

Consolidated Financial Results for the Three Months Ended June 30, 2020 [Japanese GAAP]



July 31, 2020

Company name: Ryoden Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 8084
 URL: <https://www.ryoden.co.jp/>
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 Scheduled date of filing quarterly securities report: August 12, 2020
 Scheduled date of commencing dividend payments: —
 Availability of supplementary briefing material on quarterly financial results: No
 Schedule of quarterly financial results briefing session: No

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2020 (April 1, 2020 to June 30, 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	%
Three months ended June 30, 2020	46,525	(18.0)	573	(41.8)	669	(39.4)	432	(39.4)
Three months ended June 30, 2019	56,740	(1.6)	985	41.3	1,105	40.5	713	32.4

(Note) Comprehensive income: Three months ended June 30, 2020: ¥480 million [(40.4)%]
 Three months ended June 30, 2019: ¥805 million [588.1%]

	Profit per share	Diluted profit per share
	Yen	Yen
Three months ended June 30, 2020	19.91	19.81
Three months ended June 30, 2019	32.90	32.74

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2020	121,801	67,487	55.2	3,098.11
As of March 31, 2020	128,304	67,557	52.5	3,104.00

(Reference) Equity: As of June 30, 2020: ¥67,287 million
 As of March 31, 2020: ¥67,415 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2020	Yen —	Yen 28.00	Yen —	Yen 28.00	Yen 56.00
Fiscal year ending March 31, 2021	—				
Fiscal year ending March 31, 2021 (Forecast)		28.00	—	28.00	56.00

Note: Revision from the most recently announced dividend forecast: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021 (April 1, 2020 to March 31, 2021)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	90,000	(21.9)	900	(67.7)	1,000	(64.9)	800	(58.7)	36.83
Full year	209,000	(9.2)	3,100	(44.2)	3,100	(46.2)	2,200	(43.0)	101.29

Note: Revision from the most recently announced financial results forecast: Yes

Please refer to “Notice of Revisions to the Financial Results Forecast” announced today (Japanese only) for the revisions to the financial results 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) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes
- (3) 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
- (4) Total number of issued shares (common stock)
 - 1) Total number of issued shares at the end of the period (including treasury stock):
June 30, 2020: 22,824,977 shares
March 31, 2020: 22,824,977 shares
 - 2) Total number of treasury stock at the end of the period:
June 30, 2020: 1,105,965 shares
March 31, 2020: 1,105,965 shares
 - 3) Average number of shares during the period:
Three months ended June 30, 2020: 21,719,012 shares
Three months ended June 30, 2019: 21,700,171 shares

* These quarterly financial results are outside the scope of quarterly review procedures by certified public accountant or audit firm.

* Explanation of the proper use of financial results forecast and other notes

The statements concerning future performance presented in this document are prepared based on currently available information and certain preconditions which the Company believes to be reasonable at this time. Actual results may be different from any projections presented herein due to various factors.

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2020	As of June 30, 2020
Assets		
Current assets		
Cash and deposits	20,174	19,249
Notes and accounts receivable - trade	53,028	42,781
Electronically recorded monetary claims - operating	16,626	16,979
Securities	—	500
Merchandise and finished goods	20,857	25,144
Other	2,906	2,351
Allowance for doubtful accounts	(27)	(18)
Total current assets	113,565	106,988
Non-current assets		
Property, plant and equipment	4,122	4,116
Intangible assets	623	614
Investments and other assets		
Other	10,432	10,467
Allowance for doubtful accounts	(439)	(385)
Total investments and other assets	9,993	10,082
Total non-current assets	14,738	14,812
Total assets	128,304	121,801

(Million yen)

	As of March 31, 2020	As of June 30, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	39,064	32,497
Electronically recorded obligations - operating	10,332	12,539
Short-term borrowings	246	105
Income taxes payable	1,127	322
Other	3,974	2,891
Total current liabilities	54,745	48,355
Non-current liabilities		
Retirement benefit liability	4,875	4,823
Other	1,125	1,135
Total non-current liabilities	6,001	5,958
Total liabilities	60,746	54,314
Net assets		
Shareholders' equity		
Share capital	10,334	10,334
Capital surplus	7,419	7,419
Retained earnings	50,544	50,369
Treasury shares	(832)	(832)
Total shareholders' equity	67,465	67,290
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,060	1,246
Foreign currency translation adjustment	314	120
Remeasurements of defined benefit plans	(1,425)	(1,369)
Total accumulated other comprehensive income	(49)	(2)
Share acquisition rights	142	199
Total net assets	67,557	67,487
Total liabilities and net assets	128,304	121,801

(2) Consolidated Statements of Income and Comprehensive Income
 Consolidated Statements of Income

(Million yen)

	For the three months ended June 30, 2019	For the three months ended June 30, 2020
Net sales	56,740	46,525
Cost of sales	50,756	41,287
Gross profit	5,984	5,237
Selling, general and administrative expenses	4,998	4,664
Operating profit	985	573
Non-operating income		
Interest income	17	14
Dividend income	63	57
Share of profit of entities accounted for using equity method	42	35
Other	40	52
Total non-operating income	163	159
Non-operating expenses		
Interest expenses	9	6
Sales discounts	13	10
Foreign exchange losses	14	39
Other	6	7
Total non-operating expenses	43	63
Ordinary profit	1,105	669
Extraordinary income		
Gain on sales of investment securities	6	—
Total extraordinary income	6	—
Profit before income taxes	1,111	669
Income taxes	397	237
Profit	713	432
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	713	432

Consolidated Statements of Comprehensive Income

(Million yen)

	For the three months ended June 30, 2019	For the three months ended June 30, 2020
Profit	713	432
Other comprehensive income		
Valuation difference on available-for-sale securities	(35)	185
Foreign currency translation adjustment	65	(194)
Remeasurements of defined benefit plans, net of tax	61	55
Total other comprehensive income	91	47
Comprehensive income	805	480
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	805	480
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Cash Flows

(Million yen)

	For the three months ended June 30, 2019	For the three months ended June 30, 2020
Cash flows from operating activities		
Profit before income taxes	1,111	669
Depreciation	106	105
Increase (decrease) in allowance for doubtful accounts	(8)	(9)
Interest and dividend income	(80)	(72)
Interest expenses	9	6
Share of loss (profit) of entities accounted for using equity method	(42)	(35)
Decrease (increase) in trade receivables	3,477	9,718
Decrease (increase) in inventories	(478)	(4,395)
Increase (decrease) in trade payables	(2,038)	(4,195)
Other, net	(174)	(312)
Subtotal	1,882	1,479
Interest and dividends received	121	92
Interest paid	(8)	(5)
Income taxes paid	(906)	(971)
Net cash provided by (used in) operating activities	1,089	594
Cash flows from investing activities		
Purchase of property, plant and equipment	(12)	(49)
Proceeds from sales of property, plant and equipment	—	0
Purchase of intangible assets	(45)	(21)
Purchase of investment securities	(442)	(101)
Proceeds from sales of investment securities	18	97
Decrease (increase) in short-term loans receivable	—	(32)
Other, net	(10)	(4)
Net cash provided by (used in) investing activities	(493)	(110)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(554)	(124)
Net decrease (increase) in treasury shares	(0)	—
Dividends paid	(609)	(581)
Net cash provided by (used in) financing activities	(1,164)	(706)
Effect of exchange rate change on cash and cash equivalents	65	(202)
Net increase (decrease) in cash and cash equivalents	(503)	(424)
Cash and cash equivalents at beginning of period	17,107	20,165
Cash and cash equivalents at end of period	16,604	19,740