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## Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 [Japanese GAAP]



May 14, 2021

Company name: Sanoyas Holdings Corporation  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 7022  
 URL: <http://www.sanoyas.co.jp/>  
 Representative: Isao Kitatsuji, President  
 Contact: Naoya Fukui, General Manager, Finance Department  
 Phone: +81-6-4803-6171  
 Email: [info@sanoyas.co.jp](mailto:info@sanoyas.co.jp)

Scheduled date of Annual General Meeting of Shareholders: June 22, 2021

Scheduled date of filing annual securities report: June 22, 2021

Scheduled date of commencing dividend payments: June 23, 2021

Availability of supplementary briefing material on annual financial results: Not available

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit (loss)		Ordinary profit (loss)		Profit (loss) attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2021	44,628	(10.4)	(5,267)	—	(5,154)	—	(3,685)	—
March 31, 2020	49,805	3.5	(1,775)	—	(1,710)	—	(2,211)	—

(Note) Comprehensive income: Fiscal year ended March 31, 2021: ¥(4,437) million [—%]

Fiscal year ended March 31, 2020: ¥(2,862) million [—%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Rate of ordinary profit (loss) to total assets	Rate of operating profit (loss) to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2021	(112.47)	—	(39.7)	(11.4)	(11.8)
March 31, 2020	(67.87)	—	(16.9)	(2.6)	(3.6)

(Reference) Profit (loss) on equity method investments: Fiscal year ended March 31, 2021: ¥52 million

Fiscal year ended March 31, 2020: ¥238 million

(Note) Diluted earnings per share for the Fiscal Year Ended March 31, 2021 are not shown in above table as a net loss per share was posted.

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2021	26,401	7,098	26.5	213.41
As of March 31, 2020	63,681	11,660	18.2	354.76

(Reference) Equity: As of March 31, 2021: ¥7,009 million

As of March 31, 2020: ¥11,571 million

### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2021	(2,680)	(4,123)	(2,821)	5,452
March 31, 2020	(3,317)	(1,534)	(605)	15,053

### 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2020	—	0.00	—	5.00	5.00	163	—	1.2
March 31, 2021	—	0.00	—	5.00	5.00	164	—	1.8
Fiscal year ending March 31, 2022 (Forecast)	—	—	—	5.00	5.00		54.6	

(Note) Dividends for the fiscal year ended March 31, 2021 is planned to be paid out of other capital surplus. For details, please refer to “Breakdown of dividends paid out of other capital surplus” below.

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit (loss)		Ordinary profit (loss)		Profit (loss) attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	20,000	(55.2)	600	—	500	—	300	—	9.16

#### \* Notes:

- Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): New — company ( ), Exclusion — company (Sanoyas Shipbuilding Corporation, Sanoyas Rides Australia Pty Ltd)
- Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - Changes in accounting policies due to the revision of accounting standards: No
  - Changes in accounting policies other than 1) above: No
  - Changes in accounting estimates: No
  - Retrospective restatement: No
- Total number of issued shares (common shares)
  - Total number of issued shares at the end of the period (including treasury shares):  
March 31, 2021: 32,890,166 shares  
March 31, 2020: 32,637,500 shares
  - Total number of treasury shares at the end of the period:  
March 31, 2021: 42,742 shares  
March 31, 2020: 20,715 shares
  - Average number of shares during the period:  
Fiscal Year Ended March 31, 2021: 32,766,328 shares  
Fiscal Year Ended March 31, 2020: 32,590,754 shares

\* These consolidated financial results are outside the scope of audit

\* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available and certain assumptions deemed reasonable. Actual results may differ significantly from these forecasts due to a wide range of factors.

Breakdown of dividends paid out of other capital surplus

The following provides the breakdown of dividends for the fiscal year ended March 31, 2020 that were paid out of other capital surplus:

Record date for dividend: March 31, 2021

Dividend per share: ¥5.00

Total dividends: ¥164 million

## 1. Summary of Business Results

With the world in turmoil due to the pandemic, in the business environment surrounding the Sanoyas Group, our Shipbuilding & Engineering business is still facing difficult circumstances reflecting continuous “twin surpluses” of shipping tonnage and shipbuilding capacity, government subsidies to our competing Chinese and South Korean shipyards and sluggish shipping market caused by global economic slump. The shipping market for bulk carriers remained weak until the middle of 2020. Though some dry bulk shipping indices have been showing an upward trend from the latter half of 2020 to the present, time charter rates remain at a low level and the price of new ships has not recovered yet.

