

Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 [Japanese GAAP]



May 14, 2021

Company name: **Yamatane Corporation**
 Stock exchange listing: Tokyo Stock Exchange
 Securities code: 9305
 URL: <http://www.yamatane.co.jp>
 Representative: Motohiro Yamazaki, Representative Director, President
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 Scheduled date for annual general meeting of shareholders: June 23, 2021
 Scheduled date for commencing dividend payments: June 3, 2021
 Scheduled date for filing annual securities report: June 23, 2021
 Preparation of supplementary financial results briefing materials: Yes
 Holding of financial results briefing: Yes (through distribution of video recording)

(Amounts of less than one million yen are truncated.)

1. Consolidated financial results for the fiscal year ended March 31, 2021

(April 1, 2020 to March 31, 2021)

(1) Consolidated operating results

(% indicates year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2021	48,690	(11.1)	3,302	0.5	3,142	6.8	2,042	11.9
March 31, 2020	54,759	2.5	3,285	(38.6)	2,940	(42.3)	1,825	(17.5)

Note: Comprehensive income: Fiscal year ended March 31, 2021: ¥2,521 million [69.6%]

Fiscal year ended March 31, 2020: ¥1,486 million [(52.7)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2021	197.86	—	5.2	2.7	6.8
March 31, 2020	174.68	—	4.8	2.7	6.0

Reference: Share of profit of entities accounted for using equity method:

Fiscal year ended March 31, 2021: ¥— million

Fiscal year ended March 31, 2020: ¥— million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2021	123,279	42,923	32.7	3,900.13
March 31, 2020	109,675	40,943	35.0	3,722.17

Reference: Equity: As of March 31, 2021: ¥40,264 million

As of March 31, 2020: ¥38,428 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2021	4,044	(6,333)	8,924	16,529
March 31, 2020	2,277	(4,199)	1,075	9,894

2. Dividends

	Annual dividends per share					Total cash dividends (total)	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2020	—	0.00	—	50.00	50.00	516	28.6	1.4
March 31, 2021	—	0.00	—	52.00	52.00	536	26.3	1.4
Fiscal year ending March 31, 2022 (Forecast)	—	25.00	—	30.00	55.00		34.4	

3. Consolidated financial results forecast for the fiscal year ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(% indicates year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
First half	23,300	—	1,170	—	1,000	—	620	60.05
Full year	48,100	—	3,000	—	2,710	—	1,650	159.82

* Year-on-year changes are not indicated as the Company has applied the “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan Statement No. 29) and other standards from the beginning of the fiscal year ending March 31, 2022 and the above consolidated financial results forecasts are amounts after applying these accounting standards.

* Notes:

- (1) Changes in significant subsidiaries during the current period (changes in specified subsidiaries resulting in a change in the scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and retrospective restatements
 - 1) Changes in accounting policies due to application of revised accounting standards: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatements: None
- (3) Number of common shares issued
 - 1) Number of shares issued at the end of the period (including treasury shares):
 - As of March 31, 2021: 11,344,181 shares
 - As of March 31, 2020: 11,344,181 shares
 - 2) Number of treasury shares at the end of the period:
 - As of March 31, 2021: 1,020,355 shares
 - As of March 31, 2020: 1,020,050 shares
 - 3) Average number of common shares during the period:
 - Fiscal year ended March 31, 2021: 10,323,994 shares
 - Fiscal year ended March 31, 2020: 10,449,436 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2021

(April 1, 2020 to March 31, 2021)

(1) Non-consolidated operating results

(% indicates year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2021	43,536	(12.3)	1,753	(9.4)	1,846	(9.2)	1,412	(1.2)
March 31, 2020	49,669	4.2	1,936	(24.7)	2,034	(24.4)	1,430	(8.1)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2021	136.83	—
March 31, 2020	136.86	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2021	84,736	36,358	42.9	3,521.85
March 31, 2020	75,139	35,238	46.9	3,413.18

Reference: Equity: As of March 31, 2021: ¥36,358 million

As of March 31, 2020: ¥35,238 million

* These financial results are outside the scope of audits by certified public accountants or an audit firm.

* Explanation on appropriate use of financial results forecasts and other matters of note

- Financial results forecasts and other forward-looking statements provided in these materials are based on information available to the Company and certain assumptions deemed reasonable as of the date of publication of this document, and actual financial results and other aspects of business performance may differ significantly from these forecasts owing to various factors. Please refer to “1. Overview of business performance (4) Future outlook” on page 4 of the Japanese version of the attached materials for conditions forming the basis for financial results forecasts, notes regarding the use of financial results forecasts, and other information.
- The Company is planning to hold a financial results briefing on Friday, May 28, 2021, which will be distributed as a video recording.
Financial results briefing materials used in the briefing will be posted on the Company’s website.

