

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2020 (Based on Japanese GAAP)

January 29, 2021

Company name: MITANI SANGYO CO., LTD.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 8285 URL <https://www.mitani.co.jp/>
 Representative: President & CEO Tadateru Mitani
 Inquiries: Senior Managing Director & CFO Seiji Nishino TEL 076-233-2151
 Scheduled date to file Quarterly Securities Report: February 5, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2020 (from April 1, 2020 to December 31, 2020)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2020	54,340	(1.8)	1,204	(14.4)	1,686	(16.2)	932	(24.8)
Nine months ended December 31, 2019	55,354	(8.5)	1,408	46.3	2,011	37.1	1,240	62.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2020	15.14		–	
Nine months ended December 31, 2019	20.15		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2020	79,707	38,578	45.8	592.83
As of March 31, 2020	68,716	34,740	47.8	533.00

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2020	–	4.50	–	4.50	9.00
Year ending March 31, 2021	–	4.50	–		
Year ending March 31, 2021 (Forecast)				4.50	9.00

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	80,000	3.1	2,000	(21.1)	2,500	(24.2)	1,400	(15.0)	22.74

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2020
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2020	61,772,500 shares	As of March 31, 2020	61,772,500 shares
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Number of treasury shares at the end of the period

As of December 31, 2020	200,902 shares	As of March 31, 2020	200,782 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2020	61,571,662 shares	Nine months ended December 31, 2019	61,571,790 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	5,969	7,073
Notes and accounts receivable - trade	16,597	16,622
Electronically recorded monetary claims - operating	2,051	2,900
Accounts receivable from completed construction contracts	4,761	4,292
Merchandise and finished goods	2,532	2,686
Work in process	1,629	3,979
Costs on construction contracts in progress	34	70
Raw materials and supplies	991	1,200
Other	1,302	1,647
Allowance for doubtful accounts	(2)	(2)
Total current assets	35,868	40,473
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,717	8,839
Land	3,701	3,762
Other, net	3,406	3,481
Total property, plant and equipment	14,825	16,084
Intangible assets		
Software	711	714
Other	178	160
Total intangible assets	889	874
Investments and other assets		
Investment securities	14,911	20,107
Other	2,222	2,168
Allowance for doubtful accounts	(0)	—
Total investments and other assets	17,133	22,275
Total non-current assets	32,848	39,234
Total assets	68,716	79,707

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,841	10,298
Electronically recorded obligations - operating	1,581	1,926
Accounts payable for construction contracts	1,378	1,240
Short-term borrowings	13,423	14,385
Income taxes payable	621	301
Provision for bonuses for directors (and other officers)	123	70
Provision for loss on order received	7	11
Provision for warranties for completed construction	48	49
Provision for shareholder benefit program	33	33
Other	3,546	5,208
Total current liabilities	30,605	33,526
Non-current liabilities		
Long-term borrowings	152	2,631
Provision for retirement benefits for directors (and other officers)	705	723
Retirement benefit liability	206	226
Asset retirement obligations	178	187
Other	2,127	3,833
Total non-current liabilities	3,370	7,602
Total liabilities	33,975	41,129
Net assets		
Shareholders' equity		
Share capital	4,808	4,808
Capital surplus	3,768	3,768
Retained earnings	21,595	21,973
Treasury shares	(42)	(42)
Total shareholders' equity	30,129	30,507
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,281	6,684
Deferred gains or losses on hedges	3	(1)
Foreign currency translation adjustment	(578)	(677)
Remeasurements of defined benefit plans	(17)	(11)
Total accumulated other comprehensive income	2,688	5,993
Non-controlling interests	1,922	2,077
Total net assets	34,740	38,578
Total liabilities and net assets	68,716	79,707

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Net sales	55,354	54,340
Cost of sales	44,822	43,963
Gross profit	10,531	10,376
Selling, general and administrative expenses	9,123	9,172
Operating profit	1,408	1,204
Non-operating income		
Interest income	18	17
Dividend income	239	251
Share of profit of entities accounted for using equity method	246	81
Rent income on real estate and facilities	138	136
Foreign exchange gains	30	42
Other	125	135
Total non-operating income	797	665
Non-operating expenses		
Interest expenses	64	46
Rent expenses on real estate and facilities	93	95
Other	36	42
Total non-operating expenses	194	183
Ordinary profit	2,011	1,686
Extraordinary income		
Gain on sales of non-current assets	2	1
Gain on sales of investment securities	–	2
Subsidy income	12	6
Total extraordinary income	14	9
Extraordinary losses		
Loss on sales of non-current assets	0	0
Loss on retirement of non-current assets	7	1
Other	0	–
Total extraordinary losses	7	2
Profit before income taxes	2,018	1,693
Income taxes	646	603
Profit	1,371	1,089
Profit attributable to non-controlling interests	130	157
Profit attributable to owners of parent	1,240	932

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Profit	1,371	1,089
Other comprehensive income		
Valuation difference on available-for-sale securities	(94)	3,383
Deferred gains or losses on hedges	7	(4)
Foreign currency translation adjustment	(38)	(99)
Share of other comprehensive income of entities accounted for using equity method	(1)	23
Total other comprehensive income	(126)	3,303
Comprehensive income	1,244	4,392
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,114	4,237
Comprehensive income attributable to non-controlling interests	130	155