

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended June 30, 2021 (Based on Japanese GAAP)

August 2, 2021

Company name: T. HASEGAWA CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 4958 URL <https://www.t-hasegawa.co.jp/>
 Representative: President & COO Takao Umino
 Inquiries: Director & Senior Executive Vice President Minoru Nakamura TEL 03-3241-1151
 Scheduled date to file Quarterly Securities Report: August 10, 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 June 30, 2021 (from October 1, 2020 to June 30, 2021)

(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 June 30, 2021	41,123	9.2	5,287	21.9	5,708	21.5	5,107	20.5
Nine months ended June 30, 2020	37,648	(0.2)	4,339	12.6	4,696	12.5	4,238	39.3

Note: Comprehensive income
 Nine months ended June 30, 2021 ¥7,376 million [120.8%]
 Nine months ended June 30, 2020 ¥3,341 million [-%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended June 30, 2021	123.36		122.90	
Nine months ended June 30, 2020	102.26		101.88	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	118,605	96,974	81.6
As of September 30, 2020	113,445	92,218	81.1

Reference: Equity
 As of June 30, 2021 ¥96,739 million
 As of September 30, 2020 ¥91,990 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended September 30, 2020	–	18.00	–	22.00	40.00
Year ending September 30, 2021	–	22.00	–	–	–
Year ending September 30, 2021 (Forecast)	–	–	–	28.00	50.00

Note: Revision of cash dividend forecast most recently announced: Yes

3. Forecast of consolidated financial results for the year ending September 30, 2021 (from October 1, 2020 to September 30, 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	54,700	9.0	6,070	13.3	6,560	11.9	5,950	16.9	143.95

Note: Revision of consolidated financial results forecast most recently announced: Yes

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended June 30, 2021
(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, 2021	42,708,154 shares	As of September 30, 2020	42,708,154 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	1,608,149 shares	As of September 30, 2020	1,233,044 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended June 30, 2021	41,405,599 shares	Nine months ended June 30, 2020	41,453,310 shares
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* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of forecasts of financial results, and other special matters

The forward-looking statements, including the earnings forecasts, shown in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual results may differ substantially due to various factors.

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of September 30, 2020	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	16,584	16,264
Notes and accounts receivable - trade	15,471	17,232
Securities	12,000	2,999
Merchandise and finished goods	7,161	7,611
Work in process	170	114
Raw materials and supplies	6,901	6,515
Other	737	996
Allowance for doubtful accounts	(13)	(15)
Total current assets	59,013	51,718
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	15,915	16,060
Other, net	13,429	13,973
Total property, plant and equipment	29,345	30,034
Intangible assets		
Goodwill	572	6,159
Other	3,266	10,648
Total intangible assets	3,839	16,807
Investments and other assets		
Investment securities	19,838	19,016
Retirement benefit asset	17	18
Other	1,443	1,069
Allowance for doubtful accounts	(51)	(59)
Total investments and other assets	21,246	20,044
Total non-current assets	54,431	66,886
Total assets	113,445	118,605
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,743	5,168
Income taxes payable	630	878
Provision for bonuses	1,431	568
Provision for bonuses for directors (and other officers)	74	–
Other	3,381	3,530
Total current liabilities	10,261	10,146
Non-current liabilities		
Deferred tax liabilities	2,992	3,026
Retirement benefit liability	7,121	7,363
Asset retirement obligations	69	63
Long-term accounts payable - other	648	634
Other	131	396
Total non-current liabilities	10,965	11,484
Total liabilities	21,226	21,630

(Millions of yen)

	As of September 30, 2020	As of June 30, 2021
Net assets		
Shareholders' equity		
Share capital	5,364	5,364
Capital surplus	7,298	7,305
Retained earnings	71,169	74,452
Treasury shares	(1,820)	(2,629)
Total shareholders' equity	82,012	84,492
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,551	11,076
Foreign currency translation adjustment	(1,316)	1,388
Remeasurements of defined benefit plans	(256)	(217)
Total accumulated other comprehensive income	9,978	12,246
Share acquisition rights	228	234
Total net assets	92,218	96,974
Total liabilities and net assets	113,445	118,605

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended June 30, 2020	Nine months ended June 30, 2021
Net sales	37,648	41,123
Cost of sales	22,999	24,272
Gross profit	14,649	16,851
Selling, general and administrative expenses	10,310	11,563
Operating profit	4,339	5,287
Non-operating income		
Interest income	72	82
Dividend income	197	173
Foreign exchange gains	6	117
Other	95	90
Total non-operating income	371	464
Non-operating expenses		
Interest expenses	1	5
Other	12	38
Total non-operating expenses	13	43
Ordinary profit	4,696	5,708
Extraordinary income		
Gain on sales of non-current assets	320	–
Gain on sales of investment securities	867	1,480
Total extraordinary income	1,187	1,480
Extraordinary losses		
Loss on abandonment of non-current assets	34	21
Total extraordinary losses	34	21
Profit before income taxes	5,849	7,167
Income taxes	1,610	2,059
Profit	4,238	5,107
Profit attributable to owners of parent	4,238	5,107

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended June 30, 2020	Nine months ended June 30, 2021
Profit	4,238	5,107
Other comprehensive income		
Valuation difference on available-for-sale securities	(932)	(475)
Foreign currency translation adjustment	(3)	2,705
Remeasurements of defined benefit plans, net of tax	38	38
Total other comprehensive income	(897)	2,268
Comprehensive income	3,341	7,376
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,341	7,376
Comprehensive income attributable to non-controlling interests	—	—

Segment Information

1. Nine months ended June 30, 2020 (from October 1, 2019 to June 30, 2020)

Net sales and income or loss by reporting segment

(Millions of yen)

	Reporting segment				Adjustment (Note 1)	Consolidated (Note 2)
	Japan	Asia	USA	Total		
Net sales						
Sales to external customers	27,279	5,795	4,573	37,648	—	37,648
Inter-segment sales or transfers	563	140	100	804	(804)	—
Total	27,843	5,936	4,674	38,453	(804)	37,648
Segment profit	3,147	749	411	4,309	30	4,339

Notes

1. The adjustments on segment profit of 30 million yen include 41 million yen adjustments of elimination of internal transactions between segments and negative 7 million yen adjustments of inventories related to inter-segment transactions, and negative 3 million yen for others.

2. Segment profit is adjusted to operating income of consolidated quarterly statements of income.

2. Nine months ended June 30, 2021 (from October 1, 2020 to June 30, 2021)

Net sales and income or loss by reporting segment

(Millions of yen)

	Reporting segment				Adjustment (Note 1)	Consolidated (Note 2)
	Japan	Asia	USA	Total		
Net sales						
Sales to external customers	27,361	7,250	6,511	41,123	—	41,123
Inter-segment sales or transfers	482	105	70	659	(659)	—
Total	27,844	7,356	6,581	41,782	(659)	41,123
Segment profit	3,122	1,653	482	5,257	29	5,287

Notes

1. The adjustments on segment profit of 29 million yen include 41 million yen adjustments of elimination of internal transactions between segments and negative 3 million yen adjustments of inventories related to inter-segment transactions, and negative 8 million yen for others.

2. Segment profit is adjusted to operating income of consolidated quarterly statements of income.