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Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 [Japanese GAAP]

May 13, 2022

Company name: **Yamatane Corporation**
Stock exchange listing: Tokyo Stock Exchange
Securities code: 9305
URL: https://www.yamatane.co.jp
Representative: Motohiro Yamazaki, Representative Director, President
Contact: Ichiro Tasaki, General Manager, Accounting & Finance Department, Administration Division
Phone: +81-3-3820-1111

Scheduled date for annual general meeting of shareholders: June 21, 2022
Scheduled date for commencing dividend payments: June 6, 2022
Scheduled date for filing annual securities report: June 21, 2022
Preparation of supplementary financial results briefing materials: Yes
Holding of financial results briefing: Yes

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

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

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	46,765	—	3,002	(9.1)	2,655	(15.5)	1,832	(10.3)
March 31, 2021	48,690	(11.1)	3,302	0.5	3,142	6.8	2,042	11.9

Note: Comprehensive income: Fiscal year ended March 31, 2022: ¥3,454 million [37.0 %]
Fiscal year ended March 31, 2021: ¥2,521 million [69.6 %]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2022	177.53	—	4.4	2.2	6.4
March 31, 2021	197.86	—	5.2	2.7	6.8

Reference: Share of profit of entities accounted for using equity method:
Fiscal year ended March 31, 2022: ¥— million Fiscal year ended March 31, 2021: ¥— million

Note: The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. has been adopted from the beginning of the fiscal year under review. 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
March 31, 2022	123,425	45,558	34.5	4,127.33
March 31, 2021	123,279	42,923	32.7	3,900.13

Reference: Equity: As of March 31, 2022: ¥42,608 million
As of March 31, 2021: ¥40,264 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 end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2022	4,242	(9,725)	(3,585)	7,459
March 31, 2021	4,044	(6,333)	8,924	16,529

2. Dividends

	Annual dividends per share					Total cash dividends (total)	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2021	—	0.00	—	52.00	52.00	536	26.3	1.4
March 31, 2022	—	25.00	—	30.00	55.00	567	31.0	1.4
Fiscal year ending March 31, 2023 (Forecast)	—	25.00	—	31.00	56.00		40.7	

3. Consolidated financial results forecast for the fiscal year ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(% 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
First half	25,800	10.9	1,400	3.8	1,290	8.6	670	(3.6)	64.90
Full year	52,100	11.4	2,890	(3.8)	2,650	(0.2)	1,420	(22.5)	137.54

*** 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) 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

(3) Number of common shares issued
1) Number of shares issued at the end of the period (including treasury shares):
As of March 31, 2022: 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 March 31, 2022: 1,020,692 shares
As of March 31, 2021: 1,020,355 shares

3) Average number of common shares during the period:
Fiscal year ended March 31, 2022: 10,323,630 shares
Fiscal year ended March 31, 2021: 10,323,994 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(1) Non-consolidated operating results (% indicates year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	41,183	(5.4)	1,206	(31.2)	1,210	(34.5)	1,069	(24.3)
March 31, 2021	43,536	(12.3)	1,753	(9.4)	1,846	(9.2)	1,412	(1.2)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2022	103.63	—
March 31, 2021	136.83	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2022	87,146	37,450	43.0	3,627.73
March 31, 2021	84,736	36,358	42.9	3,521.85

Reference: Equity: As of March 31, 2022: ¥37,450 million
As of March 31, 2021: ¥36,358 million

* These financial results are outside the scope of audits 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 actual financial results and other aspects of business performance may differ significantly from these forecasts owing to various factors. Please refer to “1. Overview of business performance (4) Future outlook” on page 4 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.

Consolidated Financial Statements
(1) Consolidated Balance Sheet

(Million yen)

