Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2021 (Based on Japanese GAAP)

April 28, 2021

Company name: TOTO Ltd.
Stock exchange listing: Tokyo, Nagoya, Fukuoka
Stock code: 5332 URL https://jp.toto.com
Representative: President & Representative Director Noriaki Kiyota
Inquiries: General Manager Management Planning Dept. Yoshihisa Tanaka TEL 03(6836)2024
Scheduled date of ordinary general meeting of shareholders: June 25, 2021
Scheduled date to file Securities Report: June 25, 2021
Scheduled date to commence dividend payments: June 4, 2021
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2021	580,935	(2.6)	41,351	12.5	41,353	14.5	27,199	15.3
Year ended March 31, 2020	596,497	1.8	36,760	(8.5)	36,111	(16.3)	23,583	(27.2)

(Note) Comprehensive income: Year ended March 31, 2021: 45,550 million yen [335.8%]
Year ended March 31, 2020: 10,452 million yen [(46.2)%]

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2021	160.55	160.30	7.8	6.7	7.1
Year ended March 31, 2020	139.26	139.02	7.0	6.2	6.2

(Reference) Investment gain or loss by equity method: Year ended March 31, 2021: (290) million yen
Year ended March 31, 2020: 422 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2021	647,635	373,707	56.6	2,163.84
As of March 31, 2020	583,934	341,141	57.2	1,973.42

(Reference) Equity: As of March 31, 2021: 366,662 million yen
As of March 31, 2020: 334,261 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2021	59,551	(42,622)	22,702	141,419
Year ended March 31, 2020	63,843	(36,705)	(20,878)	101,711

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2020	–	45.00	–	45.00	90.00	15,243	64.6	4.5
Year ended March 31, 2021	–	30.00	–	40.00	70.00	11,860	43.6	3.4
Year ending March 31, 2022 (Forecast)	–	40.00	–	40.00	80.00		43.0	

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2021	297,700	–	17,500	–	17,800	–	12,200	–	72.00
Full year	635,000	–	44,000	–	44,500	–	31,500	–	185.90

(Note) Since the Company will apply "Accounting Standard for Revenue Recognition (ASBJ Statement No. 29)," etc., from the start of the fiscal year ending March 31, 2022, the amounts listed in the consolidated financial results forecast above are the amounts after application of the accounting standard. Therefore, changes versus the previous fiscal year and year-on-year percentage changes have been omitted.

[Reference] The following presentation compares the financial results for the Company and its consolidated subsidiaries for the fiscal year under review (the fiscal year ended March 31, 2021) applying the "Accounting Standard for Revenue Recognition" with the financial results forecast for the fiscal year ending March 31, 2022.

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending March 31, 2022	635,000	9.9	44,000	11.0	44,500	8.4	31,500	16.8	185.90
Year ended March 31, 2021	577,840	–	39,656	–	41,035	–	26,978	–	159.24

For detailed information on the consolidated financial results, please refer to the material on financial results released today.

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2021 (changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations:	No
Changes in accounting policies due to other reasons:	No
Changes in accounting estimates:	No
Restatement of prior period financial statements:	No

(3) Number of issued shares (common shares)

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

As of March 31, 2021	176,981,297 shares	As of March 31, 2020	176,981,297 shares

Number of treasury shares at the end of the period

As of March 31, 2021	7,531,777 shares	As of March 31, 2020	7,599,599 shares

Average number of shares during the period

Year ended March 31, 2021	169,418,598 shares	Year ended March 31, 2020	169,349,269 shares

* Financial results reports are not required to be audited by certified public accountants or an audit corporation.

* Explanation of proper use of earnings forecasts, and other special matters

Caution concerning forward-looking statements

The forward-looking statements, including the earnings forecasts shown in this document, are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. As such, they do not constitute guarantees by the Company of future performance. Actual performance and other results may differ materially due to various factors. For the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof, please refer to the section of "(1) Review of business results for the current period (Outlook for the next term)" of "1. Review of Business Results and Others" on page 3 of the attached material.

