

Consolidated Financial Results for the First Three Months of the Fiscal Year Ending March 31, 2021 <under IFRS>

Company name: **Yutaka Giken Co., Ltd.**
 Listing: Tokyo Stock Exchange
 Securities code: 7229
 URL: <https://www.yutakagiken.co.jp/en/index.html>
 Representative: Naoki Shiraishi, President & Representative Director
 Contact: Katsunori Shimizu, General Manager of Accounting Division
 Tel: +81-53-433-4111

Scheduled date to file quarterly securities report: August 6, 2020
 Scheduled date to commence dividend payments: —
 Preparation of supplementary results briefing material on quarterly financial results: None
 Holding of quarterly financial results presentation meeting: None

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

1. Consolidated financial results for first three months of the fiscal year ending March 31, 2021 (from April 1, 2020 to June 30, 2020)

(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	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2020	33,508	(24.4)	(356)	—	(722)	—	(1,747)	—	(1,873)	—	(1,138)	—
June 30, 2019	44,311	(4.6)	2,678	(12.4)	2,368	(33.3)	1,270	(31.5)	1,020	(30.4)	(176)	—

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2020	(126.37)	—
June 30, 2019	68.83	—

(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
June 30, 2020	159,901	82,112	72,819	45.5	4,914.14
March 31, 2020	147,515	84,357	74,777	50.7	5,046.30

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, 2020	Yen —	Yen 36.00	Yen —	Yen 36.00	Yen 72.00
Fiscal year ending March 31, 2021	—				
Fiscal year ending March 31, 2021 (Forecast)		0.00	—	36.00	36.00

Note: Revisions to the forecasts of cash dividends most recently announced: Yes

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

(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, 2021	173,000	5.9	3,000	(34.6)	2,200	(51.6)	(700)	—	(2,000)	—	Yen (134.97)

Note: Revisions to the consolidated earnings forecasts most recently announced: Yes

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly included: None

Excluded: None

- (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 June 30, 2020	14,820,000 shares
As of March 31, 2020	14,820,000 shares

- b. Number of treasury shares at end of period

As of June 30, 2020	1,776 shares
As of March 31, 2020	1,776 shares

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

Three months ended June 30, 2020	14,818,224 shares
Three months ended June 30, 2019	14,818,306 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, 2020	As of June 30, 2020
ASSETS		
Current assets		
Cash and cash equivalents	23,866	25,438
Trade and other receivables	36,430	46,814
Inventories	22,319	23,313
Other current assets	2,577	2,306
Total current assets	85,192	97,871
Non-current assets		
Property, plant and equipment	56,686	56,938
Intangible assets	950	990
Net defined benefit asset	529	520
Deferred tax assets	2,690	2,484
Other non-current assets	1,467	1,098
Total non-current assets	62,323	62,030
Total assets	147,515	159,901
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities		
Trade and other payables	44,049	49,093
Borrowings	6,731	16,629
Income taxes payable	590	1,036
Other current liabilities	3,700	3,080
Total current liabilities	55,070	69,838
Non-current liabilities		
Borrowings	2,256	2,112
Net defined benefit liability	2,540	2,578
Provisions	1,293	1,285
Deferred tax liabilities	479	415
Other non-current liabilities	1,519	1,561
Total non-current liabilities	8,088	7,951
Total liabilities	63,158	77,790
Equity		
Issued capital	1,754	1,754
Capital surplus	8	8
Retained earnings	76,480	74,074
Treasury shares	(3)	(3)
Other components of equity	(3,463)	(3,015)
Total equity attributable to owners of parent	74,777	72,819
Non-controlling interests	9,580	9,293
Total equity	84,357	82,112
Total liabilities and equity	147,515	159,901

