

**Translation**

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2020 (Based on Japanese GAAP)

August 4, 2020

Company name: IRISO ELECTRONICS CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 6908 URL <http://www.iriso.co.jp>  
 Representative: President & CEO Ikuo Yuki  
 Inquiries: Director & Managing Executive Officer / General  
 Manager of Administration Division Toshihiko Miyauchi TEL 045-478-3111  
 Scheduled date file Quarterly Securities Report: August 6, 2020  
 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the three months ended June 30, 2020 (from April 1, 2020 to June 30, 2020)

(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	%
Three months ended June 30, 2020	5,836	(41.9)	(395)	-	(410)	-	(432)	-
Three months ended June 30, 2019	10,040	(7.8)	1,398	(27.1)	1,347	(35.0)	909	(42.8)

(Note) Comprehensive income: Three months ended June 30, 2020: ¥(605) million [-%]  
 Three months ended June 30, 2019: ¥(361) million [-%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2020	(18.37)		-	
Three months ended June 30, 2019	38.60		-	

### (2) Consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
As of June 30, 2020	57,377		49,729		86.1		2,096.06	
As of March 31, 2020	60,638		51,519		84.4		2,172.66	

(Reference) Equity: As of June 30, 2020: ¥49,397 million  
 As of March 31, 2020: ¥51,202 million

## 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
Year ended March 31, 2020	Yen -	Yen 0.00	Yen -	Yen 50.00	Yen 50.00
Year ending March 31, 2021	-				
Year ending March 31, 2021 (Forecast)		0.00	-	40.00	40.00

(Note) Revision to the forecast for dividends announced most recently: No

## 3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

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	14,000	(30.2)	(500)	-	(530)	-	(560)	-	(23.76)
Full year	34,000	(14.2)	1,400	(69.8)	1,400	(70.0)	1,100	(66.5)	46.68

(Note) Revision to the forecast for dividends announced most recently: Yes

### \* Notes:

- (1) Changes in significant subsidiaries during the three months ended June 30, 2020  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes
- (3) 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: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

### (4) Number of issued shares (common shares)

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

As of June 30, 2020	24,583,698 shares	As of March 31, 2020	24,583,698 shares
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Number of treasury shares at the end of the period:

As of June 30, 2020	1,017,079 shares	As of March 31, 2020	1,017,024 shares
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Average number of shares during the period:

Three months ended June 30, 2020	23,566,662 shares	Three months ended June 30, 2019	23,566,673 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 June 30, 2020: 106,940 shares, as of March 31, 2020: 106,940 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.

**Quarterly consolidated financial statements**  
**Quarterly consolidated balance sheets**

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Assets		
Current assets		
Cash and deposits	13,819	12,902
Notes and accounts receivable - trade	10,104	7,573
Merchandise and finished goods	4,579	5,120
Work in process	27	30
Raw materials and supplies	2,237	2,252
Other	1,674	1,425
Allowance for doubtful accounts	(47)	(47)
Total current assets	32,395	29,258
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,571	7,535
Accumulated depreciation	(3,028)	(3,121)
Buildings and structures, net	4,543	4,414
Machinery, equipment and vehicles	26,782	27,201
Accumulated depreciation	(13,922)	(14,381)
Machinery, equipment and vehicles, net	12,859	12,819
Tools, furniture and fixtures	15,005	15,178
Accumulated depreciation	(11,610)	(11,795)
Tools, furniture and fixtures, net	3,395	3,382
Land	1,732	1,732
Construction in progress	3,680	3,685
Total property, plant and equipment	26,211	26,035
Intangible assets		
Software	272	262
Other	22	34
Total intangible assets	295	297
Investments and other assets		
Investment securities	595	605
Deferred tax assets	702	739
Other	496	499
Allowance for doubtful accounts	(58)	(58)
Total investments and other assets	1,735	1,786
Total non-current assets	28,242	28,119
Total assets	60,638	57,377

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	3,245	2,424
Short-term borrowings	358	363
Current portion of long-term borrowings	56	52
Income taxes payable	355	163
Provision for bonuses	467	326
Other	3,444	3,152
Total current liabilities	7,928	6,481
Non-current liabilities		
Long-term borrowings	9	-
Retirement benefit liability	529	535
Provision for share-based remuneration for directors (and other officers)	8	8
Other	643	623
Total non-current liabilities	1,190	1,166
Total liabilities	9,118	7,647
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,640	5,640
Capital surplus	8,744	8,744
Retained earnings	37,829	36,212
Treasury shares	(995)	(995)
Total shareholders' equity	51,217	49,601
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4	13
Foreign currency translation adjustment	(21)	(217)
Remeasurements of defined benefit plans	1	0
Total accumulated other comprehensive income	(15)	(204)
Non-controlling interests	317	332
Total net assets	51,519	49,729
Total liabilities and net assets	60,638	57,377

**Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income**

**Quarterly consolidated statements of income**

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Net sales	10,040	5,836
Cost of sales	6,533	4,239
Gross profit	3,506	1,596
Selling, general and administrative expenses	2,108	1,992
Operating profit (loss)	1,398	(395)
Non-operating income		
Interest income	11	15
Dividend income	1	1
Gain on sales of securities	12	-
Subsidy income	0	12
Other	9	5
Total non-operating income	35	34
Non-operating expenses		
Interest expenses	6	5
Foreign exchange losses	69	11
Compensation expenses	-	27
Other	10	5
Total non-operating expenses	86	49
Ordinary profit (loss)	1,347	(410)
Extraordinary losses		
Loss on retirement of non-current assets	22	38
Total extraordinary losses	22	38
Profit (loss) before income taxes	1,325	(449)
Income taxes - current	215	19
Income taxes - deferred	198	(36)
Total income taxes	413	(17)
Profit (loss)	912	(431)
Profit attributable to non-controlling interests	2	1
Profit (loss) attributable to owners of parent	909	(432)

**Quarterly consolidated statements of comprehensive income**

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Profit (loss)	912	(431)
Other comprehensive income		
Valuation difference on available-for-sale securities	(12)	8
Foreign currency translation adjustment	(1,258)	(181)
Remeasurements of defined benefit plans, net of tax	(3)	0
Total other comprehensive income	(1,274)	(174)
Comprehensive income	(361)	(605)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(366)	(621)
Comprehensive income attributable to non-controlling interests	4	15