

Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 31, 2022 <under IFRS>

Company name: **Yutaka Giken Co., Ltd.**
 Listing: Tokyo Stock Exchange
 Securities code: 7229
 URL: <https://www.yutakagiken.co.jp/en/index.html>
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Scheduled date to file quarterly securities report: November 12, 2021
 Scheduled date to commence dividend payments: December 3, 2021
 Preparation of supplementary results briefing material on quarterly financial results: Yes
 Holding of quarterly financial results presentation meeting: None

(Millions of yen with fractional amounts rounded, unless otherwise noted.)

1. Consolidated financial results for first Six months of the fiscal year ending March 31, 2022 (from April 1, 2021 to September 30, 2021)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit for the period		Profit attributable to owners of parent		Total comprehensive income	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2021	94,547	10.2	3,344	165.9	3,720	335.7	1,803	—	1,120	—	1,848	—
September 30, 2020	85,768	(2.1)	1,258	(72.6)	854	(80.3)	(1,200)	—	(1,541)	—	(1,131)	—

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2021	75.61	—
September 30, 2020	(103.97)	—

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
September 30, 2021	169,261	86,981	76,659	45.3	5,173.34
March 31, 2021	189,178	85,763	76,028	40.2	5,130.72

2. Cash dividends

	Annual cash dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended March 31, 2021	Yen —	Yen —	Yen —	Yen 36.00	Yen 36.00
Fiscal year ending March 31, 2022	—	36.00			
Fiscal year ending March 31, 2022 (Forecast)			—	40.00	76.00

Note: Revisions to the forecasts of cash dividends most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit for the period		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	
Fiscal year ending March 31, 2022	193,000	0.9	8,800	141.7	8,800	129.3	5,100	—	4,100	—	Yen 276.69

Note: Revisions to the consolidated earnings forecasts most recently announced: None

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

Newly included: —

Excluded: 1 (Company name) ALABAMA CULLMAN YUTAKA TECHNOLOGIES, LLC

- (2) Changes in accounting policies and changes in accounting estimates

a. Changes in accounting policies required by IFRS: None

b. Changes in accounting policies other than the above: None

c. Changes in accounting estimates: None

- (3) Number of issued shares (ordinary shares)

- a. Total number of issued shares at end of period (including treasury shares)

As of September 30, 2021	14,820,000 shares
As of March 31, 2021	14,820,000 shares

- b. Number of treasury shares at end of period

As of September 30, 2021	1,824 shares
As of March 31, 2021	1,824 shares

- c. Average number of outstanding shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2021	14,818,176 shares
Six months ended September 30, 2020	14,818,224 shares

* Quarterly reviews are not required for quarterly financial results reports.

* Proper use of earnings forecasts, and other special notes

The forward-looking statements including earnings forecasts contained in these materials are based on information currently available to the Company and certain assumptions deemed reasonable by the Company, and are not intended as the Company's commitment to achieve such forecasts. Actual business and other results may differ significantly from these forecasts due to a wide range of factors.

Condensed Quarterly Consolidated Financial Statements

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
ASSETS		
Current assets		
Cash and cash equivalents	34,054	20,563
Trade and other receivables	64,622	58,191
Inventories	25,772	28,031
Other current assets	5,014	3,792
Total current assets	129,463	110,576
Non-current assets		
Property, plant and equipment	54,484	53,104
Intangible assets	771	710
Net defined benefit asset	1,322	1,370
Deferred tax assets	1,834	2,050
Other non-current assets	1,305	1,452
Total non-current assets	59,715	58,685
Total assets	189,178	169,261
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities		
Trade and other payables	82,029	64,736
Borrowings	8,157	7,116
Income taxes payable	2,176	694
Provisions	1,476	462
Other current liabilities	3,617	3,427
Total current liabilities	97,454	76,434
Non-current liabilities		
Borrowings	2,170	1,914
Net defined benefit liability	2,031	1,862
Deferred tax liabilities	244	589
Other non-current liabilities	1,516	1,481
Total non-current liabilities	5,961	5,846
Total liabilities	103,415	82,281
Equity		
Issued capital	1,754	1,754
Retained earnings	75,126	75,713
Treasury shares	(3)	(3)
Other components of equity	(849)	(804)
Total equity attributable to owners of parent	76,028	76,659
Non-controlling interests	9,735	10,321
Total equity	85,763	86,981
Total liabilities and equity	189,178	169,261