As a result, on February 28, 2021, we decided to transfer the ownership of Sanoyas Shipbuilding Corporation which is our subsidiary of Shipbuilding & Engineering business to SHIN KURUSHIMA DOCKYARD CO.,LTD. in order for Sanoyas Shipbuilding Corporation to continue its shipbuilding business far into the future in light of the recent business environment and company scale and financial strength necessary to survive on its own.

The plant business section which manufactures and sells food tanks spun off from Sanoyas Shipbuilding Corporation and was transferred to Sanoyas MTG Corporation on January 4, 2021. The business merged with MIZUHO INDUSTRIAL CO., LTD. on April 1, 2021.

In the Shipbuilding business, we have developed new 82,000 DWT type PANAMAX bulk carriers and new 64,000 DWT type ULTRAMAX bulk carriers. These vessels are in accordance with IMO NOx Tier III regulation and IACS Harmonized Common Structural Rules and further improved fuel consumption. In addition, We have newly developed 41,000 DWT type HANDY SIZE bulk carriers. This type of vessel with wide beam and shallow draft has larger cargo hold capacity and applies new regulations. We mainly carry out sales promotion for these vessels.

On the other hand, we are working on diversification of the construction menu by promoting sales of passenger ferries, special purpose vessels and work vessels, etc. in addition to commercial vessels. In addition, we worked to secure operating volumes by taking orders for the marine business, which we are expanding to supplement the Shipbuilding business which continues to slump in the price. As to the gas tank business (manufacture of LPG tanks for marine), we have constructed gas tank production facilities in the Mizushima Shipyard (Kurashiki City, Okayama Prefecture) in addition to the Osaka Shipyard (Osaka City, Osaka Prefecture) after strengthening the organization.

In the Machinery & Technology business, all shares of Sanoyas Rides Australia Pty Ltd were transferred to ROBU Group (based in Switzerland) a group of companies engaged in the construction and operation of Ferris wheels around the world, on January 31, 2021. The ROBU Group has been operating and managing the Ferris wheel "Melbourne Star" since February 1, 2021. Furthermore, following the transfer of the shipbuilding business mentioned above, from March 2021 onwards, we were reorganized as a medium-sized business group consisting of 8 companies as shown in the table below under the holding company, and we have taken a step toward the succession and development of the existing business under a new top management.

### <List of business company>

Company name	Main items of business
Sanoyas Engineering Corporation	Manufacturing, sales & rental of construction project elevators Manufacturing, sales and maintenance of mechanical car

	parking devices Manufacturing, sales of shot blast machines
Sanoyas Precision Industry Corporation	Processing of precision machine parts for the semiconductor industry Manufacture of machine parts for special vehicles
Mizuho Industrial Co., Ltd.	Manufacturing and sales of emulsion devices and mixers for cosmetic and pharmaceutical products
MIZUHO MACHINE(WUXI) CO., LTD	Manufacturing and sales of plant wastewater treatment systems Design & installation of tank facilities, steel structures
Yamada Industrial Co., Ltd.	Design & installation of air conditioning, water supply/wastewater and sanitation facilities Design, production and installation of medical waste treatment equipment & devices
Happiness Electric Corporation	Manufacture and sales of power control panels and electronic switchboards for high buildings
Sanoyas Rides Corporation	Manufacturing, sales, rental and management of amusement park equipment and facilities Operation & management service for amusement parks
Sanoyas Rides Service Corporation	

Consolidated net sales for the fiscal year ended March 31, 2021 decreased by ¥5,177 million (10.4%) over the same period of the previous fiscal year, to ¥44,628 million. Under the COVID-19, the Machinery & Technology business recorded an operating loss of 15 million yen and was unable to cover the loss of the Shipbuilding & Engineering business. Operating loss was ¥5,267 million (operating loss of the previous fiscal year was 1,775 million), ordinary loss was ¥5,154 million (ordinary loss of the previous fiscal year was ¥1,710 million). In extraordinary income or loss, a loss of ¥4,011 million on the sale of the shipbuilding business, a loss of ¥842 million on the sale of the Ferris wheel management business in Australia, and an impairment loss of ¥1,411 million were recorded, while a gain of ¥8,149 million on the sale of investment securities held over a long period of time was recorded as extraordinary income. Loss attributable to owners of parent was ¥3,685 million (loss attributable to owners of parent of the previous fiscal year was ¥2,211 million).

