

Translation

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

August 5, 2021

Company name: Inabata&Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 8098 URL <https://www.inabata.co.jp>
 Representative: Director,President Katsutaro Inabata
 General Manager, Koichi Noda
 Inquiries: Financial Management Office TEL 03-3639-6421
 Scheduled date to file Quarterly Securities Report: August 12, 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	162,643	–	5,596	151.2	6,451	110.0	7,968	294.4
Three months ended June 30, 2020	128,701	(16.1)	2,227	(36.5)	3,072	(29.8)	2,020	(33.9)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	132.37		–	
Three months ended June 30, 2020	33.56		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	367,234	181,242	48.8
As of March 31, 2021	353,228	175,803	49.2

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	–	20.00	–	43.00	63.00
Year ending March 31, 2022	–	–	–	–	–
Year ending March 31, 2022 (Forecast)	–	30.00	–	40.00	70.00

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	300,000	–	8,500	36.8	9,500	36.7	10,500	79.5	174.43
Full year	600,000	–	16,000	6.9	17,000	2.9	16,000	16.0	265.80

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
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| 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	63,499,227 shares	As of March 31, 2021	63,499,227 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	3,302,684 shares	As of March 31, 2021	3,302,651 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	60,196,568 shares	Three months ended June 30, 2020	60,196,587 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	31,462	30,349
Notes and accounts receivable - trade	162,736	167,458
Merchandise and finished goods	49,210	57,805
Work in process	597	776
Raw materials and supplies	4,322	4,437
Other	9,266	10,671
Allowance for doubtful accounts	(613)	(594)
Total current assets	256,983	270,904
Non-current assets		
Property, plant and equipment	14,395	14,401
Intangible assets	2,918	2,806
Investments and other assets		
Investment securities	71,592	71,750
Retirement benefit asset	3,472	3,501
Other	8,411	8,547
Allowance for doubtful accounts	(4,545)	(4,677)
Total investments and other assets	78,930	79,121
Total non-current assets	96,244	96,329
Total assets	353,228	367,234
Liabilities		
Current liabilities		
Notes and accounts payable - trade	104,113	105,983
Short-term borrowings	33,731	38,956
Income taxes payable	3,155	3,484
Provision for bonuses	1,279	863
Other	8,310	9,535
Total current liabilities	150,591	158,823
Non-current liabilities		
Long-term borrowings	7,475	7,567
Provision for retirement benefits for directors (and other officers)	29	30
Provision for share awards for directors (and other officers)	131	139
Provision for loss on guarantees	18	18
Retirement benefit liability	2,144	2,203
Other	17,033	17,209
Total non-current liabilities	26,833	27,168
Total liabilities	177,424	185,991

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Net assets		
Shareholders' equity		
Share capital	9,364	9,364
Capital surplus	7,184	7,088
Retained earnings	116,794	122,170
Treasury shares	(4,155)	(4,155)
Total shareholders' equity	129,188	134,467
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	39,316	39,498
Deferred gains or losses on hedges	187	204
Foreign currency translation adjustment	4,536	4,529
Remeasurements of defined benefit plans	576	585
Total accumulated other comprehensive income	44,616	44,818
Non-controlling interests	1,999	1,955
Total net assets	175,803	181,242
Total liabilities and net assets	353,228	367,234

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	128,701	162,643
Cost of sales	118,938	148,487
Gross profit	9,763	14,156
Selling, general and administrative expenses	7,535	8,559
Operating profit	2,227	5,596
Non-operating income		
Interest income	49	54
Dividend income	724	825
Share of profit of entities accounted for using equity method	93	73
Miscellaneous income	353	152
Total non-operating income	1,221	1,105
Non-operating expenses		
Interest expenses	215	143
Foreign exchange losses	64	55
Miscellaneous losses	96	51
Total non-operating expenses	376	250
Ordinary profit	3,072	6,451
Extraordinary income		
Gain on sale of investment securities	–	4,660
Total extraordinary income	–	4,660
Profit before income taxes	3,072	11,112
Income taxes - current	817	3,116
Income taxes - deferred	134	(55)
Total income taxes	951	3,060
Profit	2,121	8,051
Profit attributable to non-controlling interests	100	83
Profit attributable to owners of parent	2,020	7,968

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	2,121	8,051
Other comprehensive income		
Valuation difference on available-for-sale securities	5,315	168
Deferred gains or losses on hedges	28	17
Foreign currency translation adjustment	241	(34)
Remeasurements of defined benefit plans, net of tax	66	9
Share of other comprehensive income of entities accounted for using equity method	(65)	21
Total other comprehensive income	5,587	183
Comprehensive income	7,708	8,235
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,582	8,170
Comprehensive income attributable to non-controlling interests	126	64