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May 13, 2022

Consolidated Financial Results for the Twelve Months Ended March 31, 2022

[Under Japanese GAAP]

Company name: Nippon Denkai, Ltd.
Stock listing: Tokyo Stock Exchange
Stock ticker code: 5759
URL: https://www.nippon-denkai.co.jp/
Representative: Hidemasa Nakajima, President and CEO
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Scheduled date for the annual general meeting of shareholders: June 29, 2022
Scheduled date to commence dividend payments: None
Scheduled date to submit securities report: June29, 2022
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the twelve months ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Consolidated operating results (cumulative)

(Percentages indicate Year-on-Year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Twelve months ended	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
March 31, 2022	20,558	41.0	1,004	90.6	976	121.7	848	338.7
March 31, 2021	14,584	16.9	527	-42.2	440	-47.8	193	-90.3

Note: Comprehensive income Twelve months ended March 31, 2022: ¥ 721 million [41.0%]
Twelve months ended March 31, 2021: ¥ 511 million [-74.1%]

	Net income per share	Diluted Earnings per share	Return on Equity	Return on Asset	Return on Sales
Twelve months ended	Yen	Yen	%	%	%
March 31, 2022	117.22	-	15.9	6.2	4.9
March 31, 2021	26.86	-	4.1	3.2	3.6

(Reference) Investment Gains (Losses) on Equity Method Twelve months ended March 31, 2022: - million
Twelve months ended March 31, 2021: - million

Notes: The company conducted a 3,000-for-one stock split of its common stock as of April 23, 2021. The amount of net income per share was calculated based on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

(2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio	Book value Per Share
Twelve months ended	Millions of Yen	Millions of Yen	%	Yen
March 31, 2022	18,034	5,755	31.9	793.85
March 31, 2021	13,643	4,946	36.3	686.95

(Reference) Equity As of March 31, 2022 ¥ 5,755 million
As of March 31, 2021 ¥ 4,946 million

Notes: The company conducted a 3,000-for-one stock split of its common stock as of April 23, 2021. The amount of net income per share was calculated based on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

(3) Status of Consolidated Cash Flow

	Cash flow from operating activities	Cash flow from investment activities	Cash flow from financial activities	Cash and Cash Equivalents
Twelve months ended	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
March 31, 2022	217	-2,191	2,706	2,500
March 31, 2021	1,210	-334	-476	1,662

2. Status of Dividends

	Annual dividends per share					Total Dividends	Dividend Payout Ratio	Dividend on Equity Ratio
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Twelve months ended	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
March 31, 2021	-	0.00	-	0.00	0.00	-	-	-
March 31, 2022	-	0.00	-	0.00	0.00	-	-	-
March 31, 2023 (Forecast)	-	0.00	-	0.00	0.00		-	

3. Consolidated financial results forecast for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Percentages indicate Year-on-Year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
FY 2022	20,935	1.8	435	-56.7	219	-77.5	25	-97.0	3.48

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
Newly included: - companies (-)
Excluded: - companies (-)

(2) Changes in accounting policies and accounting estimates, and redisplay of corrections

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Redisplay of corrections: None

(3) Number of issued shares (common stocks)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2022	7,250,000 shares
As of March 31, 2021	7,200,000 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2022	- shares
As of March 31, 2021	- shares

(iii) Average number of shares outstanding during the period

As of March 31, 2022	7,238,493 shares
As of March 31, 2021	7,200,000 shares

Note: The company conducted a 3,000-for-one stock split of its common stock as of April 23, 2021. The amount of net income per share was calculated based on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

(Reference) The company individual financial results for the twelve months ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) The company individual operating results (Percentages indicate Year-on-Year changes)

	Net Sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent	
Twelve months ended	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
March 31, 2022	15,281	34.3	845	0.9	845	10.1	564	27.6
March 31, 2021	11,374	82.3	838	70.7	768	69.8	442	-47.9

	Net income per share	Diluted net income per share
Twelve months ended	Yen	Yen
March 31, 2022	77.96	―
March 31, 2021	61.42	―

Note: The company conducted a 3,000-for-one stock split of its common stock as of April 23, 2021. The amount of net income per share was calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(2) The company individual financial position

	Total Assets	Net Assets	Equity Ratio	Book value Per Share
Twelve months ended	Millions of Yen	Millions of Yen	%	Yen
March 31, 2022	16,293	4,101	25.2	565.67
March 31, 2021	11,554	3,499	30.3	485.98