1. Review of Business Results and Others

(1) Review of business results for the current period

(Review of operations)

During the fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021) (hereinafter, fiscal 2020), the global economy continued to face severe conditions as before due to the impact of the novel coronavirus disease (COVID-19), despite the appearance of a recovery trend.

The Japanese economy is also on a recovery trend, but the situation continues to be severe, with weaknesses observable in some areas.

Under this business environment, the TOTO Group continued to promote its activities in the two core businesses: the Global Housing Equipment Business, composed of the three businesses of Japan, China/Asia, and the Americas/Europe, and the New Domain Businesses, composed of the Ceramics Business and the Green Building Materials Business, based on TOTO WILL2022, our medium-term management plan.

As a result, net sales for fiscal 2020 amounted to 580,935 million yen, a decrease of 2.6% year on year, operating profit totaled 41,351 million yen, an increase of 12.5% year on year, ordinary profit stood at 41,353 million yen, an increase of 14.5% year on year, and profit attributable to owners of parent amounted to 27,199 million yen, an increase of 15.3% year on year.

Business results by segment are as follows. Net sales by segment are sales to external customers.

(Segment information)

(i) Global Housing Equipment Business

Consolidated net sales for fiscal 2020 totaled 554,678 million yen (a year-on-year decrease of 3.0%) and consolidated operating profit totaled 42,926 million yen (an increase of 5.7%).

<Japan Housing Equipment Business>

Consolidated net sales for fiscal 2020 stood at 417,026 million yen (a year-on-year decrease of 4.4%) and consolidated operating profit totaled 22,818 million yen (a decrease of 10.0%).

The Group was impacted by the spread of COVID-19 and while it is gradually recovering from a difficult situation, the visitor numbers at the showrooms remain low due to the impact of the state of emergency declaration. On the other hand, the COVID-19 pandemic has prompted a further rise in interest in hygiene, which has buoyed sales of our automatic faucets, which are “touchless products.” However, as the damage suffered until the second quarter outweighed those effects, the remodeling segment and the new construction segment both reported lower results year on year.

TOTO, DAIKEN, and YKK AP are promoting “Different Homes for Different Folks” proposals for new living patterns and lifestyles tailored to meet various customers’ needs based on the Green Remodeling concept that aims to create houses that are sensitive to people and the earth, where people can live with peace of mind.

The Company will promulgate the clean toilet culture that it has created around the world, and strengthen the proposal and development of products for hygienic spaces and new living patterns in response to the spread of COVID-19.

<China & Asia Housing Equipment Business>

(China)

Consolidated net sales for fiscal 2020 stood at 69,506 million yen (a year-on-year increase of 3.7%) and consolidated operating profit totaled 12,652 million yen (an increase of 24.1%).

Despite being impacted by the spread of COVID-19, market conditions subsequently recovered and profits increased. The TOTO Group will continue monitoring such factors as fluctuations in the market environment and changing consumer purchasing behavior due to the spread of COVID-19. By leveraging the strength of TOTO as a luxury brand, we will continue pursuing business operations.

In order to meet the growing demand resulting from long-term market growth in China, we are continuing to push ahead with the building of efficient production and optimal supply systems for this market.

We are also striving to expand sales by strengthening Washlet sales promotion.

(Asia-Oceania)

Consolidated net sales for fiscal 2020 stood at 28,184 million yen (a year-on-year decrease of 13.5%) and consolidated operating profit totaled 5,516 million yen (an increase of 2.0%).

In Taiwan, there was almost no impact from the spread of COVID-19; however, the majority of other countries are still being affected.

At the TOTO Group, we are working to bolster our marketing capabilities in countries and regions with emerging economies, while we are also enhancing our production systems in Vietnam and Thailand from where products are supplied to a diverse range of markets worldwide. In addition, we are pursuing business operations utilizing the awareness of TOTO as a manufacturer of Japan-originated luxury-brand products.

In order to strengthen orders for high-profile properties such as five-star hotels and luxury condominiums, as well as for individual projects, in line with the market growth of each country, we are working to strengthen our sales networks and promote the spread of Washlet through aggressive promotion activities, and to upgrade our after-sales service systems.

