

Translation

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

August 2, 2021

Company name: ICHINEN HOLDINGS CO., LTD
 Stock exchange listing: Tokyo
 Stock code: 9619 URL <https://www.ichinenhd.co.jp>
 Representative: President Masashi Kuroda
 Director
 Executive Officer
 Inquiries: General Manager Hisako Imoto TEL 06-6309-7890
 General Planning Dept.
 Scheduled date to file Quarterly Securities Report: August 13, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes

(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	29,624	9.6	2,323	50.7	2,353	50.2	1,493	57.7
Three months ended June 30, 2020	27,032	21.4	1,541	6.0	1,567	4.4	946	2.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	61.45		61.25	
Three months ended June 30, 2020	38.97		38.90	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2021	162,794	40,643	24.9	1,669.70
As of March 31, 2021	161,948	39,706	24.5	1,631.60

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	–	20.00	–	20.00	40.00
Year ending March 31, 2022	–				
Year ending March 31, 2022 (Forecast)		20.00	–	20.00	40.00

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
Six months ending September 30, 2021	59,340	9.5	4,004	11.8	4,031	10.9	2,562	244.7	105.44
Full year	117,000	3.9	7,000	(6.9)	7,000	(6.8)	4,430	46.9	182.32

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	24,612,227 shares	As of March 31, 2021	24,612,227 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	314,197 shares	As of March 31, 2021	314,197 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	24,298,030 shares	Three months ended June 30, 2020	24,298,324 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
Assets		
Current assets		
Cash and deposits	11,984	10,674
Notes and accounts receivable - trade	17,074	15,578
Electronically recorded monetary claims - operating	2,718	2,752
Accounts receivable-leasing business and maintenance business	2,522	2,571
Investments in leases	19,780	21,122
Merchandise and finished goods	7,029	7,839
Work in process	779	709
Raw materials and supplies	1,414	1,318
Prepaid expenses	2,437	3,734
Other	2,962	3,091
Allowance for doubtful accounts	(44)	(43)
Total current assets	68,659	69,348
Non-current assets		
Property, plant and equipment		
Assets for lease	130,781	132,019
Accumulated depreciation-lease business assets	(70,759)	(71,812)
Lease Assets Net	60,022	60,206
Land	8,602	8,600
Other	24,887	25,389
Accumulated depreciation	(11,277)	(11,587)
Other, net	13,610	13,801
Total property, plant and equipment	82,235	82,608
Intangible assets		
Goodwill	1,193	1,132
Other	383	380
Total intangible assets	1,577	1,512
Investments and other assets		
Investment securities	5,130	4,919
Long-term prepaid expenses	1,740	1,719
Deferred tax assets	593	815
Other	2,150	1,994
Allowance for doubtful accounts	(167)	(149)
Total investments and other assets	9,446	9,298
Total non-current assets	93,259	93,419
Deferred assets	29	26
Total assets	161,948	162,794

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,320	13,270
Electronically recorded obligations - operating	3,908	4,282
Short-term borrowings	8,300	4,300
Commercial papers	3,500	3,500
Current portion of bonds payable	5,260	5,260
Current portion of long-term borrowings	20,856	20,908
Lease obligations	15	14
Income taxes payable	507	903
Advances received-leasing business and maintenance business	563	560
Provision for bonuses	782	1,155
Reserve for quality assurance	6	7
Other	2,259	2,017
Total current liabilities	60,278	56,179
Non-current liabilities		
Bonds payable	6,750	6,750
Long-term borrowings	51,991	55,950
Lease obligations	9	8
Retirement benefit liability	2,029	2,032
Provision for retirement benefits for directors (and other officers)	159	166
Asset retirement obligations	384	439
Other	638	624
Total non-current liabilities	61,962	65,972
Total liabilities	122,241	122,151
Net assets		
Shareholders' equity		
Share capital	2,529	2,529
Capital surplus	1,805	1,805
Retained earnings	33,965	35,008
Treasury shares	(340)	(340)
Total shareholders' equity	37,959	39,002
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,690	1,556
Deferred gains or losses on hedges	1	1
Foreign currency translation adjustment	18	34
Remeasurements of defined benefit plans	(25)	(24)
Total accumulated other comprehensive income	1,684	1,567
Share acquisition rights	62	73
Total net assets	39,706	40,643
Total liabilities and net assets	161,948	162,794

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	27,032	29,624
Cost of sales	21,242	22,961
Gross profit	5,789	6,662
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	243	254
Salaries, allowances and bonuses	1,458	1,448
Provision for bonuses	326	331
Retirement benefit expenses	86	81
Provision for retirement benefits for directors (and other officers)	6	7
Provision of allowance for doubtful accounts	6	(1)
Provision for quality assurance	(0)	1
Amortization of goodwill	74	61
Other	2,045	2,153
Total selling, general and administrative expenses	4,247	4,338
Operating profit	1,541	2,323
Non-operating income		
Dividend income	32	31
Purchase discounts	14	15
Other	17	20
Total non-operating income	64	67
Non-operating expenses		
Interest expenses	18	14
Commission expenses	8	8
Other	11	14
Total non-operating expenses	38	37
Ordinary profit	1,567	2,353
Extraordinary income		
Gain on sale of non-current assets	1	1
Total extraordinary income	1	1
Extraordinary losses		
Loss on sale and retirement of non-current assets	31	46
Loss on sale of investment securities	–	0
Loss on valuation of investment securities	16	–
Total extraordinary losses	47	46
Profit before income taxes	1,520	2,309
Income taxes - current	747	1,018
Income taxes - deferred	(172)	(202)
Total income taxes	574	816
Profit	946	1,493
Profit attributable to owners of parent	946	1,493

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	946	1,493
Other comprehensive income		
Valuation difference on available-for-sale securities	426	(133)
Deferred gains or losses on hedges	(6)	0
Foreign currency translation adjustment	(14)	15
Remeasurements of defined benefit plans, net of tax	5	0
Total other comprehensive income	410	(117)
Comprehensive income	1,357	1,376
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,357	1,376