

Translation

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

November 10, 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 TEL 03-3438-2291
 Corporate Finance & Accounting Division
 Scheduled date to file Quarterly Securities Report: November 12, 2021
 Scheduled date to commence dividend payments: December 3, 2021
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for analysts and institutional investors)

((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	68,633	18.5	3,921	–	5,079	365.3	3,483	–
Six months ended September 30, 2020	57,913	(19.9)	(222)	–	1,091	(76.5)	(994)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2021	70.93		–	
Six months ended September 30, 2020	(20.26)		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2021	171,004	94,871	50.9	1,772.61
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				
Year ended March 31, 2021	–	25.00	–	25.00	50.00
Year ending March 31, 2022	–	25.00	–	–	–
Year ending March 31, 2022 (Forecast)	–	–	–	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
Full year	139,000	6.5	5,800	(0.0)	7,700	(8.9)	4,900	22.2	99.77

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: 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 September 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 September 30, 2021	634,237 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)

Six months ended September 30, 2021	49,103,780 shares	Six months ended September 30, 2020	49,084,469 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
Assets		
Current assets		
Cash and deposits	32,662	27,331
Trade receivables and contract assets	28,253	25,364
Electronically recorded monetary claims - operating	3,288	4,412
Merchandise and finished goods	7,402	9,496
Work in process	6,280	6,543
Raw materials and supplies	9,279	9,723
Other	6,288	6,127
Allowance for doubtful accounts	(344)	(87)
Total current assets	93,110	88,911
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	23,370	22,923
Machinery, equipment and vehicles, net	23,277	22,737
Other, net	13,867	13,034
Total property, plant and equipment	60,515	58,695
Intangible assets		
Goodwill	1,702	1,483
Other	1,795	1,596
Total intangible assets	3,497	3,079
Investments and other assets		
Investment securities	12,077	12,798
Other	7,420	7,628
Allowance for doubtful accounts	(112)	(110)
Total investments and other assets	19,384	20,317
Total non-current assets	83,397	82,092
Total assets	176,508	171,004

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	8,253	6,934
Electronically recorded obligations - operating	2,830	2,845
Short-term borrowings	14,754	13,239
Income taxes payable	1,431	1,053
Provision for bonuses	2,547	3,294
Other provisions	522	409
Other	12,398	12,458
Total current liabilities	42,737	40,236
Non-current liabilities		
Long-term borrowings	23,447	18,096
Provisions	316	318
Retirement benefit liability	16,052	15,982
Other	1,513	1,499
Total non-current liabilities	41,329	35,896
Total liabilities	84,067	76,133
Net assets		
Shareholders' equity		
Share capital	10,490	10,490
Capital surplus	11,310	11,296
Retained earnings	68,224	70,480
Treasury shares	(226)	(213)
Total shareholders' equity	89,799	92,055
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	402	475
Foreign currency translation adjustment	(2,690)	(2,595)
Remeasurements of defined benefit plans	(3,116)	(2,858)
Total accumulated other comprehensive income	(5,404)	(4,978)
Non-controlling interests	8,046	7,794
Total net assets	92,441	94,871
Total liabilities and net assets	176,508	171,004

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	57,913	68,633
Cost of sales	46,247	52,469
Gross profit	11,666	16,164
Selling, general and administrative expenses	11,888	12,242
Operating profit (loss)	(222)	3,921
Non-operating income		
Interest income	130	106
Dividend income	10	10
Share of profit of entities accounted for using equity method	1,126	701
Other	604	599
Total non-operating income	1,871	1,417
Non-operating expenses		
Interest expenses	204	194
Loss on mothballing of operation	258	–
Other	94	64
Total non-operating expenses	557	259
Ordinary profit	1,091	5,079
Extraordinary income		
Gain on sale of non-current assets	0	5
Total extraordinary income	0	5
Extraordinary losses		
Loss on sale of non-current assets	2	12
Loss on retirement of non-current assets	14	53
Total extraordinary losses	17	65
Profit before income taxes	1,075	5,019
Income taxes	1,457	852
Profit (loss)	(382)	4,167
Profit attributable to non-controlling interests	612	684
Profit (loss) attributable to owners of parent	(994)	3,483

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit (loss)	(382)	4,167
Other comprehensive income		
Valuation difference on available-for-sale securities	37	73
Foreign currency translation adjustment	905	9
Remeasurements of defined benefit plans, net of tax	357	260
Share of other comprehensive income of entities accounted for using equity method	302	95
Total other comprehensive income	1,601	439
Comprehensive income	1,219	4,606
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	606	3,909
Comprehensive income attributable to non-controlling interests	612	697