



## Consolidated Financial Results for the Year Ended March 31, 2020 [Japanese GAAP]

May 15, 2020

Company name: CHIYODA UTE CO., LTD.  
 Stock exchange listing: Tokyo  
 Code number: 5387  
 URL: <http://www.chiyoda-ute.co.jp>  
 Representative: Haruhisa Hirata, President & CEO  
 Contact: Takashi Oida, Director and Head of Administration Unit  
 Phone: 059-364-5215  
 Scheduled date of Annual General Meeting of Shareholders: June 26, 2020  
 Scheduled date of commencing dividend payments: -  
 Scheduled date of filing annual securities report: June 26, 2020  
 Availability of supplementary briefing material on annual financial results: Yes  
 Schedule of annual financial results briefing session: Yes

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

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2020 (April 01, 2019 to March 31, 2020)

#### (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	%
Fiscal year ended March 31, 2020	28,891	(4.2)	(429)	-	(139)	-	(2,084)	-
March 31, 2019	30,146	(4.7)	(300)	-	(84)	-	(90)	-

(Note) Comprehensive income: Fiscal year ended March 31, 2020: ¥ (2,168) million [ -%]  
 Fiscal year ended March 31, 2019: ¥ (274) million [ -%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2020	(112.48)	-	(16.4)	(0.4)	(1.5)
March 31, 2019	(5.22)	-	(0.7)	(0.2)	(1.0)

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2020: ¥ 59 million  
 Fiscal year ended March 31, 2019: ¥ 13 million

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2020	30,776	12,881	41.8	552.01
March 31, 2019	35,425	12,540	35.4	726.55

(Reference) Equity: As of March 31, 2020: ¥ 12,872 million  
 As of March 31, 2019: ¥ 12,533 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 the end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2020	(104)	(662)	(603)	1,550
March 31, 2019	1,028	(250)	(179)	2,920

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2019	-	0.00	-	3.00	3.00	51	-	0.4
March 31, 2020	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending March 31, 2021 (Forecast)	-	0.00	-	0.00	0.00		-	

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021 (April 01, 2020 to March 31, 2021)

The forecast for the fiscal year ending March 31, 2021 has yet to be determined at this point, because of the effect of the worldwide spread of the novel coronavirus (COVID-19). We will carefully assess the impact and announce it promptly when we can disclose reasonable forecast.

### \* Notes:

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: No
  - 2) Changes in accounting policies other than 1) above: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No
- (3) Total number of issued shares (common shares)
  - 1) Total number of issued shares at the end of the period (including treasury shares):
 

March 31, 2020:	23,737,165 shares
March 31, 2019:	17,670,000 shares
  - 2) Total number of treasury shares at the end of the period:
 

March 31, 2020:	418,769 shares
March 31, 2019:	418,768 shares
  - 3) Average number of shares during the period:
 

Fiscal Year ended March 31, 2020:	18,527,657 shares
Fiscal Year ended March 31, 2019:	17,251,232 shares

# Consolidated Financial Statements

## Consolidated Balance Sheets

(Thousand yen)

	As of March 31, 2019	As of March 31, 2020
<b>Assets</b>		
Current assets		
Cash and deposits	2,960,684	1,582,556
Notes and accounts receivable - trade	5,368,804	4,730,196
Merchandise and finished goods	1,444,206	1,422,010
Work in process	116,214	109,467
Raw materials and supplies	1,529,444	1,567,619
Other	278,581	317,896
Allowance for doubtful accounts	(144,710)	(115,831)
Total current assets	11,553,226	9,613,916
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,466,611	13,481,752
Accumulated depreciation	(8,571,798)	(8,883,088)
Buildings and structures, net	4,894,813	4,598,664
Machinery, equipment and vehicles	26,288,609	25,289,126
Accumulated depreciation	(22,740,201)	(23,153,898)
Machinery, equipment and vehicles, net	3,548,407	2,135,228
Land	11,434,287	11,265,606
Leased assets	1,583,603	1,257,306
Accumulated depreciation	(664,647)	(780,325)
Leased assets, net	918,956	476,981
Construction in progress	161,772	65,939
Other	644,648	601,656
Accumulated depreciation	(550,298)	(518,855)
Other, net	94,350	82,800
Total property, plant and equipment	21,052,586	18,625,220
Intangible assets	171,305	177,529
Investments and other assets		
Investment securities	1,318,223	1,081,422
Long-term loans receivable	35,981	17,061
Deferred tax assets	148,580	144,220
Other	1,138,580	1,142,424
Allowance for doubtful accounts	(26,209)	(51,939)
Total investments and other assets	2,615,155	2,333,188
Total non-current assets	23,839,047	21,135,938
Deferred assets		
Bond issuance costs	33,650	26,194
Total deferred assets	33,650	26,194
Total assets	35,425,924	30,776,049

(Thousand yen)