(Reference) Equity As of March 31, 2022 ¥ 4,101 million

As of March 31, 2021 ¥ 3,499million

Note: The company conducted a 3,000-for-one stock split of its common stock as of April 23, 2021. The amount of net income per share was calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

* Financial results reports are not subject to audit by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

Actual results may differ materially from forward-looking statements contained herein, including the forecasts of results of operations, as such statements are based on the information currently available to the company and certain assumptions that are deemed reasonable for the company. For cautions to be exercised when using the forecasts of financial results and assumptions that underlie the forecasts, please refer to “1. Qualitative Information on Financial Results of the Quarter under Review - (4) Detailed Forecast of FY2022.” on Page 3 of the Appendix.

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1. Qualitative Information on Financial Results

(1) Explanation on Operating Results

During the consolidated fiscal year under review, despite the increasing inflationary pressure, the global economy began to expand, mainly in developed countries, through both the measures against the new coronavirus and economic activities. However, the pace of economic recovery remained moderate due to shortages of semiconductors and other raw materials and logistics disruptions, moreover, the pandemic of mutant strains and Russia-Ukraine war expedited soaring energy resource prices.

In US, personal consumption expenditures grew and supported economic activities in the time of COVID-19, but the pace of recovery slowed down due to shortages of labor and raw materials, the soaring price of resource, and other factors. In China, business sentiment remained uncertain due to the causes such as the emergence of financial risks triggered by credit concerns about real estate development companies, the restriction on manufacturing operations because of electric power shortages, and urban lockdowns.

In Japan, the economy seemed to recover once, but it remained moderate afterwards due to the effects of shortages of semiconductors and raw materials, soaring prices of energy and resource, and the pandemic, started in the second half of year.

In the market for automotive LIBs (lithium-ion batteries), demand remained strong due to the trend toward powertrain electrification expanded, supported by the EV promotion policies in major countries. However, the global shortages of semiconductor supplies and logistic network stagnation caused major xEV manufacturers to scale their production plans down.

In the electronic component industry, major electronic device manufactures had been impacted by prolonged US-China trade negotiations, however, US and Japanese markets saw successive launches of 5G-compatible models, and Japanese careers continued to expand their 5G coverage areas.

Copper material prices (monthly average) were in the 1,020 yen per kg range in March 2021, but they rose to the 1,260 yen per kg range in March 2022.

Overall, the company’s sales under these circumstances, demand for copper foil for automotive batteries expanded in response to the global trend toward electrification of automobiles in the first half of year. However, it slowed down in the second half of year due to the effect by major xEV manufactures’ reduction of production plan.

Demand for copper foil for circuit boards, the impact of US-China trade negotiations continued to linger and demand for smartphones decreased. On the other hand, demand for automotive circuit boards produced in US for Southeast Asia remained strong.

As a result, in the current consolidated fiscal year, the company's total production volume (metric tons) of all products was 11,936 metric tons (up 18.7% from the previous consolidated fiscal year), Net sales was 20,558 million yen (up 41.0%), Operating profit was 1,004 million yen (up 90.6%), Ordinary profit was 976 million yen (up 121.7%), and Profit attributable to owners of parent was 848 million yen (up 338.7%).

(2) Explanation on Financial Position

(Assets)

Total assets as of the end of the current consolidated fiscal year was 18,034 million yen, up 32.2% (4,390 million yen) from the end of the previous consolidated fiscal year.

Current assets increased by 42.9% (2,866 million yen) to 9,542 million yen, mainly due to an increase of 838 million yen in Cash and deposits, an increase of 679 million yen in Accounts receivable, an increase of 515 million yen in Finished goods, an increase of 309 million yen in Work in process. Fixed assets increased by 21.9% (1,523 million yen) to 8,491 million yen, mainly due to a decrease of 452 million yen in Machinery, equipment and vehicles, an increase of 1,881 million yen in Construction in progress, and an increase of 70 million yen in Net defined benefit assets.

