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

November 5, 2021

Company name: **Yamatane Corporation**
Stock exchange listing: Tokyo Stock Exchange
Securities code: 9305
URL: http://www.yamatane.co.jp
Representative: Motohiro Yamazaki, Representative Director, President
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Scheduled date for filing quarterly securities report: November 12, 2021
Scheduled date for commencing dividend payments: December 1, 2021
Preparation of supplementary briefing materials for quarterly financial results: Yes
Holding of quarterly financial results briefing: Yes (only through distribution of video recording)

(Amounts of less than one million yen are truncated.)

1. Consolidated financial results for the six months ended September 30, 2021 (April 1, 2021 to September 30, 2021)

(1) Consolidated operating results (% indicates year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2021	23,271	—	1,348	(15.1)	1,187	(18.8)	694	(13.8)
September 30, 2020	25,952	(6.3)	1,588	(17.4)	1,462	(12.7)	805	(26.4)

Note: Comprehensive income: Six months ended September 30, 2021: ¥1,487 million [128.2%]
Six months ended September 30, 2020: ¥651 million [(59.4)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2021	67.30	—
September 30, 2020	78.03	—

Note: The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. has been adopted from the beginning of the first quarter ended June 30, 2021. As a result, net sales reflect the adoption of the accounting standard, etc., and the year-on-year percentage change is not presented.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
September 30, 2021	124,372	43,849	33.0	3,980.75
March 31, 2021	123,279	42,923	32.7	3,900.13

Reference: Equity: As of September 30, 2021: ¥41,095 million
As of March 31, 2021: ¥40,264 million

2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	—	0.00	—	52.00	52.00
Fiscal year ending March 31, 2022	—	25.00			
Fiscal year ending March 31, 2022 (Forecast)			—	30.00	55.00

Note: Revision to the most recently announced forecast of dividends: None

3. Consolidated financial results forecast for the fiscal year ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(% indicates year-on-year change)

	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	48,100	—	3,000	—	2,710	—	1,650	—	159.82

Note: Revision to the most recently announced forecast of financial results: None

The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. has been adopted from the beginning of the first quarter ended June 30, 2021. As a result, the forecast of financial results reflects the adoption of the accounting standard, etc., and year-on-year percentage changes are not presented.

*** Notes:**

(1) Changes in significant subsidiaries during the current period (changes in specified subsidiaries resulting in a change in the scope of consolidation): None

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
(Note) For details, please refer to "2. Quarterly Consolidated Financial Statements and Primary Notes (3) Notes to Quarterly Consolidated Financial Statements: Application of special accounting methods for preparing quarterly consolidated financial statements" on page 9 of the Japanese version of the attached materials.

(3) Changes in accounting policies, changes in accounting estimates, and retrospective restatements
1) Changes in accounting policies due to application of revised accounting standards: Yes
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting estimates: None
4) Retrospective restatements: None

(4) Number of common shares issued
1) Number of shares issued at the end of the period (including treasury shares):
As of September 30, 2021: 11,344,181 shares
As of March 31, 2021: 11,344,181 shares

2) Number of treasury shares at the end of the period:
As of September 30, 2021: 1,020,560 shares
As of March 31, 2021: 1,020,355 shares

3) Average number of common shares during the period:
Six months ended September 30, 2021: 10,323,724 shares
Six months ended September 30, 2020: 10,324,082 shares

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

* Explanation on appropriate use of financial results forecasts and other matters of note

- Financial results forecasts and other forward-looking statements provided in these materials are based on information available to the Company and certain assumptions deemed reasonable as of the date of publication of this document, and are not intended to provide any assurance that they will be accomplished in the future. Actual financial results and other aspects of business performance may differ significantly from these forecasts owing to various factors. Please refer to "1. Qualitative Information on Quarterly Financial Results for the Period under Review (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information" on page 3 of the Japanese version of the attached materials for conditions forming the basis for financial results forecasts, notes regarding the use of financial results forecasts, and other information.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

(Million yen)

	Previous fiscal year (As of March 31, 2021)	Second quarter under review (As of September 30, 2021)
Assets		
Current assets		
Cash and deposits	16,529	13,055
Notes and accounts receivable - trade	5,668	—
Notes and accounts receivable - trade, and contract assets	—	5,444
Inventories	1,587	1,444
Other	4,020	4,516
Allowance for doubtful accounts	(0)	(0)
Total current assets	27,804	24,460
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	16,938	23,144
Land	50,405	50,405
Construction in progress	6,290	3,603
Other, net	7,071	6,964
Total property, plant and equipment	80,706	84,118
Intangible assets	984	966
Investments and other assets		
Investment securities	12,231	13,288
Other	1,419	1,382
Allowance for doubtful accounts	(96)	(36)
Total investments and other assets	13,554	14,634
Total non-current assets	95,245	99,718
Deferred assets	228	193
Total assets	123,279	124,372

(Million yen)

	Previous fiscal year (As of March 31, 2021)	Second quarter under review (As of September 30, 2021)
Liabilities		
Current liabilities		
Trade accounts payable	2,916	2,021
Short-term borrowings	4,406	5,417
Current portion of long-term borrowings	5,154	5,104
Current portion of bonds payable	4,186	4,168
Other	4,696	3,954
Total current liabilities	21,359	20,666
Non-current liabilities		
Bonds payable	24,232	23,723
Long-term borrowings	20,850	21,439
Provision for environmental measures	2	2
Retirement benefit liability	1,676	1,622
Asset retirement obligations	2,325	2,332
Other	9,908	10,736
Total non-current liabilities	58,996	59,856
Total liabilities	80,355	80,523
Net assets		
Shareholders' equity		
Share capital	10,555	10,555
Capital surplus	3,747	3,747
Retained earnings	21,341	21,499
Treasury shares	(2,233)	(2,234)
Total shareholders' equity	33,411	33,569
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,003	4,674
Revaluation reserve for land	2,872	2,872
Remeasurements of defined benefit plans	(24)	(20)
Total accumulated other comprehensive income	6,852	7,526
Non-controlling interests	2,659	2,753
Total net assets	42,923	43,849
Total liabilities and net assets	123,279	124,372

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

Six Months Ended September 30

(Million yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Operating revenue	25,952	23,271
Operating costs	22,568	20,511
Operating gross profit	3,384	2,759
Selling, general and administrative expenses	1,795	1,410
Operating profit	1,588	1,348
Non-operating income		
Dividend income	160	167
Other	17	4
Total non-operating income	178	172
Non-operating expenses		
Interest expenses	271	296
Other	33	36
Total non-operating expenses	304	333
Ordinary profit	1,462	1,187
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on sale of investment securities	—	5
Total extraordinary income	0	6
Extraordinary losses		
Loss on retirement of non-current assets	3	10
Impairment losses	90	—
Total extraordinary losses	94	10
Profit before income taxes	1,369	1,184
Income taxes	496	439
Profit	872	744
Profit attributable to non-controlling interests	66	49
Profit attributable to owners of parent	805	694

Quarterly Consolidated Statement of Comprehensive Income

Six Months Ended September 30

(Million yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit	872	744
Other comprehensive income		
Valuation difference on available-for-sale securities	(222)	739
Remeasurements of defined benefit plans, net of tax	2	3
Total other comprehensive income	(220)	742
Comprehensive income	651	1,487
Comprehensive income attributable to:		
Owners of parent	611	1,368
Non-controlling interests	40	118