As a result of the transfer of the Shipbuilding & Engineering business outside our group on February 28, 2021, the results of Shipbuilding & Engineering business are reflected in the financial results as of the end of February 2021.

## 2. Segment Results

Effective from the currentSince the consolidated fiscal year ended March 31, 2021, the Plant business of Sanoyas Shipbuilding Corporation, which was previously included in the Shipbuilding & Engineering business segment, was transferred to Sanoyas Plant Industry Corporation which was newly established in January 2021, and the segment of the Plant business has been changed to the Machinery & Technology business. The figures for the consolidated fiscal year ended March 31, 2020 have been restated to reflect the new segment classification.

### ① Shipbuilding & Engineering business

We tried to secure new orders for vessels under the market in which newbuilding prices have not been recovered due to the saturated supply-demand balance, with the result that we received new orders of 3 vessels of new 82,000 DWT type PANAMAX bulk carriers, 4 vessels of new 64,000 DWT type ULTRAMAX bulk carriers and 1 vessel of 88,000

DWT type PANAMAX bulk carriers. In the meantime, we delivered 1 vessel of 82,000 DWT type PANAMAX bulk carriers, 3 vessels of new 82,000 DWT type PANAMAX bulk carriers, and 1 vessel of 60,000 DWT type SUPRAMAX bulk carriers. As to marine business and gas tank business, we focused on sales of repairing services for vessels of public and private sectors and LPG tanks.

The segment net sales ended March 31, 2021 decreased by ¥2,254 million (8.0%) over the same period of the previous fiscal year, to ¥25,915 million. In addition to higher costs due to higher prices of materials and equipment, the evaluated net sales of the backlog of shipbuilding orders on a US dollar basis decreased because Japanese Yen has been stronger against the US dollar continually as of the end of February 2021 compared to the end of March 2020. As a result, the profitability of the vessels deteriorated and the operating loss was ¥4,669 million (operating loss of the previous fiscal year was ¥2,895 million).

## ②M & T business

Regarding the Machinery & Technology business, precision machining for semiconductor manufacturing equipment continued to increase and sales of the electronic switchboard manufacturing business acquired in January 2020 contributed to the business results. On the other hand, domestic and overseas leisure activities were directly affected by the declaration of a state of emergency in response to the COVID-19 and restrictions on overseas travel. As for the sales of shot blast machines and plumbing and plant construction, the investment appetite of the customers has suddenly recededdisappeared. Such a business slump led to a significant decline in the segment results. As a result of the business activities, the segment net sales ended March 31, 2021 decreased by ¥2,922 million (13.5%) over the same period of the previous fiscal year, to ¥18,713 million. The operating loss was ¥15 million (operating profit of the same period of the previous fiscal year was ¥1,512 million). Amount of orders received in the segment was ¥14,240 million and the backlog of orders was ¥7,050 million.

## 2. Consolidated Financial Statements [Japanese GAAP]

### (1) Consolidated Balance Sheets [Japanese GAAP]

(Million yen)

