

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 5, 2021

Company name: PRESS KOGYO CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 7246 URL <https://www.presskogyo.co.jp>
 Representative: President & CEO Tetsushi Mino
 Inquiries: General Manager, General Affairs Dept. Takanori Sasaoka TEL 044-276-3901
 Scheduled date to file Quarterly Securities Report: August 5, 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	40,537	–	3,718	–	3,769	–	2,391	–
Three months ended June 30, 2020	38,858	(28.1)	(293)	–	(271)	–	(681)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	22.06		–	
Three months ended June 30, 2020	(6.28)		–	

Note: From the beginning of the 1st quarter of the current fiscal year ending March 31, 2022, the Company has applied “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29). The figures for the 1st quarter of the current fiscal year above include the effects of the said standards. Accordingly, percentages of changes from the same period of the previous fiscal year are not indicated.

(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	160,165	99,115	57.4	848.59
As of March 31, 2021	152,609	95,604	58.3	820.51

Note: From the beginning of the 1st quarter of the current fiscal year ending March 31, 2022, the Company has applied “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29). The figures for the 1st quarter of the current fiscal year above include the effects of the said standards.

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	–	0.00	–	7.50	7.50
Year ending March 31, 2022	–	–	–	–	–
Year ending March 31, 2022 (Forecast)	–	8.00	–	8.00	16.00

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	78,300	–	6,100	–	6,100	–	3,300	–	30.44
Full year	152,400	–	10,900	–	10,700	–	5,800	–	53.51

Note: From the beginning of the year ending March 31, 2022, the Company has applied “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29). Forecast of consolidated financial results above include the effects of the said standards. Accordingly, percentages of changes from the same period of the previous fiscal year are not indicated.

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: 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 June 30, 2021	114,009,770 shares	As of March 31, 2021	114,009,770 shares
---------------------	--------------------	----------------------	--------------------

Number of treasury shares at the end of the period

As of June 30, 2021	5,609,862 shares	As of March 31, 2021	5,609,495 shares
---------------------	------------------	----------------------	------------------

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

Three months ended June 30, 2021	108,400,066 shares	Three months ended June 30, 2020	108,401,042 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	17,151	18,015
Notes and accounts receivable - trade	34,360	37,826
Merchandise and finished goods	1,381	1,371
Work in process	12,644	11,325
Raw materials and supplies	1,748	1,433
Income taxes receivable	10	5
Other	1,653	3,609
Total current assets	68,950	73,586
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,499	12,048
Machinery, equipment and vehicles, net	17,127	18,643
Land	32,223	32,280
Other	10,949	10,546
Total property, plant and equipment	71,800	73,518
Intangible assets		
Other	637	629
Total intangible assets	637	629
Investments and other assets		
Deferred tax assets	636	858
Retirement benefit asset	3,571	3,625
Investments and other assets	7,089	8,023
Allowance for doubtful accounts	(76)	(76)
Total investments and other assets	11,221	12,431
Total non-current assets	83,658	86,579
Total assets	152,609	160,165
Liabilities		
Current liabilities		
Notes and accounts payable - trade	24,176	25,072
Short-term borrowings	7,213	6,581
Income taxes payable	366	1,165
Provision for bonuses	2,637	1,216
Provisions	77	23
Other	7,238	11,528
Total current liabilities	41,709	45,588
Non-current liabilities		
Long-term borrowings	2,571	2,698
Deferred tax liabilities	1,870	1,831
Deferred tax liabilities for land revaluation	7,601	7,601
Provisions	205	201
Retirement benefit liability	2,115	2,181
Asset retirement obligations	404	404
Other	526	542
Total non-current liabilities	15,295	15,461
Total liabilities	57,005	61,050

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Net assets		
Shareholders' equity		
Share capital	8,070	8,070
Capital surplus	2,074	2,074
Retained earnings	59,941	61,519
Treasury shares	(1,619)	(1,619)
Total shareholders' equity	68,466	70,044
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,561	2,181
Revaluation reserve for land	17,255	17,255
Foreign currency translation adjustment	629	1,461
Remeasurements of defined benefit plans	1,031	1,043
Total accumulated other comprehensive income	20,477	21,942
Non-controlling interests	6,660	7,129
Total net assets	95,604	99,115
Total liabilities and net assets	152,609	160,165

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	38,858	40,537
Cost of sales	35,506	33,401
Gross profit	3,351	7,136
Selling, general and administrative expenses	3,644	3,417
Operating profit (loss)	(293)	3,718
Non-operating income		
Interest income	7	3
Dividend income	73	69
Other	39	34
Total non-operating income	120	107
Non-operating expenses		
Interest expenses	65	36
Foreign exchange losses	24	9
Other	8	9
Total non-operating expenses	98	56
Ordinary profit (loss)	(271)	3,769
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on insurance claims	1	-
Total extraordinary income	1	0
Extraordinary losses		
Loss on retirement of non-current assets	6	4
Total extraordinary losses	6	4
Profit (loss) before income taxes	(276)	3,764
Income taxes - current	531	1,103
Income taxes - deferred	(467)	(544)
Total income taxes	64	558
Profit (loss)	(340)	3,206
Profit attributable to non-controlling interests	340	815
Profit (loss) attributable to owners of parent	(681)	2,391

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit (loss)	(340)	3,206
Other comprehensive income		
Valuation difference on available-for-sale securities	690	620
Foreign currency translation adjustment	(1,508)	1,047
Remeasurements of defined benefit plans, net of tax	13	12
Total other comprehensive income	(803)	1,679
Comprehensive income	(1,144)	4,886
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(869)	3,855
Comprehensive income attributable to non-controlling interests	(275)	1,030