Consolidated Financial Statements
(1) Consolidated Balance Sheet

(Million yen)

	Previous fiscal year (As of March 31, 2020)	Fiscal year under review (As of March 31, 2021)
Assets		
Current assets		
Cash and deposits	9,894	16,529
Notes and accounts receivable - trade	6,865	5,668
Investments in leases	1,469	3,390
Inventories	1,995	1,587
Other	836	629
Allowance for doubtful accounts	(0)	(0)
Total current assets	21,061	27,804
Non-current assets		
Property, plant and equipment		
Buildings and structures	43,589	46,020
Accumulated depreciation	(28,550)	(29,081)
Buildings and structures, net	15,039	16,938
Land	50,418	50,405
Construction in progress	2,148	6,290
Other	13,192	13,912
Accumulated depreciation	(6,674)	(6,840)
Other, net	6,518	7,071
Total property, plant and equipment	74,124	80,706
Intangible assets		
Other	1,028	984
Total intangible assets	1,028	984
Investments and other assets		
Investment securities	11,834	12,231
Deferred tax assets	19	22
Other	1,463	1,397
Allowance for doubtful accounts	(97)	(96)
Total investments and other assets	13,219	13,554
Total non-current assets	88,372	95,245
Deferred assets		
Bond issuance costs	241	228
Total deferred assets	241	228
Total assets	109,675	123,279

(Million yen)

	Previous fiscal year (As of March 31, 2020)	Fiscal year under review (As of March 31, 2021)
Liabilities		
Current liabilities		
Trade accounts payable	3,399	2,916
Short-term borrowings	6,605	4,406
Current portion of long-term borrowings	4,200	5,154
Current portion of bonds payable	1,775	4,186
Income taxes payable	373	698
Other	2,159	3,997
Total current liabilities	18,514	21,359
Non-current liabilities		
Bonds payable	18,419	24,232
Long-term borrowings	18,210	20,850
Deferred tax liabilities for land revaluation	4,823	4,823
Deferred tax liabilities	906	964
Provision for environmental measures	2	2
Retirement benefit liability	1,685	1,676
Asset retirement obligations	2,047	2,325
Other	4,121	4,120
Total non-current liabilities	50,216	58,996
Total liabilities	68,731	80,355
Net assets		
Shareholders' equity		
Share capital	10,555	10,555
Capital surplus	3,747	3,747
Retained earnings	19,815	21,341
Treasury shares	(2,233)	(2,233)
Total shareholders' equity	31,885	33,411
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,700	4,003
Revaluation reserve for land	2,872	2,872
Remeasurements of defined benefit plans	(30)	(24)
Total accumulated other comprehensive income	6,542	6,852
Non-controlling interests	2,515	2,659
Total net assets	40,943	42,923
Total liabilities and net assets	109,675	123,279

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Million yen)

	Previous fiscal year (April 1, 2019 to March 31, 2020)	Fiscal year under review (April 1, 2020 to March 31, 2021)
Operating revenue	54,759	48,690
Operating costs	47,928	42,067
Operating gross profit	6,831	6,623
Selling, general and administrative expenses	3,545	3,320
Operating profit	3,285	3,302
Non-operating income		
Interest income	3	2
Dividend income	346	355
Compensation income	1	83
Other	45	21
Total non-operating income	397	463
Non-operating expenses		
Interest expenses	559	553
Commission for syndicated loans	94	2
Amortization of bond issuance costs	64	65
Other	24	3
Total non-operating expenses	742	624
Ordinary profit	2,940	3,142
Extraordinary income		
Gain on sale of investment securities	86	244
Other	4	4
Total extraordinary income	91	248
Extraordinary losses		
Loss on retirement of non-current assets	256	71
Impairment losses	32	120
Other	23	0
Total extraordinary losses	313	192
Profit before income taxes	2,719	3,198
Income taxes - current	824	1,094
Income taxes - deferred	15	(89)
Total income taxes	840	1,004
Profit	1,878	2,193
Profit attributable to non-controlling interests	53	151
Profit attributable to owners of parent	1,825	2,042

Consolidated Statement of Comprehensive Income

(Million yen)

	Previous fiscal year (April 1, 2019 to March 31, 2020)	Fiscal year under review (April 1, 2020 to March 31, 2021)
Profit	1,878	2,193
Other comprehensive income		
Valuation difference on available-for-sale securities	(401)	320
Remeasurements of defined benefit plans, net of tax	9	6
Total other comprehensive income	(391)	327
Comprehensive income	1,486	2,521
Comprehensive income attributable to:		
Owners of parent	1,453	2,352
Non-controlling interests	32	168

