and administrative expenses		
Selling expenses	8,981	9,114
General and administrative expenses	4,126	4,276
Total selling, general and administrative expenses	13,108	13,391
Operating profit	3,800	2,690
Non-operating income		
Interest income	58	67
Dividend income	366	428
Rental income	213	220
Foreign exchange gains	84	—
Share of profit of entities accounted for using equity method	458	406
Other	113	108
Total non-operating income	1,294	1,231
Non-operating expenses		
Interest expenses	19	11
Foreign exchange losses	—	75
Rental expenses on non-current assets	74	79
Other	43	40
Total non-operating expenses	137	207
Ordinary profit	4,957	3,715
Extraordinary income		
Gain on sales of non-current assets	152	3
Gain on step acquisitions	49	—
Gain on reversal of PCB disposal cost	—	68
Other	4	—
Total extraordinary income	206	72
Extraordinary losses		
Loss on disposal of non-current assets	70	42
Other	12	4
Total extraordinary losses	83	47
Profit before income taxes	5,080	3,739
Income taxes - current	936	762
Income taxes - deferred	(38)	88
Total income taxes	898	850
Profit	4,181	2,889
Profit attributable to non-controlling interests	103	75
Profit attributable to owners of parent	4,077	2,814

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	FY 2019 2Q (April 1, 2018 through September 30, 2018)	FY 2020 2Q (April 1, 2019 through September 30, 2019)
	Millions of Yen	Millions of Yen
Profit	4,181	2,889
Other comprehensive income		
Valuation difference on available-for-sale securities	75	(1,239)
Foreign currency translation adjustment	(622)	(163)
Remeasurements of defined benefit plans, net of tax	48	(78)
Share of other comprehensive income of entities accounted for using equity method	(9)	7
Total other comprehensive income	(507)	(1,473)
Comprehensive income	3,673	1,415
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,640	1,310
Comprehensive income attributable to non-controlling interests	33	105

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	FY 2019 2Q (April 1, 2018 through September 30, 2018) Millions of Yen	FY 2020 2Q (April 1, 2019 through September 30, 2019) Millions of Yen
Cash flows from operating activities		
Profit before income taxes	5,080	3,739
Depreciation	1,978	2,157
Loss (gain) on step acquisitions	(49)	—
Increase (decrease) in allowance for doubtful accounts	5	23
Increase (decrease) in net defined benefit liability and asset	2	(40)
Increase (decrease) in provision	(35)	(49)
Interest and dividend income	(424)	(495)
Interest expenses	19	11
Share of loss (profit) of entities accounted for using equity method	(458)	(406)
Loss (gain) on sales of short-term and long-term investment securities	1	—
Loss (gain) on sales and retirement of property, plant and equipment and intangible assets	(81)	38
Decrease (increase) in trade receivables	(1,267)	3,698
Decrease (increase) in inventories	(364)	(237)
Increase (decrease) in trade payables	(903)	(3,166)
Other, net	(59)	223
Subtotal	3,443	5,497
Interest and dividends received	424	495
Interest paid	(19)	(11)
Income taxes paid	(2,832)	(1,535)
Net cash provided by (used in) operating activities	1,016	4,446
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(2,668)	(3,423)
Proceeds from sales of property, plant and equipment and intangible assets	190	19
Purchase of investment securities	(12)	(13)
Proceeds from sales of investment securities	27	0
Loan advances	(102)	(31)
Collection of loans receivable	45	38
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(17)	—
Payments into time deposits	(1,451)	(1,872)
Proceeds from withdrawal of time deposits	1,490	1,657
Other, net	(436)	(77)
Net cash provided by (used in) investing activities	(2,935)	(3,702)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(134)	(227)
Repayments of long-term borrowings	(3,146)	(78)
Proceeds from sales of treasury shares	0	243
Purchase of treasury shares	(9)	(245)
Dividends paid	(584)	(730)
Other, net	(61)	(123)
Net cash provided by (used in) financing activities	(3,935)	(1,161)
Effect of exchange rate change on cash and cash equivalents	(120)	(72)
Net increase (decrease) in cash and cash equivalents	(5,974)	(489)
Cash and cash equivalents at beginning of period	16,087	11,395
Cash and cash equivalents at end of period	10,112	10,905

**SEGMENT INFORMATION**

FY 2019 2Q (April 1, 2018 through September 30, 2018) (Millions of Yen)

	Industrial Products	Ceramics & Materials	Engineering	Tabletop	Total
Net sales:					
External customers	31,080	17,323	9,659	3,897	61,961
Operating profit (loss)	1,038	2,076	1,191	(505)	3,800

FY 2020 2Q (April 1, 2019 through September 30, 2019) (Millions of Yen)

	Industrial Products	Ceramics & Materials	Engineering	Tabletop	Total
Net sales:					
External customers	29,723	16,061	12,247	3,883	61,915
Operating profit (loss)	323	1,266	1,484	(383)	2,690