



Fiscal Year 2018 Interim dividend breakdown: 50 yen (ordinary), 25 yen (special)  
 Fiscal Year 2018 Year-end dividend breakdown: 50 yen (ordinary), 25 yen (special)  
 Fiscal Year 2019 Interim dividend breakdown: 50 yen (ordinary)  
 Fiscal Year 2019 Year-end dividend breakdown: 30 yen (ordinary)  
 The dividend forecast for Fiscal Year 2020 is not yet decided at this point.

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

Ryosan expects the impact of the COVID-19 pandemic on business results to reach full force during Fiscal Year 2020. However, because it is not possible to forecast the magnitude and duration of that impact at this point, Ryosan is not yet able to provide a reasonable calculation of business results.

Accordingly, Ryosan has not yet decided the forecast of consolidated business results for Fiscal Year 2020. When it becomes possible to disclose a reasonable forecast of business results, Ryosan will publish that information promptly.

#### \* Notes

(1) Transfer of major subsidiaries during term (transfer of specified subsidiaries in line with changes in the consolidated range): None

New: — (Company name: ) Excluded: — (Company name: )

(2) Changes in accounting principles, changes in accounting estimates, and restatements

1) Changes in accordance with revisions to accounting standards and related practices of accounting principles: Yes

2) Changes in items of accounting principles other than 1) above: None

3) Changes in accounting estimate: None

4) Restatement: None

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

1. Total number of shares issued and outstanding (including treasury shares) at the period-end	March 31, 2020	25,000,000 shares	March 31, 2019	25,000,000 shares
2. Total number of treasury shares at the period-end	March 31, 2020	1,570,850 shares	March 31, 2019	1,570,290 shares
3. Average number of shares outstanding during the period	March 31, 2020	23,429,459 shares	March 31, 2019	23,845,762 shares

#### (Reference) Overview of non-consolidated operating results

##### 1. Non-consolidated results for the fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(1) Non-consolidated operating results

(% change compared with the same period of the previous fiscal year (YoY))

	Net sales		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal Year 2019	144,381	(9.2)	(652)	—	827	(22.7)	(395)	—
Fiscal Year 2018	158,971	(8.6)	961	(39.0)	1,070	(71.9)	(50)	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal Year 2019	(16.87)	—
Fiscal Year 2018	(2.14)	—

(2) Non-consolidated financial position

	Total assets	Net assets	Net assets to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2020	100,038	61,654	61.6	2,631.54
March 31, 2019	108,636	65,348	60.2	2,789.14

(Reference) Shareholders equity:

March 31, 2020: 61,654 million yen,

March 31, 2019: 65,348 million yen

**This earnings report is not subject to audits of certified public accountants or auditing corporations.**

**Caution with respect to forward-looking statements**

Ryosan expects the impact of the COVID-19 pandemic on business results to each full force during Fiscal Year 2020. However, because it is not possible to forecast the magnitude and duration of that impact at this point, Ryosan is not yet able to provide a reasonable calculation of business results.

Accordingly, Ryosan has not yet decided the forecast of consolidated business results for Fiscal Year 2020. When it becomes possible to disclose a reasonable forecast of business results, Ryosan will publish that information promptly.

○Table of contents of the appendix

1. Summary of Operating Results, etc.....	2
(1) Summary of Operating Results for Fiscal Year 2019 .....	2
(2) Summary of Financial Position for Fiscal Year 2019.....	2
(3) Summary of Cash Flows for Fiscal Year 2019 .....	3
(4) Future Prospects.....	4
(5) Basic Policy Regarding the Allocation of Profits / Dividends for Fiscal Year 2019 and Fiscal Year 2020 .....	4
2. Basic Approach to Selection of Accounting Standards .....	4
3. Consolidated Financial Statements and Main Notes .....	5
(1) Consolidated Balance Sheet.....	5
(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income .....	7
(Consolidated Statement of Income) .....	7
(Consolidated Statement of Comprehensive Income).....	8
(3) Consolidated Statements of Changes in Net Assets .....	9
(4) Consolidated Statements of Cash Flows .....	11
(5) Notes on Consolidated Financial Statements .....	12
(Notes Regarding Going Concern) .....	12
(Notes Regarding Substantial Changes in Shareholders' Equity) .....	12
(Changes in Presentation Methods) .....	12
(Segment Information).....	12
(Per Share Information) .....	14
(Important Subsequent Events).....	14
4. Other .....	15
(1) New Orders .....	15
(2) Geographical Segment Information .....	15