	As of March 31, 2020	As of March 31, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	15,623	5,612
Notes and accounts receivable - trade	15,085	4,155
Electronically recorded monetary claims - operating	535	559
Securities	500	—
Merchandise and finished goods	179	162
Work in process	1,464	1,108
Raw materials and supplies	829	685
Other	3,656	1,364
Allowance for doubtful accounts	(33)	(9)
Total current assets	37,839	13,638
Non-current assets		
Property, plant and equipment		
Buildings and structures	20,686	5,739
Accumulated depreciation	(14,376)	(3,214)
Buildings and structures, net	6,310	2,524
Docks and building berths	4,763	—
Accumulated depreciation	(3,663)	—
Docks and building berths, net	1,099	—
Machinery, vehicles, tools, furniture and fixtures	34,761	14,546
Accumulated depreciation	(31,133)	(12,815)
Machinery, vehicles, tools, furniture and fixtures, net	3,628	1,730
Land	5,168	2,873
Construction in progress	158	244
Total property, plant and equipment	16,365	7,372
Intangible assets		
Software	550	114
Goodwill	901	806
Other	39	17
Total intangible assets	1,490	938
Investments and other assets		
Investment securities	5,894	3,728
Long-term loans receivable	401	2
Deferred tax assets	231	86
Net defined benefit asset	254	306
Other	1,346	337
Allowance for doubtful accounts	(143)	(9)
Total investments and other assets	7,984	4,451
Total non-current assets	25,841	12,762
<b>Total assets</b>	<b>63,681</b>	<b>26,401</b>

(Million yen)

	As of March 31, 2020	As of March 31, 2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	10,973	3,368
Short-term loans payable	5,442	1,800
Current portion of long-term loans payable	3,665	2,890
Income taxes payable	200	69
Advances received	2,696	661
Provision for bonuses	534	333
Provision for construction warranties	287	76
Provision for loss on construction contracts	2,286	–
Provision for removal cost of property and equipment	90	23
Lease obligations	261	251
Other	1,845	683
Total current liabilities	28,284	10,157
Non-current liabilities		
Long-term loans payable	14,214	4,009
Lease obligations	1,823	1,093
Deferred tax liabilities	2,181	1,618
Provision for removal cost of property and equipment	8	–
Net defined benefit liability	5,024	1,709
Asset retirement obligations	450	704
Other	33	8
Total non-current liabilities	23,736	9,145
Total liabilities	52,020	19,302
<b>Net assets</b>		
Shareholders' equity		
Capital stock	2,542	2,563
Capital surplus	405	263
Retained earnings	6,364	2,679
Treasury shares	(5)	(9)
Total shareholders' equity	9,306	5,496
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,708	1,566
Deferred gain (loss) on hedges	11	–
Foreign currency translation adjustment	(286)	(5)
Remeasurements of defined benefit plans	(169)	(48)
Total accumulated other comprehensive income	2,264	1,512
Share acquisition right	89	89
Total net assets	11,660	7,098
Total liabilities and net assets	63,681	26,401

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income [Japanese GAAP]

Consolidated Statements of Income [Japanese GAAP]

(Million yen)

	For the fiscal year ended March 31, 2020	For the fiscal year ended March 31, 2021
Net sales	49,805	44,628
Cost of sales	46,477	44,388
Gross profit	3,328	240
Selling, general and administrative expenses	5,103	5,508
Operating loss	(1,775)	(5,267)
Non-operating income		
Interest income	11	11
Dividend income	132	116
Share of profit of entities accounted for using equity method	238	52
Subsidies for employment adjustment	–	108
Foreign exchange gain	–	56
Other	43	180
Total non-operating income	426	525
Non-operating expenses		
Interest expenses	268	332
Other	92	80
Total non-operating expenses	361	412
Ordinary loss	(1,710)	(5,154)
Extraordinary income		
Gain on sales of investment securities	578	8,149
Gain on sale of non-current assets	399	–
Total extraordinary income	977	8,149
Extraordinary loss		
Losses on sales of shares of subsidiaries and associates and others	–	4,853
Impairment loss	1,123	1,411
Provision for assets removal	99	–
Loss on abolishment of transition benefit plan	–	57
Loss on liquidation of subsidiaries and affiliates	–	2
Total extraordinary loss	1,223	6,324
Loss before income taxes	(1,956)	(3,329)
Income taxes – current	272	425
Income taxes – deferred	(17)	(69)
Total income taxes	255	355
Loss	(2,211)	(3,685)
Loss attributable to owners of parent	(2,211)	(3,685)

Consolidated Statements of Comprehensive Income [Japanese GAAP]

(Million yen)

