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DISCLAIMER

This English version of financial results is only for reference purpose. When there are any discrepancies between the original version(Japanese) and English version of the financial results, the original version always prevails.

Please note: This English version of financial results is an extract from the original version.

November 11, 2021

**Summary of Consolidated Financial Results for the Third Quarter
of the Fiscal Year Ending December 31, 2021
(Nine Months Ended September 30, 2021)**

[Japanese GAAP]

Company name: RS Technologies Co., Ltd. Listing: Tokyo Stock Exchange, First Section
Securities code: 3445 URL: <https://www.rs-tec.jp/index.html>
Representative: Nagayoshi Ho, Chief Executive Officer
Contact: Masayuki Suzuki, Director & Chief Financial Officer Tel:+81-3-5076-7685
Scheduled date of filing of Quarterly Report: November 11, 2021
Scheduled date of payment of dividend: -
Preparation of supplementary references regarding quarterly results: Yes
Holding of Quarterly results briefing: No

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

**1.Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending December 31, 2021
(January 1, 2021 - September 30, 2021)**

(1)Consolidated operating results

	Net sales		Operating Profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine Months Ended Sep 30, 2021	24,652	29.8	4,621	18.5	6,225	48.9	1,746	△25.1
Nine Months Ended Sep 30, 2020	18,999	2.0	3,901	4.2	4,182	△3.0	2,330	△7.1

Note: Comprehensive income(million yen) Nine Months Ended Sep 30, 2021 : 4,556 (52.4%)
Nine Months Ended Sep 30, 2020 : 2,989 (32.0%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine Months Ended Sep 30, 2021	135.07	132.16
Nine Months Ended Sep 30, 2020	180.96	177.93

(2)Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Sep 30, 2021	73,301	50,104	35.6
AS of Dec 31, 2020	58,750	40,365	40.5

Reference: Shareholders' equity(million yen) As of Sep 30, 2021 :26,097 AS of Dec 31, 2020 :23,765

2.Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Dec 31, 2020	-	0.00	-	20.00	20.00
Fiscal year ended Dec 31, 2021	-	0.00	-	-	-
Fiscal year ended Dec 31, 2021 (forecast)	-	-	-	20.00	20.00

**3.Consolidated Earnings Forecasts for the Fiscal year Ending December 31, 2021
(January 1, 2021 - December 31, 2021)**

	Net sales		Operating Profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	31,600	23.6	6,100	34.7	7,300	39.0	3,100	9.7	240.51

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***Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in the scope of consolidation): None

New companies: -

Excluded companies: -

(2) Application of special accounting methods to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

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

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

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of outstanding shares (common shares)

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

As of Sep 30, 2021 : 12,928,100 shares

AS of Dec 31, 2020 : 12,928,100 shares

2) Number of treasury shares at the end of period

As of Sep 30, 2021 : 487 shares

AS of Dec 31, 2020 : 427 shares

3) Average number of shares outstanding during the period

Nine Months Ended Sep 30, 2021 12,927,630 shares

Nine Months Ended Sep 30, 2020 12,876,190 shares

*This report is not subject to quarterly review by certified public accountants or auditing firms.

*Explanation regarding appropriate use of the earnings forecasts and other special notes

Forecasts regarding future performance in this document are based on certain assumptions judged to be valid and information currently available to us. Actual performance may differ significantly from these forecasts for a number of factors.

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2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheet

	(Thousands of yen)	
	FY 12/2020	Third quarter of FY 9/2021
	(AS of Dec 31, 2020)	(As of Sep 30, 2021)
Assets		
Current assets		
Cash and deposits	19,082,234	27,065,804
Bills receivable and accounts receivable	6,321,264	8,129,557
Goods and products	2,116,070	1,977,693
Work in process	1,413,875	1,620,627
Raw materials and supplies	1,236,014	2,045,297
Other	2,481,099	949,355
Allowance for doubtful accounts	△ 24,028	△ 61,048
Total current assets	<u>32,626,531</u>	<u>41,727,288</u>
Fixed asset		
Tangible fixed assets		
Buildings and structures (net)	11,060,835	10,069,491
Mechanical equipment and carriers (net)	6,671,191	13,289,188
Other (net amount)	2,339,393	3,707,857
Construction in progress	4,074,229	380,992
Total property, plant and equipment	<u>24,145,649</u>	<u>27,447,530</u>
Intangible fixed assets		
Goodwill	348,201	256,101
Other	178,955	201,523
Total intangible assets	<u>527,157</u>	<u>457,624</u>
Investment and other assets		
Other	1,451,062	3,668,851
Total investment and other assets	<u>1,451,062</u>	<u>3,668,851</u>
Total fixed assets	<u>26,123,869</u>	<u>31,574,006</u>
Total assets	<u>58,750,401</u>	<u>73,301,295</u>
Liabilities		
Current Liabilities		
Notes payable and accounts payable	2,871,460	3,305,090
Short-term loans	121,110	1,116,580
Long-term loans payable within one year	1,401,517	2,069,167
Accounts payable	3,731,657	3,899,684
Accrued corporate tax, etc.	740,197	919,777
Provision for bonuses	368,783	390,449
Other	3,395,955	1,578,184
Total current liabilities	<u>12,630,681</u>	<u>13,278,934</u>
Fixed liabilities		
Long-term loans	1,613,437	5,082,849
Reserve for retirement benefits for directors	5,749	6,949
Retirement Benefit Retirement Benefits	2,302	2,261
Deferred tax liability	230,484	596,318
Other	3,902,028	4,229,659
Total fixed liabilities	<u>5,754,002</u>	<u>9,918,038</u>
Total liabilities	<u>18,384,684</u>	<u>23,196,973</u>

