Dexerials

Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 〔Under Japanese GAAP〕

May 10, 2021

Company name:	Dexerials Corporation	Listing:	Tokyo Stock Exchange
Security code:	4980	URL:	https://www.dexerials.jp/en
Representative:	Yoshihisa Shinya, Representative Director and President		
Contact:	Naoyuki Sanada, Senior Executive Officer, CFO		
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Date of annual general meeting of shareholders:	June 18, 2021
Date of payment of year-end dividends:	June 21, 2021
Annual Securities Report (*Yukashoken Hokokusho*) filing date:	June 18, 2021
Preparation of supplementary briefing material on financial results:	Yes
Investors meeting presentation for financial results:	Yes (for securities analysts and institutional investors)

(Note) Amounts less than one million yen have been omitted.

1. Consolidated financial results for the fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2021	65,830	14.1	11,339	145.6	10,844	146.8	5,329	94.9
March 31, 2020	57,710	(4.7)	4,617	24.0	4,393	12.6	2,734	19.7

Note: Comprehensive income
For the fiscal year ended March 31, 2021: ¥5,977 million [156.7%]
For the fiscal year ended March 31, 2020: ¥2,328 million [46.6%]

Note: EBITDA
For the fiscal year ended March 31, 2021: ¥17,590 million [63.1%]
For the fiscal year ended March 31, 2020: ¥10,786 million [11.4%]

	Basic earnings per share	Diluted earnings per share	Return on capital	Ordinary profit to total assets	Operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2021	87.60	87.06	10.4	12.0	17.2
March 31, 2020	45.05	44.83	5.5	5.1	8.0

Reference: Share of profit or loss of entities accounted for using equity method
For the fiscal year ended March 31, 2021: ¥(207) million
For the fiscal year ended March 31, 2020: ¥(261) million

Note: For the purpose of calculating the amounts of earnings per share, the number of shares of the Company held by the Trust was included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares of common stock during the period.

(2) Consolidated financial position

	Total assets	Net assets	Capital to asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2021	95,201	53,305	56.0	874.66
March 31, 2020	86,279	49,567	57.5	814.68

Reference: Capital (Shareholders' equity + Accumulated other comprehensive income)
As of March 31, 2021: ¥53,305 million As of March 31, 2020: ¥49,567 million

Note: For the purpose of calculating the amounts of net assets per share, the number of shares of the Company held by the Trust was included in the number of treasury shares, which was to be deducted from the number of shares issued at the end of the period.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2021	13,187	(2,471)	(4,259)	20,531
March 31, 2020	9,656	(3,891)	(3,600)	13,779

2. Dividends

	Cash dividends per share					Total dividends (Annual)	Dividend payout ratio (Consolidated)	Dividend on equity (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2020	–	17.00	–	17.00	34.00	2,173	75.6	4.2
March 31, 2021	–	17.00	–	27.00	44.00	2,824	50.3	5.2
Fiscal year ending March 31, 2022 (forecast)	–	29.00	–	29.00	58.00		50.5	

Reference: Dividend payout ratio (consolidated) before amortization of goodwill
Fiscal year ending March 31, 2022 (forecast): 40.2% (For more details, please see page 6 of the Attached Materials.)

Notes: 1. For the year-end dividends for the fiscal year ended March 31, 2021, please refer to "Notice Regarding Distribution of Dividends from Surplus (Dividend Increase)" released on May 10, 2021.
2. The amounts of total dividends (annual) include the dividends (of ¥106 million for the fiscal year ended March 31, 2020 and ¥145 million for the fiscal year ended March 31, 2021) for the shares of the Company held by the Trust.
3. For the purpose of calculating the amounts of dividend on equity for the fiscal years ended March 31, 2020 and 2021, the number of shares of the Company held by the Trust was included in the number of treasury shares.

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year	72,500	10.1	11,900	4.9	11,800	8.8	7,000	31.3	115.05

Notes: For the purpose of calculating the amount of basic earnings per share, the number of shares of the Company held by the Trust as at the end of the fiscal year ended March 31, 2021 was included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares of common stock during the period.

For more information on the consolidated financial results for the fiscal year ended March 31, 2021, please refer to the supplementary briefing material on financial results, Annual Securities Report (available in Japanese only) to be filed on June 18, 2021 and other materials, which you can find on our website at https://www.dexerials.jp/en/ir/library/index.html.

[Notes]

(1) Changes in significant subsidiaries during the current period (Changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates and restatements of prior period financial statements

(a) Changes in accounting policies due to application of new or revised accounting standards: None
(b) Changes in accounting policies due to reasons other than above (a): None
(c) Changes in accounting estimates: None
(d) Restatements of prior period financial statements: None

(3) Number of shares of common stock issued

(a) Number of shares issued (including treasury shares)
As of March 31, 2021: 64,276,700 shares
As of March 31, 2020: 63,973,800 shares

(b) Number of treasury shares
As of March 31, 2021: 3,332,948 shares
As of March 31, 2020: 3,131,103 shares

(c) Average number of shares of common stock during the period
Fiscal year ended March 31, 2021: 60,838,156 shares
Fiscal year ended March 31, 2020: 60,707,500 shares

Notes: 1. As a result of the exercise of stock options during the fiscal year ended March 31, 2021, the number of shares issued as of March 31, 2021 has increased by 302,900 shares.
2. As the Company has introduced a restricted stock compensation plan which allots shares with transfer restrictions, it repurchased treasury shares during the fiscal year ended March 31, 2021 (293,800 shares as of March 31, 2021) primarily for the purpose of allotting them as restricted shares.
3. As the Company has introduced an Employee Stock Ownership Plan ("J-ESOP") and a Board Benefit Trust (BBT), the number of shares of the Company held by the Trust was included in the number of treasury shares as of March 31, 2020 and 2021. In addition, the number of shares of the Company held by the Trust was included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares of common stock during the period (3,250,499 shares as of March 31, 2021 and 3,168,980 shares as of March 31, 2020).

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(1) Non-consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2021	60,580	16.1	9,139	236.6	11,207	196.5	6,253	156.9
March 31, 2020	52,181	(3.6)	2,715	32.1	3,780	11.1	2,434	13.5

(2) Non-consolidated financial position

	Total assets	Net assets	Capital to asset ratio
As of	Millions of yen	Millions of yen	%
March 31, 2021	88,052	46,166	52.4
March 31, 2020	80,563	42,895	53.2

Reference: Capital (Shareholders' equity + Valuation and translation adjustments)
As of March 31, 2021: ¥46,166 million As of March 31, 2020: ¥42,895 million

* This financial results report is not subject to audit procedures to be performed by certified public accountants or an audit firm.

* [Proper use of earning forecasts, and other special notes]
(Disclaimer with respect to earnings and other forecasts)
The forward-looking statements including earnings forecast contained in this document are based on information currently available to us and certain assumptions that we believe are reasonable. Accordingly, we can give no assurance that such statements will prove to be correct. Actual results may differ from the results anticipated in these forward-looking statements due to a variety of factors.