

**Translation**

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 10, 2022

Company name: IRISO ELECTRONICS CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 6908 URL <https://www.iriso.co.jp>  
 Representative: President & Representative Director Hitoshi Suzuki  
 Inquiries: Director & Senior Managing Executive Officer /  
 General Manager of Administration Division Mitsuyoshi Toyoshima TEL 045-478-3111  
 Scheduled date of ordinary general meeting of shareholders: June 21, 2022  
 Scheduled date to file Securities Report: June 22, 2022  
 Scheduled date to commence dividend payments: June 22, 2022  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

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

#### (1) Consolidated financial 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	%
Year ended March 31, 2022	43,863	20.1	4,520	55.9	4,838	62.9	3,913	82.7
Year ended March 31, 2021	36,520	(7.8)	2,900	(37.3)	2,970	(36.4)	2,141	(34.8)

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥8,475 million [92.9 %]  
 Fiscal year ended March 31, 2021: ¥4,394 million [173.0 %]

	Earnings per share	Diluted earnings per share	Net income/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2022	166.22	-	6.8	7.1	10.3
Year ended March 31, 2021	90.89	-	4.1	4.8	7.9

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	73,153	61,776	83.8	2,607.59
As of March 31, 2021	63,941	54,731	85.0	2,306.16

(Reference) Equity: As of March 31, 2022: ¥61,337million  
 As of March 31, 2021: ¥54,348 million

#### (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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	6,691	(6,248)	(1,611)	14,066
Year ended March 31, 2021	6,234	(4,881)	(1,379)	14,260

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	-	0.00	-	50.00	50.00	1,183	55.0	2.2
Year ended March 31, 2022	-	0.00	-	60.00	60.00	1,420	36.1	2.4
Year ending March 31, 2023 (Forecast)	-	0.00	-	60.00	60.00		31.4	

## 3. Forecast of consolidated financial results 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	24,000	9.2	2,480	(1.8)	2,500	1.7	1,800	(17.0)	76.52
Full year	51,500	17.4	6,160	36.3	6,200	28.1	4,500	15.0	191.30

### \* Notes:

(1) Changes in significant subsidiaries during the year ended March 31, 2022

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(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: Yes

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 March 31, 2022	24,583,698 shares	As of March 31, 2021	24,583,698 shares
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Number of treasury shares at the end of the period:

As of March 31, 2022	1,060,993 shares	As of March 31, 2021	1,016,933 shares
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Average number of shares during the period:

Year ended March 31, 2022	23,542,031 shares	Year ended March 31, 2021	23,566,728 shares
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(Note) Number of treasury shares at the end of the period is presented including the Company's treasury shares held by the "Directors' compensation BIP (Board Incentive Plan) trust" (as of March 31, 2022: 150,752 shares, as of March 31, 2021: 106,738 shares). The Company's treasury shares held by the "Directors' compensation BIP (Board Incentive Plan) trust" have been included in treasury shares deducted in calculation of the average number of shares during the period.

**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	14,260	14,066
Notes and accounts receivable - trade	11,177	-
Notes and accounts receivable - trade, and contract assets	-	12,889
Merchandise and finished goods	5,069	7,951
Work in process	45	48
Raw materials and supplies	2,821	3,592
Other	1,886	1,922
Allowance for doubtful accounts	(50)	(34)
Total current assets	35,209	40,436
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,488	4,955
Machinery, equipment and vehicles	13,912	15,260
Tools, furniture and fixtures	3,561	4,094
Land	1,787	1,765
Construction in progress	2,762	3,304
Total property, plant and equipment	26,512	29,380
Intangible assets		
Software	331	323
Other	1	707
Total intangible assets	333	1,030
Investments and other assets		
Investment securities	632	617
Deferred tax assets	728	1,070
Other	580	672
Allowance for doubtful accounts	(55)	(55)
Total investments and other assets	1,886	2,305
Total non-current assets	28,732	32,716
Total assets	63,941	73,153

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	3,675	4,504
Short-term borrowings	389	410
Current portion of long-term borrowings	9	-
Income taxes payable	493	754
Provision for bonuses	455	568
Other	2,933	3,652
<b>Total current liabilities</b>	<b>7,956</b>	<b>9,889</b>
<b>Non-current liabilities</b>		
Retirement benefit liability	445	485
Provision for share awards for directors (and other officers)	125	57
Other	683	944
<b>Total non-current liabilities</b>	<b>1,254</b>	<b>1,486</b>
<b>Total liabilities</b>	<b>9,210</b>	<b>11,376</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	5,640	5,640
Capital surplus	8,744	8,744
Retained earnings	38,787	41,461
Treasury shares	(994)	(1,185)
<b>Total shareholders' equity</b>	<b>52,176</b>	<b>54,660</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	33	26
Foreign currency translation adjustment	2,064	6,607
Remeasurements of defined benefit plans	74	43
<b>Total accumulated other comprehensive income</b>	<b>2,171</b>	<b>6,677</b>
<b>Non-controlling interests</b>	<b>382</b>	<b>439</b>
<b>Total net assets</b>	<b>54,731</b>	<b>61,776</b>
<b>Total liabilities and net assets</b>	<b>63,941</b>	<b>73,153</b>