	For the fiscal year ended March 31, 2020	For the fiscal year ended March 31, 2021
Loss	(2,211)	(3,685)
Other comprehensive loss (income)		
Valuation difference on available-for-sale securities	(600)	(1,142)
Deferred gain (loss) on hedges	16	(13)
Foreign currency translation adjustment	(114)	276
Remeasurements of defined benefit plans, net of tax	52	120
Comprehensive loss (income) of affiliates accounted for by the equity method attributable to the Company	(4)	6
Total other comprehensive loss (income)	(650)	(752)
Comprehensive income	(2,862)	(4,437)
Comprehensive income (loss) attributable to		
Owners of the parent	(2,862)	(4,437)
Non-controlling interests	—	—

## (3) Consolidated Statements of Cash Flows [Japanese GAAP]

(Million yen)

	For the fiscal year ended March 31, 2020	For the fiscal year ended March 31, 2021
<b>Cash flows from operating activities</b>		
Loss before income taxes	(1,956)	(3,329)
Depreciation	1,577	1,536
Impairment loss	1,123	1,411
Amortization of goodwill	84	94
Increase (decrease) in net defined benefit liability	361	46
Increase (decrease) in allowance for doubtful accounts	52	(54)
Increase (decrease) in provision for bonuses	(2)	(72)
Increase (decrease) in provision for construction warranties	113	(154)
Increase (decrease) in provision for loss on construction contracts	(822)	2,920
Increase (decrease) in provision for removal cost of property and equipment	99	(1)
Interest and dividend income	(143)	(127)
Interest expenses	268	332
Foreign exchange loss (gain)	17	(7)
Subsidies for employment adjustment etc	—	(108)
Loss(gain) on sale of non-current assets	(395)	(46)
Loss (gain) on sales of investment securities	(578)	(8,149)
Losses on sales of shares of subsidiaries and associates and others	—	4,853
Decrease (increase) in notes and accounts receivable – trade	857	(517)
Decrease (increase) in inventories	299	(100)
Decrease (increase) in advance payment	(1,014)	(223)
Increase (decrease) in notes and accounts payable - trade	(1,270)	972
Increase (decrease) in advances received	(1,820)	(629)
Decrease (increase) in consumption taxes refund receivable	(202)	449
Other, net	(175)	(622)
Subtotal	(3,526)	(1,528)
Interest and dividend income received	143	120
Interest expenses paid	(275)	(314)
Proceeds from dividends income from affiliates accounted for by equity method	261	—
Subsidies for employment adjustment etc	—	108
Proceeds from insurance income	259	—
Income taxes paid	(179)	(1,066)
Net cash provided by (used in) operating activities	(3,317)	(2,680)

(Million yen)

	For the fiscal year ended March 31, 2020	For the fiscal year ended March 31, 2021
<b>Cash flows from investing activities</b>		
Payments into time deposits	(168)	(142)
Proceeds from withdrawal of time deposits	383	552
Proceeds from redemption of securities	—	500
Purchase of property, plant and equipment	(1,970)	(933)
Proceeds from sales of property, plant and equipment	765	132
Purchase of non-current assets	(364)	(173)
Purchase of investment securities	(15)	(17)
Proceeds from sales of investment securities	884	8,380
Proceeds from cancellation of insurance funds	—	236
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(1,023)	—
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	—	(12,689)
Other, net	(24)	29
Net cash provided by (used in) investing activities	(1,534)	(4,123)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	(101)	357
Proceeds from long-term loans payable	5,281	2,286
Repayments of long-term loans payable	(4,480)	(4,895)
Proceeds from sales and leaseback transactions	273	—
Cash dividends paid	(162)	(163)
Repayments of lease obligations	(204)	(407)
Other, net	0	0
Net cash provided by (used in) financing activities	605	(2,821)
Effect of exchange rate change on cash and cash equivalents	(23)	24
Net increase (decrease) in cash and cash equivalents	(4,269)	(9,600)
Cash and cash equivalents at beginning of period	19,323	15,053
Cash and cash equivalents at end of period	15,053	5,452

(Segment Information)

Information concerning Net sales and Operating profit or loss by Reportable business segment  
Fiscal Year Ended March 31, 2020 (April 1, 2019 to March 31, 2020)

