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

July 30, 2021

Company name: eGuarantee, Inc.
Stock exchange listing: Tokyo
Code number: 8771
URL: <https://www.eguarantee.co.jp/>

Representative: Masanori Eto

Contact: Nozomu Murai

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Scheduled date of filing quarterly securities report: August 06, 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

President and Chief Executive Officer

Director, General Manager of Corporate Administration Dept.

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2021 (April 01, 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	1,913	13.4	866	18.4	864	17.2	568	38.1
June 30, 2020	1,688	17.6	731	18.7	737	18.1	411	(24.3)

(Note) Comprehensive income: Three months ended June 30, 2021: ¥ 607 million [38.6%]
Three months ended June 30, 2020: ¥ 438 million [(21.7)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2021	12.33	11.89
June 30, 2020	9.69	8.92

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2021	22,048	17,376	73.0	345.44
March 31, 2021	22,570	17,186	70.3	347.19

(Reference) Equity: As of June 30, 2021: ¥ 16,090 million
As of March 31, 2021: ¥ 15,876 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	-	0.00	-	22.00	22.00
Fiscal year ending March 31, 2022	-				
Fiscal year ending March 31, 2022 (Forecast)		0.00	-	22.00	22.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending March 31, 2022 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022(April 01, 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	4,000	15.9	1,780	18.4	1,800	19.1	1,150	18.5	25.15
Full year	8,500	18.1	3,720	20.4	3,750	20.6	2,400	19.8	52.48

(Note) Revision to the financial results forecast announced most recently: No

* 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: 46,581,800 shares

March 31, 2021: 45,729,800 shares

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

June 30, 2021: 1,414 shares

March 31, 2021: 1,414 shares

3) Average number of shares during the period:

Three months ended June 30, 2021: 46,109,045 shares

Three months ended June 30, 2020: 42,504,989 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2021	As of June 30,2021
Assets		
Current assets		
Cash and deposits	16,056,248	15,285,148
Accounts receivable - trade	65,437	59,681
Prepaid expenses	793,539	1,075,858
Accounts receivable - other	63,981	29,652
Other	106,609	121,033
Total current assets	17,085,816	16,571,373
Non-current assets		
Property, plant and equipment	1,385,945	1,382,113
Intangible assets	111,178	112,520
Investments and other assets		
Investment securities	3,426,737	3,426,737
Deferred tax assets	233,829	233,829
Other	326,964	321,631
Total investments and other assets	3,987,531	3,982,198
Total non-current assets	5,484,655	5,476,833
Total assets	22,570,471	22,048,207
Liabilities		
Current liabilities		
Accounts payable - trade	9,932	12,514
Income taxes payable	934,750	267,370
Advances received	3,664,750	3,577,883
Provision for settlement	342,711	364,974
Provision for bonuses	150,000	98,458
Deposits received	31,943	97,508
Other	135,021	137,501
Total current liabilities	5,269,109	4,556,212
Non-current liabilities		
Long-term accounts payable - other	115,282	115,282
Total non-current liabilities	115,282	115,282
Total liabilities	5,384,392	4,671,494
Net assets		
Shareholders' equity		
Share capital	3,097,652	3,423,436
Capital surplus	2,507,652	2,833,436
Retained earnings	10,272,144	9,834,752
Treasury shares	(824)	(824)
Total shareholders' equity	15,876,626	16,090,800
Share acquisition rights	147,996	143,009
Non-controlling interests	1,161,456	1,142,902
Total net assets	17,186,079	17,376,712
Total liabilities and net assets	22,570,471	22,048,207

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Thousand yen)

	For the three months ended June 30,2020	For the three months ended June 30,2021
Net sales	1,688,072	1,913,991
Cost of sales	386,919	444,545
Gross profit	1,301,153	1,469,445
Selling, general and administrative expenses	569,215	602,930
Operating profit	731,938	866,515
Non-operating income		
Interest income	5,027	2,857
Share of profit of entities accounted for using equity method	276	-
Other	500	460
Total non-operating income	5,805	3,317
Non-operating expenses		
Share of loss of entities accounted for using equity method	-	4,863
Other	-	31
Total non-operating expenses	-	4,894
Ordinary profit	737,743	864,939
Extraordinary losses		
Loss on valuation of investment securities	49,999	-
Total extraordinary losses	49,999	-
Profit before income taxes	687,743	864,939
Income taxes	249,500	257,584
Profit	438,243	607,355
Profit attributable to non-controlling interests	26,350	38,723
Profit attributable to owners of parent	411,892	568,632

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

(Thousand yen)

	For the three months ended June 30,2020	For the three months ended June 30,2021
Profit	438,243	607,355
Comprehensive income	438,243	607,355
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	411,892	568,632
Comprehensive income attributable to non-controlling interests	26,350	38,723