

Consolidated Financial Results (Japanese Accounting Standards) for the Nine Months Ended December 31, 2021 (Q3 FY 2021)

Company name: Itoham Yonekyu Holdings Inc.
 Stock exchange listing: Tokyo Stock Exchange
 Stock code: 2296
 URL: <https://www.itoham-yonekyu-holdings.com>
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 Scheduled date for filing of securities report: February 12, 2021
 Scheduled date of commencement of dividend payment: -
 Supplementary documents for financial results: Yes
 Quarterly results briefing: No

(Amounts of less than one million yen are truncated)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2021 (April 1, 2020–December 31, 2020)

(1) Consolidated Results of Operations (Accumulated Total) (% figures show year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Nine months ended								
December 31, 2021	646,827	-2.1	22,172	32.9	24,161	30.1	18,304	58.0
December 31, 2020	660,901	0.3	16,678	12.9	18,567	17.2	11,586	6.7

(Note) Comprehensive income: Nine months ended December 31, 2021 19,596 million Yen (82.5%)
 Nine months ended December 31, 2020 10,740 million Yen (3.5%)

	Net income per share		Fully diluted net income	
	Yen	Yen	Yen	Yen
Nine months ended				
December 31, 2021	62.12		62.08	
December 31, 2020	39.21		39.19	

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio	
	Million Yen	Million Yen	Million Yen	Million Yen	%	%
As of December 31, 2020	393,508		243,512		61.7	
As of March 31, 2020	389,426		229,178		58.5	

(Reference) Shareholders' equity: As of December 31, 2020 242,814 million Yen
 As of March 31, 2020 227,772 million Yen

2. Dividends

	First	Second	Third	Fiscal	Total
	Yen	Yen	Yen	Yen	Yen
For the fiscal year ended					
March 31, 2020	—	0.00	—	17.00	17.00
March 31, 2021	—	0.00	—	—	—
For the fiscal year ending					
March 31, 2021 (Forecast)			—	17.00	17.00

(Note) Changes to most recent dividend forecast: None

3. Forecast of Consolidated Business Results for the Fiscal Year Ending March 31, 2021

(April 1, 2020 to March 31, 2021)

(% figures show year-on-year change)

	Net Sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Full year	830,000	-2.6	23,000	33.2	25,000	28.0	18,500	61.7	62.78

(Note) Changes to most recent financial results forecast: Yes

(Note) In light of recent business results trends, the Company today announced revisions to the forecast of consolidated business results of the fiscal year ending March 31, 2021. For details, please refer to "Notice of Revisions to the Forecast of Business Results" released today, February 09, 2021.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Million Yen)

	As of March 31, 2020	As of December 31, 2020
ASSETS		
Current assets		
Cash and deposits	42,072	21,492
Notes and account receivable - trade	87,902	123,141
Merchandise and finished goods	70,648	60,602
Work in process	1,757	1,274
Raw materials and supplies	17,837	18,197
Other	6,293	4,508
Allowance for doubtful accounts	(14)	(22)
Total current assets	226,498	229,193
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	37,175	36,194
Machinery, equipment and vehicles, net	30,305	29,322
Tools, furniture & fixtures, net	1,508	1,379
Land	25,830	25,581
Leased assets, net	2,799	2,825
Others, net	1,141	1,179
Total property, plant and equipment	98,760	96,483
Intangible assets		
Goodwill	21,057	19,922
Other	1,626	2,037
Total intangible assets	22,684	21,959
Investments and other assets		
Investment securities	25,822	28,622
Net defined benefit assets	9,378	10,020
Other	6,408	7,340
Allowance for doubtful receivables	(126)	(111)
Total investments and other assets	41,482	45,872
Total non-current assets	162,927	164,314
Total Assets	389,426	393,508

(Million Yen)

	As of March 31, 2020	As of December 31, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	61,574	65,805
Electronically recorded obligations	1,748	1,925
Short-term loans payable	28,880	17,430
Current portion of Long-term loans	10,179	161
Income taxes payable	1,707	2,974
Provision for bonuses	5,280	3,186
Provision for directors' bonuses	120	107
Provision for loss on disaster	544	467
Other	28,069	34,483
Total current liabilities	138,106	126,542
Non-current liabilities		
Long-term loans payable	10,872	10,757
Net defined benefit liability	2,208	2,074
Asset retirement obligation	1,461	1,477
Other	7,598	9,142
Total non-current liabilities	22,140	23,452
Total liabilities	160,247	149,995
Net assets		
Shareholder's equity		
Capital stock	30,003	30,003
Capital surplus	96,267	96,624
Retained earnings	101,792	115,089
Treasury stock	(2,293)	(2,146)
Total shareholder's equity	225,770	239,570
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	4,823	7,036
Deferred gains or losses on hedges	(355)	(616)
Foreign currency translation adjustment	(3,767)	(4,643)
Remeasurements of defined benefit plan	1,301	1,467
Total accumulated other comprehensive income	2,002	3,243
Subscription rights to shares	131	131
Non-controlling interests	1,275	567
Total net assets	229,178	243,512
Total liabilities and net assets	389,426	393,508

(2) Consolidated statements of income and comprehensive income

(Consolidated statements of income)

(April 1, 2020 – December 31, 2020)

(Million Yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Net sales	660,901	646,827
Cost of goods sold	555,178	536,396
Gross profit	105,723	110,431
Selling, general and administrative expenses	89,044	88,259
Operating income	16,678	22,172
Non-operating income		
Interest income	92	42
Dividend income	339	321
Rent income	322	311
Insurance income	350	159
Equity in income of affiliates	977	712
Subsidy income	160	606
Other	419	468
Total non-operating income	2,662	2,622
Non-operating expenses		
Interest expenses	580	292
Rent on real estate	109	110
Other	83	230
Total non-operating expenses	773	633
Ordinary income	18,567	24,161
Extraordinary income		
Gain on sales of non-current assets	45	55
Gain on sales of investment securities	81	6
Insurance income	171	3,003
Other	13	-
Total extra-ordinary income	311	3,065
Extraordinary loss		
Loss on retirement of non-current assets	206	249
Loss on valuation of investment securities	-	469
Loss on disaster	1,361	-
Others	21	12
Total extra-ordinary expenses	1,588	731
Net income before taxes	17,290	26,495
Income taxes-current	4,233	7,182
Income taxes-deferred	1,356	923
Total income taxes	5,590	8,106
Net income	11,699	18,388
Income attributable to non-controlling interests	113	84
Income attributable to owners of parent	11,586	18,304

(Consolidated statements of comprehensive income)
 (April 1, 2020 – December 31, 2020)

(Million Yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Net income	11,699	18,388
Other comprehensive income		
Valuation difference on available-for- sale securities	(128)	2,202
Deferred gains or losses on hedges	166	(261)
Foreign currency translation adjustment	(1,255)	(570)
Remeasurements of defined benefit plan	434	143
Share of other comprehensive income of entities accounted for using equity method	(176)	(306)
Total other comprehensive income	(959)	1,207
Comprehensive income	10,740	19,596
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,618	19,545
Comprehensive income attributable to non-controlling interests	122	50