

Consolidated Financial Results for the Fiscal Year Ended March 2020 [Japan GAAP]

April 28, 2020

Name of Company:	Futaba Industrial Co. Ltd.
Stock Code:	7241
Stock Exchange Listing:	Tokyo Stock Exchange, First Section, Nagoya Stock Exchange, First section
URL:	http://www.futabasangyo.com/en/index.html
Representative:	Title: President Name: Hiroyoshi Yoshiki
Contact Person:	Title: Accounting Manager Name: Keiichi Toriyama
Tel:	+81-(564) 31-2211
Scheduled date of ordinary general shareholders meeting:	June 19, 2020
Scheduled date of filing securities report:	June 22, 2020
Scheduled date of commencement of dividend payment:	June 3, 2020
Supplementary materials for financial results:	Yes
Information meeting for financial results:	None

(Yen in millions, rounded down)

1. Financial results for the current fiscal year (April 1, 2019 – March 31, 2020)

(1) Result of Operations (Consolidated)

(Percentage figures represent year on year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2020	476,165	3.1	10,621	56.3	9,968	54.6	6,357	81.2
FY2019	461,705	4.8	6,797	(39.6)	6,449	(41.1)	3,509	(67.3)

Note: Comprehensive income: FY2020: 2,915 million yen [94.5%] FY2019: 1,499 million yen[(86.8)%]

	Earnings per share	Earnings per share fully diluted	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
FY2020	71.03	-	9.5	4.0	2.2
FY2019	39.22	-	5.3	2.6	1.5

Reference: Equity in earnings of affiliates FY2020: (143) million yen FY2019: 17million yen

(2) Financial Position (Consolidated)

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2020	253,517	76,488	26.6	753.80
As of March 31, 2019	249,061	75,211	26.4	734.90

Reference: Shareholders' equity: As of Mar. 31, 2020: 67,479 million yen As of Mar. 31, 2019: 65,756 million yen

(3) Cash flows (Consolidated)

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
FY2020	34,020	(26,443)	(5,572)	9,370
FY2019	25,410	(30,961)	1,489	7,541

2. Dividends

	Dividend per share					Annual aggregate amount	Payout ratio (Consolidated)	Dividends/net assets (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of FY	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY2019	-	0.00	-	10.00	10.00	894	25.5	1.4
FY2020	-	0.00	-	10.00	10.00	895	14.1	1.3
FY2021 (estimated)	-	-	-	-	-	-	-	-

(Note) There is no forecast for FY2021.

3. Forecast for the fiscal year ending March 2021 (Consolidated, April 1, 2020 - March 31, 2021)

There is no forecast for the fiscal year ending in March 2021 because the COVID-19 pandemic makes it impossible to determine a reliable forecast at this time. The company plans to make an announcement when it becomes possible to establish a forecast.

* Notes

(1) Changes in significant subsidiaries

(Changes in specific subsidiaries accompanied by changes in the scope of consolidation): None

Newly consolidated company: None

Excluded: None

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

(a) Changes due to revision of accounting standards: Yes

(b) Changes other than in (a): None

(c) Changes in accounting estimates: None

(d) Retrospective restatement: None

(Note) Please see "3. Consolidated Financial Statements and Important Notes, (5) Note to the consolidated financial statements" on page 11 for more details.

(3) Number of shares outstanding (common stock)

(a) Shares outstanding (including treasury shares)

End of FY2020:	89,580,827	End of FY2019:	89,580,827
End of FY2020:	61,739	End of FY2019:	103,205
FY2020:	89,507,155	FY2019:	89,478,127

(b) Treasury shares

(c) Average number of shares outstanding during the year

[Reference] Non-consolidated Financial Results

Non-consolidated financial results for the fiscal year ended March 2020 (April 1, 2019 – March 31, 2020)

(1) Result of operations (Non-consolidated)

(Percentage figures represent year on year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2020	262,642	(0.5)	3,927	117.3	6,304	16.7	3,914	(10.3)
FY2019	263,845	2.7	1,807	(54.7)	5,400	(38.0)	4,364	(13.0)

	Earnings per share		Earnings per share fully diluted	
	Yen		Yen	
FY2020	43.73		-	
FY2019	48.77		-	

(2) Financial Position (Non-consolidated)

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2020	159,732	47,840	30.0	534.42
As of March 31, 2019	163,046	45,522	27.9	508.76

Reference: Shareholders' equity

As of March 31, 2020: 47,840 million yen

As of March 31, 2019: 45,522 million yen

* This report is exempt from the audit procedure by certified public accountants or accounting firms.

