

Translation

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

August 3, 2021

Company name: Eagle Industry Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 6486 URL <https://www.ekkeagle.com/jp/>
 Representative: Representative Director, President Tetsuji Tsuru
 Senior Operating Officer, Division Manager Sumio Ikeda
 Corporate Finance & Accounting Division TEL 03-3438-2291
 Scheduled date to file Quarterly Securities Report: August 6, 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	35,970	40.6	2,510	–	3,360	–	2,052	–
Three months ended June 30, 2020	25,586	(29.7)	(841)	–	(14)	–	(1,329)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2021	41.81	–
Three months ended June 30, 2020	(27.08)	–

(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	174,370	94,284	49.3	1,752.74
As of March 31, 2021	176,508	92,441	47.8	1,719.40

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	–	25.00	–	25.00	50.00
Year ending March 31, 2022	–				
Year ending March 31, 2022 (Forecast)		25.00	–	25.00	50.00

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	72,300	24.8	3,900	–	5,000	358.0	3,800	–	77.42
Full year	148,500	13.8	8,100	39.6	10,000	18.4	6,500	62.1	132.43

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: Yes
- (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	49,757,821 shares	As of March 31, 2021	49,757,821 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	674,208 shares	As of March 31, 2021	673,995 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2021	49,083,735 shares	Three months ended June 30, 2020	49,084,521 shares
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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	32,662	31,035
Notes and accounts receivable - trade, and contract assets	28,253	27,919
Electronically recorded monetary claims - operating	3,288	3,589
Merchandise and finished goods	7,402	8,158
Work in process	6,280	6,327
Raw materials and supplies	9,279	9,463
Other	6,288	5,393
Allowance for doubtful accounts	(344)	(344)
Total current assets	93,110	91,543
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	23,370	23,216
Machinery, equipment and vehicles, net	23,277	23,366
Other, net	13,867	13,307
Total property, plant and equipment	60,515	59,889
Intangible assets		
Goodwill	1,702	1,592
Other	1,795	1,688
Total intangible assets	3,497	3,281
Investments and other assets		
Investment securities	12,077	12,567
Other	7,420	7,199
Allowance for doubtful accounts	(112)	(110)
Total investments and other assets	19,384	19,655
Total non-current assets	83,397	82,827
Total assets	176,508	174,370

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	8,253	7,614
Electronically recorded obligations - operating	2,830	2,941
Short-term borrowings	14,754	13,868
Income taxes payable	1,431	995
Provision for bonuses	2,547	1,845
Other provisions	522	423
Other	12,398	13,746
Total current liabilities	42,737	41,435
Non-current liabilities		
Long-term borrowings	23,447	20,744
Provisions	316	317
Retirement benefit liability	16,052	16,034
Other	1,513	1,554
Total non-current liabilities	41,329	38,650
Total liabilities	84,067	80,086
Net assets		
Shareholders' equity		
Share capital	10,490	10,490
Capital surplus	11,310	11,310
Retained earnings	68,224	69,049
Treasury shares	(226)	(226)
Total shareholders' equity	89,799	90,624
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	402	388
Foreign currency translation adjustment	(2,690)	(1,982)
Remeasurements of defined benefit plans	(3,116)	(3,000)
Total accumulated other comprehensive income	(5,404)	(4,593)
Non-controlling interests	8,046	8,253
Total net assets	92,441	94,284
Total liabilities and net assets	176,508	174,370

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	25,586	35,970
Cost of sales	20,665	27,177
Gross profit	4,921	8,792
Selling, general and administrative expenses	5,762	6,282
Operating profit (loss)	(841)	2,510
Non-operating income		
Interest income	85	49
Dividend income	8	8
Share of profit of entities accounted for using equity method	719	485
Foreign exchange gains	58	188
Other	246	233
Total non-operating income	1,117	965
Non-operating expenses		
Interest expenses	99	92
Loss on mothballing of operation	130	-
Other	60	23
Total non-operating expenses	290	116
Ordinary profit (loss)	(14)	3,360
Extraordinary income		
Gain on sale of non-current assets	0	2
Total extraordinary income	0	2
Extraordinary losses		
Loss on sale of non-current assets	0	4
Loss on retirement of non-current assets	3	16
Total extraordinary losses	3	21
Profit (loss) before income taxes	(17)	3,341
Income taxes	956	889
Profit (loss)	(974)	2,452
Profit attributable to non-controlling interests	354	399
Profit (loss) attributable to owners of parent	(1,329)	2,052

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit (loss)	(974)	2,452
Other comprehensive income		
Valuation difference on available-for-sale securities	51	(13)
Foreign currency translation adjustment	641	415
Remeasurements of defined benefit plans, net of tax	179	127
Share of other comprehensive income of entities accounted for using equity method	127	218
Total other comprehensive income	998	747
Comprehensive income	24	3,199
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(323)	2,863
Comprehensive income attributable to non-controlling interests	348	335