## **1. Summary of Operating Results, etc.**

### **(1) Summary of Operating Results for Fiscal Year 2019**

#### 1) Overview

The consolidated fiscal period under review was marked by an episode of unusual economic difficulty. With the global economy already in a slowing trend amid factors such as trade friction between the United States and China, the latter half of the fiscal year saw the outbreak of the COVID-19 pandemic, which grievously impacted economic activity in every country worldwide. Aside from some difference in timing, Japan was no exception, suffering a deep economic downturn.

The electronics industry, in which Ryosan is active, was similarly affected. In addition to declines in demand in the industrial-equipment and automobile markets already in progress, the electronics industry was severely impacted by the COVID-19 pandemic. These two factors combined to make Fiscal Year 2019 doubly trying for this sector.

At the beginning of the fiscal year, the Ryosan suspended its 10th Medium-Term Business Plan and began work on counter measures for profitability enhancement. Ryosan strove to improve the structure of its business portfolio, through such measures as withdrawal from non-profitable businesses, optimization of organizations, evaluation of and concentration on key projects for Solution Business initiatives and optimization of headcounts.

Net sales were 227,297 million yen (down 9.0% from the previous fiscal year). Operating income was 3,108 million yen (down 40.6%), depressed by declining net sales and a fall in gross profit from the disposition of immobile stock, carried out as part of counter measures for profitability enhancement. Ordinary income was 2,916 million yen (down 26.6%), despite the change from foreign-exchange loss in the previous fiscal year, caused by revaluation of foreign-currency-denominated liabilities, to a marginal gain. Profit attributable to owners of parent was 1,193 million yen (down 19.3%), due to such factors as impairment losses from domestic branch restructuring and voluntary retirement. The impact of the COVID-19 pandemic can be said to have been limited.

#### 2) Business Segment Information

##### **a. Semiconductors**

Ryosan sells system LSIs, discrete semiconductors and memory, and develops system LSIs on a contract basis. During the consolidated fiscal year under review, net sales were 136,154 million yen (down 9.3% from the previous fiscal year), restrained by such factors as a downturn in sales of industrial equipment and products for in-vehicle electrical equipment. Operating income was 1,162 million yen (down 52.9%), amid a decline in gross profit from disposition of immobile stock.

##### **b. Electronic Components**

Ryosan sells electromechanical components, display devices and power supplies. For the consolidated fiscal year under review, sales of value-added products for industrial equipment trended downward. As a result, net sales fell to 74,208 million yen (down 4.2% from the previous fiscal year) and operating income dropped to 2,142 million yen (down 19.2%).

##### **c. Electronic Equipment**

Ryosan sells systems equipment and facilities equipment. During the consolidated fiscal year under review, net sales in this segment amounted to 16,934 million yen (down 23.5% from the previous fiscal year), as major projects for in-vehicle electrical equipment trended weakly. However, operating income edged up to 383 million yen (up 0.2%) amid handling of high-value-added products.

### **(2) Summary of Financial Position for Fiscal Year 2019**

#### 1) Assets

Total assets decreased by 8,842 million yen to 137,746 million yen compared with March 31, 2019. This is mainly because cash and deposits increased by 9,921 million yen, while notes and accounts receivable - trade and merchandise and finished goods decreased by 8,421 million yen and 7,435 million yen respectively.

