

Consolidated Financial Results for the Three Months Ended June 30, 2019 [Japanese GAAP]



July 31, 2019

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 9, 2019
 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, 2019 (April 1, 2019 to June 30, 2019)

(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, 2019	56,740	(1.6)	985	41.3	1,105	40.5	713	32.4
Three months ended June 30, 2018	57,664	6.4	697	7.7	786	1.1	539	1.2

(Note) Comprehensive income: Three months ended June 30, 2019: ¥805 million [588.1%]
 Three months ended June 30, 2018: ¥117 million [(82.8)%]

	Profit per share	Diluted profit per share
	Yen	Yen
Three months ended June 30, 2019	32.90	32.74
Three months ended June 30, 2018	24.86	24.77

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2019	128,989	65,963	51.0	3,031.92
As of March 31, 2019	132,729	65,716	49.4	3,022.78

(Reference) Equity: As of June 30, 2019: ¥65,792 million
 As of March 31, 2019: ¥65,594 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2019	Yen —	Yen 28.00	Yen —	Yen 28.00	Yen 56.00
Fiscal year ending March 31, 2020	—				
Fiscal year ending March 31, 2020 (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, 2020 (April 1, 2019 to March 31, 2020)

(% 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	114,600	(2.8)	2,200	(7.0)	2,200	(6.0)	1,500	(6.9)	69.12
Full year	233,600	(2.8)	5,300	(5.8)	5,300	(6.2)	3,700	(0.9)	170.51

Note: Revision from the most recently announced financial results forecast: No

*** 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, 2019: 22,824,977 shares
March 31, 2019: 22,824,977 shares
 - 2) Total number of treasury stock at the end of the period:
June 30, 2019: 1,124,857 shares
March 31, 2019: 1,124,755 shares
 - 3) Average number of shares during the period:
Three months ended June 30, 2019: 21,700,171 shares
Three months ended June 30, 2018: 21,693,684 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, 2019	As of June 30, 2019
Assets		
Current assets		
Cash and deposits	17,117	16,114
Notes and accounts receivable - trade	57,688	53,933
Electronically recorded monetary claims - operating	16,013	16,139
Securities	44	595
Merchandise and finished goods	23,784	24,300
Other	3,140	2,698
Allowance for doubtful accounts	(35)	(27)
Total current assets	117,753	113,755
Non-current assets		
Property, plant and equipment	4,580	4,555
Intangible assets	673	650
Investments and other assets		
Other	10,150	10,461
Allowance for doubtful accounts	(427)	(432)
Total investments and other assets	9,722	10,028
Total non-current assets	14,976	15,234
Total assets	132,729	128,989

(Million yen)

	As of March 31, 2019	As of June 30, 2019
Liabilities		
Current liabilities		
Notes and accounts payable - trade	44,031	41,765
Electronically recorded obligations - operating	10,842	11,086
Short-term borrowings	1,358	814
Income taxes payable	1,035	444
Other	3,948	3,219
Total current liabilities	61,216	57,330
Non-current liabilities		
Retirement benefit liability	4,667	4,581
Other	1,129	1,114
Total non-current liabilities	5,797	5,696
Total liabilities	67,013	63,026
Net assets		
Shareholders' equity		
Share capital	10,334	10,334
Capital surplus	7,405	7,405
Retained earnings	47,900	48,006
Treasury shares	(846)	(846)
Total shareholders' equity	64,793	64,900
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,650	1,614
Foreign currency translation adjustment	405	470
Remeasurements of defined benefit plans	(1,254)	(1,192)
Total accumulated other comprehensive income	800	892
Share acquisition rights	121	170
Total net assets	65,716	65,963
Total liabilities and net assets	132,729	128,989

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

(Million yen)

	For the three months ended June 30, 2018	For the three months ended June 30, 2019
Net sales	57,664	56,740
Cost of sales	51,963	50,756
Gross profit	5,701	5,984
Selling, general and administrative expenses	5,003	4,998
Operating profit	697	985
Non-operating income		
Interest income	12	17
Dividend income	61	63
Share of profit of entities accounted for using equity method	32	42
Gain on valuation of investment securities	42	—
Other	60	40
Total non-operating income	209	163
Non-operating expenses		
Interest expenses	7	9
Sales discounts	14	13
Foreign exchange losses	48	14
Other	50	6
Total non-operating expenses	120	43
Ordinary profit	786	1,105
Extraordinary income		
Gain on sales of investment securities	8	6
Total extraordinary income	8	6
Profit before income taxes	795	1,111
Income taxes	255	397
Profit	539	713
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	539	713

Consolidated Statements of Comprehensive Income

(Million yen)

	For the three months ended June 30, 2018	For the three months ended June 30, 2019
Profit	539	713
Other comprehensive income		
Valuation difference on available-for-sale securities	(131)	(35)
Foreign currency translation adjustment	(346)	65
Remeasurements of defined benefit plans, net of tax	56	61
Total other comprehensive income	(422)	91
Comprehensive income	117	805
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	117	805
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Cash Flows

(Million yen)

	For the three months ended June 30, 2018	For the three months ended June 30, 2019
Cash flows from operating activities		
Profit before income taxes	795	1,111
Depreciation	115	106
Increase (decrease) in allowance for doubtful accounts	(32)	(8)
Interest and dividend income	(74)	(80)
Interest expenses	7	9
Share of loss (profit) of entities accounted for using equity method	(32)	(42)
Decrease (increase) in trade receivables	3,512	3,477
Decrease (increase) in inventories	(2,117)	(478)
Increase (decrease) in trade payables	(2,274)	(2,038)
Other, net	1,157	(174)
Subtotal	1,056	1,882
Interest and dividends received	78	121
Interest paid	(6)	(8)
Income taxes paid	(1,222)	(906)
Net cash provided by (used in) operating activities	(93)	1,089
Cash flows from investing activities		
Proceeds from redemption of securities	101	—
Purchase of property, plant and equipment	(31)	(12)
Proceeds from sales of property, plant and equipment	0	—
Purchase of intangible assets	(35)	(45)
Purchase of investment securities	(185)	(442)
Proceeds from sales of investment securities	12	18
Other, net	5	(10)
Net cash provided by (used in) investing activities	(132)	(493)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	360	(554)
Net decrease (increase) in treasury shares	0	(0)
Dividends paid	(538)	(609)
Net cash provided by (used in) financing activities	(178)	(1,164)
Effect of exchange rate change on cash and cash equivalents	(282)	65
Net increase (decrease) in cash and cash equivalents	(685)	(503)
Cash and cash equivalents at beginning of period	14,112	17,107
Cash and cash equivalents at end of period	13,426	16,604