<Americas & Europe Housing Equipment Business>

(The Americas)

Consolidated net sales for fiscal 2020 stood at 35,972 million yen (a year-on-year increase of 10.6%) and consolidated operating profit totaled 2,935 million yen (an increase of 362.1%).

Business activities were forced to halt during the first half of the fiscal year due to the impact of the spread of COVID-19. However, the market environment around toilet seats with warm water-washing function, such as a sharp increase in demand for Washlet, centered in North America. Furthermore, “touchless products” also saw solid demand atop an emphasis on hygiene.

The Group will aim to reinforce communication of value centered on cleanliness functions in the middle and luxury grade markets, enhance the brand value through product superiority, and distinguish itself from competitors.

Washlet is gradually moving to the full-scale popularization stage, propelled by a sharp rise in demand atop the spread of COVID-19, and is seeing growing adoption alongside Neorest, which has been highly rated by customers for its water conservation toilets (flush water volume: 3.8 L), comfort, and design. We will strengthen customer contact points and promote creation of efficient supply systems, including enhancing our showroom displays and websites, and setting up e-commerce.

(Europe)

Consolidated net sales for fiscal 2020 stood at 3,988 million yen (a year-on-year increase of 6.2%) and consolidated operating loss totaled 995 million yen (compared with an operating loss of 967 million yen in fiscal 2019).

Business activities were subject to mandatory restrictions due to the impact of the spread of COVID-19. However, we strengthened sales of products with refined design popular with European customers as well as value appeal to customers through showroom exhibitions.

At the TOTO Group, we are developing our marketing channels and acquiring well-known properties, primarily in Germany, France, and the United Kingdom, with the focus on improving the quality of displays at dealers' showrooms and exploring and increasing contractors. With the visibility of our differentiated products such as Washlet and "Neorest" improved, an increasing number of these products are adopted at prestigious sites such as hotels.

(ii) New Domain Businesses

Consolidated net sales for fiscal 2020 stood at 25,990 million yen (a year-on-year increase of 7.3%), and consolidated operating profit totaled 895 million yen (compared with an operating loss of 448 million yen in fiscal 2019).

<Ceramics Business>

Consolidated net sales for fiscal 2020 stood at 20,166 million yen (a year-on-year increase of 20.8%) and consolidated operating profit totaled 1,632 million yen (compared with an operating loss of 84 million yen in fiscal 2019).

At the TOTO Group, despite the impact of the spread of COVID-19, the growth in demand for high-tech devices such as semiconductors and display devices increased the sales of our ceramics products, which are used in manufacturing equipment for such devices.

We are aiming to build a strong business base through drastically reforming our production and working toward improved productivity so that we can continuously address shifting customer demands.

<Green Building Materials Business>

Consolidated net sales for fiscal 2020 stood at 5,824 million yen (a year-on-year decrease of 22.8%) and consolidated operating loss totaled 736 million yen (compared with an operating loss of 364 million yen in fiscal 2019).

At the TOTO Group, sales decreased year-on-year due to the impact of the spread of COVID-19.

(Outlook for the next term)

For the fiscal year ending March 2022, we are forecasting year-on-year increases in both sales and profits. Specifically, we are projecting net sales of 635,000 million yen (a year-on-year increase of 9.9%), operating profit of 44,000 million yen (an increase of 11.0%), ordinary profit of 44,500 million yen (an increase of 8.4%) and profit attributable to owners of parent of 31,500 million yen (an increase of 16.8%).

* Percentage changes are a comparison of the financial results for the Company and its consolidated subsidiaries for the fiscal year under review (the fiscal year ended March 31, 2021) applying the "Accounting Standard for Revenue Recognition" with the financial results forecast for the fiscal year ending March 31, 2022.

* Note: Forecasts based on our projections and plans for the future contain unpredictable elements that may cause fluctuations. Accordingly, actual results may differ materially from forecasts.

(2) Review of financial position for the current period

Consolidated cash and cash equivalents (hereinafter referred to as "funds") as of March 31, 2021 increased by 39,707 million yen to 141,419 million yen, up from 101,711 million yen at the end of the previous fiscal year.

