

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on Japanese GAAP)

February 9, 2022

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 06-6534-3095
 Scheduled date to file Quarterly Securities Report: February 10, 2022
 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, 2021 (from April 1, 2021 to December 31, 2021)

(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, 2021	368,300	–	12,297	–	12,284	–	8,846	–
Nine months ended December 31, 2020	318,676	(12.4)	7,915	(14.7)	7,869	(14.0)	5,314	(11.0)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2021	98.06	90.98
Nine months ended December 31, 2020	56.32	–

(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, 2021	272,236	109,074	39.9	1,221.22
As of March 31, 2021	245,937	107,630	43.6	1,135.52

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2021	–	10.00	–	10.00	20.00
Year ending March 31, 2022	–	10.00	–		
Year ending March 31, 2022 (Forecast)				25.00	35.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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	500,000	–	16,000	–	16,000	–	11,000	–	122.35

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2021
(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: Yes
- Changes in accounting policies due to other reasons: Yes
- 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, 2021	95,305,435 shares	As of March 31, 2021	95,305,435 shares
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Number of treasury shares at the end of the period

As of December 31, 2021	6,461,825 shares	As of March 31, 2021	937,995 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, 2021	90,222,446 shares	Nine months ended December 31, 2020	94,367,459 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	63,734	66,288
Notes and accounts receivable - trade	86,607	88,152
Electronically recorded monetary claims - operating	11,259	17,021
Securities	12,000	12,000
Merchandise and finished goods	25,425	38,010
Other	3,837	5,916
Allowance for doubtful accounts	(388)	(391)
Total current assets	202,475	226,999
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,082	3,762
Machinery, equipment and vehicles, net	71	107
Tools, furniture and fixtures, net	999	893
Land	3,717	3,675
Leased assets, net	3,478	3,347
Other, net	749	924
Total property, plant and equipment	13,098	12,710
Intangible assets	8,449	10,374
Investments and other assets		
Investment securities	18,052	17,838
Distressed receivables	78	74
Retirement benefit asset	1,977	2,290
Deferred tax assets	326	329
Other	1,639	1,707
Allowance for doubtful accounts	(161)	(134)
Total investments and other assets	21,913	22,106
Total non-current assets	43,462	45,191
Deferred assets		
Bond issuance costs	-	45
Total deferred assets	-	45
Total assets	245,937	272,236

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	60,614	63,765
Electronically recorded obligations - operating	51,531	57,550
Short-term borrowings	29	29
Lease obligations	423	478
Income taxes payable	2,436	1,669
Advances received	–	9,551
Provision for bonuses	2,780	1,886
Provision for voluntary recall of goods	32	32
Other	9,901	7,651
Total current liabilities	127,749	142,615
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	–	10,042
Long-term borrowings	135	115
Lease obligations	4,179	3,993
Deferred tax liabilities	4,140	4,380
Retirement benefit liability	252	271
Other	1,849	1,743
Total non-current liabilities	10,558	20,546
Total liabilities	138,307	163,161
Net assets		
Shareholders' equity		
Share capital	7,909	7,909
Capital surplus	7,561	7,561
Retained earnings	82,887	89,368
Treasury shares	(957)	(6,957)
Total shareholders' equity	97,400	97,881
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,891	9,021
Deferred gains or losses on hedges	87	(25)
Foreign currency translation adjustment	1,551	2,218
Remeasurements of defined benefit plans	(774)	(598)
Total accumulated other comprehensive income	9,755	10,615
Non-controlling interests	474	576
Total net assets	107,630	109,074
Total liabilities and net assets	245,937	272,236

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, 2020	Nine months ended December 31, 2021
Net sales	318,676	368,300
Cost of sales	272,690	314,406
Gross profit	45,985	53,893
Selling, general and administrative expenses	38,069	41,596
Operating profit	7,915	12,297
Non-operating income		
Interest income	1,011	46
Dividend income	182	199
Subsidy income	170	70
Other	71	81
Total non-operating income	1,436	398
Non-operating expenses		
Interest expenses	1,343	206
Foreign exchange losses	117	175
Other	22	28
Total non-operating expenses	1,482	410
Ordinary profit	7,869	12,284
Extraordinary income		
Gain on sale of non-current assets	0	129
Gain on sale of investment securities	106	627
Total extraordinary income	106	757
Extraordinary losses		
Loss on sale of non-current assets	0	-
Loss on retirement of non-current assets	1	0
Loss on valuation of investment securities	-	3
Loss on liquidation of subsidiaries	25	-
Total extraordinary losses	27	3
Profit before income taxes	7,949	13,037
Income taxes - current	2,303	3,726
Income taxes - deferred	267	384
Total income taxes	2,571	4,110
Profit	5,377	8,927
Profit attributable to non-controlling interests	63	80
Profit attributable to owners of parent	5,314	8,846

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	5,377	8,927
Other comprehensive income		
Valuation difference on available-for-sale securities	4,262	130
Deferred gains or losses on hedges	(114)	(112)
Foreign currency translation adjustment	96	688
Remeasurements of defined benefit plans, net of tax	318	175
Total other comprehensive income	4,563	881
Comprehensive income	9,940	9,809
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,898	9,707
Comprehensive income attributable to non-controlling interests	42	101