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## Consolidated Financial Results for the Six Months Ended September 30, 2021 [Japanese GAAP]

November 09, 2021

Company name: CHIYODA UTE CO., LTD.

Stock exchange listing: Tokyo

Code number: 5387

URL: <http://www.chiyoda-ute.co.jp>

Representative: Yoshihisa Hirata

,President &amp; CEO

Contact: Takashi Oida

,Director and Head of Administration Unit

Phone: 059-364-5215

Scheduled date of filing quarterly securities report: November 11, 2021

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

## 1. Consolidated Financial Results for the Six Months Ended September 30, 2021 (April 01, 2021 to September 30, 2021)

## (1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2021	12,016	(3.3)	281	-	446	806.4	281	272.3
September 30, 2020	12,430	(14.1)	(103)	-	49	-	75	-

(Note) Comprehensive income: Six months ended September 30, 2021: ¥ 333 million [ 142.0%]  
Six months ended September 30, 2020: ¥ 137 million [ -%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2021	12.06	-
September 30, 2020	3.24	-

## (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of September 30, 2021	31,221	14,020	44.9
March 31, 2021	31,848	13,687	42.9

(Reference) Equity: As of September 30, 2021: ¥ 14,011 million  
As of March 31, 2021: ¥ 13,672 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	-	0.00	-	0.00	0.00
Fiscal year ending March 31, 2022	-	0.00			
Fiscal year ending March 31, 2022 (Forecast)			-	0.00	0.00

(Note) Revision to the forecast for dividends announced most recently: No

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022(April 01, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	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
Full year	26,000	3.1	400	(8.1)	550	(24.2)	350	(47.0)	15.01

(Note) Revision to the financial results forecast announced most recently: Yes

\* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2021

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

September 30, 2021: 23,318,397 shares

March 31, 2021: 23,737,165 shares

2) Total number of treasury shares at the end of the period:

September 30, 2021: - shares

March 31, 2021: 418,768 shares

3) Average number of shares during the period:

Six months ended September 30, 2021: 23,318,397 shares

Six months ended September 30, 2020: 23,318,397 shares

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2021	As of September 30,2021
<b>Assets</b>		
Current assets		
Cash and deposits	2,511,451	2,253,092
Notes and accounts receivable - trade	4,067,701	3,933,579
Electronically recorded monetary claims - operating	1,397,721	1,374,683
Merchandise and finished goods	1,310,834	1,233,051
Work in process	66,212	75,197
Raw materials and supplies	1,485,679	1,501,594
Other	209,165	201,282
Allowance for doubtful accounts	(84,980)	(85,968)
Total current assets	10,963,784	10,486,513
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,394,560	4,273,963
Machinery, equipment and vehicles, net	1,959,036	1,880,337
Land	11,219,382	11,218,888
Other, net	623,108	605,584
Total property, plant and equipment	18,196,088	17,978,773
Intangible assets	221,037	198,403
Investments and other assets		
Investment securities	1,212,660	1,274,745
Other	1,260,860	1,292,731
Allowance for doubtful accounts	(24,748)	(24,748)
Total investments and other assets	2,448,772	2,542,727
Total non-current assets	20,865,898	20,719,903
Deferred assets	18,738	15,010
Total assets	31,848,422	31,221,428

(Thousand yen)

	As of March 31,2021	As of September 30,2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	2,682,641	2,521,256
Short-term borrowings	2,719,136	3,090,153
Income taxes payable	133,613	169,105
Provision for bonuses	308,559	274,861
Other	2,211,271	2,566,097
Total current liabilities	8,055,222	8,621,474
Non-current liabilities		
Bonds payable	1,555,600	990,400
Long-term borrowings	5,696,599	4,722,085
Provision for retirement benefits for directors (and other officers)	192,065	194,431
Retirement benefit liability	1,311,121	1,341,939
Asset retirement obligations	135,450	135,450
Other	1,215,188	1,195,193
Total non-current liabilities	10,106,023	8,579,498
Total liabilities	18,161,246	17,200,972
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,960,988	5,960,988
Capital surplus	6,751,539	6,555,255
Retained earnings	1,153,527	1,434,810
Treasury shares	(196,284)	-
Total shareholders' equity	13,669,771	13,951,054
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	244,285	282,829
Remeasurements of defined benefit plans	(241,508)	(222,879)
Total accumulated other comprehensive income	2,776	59,950
Non-controlling interests	14,628	9,450
Total net assets	13,687,176	14,020,455
<b>Total liabilities and net assets</b>	<b>31,848,422</b>	<b>31,221,428</b>

