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Consolidated Financial Results for the Three Months Ended June 30, 2021 [Japanese GAAP]

August 2, 2021

Company name: YAMATO KOGYO CO.,LTD.

Stock exchange listing: Tokyo

Code number: 5444

URL: <http://www.yamatokogyo.co.jp>

Representative: Mikio Kobayashi

President

Contact: Kazumi Yonezawa

Director, Managing Executive Officer

Phone: 079-273-1061

Scheduled date of filing quarterly securities report: August 11, 2021

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: No

Schedule of quarterly financial results briefing session: No

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2021 (April 1, 2021 to June 30, 2021)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2021	32,805	(14.2)	1,616	(47.5)	8,303	11.1	5,532	7.7
June 30, 2020	38,246	(20.8)	3,077	3.2	7,474	5.8	5,138	9.9

(Note) Comprehensive income: Three months ended June 30, 2021: ¥ 20,600 million [-%]

Three months ended June 30, 2020: ¥ (3,003) million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2021	84.65	-
June 30, 2020	76.83	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of June 30, 2021	375,656	340,221	84.2
March 31, 2021	359,788	325,797	84.0

(Reference) Equity: As of June 30, 2021: ¥ 316,435 million

As of March 31, 2021: ¥ 302,046 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	-	40.00	-	40.00	80.00
Fiscal year ending March 31, 2022	-	-	-	-	-
Fiscal year ending March 31, 2022 (Forecast)	-	60.00	-	60.00	120.00

(Note) Revision to the forecast for dividends announced most recently: Yes

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		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ended September 30, 2021	67,500	(19.9)	3,000	(56.1)	20,000	54.3	13,500	595.9	207.54
Full year	144,000	5.9	8,500	(15.2)	43,000	99.4	29,500	491.8	453.52

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2021

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

June 30, 2021: 67,670,000 shares

March 31, 2021: 67,670,000 shares

2) Total number of treasury shares at the end of the period:

June 30, 2021: 2,623,442 shares

March 31, 2021: 1,987,442 shares

3) Average number of shares during the period:

Three months ended June 30, 2021: 65,361,691 shares

Three months ended June 30, 2020: 66,885,261 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2021	As of June 30,2021
Assets		
Current assets		
Cash and deposits	101,572	105,982
Notes and accounts receivable - trade	17,616	21,149
Merchandise and finished goods	10,627	11,888
Work in process	492	434
Raw materials and supplies	16,931	18,525
Other	2,775	1,910
Allowance for doubtful accounts	(15)	(16)
Total current assets	150,000	159,874
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,502	11,985
Machinery, equipment and vehicles, net	28,864	28,905
Land	17,630	17,959
Construction in progress	1,609	1,489
Other, net	2,534	2,419
Total property, plant and equipment	62,142	62,758
Intangible assets		
Goodwill	912	886
Other	574	608
Total intangible assets	1,486	1,495
Investments and other assets		
Investment securities	45,660	48,529
Investments in capital	54,489	55,531
Long-term loans receivable from subsidiaries and associates	20,886	20,865
Long-term time deposits	21,253	22,743
Retirement benefit asset	995	995
Other	3,144	3,135
Allowance for doubtful accounts	(272)	(272)
Total investments and other assets	146,158	151,528
Total non-current assets	209,787	215,782
Total assets	359,788	375,656

(Million yen)

	As of March 31,2021	As of June 30,2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,528	9,746
Income taxes payable	570	794
Provision for bonuses	552	401
Other	7,180	6,208
Total current liabilities	15,831	17,149
Non-current liabilities		
Deferred tax liabilities	12,011	12,235
Retirement benefit liability	2,068	1,978
Other	4,080	4,071
Total non-current liabilities	18,159	18,285
Total liabilities	33,990	35,435
Net assets		
Shareholders' equity		
Share capital	7,996	7,996
Retained earnings	295,740	298,655
Treasury shares	(2,966)	(5,284)
Total shareholders' equity	300,770	301,367
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,566	3,206
Foreign currency translation adjustment	(2,213)	11,941
Remeasurements of defined benefit plans	(77)	(79)
Total accumulated other comprehensive income	1,275	15,068
Non-controlling interests	23,750	23,785
Total net assets	325,797	340,221
Total liabilities and net assets	359,788	375,656

