

# Consolidated Financial Results for the Three Months Ended June 30, 2021 [Japanese GAAP]



August 6, 2021

Company name: Neturen Co., Ltd.

Stock exchange listing: Tokyo Stock Exchange

Code number: 5976

URL: <https://www.k-neturen.co.jp/>

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Scheduled date of filing quarterly securities report: August 10, 2021

Scheduled date of commencing dividend payments: –

Availability of supplementary explanatory materials on quarterly financial results: No

Availability of quarterly financial results briefing: No

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

## 1. Consolidated Financial Results for the Three Months Ended June 30, 2021 (April 1, 2021 - June 30, 2021)

### (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2021	11,811	41.7	912	–	1,072	–	667	–
June 30, 2020	8,337	(35.5)	(818)	–	(652)	–	(685)	–

(Note) Comprehensive income: Three months ended June 30, 2021: ¥1,588 million [–%]

Three months ended June 30, 2020: ¥(1,262) million [–%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2021	16.75	–
June 30, 2020	(16.79)	–

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2021	77,137	63,859	73.9
As of March 31, 2021	75,574	62,714	74.4

(Reference) Equity: As of June 30, 2021: ¥56,997 million

As of March 31, 2021: ¥56,233 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	–	5.00	–	9.00	14.00
Fiscal year ending March 31, 2022	–				
Fiscal year ending March 31, 2022 (Forecast)		13.00	–	12.00	25.00

(Note) Revision to the forecast for dividends announced most recently: Yes

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 - March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	25,000	36.1	1,800	–	2,000	–	1,300	–	32.61
Full year	51,500	21.0	3,300	258.6	3,700	150.7	2,400	795.0	60.21

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

### \* Notes:

(1) Changes in significant subsidiaries during the period under review: None  
(Changes in specified subsidiaries resulting in changes in scope of consolidation)

Newly included: –

Excluded: –

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes  
(Note) For details, please see “2. Quarterly Consolidated Financial Statements (3) Notes to Quarterly Consolidated Financial Statements (Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements)” on page 7 of the appendix (Japanese version only).

(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: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

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

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

June 30, 2021: 43,790,500 shares

March 31, 2021: 43,790,500 shares

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

June 30, 2021: 3,928,378 shares

March 31, 2021: 3,928,280 shares

3) Average number of shares during the period:

Three months ended June 30, 2021: 39,862,190 shares

Three months ended June 30, 2020: 40,806,676 shares

\* These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

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

(Notes on forward-looking statements, etc.)

The forward-looking statements contained in this document are based on judgments made in accordance with information available at the time of the release of this document and include many uncertain factors. Actual results may differ from these forecasts due to changes in business conditions and other factors.

For the assumptions used for the financial results forecast as well as precautions regarding the use of such forecast, please refer to “1. Qualitative Information on Quarterly Financial Results (3) Explanation Regarding Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the Attachments (Japanese version only).

2. Quarterly Consolidated Financial Statements  
(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2021	As of June 30, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	14,675	15,530
Notes and accounts receivable – trade	10,717	—
Notes and accounts receivable - trade, and contract assets	—	10,648
Electronically recorded monetary claims	3,640	3,998
Securities	383	319
Finished goods	885	1,022
Work in process	1,570	2,214
Raw materials and supplies	2,217	2,272
Other	1,430	1,490
Allowance for doubtful accounts	(41)	(43)
Total current assets	35,478	37,453
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,527	8,480
Machinery, equipment and vehicles, net	9,337	9,251
Land	9,866	9,880
Construction in progress	1,081	1,030
Other, net	349	374
Total property, plant and equipment	29,163	29,017
Intangible assets		
Leasehold interests in land	639	636
Goodwill	4	3
Other	141	128
Total intangible assets	785	768
Investments and other assets		
Investment securities	8,686	8,552
Long-term loans receivable	28	26
Retirement benefit asset	86	87
Other	1,426	1,310
Allowance for doubtful accounts	(79)	(79)
Total investments and other assets	10,147	9,897
Total non-current assets	40,096	39,683
Total assets	75,574	77,137

(Million yen)

	As of March 31, 2021	As of June 30, 2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable – trade	2,793	2,797
Electronically recorded obligations – operating	3,008	3,187
Short-term borrowings	1,486	1,500
Income taxes payable	268	320
Provision for bonuses	699	412
Provision for bonuses for directors (and other officers)	12	15
Other	2,122	2,812
Total current liabilities	10,391	11,046
Non-current liabilities		
Long-term borrowings	1,268	1,096
Provision for share awards for directors (and other officers)	3	3
Retirement benefit liability	562	555
Other	634	576
Total non-current liabilities	2,469	2,231
Total liabilities	12,860	13,278
<b>Net assets</b>		
Shareholders' equity		
Share capital	6,418	6,418
Capital surplus	4,698	4,698
Retained earnings	47,415	47,670
Treasury shares	(3,106)	(3,106)
Total shareholders' equity	55,425	55,680
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,141	921
Foreign currency translation adjustment	(452)	278
Remeasurements of defined benefit plans	118	116
Total accumulated other comprehensive income	807	1,316
Non-controlling interests	6,481	6,862
Total net assets	62,714	63,859
Total liabilities and net assets	75,574	77,137

(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
For the three months ended June 30

(Million yen)

	For the three months ended June 30, 2020	For the three months ended June 30, 2021
Net sales	8,337	11,811
Cost of sales	7,381	9,009
Gross profit	956	2,801
Selling, general and administrative expenses	1,775	1,889
Operating income (loss)	(818)	912
Non-operating income		
Interest income	12	9
Dividend income	52	46
Share of profit of entities accounted for using equity method	43	45
Foreign exchange gains	45	15
Other	24	59
Total non-operating income	179	176
Non-operating expenses		
Interest expenses	8	9
Other	4	7
Total non-operating expenses	13	17
Ordinary income (loss)	(652)	1,072
Extraordinary income		
Gain on sales of investment securities	—	0
Gain on sales of non-current assets	0	11
Insurance claim income	33	—
Total extraordinary income	34	11
Extraordinary losses		
Loss on retirement of non-current assets	1	6
Total extraordinary losses	1	6
Profit (loss) before income taxes	(620)	1,077
Income taxes	22	316
Profit (loss)	(642)	760
Profit (loss) attributable to:		
Profit (loss) attributable to owners of parent	(685)	667
Profit (loss) attributable to non-controlling interests	42	93
Other comprehensive income		
Valuation difference on available-for-sale securities	323	(212)
Foreign currency translation adjustment	(764)	919
Remeasurements of defined benefit plans, net of tax	3	(2)
Share of other comprehensive income of entities accounted for using equity method	(182)	122
Total other comprehensive income	(620)	827
Comprehensive income	(1,262)	1,588
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	(1,164)	1,175
Comprehensive income attributable to non-controlling interests	(98)	413