

**Non-consolidated Financial Results for the
Third Quarter of the Fiscal Year Ending June 30, 2021
(Nine Months Ended March 31, 2021)**

[Japanese GAAP]

May 7, 2021

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Listing: Tokyo Stock Exchange (JASDAQ)
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Scheduled date of filing of Quarterly Report: May 14, 2021
Scheduled date of payment of dividend: -
Preparation of supplementary materials for quarterly financial results: None
Holding of quarterly financial results meeting: None

(All amounts are rounded down to the nearest million yen)

**1. Non-consolidated Financial Results for the Third Quarter of the Fiscal Year Ending June 30, 2021
(July 1, 2020 to March 31, 2021)**

(1) Results of operations (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended Mar. 31, 2021	1,197	(12.4)	256	(31.4)	263	(30.6)	182	(30.8)
Nine months ended Mar. 31, 2020	1,367	(13.3)	374	(24.6)	380	(24.5)	263	(24.4)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended Mar. 31, 2021	37.95	-
Nine months ended Mar. 31, 2020	54.83	-

Note: A-One Seimitsu conducted a 2-for-1 common stock split effective on July 1, 2020. Net income per share has been calculated as if this stock split had taken place at the beginning of the previous fiscal year.

(2) Financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of Mar. 31, 2021	8,949	8,328	93.1
As of Jun. 30, 2020	9,019	8,361	92.7

Reference: Shareholders' equity (millions of yen) As of Mar. 31, 2021: 8,328 As of Jun. 30, 2020: 8,361

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Jun. 30, 2020	-	0.00	-	100.00	100.00
Fiscal year ending Jun. 30, 2021	-	0.00	-	-	-
Fiscal year ending Jun. 30, 2021 (forecast)	-	-	-	50.00	50.00

Note: Revision to the most recently announced dividend forecast: None

3. Earnings Forecast for the Fiscal Year Ending June 30, 2021 (July 1, 2020 to June 30, 2021)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,650	(6.3)	331	(26.7)	340	(26.4)	226	(29.3)	47.10

Note: Revisions to the most recently announced earnings forecast: None

*** Notes**

(1) Application of special accounting methods for presenting quarterly non-consolidated financial statements: None

(2) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(3) Number of shares outstanding (common shares)

1) Number of outstanding shares as of the end of the period (including treasury shares)

As of Mar. 31, 2021:	6,000,000 shares	As of Jun. 30, 2020:	6,000,000 shares
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2) Number of treasury shares as of the end of the period

As of Mar. 31, 2021:	1,201,549 shares	As of Jun. 30, 2020:	1,201,504 shares
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3) Average number of outstanding shares during the period

Nine months ended Mar. 31, 2021:	4,798,486 shares	Nine months ended Mar. 31, 2020:	4,798,496 shares
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Note: A-One Seimitsu conducted a 2-for-1 common stock split effective on July 1, 2020. The number of outstanding shares as of the end of the period (including treasury shares), the number of treasury shares as of the end of the period and the average number of outstanding shares during the period have been calculated as if this stock split had taken place at the beginning of the previous fiscal year.

* The current quarterly financial results are not subject to the quarterly review by certified public accountants or auditing firms.

* Explanation of appropriate use of earnings forecasts, and other special items

Forecasts of future performance in these materials are based on assumptions judged to be valid and information available to the A-One Seimitsu's management at the time these materials were prepared. Actual results may differ significantly from these forecasts for a number of reasons. Please refer to "Explanation of Earnings Forecast and Other Forward-looking Statements" on page 3 for forecast assumptions and notes of caution for usage.

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1. Qualitative Information on Quarterly Financial Performance

(1) Explanation of Results of Operations

In the first nine months of the current fiscal year, the Japanese economy, which had been recovering for about six months, slowed and levelled off.

After the temporary suspension of economic activity a year ago, expectations of economic recovery were strengthened both by the adoption of monetary easing and fiscal stimulus policies in various countries and by the development of vaccines for COVID-19. This has been driving global economic recovery, particularly in the manufacturing sector. Production in manufacturing sector has rapidly returned to normal, with automobile production recovering and topping the pre-pandemic level. Production of semiconductors and related electronic components is also up in response to rising demand. As production recovered, demand for capital goods such as machine tools, manufacturing equipment, jigs and tools also increased, and exports were strong, specially to the U. S., China and other Asian countries. This year, automobile production was cut back/slowed in certain areas due to a shortage of semiconductors. Moreover, overall, production in the manufacturing industry has levelled off. Going forward, semiconductor output is expected to continue to increase for the foreseeable future on the strength of growing demand. This trend is expected to be accompanied by production gains in related electronic components.

