

Summary of Consolidated Financial Results for the third quarter of fiscal year 2021 under Japanese GAAP



November 9, 2021

Company Name: ZOOM CORPORATION
 Listing: Tokyo Stock Exchange-JASDAQ
 Code No: 6694
 URL: <https://www.zoom.co.jp/>
 Representative: Masahiro Iijima, CEO
 Contact: Tatsuzo Yamada, CFO
 Tel: +81-3-5297-1001
 Scheduled date for filing the quarterly report: November 12, 2021
 Scheduled date for commencement of dividend payment: -
 Supplementary briefing material in English: Yes
 Briefing session of quarterly results : None

(Amounts of less than one million yen are omitted)

1. Consolidated financial results for the third quarter of fiscal year 2021(January 1, 2021 – September 30, 2021)

(1) Consolidated operating results

(% represents year on year changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|--------------------|-------------|------|------------------|-------|-----------------|---|---|-------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Nine months ended | | | | | | | | |
| September 30, 2021 | 9,764 | 42.7 | 966 | 262.1 | 918 | - | 631 | 499.3 |
| September 30, 2020 | 6,841 | 9.5 | 266 | 114.1 | (16) | - | 105 | 22.6 |

(Note)Comprehensive income

Nine months ended September 30, 2021:914 million yen (- %)

Nine months ended September 30, 2020: 45 million yen ((3.8%))

| | Earnings per share | | Diluted earnings per share | |
|--------------------|--------------------|--|----------------------------|--|
| | Yen | | Yen | |
| Nine months ended | | | | |
| September 30, 2021 | 294.74 | | 290.25 | |
| September 30, 2020 | 46.77 | | 46.17 | |

(2) Consolidated financial position

| | Total assets | | Net assets | | Capital adequacy ratio |
|--------------------------|--------------|--|-------------|--|------------------------|
| | Million yen | | Million yen | | % |
| As of September 30, 2021 | 10,875 | | 5,586 | | 50.8 |
| As of December 31, 2020 | 10,198 | | 5,136 | | 50.2 |

(Reference)Equity capital:

As of September 30, 2021: 5,524 million yen

As of December 31, 2020: 5,116 million yen

2. Dividends

| | Dividend per share | | | | |
|---------------------------|----------------------|-----------------------|----------------------|--------------------|--------|
| | End of first quarter | End of second quarter | End of third quarter | End of fiscal year | Annual |
| | Yen | Yen | Yen | Yen | Yen |
| FY ending 2020 | - | 0.00 | - | 62.00 | 62.00 |
| FY ending 2021 | - | 0.00 | - | | |
| FY ending 2021 (Forecast) | | | | 102.00 | 102.00 |

Revisions to recent dividend forecast : None

3. Forecast of consolidated financial results for fiscal year 2021(January 1, 2021 – December 31, 2021)

(% represents year on year changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parents | | Earnings per share |
|-----------|-------------|------|------------------|------|-----------------|-------|--|------|--------------------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | yen |
| Full year | 13,000 | 24.8 | 1,130 | 49.6 | 1,070 | 137.3 | 730 | 45.2 | 340.92 |

Revisions to recent business forecast : None

※Notes

(1)Changes in significant subsidiaries during the period(Changes in specific subsidiaries involving changes in the scope of consolidation) : None

(2)Adoption of specific accounting treatments to the preparation of consolidated quarterly financial statements: Yes

(3)Changes in accounting policies, changes in accounting estimates, and restatement

| | |
|---|------|
| a. Changes due to revision to accounting standards, etc.: | None |
| b. Changes other than a.: | None |
| c. Changes in accounting estimates: | None |
| d. Restatement: | None |

(4)Number of issued shares(common shares)

a. Number of issued shares as of the end of the period(including treasury shares)

| | |
|--------------------------|-----------|
| As of September 30, 2021 | 2,297,412 |
| As of December 31, 2020 | 2,297,412 |

b. Total number of treasury shares at the end of the period

| | |
|--------------------------|---------|
| As of September 30, 2021 | 167,758 |
| As of December 31, 2020 | 57,731 |

c. Average number of shares during the period(cumulative)

| | |
|--------------------------------------|-----------|
| Nine months ended September 30, 2021 | 2,142,554 |
| Nine months ended September 30, 2020 | 2,252,951 |

*These consolidated quarterly financial results are outside the scope of the quarterly review.

*Appropriate use of performance forecasts and other noteworthy matters.

The forecasted financial information described above are based on information currently available to the company and certain assumption considered to be reasonable.