(3) Consolidated Statement of Changes in Equity

Previous fiscal year (April 1, 2019 to March 31, 2020)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,555	3,697	18,521	(1,816)	30,957
Changes during period					
Change in ownership interest of parent due to transactions with non-controlling interests		50			50
Dividends of surplus			(531)		(531)
Profit attributable to owners of parent			1,825		1,825
Purchase of treasury shares				(416)	(416)
Net changes in items other than shareholders' equity					
Total changes during period	—	50	1,294	(416)	928
Balance at end of period	10,555	3,747	19,815	(2,233)	31,885

	Accumulated other comprehensive income				Non-controlling interests	Total assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	4,082	2,872	(40)	6,914	3,189	41,060
Changes during period						
Change in ownership interest of parent due to transactions with non-controlling interests						50
Dividends of surplus						(531)
Profit attributable to owners of parent						1,825
Purchase of treasury shares						(416)
Net changes in items other than shareholders' equity	(381)	—	9	(371)	(673)	(1,045)
Total changes during period	(381)	—	9	(371)	(673)	(117)
Balance at end of period	3,700	2,872	(30)	6,542	2,515	40,943

Fiscal year under review (April 1, 2020 to March 31, 2021)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,555	3,747	19,815	(2,233)	31,885
Changes during period					
Change in ownership interest of parent due to transactions with non-controlling interests		—			—
Dividends of surplus			(516)		(516)
Profit attributable to owners of parent			2,042		2,042
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	1,526	(0)	1,526
Balance at end of period	10,555	3,747	21,341	(2,233)	33,411

	Accumulated other comprehensive income				Non-controlling interests	Total assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	3,700	2,872	(30)	6,542	2,515	40,943
Changes during period						
Change in ownership interest of parent due to transactions with non-controlling interests						—
Dividends of surplus						(516)
Profit attributable to owners of parent						2,042
Purchase of treasury shares						(0)
Net changes in items other than shareholders' equity	303	—	6	309	143	453
Total changes during period	303	—	6	309	143	1,979
Balance at end of period	4,003	2,872	(24)	6,852	2,659	42,923

(4) Consolidated Statement of Cash Flows

(Million yen)

	Previous fiscal year (April 1, 2019 to March 31, 2020)	Fiscal year under review (April 1, 2020 to March 31, 2021)
Cash flows from operating activities		
Profit before income taxes	2,719	3,198
Depreciation	1,434	1,475
Impairment losses	32	120
Amortization of negative goodwill	(0)	—
Increase (decrease) in allowance for doubtful accounts	(0)	(0)
Increase (decrease) in retirement benefit liability	5	0
Interest and dividend income	(350)	(358)
Interest expenses	559	553
Loss (gain) on sale of investment securities	(86)	(244)
Loss (gain) on sale and retirement of property, plant and equipment and intangible assets	252	67
Decrease (increase) in trade receivables	(687)	1,192
Decrease (increase) in investments in leases	(1,469)	(1,324)
Decrease (increase) in inventories	(427)	408
Increase (decrease) in trade payables	353	(483)
Increase (decrease) in guarantee deposits received	879	173
Other, net	331	93
Subtotal	3,546	4,873
Interest and dividends received	348	356
Interest paid	(555)	(531)
Income taxes paid	(1,096)	(787)
Income taxes refund	33	132
Net cash provided by (used in) operating activities	2,277	4,044
Cash flows from investing activities		
Purchase of investment securities	(4)	(4)
Proceeds from sale of investment securities	101	301
Purchase of property, plant and equipment and intangible assets	(3,694)	(6,763)
Proceeds from sale of property, plant and equipment and intangible assets	4	3
Proceeds from collection of loans receivable	30	35
Other, net	(637)	93
Net cash provided by (used in) investing activities	(4,199)	(6,333)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,458	(2,198)
Proceeds from long-term borrowings	7,483	7,871
Repayments of long-term borrowings	(5,046)	(4,278)
Proceeds from issuance of bonds	—	9,947
Redemption of bonds	(1,124)	(1,775)
Repayments of lease obligations	(91)	(101)
Purchase of treasury shares	(416)	(0)
Dividends paid	(530)	(515)
Dividends paid to non-controlling interests	(46)	(24)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(609)	—
Net cash provided by (used in) financing activities	1,075	8,924
Net increase (decrease) in cash and cash equivalents	(846)	6,634
Cash and cash equivalents at beginning of period	10,741	9,894
Cash and cash equivalents at end of period	9,894	16,529