



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

August 06, 2021

Company name: ISEKI&CO., LTD.

Stock exchange listing: Tokyo

Code number: 6310

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

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,President and Representative Director

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Scheduled date of filing quarterly securities report: August 06, 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

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

## 1. Consolidated Financial Results for the Six Months Ended June 30, 2021 (January 01, 2021 to June 30, 2021)

### (1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended June 30, 2021	86,672	20.0	4,721	271.6	5,508	415.4	4,127	321.2
June 30, 2020	72,245	(6.8)	1,270	(22.4)	1,068	25.8	979	47.3

(Note) Comprehensive income: Six months ended June 30, 2021: ¥ 4,637 million [ -%]  
Six months ended June 30, 2020: ¥ 413 million [ 21.1%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2021	182.56	182.44
June 30, 2020	43.35	43.31

### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
June 30, 2021	195,041	67,051	33.5	2,887.00
December 31, 2020	187,428	62,419	32.4	2,683.14

(Reference) Equity: As of June 30, 2021: ¥ 65,272 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	-	-	-	0.00	0.00
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 has been undetermined at this moment.

## 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 profit		Ordinary profit		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 six months ended June 30, 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):

June 30, 2021: 22,984,993 shares

December 31, 2020: 22,984,993 shares

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

June 30, 2021: 375,798 shares

December 31, 2020: 378,173 shares

##### 3) Average number of shares during the period:

Six months ended June 30, 2021: 22,607,435 shares

Six months ended June 30, 2020: 22,601,354 shares

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Million yen)

	As of December 31,2020	As of June 30,2021
<b>Assets</b>		
Current assets		
Cash and deposits	10,787	14,320
Notes and accounts receivable - trade	21,780	32,148
Merchandise and finished goods	43,881	40,040
Work in process	6,775	6,586
Raw materials and supplies	1,189	1,122
Other	5,599	3,632
Allowance for doubtful accounts	(35)	(44)
Total current assets	89,979	97,806
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,212	24,743
Land	44,690	44,617
Other, net	16,384	16,089
Total property, plant and equipment	86,287	85,450
Intangible assets	1,967	2,232
Investments and other assets		
Investment securities	4,609	5,036
Other	4,721	4,630
Allowance for doubtful accounts	(136)	(114)
Total investments and other assets	9,193	9,552
Total non-current assets	97,449	97,235
Total assets	187,428	195,041

(Million yen)

	As of December 31,2020	As of June 30,2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	20,206	20,924
Electronically recorded obligations - operating	16,666	20,218
Short-term loans payable	29,781	27,446
Current portion of long-term loans payable	7,679	6,059
Income taxes payable	438	1,051
Provision for bonuses	425	632
Other	10,950	10,889
Total current liabilities	86,147	87,222
Non-current liabilities		
Long-term loans payable	24,114	25,934
Deferred tax liabilities for land revaluation	4,097	4,097
Provision for retirement benefits for directors	145	145
Net defend benefit liability	3,144	3,068
Asset retirement obligations	322	323
Other	7,036	7,196
Total non-current liabilities	38,861	40,767
Total liabilities	125,009	127,989
Net assets		
Shareholders' equity		
Share capital	23,344	23,344
Capital surplus	13,449	13,448
Retained earnings	14,493	18,620
Treasury shares	(941)	(934)
Total shareholders' equity	50,346	54,479
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(91)	241
Deferred gains or losses on hedges	(2)	2
Revaluation reserve for land	8,835	8,835
Foreign currency translation adjustment	588	755
Remeasurements of defined benefit plans	980	958
Total accumulated other comprehensive income	10,310	10,792
Subscription rights to shares	37	30
Non-controlling interests	1,724	1,748
Total net assets	62,419	67,051
Total liabilities and net assets	187,428	195,041

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

(Million yen)

