

Consolidated Financial Results

For the Year Ended March 31, 2021

Company name: IBIDEN CO., LTD.

Stock exchange listings: Tokyo and Nagoya Stock Exchange (Code number: 4062)

URL: <https://www.ibiden.com/>

Representative: Takeshi Aoki, President & CEO, Representative Director

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The date of the Ordinary General Meeting of Shareholders: June 18, 2021

The filing date of annual securities report: June 18, 2021

Additional documents to supplement financial results: Yes

IR presentation: Yes

(Amounts less than one million yen are omitted)

1. Consolidated Financial Results for FY 2020 (From April 1, 2020 to March 31, 2021)

(1) Operating results (Percentage figures indicate the change from the same period of the prior fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit (loss) attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY 2020	323,461	9.3	38,634	96.3	40,716	90.6	25,698	126.8
FY 2019	295,999	1.7	19,685	94.2	21,364	69.6	11,329	242.7

Note: Comprehensive income

FY 2020 : 53,657 million yen (-%)

FY 2019 : 2,518 million yen (-%)

	Basic earnings per share	Diluted earnings per share	Return on Equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
FY 2020	183.94	-	8.8	7.4	11.9
FY 2019	81.08	-	4.2	4.5	6.7

Note: Share of profit(loss) of entities accounted for using equity method

FY 2020 : 0 million yen

FY 2019 : 0 million yen

(2) Financial positions

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY 2020	578,518	321,863	54.6	2,262.99
FY 2019	518,619	273,934	51.7	1,920.19

Note: Owner's equity

As of March 31, 2021 : 315,914 million yen

As of March 31, 2020 : 268,318 million yen

2. Notes

(1) Material changes in subsidiaries during this period : None

(2) Changes in accounting policies, accounting estimates and retrospective restatement

(i) Changes in accounting policies based on revisions of accounting standard: None

(ii) Changes in accounting policies other than the above: None

(iii) Changes in accounting estimates: None

(iv) Retrospective restatement: None

(3) Number of shares issued and outstanding (common stock)

(i) Number of shares outstanding (including treasury stock):

As of March 31, 2021	140,860,557 shares	As of March 31, 2020	140,860,557 shares
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(ii) Number of treasury stock :

As of March 31, 2021	1,260,507 shares	As of March 31, 2020	1,124,913 shares
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(iii) Average number of shares::

FY 2020	139,711,913 shares	FY 2019	139,735,305 shares
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*** This financial result is not subject to audit by certified public accountants or auditing firm.**

Consolidated balance sheet

	(Million yen)		
	As of Mar 31,2021	As of Mar 31,2020	Increase (Decrease)
Assets			
Current assets			
Cash and deposits	126,884	175,151	(48,267)
Notes and accounts receivable – trade	89,796	69,013	20,782
Merchandise and finished goods	13,653	12,416	1,236
Work in process	18,734	13,248	5,485
Raw materials and supplies	24,636	19,615	5,020
Other current assets	11,769	10,934	834
Allowance for doubtful accounts	(109)	(136)	26
Total current assets	285,364	300,244	(14,879)
Non-current assets			
Property, plant and equipment			
Buildings and structures	78,782	56,249	22,533
Machinery, equipment and vehicles	70,773	43,322	27,450
Land	19,971	19,800	171
Lease assets	246	7	238
Construction in progress	38,590	48,731	(10,141)
Other - property, plant and equipment	6,463	5,403	1,060
Total property, plant and equipment	214,828	173,514	41,313
Intangible assets	5,392	4,486	905
Investments and other assets			
Investment securities	68,198	34,461	33,736
Long-term loans receivable	8	8	(0)
Deferred tax assets	3,488	4,463	(975)
Other assets	1,480	1,684	(203)
Allowance for doubtful accounts	(242)	(244)	1
Total investments and other assets	72,933	40,374	32,559
Total non-current assets	293,153	218,374	74,778
Total assets	578,518	518,619	59,899

(Continued)

	(Million yen)		
	As of Mar 31,2021	As of Mar 31,2020	Increase (Decrease)
Liabilities and net assets			
Liabilities			
Current liabilities			
Notes and accounts payable – trade	45,717	45,555	162
Short-term loans payable	20,130	30,030	(9,899)
Current portion of bonds	15,000	-	15,000
Accounts payable - other	17,492	18,188	(695)
Income taxes payable	5,624	3,016	2,608
Provision for bonuses	4,802	3,906	895
Provision for bonuses for directors	155	132	23
Provision for loss on liquidation of subsidiaries and associates	225	763	(538)
Notes payable - facilities	8,606	7,721	885
Other - current liabilities	14,144	11,422	2,722
Total current liabilities	131,899	120,736	11,163
Non-current liabilities			
Bonds payable	35,000	50,000	(15,000)
Long-term loans payable	80,044	70,000	10,044
Lease obligations	172	38	133
Deferred tax liabilities for land revaluation	68	68	-
Retirement benefit liability	1,078	827	251
Provision for share-based compensation	352	250	102
Deferred tax liabilities	7,117	1,644	5,473
Other - non-current liabilities	921	1,118	(197)
Total non-current liabilities	124,755	123,948	807
Total liabilities	256,655	244,684	11,970