* Cautionary statement regarding forecasts of operating results and special notes

The forward-looking statements contained in this report are based on information currently available to management. As such, these estimates are subject to uncertainties. In addition, actual results may differ materially from those discussed in the forward-looking statement due to in changes in the economy, markets, stock prices and exchange rates.

Index for Supplementary Information

1. Results of Operations	2
(1) Overview on consolidated business performance for the current fiscal year	2
(2) Analysis of financial condition	2
(3) Cash flows	3
(4) Outlook	3
2. Basic Position concerning Selection of Accounting Standards	3
3. Consolidated Financial Statements and Important Notes	4
(1) Consolidated balance sheet	4
(2) Consolidated statements of income and comprehensive income	6
(3) Consolidated statement of changes in equity	8
(4) Consolidated statement of cash flows	10
(5) Note to the consolidated financial statements	11
(Notes to going concern assumptions)	11
(Changes in accounting principles)	11
(Segment information)	11
(Per-share information)	13
(Significant subsequent events)	13

1. Results of Operations

(1) Overview on consolidated business performance for the current fiscal year

During the fiscal year, the economic recovery in North America continued and there was a slow economic recovery in Europe. In Asia, the pace of economic growth gradually decreased in China and there were slow economic recoveries in India, Indonesia and other countries that were backed mainly by internal demand. In the final months of FY2020, however, the COVID-19 outbreak held down economic activity worldwide. Currently, this crisis has been having a severe impact on economies worldwide. In Japan, while the slow recovery of the economy had been continued as the labor market improved, the COVID-19 pandemic has dramatically reduced economic activity in Japan and this extremely difficult environment is expected to continue.

In the automobile industry, which is the main source of sales for the Futaba Group, sales volumes were lower than in the previous fiscal year broadly in Japan, North America, Europe and Asia. Furthermore, supply chain disruptions caused by suspensions of operations in the automobile industry due to the COVID-19 pandemic are likely to continue for a long time. The Futaba Group has formulated and is implementing a five-year plan that is based on the enforcement of the basics of “Safety, Quality, and MONOZUKURI (manufacturing)”, and structural reform and strengthening of cost management to secure a stable income.

Net sales increased 3.1% from the previous fiscal year to 476.1 billion yen. Earnings were much higher mainly because of improvements made for streamlining operations and higher sales of motor vehicle parts. Operating profit was up 56.3% to 10.6 billion yen, ordinary profit increased 54.6% to 9.9 billion yen and profit attributable to owners of parent was up 81.2% to 6.3 billion yen.

Geographic segment performance was as follows.

- 1) Japan
Sales decreased 0.7% to 264.2 billion yen, down 1.9 billion yen and operating profit increased 89.7% to 5.1 billion yen.
- 2) North America
Sales decreased 4.5% to 100.4 billion yen, down 4.7 billion yen and operating profit decreased 31.6% to 1.5 billion yen.
- 3) Europe
Sales decreased 12.4% to 29.2 billion yen, down 4.1 billion yen and there was operating profit of 0.7 billion yen compared with operating loss of 0.9 billion yen one year earlier.
- 4) Asia
Sales increased 27.4% to 99.1 billion yen, up 21.3 billion yen and operating profit was up 14.6% to 3.3 billion yen.

(2) Analysis of financial condition

Total assets increased 4.4 billion yen at the end of March 2020 from the end of the previous fiscal year to 253.5 billion yen mainly due to increases in cash and deposits, notes and accounts receivable - trade, and machinery, equipment and vehicles. Total liabilities amounted to 177.0 billion yen, a 3.1 billion yen increase from the end of the previous fiscal year, mainly due to an increase in notes and accounts payable - trade. Net assets increased 1.2 billion yen from the end of the previous fiscal year to 76.4 billion yen due mainly to an increase of retained earnings.

