

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2020 (Based on Japanese GAAP)

July 21, 2020

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: July 31, 2020  
 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 three months ended June 30, 2020 (from April 1, 2020 to June 30, 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	%
Three months ended June 30, 2020	14,672	(8.2)	(183)	–	3	(98.7)	(100)	–
Three months ended June 30, 2019	15,981	(12.7)	31	(59.8)	235	(17.8)	27	(69.7)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2020	(1.64)		–	
Three months ended June 30, 2019	0.45		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2020	67,799	35,772	50.0	550.14
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	–	–	–	–	–
Year ending March 31, 2021 (Forecast)	–	4.50	–	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 three months ended June 30, 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 June 30, 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 June 30, 2020	200,842 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)

Three months ended June 30, 2020	61,571,693 shares	Three months ended June 30, 2019	61,571,853 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Assets		
Current assets		
Cash and deposits	5,969	5,719
Notes and accounts receivable - trade	16,597	12,167
Electronically recorded monetary claims - operating	2,051	2,731
Accounts receivable from completed construction contracts	4,761	3,376
Merchandise and finished goods	2,532	2,976
Work in process	1,629	2,493
Costs on construction contracts in progress	34	61
Raw materials and supplies	991	1,084
Other	1,302	1,289
Allowance for doubtful accounts	(2)	(1)
Total current assets	35,868	31,898
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,717	8,923
Land	3,701	3,715
Other, net	3,406	3,135
Total property, plant and equipment	14,825	15,775
Intangible assets		
Software	711	704
Other	178	168
Total intangible assets	889	873
Investments and other assets		
Investment securities	14,911	16,972
Other	2,222	2,279
Allowance for doubtful accounts	(0)	—
Total investments and other assets	17,133	19,252
Total non-current assets	32,848	35,900
Total assets	68,716	67,799

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	9,841	8,425
Electronically recorded obligations - operating	1,581	964
Accounts payable for construction contracts	1,378	1,266
Short-term borrowings	13,423	12,914
Income taxes payable	621	185
Provision for bonuses for directors (and other officers)	123	20
Provision for loss on order received	7	8
Provision for warranties for completed construction	48	43
Provision for shareholder benefit program	33	33
Other	3,546	3,972
<b>Total current liabilities</b>	<b>30,605</b>	<b>27,835</b>
<b>Non-current liabilities</b>		
Long-term borrowings	152	172
Provision for retirement benefits for directors (and other officers)	705	711
Retirement benefit liability	206	214
Asset retirement obligations	178	178
Other	2,127	2,914
<b>Total non-current liabilities</b>	<b>3,370</b>	<b>4,191</b>
<b>Total liabilities</b>	<b>33,975</b>	<b>32,026</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	4,808	4,808
Capital surplus	3,768	3,768
Retained earnings	21,595	21,217
Treasury shares	(42)	(42)
<b>Total shareholders' equity</b>	<b>30,129</b>	<b>29,751</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	3,281	4,687
Deferred gains or losses on hedges	3	0
Foreign currency translation adjustment	(578)	(550)
Remeasurements of defined benefit plans	(17)	(15)
<b>Total accumulated other comprehensive income</b>	<b>2,688</b>	<b>4,121</b>
<b>Non-controlling interests</b>	<b>1,922</b>	<b>1,899</b>
<b>Total net assets</b>	<b>34,740</b>	<b>35,772</b>
<b>Total liabilities and net assets</b>	<b>68,716</b>	<b>67,799</b>

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Net sales	15,981	14,672
Cost of sales	12,965	11,856
Gross profit	3,016	2,816
Selling, general and administrative expenses	2,985	2,999
Operating profit (loss)	31	(183)
Non-operating income		
Interest income	5	2
Dividend income	121	120
Share of profit of entities accounted for using equity method	47	20
Rent income on real estate and facilities	45	45
Foreign exchange gains	13	16
Other	59	42
Total non-operating income	293	248
Non-operating expenses		
Interest expenses	23	16
Rent expenses on real estate and facilities	31	30
Other	34	14
Total non-operating expenses	88	61
Ordinary profit	235	3
Extraordinary income		
Gain on sales of non-current assets	0	0
Subsidy income	5	–
Total extraordinary income	5	0
Extraordinary losses		
Loss on sales of non-current assets	–	0
Loss on retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	240	2
Income taxes	200	125
Profit (loss)	39	(122)
Profit (loss) attributable to non-controlling interests	11	(21)
Profit (loss) attributable to owners of parent	27	(100)

## Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Profit (loss)	39	(122)
Other comprehensive income		
Valuation difference on available-for-sale securities	(922)	1,405
Deferred gains or losses on hedges	(0)	(2)
Foreign currency translation adjustment	(104)	27
Share of other comprehensive income of entities accounted for using equity method	(3)	2
Total other comprehensive income	(1,031)	1,432
Comprehensive income	(992)	1,310
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,002)	1,332
Comprehensive income attributable to non-controlling interests	10	(22)