#### 2) Liabilities

Total liabilities decreased by 5,916 million yen to 52,810 million yen compared with March 31, 2019. This is mainly because short-term loans payable and accounts payable - trade decreased by 5,109 million yen and 1,284 million yen respectively.

### 3) Net Assets

Net assets decreased by 2,926 million yen to 84,935 million yen compared with March 31, 2019. This is mainly because profit attributable to owners of parent was 1,193 million yen, while payment of dividends amounted to 2,928 million yen. The ratio of net assets to total assets rose from 59.9% at the end of the previous fiscal year to 61.7% as of March 31, 2020.

### (3) Summary of Cash Flows for Fiscal Year 2019

As of March 31, 2020, cash and cash equivalents increased by 9,921 million yen compared with the end of the previous fiscal year, to 24,501 million yen.

#### 1) Net cash provided by (used in) operating activities

Regarding cash flow from operating activities in this consolidated fiscal year, funds in total increased by 17,994 million yen. This increase resulted from profit before income taxes of 1,793 million yen, a decrease in notes and accounts receivable – trade of 7,809 million yen, and a decrease in inventories of 6,791 million yen. In the net cash provided by operating activities in the previous consolidated fiscal year, there was an increase of funds by 13,052 million yen.

#### 2) Net cash provided by (used in) investing activities

Regarding cash flow from investing activities in this consolidated fiscal year, funds in total decreased by 310 million yen due to purchases of property, plant and equipment of 311 million yen. The net cash provided by (used in) investing activities in the previous consolidated fiscal year decreased by 423 million yen.

#### 3) Net cash provided by (used in) financing activities

Regarding cash flow from financing activities in this consolidated fiscal year, funds in total decreased by 7,475 million yen due to cash dividends paid of 2,922 million yen, in addition to a decrease in short-term loans payable of 4,367 million yen. The net cash provided by (used in) financing activities in the previous consolidated fiscal year decreased by 11,530 million yen.

#### (Reference) Trends in cash flow-related indicators

	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019
Net assets to total assets (%)	73.5	67.8	57.9	59.9	61.7
Net assets to total assets (%) (Market capitalization basis)	52.8	58.2	57.7	47.4	40.6
Cash flow to Interest-bearing Liabilities (Years)	2.3	–	–	1.8	1.0
Interest coverage ratio (Times)	34.5	–	–	16.3	30.7

Net assets to total assets: Net assets / Total assets

Net assets to total assets (Market capitalization basis): Market capitalization / Total assets

Cash flow to Interest-bearing liabilities: Interest-bearing liabilities / Cash flow

Interest coverage ratio: Cash flow / Interest expense

\*All indicators have been calculated from consolidated financial figures.

\*Market capitalization was calculated based on the number of shares issued and outstanding less treasury shares.

\*Cash flow refers to cash flows from operating activities as shown on the consolidated statements of cash flows.

\*Interest-bearing liabilities comprise all debt on which interest was paid in the liabilities section of the consolidated balance sheet. Interest expense represents interest paid as shown on the consolidated statements of cash flows.

#### **(4) Future Prospects**

##### 1) Projected Operating Results

Ryosan expects the impact of the COVID-19 pandemic on business results to each full force during Fiscal Year 2020. However, because it is not possible to forecast the magnitude and duration of that impact at this point, Ryosan is not yet able to provide a reasonable calculation of business results.

Accordingly, Ryosan has not yet decided the forecast of consolidated business results for Fiscal Year 2020. When it becomes possible to disclose a reasonable forecast of business results, Ryosan will publish that information promptly.

#### **(5) Basic Policy Regarding the Allocation of Profits / Dividends for Fiscal Year 2019 and Fiscal Year 2020**

##### 1) Basic Policy Regarding the Allocation of Profits

Ryosan recognizes that the return of profits to shareholders is an important business priority, and so is working to increase basic earnings per share. Ryosan's fundamental policy aims for consolidated dividend payout ratio of 50% or more, so as to continue high dividend payout in profits returned to shareholders.