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

(Millions of yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Net sales	36,520	43,863
Cost of sales	25,317	29,520
Gross profit	11,202	14,343
Selling, general and administrative expenses	8,302	9,822
Operating profit	2,900	4,520
Non-operating income		
Interest income	62	47
Dividend income	3	3
Foreign exchange gains	-	282
Subsidy income	79	12
Other	38	32
Total non-operating income	183	378
Non-operating expenses		
Interest expenses	27	36
Foreign exchange losses	31	-
Compensation expenses	36	3
Other	18	21
Total non-operating expenses	113	60
Ordinary profit	2,970	4,838
Extraordinary losses		
Loss on retirement of non-current assets	122	113
Impairment losses	58	155
Total extraordinary losses	181	268
Profit before income taxes	2,788	4,570
Income taxes - current	658	942
Income taxes - deferred	(56)	(324)
Total income taxes	602	618
Profit	2,186	3,952
Profit attributable to non-controlling interests	44	38
Profit attributable to owners of parent	2,141	3,913

## Consolidated statements of comprehensive income

	(Millions of yen)	
	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Profit	2,186	3,952
Other comprehensive income		
Valuation difference on available-for-sale securities	28	(6)
Foreign currency translation adjustment	2,106	4,560
Remeasurements of defined benefit plans, net of tax	73	(30)
Total other comprehensive income	2,208	4,523
Comprehensive income	4,394	8,475
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,329	8,418
Comprehensive income attributable to non-controlling interests	65	56

**Consolidated statement of changes in net assets**  
Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,640	8,744	37,829	(995)	51,217
Changes during period					
Dividends of surplus			(1,183)		(1,183)
Profit attributable to owners of parent			2,141		2,141
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				1	1
Net changes in items other than shareholders' equity					
Total changes during period	-	-	958	0	958
Balance at end of period	5,640	8,744	38,787	(994)	52,176

	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	4	(21)	1	(15)	317	51,519
Changes during period						
Dividends of surplus						(1,183)
Profit attributable to owners of parent						2,141
Purchase of treasury shares						(0)
Disposal of treasury shares						1
Net changes in items other than shareholders' equity	28	2,086	73	2,187	65	2,252
Total changes during period	28	2,086	73	2,187	65	3,211
Balance at end of period	33	2,064	74	2,171	382	54,731

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,640	8,744	38,787	(994)	52,176
Cumulative effects of changes in accounting policies			(55)		(55)
Restated balance	5,640	8,744	38,731	(994)	52,121
Changes during period					
Dividends of surplus			(1,183)		(1,183)
Profit attributable to owners of parent			3,913		3,913
Purchase of treasury shares				(316)	(316)
Disposal of treasury shares				126	126
Net changes in items other than shareholders' equity					
Total changes during period	-	-	2,729	(190)	2,539
Balance at end of period	5,640	8,744	41,461	(1,185)	54,660

	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	33	2,064	74	2,171	382	54,731
Cumulative effects of changes in accounting policies						(55)
Restated balance	33	2,064	74	2,171	382	54,675
Changes during period						
Dividends of surplus						(1,183)
Profit attributable to owners of parent						3,913
Purchase of treasury shares						(316)
Disposal of treasury shares						126
Net changes in items other than shareholders' equity	(6)	4,543	(30)	4,505	56	4,562
Total changes during period	(6)	4,543	(30)	4,505	56	7,101
Balance at end of period	26	6,607	43	6,677	439	61,776



## Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	2,788	4,570
Depreciation	4,789	5,356
Increase (decrease) in allowance for doubtful accounts	(1)	(18)
Increase (decrease) in provision for bonuses	(20)	97
Increase (decrease) in provision for share awards for directors (and other officers)	118	(68)
Increase (decrease) in retirement benefit liability	(12)	2
Interest and dividend income	(65)	(50)
Interest expenses	27	36
Foreign exchange losses (gains)	(21)	(131)
Loss on retirement of non-current assets	122	112
Impairment losses	58	155
Decrease (increase) in trade receivables	(284)	(221)
Decrease (increase) in inventories	(679)	(2,674)
Increase (decrease) in trade payables	(166)	(287)
Decrease (increase) in consumption taxes refund receivable	(55)	235
Other, net	124	265
Subtotal	6,723	7,378
Interest and dividends received	70	55
Interest paid	(26)	(36)
Income taxes paid	(532)	(706)
Net cash provided by (used in) operating activities	6,234	6,691
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,760)	(5,438)
Purchase of intangible assets	(50)	(734)
Purchase of investment securities	(1)	(1)
Other, net	(68)	(74)
Net cash provided by (used in) investing activities	(4,881)	(6,248)
Cash flows from financing activities		
Repayments of long-term borrowings	(56)	(9)
Purchase of treasury shares	(0)	(316)
Dividends paid	(1,184)	(1,183)
Repayments of lease liabilities	(138)	(101)
Net cash provided by (used in) financing activities	(1,379)	(1,611)
Effect of exchange rate change on cash and cash equivalents	467	974
Net increase (decrease) in cash and cash equivalents	440	(193)
Cash and cash equivalents at beginning of period	13,819	14,260
Cash and cash equivalents at end of period	14,260	14,066