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Consolidated Financial Results for the Three Months Ended March 31, 2021 [Japanese GAAP]

May 13, 2021

Company name: ISEKI&CO., LTD.

Stock exchange listing: Tokyo

Code number: 6310

URL: <https://www.iseki.co.jp>

Representative: Shirou Tomiyasu

, President and Representative Director

Contact: Yoshikazu Ogusu

, General Manager of Financial Department

Phone: 03-5604-7671

Scheduled date of filing quarterly securities report: May 13, 2021

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes (for institutional investors and analysts)

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

1. Consolidated Financial Results for the Three Months Ended March 31, 2021 (January 01, 2021 to March 31, 2021)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating Income		Ordinary Income		Profit(Loss) attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended March 31, 2021	40,495	26.7	1,478	-	2,128	-	1,929	-
March 31, 2020	31,960	(4.2)	(1,105)	-	(1,281)	-	(465)	-

(Note) Comprehensive income: Three months ended March 31, 2021: ¥ 2,475 million [-%]
Three months ended March 31, 2020: ¥ (1,319) million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended March 31, 2021	85.37	85.31
March 31, 2020	(20.58)	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2021	193,924	64,890	32.6	2,792.25
December 31, 2020	187,428	62,419	32.4	2,683.14

(Reference) Equity: As of March 31, 2021: ¥ 63,123 million
As of December 31, 2020: ¥ 60,657 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 December 31, 2020	-	-	-	-	-
Fiscal year ending December 31, 2021	-				
Fiscal year ending December 31, 2021 (Forecast)		-	-	-	-

(Note) Revision to the forecast for dividends announced most recently: No

The dividend forecast for the fiscal year ending December 31, 2021 is undecided.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2021 (January 01, 2021 to December 31, 2021)

(% 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
Full year	153,500	2.8	3,600	72.7	3,500	105.6	2,400	-	106.18

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the three months ended March 31, 2021

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

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

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

March 31, 2021: 22,984,993 shares

December 31, 2020: 22,984,993 shares

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

March 31, 2021: 378,199 shares

December 31, 2020: 378,173 shares

3) Average number of shares during the period:

Three months ended March 31, 2021: 22,606,805 shares

Three months ended March 31, 2020: 22,597,166 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of December 31,2020	As of March 31,2021
Assets		
Current assets		
Cash and deposits	10,787	9,042
Notes and accounts receivable - trade	21,780	28,992
Merchandise and finished goods	43,881	45,879
Work in process	6,775	6,434
Raw materials and supplies	1,189	1,160
Other	5,599	4,656
Allowance for doubtful accounts	(35)	(58)
Total current assets	89,979	96,106
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,212	25,054
Land	44,690	44,639
Other, net	16,384	16,130
Total property, plant and equipment	86,287	85,825
Intangible assets	1,967	2,094
Investments and other assets		
Investment securities	4,609	5,142
Other	4,721	4,868
Allowance for doubtful accounts	(136)	(112)
Total investments and other assets	9,193	9,898
Total non-current assets	97,449	97,817
Total assets	187,428	193,924

(Million yen)

	As of December 31,2020	As of March 31,2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	20,206	23,451
Electronically recorded obligations - operating	16,666	16,651
Short-term loans payable	29,781	34,374
Current portion of long-term loans payable	7,679	5,731
Income taxes payable	438	276
Provision for bonuses	425	846
Other	10,950	9,478
Total current liabilities	86,147	90,810
Non-current liabilities		
Long-term loans payable	24,114	23,181
Deferred tax liabilities for land revaluation	4,097	4,097
Provision for retirement benefits for directors	145	146
Net defend benefit liability	3,144	3,132
Asset retirement obligations	322	322
Other	7,036	7,343
Total non-current liabilities	38,861	38,224
Total liabilities	125,009	129,034
Net assets		
Shareholders' equity		
Share capital	23,344	23,344
Capital surplus	13,449	13,449
Retained earnings	14,493	16,423
Treasury shares	(941)	(941)
Total shareholders' equity	50,346	52,276
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(91)	307
Deferred gains or losses on hedges	(2)	3
Revaluation reserve for land	8,835	8,835
Foreign currency translation adjustment	588	731
Remeasurements of defined benefit plans	980	969
Total accumulated other comprehensive income	10,310	10,847
Subscription rights to shares	37	37
Non-controlling interests	1,724	1,728
Total net assets	62,419	64,890
Total liabilities and net assets	187,428	193,924

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the three months)

(Million yen)

	For the three months ended March 31,2020	For the three months ended March 31,2021
Net sales	31,960	40,495
Cost of sales	22,936	28,710
Gross profit	9,024	11,784
Selling, general and administrative expenses	10,129	10,306
Operating profit (loss)	(1,105)	1,478
Non-operating income		
Interest income	59	36
Dividend income	16	13
Foreign exchange gains	-	252
Share of profit of entities accounted for using equity method	-	18
Settlement received	-	401
Other	166	178
Total non-operating income	241	901
Non-operating expenses		
Interest expenses	153	154
Foreign exchange losses	92	-
Share of loss of entities accounted for using equity method	70	-
Other	100	96
Total non-operating expenses	417	251
Ordinary profit (loss)	(1,281)	2,128
Extraordinary income		
Gain on sales of non-current assets	5	18
Gain on change in equity	123	-
Total extraordinary income	129	18
Extraordinary losses		
Loss on sales and retirement of non-current assets	32	55
Impairment loss	-	33
Total extraordinary losses	32	88
Profit (loss) before income taxes	(1,183)	2,058
Income taxes - current	91	493
Income taxes - deferred	(789)	(369)
Total income taxes	(697)	124
Profit (loss)	(485)	1,934
Profit (loss) attributable to non-controlling interests	(20)	4
Profit (loss) attributable to owners of parent	(465)	1,929

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Million yen)

	For the three months ended March 31,2020	For the three months ended March 31,2021
Profit (loss)	(485)	1,934
Other comprehensive income		
Valuation difference on available-for-sale securities	(751)	399
Deferred gains or losses on hedges	(1)	5
Foreign currency translation adjustment	30	129
Remeasurements of defined benefit plans, net of tax	(0)	(10)
Share of other comprehensive income of entities accounted for using equity method	(111)	16
Total other comprehensive income	(834)	541
Comprehensive income	(1,319)	2,475
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,298)	2,466
Comprehensive income attributable to non-controlling interests	(21)	8