##### 2) Dividends for Fiscal Year 2019 and Fiscal Year 2020

Ryosan plans to distribute an ordinary year-end dividend of 30 yen per share for the consolidated fiscal year under review. For details, please refer to the "Notice Concerning Difference Between Forecast and Actual Fiscal Year 2019 Consolidated Business Results and Dividends of Surplus," published today. Including the interim dividend, the total annual dividend distributed for Fiscal Year 2019 is 80 yen per share.

Ryosan has not yet determined the dividend for Fiscal Year 2020. This figure will be published later, along with the forecast of business results.

## **2. Basic Approach to Selection of Accounting Standards**

For the time being, Ryosan will prepare its consolidated financial statements in accordance with Japanese GAAP, out of consideration for issues such as comparability from period to period and comparability with other companies.

Ryosan will appropriately address matters regarding IFRS adoption, taking into account prevailing circumstances in Japan and overseas.

### 3. Consolidated Financial Statements and Main Notes

#### (1) Consolidated Balance Sheet

(Millions of yen)

	Fiscal Year Ended March 31, 2019 (As of March 31, 2019)	Fiscal Year Ended March 31, 2020 (As of March 31, 2020)
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and deposits	14,580	24,501
Notes and accounts receivable - trade	62,109	53,687
Merchandise and finished goods	44,676	37,240
Work in process	4	2
Accounts receivable - other	7,621	6,196
Other	373	322
Allowance for doubtful accounts	(34)	(152)
Total current assets	129,330	121,799
<b>Non-current assets</b>		
Property, plant and equipment		
Buildings and structures	7,930	7,401
Accumulated depreciation	(4,839)	(4,675)
Buildings and structures, net	3,090	2,726
Land	6,145	5,758
Lease assets	984	1,173
Accumulated depreciation	(432)	(628)
Leased assets, net	551	545
Other	2,536	2,082
Accumulated depreciation	(2,389)	(1,840)
Other, net	146	241
Total property, plant and equipment	9,934	9,271
Intangible assets	963	946
Investments and other assets		
Investment securities	4,043	3,517
Deferred tax assets	205	340
Other	2,221	2,241
Allowance for doubtful accounts	(109)	(68)
Allowance for investment loss	—	(301)
Total investments and other assets	6,360	5,729
Total non-current assets	17,258	15,947
<b>Total assets</b>	<b>146,588</b>	<b>137,746</b>



(Millions of yen)

	Fiscal Year Ended March 31, 2019 (As of March 31, 2019)	Fiscal Year Ended March 31, 2020 (As of March 31, 2020)
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable - trade	29,760	28,475
Short-term loans payable	23,268	18,158
Lease obligations	173	229
Accounts payable - other	1,172	2,005
Accrued expenses	1,348	1,228
Income taxes payable	201	454
Other	260	145
Total current liabilities	56,185	50,697
<b>Non-current liabilities</b>		
Lease obligations	439	369
Deferred tax liabilities	280	38
Net defined benefit liability	1,732	1,622
Asset retirement obligations	31	30
Other	57	52
Total non-current liabilities	2,541	2,113
Total liabilities	58,726	52,810
<b>NET ASSETS</b>		
<b>Shareholders' equity</b>		
Capital stock	17,690	17,690
Capital surplus	19,114	19,114
Retained earnings	55,572	53,857
Treasury shares	(6,531)	(6,532)
Total shareholders' equity	85,846	84,130
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	1,546	1,158
Deferred gains or losses on hedges	0	0
Foreign currency translation adjustment	495	(300)
Remeasurements of defined benefit plans	(26)	(52)
Total accumulated other comprehensive income	2,015	805
<b>Total net assets</b>	87,861	84,935
<b>Total liabilities and net assets</b>	146,588	137,746