(Liabilities)

Total liabilities as of the end of the current consolidated fiscal year was 12,278 million yen, up 41.2%

(3,581 million yen) from the end of the previous consolidated fiscal year. Current liabilities increased by 37.6% (1,380 million yen) to 5,049 million yen, mainly due to an increase of 330 million yen in Accounts payable and an increase of 664 million yen in Short-term borrowings, and an increase of 314 million yen in Accounts payable - other. Non-current liabilities increased by 43.8% (2,201 million yen) to 7,229 million yen, mainly due to an increase of 2,223 million yen in Long-term borrowings, and a decrease of 36 million yen in Retirement benefit liabilities.

(Net assets)

Total net assets as of the end of the current consolidated fiscal year increased by 16.4% (809 million yen) from the end of the previous consolidated fiscal year to 5,755 million yen, mainly due to Profit attributable to owners of parent of 848 million yen, an increase of 151 million yen in Foreign exchange translation adjustment, a decrease of 278 million yen in Remeasurements of defined benefit plans, and an increase of 43 million yen in Common stock and Capital surplus which resulted from the company's listing on the Mothers market of the Tokyo Stock Exchange.

As a result of the above, the equity ratio is 31.9% (At the end of the previous consolidated fiscal year was 36.3%).

(3) Explanation on Cash Flows

Total cash and cash equivalents (hereinafter referred to as "funds") of the current consolidated fiscal year was 2,500 million yen, up 838 million yen from the end of the previous consolidated fiscal year. The major factors of increase / decrease in the current consolidated fiscal year are as follows.

(Cash flow from operating activities)

The funds increased by operating activities of the current consolidated fiscal year was 217 million yen. (The increase of the previous consolidated fiscal year was 1,210 million yen). Mainly, due to Depreciation of 1,274 million yen, an increase of 55 million yen in Net defined benefit assets, an increase of 293 million yen in Notes and accounts payable – trade, an increase of 1,122 million yen in Inventories, and income taxes paid of 195 million yen.

(Cash flow from investment activities)

The funds decreased by investment activities of the current consolidated fiscal year was 2,191 million yen. (The decrease of the previous consolidated fiscal year was 334 million yen). Mainly, due to Purchase of property, plant and equipment of 2,178 million yen.

(Cash flow from financial activities)

The funds increased by financial activities of the current consolidated fiscal year was 2,706 million yen. (The decrease of the previous consolidated fiscal year was 476 million yen). Mainly, due to an increase of 662 million yen by Short-term borrowings, an increase of 2,953 million yen by Long-term borrowings and Repayment of long-term of 958 million yen.

(4) Detailed Forecast of FY2022

The future outlook is uncertain due to the soaring prices of copper materials, energy and other materials caused by Russia-Ukraine War, also the sharp depreciation of the yen caused by Japan-US interest rate gaps.

In addition, the business environment in the electrodeposited copper foil industry is expected continuously to face difficulties, such as the impact of continued production adjustments by major xEV manufacturers due to shortages of materials for semiconductors and other products, production cuts by electronic device manufacturers due to the impact of prolonged US-China trade negotiations, and the soaring prices of electric and various material because of the high crude oil prices.

Under these circumstances, the consolidated earnings forecast for the fiscal year ending March 31, 2023, is expected to be Net sales of 20,935 million yen (up 1.8% year-on-year) on the basis of production volume (metric tons) of 10,728 Mt and a copper price of 1,200 yen/Kg. At each stage of profits are expected to be: Operating profit of 435 million yen (down 56.7% year-on-year), Ordinary profit of 219 million yen (down

77.5% year-on-year), and Net Profit Attributable to Ownevolrs of Parent of 25 million yen (down 97.0% year-on-year), in consideration of the improvement due to cost reduction of approx. 200 million yen, and the negative effects such as the increase in manufacturing costs approx. 400 million yen due to electric price rise, the decrease in operating profit due to continued production adjustment and sales decline by major customers approx. 300 million yen, and product price reductions approx. 200 million yen.

The above forecasts are based on information available as of the date that this document is published, and actual results may differ from the forecasts due to various factors. If it becomes necessary to revise the forecast, the company will inform such revisions promptly.

2. Basic Approach to the Selection of Accounting Standards

The company currently applies Japanese GAAP for consolidated financial statements. The company believes that the consolidated financial statements prepared in accordance with this accounting standard adequately present the financial position and operating results of the company.