(2) Condensed Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Revenue	85,768	94,547
Cost of sales	76,922	84,044
Gross profit	8,846	10,503
Selling, general and administrative expenses	7,707	7,655
Other income	165	803
Other expense	46	307
Operating profit	1,258	3,344
Finance income	152	430
Finance costs	556	54
Profit before tax	854	3,720
Income tax expense	2,053	1,916
Profit for the period	(1,200)	1,803
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in financial assets at fair value through other comprehensive income	1	2
Total items that will not be reclassified to profit or loss	1	2
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	68	43
Total items that may be reclassified to profit or loss	68	43
Total other comprehensive income, net of tax	69	45
Comprehensive income for the period	(1,131)	1,848
Profit attributable to:		
Owners of parent	(1,541)	1,120
Non-controlling interests	341	683
Profit for the period	(1,200)	1,803
Total comprehensive income attributable to:		
Owners of parent	(1,554)	1,165
Non-controlling interests	423	683
Comprehensive income	(1,131)	1,848
Earnings per share (attributable to owners of parent)		
Basic earnings per share (Yen)	(103.97)	75.61

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

(Millions of yen)

	Equity attributable to owners of parent				
	Issued capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity
					Net change in financial assets at fair value through other comprehensive income
Balance as of April 1, 2020	1,754	8	76,480	(3)	10
Profit for the period			(1,541)		
Other comprehensive income					1
Comprehensive income for the period	—	—	(1,541)	—	1
Dividends paid			(533)		
Transfer from other components of equity to retained earnings			1		(1)
Total transactions with owners	—	—	(532)	—	(1)
Balance as of September 30, 2020	1,754	8	74,407	(3)	10

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total equity attributable to owners of parent		
	Exchange differences on translation of foreign operations	Total other components of equity			
Balance as of April 1, 2020	(3,472)	(3,463)	74,777	9,580	84,357
Profit for the period		—	(1,541)	341	(1,200)
Other comprehensive income	(15)	(13)	(13)	82	69
Comprehensive income for the period	(15)	(13)	(1,554)	423	(1,131)
Dividends paid		—	(533)	(574)	(1,107)
Transfer from other components of equity to retained earnings		(1)	—	—	—
Total transactions with owners	—	(1)	(533)	(574)	(1,107)
Balance as of September 30, 2020	(3,487)	(3,477)	72,690	9,429	82,119

(Millions of yen)

	Equity attributable to owners of parent				
	Issued capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity
					Net change in financial assets at fair value through other comprehensive income
Balance as of April 1, 2021	1,754	—	75,126	(3)	10
Profit for the period			1,120		
Other comprehensive income					1
Comprehensive income for the period	—	—	1,120	—	1
Dividends paid			(533)		
Total transactions with owners	—	—	(533)	—	—
Balance as of September 30, 2021	1,754	—	75,713	(3)	11

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total equity attributable to owners of parent		
	Exchange differences on translation of foreign operations	Total other components of equity			
Balance as of April 1, 2021	(859)	(849)	76,028	9,735	85,763
Profit for the period		—	1,120	683	1,803
Other comprehensive income	44	45	45	0	45
Comprehensive income for the period	44	45	1,165	683	1,848
Dividends paid		—	(533)	(97)	(631)
Total transactions with owners	—	—	(533)	(97)	(631)
Balance as of September 30, 2021	(815)	(804)	76,659	10,321	86,981

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Cash flows from (used in) operating activities		
Profit before tax	854	3,720
Depreciation and amortization	4,170	4,176
Finance costs (income)	(84)	(88)
Decrease (increase) in trade and other receivables	(24,611)	7,149
Decrease (increase) in inventories	185	(1,891)
Increase (decrease) in trade and other payables	20,720	(16,603)
Increase (decrease) in net defined benefit liability	(50)	(182)
Other inflows (outflows) of cash	720	117
Subtotal	1,905	(3,602)
Interest received	155	141
Dividends received	1	1
Interest paid	(58)	(64)
Income taxes refund (paid)	(1,668)	(3,341)
Net cash flows from (used in) operating activities	336	(6,866)
Cash flows from (used in) investing activities		
Net decrease (increase) in term deposits	(127)	668
Purchase of property, plant and equipment	(3,335)	(3,305)
Proceeds from sales of property, plant and equipment	47	193
Purchase of intangible assets	(10)	(56)
Proceeds from sale of investment securities	2	—
Payments for loans receivable	—	(5)
Proceeds from collection of loans receivable	—	3
Net cash flows from (used in) investing activities	(3,424)	(2,502)
Cash flows from (used in) financing activities		
Net increase (decrease) in current borrowings	2,224	(1,195)
Repayments of lease obligations	(250)	(269)
Repayments of non-current borrowings	(414)	(183)
Dividends paid	(533)	(534)
Dividends paid to non-controlling interests	(864)	(1,368)
Net cash flows from (used in) financing activities	163	(3,548)
Effect of exchange rate changes on cash and cash equivalents	455	114
Net increase (decrease) in cash and cash equivalents	(2,471)	(12,803)
Cash and cash equivalents at beginning of period	22,843	32,121
Cash and cash equivalents at end of period	20,372	19,318