	Previous fiscal year (As of March 31, 2021)	Fiscal year under review (As of March 31, 2022)
Assets		
Current assets		
Cash and deposits	16,529	7,459
Notes and accounts receivable - trade	5,668	-
Notes and accounts receivable - trade, and contract assets	-	6,225
Investments in leases	3,390	3,349
Inventories	1,587	1,568
Other	629	1,425
Allowance for doubtful accounts	(0)	(2)
Total current assets	27,804	20,025
Non-current assets		
Property, plant and equipment		
Buildings and structures	46,020	57,717
Accumulated depreciation	(29,081)	(30,315)
Buildings and structures, net	16,938	27,401
Land	50,405	50,433
Construction in progress	6,290	27
Other	13,912	16,081
Accumulated depreciation	(6,840)	(7,284)
Other, net	7,071	8,797
Total property, plant and equipment	80,706	86,660
Intangible assets		
Other	984	982
Total intangible assets	984	982
Investments and other assets		
Investment securities	12,231	14,229
Deferred tax assets	22	13
Other	1,397	1,389
Allowance for doubtful accounts	(96)	(36)
Total investments and other assets	13,554	15,596
Total non-current assets	95,245	103,239
Deferred assets		
Bond issuance costs	228	160
Total deferred assets	228	160
Total assets	123,279	123,425

(Million yen)

	Previous fiscal year (As of March 31, 2021)	Fiscal year under review (As of March 31, 2022)
Liabilities		
Current liabilities		
Trade accounts payable	2,916	2,506
Short-term borrowings	4,406	5,141
Current portion of long-term borrowings	5,154	5,264
Current portion of bonds payable	4,186	901
Income taxes payable	698	484
Other	3,997	3,041
Total current liabilities	21,359	17,339
Non-current liabilities		
Bonds payable	24,232	23,331
Long-term borrowings	20,850	21,522
Deferred tax liabilities for land revaluation	4,823	4,823
Deferred tax liabilities	964	1,396
Provision for environmental measures	2	2
Retirement benefit liability	1,676	1,622
Asset retirement obligations	2,325	2,334
Other	4,120	5,494
Total non-current liabilities	58,996	60,527
Total liabilities	80,355	77,867
Net assets		
Shareholders' equity		
Share capital	10,555	10,555
Capital surplus	3,747	3,747
Retained earnings	21,341	22,379
Treasury shares	(2,233)	(2,234)
Total shareholders' equity	33,411	34,448
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,003	5,304
Revaluation reserve for land	2,872	2,872
Remeasurements of defined benefit plans	(24)	(17)
Total accumulated other comprehensive income	6,852	8,159
Non-controlling interests	2,659	2,950
Total net assets	42,923	45,558
Total liabilities and net assets	123,279	123,425

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Million yen)

	Previous fiscal year (April 1, 2020 to March 31, 2021)	Fiscal year under review (April 1, 2021 to March 31, 2022)
Operating revenue	48,690	46,765
Operating costs	42,067	40,727
Operating gross profit	6,623	6,037
Selling, general and administrative expenses	3,320	3,034
Operating profit	3,302	3,002
Non-operating income		
Interest income	2	1
Dividend income	355	346
Compensation income	83	-
Other	21	11
Total non-operating income	463	359
Non-operating expenses		
Interest expenses	553	574
Commission for syndicated loans	2	58
Amortization of bond issuance costs	65	67
Other	3	6
Total non-operating expenses	624	706
Ordinary profit	3,142	2,655
Extraordinary income		
Gain on sale of investment securities	244	233
Other	4	7
Total extraordinary income	248	240
Extraordinary losses		
Loss on retirement of non-current assets	71	39
Impairment losses	120	-
Other	0	-
Total extraordinary losses	192	39
Profit before income taxes	3,198	2,856
Income taxes - current	1,094	1,004
Income taxes - deferred	(89)	(184)
Total income taxes	1,004	820
Profit	2,193	2,036
Profit attributable to non-controlling interests	151	203
Profit attributable to owners of parent	2,042	1,832

Consolidated Statement of Comprehensive Income

(Million yen)

	Previous fiscal year (April 1, 2020 to March 31, 2021)	Fiscal year under review (April 1, 2021 to March 31, 2022)
Profit	2,193	2,036
Other comprehensive income		
Valuation difference on available-for-sale securities	320	1,411
Remeasurements of defined benefit plans, net of tax	6	6
Total other comprehensive income	327	1,417
Comprehensive income	2,521	3,454
Comprehensive income attributable to:		
Owners of parent	2,352	3,139
Non-controlling interests	168	314

(3) Consolidated Statement of Changes in Equity

Previous fiscal year (April 1, 2020 to March 31, 2021)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,555	3,747	19,815	(2,233)	31,885
Changes during period					
Change in ownership interest of parent due to transactions with non-controlling interests		—			—
Dividends of surplus			(516)		(516)
Profit attributable to owners of parent			2,042		2,042
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	1,526	(0)	1,526
Balance at end of period	10,555	3,747	21,341	(2,233)	33,411

