

Translation

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

November 12, 2021

Company name: EF-ON INC.
 Stock exchange listing: Tokyo
 Stock code: 9514 URL <http://www.ef-on.co.jp/>
 Representative: President and Representative Director TOMOTADA SHIMAZAKI
 Inquiries: Executive Director HISAHITO KOIKE TEL 03-5299-8521
 Scheduled date to file Quarterly Securities Report: November 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 September 30, 2021 (from July 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	%
Three months ended September 30, 2021	3,452	(1.7)	457	(44.2)	419	(46.4)	301	(45.5)
Three months ended September 30, 2020	3,511	27.7	820	15.2	781	14.9	553	56.8

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended September 30, 2021	13.96		–	
Three months ended September 30, 2020	25.60		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2021	48,660	17,053	35.0
As of June 30, 2021	45,603	16,924	37.1

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended June 30, 2021	–	0.00	–	8.00	8.00
Year ending June 30, 2022	–	–	–	–	–
Year ending June 30, 2022 (Forecast)	–	0.00	–	8.00	8.00

3. Forecast of consolidated financial results for the year ending June 30, 2022 (from July 1, 2021 to June 30, 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 December 31, 2021	7,500	12.1	1,500	0.0	1,300	(9.1)	1,000	0.5	46.22
Full year	16,000	21.7	3,100	19.9	2,900	20.9	2,000	19.5	92.43

4. Notes

- (1) Changes in significant subsidiaries during the three 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	21,636,579 shares	As of June 30, 2021	21,636,579 shares
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Number of treasury shares at the end of the period

As of September 30, 2021	400 shares	As of June 30, 2021	– shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended September 30, 2021	21,636,408 shares	Three months ended September 30, 2020	21,638,013 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of June 30, 2021	As of September 30, 2021
Assets		
Current assets		
Cash and deposits	5,272	7,018
Notes and accounts receivable - trade	1,270	1,229
Supplies	874	911
Consumption taxes receivable	31	0
Deferred income tax - non current	508	627
Other	123	113
Total current assets	8,081	9,900
Non-current assets		
Property, plant and equipment		
Buildings and structures	8,847	8,788
Accumulated depreciation	(1,589)	(1,607)
Buildings and structures, net	7,257	7,181
Machinery, equipment and vehicles	21,243	20,245
Accumulated depreciation	(6,483)	(5,783)
Machinery, equipment and vehicles, net	14,760	14,461
Tools, furniture and fixtures	236	242
Accumulated depreciation	(156)	(164)
Tools, furniture and fixtures, net	79	77
Land	3,229	3,244
Leased assets	772	772
Accumulated depreciation	(695)	(711)
Leased assets, net	77	61
Trees	770	783
Construction in progress	10,839	12,230
Total property, plant and equipment	37,015	38,039
Intangible assets		
Right to use electricity supply facilities	329	325
Other	8	13
Total intangible assets	338	339
Investments and other assets		
Deferred tax assets	88	86
Other	80	294
Total investments and other assets	168	381
Total non-current assets	37,521	38,760
Total assets	45,603	48,660

(Millions of yen)

	As of June 30, 2021	As of September 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,000	1,070
Short-term borrowings	200	200
Current portion of long-term borrowings	1,938	2,377
Accounts payable - other	1,145	948
Current portion of long-term accounts payable-other	70	3
Lease obligations	58	53
Income taxes payable	308	177
Provision for bonuses	44	79
Provision for maintenance	403	602
Other	175	205
Total current liabilities	5,344	5,717
Non-current liabilities		
Long-term borrowings	23,194	25,784
Long-term accounts payable - other	0	–
Lease obligations	32	20
Deferred tax liabilities	107	86
Total non-current liabilities	23,334	25,890
Total liabilities	28,678	31,607
Net assets		
Shareholders' equity		
Share capital	2,292	2,292
Capital surplus	1,292	1,292
Retained earnings	13,339	13,468
Treasury shares	–	(0)
Total shareholders' equity	16,924	17,053
Total net assets	16,924	17,053
Total liabilities and net assets	45,603	48,660

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended September 30, 2020	Three months ended September 30, 2021
Net sales	3,511	3,452
Cost of sales	2,494	2,741
Gross profit	1,016	710
Selling, general and administrative expenses	195	252
Operating profit	820	457
Non-operating income		
Interest income	0	0
Gain on sale of scraps	–	1
Gain on sale of non-current assets	–	0
Other	1	1
Total non-operating income	1	3
Non-operating expenses		
Interest expenses	37	40
Commission expenses	1	1
Other	2	0
Total non-operating expenses	40	42
Ordinary profit	781	419
Extraordinary income		
Gain on reversal of share acquisition rights	8	–
Total extraordinary income	8	–
Profit before income taxes	789	419
Income taxes - current	138	136
Income taxes - deferred	97	(19)
Total income taxes	236	117
Profit	553	301
Profit attributable to owners of parent	553	301

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended September 30, 2020	Three months ended September 30, 2021
Profit	553	301
Comprehensive income	553	301
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	553	301
Comprehensive income attributable to non-controlling interests	—	—