	Reportable segment		Total	Adjustments (Note 1)	Amount recorded in consolidated statements of income (Note 2)
	Shipbuilding & Engineering Business	Machinery & Technology Business			
Net sales					
External sales	28,170	21,635	49,805	—	49,805
Internal sales or transfers	429	10	440	(440)	—
Total	28,599	21,646	50,246	(440)	49,805
Segment profit(loss)	(2,895)	1,512	(1,382)	(393)	(1,775)
Segment assets	34,346	29,984	64,330	(649)	63,681
Other items					
Depreciation and amortization	810	708	1,519	57	1,577
Amortization of goodwill	—	84	84	—	84
Increase in property, plant and equipment and intangible assets	1,453	443	1,897	393	2,290

(Note 1) Details of “Adjustments” are as follows:

Adjustments for the segment profit(loss) of ¥(393) million include corporate cost of ¥(418) million not allocated to each reportable segment, allowance for doubtful accounts of ¥2 million and elimination of inter-segment transaction of ¥23 million. Adjustments for segment assets of ¥(649) million include corporate assets of ¥6,208million and consolidation adjustments of ¥(6,858) million.

Adjustments for depreciation and amortization of ¥57 million include depreciation and amortization of corporate assets of ¥92 million and the elimination of transaction between the segments of ¥(1) million.

Adjustment for the increase in property, plant and equipment and intangible assets of ¥393 million include investments in corporate assets of ¥161 million and software of ¥231 million.

Corporate cost consists of general and administrative expenses which do not belong to the reporting segment.

(Note 2) Segment profit(loss) is adjusted with operating profit recorded in the consolidated statements of income.

Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(Million yen)

	Reportable segment		Total	Adjustments (Note 1)	Amount recorded in consolidated statements of income (Note 2)
	Shipbuilding & Engineering Business	Machinery & Technology Business			
Net sales					
External sales	25,915	18,713	44,628	—	44,628
Internal sales or transfers	143	2	145	(145)	—
Total	26,058	18,715	44,774	(145)	44,628
Segment loss	(4,669)	(15)	(4,684)	(583)	(5,267)
Segment assets	—	26,151	26,151	249	26,401
Other items					
Depreciation and amortization	620	722	1,343	193	1,536
Amortization of goodwill	—	94	94	—	94
Increase in property, plant and equipment and intangible assets	1,083	716	1,799	824	2,623

(Note 1) Details of “Adjustments” are as follows:

Adjustments for the segment loss of ¥(583) million include corporate cost of ¥(612) million not allocated to each reportable segment, allowance for doubtful accounts of ¥4 million and elimination of inter-segment transaction of ¥24 million.

Adjustments for segment assets of ¥249 million include corporate assets of ¥5,705 million and consolidated adjustment of ¥(5,445) million

Adjustments for depreciation and amortization of ¥193 million include depreciation and amortization of corporate assets of ¥197 million and the elimination of transaction between the segments of ¥(4) million.

Adjustment for the increase in property, plant and equipment and intangible assets of ¥824 million include investments in corporate assets of ¥4 million and software of ¥820 million.

Corporate cost consists of general and administrative expenses which do not belong to the reporting segment.

(Note 2) Segment loss is adjusted with operating profit recorded in the consolidated statements of income.

3. Supplementary information  
 Status of sales and orders  
 Segmental sales

Segment	Fiscal Year Ended March 31, 2020 (April 1, 2019 to March 31, 2020)		Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)	
	(Million yen)	Composition ratio (%)	(Million yen)	Composition ratio (%)
Shipbuilding & Engineering Business	28,170	56.6	25,915	58.1
Machinery & Technology Business	21,635	43.4	18,713	41.9
Total	49,805	100.0	44,628	100.0

Order status and backlog of orders

Segment	Fiscal Year Ended March 31, 2020 (April 1, 2019 to March 31, 2020)		Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)	
	Orders (Million yen)	Backlog of orders (Million yen)	Orders (Million yen)	Backlog of orders (Million yen)
Shipbuilding & Engineering Business	24,320	36,528	30,379	—
Machinery & Technology Business	13,001	8,149	14,240	7,050
Total	37,322	44,677	44,620	7,050