**(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income****(Consolidated Statement of Income)**

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2019 (Apr. 1, 2018 to Mar. 31, 2019)	Fiscal Year Ended Mar. 31, 2020 (Apr. 1, 2019 to Mar. 31, 2020)
<b>Net sales</b>	249,688	227,297
<b>Cost of Sales</b>	229,036	209,539
<b>Gross Profit</b>	20,651	17,757
<b>Selling, general and administrative expenses</b>		
Packing and transportation expenses	1,083	997
Provision of allowance for doubtful accounts	(11)	127
Directors' compensations	425	382
Salaries and allowances	4,498	4,405
Bonuses	1,349	1,270
Retirement benefit expenses	447	447
Welfare expenses	1,039	1,016
Depreciation	530	631
Other	6,051	5,371
Total selling, general and administrative expenses	15,414	14,649
<b>Operating income</b>	5,236	3,108
<b>Non-operating income</b>		
Interest income	27	67
Dividend income	85	77
Foreign exchange gains	—	67
Rent income	49	56
Miscellaneous income	166	159
Total non-operating income	328	428
<b>Non-operating expenses</b>		
Interest expenses	717	577
Share of loss of entities accounted for using equity method	194	2
Foreign exchange losses	655	—
Miscellaneous loss	23	40
Total non-operating expenses	1,590	620
<b>Ordinary income</b>	3,974	2,916
<b>Extraordinary income</b>		
Gain on sales of non-current assets	0	1
Gain on sales of investment securities	44	—
Compensation for customs duty	—	187
Total extraordinary income	45	189
<b>Extraordinary losses</b>		
Impairment loss	—	513
Loss on valuation of investment securities	—	8
Loss on valuation of investments in capital	4	—
Provision of allowance for investment loss	—	301
Loss on valuation of golf membership	—	14
Loss on sales of golf club memberships	—	0
Special retirement expenses	—	473
Amortization of goodwill	436	—
Customs duty	876	—
Total extraordinary losses	1,317	1,312
<b>Profit before income taxes</b>	2,702	1,793
Income taxes - current	922	850
Income taxes - deferred	299	(250)
<b>Total income taxes</b>	1,222	599
<b>Profit</b>	1,480	1,193
<b>Profit attributable to owners of parent</b>	1,480	1,193

**(Consolidated Statement of Comprehensive Income)**

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2019 (Apr. 1, 2018 to Mar. 31, 2019)	Fiscal Year Ended Mar. 31, 2020 (Apr. 1, 2019 to Mar. 31, 2020)
<b>Profit</b>	1,480	1,193
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	(376)	(388)
Deferred gains or losses on hedges	0	(0)
Foreign currency translation adjustment	443	(796)
Remeasurements of defined benefit plans, net of tax	(52)	(25)
Total other comprehensive income	14	(1,209)
<b>Comprehensive Income</b>	1,494	(15)
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	1,494	(15)

**(3) Consolidated Statements of Changes in Net Assets**

Fiscal Year Ended Mar. 31, 2019 (Apr. 1, 2018 to Mar. 31, 2019)

(Millions of yen)

	Shareholders' equity				Total shareholders' equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	
Balance at beginning of current period	17,690	19,114	72,740	(17,215)	92,329
Changes of items during period					
Dividends of surplus			(3,601)		(3,601)
Profit attributable to owners of parent			1,480		1,480
Purchase of treasury shares				(4,257)	(4,257)
Retirement of treasury shares			(14,941)	14,941	—
Change of scope of consolidation			(104)		(104)
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	(17,168)	10,684	(6,483)
Balance at end of current period	17,690	19,114	55,572	(6,531)	85,846

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of current period	1,923	(0)	52	25	2,001	94,331
Changes of items during period						
Dividends of surplus						(3,601)
Profit attributable to owners of parent						1,480
Purchase of treasury shares						(4,257)
Retirement of treasury shares						—
Change of scope of consolidation						(104)
Net changes of items other than shareholders' equity	(376)	0	443	(52)	14	14
Total changes of items during period	(376)	0	443	(52)	14	(6,469)
Balance at end of current period	1,546	0	495	(26)	2,015	87,861