(2) Condensed Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Revenue	44,311	33,508
Cost of sales	37,524	30,093
Gross profit	6,787	3,415
Selling, general and administrative expenses	4,203	3,794
Other income	118	60
Other expense	23	37
Operating profit	2,678	(356)
Finance income	113	117
Finance costs	423	484
Profit before tax	2,368	(722)
Income tax expense	1,098	1,025
Profit for the period	1,270	(1,747)
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	(1)
Total items that will not be reclassified to profit or loss	1	(1)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(1,447)	609
Total items that may be reclassified to profit or loss	(1,447)	609
Total other comprehensive income, net of tax	(1,446)	609
Comprehensive income for the period	(176)	(1,138)
Profit attributable to:		
Owners of parent	1,020	(1,873)
Non-controlling interests	250	126
Profit for the period	1,270	(1,747)
Total comprehensive income attributable to:		
Owners of parent	(266)	(1,425)
Non-controlling interests	91	287
Comprehensive income	(176)	(1,138)
Earnings per share (attributable to owners of parent)		
Basic earnings per share (Yen)	68.83	(126.37)

(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, 2019	1,754	8	76,479	(3)	11
Profit for the period			1,020		
Other comprehensive income					0
Comprehensive income for the period	—	—	1,020	—	0
Dividends paid			(533)		
Total transactions with owners	—	—	(533)	—	—
Balance as of June 30, 2019	1,754	8	76,965	(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, 2019	(397)	(387)	77,852	10,176	88,027
Profit for the period		—	1,020	250	1,270
Other comprehensive income	(1,287)	(1,286)	(1,286)	(159)	(1,446)
Comprehensive income for the period	(1,287)	(1,286)	(266)	91	(176)
Dividends paid		—	(533)	(207)	(741)
Total transactions with owners	—	—	(533)	(207)	(741)
Balance as of June 30, 2019	(1,684)	(1,673)	77,052	10,059	87,111

(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			(1,873)		
Other comprehensive income					(0)
Comprehensive income for the period	—	—	(1,873)	—	(0)
Dividends paid			(533)		
Total transactions with owners	—	—	(533)	—	—
Balance as of June 30, 2020	1,754	8	74,074	(3)	9

	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		—	(1,873)	126	(1,747)
Other comprehensive income	448	448	448	161	609
Comprehensive income for the period	448	448	(1,425)	287	(1,138)
Dividends paid		—	(533)	(574)	(1,107)
Total transactions with owners	—	—	(533)	(574)	(1,107)
Balance as of June 30, 2020	(3,024)	(3,015)	72,819	9,293	82,112

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Cash flows from (used in) operating activities		
Profit before tax	2,368	(722)
Depreciation and amortization	2,150	2,075
Finance costs (income)	(33)	(62)
Decrease (increase) in trade and other receivables	(1,667)	(10,594)
Decrease (increase) in inventories	248	(992)
Increase (decrease) in trade and other payables	1,733	4,633
Increase (decrease) in net defined benefit liability	(49)	(14)
Other inflows (outflows) of cash	(599)	(470)
Subtotal	4,152	(6,146)
Interest received	114	120
Dividends received	1	1
Interest paid	(80)	(54)
Income taxes refund (paid)	(1,130)	(397)
Net cash flows from (used in) operating activities	3,057	(6,476)
Cash flows from (used in) investing activities		
Net decrease (increase) in term deposits	(48)	18
Purchase of property, plant and equipment	(2,445)	(1,049)
Proceeds from sales of property, plant and equipment	84	13
Purchase of intangible assets	(46)	(108)
Proceeds from sales of investment securities	—	1
Proceeds from collection of loans receivable	1	—
Net cash flows from (used in) investing activities	(2,453)	(1,125)
Cash flows from (used in) financing activities		
Net increase (decrease) in current borrowings	(90)	10,008
Repayments of lease obligations	(190)	(179)
Repayments of non-current borrowings	(286)	(208)
Dividends paid	(527)	(525)
Dividends paid to non-controlling interests	(869)	(350)
Net cash flows from (used in) financing activities	(1,962)	8,745
Effect of exchange rate changes on cash and cash equivalents	(789)	443
Net increase (decrease) in cash and cash equivalents	(2,148)	1,588
Cash and cash equivalents at beginning of period	26,224	22,843
Cash and cash equivalents at end of period	24,076	24,431