

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2020 (Based on Japanese GAAP)

February 10, 2021

Company name: YAMAZEN CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 8051 URL <https://www.yamazen.co.jp/>
 Representative: President, CEO Yuji NAGAO
 Inquiries: Manager, IR & PR Dept. Hayato HIRATA TEL 06-6534-3003
 Scheduled date to file Quarterly Securities Report: February 12, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2020 (from April 1, 2020 to December 31, 2020)

(1) Consolidated operating results (cumulative)

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	%
Nine months ended December 31, 2020	318,676	(12.4)	7,915	(14.7)	7,869	(14.0)	5,314	(11.0)
Nine months ended December 31, 2019	363,751	(9.4)	9,277	(32.5)	9,146	(32.7)	5,974	(35.2)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2020	56.32		–	
Nine months ended December 31, 2019	63.21		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2020	233,212	103,041	44.0	1,087.41
As of March 31, 2020	230,320	95,439	41.3	1,007.30

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2020	–	16.00	–	14.00	30.00
Year ending March 31, 2021	–	10.00	–		
Year ending March 31, 2021 (Forecast)				10.00	20.00

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

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
Full year	430,000	(8.9)	10,000	(17.3)	10,000	(15.9)	6,800	(15.9)	72.06

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2020
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) 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

(4) Number of issued shares (common shares)

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

As of December 31, 2020	95,305,435 shares	As of March 31, 2020	95,305,435 shares
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Number of treasury shares at the end of the period

As of December 31, 2020	937,995 shares	As of March 31, 2020	937,956 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2020	94,367,459 shares	Nine months ended December 31, 2019	94,516,001 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	57,587	54,460
Notes and accounts receivable - trade	85,200	80,459
Electronically recorded monetary claims - operating	14,016	16,116
Securities	11,000	12,000
Merchandise and finished goods	27,099	26,877
Other	3,339	2,766
Allowance for doubtful accounts	(526)	(404)
Total current assets	197,717	192,275
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,333	4,127
Machinery, equipment and vehicles, net	90	104
Tools, furniture and fixtures, net	776	835
Land	3,580	3,694
Leased assets, net	3,690	3,466
Other, net	1,562	754
Total property, plant and equipment	12,034	12,983
Intangible assets	6,343	7,570
Investments and other assets		
Investment securities	11,720	17,665
Distressed receivables	85	79
Retirement benefit asset	610	866
Deferred tax assets	356	288
Other	1,620	1,645
Allowance for doubtful accounts	(167)	(161)
Total investments and other assets	14,225	20,383
Total non-current assets	32,603	40,936
Total assets	230,320	233,212

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	57,758	57,671
Electronically recorded obligations - operating	56,039	49,813
Short-term borrowings	174	30
Lease obligations	394	425
Income taxes payable	662	951
Provision for bonuses	2,381	1,331
Provision for voluntary recall of goods	32	32
Other	9,492	9,982
Total current liabilities	126,935	120,237
Non-current liabilities		
Long-term borrowings	–	143
Lease obligations	4,405	4,157
Deferred tax liabilities	1,652	3,796
Retirement benefit liability	328	335
Other	1,558	1,500
Total non-current liabilities	7,945	9,933
Total liabilities	134,881	130,171
Net assets		
Shareholders' equity		
Share capital	7,909	7,909
Capital surplus	7,561	7,561
Retained earnings	77,604	80,628
Treasury shares	(957)	(957)
Total shareholders' equity	92,118	95,141
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,447	8,709
Deferred gains or losses on hedges	68	(45)
Foreign currency translation adjustment	379	447
Remeasurements of defined benefit plans	(1,956)	(1,638)
Total accumulated other comprehensive income	2,938	7,473
Non-controlling interests	382	425
Total net assets	95,439	103,041
Total liabilities and net assets	230,320	233,212

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Net sales	363,751	318,676
Cost of sales	315,225	272,690
Gross profit	48,526	45,985
Selling, general and administrative expenses	39,249	38,069
Operating profit	9,277	7,915
Non-operating income		
Interest income	1,201	1,011
Dividend income	223	182
Other	119	242
Total non-operating income	1,544	1,436
Non-operating expenses		
Interest expenses	1,576	1,343
Other	99	139
Total non-operating expenses	1,675	1,482
Ordinary profit	9,146	7,869
Extraordinary income		
Gain on sales of non-current assets	0	0
Gain on sales of investment securities	–	106
Total extraordinary income	0	106
Extraordinary losses		
Loss on sales of non-current assets	–	0
Loss on retirement of non-current assets	9	1
Loss on sales of investment securities	0	–
Loss on valuation of golf club membership	18	–
Impairment loss	113	–
Loss on liquidation of subsidiaries	–	25
Total extraordinary losses	141	27
Profit before income taxes	9,005	7,949
Income taxes - current	2,525	2,303
Income taxes - deferred	466	267
Total income taxes	2,992	2,571
Profit	6,013	5,377
Profit attributable to non-controlling interests	38	63
Profit attributable to owners of parent	5,974	5,314

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Profit	6,013	5,377
Other comprehensive income		
Valuation difference on available-for-sale securities	1,026	4,262
Deferred gains or losses on hedges	79	(114)
Foreign currency translation adjustment	(152)	96
Remeasurements of defined benefit plans, net of tax	305	318
Total other comprehensive income	1,259	4,563
Comprehensive income	7,272	9,940
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,237	9,898
Comprehensive income attributable to non-controlling interests	34	42