	For the six months ended June 30,2020	For the six months ended June 30,2021
Net sales	72,245	86,672
Cost of sales	50,801	60,886
Gross profit	21,444	25,785
Selling, general and administrative expenses	20,173	21,064
Operating profit	1,270	4,721
Non-operating income		
Interest income	95	71
Dividend income	91	78
Foreign exchange gains	-	281
Share of profit of entities accounted for using equity method	-	34
Settlement received	-	401
Other	392	429
Total non-operating income	578	1,297
Non-operating expenses		
Interest expenses	324	300
Foreign exchange losses	60	-
Share of loss of entities accounted for using equity method	181	-
Other	213	209
Total non-operating expenses	780	510
Ordinary profit	1,068	5,508
Extraordinary income		
Gain on sales of non-current assets	15	28
Gain on change in equity	650	-
Total extraordinary income	666	28
Extraordinary losses		
Loss on sales and retirement of non-current assets	74	84
Impairment loss	1	34
Loss on valuation of investment securities	52	-
Other	-	0
Total extraordinary losses	128	119
Profit before income taxes	1,607	5,418
Income taxes - current	383	1,367
Income taxes - deferred	234	(100)
Total income taxes	617	1,267
Profit	989	4,151
Profit attributable to non-controlling interests	9	24
Profit attributable to owners of parent	979	4,127

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

(Million yen)

	For the six months ended June 30,2020	For the six months ended June 30,2021
Profit	989	4,151
Other comprehensive income		
Valuation difference on available-for-sale securities	(459)	332
Deferred gains or losses on hedges	20	4
Foreign currency translation adjustment	(8)	149
Remeasurements of defined benefit plans, net of tax	(0)	(21)
Share of other comprehensive income of entities accounted for using equity method	(127)	21
Total other comprehensive income	(575)	486
Comprehensive income	413	4,637
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	405	4,609
Comprehensive income attributable to non-controlling interests	8	28

Quarterly Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended June 30,2020	For the six months ended June 30,2021
<b>Cash flows from operating activities</b>		
Profit before income taxes	1,607	5,418
Depreciation	4,144	3,171
Amortization of goodwill	1	1
Impairment loss	1	34
Increase (decrease) in retirement benefit liability	33	(83)
Loss (gain) on sales of investment securities	-	0
Interest and dividend income	(186)	(150)
Interest expenses	324	300
Foreign exchange losses (gains)	(16)	(84)
Loss (gain) on sales of property, plant and equipment and intangible assets	58	55
Loss (gain) on change in equity	(650)	-
Decrease (increase) in trade receivables	(10,556)	(10,226)
Decrease (increase) in inventories	(2,421)	4,456
Increase (decrease) in trade payables	3,570	4,058
Other, net	1,276	1,230
Subtotal	(2,813)	8,182
Interest and dividends received	194	154
Interest paid	(322)	(295)
Income taxes paid	(154)	(591)
Net cash provided by (used in) operating activities	(3,096)	7,449
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(4,972)	(2,562)
Proceeds from sales of property, plant and equipment and intangible assets	153	561
Purchase of investment securities	(0)	(0)
Proceeds from sales of investment securities	-	3
Decrease (increase) in time deposits	(253)	(252)
Other, net	452	904
Net cash provided by (used in) investing activities	(4,620)	(1,345)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	8,511	(2,575)
Proceeds from long-term loans payable	3,100	5,284
Repayments of long-term loans payable	(3,849)	(5,146)
Proceeds from sale and leaseback transactions	634	534
Repayments of lease obligations	(1,058)	(1,035)
Purchase of treasury shares	(0)	(0)
Dividends paid	(671)	(1)
Other, net	(3)	(4)
Net cash provided by (used in) financing activities	6,664	(2,944)
Effect of exchange rate change on cash and cash equivalents	10	120
Net increase (decrease) in cash and cash equivalents	(1,041)	3,280
Cash and cash equivalents at beginning of period	8,369	10,752
Cash and cash equivalents at end of period	7,327	14,032