(Cash flows from operating activities)

Funds provided by operating activities totaled 59,551 million yen. This was due to increases in funds including profit before income taxes of 39,064 million yen, depreciation of 25,231 million yen, proceeds from compensation of 5,429 million yen and an increase in trade payables of 4,678 million yen; and decreases in funds including an increase in trade receivables of 6,258 million yen and income taxes paid of 9,618 million yen.

(Cash flows from investing activities)

Funds used in investing activities totaled 42,622 million yen. This was mainly due to proceeds from withdrawal of time deposits of 3,383 million yen, the purchase of property, plant and equipment of 38,737 million yen, purchase of intangible assets of 4,994 million yen and payments into time deposits of 2,185 million yen.

(Cash flows from financing activities)

Funds provided by financing activities totaled 22,702 million yen. This was mainly due to increases in funds including proceeds from issuance of commercial papers of 40,600 million yen and net increase in short-term borrowings of 29,851 million yen; and decreases in funds including redemption of commercial papers of 33,600 million yen and dividends paid of 12,704 million yen.

Trends in cash flow indexes (financial figures on a consolidated basis) are as follows:

		Fiscal Year Ended March 31, 2019	Fiscal Year Ended March 31, 2020	Fiscal Year Ended March 31, 2021
Equity ratio (%)	(*1)	58.9	57.2	56.6
Equity ratio based on market value (%)	(*2)	138.3	104.3	177.9
Debt redemption period (year)	(*3)	4.5	1.0	1.7
Interest coverage ratio (times)	(*4)	318.9	558.0	345.0

(*1) Equity ratio: Equity / Total assets

(*2) Equity ratio based on market value: Market capitalization / Total assets

- Market capitalization was calculated by multiplying the closing stock price at the end of the period by the total number of issued and outstanding shares at the end of the period (excluding treasury shares).

(*3) Debt redemption period: Interest-bearing debt / Operating cash flow

- Interest-bearing debt includes all liabilities recorded on the consolidated balance sheet on which interest is paid.
- The figure used for operating cash flow is "net cash provided by operating activities" on the consolidated statement of cash flows.

(*4) Interest coverage ratio: Operating cash flow / Interest payments

- Regarding the interest payments, we use "Interest expenses paid" recorded on the consolidated statement of cash flows.

2. Basic Rationale for Selecting the Accounting Standards

The TOTO Group uses Japanese accounting standards.
With respect to the adoption of IFRS, we will keep an eye on future trends and study the issue.

3. Consolidated Financial Statements
(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	104,845	143,332
Notes and accounts receivable - trade	85,235	91,121
Merchandise and finished goods	55,647	54,165
Work in process	12,765	12,081
Raw materials and supplies	15,817	16,989
Other	16,989	10,778
Allowance for doubtful accounts	(176)	(228)
Total current assets	291,124	328,240
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	81,330	81,560
Machinery, equipment and vehicles, net	64,700	67,301
Land	26,923	26,837
Construction in progress	18,837	28,425
Other, net	14,865	15,133
Total property, plant and equipment	206,658	219,257
Intangible assets		
Software	14,676	16,233
Other	5,135	5,628
Total intangible assets	19,812	21,862
Investments and other assets		
Investment securities	45,903	56,062
Long-term loans receivable	108	103
Guarantee deposits	6,671	6,606
Retirement benefit asset	403	8,948
Deferred tax assets	10,956	4,363
Other	2,533	2,411
Allowance for doubtful accounts	(236)	(221)
Total investments and other assets	66,339	78,274
Total non-current assets	292,810	319,394
Total assets	583,934	647,635

