

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on Japanese GAAP)

February 1, 2022

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
 Corporate Finance & Accounting Division TEL 03-3438-2291
 Scheduled date to file Quarterly Securities Report: February 10, 2022
 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 nine months ended December 31, 2021 (from April 1, 2021 to December 31, 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	%
Nine months ended December 31, 2021	102,809	8.9	5,240	59.4	6,741	45.3	2,976	46.3
Nine months ended December 31, 2020	94,410	(12.2)	3,286	(17.6)	4,639	(5.4)	2,034	(12.0)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2021	60.61		–	
Nine months ended December 31, 2020	41.44		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2021	171,486	95,279	50.8	1,772.29
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)	3,800	(5.2)	77.37

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 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 December 31, 2021	634,361 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)

Nine months ended December 31, 2021	49,110,383 shares	Nine months ended December 31, 2020	49,084,355 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	32,662	25,153
Trade receivables and contract assets	28,253	26,880
Electronically recorded monetary claims - operating	3,288	4,868
Merchandise and finished goods	7,402	10,057
Work in process	6,280	6,621
Raw materials and supplies	9,279	10,429
Other	6,288	6,475
Allowance for doubtful accounts	(344)	(84)
Total current assets	93,110	90,403
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	23,370	22,065
Machinery, equipment and vehicles, net	23,277	22,144
Other, net	13,867	13,606
Total property, plant and equipment	60,515	57,816
Intangible assets		
Goodwill	1,702	1,374
Other	1,795	1,626
Total intangible assets	3,497	3,000
Investments and other assets		
Investment securities	12,077	12,934
Other	7,420	7,439
Allowance for doubtful accounts	(112)	(108)
Total investments and other assets	19,384	20,265
Total non-current assets	83,397	81,082
Total assets	176,508	171,486

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	8,253	6,825
Electronically recorded obligations - operating	2,830	2,723
Short-term borrowings	14,754	15,648
Income taxes payable	1,431	1,123
Provision for bonuses	2,547	1,965
Other provisions	522	700
Other	12,398	13,522
Total current liabilities	42,737	42,509
Non-current liabilities		
Long-term borrowings	23,447	15,856
Provisions	316	315
Retirement benefit liability	16,052	15,929
Other	1,513	1,596
Total non-current liabilities	41,329	33,698
Total liabilities	84,067	76,207
Net assets		
Shareholders' equity		
Share capital	10,490	10,490
Capital surplus	11,310	11,296
Retained earnings	68,224	68,746
Treasury shares	(226)	(213)
Total shareholders' equity	89,799	90,320
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	402	491
Foreign currency translation adjustment	(2,690)	(1,111)
Remeasurements of defined benefit plans	(3,116)	(2,638)
Total accumulated other comprehensive income	(5,404)	(3,259)
Non-controlling interests	8,046	8,217
Total net assets	92,441	95,279
Total liabilities and net assets	176,508	171,486

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net sales	94,410	102,809
Cost of sales	73,698	79,420
Gross profit	20,712	23,388
Selling, general and administrative expenses	17,425	18,148
Operating profit	3,286	5,240
Non-operating income		
Interest income	183	161
Dividend income	17	19
Share of profit of entities accounted for using equity method	1,173	768
Other	747	970
Total non-operating income	2,121	1,920
Non-operating expenses		
Interest expenses	306	289
Foreign exchange losses	39	-
Loss on mothballing of operation	258	-
Other	164	129
Total non-operating expenses	769	419
Ordinary profit	4,639	6,741
Extraordinary income		
Gain on sale of non-current assets	2	7
Gain on sale of investment securities	-	11
Total extraordinary income	2	18
Extraordinary losses		
Loss on sale of non-current assets	5	18
Loss on retirement of non-current assets	42	60
Impairment losses	-	1,088
Total extraordinary losses	47	1,167
Profit before income taxes	4,594	5,591
Income taxes	1,559	1,616
Profit	3,035	3,974
Profit attributable to non-controlling interests	1,001	998
Profit attributable to owners of parent	2,034	2,976

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	3,035	3,974
Other comprehensive income		
Valuation difference on available-for-sale securities	55	88
Foreign currency translation adjustment	2,240	1,454
Remeasurements of defined benefit plans, net of tax	502	427
Share of other comprehensive income of entities accounted for using equity method	338	297
Total other comprehensive income	3,137	2,267
Comprehensive income	6,173	6,242
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,222	5,122
Comprehensive income attributable to non-controlling interests	951	1,120