In the collect chuck segment, processing of mass-produced components, mainly for automobile sector, had been increasing. However, processing of mass-produced components levelled off in January due to production slowdowns caused by the shortage of semiconductors and remained almost flat toward March.

Segment sales in the first nine months were 833 million yen, down 13.0% year on year, and the segment profit was 382 million yen, down 20.5%.

In the cutting tool segment, as the recovery in domestic production slowed down and levelled off, the regrinding of commercially available cutting tools plateaued, and custom-made cutting tools used for processing mass-produced components and for complex processing applications also flattened out.

Segment sales in the first nine months were 348 million yen, down 10.0% year on year, and the segment profit was 64 million yen, down 31.9%.

In the automatic lathe cams segment, orders were flat because of a lack of any major changes in the output of mass-produced components that are made by using cam-type automatic lathes.

Segment sales in the first nine months were 15 million yen, down 28.4% year on year, and the segment profit was 9 million yen, down 19.2%.

First nine months net sales were 1,197 million yen, down 12.4% year on year. Operating profit decreased 31.4% to 256 million yen, ordinary profit decreased 30.6% to 263 million yen, and profit decreased 30.8% to 182 million yen.

Business segment sales were as follows.

(Percentages represent year-on-year changes)

	First nine months of FY6/20 (Jul. 1, 2019 – Mar. 31, 2020)		First nine months of FY6/21 (Jul. 1, 2020 – Mar. 31, 2021)		FY6/20 (Jul. 1, 2019 – Jun. 30, 2020)	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Collet Chucks	959	(85.6)	833	(87.0)	1,231	(83.7)
Cutting Tools	387	(88.3)	348	(90.0)	503	(85.6)
Automatic Lathe Cams	21	(109.5)	15	(71.6)	25	(99.3)
Total	1,367	(86.7)	1,197	(87.6)	1,760	(84.5)

(2) Explanation of Financial Position

Assets

Current assets amounted to 7,362 million yen at the end of the third quarter of the current fiscal year, a decrease of 84 million yen from 7,447 million yen at the end of the previous fiscal year. This is mainly due to a decrease of 150 million yen in cash and deposits, which were partially offset by increases of 47 million yen in notes and accounts receivable-trade and 18 million yen in work in process.

Non-current assets amounted to 1,586 million yen, an increase of 14 million yen from 1,572 million yen at the end of the previous fiscal year. This is mainly due to increases of 34 million yen in investment securities and 4 million yen in machinery, equipment and vehicles, which was partially offset by decreases of 18 million yen in deferred tax assets and 13 million yen in buildings and structures.

As a result, total assets at the end of the third quarter of the current fiscal year were 8,949 million yen, compared with 9,019 million yen at the end of the previous fiscal year.

Liabilities

Current liabilities amounted to 151 million yen at the end of the third quarter of the current fiscal year, a decrease of 11 million yen from 163 million yen at the end of the previous fiscal year. This is mainly due to decreases of 35 million yen in income taxes payable and 4 million yen in provision for bonuses for directors (and other officers), which was partially offset by increases of 22 million yen in accounts payable-other, 4 million yen in accounts payable-trade.

Non-current liabilities amounted to 469 million yen, a decrease of 24 million yen from 493 million yen at the end of the previous fiscal year. This is mainly due to a decrease of 36 million yen in provision for retirement benefits, which were partially offset by an increase of 7 million yen in provision for retirement benefits for directors (and other officers).

As a result, total liabilities at the end of the third quarter of the current fiscal year were 621 million yen, compared with 657 million yen at the end of the previous fiscal year.

Net assets

Net assets totaled 8,328 million yen, a decrease of 33 million yen from 8,361 million yen at the end of the previous fiscal year. This was mainly due to a decrease of 57 million yen in retained earnings, which was partially offset by an increase of 24 million yen in valuation difference on available-for-sale securities.

(3) Explanation of Earnings Forecast and Other Forward-looking Statements

There are no changes at this time in the full year forecasts that were announced on February 1, 2021.