Fiscal Year Ended Mar. 31, 2020 (Apr. 1, 2019 to Mar. 31, 2020)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	17,690	19,114	55,572	(6,531)	85,846
Changes of items during period					
Dividends of surplus			(2,928)		(2,928)
Profit attributable to owners of parent			1,193		1,193
Purchase of treasury shares				(1)	(1)
Net changes of items other than shareholders' equity			19		19
Total changes of items during period	—	—	(1,714)	(1)	(1,716)
Balance at end of current period	17,690	19,114	53,857	(6,532)	84,130

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of current period	1,546	0	495	(26)	2,015	87,861
Changes of items during period						
Dividends of surplus						(2,928)
Profit attributable to owners of parent						1,193
Purchase of treasury shares						(1)
Net changes of items other than shareholders' equity	(388)	(0)	(796)	(25)	(1,209)	(1,189)
Total changes of items during period	(388)	(0)	(796)	(25)	(1,209)	(2,926)
Balance at end of current period	1,158	0	(300)	(52)	805	84,935

#### (4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2019 (Apr. 1, 2018 to Mar. 31, 2019)	Fiscal Year Ended Mar. 31, 2020 (Apr. 1, 2019 to Mar. 31, 2020)
<b>Cash flows from operating activities</b>		
Profit before income taxes	2,702	1,793
Depreciation	551	653
Impairment loss	—	513
Amortization of goodwill	582	—
Increase (decrease) in allowance for doubtful accounts	(29)	77
Increase (decrease) in net defined benefit liability	(45)	(91)
Increase (decrease) in allowance for investment loss	—	301
Interest and dividend income	(112)	(144)
Interest expenses	717	577
Share of (profit) loss of entities accounted for using equity method	194	2
Loss (gain) on sales of investment securities	(44)	—
Other loss (gain)	551	(504)
Decrease (increase) in notes and accounts receivable - trade	15,178	7,809
Decrease (increase) in inventories	1,290	6,791
Increase (decrease) in notes and accounts payable - trade	(7,623)	(898)
Decrease (increase) in accounts receivable - other	2,627	1,424
Increase (decrease) in other assets and liabilities	(295)	1,137
Subtotal	16,244	19,444
Interest and dividends income received	202	145
Interest expenses paid	(799)	(585)
Income taxes (paid) refund	(2,594)	(1,009)
Net cash provided by (used in) operating activities	13,052	17,994
<b>Cash flows from investing activities</b>		
Proceeds from withdrawal of restricted deposits	76	—
Purchases of property, plant and equipment	(107)	(311)
Proceeds from sales of property, plant and equipment	45	161
Purchase of intangible assets	(232)	(215)
Purchase of shares of subsidiaries and associates	(200)	—
Purchases of investment securities	(60)	(15)
Proceeds from sales of investment securities	44	—
Proceeds from sales of membership	—	12
Payments for investments in capital	(2)	—
Collection of investments in capital	0	—
Collection of loans receivable	0	0
Proceeds from distribution of investment in partnerships	20	—
Purchase of insurance funds	(123)	(131)
Proceeds from cancellation of insurance funds	115	188
Net cash provided by (used in) investing activities	(423)	(310)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	(3,508)	(4,367)
Repayments of lease obligations	(165)	(184)
Purchase of treasury shares	(4,257)	(1)
Cash dividends paid	(3,599)	(2,922)
Net cash provided by (used in) financing activities	(11,530)	(7,475)
<b>Effect of exchange rate change on cash and cash equivalents</b>	(31)	(286)
<b>Net increase (decrease) in cash and cash equivalents</b>	1,066	9,921
<b>Cash and cash equivalents at the beginning of the period</b>	13,471	14,580
<b>Increase in cash and cash equivalents from newly consolidated subsidiary</b>	41	—
<b>Cash and cash equivalents at the end of the period</b>	14,580	24,501

## (5) Notes on Consolidated Financial Statements

### (Notes Regarding Going Concern)

Not applicable.

### (Notes Regarding Substantial Changes in Shareholders' Equity)

Not applicable.