	As of March 31,2019	As of March 31,2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	4,833,725	3,639,022
Short-term borrowings	2,984,332	1,192,529
Current portion of long-term borrowings	1,959,489	1,086,862
Current portion of bonds payable	330,400	330,400
Accounts payable - other	1,761,736	1,224,894
Income taxes payable	67,443	108,525
Accrued consumption taxes	103,301	129,431
Provision for bonuses	278,530	278,157
Other	675,007	574,970
Total current liabilities	12,993,966	8,564,793
Non-current liabilities		
Bonds payable	2,216,400	1,886,000
Long-term borrowings	4,724,357	4,616,302
Lease obligations	665,723	603,457
Deferred tax liabilities	7,630	7,630
Provision for retirement benefits for directors (and other officers)	207,446	201,104
Provision for loss on subsidiaries and affiliates	7,000	2,000
Retirement benefit liability	1,340,857	1,321,784
Asset retirement obligations	135,450	135,450
Negative goodwill	3,713	-
Other	583,250	556,123
Total non-current liabilities	9,891,828	9,329,853
Total liabilities	22,885,795	17,894,646
<b>Net assets</b>		
Shareholders' equity		
Share capital	4,674,750	5,960,988
Capital surplus	5,473,962	6,751,539
Retained earnings	2,628,430	492,645
Treasury shares	(196,284)	(196,284)
Total shareholders' equity	12,580,858	13,008,889
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	233,873	124,262
Remeasurements of defined benefit plans	(280,901)	(261,104)
Total accumulated other comprehensive income	(47,028)	(136,841)
Non-controlling interests	6,300	9,355
Total net assets	12,540,129	12,881,402
<b>Total liabilities and net assets</b>	<b>35,425,924</b>	<b>30,776,049</b>

Consolidated Statements of Income and Comprehensive Income  
Consolidated Statements of Income

(Thousand yen)

	For the fiscal year ended March 31,2019	For the fiscal year ended March 31,2020
Net sales	30,146,255	28,891,553
Cost of sales	19,337,643	18,173,823
Gross profit	10,808,612	10,717,729
Selling, general and administrative expenses	11,109,174	11,147,358
Operating loss	(300,562)	(429,629)
Non-operating income		
Interest income	3,831	3,848
Dividend income	43,701	37,074
Rental income	165,267	157,307
Insurance claim income	41,856	119,444
Compensation income	73,800	-
Share of profit of entities accounted for using equity method	13,803	59,019
Other	117,999	134,302
Total non-operating income	460,260	510,995
Non-operating expenses		
Interest expenses	97,629	89,228
Rental expenses	56,233	54,879
Provision for loss on subsidiaries and affiliates	-	2,000
Other	89,938	74,924
Total non-operating expenses	243,801	221,032
Ordinary loss	(84,104)	(139,666)
Extraordinary income		
Gain on sales of non-current assets	8,139	2,284
Gain on sales of investment securities	82,533	24,063
Gain on sales of shares of subsidiaries	-	17,399
Total extraordinary income	90,673	43,747
Extraordinary losses		
Loss on sales of non-current assets	-	700
Loss on retirement of non-current assets	3,675	4,476
Impairment loss	-	1,867,509
Loss on valuation of investment securities	-	800
Total extraordinary losses	3,675	1,873,486
Profit before income taxes	2,893	(1,969,405)
Income taxes - current	73,019	64,372
Income taxes - deferred	17,617	44,492
Total income taxes	90,637	108,865
Loss	(87,743)	(2,078,270)
Profit attributable to non-controlling interests	2,288	5,760
Loss attributable to owners of parent	(90,032)	(2,084,031)

# Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the fiscal year ended March 31,2019	For the fiscal year ended March 31,2020
Loss	(87,743)	(2,078,270)
Other comprehensive income		
Valuation difference on available-for-sale securities	(210,343)	(109,610)
Remeasurements of defined benefit plans, net of tax	23,859	19,797
Total other comprehensive income	(186,484)	(89,812)
Comprehensive income	(274,228)	(2,168,083)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(276,516)	(2,173,844)
Comprehensive income attributable to non-controlling interests	2,288	5,760

Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31, 2019

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,674,750	5,473,962	2,804,718	(196,284)	12,757,146
Changes during period					
Issuance of new shares	-	-			-
Dividends of surplus			(86,256)		(86,256)
Loss attributable to owners of parent			(90,032)		(90,032)
Purchase of share of consolidated subsidiaries treasury stock		-			-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	(176,288)	-	(176,288)
Balance at end of period	4,674,750	5,473,962	2,628,430	(196,284)	12,580,858

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	444,217	(304,761)	139,455	4,011	12,900,614
Changes during period					
Issuance of new shares					-
Dividends of surplus					(86,256)
Loss attributable to owners of parent					(90,032)
Purchase of share of consolidated subsidiaries treasury stock				-	-
Net changes in items other than shareholders' equity	(210,343)	23,859	(186,484)	2,288	(184,196)
Total changes during period	(210,343)	23,859	(186,484)	2,288	(360,484)
Balance at end of period	233,873	(280,901)	(47,028)	6,300	12,540,129

