

**Translation**

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

October 29, 2021

Company name: Scroll Corporation  
 Stock exchange listing: Tokyo  
 Stock code: 8005 URL <https://www.scroll.jp/>  
 Representative: President Tomohisa Tsurumi  
 Director, Corporate Officer, General  
 Inquiries: Yasunori Sugimoto TEL +81-53-464-1114 (from overseas)  
 Manager of Corporate Management Dept.  
 Scheduled date to file Quarterly Securities Report: November 5, 2021  
 Scheduled date to commence dividend payments: November 30, 2021  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

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

### 1. Consolidated financial results for the six months ended September 30, 2021 (from April 1, 2021 to September 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	%
Six months ended September 30, 2021	41,830	–	4,680	–	4,708	–	3,231	–
Six months ended September 30, 2020	43,328	14.3	4,073	149.6	4,157	141.5	2,974	566.4

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2021	92.69		–	
Six months ended September 30, 2020	86.17		85.96	

(Note) We have been applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020), etc. effective from the beginning of the first quarter of the current fiscal year, and the figures for the three months ended September 30, 2021 are after the application of the said accounting standards, etc., the percentage change from the same quarter of the previous fiscal year is not stated.

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2021	47,606	27,978	58.8
As of March 31, 2021	49,903	26,648	53.4

(Note) We have been applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020), etc. effective from the beginning of the first quarter of the current fiscal year, and the figures for the as of September 30, 2021 are after the application of the said accounting standards, etc.

### 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	–	7.50	–	52.50	60.00
Year ending March 31, 2022	–	10.00	–	–	–
Year ending March 31, 2022 (Forecast)	–	–	–	38.50	48.50

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
Full year	80,000	–	5,900	–	6,000	–	4,200	–	120.46

(Note) We apply the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29), etc. effective from the beginning of the fiscal year ending March 31, 2022, and the Forecast of consolidated financial results above are after the application of the said accounting standards, etc., the percentage change from the same quarter of the previous fiscal year is not stated.

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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 September 30, 2021	34,873,050 shares	As of March 31, 2021	34,873,050 shares
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Number of treasury shares at the end of the period

As of September 30, 2021	7,157 shares	As of March 31, 2021	6,845 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2021	34,866,060 shares	Six months ended September 30, 2020	34,520,655 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	8,084	3,997
Accounts receivable - trade	11,214	11,679
Inventories	8,488	9,645
Other	4,820	5,100
Allowance for doubtful accounts	(365)	(355)
Total current assets	32,241	30,067
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,297	7,066
Land	5,520	5,520
Other, net	910	1,103
Total property, plant and equipment	13,728	13,690
Intangible assets		
Goodwill	128	107
Other	785	752
Total intangible assets	913	860
Investments and other assets		
Other	3,426	3,368
Allowance for doubtful accounts	(406)	(380)
Total investments and other assets	3,020	2,988
Total non-current assets	17,661	17,538
Total assets	49,903	47,606
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	2,850	2,925
Short-term borrowings	4,300	100
Accounts payable - other	7,283	5,963
Income taxes payable	2,278	1,392
Provisions	662	345
Other	1,276	1,276
Total current liabilities	18,651	12,003
Non-current liabilities		
Long-term borrowings	3,075	6,025
Provisions	63	59
Retirement benefit liability	1,310	1,381
Other	154	159
Total non-current liabilities	4,603	7,624
Total liabilities	23,255	19,628

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Net assets		
Shareholders' equity		
Share capital	6,018	6,018
Capital surplus	6,644	6,644
Retained earnings	13,414	14,721
Treasury shares	(3)	(4)
Total shareholders' equity	26,074	27,380
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	434	476
Deferred gains or losses on hedges	132	93
Foreign currency translation adjustment	7	26
Total accumulated other comprehensive income	574	597
Total net assets	26,648	27,978
Total liabilities and net assets	49,903	47,606

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Net sales	43,328	41,830
Cost of sales	27,463	25,891
Gross profit	15,864	15,939
Selling, general and administrative expenses	11,791	11,258
Operating profit	4,073	4,680
Non-operating income		
Interest income	11	9
Dividend income	18	25
Foreign exchange gains	51	–
Other	19	16
Total non-operating income	101	50
Non-operating expenses		
Interest expenses	12	16
Foreign exchange losses	–	2
Other	4	3
Total non-operating expenses	17	22
Ordinary profit	4,157	4,708
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	4,157	4,708
Income taxes - current	1,494	1,336
Income taxes - deferred	(311)	140
Total income taxes	1,182	1,477
Profit	2,974	3,231
Profit attributable to owners of parent	2,974	3,231

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

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit	2,974	3,231
Other comprehensive income		
Valuation difference on available-for-sale securities	64	42
Deferred gains or losses on hedges	(58)	(38)
Foreign currency translation adjustment	(5)	18
Total other comprehensive income	0	23
Comprehensive income	2,975	3,254
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,975	3,254
Comprehensive income attributable to non-controlling interests	—	—

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Cash flows from operating activities		
Profit before income taxes	4,157	4,708
Depreciation	487	529
Amortization of goodwill	21	21
Increase (decrease) in allowance for doubtful accounts	138	(35)
Increase (decrease) in other provisions	(5)	(284)
Increase (decrease) in retirement benefit liability	58	70
Interest and dividend income	(30)	(34)
Interest expenses	12	16
Loss (gain) on sale and retirement of non-current assets	0	0
Decrease (increase) in trade receivables	(2,587)	(472)
Decrease (increase) in inventories	(570)	(1,157)
Decrease (increase) in other current assets	(120)	(181)
Increase (decrease) in trade payables	457	91
Increase (decrease) in accrued liabilities	(4,311)	(1,305)
Increase (decrease) in other current liabilities	449	(312)
Other, net	4	5
Subtotal	(1,837)	1,659
Interest and dividends received	30	34
Interest paid	(10)	(16)
Income taxes paid	(354)	(2,216)
Income taxes refund	65	–
Net cash provided by (used in) operating activities	(2,106)	(538)
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,936)	(360)
Purchase of intangible assets	(183)	(122)
Payments of guarantee deposits	(1)	(18)
Proceeds from refund of guarantee deposits	90	7
Other, net	2	1
Net cash provided by (used in) investing activities	(3,028)	(491)
Cash flows from financing activities		
Proceeds from long-term borrowings	3,000	3,000
Repayments of long-term borrowings	(50)	(4,250)
Proceeds from sale of treasury shares	2	–
Dividends paid	(172)	(1,823)
Other, net	(1)	(1)
Net cash provided by (used in) financing activities	2,778	(3,074)
Effect of exchange rate change on cash and cash equivalents	(5)	18
Net increase (decrease) in cash and cash equivalents	(2,362)	(4,086)
Cash and cash equivalents at beginning of period	4,828	8,084
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	1	–
Cash and cash equivalents at end of period	2,468	3,997