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	64,967	69,351
Short-term borrowings	26,354	55,923
Commercial papers	33,600	40,600
Accounts payable - other	16,705	11,643
Accrued expenses	28,507	31,877
Income taxes payable	2,978	3,865
Accrued consumption taxes	4,296	3,430
Provision for bonuses for directors (and other officers)	164	185
Accrual for loss on inspection and repair of products	50	50
Provision for loss on business restructuring	287	207
Other	15,942	16,857
Total current liabilities	193,856	233,992
Non-current liabilities		
Long-term borrowings	1,259	1,440
Retirement benefit liability	34,920	21,541
Other	12,756	16,953
Total non-current liabilities	48,937	39,936
Total liabilities	242,793	273,928
Net assets		
Shareholders' equity		
Share capital	35,579	35,579
Capital surplus	29,283	29,334
Retained earnings	283,293	297,789
Treasury shares	(14,079)	(13,964)
Total shareholders' equity	334,076	348,738
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,222	14,981
Foreign currency translation adjustment	2,857	(496)
Remeasurements of defined benefit plans	(9,894)	3,437
Total accumulated other comprehensive income	184	17,923
Share acquisition rights	446	366
Non-controlling interests	6,433	6,678
Total net assets	341,141	373,707
Total liabilities and net assets	583,934	647,635

(2) Consolidated statements of income and consolidated statements of comprehensive income

Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net sales	596,497	580,935
Cost of sales	383,152	368,440
Gross profit	213,344	212,494
Selling, general and administrative expenses	176,584	171,143
Operating profit	36,760	41,351
Non-operating income		
Interest income	1,133	815
Dividend income	1,603	1,523
Share of profit of entities accounted for using equity method	422	–
Foreign exchange gains	–	792
Other	1,021	1,221
Total non-operating income	4,180	4,353
Non-operating expenses		
Interest expenses	113	165
Sales discounts	1,429	1,376
Loss on retirement of non-current assets	850	901
Share of loss of entities accounted for using equity method	–	290
Foreign exchange losses	812	–
Other	1,623	1,616
Total non-operating expenses	4,829	4,350
Ordinary profit	36,111	41,353
Extraordinary income		
Gain on sale of investment securities	650	92
Compensation income	5,377	–
Gain on change in equity	265	–
Total extraordinary income	6,293	92
Extraordinary losses		
Loss on sales of land and others	109	4
Loss on sale of investment securities	–	0
Loss on sale of membership	0	–
Loss on valuation of securities	–	117
Loss on valuation of membership	1	–
Impairment losses	510	–
Restructuring expenses	8,082	–
Loss related to COVID-19	–	2,259
Total extraordinary losses	8,704	2,380
Profit before income taxes	33,700	39,064
Income taxes - current	8,688	10,600
Income taxes - deferred	1,453	785
Total income taxes	10,142	11,385
Profit	23,558	27,678
Profit (loss) attributable to non-controlling interests	(25)	478
Profit attributable to owners of parent	23,583	27,199

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Profit	23,558	27,678
Other comprehensive income		
Valuation difference on available-for-sale securities	(6,488)	7,761
Foreign currency translation adjustment	(1,351)	(2,824)
Remeasurements of defined benefit plans, net of tax	(5,302)	13,142
Share of other comprehensive income of entities accounted for using equity method	36	(207)
Total other comprehensive income	(13,105)	17,871
Comprehensive income	10,452	45,550
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,705	44,938
Comprehensive income attributable to non-controlling interests	(252)	612

(3) Consolidated statements of changes in equity

Fiscal year ended March 31, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	35,579	29,241	275,019	(14,194)	325,645
Cumulative effects of changes in accounting policies			(68)		(68)
Restated balance	35,579	29,241	274,950	(14,194)	325,576
Changes during period					
Dividends of surplus			(15,240)		(15,240)
Profit attributable to owners of parent			23,583		23,583
Purchase of treasury shares				(8)	(8)
Disposal of treasury shares		42		123	165
Net changes in items other than shareholders' equity					
Total changes during period	–	42	8,343	114	8,500
Balance at end of period	35,579	29,283	283,293	(14,079)	334,076