(3) Cash flows

Cash and cash equivalents of the Futaba Group increased 1.8 billion yen from the end of the previous fiscal year to 9.3 billion yen. The major components of cash flows were as follows.

(Cash flows from operating activities)

Net cash provided by operating activities increased 8.6 billion yen (33.9%) to 34.0 billion yen in part because of the increase in profit before income taxes.

(Cash flows from investing activities)

Net cash used in investing activities decreased 4.5 billion yen (14.6%) to 26.4 billion yen. This was mainly due to a decrease in purchase of property, plant and equipment.

(Cash flows from financing activities)

Net cash used in financing activities was 5.5 billion yen compared with a positive cash flow of 1.4 billion yen in the previous fiscal year. The primary use of cash was repayments of long-term borrowings.

(4) Outlook

There is no forecast for the fiscal year ending in March 2021 because the COVID-19 pandemic makes it impossible to determine a reliable forecast at this time. Futaba plans to make an announcement when it becomes possible to establish a forecast.

2. Basic Position concerning Selection of Accounting Standards

Company manuals, guidelines and other materials are being revised to prepare for transition to IFRS. The timing of adoption of the IFRS standard is currently under consideration.

3. Consolidated Financial Statements and Important Notes

(1) Consolidated balance sheet

(Million yen)

	As of March 31, 2019	As of March 31, 2020
Assets		
Current assets		
Cash and deposits	8,062	9,376
Notes and accounts receivable - trade	67,731	69,129
Finished goods	4,029	4,456
Work in process	11,551	12,223
Raw materials and supplies	5,041	6,148
Other	7,558	6,835
Allowance for doubtful accounts	(61)	(41)
Total current assets	103,912	108,128
Non-current assets		
Property, plant and equipment		
Buildings and structures	72,301	71,906
Accumulated depreciation	(40,846)	(42,208)
Buildings and structures, net	31,454	29,698
Machinery, equipment and vehicles	212,562	219,229
Accumulated depreciation	(167,573)	(168,979)
Machinery, equipment and vehicles, net	44,989	50,249
Tools, furniture and fixtures	62,775	68,301
Accumulated depreciation	(49,098)	(57,660)
Tools, furniture and fixtures, net	13,676	10,640
Land	14,382	14,302
Leased assets	21,638	18,828
Accumulated depreciation	(21,532)	(16,556)
Leased assets, net	105	2,272
Construction in progress	16,048	16,054
Total property, plant and equipment	120,657	123,218
Intangible assets		
Software	846	912
Other	100	35
Total intangible assets	946	948
Investments and other assets		
Investment securities	13,533	12,232
Long-term loans receivable	852	810
Retirement benefit asset	6,737	6,275
Deferred tax assets	2,186	1,905
Other	1,414	1,149
Allowance for doubtful accounts	(1,179)	(1,149)
Total investments and other assets	23,544	21,222
Total non-current assets	145,149	145,389
Total assets	249,061	253,517

(Million yen)

	As of March 31, 2019	As of March 31, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	49,535	51,459
Electronically recorded obligations - operating	4,324	4,243
Short-term borrowings	13,903	9,499
Current portion of long-term borrowings	9,675	13,442
Income taxes payable	436	742
Accrued consumption taxes	1,069	2,155
Provision for bonuses for directors (and other officers)	67	39
Accrued expenses	11,859	10,630
Other	7,293	9,735
Total current liabilities	98,165	101,947
Non-current liabilities		
Bonds payable	12,000	12,000
Long-term borrowings	49,253	45,534
Deferred tax liabilities	4,666	6,004
Provision for retirement benefits for directors (and other officers)	82	-
Provision for product warranties	174	191
Retirement benefit liability	9,219	9,728
Other	288	1,623
Total non-current liabilities	75,684	75,081
Total liabilities	173,850	177,029
Net assets		
Shareholders' equity		
Share capital	16,820	16,820
Capital surplus	13,416	13,377
Retained earnings	27,886	33,348
Treasury shares	(152)	(89)
Total shareholders' equity	57,970	63,456
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,168	4,445
Foreign currency translation adjustment	1,909	(803)
Remeasurements of defined benefit plans	708	381
Total accumulated other comprehensive income	7,786	4,023
Non-controlling interests	9,454	9,008
Total net assets	75,211	76,488
Total liabilities and net assets	249,061	253,517