Quarterly Consolidated Statements of Income and Comprehensive Income
 Quarterly Consolidated Statements of Income (For the three months)

(Million yen)

	For the three months ended June 30,2020	For the three months ended June 30,2021
Net sales	38,246	32,805
Cost of sales	31,845	28,224
Gross profit	6,400	4,580
Selling, general and administrative expenses		
Packing and transportation costs	1,417	1,265
Salaries and allowances	496	422
Provision for bonuses	125	110
Retirement benefit expenses	62	(9)
Provision for retirement benefits for directors (and other officers)	2	-
Other	1,218	1,174
Total selling, general and administrative expenses	3,323	2,963
Operating profit	3,077	1,616
Non-operating income		
Interest income	603	117
Dividend income	155	142
Equity in earnings of affiliates	3,571	6,253
Foreign exchange gains	27	87
Other	136	198
Total non-operating income	4,494	6,798
Non-operating expenses		
Interest expenses	2	22
Loss on investments in investment partnerships	66	-
Loss on valuation of derivatives	19	76
Other	8	13
Total non-operating expenses	97	111
Ordinary profit	7,474	8,303
Extraordinary income		
Gain on sale of non-current assets	1	0
Total extraordinary income	1	0
Extraordinary losses		
Loss on retirement of non-current assets	36	22
Other	0	1
Total extraordinary losses	37	23
Profit before income taxes	7,439	8,280
Income taxes - current	2,002	2,050
Income taxes - deferred	(215)	147
Total income taxes	1,786	2,198
Profit	5,652	6,082
Profit attributable to non-controlling interests	513	549
Profit attributable to owners of parent	5,138	5,532

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Million yen)

	For the three months ended June 30,2020	For the three months ended June 30,2021
Profit	5,652	6,082
Other comprehensive income		
Valuation difference on available-for-sale securities	(115)	(360)
Foreign currency translation adjustment	(8,007)	8,822
Remeasurements of defined benefit plans, net of tax	7	(1)
Share of other comprehensive income of entities accounted for using equity method	(541)	6,058
Total other comprehensive income	(8,656)	14,518
Comprehensive income	(3,003)	20,600
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,510)	19,325
Comprehensive income attributable to non-controlling interests	(1,492)	1,275

Quarterly Consolidated Statements of Cash Flows

(Million yen)

	For the three months ended June 30,2020	For the three months ended June 30,2021
Cash flows from operating activities		
Profit before income taxes	7,439	8,280
Depreciation	1,733	1,404
Interest and dividend income	(759)	(259)
Interest expenses	2	22
Equity in (earnings) losses of affiliates	(3,571)	(6,253)
Decrease (increase) in trade receivables	1,065	(3,401)
Decrease (increase) in inventories	733	(2,320)
Increase (decrease) in trade payables	916	2,147
Other, net	(429)	266
Subtotal	7,131	(113)
Interest and dividends received	5,080	8,166
Interest paid	(2)	-
Income taxes paid	(500)	(456)
Net cash provided by (used in) operating activities	11,708	7,596
Cash flows from investing activities		
Payments into time deposits	(5,035)	(3,957)
Proceeds from withdrawal of time deposits	457	8,364
Purchase of property, plant and equipment	(2,108)	(956)
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	-	(2,134)
Other, net	135	(56)
Net cash provided by (used in) investing activities	(6,551)	1,258
Cash flows from financing activities		
Purchase of treasury shares	-	(2,317)
Dividends paid	(3,027)	(2,384)
Dividends paid to non-controlling interests	(597)	(1,240)
Other, net	(21)	(20)
Net cash provided by (used in) financing activities	(3,647)	(5,963)
Effect of exchange rate change on cash and cash equivalents	(1,293)	460
Net increase (decrease) in cash and cash equivalents	216	3,352
Cash and cash equivalents at beginning of period	26,487	19,163
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	670	-
Cash and cash equivalents at end of period	27,374	22,515