

Summary of Financial Report for the 1st Quarter of FY ending March 2022 (Non-Consolidated)

July 30, 2021

Listed Company Name: Japan Tissue Engineering Co., Ltd.
Stock Code: 7774
Representative: Ken-ichiro Hata, President and CEO
Contact: Masahito Obayashi, Executive Officer

Listed Securities Exchange: JQ
URL <https://www.jpte.co.jp>

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(Rounding down to the nearest million yen)

1. Results for the 1st Quarter of FY2021 (April 1, 2021 to June 30, 2021)

(1) Business Results (% indicate increase / decrease on previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
1 st quarter of FY2021	478	26.6	-129	—	-128	—	-129	—
1 st quarter of FY2020	377	-12.7	-174	—	-173	—	-174	—

	Net income per share	Net income per share, diluted
	yen	yen
1 st quarter of FY2021	-3.19	—
1 st quarter of FY2020	-4.31	—

(2) Financial Condition

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
1 st quarter of FY2021	7,897	7,034	89.1
FY2020	8,119	7,164	88.2

Note: Shareholders' equity 1st quarter of FY2021: 7,034 million yen FY2020: 7,164 million yen

2. Cash Dividends

	Dividends per share				
	Q1 end	Q2 end	Q3 end	Term end	Annual
	yen	yen	yen	yen	yen
FY2020	—	0.00	—	0.00	0.00
FY2021	—	—	—	—	—
FY2021 (Forecast)	—	0.00	—	0.00	0.00

Note: Revisions to cash dividends this quarter No

3. Forecast for FY2021 (April 1, 2021 to March 31, 2022)

(% indicate increase/decrease on previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
FY2021	2,758	22.2	-297	—	-292	—	-295	—	-7.29

Note: Revisions to forecast this quarter No

*Disclaimer regarding appropriate use of forecasts and related points of note

The above-mentioned forecasts are based on the information available on the date of release of these materials and on various assumptions made on the date of release of these materials including uncertain factors and may affect future earnings. Actual operating results may differ significantly from those forecasts as a consequence of various factors.

Japan Tissue Engineering Co., Ltd.
Non-consolidated Financial Statements for 1st Quarter of FY2021
(April 1, 2021 - June 30, 2021)

(1) Non-consolidated Balance Sheets

(Thousands of yen)

	FY2020 As of March 31, 2021	FY2021 Q1 As of June 30, 2021
Assets		
Current assets		
Cash and deposits	5,275,871	5,406,159
Notes and accounts receivable - trade	822,446	409,633
Merchandise and finished goods	3,569	6,131
Work in process	12,037	41,461
Raw materials and supplies	188,464	191,914
Other	242,212	271,976
Total current assets	6,544,600	6,327,276
Non-current assets		
Property, plant and equipment		
Buildings, net	788,578	785,890
Land	582,770	582,770
Other, net	183,713	171,109
Total property, plant and equipment	1,555,063	1,539,771
Intangible assets	16,575	27,830
Investments and other assets	2,946	2,461
Total non-current assets	1,574,585	1,570,063
Total assets	8,119,186	7,897,340
Liabilities		
Current liabilities		
Notes and accounts payable - trade	147,467	145,108
Income taxes payable	14,394	11,816
Provision for bonuses	134,001	65,045
Provision for bonuses for directors (and other officers)	4,824	—
Other	618,322	604,830
Total current liabilities	919,009	826,801
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	34,900	34,900
Other	874	736
Total non-current liabilities	35,774	35,636
Total liabilities	954,784	862,437
Net assets		
Shareholders' equity		
Share capital	4,958,763	4,958,763
Capital surplus	2,788,763	2,788,763
Retained earnings	-582,837	-712,316
Treasury shares	-287	-307
Total shareholders' equity	7,164,401	7,034,902
Total net assets	7,164,401	7,034,902
Total liabilities and net assets	8,119,186	7,897,340

(2) Non-consolidated Statements of Income

(Thousands of yen)

	FY2020 Q1 April 1 - June 30, 2020	FY2021 Q1 April 1 - June 30, 2021
Net sales	377,843	478,341
Cost of sales	183,794	174,358
Gross profit	194,048	303,983
Selling, general and administrative expenses	368,741	433,745
Operating loss	-174,692	-129,762
Non-operating income		
Interest and dividend income	790	600
Other	632	829
Total non-operating income	1,422	1,429
Non-operating expenses		
Foreign exchange losses	447	—
Other	7	—
Total non-operating expenses	454	—
Ordinary loss	-173,724	-128,332
Loss before income taxes	-173,724	-128,332
Income taxes - current	1,149	1,146
Total income taxes	1,149	1,146
Loss	-174,873	-129,478