## Quarterly Consolidated Statements of Income and Comprehensive Income

## Quarterly Consolidated Statements of Income (For the six months)

(Thousand yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
Net sales	12,430,197	12,016,414
Cost of sales	7,664,841	6,987,921
Gross profit	4,765,356	5,028,492
Selling, general and administrative expenses	4,868,451	4,746,506
Operating profit (loss)	(103,094)	281,985
Non-operating income		
Interest income	1,465	78
Dividend income	22,553	23,995
Rental income	74,154	77,762
Subsidies for employment adjustment	78,276	67,825
Share of profit of entities accounted for using equity method	23,358	41,974
Other	87,903	48,318
Total non-operating income	287,712	259,954
Non-operating expenses		
Interest expenses	37,062	41,000
Rental expenses	27,299	27,594
Other	71,012	26,998
Total non-operating expenses	135,373	95,593
Ordinary profit	49,243	446,346
Extraordinary income		
Gain on sale of non-current assets	3,428	7,903
Gain on sale of investment securities	-	3,673
Gain on sale of shares of subsidiaries and associates	1,782	-
Gain on sale of shares of subsidiaries	47,740	-
Total extraordinary income	52,951	11,577
Extraordinary losses		
Loss on sale of non-current assets	-	0
Loss on retirement of non-current assets	6,666	1,938
Loss on valuation of investment securities	-	989
Total extraordinary losses	6,666	2,928
Profit before income taxes	95,528	454,994
Income taxes	19,396	178,889
Profit	76,132	276,104
Profit (loss) attributable to non-controlling interests	586	(5,178)
Profit attributable to owners of parent	75,545	281,282

## Quarterly Consolidated Statements of Comprehensive Income (For the six months)

(Thousand yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
Profit	76,132	276,104
Other comprehensive income		
Valuation difference on available-for-sale securities	42,873	38,544
Remeasurements of defined benefit plans, net of tax	18,718	18,629
Total other comprehensive income	61,591	57,174
Comprehensive income	137,723	333,279
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	137,137	338,457
Comprehensive income attributable to non-controlling interests	586	(5,178)

## Quarterly Consolidated Statements of Cash Flows

(Thousand yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
<b>Cash flows from operating activities</b>		
Profit before income taxes	95,528	454,994
Depreciation	531,914	501,395
Increase (decrease) in allowance for doubtful accounts	1,359	987
Increase (decrease) in provision for bonuses	(52,934)	(33,698)
Increase (decrease) in retirement benefit liability	36,997	49,447
Increase (decrease) in provision for loss on subsidiaries and affiliates	(255)	-
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(12,888)	2,365
Interest and dividend income	(24,019)	(24,073)
Interest expenses	37,062	41,000
Loss (gain) on sale of shares of subsidiaries	(47,740)	-
Loss (gain) on sale of shares of subsidiaries and associates	(1,782)	-
Share of loss (profit) of entities accounted for using equity method	(23,358)	(41,974)
Loss (gain) on sale and retirement of non-current assets	3,238	(5,964)
Loss (gain) on sale and valuation of investment securities	-	(2,683)
Decrease (increase) in trade receivables	(68,104)	157,159
Decrease (increase) in inventories	156,795	51,211
Increase (decrease) in trade payables	(271,754)	(161,385)
Increase (decrease) in accrued consumption taxes	(21,496)	(88,000)
Decrease (increase) in other assets	(31,494)	(89,843)
Increase (decrease) in other liabilities	(128,515)	33,260
Subtotal	178,550	844,197
Interest and dividends received	22,857	24,073
Interest paid	(38,254)	(40,798)
Income taxes refund (paid)	(48,613)	(77,020)
Net cash provided by (used in) operating activities	114,539	750,451
<b>Cash flows from investing activities</b>		
Payments into time deposits	(170)	-
Purchase of property, plant and equipment	(250,197)	(196,105)
Proceeds from sale of property, plant and equipment	57,968	17,829
Purchase of investment securities	(8,099)	(8,692)
Proceeds from sale of investment securities	-	46,251
Proceeds from sale of shares of subsidiaries and associates	16,782	-
Proceeds from withdrawal of investment securities	4,755	-
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	(87,512)	-
Proceeds from sale of shares of subsidiaries	4,288	-
Loan advances	(1,587)	(435)
Proceeds from collection of loans receivable	55,845	9,190
Other, net	(10,660)	(6,009)
Net cash provided by (used in) investing activities	(218,588)	(137,970)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	655,749	217,785
Proceeds from long-term borrowings	1,670,000	-
Repayments of long-term borrowings	(582,970)	(821,282)
Redemption of bonds	(165,200)	(165,200)
Dividends paid	(239)	-

Repayments of lease obligations	(95,153)	(102,141)
Net cash provided by (used in) financing activities	1,482,185	(870,838)
Net increase (decrease) in cash and cash equivalents	1,378,137	(258,357)
Cash and cash equivalents at beginning of period	1,550,486	2,489,210
Cash and cash equivalents at end of period	2,928,623	2,230,852