2. Quarterly Non-consolidated Financial Statements and Notes**(1) Quarterly Non-consolidated Balance Sheet**

	(Thousands of yen)	
	FY6/20 (As of Jun. 30, 2020)	Third quarter of FY6/21 (As of Mar. 31, 2021)
Assets		
Current assets		
Cash and deposits	6,866,762	6,715,877
Notes and accounts receivable - trade	341,543	388,786
Finished goods	3,196	4,269
Raw materials	33,707	32,752
Work in process	201,028	219,773
Other	1,084	1,259
Allowance for doubtful accounts	(243)	(238)
Total current assets	7,447,080	7,362,479
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	466,739	453,103
Machinery, equipment and vehicles, net	488,305	493,133
Land	333,534	333,534
Other, net	8,834	13,484
Total property, plant and equipment	1,297,414	1,293,256
Intangible assets	2,360	4,964
Investments and other assets		
Investment securities	101,081	135,830
Long-term prepaid expenses	334	-
Deferred tax assets	171,001	152,314
Other	1,078	1,379
Allowance for doubtful accounts	(1,058)	(770)
Total investments and other assets	272,438	288,754
Total non-current assets	1,572,212	1,586,975
Total assets	9,019,292	8,949,454
Liabilities		
Current liabilities		
Accounts payable - trade	14,477	18,485
Accounts payable - other	62,605	84,838
Income taxes payable	45,110	9,683
Provision for bonuses for directors (and other officers)	11,000	6,510
Other	30,315	32,397
Total current liabilities	163,508	151,915
Non-current liabilities		
Provision for retirement benefits	374,372	337,735
Provision for retirement benefits for directors (and other officers)	119,520	126,550
Other	-	4,937
Total non-current liabilities	493,892	469,223
Total liabilities	657,400	621,138

	(Thousands of yen)	
	FY6/20 (As of Jun. 30, 2020)	Third quarter of FY6/21 (As of Mar. 31, 2021)
Net assets		
Shareholders' equity		
Share capital	292,500	292,500
Capital surplus	337,400	337,400
Retained earnings	8,564,772	8,506,967
Treasury shares	(841,335)	(841,395)
Total shareholders' equity	8,353,337	8,295,472
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	8,554	32,843
Total valuation and translation adjustments	8,554	32,843
Total net assets	8,361,891	8,328,316
Total liabilities and net assets	9,019,292	8,949,454

(2) Quarterly Non-consolidated Statement of Income
For the Nine-month Period

(Thousands of yen)

	First nine months of FY6/20 (Jul. 1, 2019 – Mar. 31, 2020)	First nine months of FY6/21 (Jul. 1, 2020 – Mar. 31, 2021)
Net sales	1,367,769	1,197,985
Cost of sales	786,885	749,300
Gross profit	580,884	448,684
Selling, general and administrative expenses	206,420	191,741
Operating profit	374,463	256,943
Non-operating income		
Interest income	491	282
Dividend income	2,999	3,121
Electricity sale income	2,062	2,101
Reversal of allowance for doubtful accounts	-	65
Other	566	1,474
Total non-operating income	6,120	7,044
Ordinary profit	380,584	263,988
Extraordinary income		
Gain on sales of non-current assets	73	-
Total extraordinary income	73	-
Extraordinary losses		
Loss on retirement of non-current assets	70	341
Total extraordinary losses	70	341
Profit before income taxes	380,587	263,646
Income taxes - current	116,400	73,300
Income taxes - deferred	1,102	8,227
Total income taxes	117,502	81,527
Profit	263,085	182,119

(3) Notes to Quarterly Non-consolidated Financial Statements**Going Concern Assumption**

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Segment and Other Information**Segment Information**

I. First nine months of FY6/20 (Jul. 1, 2019 – Mar. 31, 2020)

Information related to net sales and profit or loss for each reportable segment

	Reportable segment				Adjustment (Note 1)	(Thousands of yen)
	Collet Chucks	Cutting Tools	Automatic Lathe Cams	Total		Amounts shown on quarterly non-consolidated statement of income (Note 2)
Net sales						
External sales	959,002	387,655	21,111	1,367,769	-	1,367,769
Inter-segment sales and transfers	-	-	-	-	-	-
Total	959,002	387,655	21,111	1,367,769	-	1,367,769
Segment profit	481,242	94,100	11,326	586,668	(212,204)	374,463

Notes: 1. The adjustment to segment profit includes common expenses of (5,784) thousand yen at the manufacturing department and selling, general and administrative expenses that are not attributable to any of the reportable segments.

2. Segment profit is adjusted to be consistent with operating profit shown on the quarterly non-consolidated statement of income.

II. First nine months of FY6/21 (Jul. 1, 2020 – Mar. 31, 2021)

Information related to net sales and profit or loss for each reportable segment

	Reportable segment				Adjustment (Note 1)	(Thousands of yen)
	Collet Chucks	Cutting Tools	Automatic Lathe Cams	Total		Amounts shown on quarterly non-consolidated statement of income (Note 2)
Net sales						
External sales	833,956	348,918	15,109	1,197,985	-	1,197,985
Inter-segment sales and transfers	-	-	-	-	-	-
Total	833,956	348,918	15,109	1,197,985	-	1,197,985
Segment profit	382,357	64,098	9,147	455,603	(198,660)	256,943

Notes: 1. The adjustment to segment profit includes common expenses of (6,919) thousand yen at the manufacturing department and selling, general and administrative expenses that are not attributable to any of the reportable segments.

2. Segment profit is adjusted to be consistent with operating profit shown on the quarterly non-consolidated statement of income.

This financial report is solely a translation of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.