

Translation

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

November 4, 2021

Company name: EBARA JITSUGYO CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 6328 URL <https://www.ejk.co.jp/>
 Representative: President and COO Toshinori Yoshida
 Inquiries: Managing Executive Officer, Head of Planning & Strategy Office Shuji Ohno TEL 03-5565-2885
 Scheduled date to file Quarterly Securities Report: November 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 nine months ended September 30, 2021 (from January 1, 2021 to September 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	%
Nine months ended September 30, 2021	24,335	11.0	3,392	47.6	3,476	44.3	2,648	57.1
Nine months ended September 30, 2020	21,933	1.7	2,298	39.1	2,409	37.3	1,685	36.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended September 30, 2021	210.97		–	
Nine months ended September 30, 2020	132.42		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2021	32,756	18,438	56.3
As of December 31, 2020	32,509	16,703	51.4

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended December 31, 2020	–	30.00	–	80.00	110.00
Year ending December 31, 2021	–	75.00	–		
Year ending December 31, 2021 (Forecast)				47.50	–

3. Forecast of consolidated financial results for the year ending December 31, 2021 (from January 1, 2021 to December 31, 2021)

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	33,000	9.1	3,850	19.8	4,000	18.9	3,000	28.1	238.68

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended September 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: No
- 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 September 30, 2021	13,430,000 shares	As of December 31, 2020	13,430,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2021	1,019,254 shares	As of December 31, 2020	861,048 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2021	12,556,191 shares	Nine months ended September 30, 2020	12,730,225 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of December 31, 2020	As of September 30, 2021
Assets		
Current assets		
Cash and deposits	9,386	12,075
Notes and accounts receivable - trade	10,804	7,502
Merchandise and finished goods	660	764
Work in process	224	305
Costs on construction contracts in progress	576	298
Raw materials and supplies	435	435
Other	210	668
Allowance for doubtful accounts	(1)	(1)
Total current assets	22,296	22,048
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,194	3,206
Accumulated depreciation	(1,847)	(1,911)
Buildings and structures, net	1,346	1,295
Machinery, equipment and vehicles	194	196
Accumulated depreciation	(137)	(143)
Machinery, equipment and vehicles, net	56	52
Tools, furniture and fixtures	658	660
Accumulated depreciation	(573)	(588)
Tools, furniture and fixtures, net	84	71
Land	1,356	1,356
Construction in progress	13	282
Total property, plant and equipment	2,857	3,058
Intangible assets	131	126
Investments and other assets		
Investment securities	5,715	6,194
Insurance funds	687	404
Investment property, net	666	707
Deferred tax assets	13	58
Other	247	265
Allowance for doubtful accounts	(106)	(105)
Total investments and other assets	7,224	7,524
Total non-current assets	10,213	10,708
Total assets	32,509	32,756

(Millions of yen)

	As of December 31, 2020	As of September 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,946	6,332
Short-term borrowings	1,090	1,165
Income taxes payable	788	759
Accrued consumption taxes	261	321
Advances received	1,411	2,958
Provision for bonuses	–	320
Provision for loss on construction contracts	152	42
Other	628	502
Total current liabilities	14,278	12,402
Non-current liabilities		
Deferred tax liabilities	1,086	1,232
Provision for retirement benefits for directors (and other officers)	158	158
Retirement benefit liability	195	218
Other	86	306
Total non-current liabilities	1,527	1,915
Total liabilities	15,805	14,317
Net assets		
Shareholders' equity		
Share capital	1,001	1,001
Capital surplus	831	1,032
Retained earnings	12,952	14,625
Treasury shares	(862)	(1,477)
Total shareholders' equity	13,923	15,182
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,811	3,275
Remeasurements of defined benefit plans	(31)	(19)
Total accumulated other comprehensive income	2,780	3,256
Total net assets	16,703	18,438
Total liabilities and net assets	32,509	32,756

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended September 30, 2020	Nine months ended September 30, 2021
Net sales	21,933	24,335
Cost of sales	15,419	16,163
Gross profit	6,514	8,171
Selling, general and administrative expenses	4,215	4,778
Operating profit	2,298	3,392
Non-operating income		
Interest income	0	3
Dividend income	57	65
Rental income from investment property	72	73
Other	21	19
Total non-operating income	153	161
Non-operating expenses		
Interest expenses	4	5
Rental expenses on real estate	28	29
Loss on cancellation of insurance policies	0	21
Other	8	21
Total non-operating expenses	41	77
Ordinary profit	2,409	3,476
Extraordinary income		
Gain on sales of investment securities	–	338
Gain on sales of memberships	–	0
Total extraordinary income	–	338
Extraordinary losses		
Loss on sales of investment securities	–	26
Loss on valuation of investment securities	31	–
Loss on disposal of non-current assets	–	0
Loss on sales of membership	–	0
Total extraordinary losses	31	26
Profit before income taxes	2,378	3,788
Income taxes - current	788	1,251
Income taxes - deferred	(95)	(111)
Total income taxes	692	1,139
Profit	1,685	2,648
Profit attributable to owners of parent	1,685	2,648

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended September 30, 2020	Nine months ended September 30, 2021
Profit	1,685	2,648
Other comprehensive income		
Valuation difference on available-for-sale securities	(70)	463
Remeasurements of defined benefit plans, net of tax	12	11
Total other comprehensive income	(57)	475
Comprehensive income	1,628	3,124
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,628	3,124
Comprehensive income attributable to non-controlling interests	—	—