(2) Consolidated statements of income and comprehensive income

Consolidated statement of income

(Million yen)

	Fiscal year ended March 31, 2019 (Apr. 1, 2018 – Mar. 31, 2019)	Fiscal year ended March 31, 2020 (Apr. 1, 2019 – Mar. 31, 2020)
Net sales	461,705	476,165
Cost of sales	431,533	442,415
Gross profit	30,172	33,750
Selling, general and administrative expenses	23,375	23,128
Operating profit	6,797	10,621
Non-operating income		
Interest income	123	100
Dividend income	326	314
Gain on sales of scraps	295	245
Share of profit of entities accounted for using equity method	17	-
Subsidy income	-	438
Miscellaneous income	633	544
Total non-operating income	1,396	1,644
Non-operating expenses		
Interest expenses	876	917
Loss on abandonment of non-current assets	289	366
Share of loss of entities accounted for using equity method	-	143
Foreign exchange losses	137	634
Miscellaneous loss	440	237
Total non-operating expenses	1,743	2,297
Ordinary profit	6,449	9,968
Extraordinary income		
Gain on liquidation of subsidiaries and associates	-	623
Gain on sales of investment securities	86	2
Total extraordinary income	86	626
Extraordinary losses		
Impairment loss	362	-
Loss on valuation of investment securities	14	253
Total extraordinary losses	377	253
Profit before income taxes	6,158	10,340
Income taxes - current	1,024	1,361
Income taxes - deferred	968	1,939
Total income taxes	1,993	3,301
Profit	4,164	7,039
Profit attributable to non-controlling interests	655	681
Profit attributable to owners of parent	3,509	6,357

Consolidated statement of comprehensive income

(Million yen)

	Fiscal year ended March 31, 2019 (Apr. 1, 2018 – Mar. 31, 2019)	Fiscal year ended March 31, 2020 (Apr. 1, 2019 – Mar. 31, 2020)
Profit	4,164	7,039
Other comprehensive income		
Valuation difference on available-for-sale securities	(651)	(724)
Foreign currency translation adjustment	(1,634)	(3,039)
Remeasurements of defined benefit plans, net of tax	(39)	(326)
Share of other comprehensive income of entities accounted for using equity method	(340)	(33)
Total other comprehensive income	(2,665)	(4,124)
Comprehensive income	1,499	2,915
Comprehensive income attributable to owners of parent	1,427	2,595
Comprehensive income attributable to non-controlling interests	71	320

(3) Consolidated statement of changes in equity

Previous fiscal year (Apr. 1, 2018 – Mar. 31, 2019)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	16,820	13,370	25,546	(151)	55,585
Changes during period					
Dividends of surplus			(894)		(894)
Profit attributable to owners of parent			3,509		3,509
Purchase of treasury shares				(0)	(0)
Purchase of shares of consolidated subsidiaries		46			46
Change in scope of equity method			(275)		(275)
Net changes in items other than shareholders' equity					
Total changes during period	-	46	2,339	(0)	2,385
Balance at end of period	16,820	13,416	27,886	(152)	57,970

	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	5,818	3,301	748	9,868	10,237	75,691
Changes during period						
Dividends of surplus						(894)
Profit attributable to owners of parent						3,509
Purchase of treasury shares						(0)
Purchase of shares of consolidated subsidiaries						46
Change in scope of equity method						(275)
Net changes in items other than shareholders' equity	(650)	(1,392)	(39)	(2,081)	(782)	(2,864)
Total changes during period	(650)	(1,392)	(39)	(2,081)	(782)	(479)
Balance at end of period	5,168	1,909	708	7,786	9,454	75,211

Current fiscal year (Apr. 1, 2019 – Mar. 31, 2020)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	16,820	13,416	27,886	(152)	57,970
Changes during period					
Dividends of surplus			(894)		(894)
Profit attributable to owners of parent			6,357		6,357
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		(39)		63	23
Net changes in items other than shareholders' equity					
Total changes during period	-	(39)	5,462	62	5,485
Balance at end of period	16,820	13,377	33,348	(89)	63,456