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other comprehen-sive income			
Balance at beginning of period	13,709	3,854	(4,500)	13,063	487	7,462	346,658
Cumulative effects of changes in accounting policies							(68)
Restated balance	13,709	3,854	(4,500)	13,063	487	7,462	346,589
Changes during period							
Dividends of surplus							(15,240)
Profit attributable to owners of parent							23,583
Purchase of treasury shares							(8)
Disposal of treasury shares							165
Net changes in items other than shareholders' equity	(6,487)	(997)	(5,394)	(12,878)	(40)	(1,028)	(13,948)
Total changes during period	(6,487)	(997)	(5,394)	(12,878)	(40)	(1,028)	(5,448)
Balance at end of period	7,222	2,857	(9,894)	184	446	6,433	341,141

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	35,579	29,283	283,293	(14,079)	334,076
Cumulative effects of changes in accounting policies			–		–
Restated balance	35,579	29,283	283,293	(14,079)	334,076
Changes during period					
Dividends of surplus			(12,704)		(12,704)
Profit attributable to owners of parent			27,199		27,199
Purchase of treasury shares				(15)	(15)
Disposal of treasury shares		51		130	182
Net changes in items other than shareholders' equity					
Total changes during period	–	51	14,495	115	14,662
Balance at end of period	35,579	29,334	297,789	(13,964)	348,738

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other comprehen-sive income			
Balance at beginning of period	7,222	2,857	(9,894)	184	446	6,433	341,141
Cumulative effects of changes in accounting policies							–
Restated balance	7,222	2,857	(9,894)	184	446	6,433	341,141
Changes during period							
Dividends of surplus							(12,704)
Profit attributable to owners of parent							27,199
Purchase of treasury shares							(15)
Disposal of treasury shares							182
Net changes in items other than shareholders' equity	7,759	(3,353)	13,332	17,738	(79)	244	17,903
Total changes during period	7,759	(3,353)	13,332	17,738	(79)	244	32,565
Balance at end of period	14,981	(496)	3,437	17,923	366	6,678	373,707

(4) Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from operating activities		
Profit before income taxes	33,700	39,064
Depreciation	25,343	25,231
Increase (decrease) in allowance for doubtful accounts	(43)	44
Increase (decrease) in provision for bonuses for directors (and other officers)	(14)	21
Increase (decrease) in accrual for loss on inspection and repair of products	(7)	(0)
Increase (decrease) in provision for loss on business restructuring	(87)	(80)
Increase (decrease) in retirement benefit liability	(3,669)	4,295
Interest and dividend income	(2,736)	(2,338)
Interest expenses	113	165
Loss on retirement of non-current assets	850	901
Loss (gain) on sale of investment securities	(650)	(91)
Compensation income	(5,377)	–
Loss (gain) on change in equity	(265)	–
Loss (gain) on sale of land	109	4
Loss (gain) on sale of membership	0	–
Loss (gain) on valuation of securities	–	117
Loss on valuation of membership	1	–
Impairment losses	510	–
Restructuring expenses	8,082	–
Loss related to COVID-19	–	2,259
Decrease (increase) in trade receivables	11,039	(6,258)
Decrease (increase) in inventories	(2,954)	318
Increase (decrease) in trade payables	286	4,678
Increase (decrease) in accounts payable - other	696	(2,214)
Increase (decrease) in accrued expenses	(1,422)	3,565
Other, net	5,512	(8,388)
Subtotal	69,019	61,294
Interest and dividends received	3,174	2,618
Interest paid	(114)	(172)
Proceeds from compensation	–	5,429
Income taxes paid	(8,235)	(9,618)
Net cash provided by (used in) operating activities	63,843	59,551

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from investing activities		
Payments into time deposits	(4,708)	(2,185)
Proceeds from withdrawal of time deposits	3,387	3,383
Decrease (increase) in short-term loans receivable	261	93
Purchase of property, plant and equipment	(30,409)	(38,737)
Proceeds from sale of property, plant and equipment	85	55
Purchase of intangible assets	(5,189)	(4,994)
Purchase of short-term and long-term investment securities	(501)	(574)
Proceeds from sale and redemption of short-term and long-term investment securities	1,134	351
Purchase of shares of subsidiaries and associates	(661)	–
Long-term loan advances	(1)	–
Proceeds from collection of long-term loans receivable	6	4
Other, net	(107)	(19)
Net cash provided by (used in) investing activities	(36,705)	(42,622)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	146	29,851
Proceeds from issuance of commercial papers	33,600	40,600
Redemption of commercial papers	(37,600)	(33,600)
Proceeds from long-term borrowings	171	500
Repayments of long-term borrowings	(571)	(605)
Dividends paid	(15,240)	(12,704)
Purchase of treasury shares	(8)	(15)
Other, net	(1,376)	(1,324)
Net cash provided by (used in) financing activities	(20,878)	22,702
Effect of exchange rate change on cash and cash equivalents	(1,018)	77
Net increase (decrease) in cash and cash equivalents	5,241	39,707
Cash and cash equivalents at beginning of period	96,470	101,711
Cash and cash equivalents at end of period	101,711	141,419

