

Consolidated Financial Results for the Six Months Ended September 30, 2021 [Japanese GAAP]



October 28, 2021

Company name: Ryoden Corporation

Stock exchange listing: Tokyo Stock Exchange

Code number: 8084

URL: <https://www.ryoden.co.jp/>

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Scheduled date of filing quarterly securities report: November 12, 2021

Scheduled date of commencing dividend payments: December 3, 2021

Availability of supplementary briefing material on quarterly financial results: Yes (Japanese only)

Schedule of quarterly financial results briefing session: Yes (for institutional investors, analysts and individual investors)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2021 (April 1, 2021 to September 30, 2021)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2021	107,310	15.7	2,771	125.7	2,834	110.2	1,890	76.3
Six months ended September 30, 2020	92,715	(19.5)	1,228	(55.9)	1,348	(52.6)	1,072	(44.7)

(Note) Comprehensive income: Six months ended September 30, 2021: ¥2,859 million [144.4%]

Six months ended September 30, 2020: ¥1,170 million [(35.2)%]

	Profit per share	Diluted profit per share
	Yen	Yen
Six months ended September 30, 2021	86.91	86.43
Six months ended September 30, 2020	49.35	49.08

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of September 30, 2021	132,010	72,214	54.6	3,310.00
As of March 31, 2021	125,529	69,919	55.6	3,208.01

(Reference) Equity: As of September 30, 2021: ¥72,036 million

As of March 31, 2021: ¥69,759 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2021	Yen —	Yen 28.00	Yen —	Yen 28.00	Yen 56.00
Fiscal year ending March 31, 2022	—	28.00			
Fiscal year ending March 31, 2022 (Forecast)			—	28.00	56.00

Note: Revision from the most recently announced dividend forecast: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	221,000	12.3	5,000	46.4	5,100	39.6	3,500	49.4	160.89

Note: Revision from the most recently announced financial results forecast: No

*** Notes:**

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: Yes
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of issued shares (common stock)
 - 1) Total number of issued shares at the end of the period (including treasury stock):
September 30, 2021: 22,824,977 shares
March 31, 2021: 22,824,977 shares
 - 2) Total number of treasury stock at the end of the period:
September 30, 2021: 1,061,761 shares
March 31, 2021: 1,079,636 shares
 - 3) Average number of shares during the period:
Six months ended September 30, 2021: 21,754,274 shares
Six months ended September 30, 2020: 21,732,444 shares

* These quarterly financial results are outside the scope of quarterly review procedures by certified public accountant or audit firm.

* Explanation of the proper use of financial results forecast and other notes

The statements concerning future performance presented in this document are prepared based on currently available information and certain preconditions which the Company believes to be reasonable at this time. Actual results may be different from any projections presented herein due to various factors.

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2021	As of September 30, 2021
Assets		
Current assets		
Cash and deposits	21,129	18,279
Notes and accounts receivable - trade	48,050	—
Notes and accounts receivable - trade, and contract assets	—	44,938
Electronically recorded monetary claims - operating	19,823	23,282
Securities	—	148
Merchandise and finished goods	19,285	25,041
Other	3,062	5,223
Allowance for doubtful accounts	(18)	(25)
Total current assets	111,332	116,889
Non-current assets		
Property, plant and equipment	3,881	3,843
Intangible assets	724	775
Investments and other assets		
Other	9,819	10,853
Allowance for doubtful accounts	(228)	(350)
Total investments and other assets	9,591	10,502
Total non-current assets	14,197	15,121
Total assets	125,529	132,010

(Million yen)