For the fiscal year ended March 31,2020

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,674,750	5,473,962	2,628,430	(196,284)	12,580,858
Changes during period					
Issuance of new shares	1,286,238	1,280,171			2,566,410
Dividends of surplus			(51,753)		(51,753)
Loss attributable to owners of parent			(2,084,031)		(2,084,031)
Purchase of share of consolidated subsidiaries treasury stock		(2,594)			(2,594)
Net changes in items other than shareholders' equity					
Total changes during period	1,286,238	1,277,577	(2,135,785)	-	428,031
Balance at end of period	5,960,988	6,751,539	492,645	(196,284)	13,008,889

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	233,873	(280,901)	(47,028)	6,300	12,540,129
Changes during period					
Issuance of new shares					2,566,410
Dividends of surplus					(51,753)
Loss attributable to owners of parent					(2,084,031)
Purchase of share of consolidated subsidiaries treasury stock				(2,705)	(5,300)
Net changes in items other than shareholders' equity	(109,610)	19,797	(89,812)	5,760	(84,052)
Total changes during period	(109,610)	19,797	(89,812)	3,055	341,273
Balance at end of period	124,262	(261,104)	(136,841)	9,355	12,881,402



## Consolidated Statements of Cash Flows

(Thousand yen)

	For the fiscal year ended March 31,2019	For the fiscal year ended March 31,2020
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	2,893	(1,969,405)
Depreciation	1,409,181	1,304,219
Amortization of negative goodwill	(1,314)	(657)
Amortization of bond issuance costs	9,966	7,455
Increase (decrease) in allowance for doubtful accounts	7,405	(3,035)
Increase (decrease) in provision for bonuses	(23,144)	4,027
Increase (decrease) in retirement benefit liability	(8,354)	19,857
Increase (decrease) in provision for retirement benefits for directors (and other officers)	14,740	(6,341)
Increase (decrease) in provision for loss on subsidiaries and affiliates	-	2,000
Interest and dividend income	(47,533)	(40,922)
Interest expenses	97,629	89,228
Loss (gain) on sales of shares of subsidiaries	-	(17,399)
Share of loss (profit) of entities accounted for using equity method	(13,803)	(59,019)
Loss (gain) on sales and retirement of non-current assets	(4,464)	2,892
Impairment loss	-	1,867,509
Loss (gain) on sales and valuation of investment securities	(82,533)	(23,263)
Decrease (increase) in trade receivables	204,015	401,591
Decrease (increase) in inventories	(186,422)	(17,170)
Increase (decrease) in trade payables	(110,619)	(1,077,082)
Increase (decrease) in accrued consumption taxes	18,729	26,591
Decrease (increase) in other assets	(94,550)	(6,276)
Increase (decrease) in other liabilities	51,452	(557,491)
Subtotal	1,243,272	(52,691)
Interest and dividends received	46,582	38,744
Interest paid	(97,486)	(89,185)
Income taxes (paid) refund	(164,348)	(1,405)
Net cash provided by (used in) operating activities	1,028,019	(104,537)
<b>Cash flows from investing activities</b>		
Payments into time deposits	(31,910)	(14,040)
Proceeds from withdrawal of time deposits	176,091	-
Purchase of property, plant and equipment	(640,945)	(800,669)
Proceeds from sales of property, plant and equipment	9,510	11,635
Purchase of investment securities	(14,728)	(13,747)
Proceeds from sales of investment securities	164,363	70,647
Proceeds from withdrawal of investment securities	-	58,500
Proceeds from cancellation of insurance funds	4,327	-
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	-	99,901
Loan advances	(113,135)	(196,510)
Collection of loans receivable	209,022	126,622
Other, net	(12,810)	(4,908)
Net cash provided by (used in) investing activities	(250,215)	(662,568)

(Thousand yen)

	For the fiscal year ended March 31,2019	For the fiscal year ended March 31,2020
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(195,193)	(1,651,803)
Proceeds from long-term borrowings	2,150,000	1,043,000
Repayments of long-term borrowings	(1,397,211)	(1,992,402)
Proceeds from issuance of bonds	989,545	-
Redemption of bonds	(1,380,400)	(330,400)
Proceeds from issuance of shares	-	2,566,410
Purchase of treasury shares of subsidiaries	-	(5,300)
Dividends paid	(86,227)	(51,867)
Repayments of lease obligations	(259,904)	(180,698)
Net cash provided by (used in) financing activities	(179,390)	(603,061)
Net increase (decrease) in cash and cash equivalents	598,412	(1,370,168)
Cash and cash equivalents at beginning of period	2,322,242	2,920,654
Cash and cash equivalents at end of period	2,920,654	1,550,486