### (Changes in Presentation Methods)

#### Adoption of IFRS 16, "Leases"

In overseas consolidated subsidiaries that have adopted the International Financial Reporting Standards (IFRS), Ryosan adopts IFRS 16, "Leases" (published January 13, 2016; hereinafter "IFRS 16") beginning with the current fiscal year.

With the application of IFRS 16, in principle, all leases are recognized as the assets and liabilities of the lessee. In applying IFRS 16, Ryosan adopts the practice of recognizing the cumulative effect of application of this accounting standard on the starting date of application, in accordance with the transitional treatment.

The effect of application of this accounting standard on the consolidated financial statements is negligible.

### (Segment Information)

#### (a) Segment Information

##### 1. Overview of Reporting Segments

Ryosan's reporting segments are made up of those created from financial information sorted by business segment and those evaluated by the President periodically.

Ryosan has set up its business headquarters at Ryosan's head office for each article of merchandise and product, and Ryosan is expanding business activities by having each business headquarters formulate comprehensive strategies for the products that they handle, for both within Japan and overseas.

Therefore, regarding the reporting segments for its business headquarters, Ryosan lists "Semiconductors," "Electronic components," and "Electronic equipment."

The main products of each business segment are as follows:

Semiconductors:	Memory, system LSIs, discrete semiconductors
Electronic components:	Display devices, power supplies, electromechanical components
Electronic equipment:	Systems equipment, facilities equipment

##### 2. Information Concerning Sales and Income or Loss Amount by Reporting Segment

Consolidated fiscal year ended March 31, 2019

(April 1, 2018 to March 31, 2019)

(Millions of yen, figures less than ¥1 million have been omitted)

	Reporting Segment				Adjusted amount (Note 1)	Amounts shown on consolidated statement of income (Note 2)
	Semi- conductors	Electronic components	Electronic equipment	Total		
Net sales						
Sales to external customers	150,112	77,440	22,135	249,688	—	249,688
Internal sales or exchange between segments	—	—	—	—	—	—
Total	150,112	77,440	22,135	249,688	—	249,688
Segment income (loss)	2,465	2,650	382	5,498	(262)	5,236

Notes:

1. The adjusted amount of minus 262 million yen represents corporate expenses (mainly general and administrative expenses) which are not allocated to the reporting segments.
2. Segment income has been adjusted with operating income in the consolidated statement of income.
3. Segment assets are not shown in these reporting segments as they are not subject to the President's performance evaluation.

Consolidated fiscal year ended March 31, 2020  
(April 1, 2019 to March 31, 2020)

(Millions of yen, figures less than ¥1 million have been omitted)

	Reporting Segment				Adjusted amount (Note 1)	Amounts shown on consolidated statement of income (Note 2)
	Semi-conductors	Electronic components	Electronic equipment	Total		
Net sales						
Sales to external customers	136,154	74,208	16,934	227,297	—	227,297
Internal sales or exchange between segments	—	—	—	—	—	—
Total	136,154	74,208	16,934	227,297	—	227,297
Segment income (loss)	1,162	2,142	383	3,688	(579)	3,108

Notes:

1. The adjusted amount of minus 579 million yen represents corporate expenses (mainly general and administrative expenses) which are not allocated to the reporting segments.
2. Segment income has been adjusted with operating income in the consolidated statement of income.
3. Segment assets are not shown in these reporting segments as they are not subject to the President's performance evaluation.

(b) Related Information

1. Information on products and services  
As in the Reporting Segment

2. Information by region

(1) Sales

Consolidated fiscal year ended March 31, 2019  
(April 1, 2018 to March 31, 2019)

(Millions of yen)

	Japan	China	Asia	Other	Consolidated
Net sales	132,287	61,090	46,565	9,745	249,688
Ratio to consolidated net sales (%)	53.0	24.5	18.6	3.9	100.0

Note:

Net sales are on the basis of customer location and classified by country or region.