	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	5,168	1,909	708	7,786	9,454	75,211
Changes during period						
Dividends of surplus						(894)
Profit attributable to owners of parent						6,357
Purchase of treasury shares						(1)
Disposal of treasury shares						23
Net changes in items other than shareholders' equity	(722)	(2,712)	(326)	(3,762)	(446)	(4,208)
Total changes during period	(722)	(2,712)	(326)	(3,762)	(446)	1,276
Balance at end of period	4,445	(803)	381	4,023	9,008	76,488

(4) Consolidated statement of cash flows

(Million yen)

	Fiscal year ended March 31, 2019 (Apr. 1, 2018 – Mar. 31, 2019)	Fiscal year ended March 31, 2020 (Apr. 1, 2019 – Mar. 31, 2020)
Cash flows from operating activities		
Profit before income taxes	6,158	10,340
Depreciation	23,083	24,497
Impairment loss	362	-
Increase (decrease) in allowance for doubtful accounts	62	(48)
Increase (decrease) in provision for bonuses for directors (and other officers)	7	(27)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	15	(82)
Increase (decrease) in provision for product warranties	(10)	17
Interest and dividend income	(449)	(415)
Subsidy income	-	(438)
Interest expenses	876	917
Loss on abandonment of property, plant and equipment	287	370
Share of loss (profit) of entities accounted for using equity method	(17)	143
Loss (gain) on liquidation of shares of subsidiaries and associates	-	(623)
Decrease (increase) in trade receivables	1,618	(2,695)
Decrease (increase) in inventories	(1,285)	(2,737)
Increase (decrease) in trade payables	(4,992)	2,688
Increase (decrease) in accrued consumption taxes	358	1,118
Other	752	1,912
Subtotal	26,830	34,937
Interest and dividends received	618	532
Interest paid	(862)	(908)
Income taxes (paid) refund	(1,174)	(759)
Subsidies received	-	219
Net cash provided by (used in) operating activities	25,410	34,020
Cash flows from investing activities		
Payments into time deposits	(4,230)	(5)
Proceeds from withdrawal of time deposits	5,612	501
Purchase of property, plant and equipment	(33,076)	(26,598)
Proceeds from sales of property, plant and equipment	196	93
Proceeds from sales and redemption of investment securities	368	2
Other	168	(437)
Net cash provided by (used in) investing activities	(30,961)	(26,443)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(3,114)	(3,730)
Proceeds from long-term borrowings	7,117	10,158
Repayments of long-term borrowings	(12,544)	(9,586)
Repayments of lease obligations	(54)	(538)
Proceeds from issuance of bonds	12,000	-
Dividends paid	(893)	(894)
Dividends paid to non-controlling interests	(981)	(979)
Other	(39)	(1)
Net cash provided by (used in) financing activities	1,489	(5,572)
Effect of exchange rate change on cash and cash equivalents	(357)	(175)
Net increase (decrease) in cash and cash equivalents	(4,419)	1,828
Cash and cash equivalents at beginning of period	11,960	7,541
Cash and cash equivalents at end of period	7,541	9,370

(5) Note to the consolidated financial statements

(Notes to going concern assumptions)

None

(Changes in accounting principles)

(Application of IFRS 16 Leases)

Subsidiaries that use international financial reporting standards started applying International Financial Reporting Standard 16 Leases (IFRS 16) at the beginning of the fiscal year that ended on March 31, 2020. As a result, in principle, all leases are recognized as balance sheet assets and liabilities. For the application of IFRS 16, the cumulative effect of using this standard was recognized on the first day this standard was applied, which is a transitional method allowed by IFRS 16.

Due to the application of IFRS 16, property, plant and equipment increased 1,681 million yen, other current liabilities increased 482 million yen, and other non-current liabilities increased 1,257 million yen. In addition, land use rights of 475 million yen, which was included in other investments and other assets in prior years, is included in leased assets, net beginning with the fiscal year that ended on March 31, 2020. These changes had only a negligible effect on earnings in this fiscal year.