(Continued)

	(Million yen)		
	As of Mar 31,2021	As of Mar 31,2020	Increase (Decrease)
Net assets			
Shareholders' equity			
Capital stock	64,152	64,152	-
Capital surplus	64,433	64,579	(145)
Retained earnings	149,379	128,578	20,801
Treasury shares	(3,286)	(2,575)	(710)
Total shareholders' equity	274,679	254,734	19,945
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	28,638	9,232	19,406
Revaluation reserve for land	160	160	-
Foreign currency translation adjustment	12,435	4,191	8,244
Total accumulated other comprehensive income	41,234	13,584	27,650
Non-controlling interests	5,949	5,615	333
Total net assets	321,863	273,934	47,928
Total liabilities and net assets	578,518	518,619	59,899
			(Concluded)

Consolidated statement of income

	(Million yen)		
	Year ended Mar 31, 2021	Year ended Mar 31, 2020	Increase (Decrease)
Net sales	323,461	295,999	27,462
Cost of sales	238,011	227,845	10,166
Gross profit	85,449	68,153	17,296
Selling, general and administrative expenses	46,815	48,467	(1,652)
Operating profit	38,634	19,685	18,948
Non-operating income (expenses)	2,082	1,678	403
Interest income	130	288	(157)
Dividends income	1,092	1,034	57
Share of profit(loss) of entities accounted for using equity method	0	0	0
Foreign exchange gain(losses), net	677	587	89
Interest expenses	(258)	(194)	(63)
Bond issuance cost	-	(146)	146
Loss on mothballing of operation	-	(91)	91
Other, net	439	201	238
Ordinary profit	40,716	21,364	19,352
Extraordinary income (losses)	(8,550)	(3,839)	(4,711)
Gain on sales of non-current assets	75	236	(161)
Gain on sales of Investment securities	64	20	44
Insurance claim income	151	-	151
Loss on retirement of non-current assets	(2,562)	(2,427)	(135)
Impairment loss	(4,069)	(458)	(3,611)
Loss on sales of investment securities	-	(45)	45
Loss on valuation of investment securities	(29)	-	(29)
Loss on liquidation of subsidiaries and associates	-	(458)	458
Extra retirement payments	-	(513)	513
Compensation expenses	(996)	-	(996)
Loss on disaster	(502)	-	(502)
Other, net	(680)	(192)	(487)
Profit before income taxes	32,165	17,525	14,640
Income taxes	(6,246)	(5,987)	(259)
Profit	25,918	11,537	14,381
Profit attributable to:			
Non-controlling interests	220	207	12
Owners of parent	25,698	11,329	14,368

Consolidated statement of comprehensive income

	(Million yen)		
	Year ended Mar 31,2021	Year ended Mar 31,2020	Increase (Decrease)
Profit	25,918	11,537	14,381
Other comprehensive income (loss)			
Valuation difference on available-for-sale securities	19,472	(3,207)	22,679
Foreign currency translation adjustments	8,266	(5,811)	14,078
Total other comprehensive income (loss)	27,738	(9,019)	36,758
Comprehensive income (loss)	53,657	2,518	51,139
Comprehensive income (loss) attributable to:			
Owners of parent	53,348	2,325	51,023
Non-controlling interests	309	193	115

Consolidated Statement of Cash Flows

	(Million yen)		
	Year ended March 31, 2021	Year ended March 31, 2020	Increase (Decrease)
Cash flows from operating activities :			
Income before income taxes	32,165	17,525	14,640
Depreciation and amortization	35,413	24,222	11,190
Impairment loss	4,069	458	3,611
Increase (decrease) in provision for bonuses	893	469	424
Increase (decrease) in provision for directors' bonuses	23	43	(20)
Decrease in allowance for doubtful accounts	(29)	20	(50)
Increase (decrease) in net defined benefit liability	194	36	158
Interest and dividend income	(1,222)	(1,322)	100
Interest expenses	258	194	63
Share of loss (profit) of entities accounted for using equity method	(0)	(0)	(0)
Loss (gain) on sales of property, plant and equipment	(75)	(6)	(68)
Loss on retirement of property, plant and equipment	2,562	2,197	365
Loss (gain) on sales of investment securities	(64)	24	(89)
Loss (gain) on valuation of investment securities	29	-	29
Loss on mothballing of operation	-	91	(91)
loss on liquidation of subsidiaries and affiliates	-	458	(458)
Increase (decrease) in notes and accounts receivable-trade	(17,721)	(9,624)	(8,097)
Increase(decrease) in inventories	(9,968)	2,520	(12,488)
Increase (decrease) in notes and accounts payable-trade	(1,450)	6,807	(8,258)
Increase in accrued expenses	(238)	(33)	(204)
Other, net	(1,303)	(13,072)	11,768
Subtotal	43,535	31,011	12,524
Interest and dividends income received	1,222	1,323	(101)
Interest expenses paid	(258)	(194)	(63)
Income taxes paid	(5,545)	(6,043)	498
Net cash provided by operating activities	38,954	26,096	12,858

(Continued)

