

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

August 11, 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: August 11, 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 three months ended June 30, 2021 (from April 1, 2021 to June 30, 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	%
Three months ended June 30, 2021	116,569	–	3,480	–	3,509	–	2,482	–
Three months ended June 30, 2020	98,725	(14.6)	1,804	(19.1)	1,816	(18.0)	1,170	(17.3)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	27.15		25.51	
Three months ended June 30, 2020	12.41		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2021	256,296	103,890	40.3	1,142.62
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				
Year ended March 31, 2021	–	10.00	–	10.00	20.00
Year ending March 31, 2022	–	–	–	–	–
Year ending March 31, 2022 (Forecast)	–	10.00	–	15.00	25.00

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
Six months ending September 30, 2021	230,000	–	7,000	–	7,000	–	4,800	–	52.87
Full year	490,000	–	13,000	–	13,000	–	9,000	–	99.13

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 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 June 30, 2021	95,305,435 shares	As of March 31, 2021	95,305,435 shares
---------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of June 30, 2021	4,808,925 shares	As of March 31, 2021	937,995 shares
---------------------	------------------	----------------------	----------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2021	91,464,250 shares	Three months ended June 30, 2020	94,367,479 shares
----------------------------------	-------------------	----------------------------------	-------------------

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	63,734	65,321
Notes and accounts receivable - trade	86,607	80,825
Electronically recorded monetary claims - operating	11,259	15,616
Securities	12,000	12,000
Merchandise and finished goods	25,425	35,713
Other	3,837	4,352
Allowance for doubtful accounts	(388)	(337)
Total current assets	202,475	213,491
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,082	3,782
Machinery, equipment and vehicles, net	71	76
Tools, furniture and fixtures, net	999	961
Land	3,717	3,664
Leased assets, net	3,478	3,381
Other, net	749	714
Total property, plant and equipment	13,098	12,582
Intangible assets	8,449	9,181
Investments and other assets		
Investment securities	18,052	17,059
Distressed receivables	78	79
Retirement benefit asset	1,977	2,081
Deferred tax assets	326	326
Other	1,639	1,605
Allowance for doubtful accounts	(161)	(161)
Total investments and other assets	21,913	20,991
Total non-current assets	43,462	42,754
Deferred assets		
Bond issuance costs	–	50
Total deferred assets	–	50
Total assets	245,937	256,296

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	60,614	61,208
Electronically recorded obligations - operating	51,531	54,329
Short-term borrowings	29	29
Lease obligations	423	423
Income taxes payable	2,436	638
Advances received	–	7,689
Provision for bonuses	2,780	1,498
Provision for voluntary recall of goods	32	32
Other	9,901	5,924
<b>Total current liabilities</b>	<b>127,749</b>	<b>131,773</b>
<b>Non-current liabilities</b>		
Convertible-bond-type bonds with share acquisition rights	–	10,047
Long-term borrowings	135	128
Lease obligations	4,179	4,078
Deferred tax liabilities	4,140	4,319
Retirement benefit liability	252	255
Other	1,849	1,802
<b>Total non-current liabilities</b>	<b>10,558</b>	<b>20,632</b>
<b>Total liabilities</b>	<b>138,307</b>	<b>152,405</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	7,909	7,909
Capital surplus	7,561	7,561
Retained earnings	82,887	83,889
Treasury shares	(957)	(5,022)
<b>Total shareholders' equity</b>	<b>97,400</b>	<b>94,338</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	8,891	8,211
Deferred gains or losses on hedges	87	50
Foreign currency translation adjustment	1,551	1,521
Remeasurements of defined benefit plans	(774)	(718)
<b>Total accumulated other comprehensive income</b>	<b>9,755</b>	<b>9,064</b>
<b>Non-controlling interests</b>	<b>474</b>	<b>488</b>
<b>Total net assets</b>	<b>107,630</b>	<b>103,890</b>
<b>Total liabilities and net assets</b>	<b>245,937</b>	<b>256,296</b>

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	98,725	116,569
Cost of sales	84,485	99,498
Gross profit	14,240	17,070
Selling, general and administrative expenses	12,436	13,590
Operating profit	1,804	3,480
Non-operating income		
Interest income	355	18
Dividend income	87	80
Subsidy income	33	48
Other	17	23
Total non-operating income	493	169
Non-operating expenses		
Interest expenses	457	70
Foreign exchange losses	6	57
Other	17	12
Total non-operating expenses	481	140
Ordinary profit	1,816	3,509
Extraordinary income		
Gain on sale of non-current assets	–	113
Gain on sale of investment securities	–	8
Total extraordinary income	–	122
Extraordinary losses		
Loss on sale of non-current assets	0	–
Loss on retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	1,816	3,631
Income taxes - current	311	431
Income taxes - deferred	315	703
Total income taxes	626	1,135
Profit	1,189	2,496
Profit attributable to non-controlling interests	18	13
Profit attributable to owners of parent	1,170	2,482

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	1,189	2,496
Other comprehensive income		
Valuation difference on available-for-sale securities	1,796	(680)
Deferred gains or losses on hedges	(16)	(36)
Foreign currency translation adjustment	226	(30)
Remeasurements of defined benefit plans, net of tax	103	55
Total other comprehensive income	2,110	(691)
Comprehensive income	3,300	1,804
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,285	1,791
Comprehensive income attributable to non-controlling interests	15	13