Consolidated fiscal year ended March 31, 2020  
(April 1, 2019 to March 31, 2020)

(Millions of yen)

	Japan	China	Asia	Other	Consolidated
Net sales	120,309	52,930	43,344	10,712	227,297
Ratio to consolidated net sales (%)	52.9	23.3	19.1	4.7	100.0

Note:

Net sales are on the basis of customer location and classified by country or region.

(2) Property, plant and equipment

This information is not presented since the amount of property, plant and equipment in Japan constitutes more than 90% of the total amount of property, plant and equipment on the consolidated balance sheet.



**(Per Share Information)**

(Yen unless otherwise stated)

Item	Fiscal Year 2018 (April 1, 2018 to March 31, 2019)	Fiscal Year 2019 (April 1, 2019 to March 31, 2020)
Net assets per share	3,750.01	3,625.21
Basic earnings per share	62.07	50.96

(Notes) 1. Information on diluted earnings per share is not presented because there are no latent shares.

2. Basis for calculation

(1) Net assets per share

(Millions of yen unless otherwise stated)

Item	Fiscal Year 2018 (As of March 31, 2019)	Fiscal Year 2019 (As of March 31, 2020)
Total of net assets	87,861	84,935
Amount to be deducted from the total of net assets (Of which non-controlling interests)	— (—)	— (—)
Closing net assets relating to common shares	87,861	84,935
Number of common shares as of end of term used in the calculation of net assets per share (thousand shares)	23,429	23,429

(2) Basic earnings per share

(Millions of yen unless otherwise stated)

Item	Fiscal Year 2018 (April 1, 2018 to March 31, 2019)	Fiscal Year 2019 (April 1, 2019 to March 31, 2020)
Basic earnings per share		
Profit attributable to owners of parent	1,480	1,193
Amount not attributable to common shareholders	—	—
Profit attributable to owners of parent relating to common shares	1,480	1,193
Average number of common shares outstanding during the term (thousand shares)	23,845	23,429

**(Important Subsequent Events)**

Not applicable.

## 4. Other

### (1) New Orders

(Millions of yen, figures less than 1 million yen have been omitted)

	Fiscal Year 2018 (April 1, 2018 to March 31, 2019)	Fiscal Year 2019 (April 1, 2019 to March 31, 2020)
Semiconductors	150,441	143,615
Electronic components	76,536	74,688
Electronic equipment	22,568	18,948
Total	249,547	237,252

### (2) Geographical Segment Information

Fiscal Year 2018, the fiscal year ended March 31, 2019  
(April 1, 2018 to March 31, 2019)

(Millions of yen, figures less than ¥1 million have been omitted)

	Japan	Asia	Other	Total	Eliminations or corporate	Consolidated
Sales:						
(1) Sales to external customers	138,677	101,350	9,659	249,688	—	249,688
(2) Internal sales or exchange between segments	20,293	402	0	20,696	(20,696)	—
Total	158,971	101,752	9,660	270,384	(20,696)	249,688
Segment income	1,290	3,106	288	4,685	551	5,236

Notes:

- Country and regional segments are classified on the basis of geographic proximity.
- Principal countries and regions covered:
  - Asia: Hong Kong, Thailand, China, Korea and others
  - Other: United States and others

Fiscal Year 2019, the fiscal year ended March 31, 2020  
(April 1, 2019 to March 31, 2020)

(Millions of yen, figures less than ¥1 million have been omitted)

	Japan	Asia	Other	Total	Eliminations or corporate	Consolidated
Sales:						
(1) Sales to external customers	125,850	90,967	10,479	227,297	—	227,297
(2) Internal sales or exchange between segments	18,531	259	17	18,807	(18,807)	—
Total	144,381	91,226	10,496	246,104	(18,807)	227,297
Segment income	(202)	2,357	367	2,521	586	3,108

Notes:

- Country and regional segments are classified on the basis of geographic proximity.
- Principal countries and regions covered:
  - Asia: Hong Kong, Thailand, China, Korea and others
  - Other: United States and others