

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

August 2, 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
 Operating Officer, General Manager Yoshinobu Murata
 Corporate Finance & Accounting Office TEL 03-3438-2291
 Scheduled date to file Quarterly Securities Report: August 12, 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 three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(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 June 30, 2022	36,614	1.8	1,945	(22.5)	3,637	8.3	1,623	(20.9)
Three months ended June 30, 2021	35,970	40.6	2,510	–	3,360	–	2,052	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	33.04	–
Three months ended June 30, 2021	41.81	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2022	187,734	108,592	52.8	2,017.55
As of March 31, 2022	180,955	103,094	52.1	1,920.35

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, 2022	–	25.00	–	25.00	50.00
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	25.00	–	25.00	50.00

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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 September 30, 2022	75,400	9.9	2,900	(26.1)	4,900	(3.5)	3,000	(13.9)	61.07
Full year	153,100	8.7	8,400	11.1	11,400	5.4	7,200	26.0	146.57

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2022
 (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 June 30, 2022	49,757,821 shares	As of March 31, 2022	49,757,821 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	634,714 shares	As of March 31, 2022	634,564 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	49,123,182 shares	Three months ended June 30, 2021	49,083,735 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	28,806	30,366
Notes and accounts receivable - trade, and contract assets	30,207	29,198
Electronically recorded monetary claims - operating	5,248	5,493
Merchandise and finished goods	10,169	11,029
Work in process	6,910	7,459
Raw materials and supplies	10,477	12,320
Other	6,600	5,890
Allowance for doubtful accounts	(96)	(94)
Total current assets	98,323	101,662
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	22,532	23,200
Machinery, equipment and vehicles, net	21,972	22,162
Other, net	14,534	16,276
Total property, plant and equipment	59,039	61,638
Intangible assets		
Goodwill	1,266	1,158
Other	1,842	1,827
Total intangible assets	3,108	2,985
Investments and other assets		
Investment securities	12,785	13,732
Other	7,806	7,822
Allowance for doubtful accounts	(108)	(107)
Total investments and other assets	20,483	21,447
Total non-current assets	82,631	86,071
Total assets	180,955	187,734

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	9,180	8,648
Electronically recorded obligations - operating	2,512	2,907
Short-term borrowings	13,022	15,472
Income taxes payable	1,534	1,931
Provision for bonuses	2,679	1,940
Other provisions	770	913
Other	12,985	14,205
Total current liabilities	42,686	46,019
Non-current liabilities		
Long-term borrowings	17,732	15,448
Provisions	316	319
Retirement benefit liability	15,412	15,463
Other	1,713	1,890
Total non-current liabilities	35,174	33,122
Total liabilities	77,860	79,142
Net assets		
Shareholders' equity		
Share capital	10,490	10,490
Capital surplus	11,296	11,296
Retained earnings	71,483	71,878
Treasury shares	(213)	(213)
Total shareholders' equity	93,057	93,452
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	458	471
Foreign currency translation adjustment	2,950	7,241
Remeasurements of defined benefit plans	(2,133)	(2,057)
Total accumulated other comprehensive income	1,275	5,655
Non-controlling interests	8,761	9,484
Total net assets	103,094	108,592
Total liabilities and net assets	180,955	187,734

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	35,970	36,614
Cost of sales	27,177	28,036
Gross profit	8,792	8,577
Selling, general and administrative expenses	6,282	6,632
Operating profit	2,510	1,945
Non-operating income		
Interest income	49	83
Dividend income	8	10
Share of profit of entities accounted for using equity method	485	319
Foreign exchange gains	188	1,086
Other	233	291
Total non-operating income	965	1,791
Non-operating expenses		
Interest expenses	92	92
Other	23	7
Total non-operating expenses	116	99
Ordinary profit	3,360	3,637
Extraordinary income		
Gain on sale of non-current assets	2	20
Total extraordinary income	2	20
Extraordinary losses		
Loss on sale of non-current assets	4	2
Loss on retirement of non-current assets	16	4
Total extraordinary losses	21	7
Profit before income taxes	3,341	3,650
Income taxes	889	1,636
Profit	2,452	2,014
Profit attributable to non-controlling interests	399	390
Profit attributable to owners of parent	2,052	1,623

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	2,452	2,014
Other comprehensive income		
Valuation difference on available-for-sale securities	(13)	37
Foreign currency translation adjustment	415	3,907
Remeasurements of defined benefit plans, net of tax	127	107
Share of other comprehensive income of entities accounted for using equity method	218	788
Total other comprehensive income	747	4,840
Comprehensive income	3,199	6,854
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,863	6,002
Comprehensive income attributable to non-controlling interests	335	851