	(Million yen)		
	Year ended March 31, 2021	Year ended March 31, 2020	Increase (Decrease)

Cash flows from investing activities:

Purchases of property, plant and equipment	(75,350)	(37,268)	(38,081)
Proceeds from sales of property, plant and equipment	637	844	(206)
Purchases of intangible assets	(1,173)	(1,226)	52
Purchases of investment securities	(6,199)	(26)	(6,172)
Proceeds from sales of investment securities	95	177	(81)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(584)	-	(584)
Decrease (increase) in short-term loans receivable	0	(1)	1
Collection of long-term loans receivable	0	0	-
Other, net	227	(582)	809
Net cash used in investing activities	(82,345)	(38,083)	(44,261)

Cash flows from financing activities:

Net increase (decrease) in short-term loans payable	(37)	-	(37)
Proceeds from long-term loans payable	10,008	70,000	(59,991)
Repayment of long-term loans payable	(10,000)	-	(10,000)
Proceeds from issuance of bonds	-	35,000	(35,000)
Redemption of bonds	-	(25,000)	25,000
Purchases of treasury stock	(762)	(2)	(759)
Proceeds from sales of treasury shares	52	29	22
Cash dividends paid	(4,896)	(4,896)	0
Cash dividends paid to non-controlling interests	(14)	(14)	0
Repayment of lease obligation	(586)	(565)	(21)
Other, net	-	(66)	66
Net cash provided by (used in) financing activities	(6,236)	74,483	(80,720)

Effect of exchange rate changes on cash and cash equivalents

	1,627	(1,105)	2,733
Net increase in cash and cash equivalents	(47,999)	61,391	(109,390)
Cash and cash equivalents at beginning of year	174,884	113,492	61,391
Cash and cash equivalents at end of year	126,884	174,884	(47,999)

(Concluded)

Segment Information

FY 2019 (From April 1, 2019 to March 31, 2020)

(1) Sales and profit (loss) information of each Segment

						(Million yen)
Reportable Segment						
	Electronics	Ceramics	Others (*1)	Total	Adjustment (*2)	Consolidated Statements of Income(*3)
Net sales						
Sales to third parties	132,170	88,427	75,401	295,999	-	295,999
Intersegment sales and transfers	3	214	21,790	22,008	(22,008)	-
Total	132,173	88,641	97,192	318,007	(22,008)	295,999
Segment profit (loss)	14,892	(981)	5,827	19,737	(52)	19,685
Segment assets	153,669	109,295	79,297	342,262	176,356	518,619
Depreciation and amortization	12,324	8,444	1,198	21,966	2,255	24,222
Increase in property, plant and equipment and intangible assets	48,703	6,255	982	55,941	2,295	58,236

*1 The "Others" section refers to businesses not included in a reportable segment.

*2 The (52) million yen adjustment to segment profit (loss) is an elimination for intersegment transactions and corporate expenses that cannot be allocated to reportable segments.

*3 Segment profit (loss) is reconciled to operating income in the Consolidated income statements.

(2) Impairment losses on non-current assets, goodwill, etc. by reporting segment

For idle assets that do not belong to any reportable segment, the Company lowered the book value to the expected recoverable amount. As a result, the Company recognized an impairment loss of 458 million yen for this fiscal year.

FY 2020 (From April 1, 2020 to March 31, 2021)

(1) Sales and profit (loss) information of each Segment

						(Million yen)
Reportable Segment						
	Electronics	Ceramics	Others (*1)	Total	Adjustment (*2)	Consolidated Statements of Income(*3)
Net sales						
Sales to third parties	166,070	87,355	70,036	323,461	-	323,461
Intersegment sales and transfers	3	186	18,976	19,166	(19,166)	-
Total	166,073	87,541	89,012	342,628	(19,166)	323,461
Segment profit (loss)	27,809	4,631	6,550	38,991	(357)	38,634
Segment assets	225,299	110,751	69,989	406,040	172,478	578,518
Depreciation and amortization	25,626	6,817	1,158	33,602	1,811	35,413
Increase in property, plant and equipment and intangible assets	70,481	3,359	891	74,732	4,659	79,392

*1 The "Others" section refers to businesses not included in a reportable segment.

*2 The (357) million yen adjustment to segment profit (loss) is an elimination for intersegment transactions and corporate expenses that cannot be allocated to reportable segments.

*3 Segment profit (loss) is reconciled to operating income in the Consolidated income statements.

(2) Impairment losses on non-current assets, goodwill, etc. by reporting segment

(Impairment loss on non-current assets)

For idle assets that don't belong to any reportable segment, the Company lowered the book value to the expected recoverable amount. As a result, the Company recognized an impairment loss of 4,069 million yen for this fiscal year.

(Significant change in goodwill)

As a result of acquiring shares and conversion to a subsidiary of LG Graphite Srl, the amount of goodwill in the Ceramics segment increased by 435 million yen for this fiscal year.

(3) Changes in reportable segments

The Construction segment, which was previously a reportable segment, was included in the "Others" due to its decreased significance since the beginning of this fiscal year.

Segment information for the previous fiscal year's corresponding period was prepared following this change.