

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

August 10, 2021

Company name: KYODEN COMPANY,LIMITED  
 Stock exchange listing: Tokyo  
 Stock code: 6881 URL <https://www.kyoden.co.jp>  
 Representative: Representative Director and President Kiyotaka Mori  
 General Manager, Finance and Accounting  
 Inquiries: Department Toshiaki Ichihara TEL 03-5789-2273  
 Scheduled date to file Quarterly Securities Report: August 11, 2021  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2021	13,454	9.1	1,297	50.7	1,357	40.2	959	41.7
Three months ended June 30, 2020	12,331	(3.8)	861	59.6	967	53.5	677	240.5

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	19.32		–	
Three months ended June 30, 2020	13.63		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	47,515	21,355	44.8
As of March 31, 2021	47,846	20,771	43.2

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2021	–	0.00	–	10.00	10.00
Year ending March 31, 2022	–				
Year ending March 31, 2022 (Forecast)		0.00	–	15.00	15.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	50,600	7.6	3,000	26.8	2,900	15.8	1,900	(27.8)	38.24

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2021  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2021	52,279,051 shares	As of March 31, 2021	52,279,051 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	2,592,855 shares	As of March 31, 2021	2,592,855 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2021	49,686,196 shares	Three months ended June 30, 2020	49,686,196 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	8,680	6,696
Notes and accounts receivable - trade	13,388	–
Notes and accounts receivable - trade, and contract assets	–	13,841
Electronically recorded monetary claims - operating	2,485	2,776
Merchandise and finished goods	2,108	2,576
Work in process	2,176	2,276
Raw materials and supplies	3,041	3,354
Other	532	824
Allowance for doubtful accounts	(130)	(138)
<b>Total current assets</b>	<b>32,284</b>	<b>32,206</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Land	3,529	3,543
Other, net	9,717	9,566
<b>Total property, plant and equipment</b>	<b>13,246</b>	<b>13,109</b>
Intangible assets	263	310
<b>Investments and other assets</b>		
Other	2,207	2,043
Allowance for doubtful accounts	(155)	(154)
<b>Total investments and other assets</b>	<b>2,051</b>	<b>1,888</b>
<b>Total non-current assets</b>	<b>15,562</b>	<b>15,308</b>
<b>Total assets</b>	<b>47,846</b>	<b>47,515</b>

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	5,949	6,453
Electronically recorded obligations - operating	921	1,013
Short-term borrowings	3,600	3,047
Current portion of bonds payable	240	240
Current portion of long-term borrowings	2,654	2,654
Income taxes payable	749	230
Provision for bonuses	416	165
Other	2,882	3,459
Total current liabilities	17,414	17,263
Non-current liabilities		
Bonds payable	240	240
Long-term borrowings	5,411	4,747
Provision for retirement benefits for directors (and other officers)	8	8
Retirement benefit liability	2,782	2,758
Other	1,217	1,142
Total non-current liabilities	9,659	8,896
Total liabilities	27,074	26,160
<b>Net assets</b>		
Shareholders' equity		
Share capital	4,358	4,358
Capital surplus	4,174	4,174
Retained earnings	13,450	13,849
Treasury shares	(491)	(491)
Total shareholders' equity	21,491	21,890
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	126	100
Foreign currency translation adjustment	(908)	(717)
Remeasurements of defined benefit plans	(28)	(7)
Total accumulated other comprehensive income	(810)	(624)
Non-controlling interests	90	89
Total net assets	20,771	21,355
Total liabilities and net assets	47,846	47,515

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	12,331	13,454
Cost of sales	10,106	10,710
Gross profit	2,224	2,744
Selling, general and administrative expenses	1,363	1,446
Operating profit	861	1,297
Non-operating income		
Interest income	0	0
Dividend income	0	0
Rental income	6	3
Foreign exchange gains	102	–
Subsidy income	–	71
Other	24	33
Total non-operating income	135	109
Non-operating expenses		
Interest expenses	21	17
Foreign exchange losses	–	25
Other	7	6
Total non-operating expenses	28	49
Ordinary profit	967	1,357
Profit before income taxes	967	1,357
Income taxes - current	157	215
Income taxes - deferred	128	178
Total income taxes	286	393
Profit	681	963
Profit attributable to non-controlling interests	4	3
Profit attributable to owners of parent	677	959

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	681	963
Other comprehensive income		
Valuation difference on available-for-sale securities	25	(25)
Foreign currency translation adjustment	(437)	190
Remeasurements of defined benefit plans, net of tax	(13)	20
Total other comprehensive income	(426)	186
Comprehensive income	255	1,150
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	251	1,146
Comprehensive income attributable to non-controlling interests	4	3