(5) Notes on consolidated financial statements

Notes on assumptions for going concern

Not applicable

(Segment information)

Fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020) (Millions of yen)

	Reportable Segment					
	Global Housing Equipment Business					
	Japan Housing Equipment Business	China & Asia Housing Equipment Business		Americas & Europe Housing Equipment Business		Total
		China	Asia, Oceania	Americas	Europe	
Sales						
For external customers	436,090	67,007	32,600	32,530	3,755	571,984
Intersegment net sales or transfers	11,455	17,352	24,613	23	56	53,501
Total	447,545	84,360	57,213	32,554	3,812	625,486
Operating profit (loss)	25,342	10,195	5,406	635	(967)	40,612

	Reportable Segment				Others	Total	Elimination or Corporate	Consolidated
	New Domain Businesses			Total				
	Ceramics Business	Green Building Materials Business	Total					
Sales								
For external customers	16,688	7,544	24,233	596,217	279	596,497	–	596,497
Intersegment net sales or transfers	–	1,347	1,347	54,848	49	54,898	(54,898)	–
Total	16,688	8,891	25,580	651,066	328	651,395	(54,898)	596,497
Operating profit (loss)	(84)	(364)	(448)	40,164	140	40,304	(3,544)	36,760

Fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021) (Millions of yen)

	Reportable Segment					
	Global Housing Equipment Business					
	Japan Housing Equipment Business	China & Asia Housing Equipment Business		Americas & Europe Housing Equipment Business		Total
		China	Asia, Oceania	Americas	Europe	
Sales						
For external customers	417,026	69,506	28,184	35,972	3,988	554,678
Intersegment net sales or transfers	12,916	14,627	29,250	20	82	56,896
Total	429,942	84,134	57,434	35,992	4,071	611,574
Operating profit (loss)	22,818	12,652	5,516	2,935	(995)	42,926

	Reportable Segment				Others	Total	Elimination or Corporate	Consolidated
	New Domain Businesses			Total				
	Ceramics Business	Green Building Materials Business	Total					
Sales								
For external customers	20,166	5,824	25,990	580,668	266	580,935	–	580,935
Intersegment net sales or transfers	–	1,545	1,545	58,442	49	58,492	(58,492)	–
Total	20,166	7,370	27,536	639,111	316	639,428	(58,492)	580,935
Operating profit (loss)	1,632	(736)	895	43,821	125	43,947	(2,596)	41,351

(Per-share data)

	Fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)	Fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)
Net assets per share	1,973.42 yen	2,163.84 yen
Earnings per share	139.26 yen	160.55 yen
Diluted earnings per share	139.02 yen	160.30 yen

(Note) Earnings per share and diluted earnings per share have been calculated based on the following data.

	Fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)	Fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)
Earnings per share		
Profit attributable to owners of parent (million yen)	23,583	27,199
Amount not attributable to common shareholders (million yen)	–	–
Profit attributable to owners of parent related to common shares (million yen)	23,583	27,199
Average number of common shares during the period (thousand shares)	169,349	169,418
Diluted earnings per share		
Adjustment of profit attributable to owners of parent (million yen)	–	–
Increase in the number of common shares (thousand shares)	295	264
(Stock options granted by subscription rights to shares)	(295)	(264)
Outline of diluted shares not included in the calculation of diluted earnings per share because there are no dilutive effects.	–	

(Significant subsequent events)

Not applicable.