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	3,700	2,872	(30)	6,542	2,515	40,943
Changes during period						
Change in ownership interest of parent due to transactions with non-controlling interests						—
Dividends of surplus						(516)
Profit attributable to owners of parent						2,042
Purchase of treasury shares						(0)
Net changes in items other than shareholders' equity	303	—	6	309	143	453
Total changes during period	303	—	6	309	143	1,979
Balance at end of period	4,003	2,872	(24)	6,852	2,659	42,923

Fiscal year under review (April 1, 2021 to March 31, 2022)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,555	3,747	21,341	(2,233)	33,411
Changes during period					
Change in ownership interest of parent due to transactions with non-controlling interests		—			—
Dividends of surplus			(794)		(794)
Profit attributable to owners of parent			1,832		1,832
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	1,037	(0)	1,037
Balance at end of period	10,555	3,747	22,379	(2,234)	34,448

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	4,003	2,872	(24)	6,852	2,659	42,923
Changes during period						
Change in ownership interest of parent due to transactions with non-controlling interests						—
Dividends of surplus						(794)
Profit attributable to owners of parent						1,832
Purchase of treasury shares						(0)
Net changes in items other than shareholders' equity	1,300	—	6	1,306	290	1,597
Total changes during period	1,300	—	6	1,306	290	2,634
Balance at end of period	5,304	2,872	(17)	8,159	2,950	45,558

(4) Consolidated Statement of Cash Flows

(Million yen)

	Previous fiscal year (April 1, 2020 to March 31, 2021)	Fiscal year under review (April 1, 2021 to March 31, 2022)
Cash flows from operating activities		
Profit before income taxes	3,198	2,856
Depreciation	1,475	1,978
Impairment losses	120	-
Increase (decrease) in allowance for doubtful accounts	(0)	(58)
Increase (decrease) in retirement benefit liability	0	(45)
Interest and dividend income	(358)	(347)
Interest expenses	553	574
Loss (gain) on sale of investment securities	(244)	(233)
Loss (gain) on sale and retirement of property, plant and equipment and intangible assets	67	33
Decrease (increase) in trade receivables	1,192	(470)
Decrease (increase) in investments in leases	(1,324)	41
Decrease (increase) in inventories	408	19
Increase (decrease) in trade payables	(483)	(409)
Decrease (increase) in advances paid	(7)	(101)
Decrease (increase) in consumption taxes refund receivable	57	(132)
Increase (decrease) in accounts payable - other	1,914	885
Increase (decrease) in accrued expenses	(10)	121
Increase (decrease) in accrued consumption taxes	10	(72)
Increase (decrease) in guarantee deposits received	173	126
Other, net	(1,870)	(51)
Subtotal	4,873	4,714
Interest and dividends received	356	346
Proceeds from compensation for forced relocation	-	951
Interest paid	(531)	(554)
Income taxes paid	(787)	(1,217)
Income taxes refund	132	1
Net cash provided by (used in) operating activities	4,044	4,242
Cash flows from investing activities		
Purchase of investment securities	(4)	(4)
Proceeds from sale of investment securities	301	287
Purchase of property, plant and equipment and intangible assets	(6,763)	(9,991)
Proceeds from sale of property, plant and equipment and intangible assets	3	6
Proceeds from collection of loans receivable	35	25
Other, net	93	(49)
Net cash provided by (used in) investing activities	(6,333)	(9,725)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,198)	734
Proceeds from long-term borrowings	7,871	6,056
Repayments of long-term borrowings	(4,278)	(5,274)
Proceeds from issuance of bonds	9,947	-
Redemption of bonds	(1,775)	(4,186)
Repayments of lease obligations	(101)	(99)
Purchase of treasury shares	(0)	(0)
Dividends paid	(515)	(792)
Dividends paid to non-controlling interests	(24)	(24)
Net cash provided by (used in) financing activities	8,924	(3,585)
Net increase (decrease) in cash and cash equivalents	6,634	(9,069)
Cash and cash equivalents at beginning of period	9,894	16,529
Cash and cash equivalents at end of period	16,529	7,459