(Segment information)

1. Overview of reportable segment information

The reportable segments are the constituent units of Futaba for which separate financial information can be obtained and for which the Board of Directors performs periodic examinations to determine the allocation of resources and to assess results of operations.

Futaba is engaged primarily in the manufacture and sale of parts for automobiles and other motor vehicles. Futaba and subsidiaries perform operations in Japan and subsidiaries in North America, Europe and Asia perform operations outside Japan. Each overseas subsidiary is managed separately and conducts operations for products based on a comprehensive strategy for its respective region.

Consequently, Futaba consists of geographic segments that include manufacturing and sales operations. There are four reportable segments: Japan, North America, Europe and Asia. Each reportable segment is engaged in the manufacture and sale of parts for automobiles and other motor vehicles.

2. Method for determining sales, earnings or losses, assets and other items for reportable segments

The accounting method for reportable segments is generally the same as the accounting policies adopted for preparation of the consolidated financial statements. Intersegment revenue and transfers are based on prevailing market prices.

3. Reportable segment sales, profit or loss, assets, liabilities and other information
Previous fiscal year (Apr. 1, 2018 – Mar. 31, 2019)

(Million yen)

	Reportable segments					Adjustments (Notes)	Total
	Japan	North America	Europe	Asia	Total		
Net sales							
of which to outside customers	245,561	105,116	33,297	77,731	461,705	-	461,705
of which inter-segment and transfers	20,552	112	76	108	20,849	(20,849)	-
Total	266,113	105,228	33,373	77,839	482,555	(20,849)	461,705
Segment profit (loss)	2,692	2,326	(909)	2,928	7,037	(240)	6,797
Segment assets	156,864	59,317	20,766	40,635	277,584	(28,522)	249,061
Other							
Depreciation	15,872	3,273	980	3,035	23,160	(82)	23,078

Notes

1. Adjustments are as follows.

- (1) The segment profit adjustment of negative 240 million yen is for the elimination of intersegment transactions.
- (2) The segment assets adjustment of negative 28,522 million yen includes a 9,081 million yen addition for corporate assets and a 37,603 million yen deduction for netting out amounts receivable and payable. Corporate assets are primarily funds (cash, deposits and investment securities) at the parent company.

2. Segment profit (loss) is adjusted to match the operating profit (loss) in the statements of income

Current fiscal year (Apr. 1, 2019 – Mar. 31, 2020)

(Million yen)

	Reportable segments					Adjustments (Notes)	Total
	Japan	North America	Europe	Asia	Total		
Net sales							
of which to outside customers	248,347	99,745	29,185	98,886	476,165	-	476,165
of which inter-segment and transfers	15,860	703	36	268	16,869	(16,869)	-
Total	264,208	100,449	29,222	99,155	493,035	(16,869)	476,165
Segment profit (loss)	5,108	1,591	763	3,354	10,818	(196)	10,621
Segment assets	151,099	60,226	20,926	46,322	278,574	(25,057)	253,517
Other							
Depreciation	16,295	3,464	883	3,971	24,615	(118)	24,497

Notes

1. Adjustments are as follows.

- (1) The segment profit adjustment of negative 196 million yen is for the elimination of intersegment transactions.
- (2) The segment assets adjustment of negative 25,057 million yen includes a 10,937 million yen addition for corporate assets and a 35,994 million yen deduction for netting out amounts receivable and payable. Corporate assets are primarily funds (cash, deposits and investment securities) at the parent company.

2. Segment profit (loss) is adjusted to match the operating profit (loss) in the statements of income

(Per-share information)

(Yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Net assets per share	734.90	753.80
Earnings per share	39.22	71.03

- Notes: 1. Diluted earnings per share is not shown because there were no common share equivalents.
2. The basis for computing the earnings per share is as follows.