Actual financial results may differ significantly due to potential risks and uncertainties.

Contents of the Attached Materials

1. Consolidated quarterly financial statements

(1) Consolidated quarterly balance sheets

(2) Consolidated quarterly income statements

(3) Consolidated quarterly comprehensive income statements

1. Consolidated quarterly financial statements

(1) Consolidated quarterly balance sheets

(Million yen)

| | As of December 31, 2020 | As of September 30, 2021 |
|---|----------------------------|-----------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 2,731 | 2,076 |
| Notes receivable–trade and Accounts receivable–trade | 1,658 | 1,945 |
| Merchandise and finished goods | 2,516 | 3,162 |
| Raw materials and supplies | 117 | 111 |
| Other | 670 | 795 |
| Allowance for doubtful accounts | (32) | (29) |
| Total current assets | 7,661 | 8,061 |
| Non-currents assets | | |
| Property, plant and equipment | 526 | 524 |
| Intangible assets | | |
| Goodwill | 1,309 | 1,411 |
| Other | 83 | 67 |
| Investments and other assets | 616 | 810 |
| Total non-current assets | 2,536 | 2,814 |
| Total assets | 10,198 | 10,875 |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable–trade | 1,133 | 1,346 |
| Short-term loans payable | 1,601 | 1,442 |
| Current portion of long-term loans payable | 120 | 152 |
| Income taxes payable | 164 | 183 |
| Provision for bonuses | 27 | 65 |
| Provision for product warranties | 74 | 88 |
| Other | 763 | 725 |
| Total current liabilities | 3,883 | 4,004 |
| Non-current liabilities | | |
| Long-term loans payable | 990 | 1,086 |
| Retirement benefit liability | 129 | 146 |
| Other | 58 | 51 |
| Total non-current liabilities | 1,177 | 1,284 |
| Total liabilities | 5,061 | 5,289 |
| Net assets | | |
| Shareholder's equity | | |
| Capital stock | 212 | 212 |
| Capital surplus | 261 | 261 |
| Retained earnings | 4,842 | 5,320 |
| Treasury shares | (87) | (397) |
| Total shareholder's equity | 5,230 | 5,397 |
| Accumulated other comprehensive income | | |
| Foreign currency translation adjustment | (103) | 137 |
| Remeasurements of defined benefit plans | (10) | (9) |
| Total accumulated other comprehensive income | (113) | 127 |
| Non-controlling interests | 19 | 61 |
| Total net assets | 5,136 | 5,586 |
| Total liabilities and net assets | 10,198 | 10,875 |

(2) Consolidated quarterly income statements – third quarter

(Million yen)

| | Nine months ended September 30, 2020 | Nine months ended September 30, 2021 |
|--|---|---|
| Net sales | 6,841 | 9,764 |
| Cost of sales | 4,085 | 5,595 |
| Gross profit | 2,755 | 4,168 |
| Selling, general and administrative expenses | 2,488 | 3,202 |
| Operating profit | 266 | 966 |
| Non-operating income | | |
| Interest income | 1 | 0 |
| Refund of import duty | 3 | - |
| Other | 6 | 0 |
| Total of non-operating income | 11 | 1 |
| Non-operating expense | | |
| Interest expense | 22 | 22 |
| Sales discounts | 13 | 12 |
| Share of loss of entities accounted for using equity method | 240 | - |
| Foreign exchange losses | 13 | 13 |
| Tax dues | 2 | - |
| Other | 2 | 0 |
| Total of non-operating expense | 294 | 49 |
| Ordinary profit (loss) | (16) | 918 |
| Extraordinary income | | |
| Gain on step acquisitions | 178 | - |
| Total of extraordinary income | 178 | - |
| Profit before income taxes | 161 | 918 |
| Income taxes | 64 | 246 |
| Profit | 96 | 672 |
| Profit (loss) attributable to non-controlling interests | (8) | 40 |
| Profit attributable to owners of parent | 105 | 631 |

(3) Consolidated quarterly comprehensive income statements – third quarter

(Million yen)

| | Nine months ended September 30, 2020 | Nine months ended September 30, 2021 |
|---|---|---|
| Profit | 96 | 672 |
| Other comprehensive income | | |
| Foreign currency translation adjustment | (56) | 240 |
| Remeasurements of defined benefit plans | 1 | 1 |
| Accounted for using equity method | 3 | - |
| Total other comprehensive income | (51) | 242 |
| Comprehensive income | 45 | 914 |
| Comprehensive income attributed to owners of parent | 53 | 872 |
| Comprehensive income attributable to non-controlling interests | (8) | 42 |