However, the company will consider the possibility of adopting different accounting standards in the future, such as International Financial Reporting Standards, while taking into the globalization of the company and the differences from the application of the current accounting standard.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Statement of Balance Sheet

(Thousands of Yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	1,662,196	2,500,768
Accounts receivable	2,482,219	3,161,612
Finished goods	753,855	1,269,727
Work in process	951,358	1,260,657
Raw materials and supplies	423,886	844,290
Other current assets	402,188	505,610
Total current assets	6,675,703	9,542,665
Non-current assets		
Tangible non-current assets		
Buildings and structures, net	1,472,553	1,471,378
Machinery, equipment and vehicles, net	4,127,516	3,674,909
Land	687,470	694,361
Leased assets, net	276,638	244,764
Construction in progress	134,183	2,015,752
Other non-current assets, net	158,771	164,686
Total tangible non-current	6,857,133	8,265,853
Intangible non-current assets	33,123	33,834
Investments and other assets		
Deferred tax assets	77,239	72,279
Net defined benefit assets	—	70,910
Others	78	48,649
Total investments and other assets	77,317	191,838
Total non-current assets	6,967,574	8,491,526
Total assets	13,643,278	18,034,191

(Thousands of Yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Account payable	1,478,990	1,809,957
Short-term borrowings	135,238	800,000
Current portion of long-term borrowings	958,760	958,760
Short-term lease obligation	31,812	20,734
Income taxes payable	114,259	186,400
Contract liabilities	—	352
Provision for bonuses	152,334	148,970
Provision for directors' bonuses	17,636	16,012
Other current liabilities	779,888	1,107,865
Total current liabilities	3,668,920	5,049,052
Non-current liabilities		
Long-term borrowings	4,607,940	6,831,320
Long-term lease obligation	276,863	256,129
Deferred tax liabilities	24,437	4,026
Retirement benefit liabilities	36,391	—
Other non-current liabilities	82,698	138,230
Total non-current liabilities	5,028,331	7,229,705
Total liabilities	8,697,251	12,278,758
Net Assets		
Shareholders' equity		
Common stock	100,000	143,937
Capital surplus	2,300,000	2,343,937
Retained earnings	2,243,086	3,091,573
Total shareholders' equity	4,643,086	5,579,448
Accumulated other comprehensive income		
Foreign exchange translation adjustment	—	151,883
Remeasurements of defined benefit plans	302,940	24,101
Total accumulated other comprehensive income	302,940	175,984
Total Net Assets	4,946,026	5,755,433
Total liabilities and net assets	13,643,278	18,034,191

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income

(Thousands of Yen)

	FY2020 (from April 1, 2020 to March 31, 2021)	FY2021 (from April 1, 2021 to March 31, 2022)
Net Sales	14,584,575	20,558,286
Cost of sales	12,863,035	18,527,694
Gross profit	1,721,540	2,030,592
Selling, general and administrative expenses	1,194,497	1,025,957
Operating profit	527,042	1,004,634
Non-operating profit		
Interest income	45	35
Income from sale of scraps	22,001	28,097
Insurance claim income	4,439	7,427
Foreign exchange gains	6,559	45,522
Gain on valuation of currency swaps	—	16,187
Other non-operating profit	5,292	869
Total non-operating profit	38,338	98,140
Non-operating expenses		
Interest expenses	62,595	77,744
Loss on sales of electronically recorded monetary claims	11,914	14,924
Listing expenses	—	8,450
Commission paid	22,000	9,710
Loss on valuation of currency swaps	16,187	—
Other non-operating expenses	12,305	15,765
Total non-operating expenses	125,002	126,595
Ordinary profit	440,379	976,179
Extraordinary profit		
Gain on transfer of retirement benefit plan	53,059	—
Public subsidies	131,664	137,303
Settlement money	40,562	—
Other extraordinary profit	18,870	—
Total extraordinary profit	244,156	137,303
Extraordinary losses		
Loss on sales and retirement of non-current assets	139,491	48,886
Impairment loss	—	3,858
Non recurring loss	184,762	—
Other extraordinary losses	9,356	—
Total extraordinary losses	333,610	52,745
Net profit before income taxes	350,925	1,060,737
Current income taxes	162,308	228,404
Deferred income taxes	△4,790	△16,153
Total income taxes	157,517	212,250
Profit for the period	193,407	848,487
Profit attributable to owners of parent	193,407	848,487

Consolidated Statement of Comprehensive Income

(Thousands of Yen)