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Profit attributable to owners of parent (million yen)	3,509	6,357
Profit not attributable to common shareholders (million yen)	-	-
Profit attributable to owners of parent available to common shares (million yen)	3,509	6,357
Average number of shares outstanding during the year (1,000 shares)	89,478	89,507

3. The basis for calculating net assets per share is as follows.

	As of March 31, 2019	As of March 31, 2020
Net assets (million yen)	75,211	76,488
Deduction from net assets (million yen)	9,454	9,008
Of which amount for minority interests (million yen)	9,454	9,008
Net assets for common shares at end of period (million yen)	65,756	67,479
Common shares at end of period for calculating net assets per share (1,000 shares)	89,477	89,519

(Significant subsequent events)

Due to the COVID-19 pandemic, Futaba began reducing its output in April 2020 in response to requests from governments and the sluggish demand for the new vehicles of automakers, which are the primary source of demand for Futaba's products, resulting in lower sales of these products. In addition, some group companies outside Japan have stopped or reduced operations starting in April because of lower production by companies that buy their products caused by stay-at-home orders, weak demand for new vehicles and other reasons. These actions are lowering sales in the North America, Europe and Asia segments.

As of the date of this report, no one knows when the COVID-19 pandemic will come to an end and it is impossible to predict the effects of this crisis on economic activities. As a result, reductions and suspensions of operations may have a significant effect on the Futaba Group's financial position, results of operations and cash flows in the fiscal year ending in March 2021 and afterward. Determining a reasonable estimate of the monetary impact of this crisis is not possible at this time.

Supplementary data for the fiscal year ended March 2020

Consolidated

1. Performance in the current fiscal year

(Million yen, rounded down)

	FY3/20		FY3/19		Change	Change (%)
	% to sales		% to sales			
Net sales	100.0	476,165	100.0	461,705	14,460	3.1
Operating profit	2.2	10,621	1.5	6,797	3,824	56.3
Ordinary profit	2.1	9,968	1.4	6,449	3,518	54.6
Profit attributable to owners of parent	1.3	6,357	0.8	3,509	2,848	81.2
Earnings per share (yen)		71.03		39.22		
Capital expenditures		27,385		41,347	(13,961)	(33.8)
Depreciation		24,497		23,078	1,419	6.1
Foreign exchange rate (USD/Yen)		108.7		110.9		
Number of consolidated companies		22		23		

2. Factors for increase/decrease in operating profit (year-on-year comparison)

(Billion yen)

Positive factors	Amount	Negative factors	Amount
Change in product mix, etc.	31	Decrease in profit by change in sales price	22
Measures to further rationalize	24	Increase in depreciation	14
Increase in profit by sales growth of parts	21	Decrease in profit of other than parts	2
Total	76	Total	38
Net increase in operating profit: 38			

3. Performance by geographical segment

(Million yen, rounded down)

		FY3/20		FY3/19		Change	Change (%)
		Amount	% to sales	Amount	% to sales		
Japan	Net sales	264,208		266,113		(1,905)	(0.7)
	Operating profit	5,108	1.9	2,692	1.0	2,415	89.7
North America	Net sales	100,449		105,228		(4,779)	(4.5)
	Operating profit	1,591	1.6	2,326	2.2	(734)	(31.6)
Europe	Net sales	29,222		33,373		(4,150)	(12.4)
	Operating profit (loss)	763	2.6	(909)	(2.7)	1,672	-
Asia	Net sales	99,155		77,839		21,315	27.4
	Operating profit	3,354	3.4	2,928	3.8	426	14.6
Eliminations	Net sales	(16,869)		(20,849)		3,980	
	Operating profit	(196)		(240)		44	
Total	Net sales	476,165		461,705		14,460	3.1
	Operating profit	10,621	2.2	6,797	1.5	3,824	56.3

4. Forecast

There is no forecast for the fiscal year ending in March 2021 because the COVID-19 pandemic makes it impossible to determine a reliable forecast at this time. Futaba plans to make an announcement when it becomes possible to establish a forecast.

Non-consolidated

1. Performance in the current fiscal year

(Million yen, rounded down)

	FY3/20		FY3/19		Change	Change (%)
	% to sales	Amount	% to sales	Amount		
Net sales	100.0	262,642	100.0	263,845	(1,203)	(0.5)
Operating profit	1.5	3,927	0.7	1,807	2,120	117.3
Ordinary profit	2.4	6,304	2.0	5,400	904	16.7
Profit	1.5	3,914	1.7	4,364	(450)	(10.3)
Capital expenditures		12,798		22,967	(10,168)	(44.3)
Depreciation		15,065		14,656	408	2.8