

Translation

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Summary of Consolidated Financial Results for the Three Months Ended March 31, 2021 (Based on Japanese GAAP)

May 11, 2021

Company name: EBARA JITSUGYO CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 6328 URL: <https://www.ejk.co.jp/>
 Representative: President and COO Toru Abe
 Inquiries: Managing Executive Officer, Head of Planning & Strategy Office Shuji Ohno TEL 03-5565-2885
 Scheduled date to file Quarterly Securities Report: May 13, 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 March 31, 2021 (from January 1, 2021 to March 31, 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 March 31, 2021	14,725	27.6	3,544	74.0	3,576	72.9	2,707	93.4
Three months ended March 31, 2020	11,544	1.8	2,036	11.5	2,068	11.8	1,400	9.3

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended March 31, 2021	430.87	–
Three months ended March 31, 2020	214.50	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2021	39,521	19,034	48.2
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	Yen	Yen	Yen	Yen
Year ended December 31, 2020	–	30.00	–	80.00	110.00
Year ending December 31, 2021	–	–	–	–	–
Year ending December 31, 2021 (Forecast)	–	70.00	–	70.00	140.00

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	3,400	5.8	3,600	7.0	2,500	6.7	397.81

4. Notes

- (1) Changes in significant subsidiaries during the three months ended March 31, 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 March 31, 2021	6,715,000 shares	As of December 31, 2020	6,715,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2021	430,558 shares	As of December 31, 2020	430,524 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2021	6,284,467 shares	Three months ended March 31, 2020	6,527,076 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of December 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	9,386	10,687
Notes and accounts receivable - trade	10,804	17,116
Merchandise and finished goods	660	454
Work in process	224	242
Costs on construction contracts in progress	576	222
Raw materials and supplies	435	353
Other	210	82
Allowance for doubtful accounts	(1)	(1)
Total current assets	22,296	29,158
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,194	3,195
Accumulated depreciation	(1,847)	(1,868)
Buildings and structures, net	1,346	1,326
Machinery, equipment and vehicles	194	194
Accumulated depreciation	(137)	(141)
Machinery, equipment and vehicles, net	56	52
Tools, furniture and fixtures	658	662
Accumulated depreciation	(573)	(584)
Tools, furniture and fixtures, net	84	78
Land	1,356	1,356
Construction in progress	13	157
Total property, plant and equipment	2,857	2,971
Intangible assets	131	125
Investments and other assets		
Investment securities	5,715	5,680
Insurance funds	687	691
Investment property, net	666	705
Deferred tax assets	13	35
Other	247	258
Allowance for doubtful accounts	(106)	(106)
Total investments and other assets	7,224	7,265
Total non-current assets	10,213	10,362
Total assets	32,509	39,521

(Millions of yen)

	As of December 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,946	13,912
Short-term borrowings	1,090	1,090
Income taxes payable	788	1,338
Accrued consumption taxes	261	541
Advances received	1,411	769
Provision for bonuses	–	228
Provision for loss on construction contracts	152	130
Other	628	969
Total current liabilities	14,278	18,981
Non-current liabilities		
Deferred tax liabilities	1,086	1,059
Provision for retirement benefits for directors (and other officers)	158	158
Retirement benefit liability	195	203
Other	86	83
Total non-current liabilities	1,527	1,505
Total liabilities	15,805	20,486
Net assets		
Shareholders' equity		
Share capital	1,001	1,001
Capital surplus	831	831
Retained earnings	12,952	15,161
Treasury shares	(862)	(862)
Total shareholders' equity	13,923	16,131
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,811	2,929
Remeasurements of defined benefit plans	(31)	(26)
Total accumulated other comprehensive income	2,780	2,902
Total net assets	16,703	19,034
Total liabilities and net assets	32,509	39,521

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended March 31, 2020	Three months ended March 31, 2021
Net sales	11,544	14,725
Cost of sales	8,100	9,677
Gross profit	3,443	5,047
Selling, general and administrative expenses	1,406	1,503
Operating profit	2,036	3,544
Non-operating income		
Interest income	0	0
Dividend income	9	17
Rental income from investment property	25	22
Insurance claim income	10	–
Gain on sales of investment securities	–	11
Other	0	1
Total non-operating income	46	53
Non-operating expenses		
Interest expenses	1	1
Rental expenses on real estate	10	8
Commission expenses	0	8
Other	2	2
Total non-operating expenses	15	21
Ordinary profit	2,068	3,576
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	25	–
Loss on sales of membership	–	0
Total extraordinary losses	25	26
Profit before income taxes	2,042	3,887
Income taxes - current	727	1,284
Income taxes - deferred	(84)	(104)
Total income taxes	642	1,180
Profit	1,400	2,707
Profit attributable to owners of parent	1,400	2,707

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended March 31, 2020	Three months ended March 31, 2021
Profit	1,400	2,707
Other comprehensive income		
Valuation difference on available-for-sale securities	(903)	117
Remeasurements of defined benefit plans, net of tax	4	4
Total other comprehensive income	(899)	122
Comprehensive income	500	2,829
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	500	2,829
Comprehensive income attributable to non-controlling interests	—	—