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2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheet

	(Thousands of yen)	
	FY 12/2020	Third quarter of FY 9/2021
	(AS of Dec 31, 2020)	(As of Sep 30, 2021)
Net assets		
Shareholders' equity		
Capital stock	5,438,329	5,438,329
Capital surplus	5,429,695	4,916,517
Retained earnings	13,281,456	14,768,967
Treasury shares	△ 1,209	△ 1,616
Total shareholders' equity	<u>24,148,271</u>	<u>25,122,197</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	△ 2,082	-
Foreign currency translation adjustment	△ 380,408	975,591
Total accumulated other comprehensive income	<u>△ 382,491</u>	<u>975,591</u>
Stock acquisition right	156,022	198,647
Non-controlling interests	16,443,914	23,807,885
Total net assets	<u>40,365,716</u>	<u>50,104,322</u>
Total liabilities and net assets	<u>58,750,401</u>	<u>73,301,295</u>

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(2) Quarterly Consolidated Statements of Income and Comprehensive Income
(Quarterly Consolidated Statement of Income)
(For the Nine-month Period)

	(Thousands of yen)	
	First nine months of FY 9/2020 (Jan 1, 2019 - Sep 30, 2020)	First nine months of FY 9/2021 (Jan 1, 2020 - Sep 30, 2021)
Net sales	18,999,609	24,652,923
Cost of sales	12,811,195	16,452,712
Gross profit	6,188,414	8,200,211
Selling, general and administrative expense	2,287,056	3,578,895
Operating profit	3,901,357	4,621,315
Non-operating income		
Interest income	252,274	168,790
Equity Gains of Affiliated Companies	610	13,012
Foreign exchange gains	-	46,835
Subsidy income	183,434	1,430,373
Other	36,562	13,331
Total non-operating income	472,882	1,672,342
Non-operating expenses		
Interest expense	46,149	52,922
Foreign exchange losses	125,514	-
Other	19,999	14,889
Total non-operating expenses	191,664	67,812
Ordinary income	4,182,575	6,225,845
Extraordinary losses		
Share-based compensation expenses	-	1,382,785
Factory relocation cost	214,089	-
Total extraordinary losses	214,089	1,382,785
Profit(loss) before income taxes	3,968,486	4,843,060
Income taxes-current	977,125	2,570,528
Income taxes-deferred	△ 79,476	342,291
Total income taxes	897,649	2,912,820
Profit	3,070,836	1,930,240
Profit attributable to non-controlling interests	740,720	184,076
Loss attributable to non-controlling interests(△)		
Profit attributable to owners of parent	2,330,115	1,746,163

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(Quarterly Consolidated Statement of Comprehensive Income)
(For the Nine-month Period)

	(Thousands of yen)	
	First nine months of FY 9/2020 (Jan 1, 2019 - Sep 30, 2020)	First nine months of FY 9/2021 (Jan 1, 2020 - Sep 30, 2021)
Profit	3,070,836	1,930,240
Other comprehensive income		
Valuation difference on available-for-sale securities	△ 2,072	2,082
Foreign currency translation adjustment	△ 110,664	2,501,389
Share of other comprehensive income of entities accounted for using equity method	31,191	122,545
Total other comprehensive income	<u>△ 81,546</u>	<u>2,626,016</u>
Comprehensive income	<u>2,989,290</u>	<u>4,556,256</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,335,282	3,104,246
Comprehensive income attributable to non-controlling interests	654,008	1,452,010