

Consolidated Financial Results (Japanese Accounting Standards) for the Three Months Ended June 30, 2020 (Q1 FY 2020)

Company name:	Itoham Yonekyu Holdings Inc.
Stock exchange listing:	Tokyo Stock Exchange
Stock code:	2296
URL:	https://www.itoham-yonekyu-holdings.com/
Representative:	Isao Miyashita, President and Representative Director
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Scheduled date for filing of securities report:	August 12, 2020
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 Three Months Ended June 30, 2020 (April 1, 2020–June 30, 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	%
Three months ended								
June 30, 2020	204,992	-2.8	5,028	5.4	5,516	5.6	3,657	5.4
June 30, 2019	210,964	1.1	4,772	30.6	5,225	26.7	3,471	9.8

(Note) Comprehensive income: Three months ended June 30, 2020 2,441 million Yen (-4.1%)
Three months ended June 30, 2019 2,545 million Yen (-22.6%)

	Net income per share		Fully diluted net income	
	Yen	Yen	Yen	Yen
Three months ended				
June 30, 2020	12.42		12.41	
June 30, 2019	11.75		11.75	

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio	
	Million Yen	Million Yen	Million Yen	Million Yen	%	%
As of June 30, 2020	389,845		226,595		57.8	
As of March 31, 2020	389,426		229,178		58.5	

(Reference) Shareholders' equity: As of June 30, 2020 225,187 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	—				
For the fiscal year ending					
March 31, 2021 (Forecast)		0.00	—	17.00	17.00

(Note) Changes to most recent dividend forecast: None

3. Forecast of Consolidated Financial 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
Second quarter-end (Cumulative)	420,000	-2.9	8,500	-9.3	8,700	-15.5	7,000	1.0	23.76
Full year	830,000	-2.6	15,000	-13.1	16,000	-18.1	12,000	4.9	40.74

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

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Million Yen)

	As of March 31, 2020	As of June 30, 2020
ASSETS		
Current assets		
Cash and deposits	42,072	37,497
Notes and account receivable - trade	87,902	87,421
Merchandise and finished goods	70,648	72,919
Work in process	1,757	1,786
Raw materials and supplies	17,837	21,183
Other	6,293	9,464
Allowance for doubtful accounts	(14)	(14)
Total current assets	226,498	230,258
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	37,175	35,796
Machinery, equipment and vehicles, net	30,305	29,165
Tools, furniture & fixtures, net	1,508	1,450
Land	25,830	25,260
Leased assets, net	2,799	2,719
Others, net	1,141	922
Total property, plant and equipment	98,760	95,314
Intangible assets		
Goodwill	21,057	20,661
Other	1,626	1,766
Total intangible assets	22,684	22,427
Investments and other assets		
Investment securities	25,822	26,148
Net defined benefit assets	9,378	9,689
Other	6,408	6,130
Allowance for doubtful receivables	(126)	(121)
Total investments and other assets	41,482	41,845
Total non-current assets	162,927	159,587
Total Assets	389,426	389,845

(Million Yen)

	As of March 31, 2020	As of June 30, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	61,574	62,733
Electronically recorded obligations	1,748	1,616
Short-term loans payable	28,880	26,380
Current portion of Long-term loans	10,179	10,170
Income taxes payable	1,707	539
Provision for bonuses	5,280	1,535
Provision for directors' bonuses	120	29
Provision for loss on disaster	544	488
Other	28,069	36,916
Total current liabilities	138,106	140,410
Non-current liabilities		
Long-term loans payable	10,872	10,833
Net defined benefit liability	2,208	2,183
Asset retirement obligation	1,461	1,455
Other	7,598	8,363
Total non-current liabilities	22,140	22,840
Total liabilities	160,247	163,250
Net assets		
Shareholder's equity		
Capital stock	30,003	30,003
Capital surplus	96,267	96,266
Retained earnings	101,792	100,442
Treasury stock	(2,293)	(2,293)
Total shareholder's equity	225,770	224,418
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	4,823	5,171
Deferred gains or losses on hedges	(355)	(496)
Foreign currency translation adjustment	(3,767)	(5,260)
Remeasurements of defined benefit plan	1,301	1,354
Total accumulated other comprehensive income	2,002	769
Subscription rights to shares	131	131
Non-controlling interests	1,275	1,275
Total net assets	229,178	226,595
Total liabilities and net assets	389,426	389,845

(2) Consolidated statements of income and comprehensive income

(Consolidated statements of income)

(April 1, 2020 – June 30, 2020)

(Million Yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Net sales	210,964	204,992
Cost of goods sold	178,826	172,825
Gross profit	32,138	32,166
Selling, general and administrative expenses	27,366	27,137
Operating income	4,772	5,028
Non-operating income		
Interest income	30	18
Dividend income	127	134
Rent income	108	104
Equity in income of affiliates	142	242
Other	323	248
Total non-operating income	732	748
Non-operating expenses		
Interest expenses	219	141
Rent on real estate	32	31
Other	27	87
Total non-operating expenses	279	260
Ordinary income	5,225	5,516
Extraordinary income		
Gain on sales of non-current assets	38	8
Gain on sales of investment securities	4	2
Insurance income	84	-
Other	13	-
Total extra-ordinary income	140	11
Extraordinary loss		
Loss on retirement of non-current assets	65	48
Others	8	9
Total extra-ordinary expenses	74	58
Net income before taxes	5,291	5,468
Income taxes-current	464	355
Income taxes-deferred	1,318	1,404
Total income taxes	1,783	1,760
Net income	3,508	3,708
Income attributable to non-controlling interests	36	51
Income attributable to owners of parent	3,471	3,657

(Consolidated statements of comprehensive income)
(April 1, 2020 – June 30, 2020)

(Million Yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Net income	3,508	3,708
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,128)	349
Deferred gains or losses on hedges	11	(141)
Foreign currency translation adjustment	250	(1,505)
Remeasurements of defined benefit plan	144	48
Share of other comprehensive income of entities accounted for using equity method	(241)	(17)
Total other comprehensive income	(963)	(1,266)
Comprehensive income	2,545	2,441
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,504	2,424
Comprehensive income attributable to non-controlling interests	40	17