	FY2020 (from April 1, 2020 to March 31, 2021)	FY2021 (from April 1, 2021 to March 31, 2022)
Profit for the period	193,407	848,487
Other comprehensive income		
Deferred gains or losses on hedges	15,420	―
Foreign currency translation adjustment	―	151,883
Remeasurements of defined benefit plans, net of tax	302,940	△278,839
Total other comprehensive income	318,360	△126,955
Comprehensive income	511,768	721,531
（Breakdown of comprehensive income）		
Comprehensive income attributable to owners of parent	511,768	721,531

(3) Consolidated Statement of Changes in shareholders' equity

FY2020 (from April 1, 2020 to March 31, 2021)

(Thousands of Yen)

	Shareholders' equity				Accumulated other comprehensive income			Total Net assets
	Common stock	Capital surplus	Retained earnings	Total Shareholders' equity	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total Accumulated other comprehensive income	
Balance at beginning of period	100,000	2,300,000	2,049,678	4,449,678	△15,420	―	△15,420	4,434,258
Changes during period								
Profit attributable to owners of parent			193,407	193,407				193,407
Net changes of items other than shareholders' equity					15,420	302,940	318,360	318,360
Total Changes during period	―	―	193,407	193,407	15,420	302,940	318,360	511,768
Balance at end of period	100,000	2,300,000	2,243,086	4,643,086	―	302,940	302,940	4,946,026

FY2020 (from April 1, 2020 to March 31, 2022)

(Thousands of Yen)

	Shareholders' equity				Accumulated other comprehensive income			Total Net assets
	Common stock	Capital surplus	Retained earnings	Total Shareholders' equity	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total Accumulated other comprehensive income	
Balance at beginning of period	100,000	2,300,000	2,243,086	4,643,086	―	302,940	302,940	4,946,026
Changes during period								
Issuance of new shares	43,937	43,937		87,875				87,875
Profit attributable to owners of parent			848,487	848,487				848,487
Net changes of items other than shareholders' equity					151,883	△278,839	△126,955	△126,955
Total Changes during period	43,937	43,937	848,487	936,362	151,883	△278,839	△126,955	809,406
Balance at end of period	143,937	2,343,937	3,091,573	5,579,448	151,883	24,101	175,984	5,755,433

(4) Consolidated Statement of Cash Flow

(Thousands of Yen)

	FY2020 (from April 1, 2020 to March 31, 2021)	FY2021 (from April 1, 2021 to March 31, 2022)
Cash flows from operating activities		
Net profit before income taxes	350,925	1,060,737
Depreciation	1,382,594	1,274,229
Impairment loss	—	3,858
Public subsidies	△131,664	△137,303
Settlement money	△40,562	—
Increase (decrease) in provision for bonuses	2,630	△3,831
Increase (decrease) in provision for directors' bonuses benefits	3,246	△2,085
Increase (decrease) in net defined benefit assets	165,309	△55,518
Increase (decrease) in net defined benefit liabilities	△280,211	△36,946
Retirement benefit expenses	—	△307,564
Interest income	△45	△35
Interest expense	62,595	77,744
Commission paid	22,000	9,710
Loss on disposal of non-current assets (income)	23,323	10,622
Decrease (increase) in notes and accounts receivable – trade	△178,528	△538,388
Decrease (increase) in inventories	△449,066	△1,122,730
Increase (decrease) in notes and account payable – trade	281,519	293,769
Decrease (increase) in accounts receivable - other	△51,212	△80,880
Decrease (increase) in consumption taxes refund receivable or accounts payable - other	△21,249	△65,459
Other cash flows from operating activities	104,704	△45,468
Subtotal cash flows from operating activities	1,246,307	334,459
Received interest income	45	35
Paid interest expenses	△64,630	△58,649
Received public subsidies	131,664	137,303
Received settlement money	40,562	—
Income taxes (paid) refund	△143,185	△195,415
Cash flows from operating activities	1,210,764	217,733
Cash flows from investment activities		
Purchase of property, plant and equipment	△770,045	△2,178,873
Purchase of intangible assets	△18,392	△11,867
Adjustment income of purchase of subsidiaries' shares	442,408	—
Other cash flows from investment activities	11,276	△1,112
Cash flows from investment activities	△334,752	△2,191,853

(Thousands of Yen)