	As of March 31, 2021	As of September 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	33,706	35,506
Electronically recorded obligations - operating	12,625	14,727
Short-term borrowings	407	577
Income taxes payable	212	968
Other	4,001	3,652
Total current liabilities	50,954	55,432
Non-current liabilities		
Retirement benefit liability	3,609	3,504
Other	1,046	858
Total non-current liabilities	4,655	4,362
Total liabilities	55,609	59,795
Net assets		
Shareholders' equity		
Share capital	10,334	10,334
Capital surplus	7,437	7,449
Retained earnings	51,671	52,954
Treasury shares	(813)	(799)
Total shareholders' equity	68,629	69,938
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,633	2,041
Foreign currency translation adjustment	69	592
Remeasurements of defined benefit plans	(573)	(535)
Total accumulated other comprehensive income	1,129	2,098
Share acquisition rights	160	178
Total net assets	69,919	72,214
Total liabilities and net assets	125,529	132,010

(2) Consolidated Statements of Income and Comprehensive Income
 Consolidated Statements of Income

(Million yen)

	For the six months ended September 30, 2020	For the six months ended September 30, 2021
Net sales	92,715	107,310
Cost of sales	82,254	95,292
Gross profit	10,460	12,017
Selling, general and administrative expenses	9,232	9,246
Operating profit	1,228	2,771
Non-operating income		
Interest income	23	11
Dividend income	68	124
Share of profit of entities accounted for using equity method	23	45
Other	96	61
Total non-operating income	212	243
Non-operating expenses		
Interest expenses	12	12
Sales discounts	19	19
Foreign exchange losses	52	4
Provision of allowance for doubtful accounts	—	115
Loss on sale of trade receivables	3	—
Other	5	28
Total non-operating expenses	92	181
Ordinary profit	1,348	2,834
Extraordinary income		
Gain on sale of shares of subsidiaries and associates	199	—
Gain on sale of non-current assets	55	—
Total extraordinary income	254	—
Profit before income taxes	1,602	2,834
Income taxes	530	943
Profit	1,072	1,890
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	1,072	1,890

Consolidated Statements of Comprehensive Income

(Million yen)

	For the six months ended September 30, 2020	For the six months ended September 30, 2021
Profit	1,072	1,890
Other comprehensive income		
Valuation difference on available-for-sale securities	185	407
Foreign currency translation adjustment	(199)	523
Remeasurements of defined benefit plans, net of tax	111	37
Total other comprehensive income	97	968
Comprehensive income	1,170	2,859
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,170	2,859
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended September 30, 2020	For the six months ended September 30, 2021
Cash flows from operating activities		
Profit before income taxes	1,602	2,834
Depreciation	210	194
Increase (decrease) in allowance for doubtful accounts	(10)	122
Interest and dividend income	(92)	(136)
Interest expenses	12	12
Share of loss (profit) of entities accounted for using equity method	(23)	(45)
Loss (gain) on sale of non-current assets	(55)	—
Loss on retirement of non-current assets	1	2
Loss (gain) on sale of shares of subsidiaries and associates	(199)	—
Decrease (increase) in trade receivables	14,959	(202)
Decrease (increase) in inventories	(2,321)	(5,489)
Increase (decrease) in trade payables	(10,659)	3,613
Other, net	147	(2,322)
Subtotal	3,571	(1,416)
Interest and dividends received	112	158
Interest paid	(12)	(12)
Income taxes paid	(983)	(183)
Net cash provided by (used in) operating activities	2,687	(1,453)
Cash flows from investing activities		
Purchase of property, plant and equipment	(63)	(101)
Proceeds from sale of property, plant and equipment	210	—
Purchase of intangible assets	(34)	(220)
Purchase of investment securities	(168)	(149)
Proceeds from sale of investment securities	452	4
Decrease (increase) in short-term loans receivable	—	17
Long-term loan advances	—	(500)
Other, net	279	(31)
Net cash provided by (used in) investing activities	675	(980)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	132	64
Net decrease (increase) in treasury shares	(0)	(0)
Dividends paid	(607)	(607)
Net cash provided by (used in) financing activities	(475)	(544)
Effect of exchange rate change on cash and cash equivalents	(139)	227
Net increase (decrease) in cash and cash equivalents	2,748	(2,750)
Cash and cash equivalents at beginning of period	20,165	21,120
Cash and cash equivalents at end of period	22,914	18,369