	FY2020 (from April 1, 2020 to March 31, 2021)	FY2021 (from April 1, 2021 to March 31, 2022)
Cash flows from financial activities		
Net increase (decrease) in short-term loans payable	129,607	662,696
Proceeds from long-term loans payable	2,000,000	2,953,586
Repayments of long-term loans payable	△2,530,200	△958,760
Proceeds from issuance of common shares	—	86,726
Repayments of lease obligations	△53,628	△31,812
Other cash flows from financial activities	△22,000	△6,000
Cash flow from financial activities	△476,220	2,706,437
Effect of exchange rate change on cash and cash equivalents	8,576	106,255
Net increase (decrease) in cash and cash equivalents	408,367	838,572
Cash and cash equivalents at beginning of period	1,253,829	1,662,196
Cash and cash equivalents at end of period	1,662,196	2,500,768

(5) Major Notes about Consolidated Statements

(Notes on going concern assumption)

Not applicable

(Changes in accounting policies)

(Adoption of the accounting standard for revenue recognition)

The company adopted the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29 issued on March 31, 2020; hereinafter referred to as the “Accounting Standard for Revenue Recognition”) as of the beginning of the current consolidated fiscal year under review. Under the Accounting Standard, the company recognizes revenue at the time when control over the promised goods or services is transferred to customers, at the amount equal to the consideration expected to be received for the said goods or services.

The company also applies the alternative treatment prescribed in paragraph 98 of the “Implementation Guidance on Accounting Standard for Revenue Recognition” (ASBJ Guidance No. 30, March 26, 2021), and recognizes revenue from domestic sales of goods or products at the time of shipment, as far as the period between the time of shipment and the time when control over the goods or products is transferred to customers spans a reasonable number of days.

In line with the adoption of the Accounting Standard for Revenue Recognition, etc., the company applied the transitional treatment prescribed in the proviso of paragraph 84 of the Standard. It applied the new accounting policy by adding or subtracting the cumulative effect of retrospectively adopting the new accounting policy prior to the beginning of the current consolidated fiscal year under review to/from retained earnings at the beginning of the quarter.

This change had no effect either on profit and loss for the consolidated current fiscal year under review or the beginning balance of retained earnings.

Due to the company adopted the “Accounting Standard for Revenue Recognition”, "Other" which was written in "Current liabilities" in the consolidated balance sheet for the previous fiscal year, is written in "Contract liabilities" and "Other liabilities" in the current fiscal year. However, in accordance with the transitional treatment prescribed in Paragraph 89-2 of the Accounting Standard for Revenue Recognition, the previous consolidated fiscal year has not been using the new presentation method.

(Adoption of the accounting standard, etc. for fair value measurement)

The company adopted the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30 issued on July 4, 2019; hereinafter referred to as the “Accounting Standard for Fair Value Measurement”) as of the beginning of the current consolidated fiscal year under review. It also prospectively applies new accounting policies prescribed in the Accounting Standard for Fair Value Measurement, according to the transitional treatment provided for in paragraph 19 thereof and paragraph 44-2 of ASBJ Statement No. 10 “Accounting Standard for Financial Instruments” (revised on July 4, 2019). This has no effect on the consolidated financial statements.

(Segment information, etc.)

Segment information is omitted as the company operates in a single segment of the Manufacturing of Electrodeposited Copper foil.

(Information per share)

	FY2020 (from April 1, 2020 to March 31, 2021)	FY2021 (from April 1, 2021 to March 31, 2022)
Book value Per Share	686.95 Yen	793.85 Yen
Net income per share	26.86 Yen	117.22 Yen

Note: 1. Diluted net income per share is not written because there is no potential shares.

2. The company conducted a 3,000-for-one stock split of its common stock as of April 23, 2021. The amount of net income per share was calculated based on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

3. The basis of calculation of net income per share is as follow.

	FY2020 (from April 1, 2020 to March 31, 2021)	FY2021 (from April 1, 2021 to March 31, 2022)
Net income per share (Thousands of Yen)		
Profit attributable to owners of parent	193,407	848,487
Amount not attributable to common shareholders	—	—
Profit attributable to common shareholders	193,407	848,487
Common stock of average shares during the period (shares)	7,200,000	7,238,493

4. Others

(1) Changes in Directors and Executive Officers

1. Change in Representative Director

Not applicable

2. Changes in Directors and Executive Officers

(As of June 29, 2022)

・Retiring Director

Yoichi Yamamoto, Director and CFO