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Consolidated Financial Results for the Nine Months Ended September 30, 2021 [Japanese GAAP]

November 12, 2021

Company name: SAKATA INX CORPORATION
 Stock exchange listing: Tokyo
 Code number: 4633
 URL: <http://www.inx.co.jp/>
 Representative: Yoshiaki Ueno Representative Director, President & CEO
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Scheduled date of filing quarterly securities report: November 12, 2021

Scheduled date of commencing dividend payments: —

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

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

1. Consolidated Financial Results for the Nine Months Ended September 30, 2021 (January 1, 2021 to September 30, 2021)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended September 30, 2021	133,637	11.9	6,256	25.8	7,131	46.7	4,790	61.7
September 30, 2020	119,417	(4.2)	4,975	2.0	4,861	(13.1)	2,961	(15.3)

(Note) Comprehensive income: Nine months ended September 30, 2021: ¥ 9,996million [-%]
 Nine months ended September 30, 2020: ¥ (401)million [-%]

	Basic earnings per share	Diluted earnings per share
Nine months ended September 30, 2021	Yen 81.98	Yen -
September 30, 2020	50.70	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of September 30, 2021	Million yen 157,673	Million yen 89,631	% 53.3
December 31, 2020	145,272	81,421	52.6

(Note) Equity: As of September 30, 2021: ¥ 83,973million

As of December 31, 2020: ¥ 76,360million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended December 31, 2020	Yen -	Yen 15.00	Yen -	Yen 15.00	Yen 30.00
Fiscal year ending December 31, 2021	-	15.00	-	-	-
Fiscal year ending December 31, 2021(Forecast)	-	-	-	15.00	30.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2021 (January 1, 2021 to December 31, 2021)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	181,000	12.1	7,500	4.0	8,600	10.4	6,000	13.7	102.69

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

- (1) Changes in significant subsidiaries during the nine months ended September 30, 2021
(changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (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): | |
| September 30, 2021: | 62,601,161shares |
| December 31, 2020: | 62,601,161shares |
| 2) Total number of treasury shares at the end of the period: | |
| September 30, 2021: | 4,164,358shares |
| December 31, 2020: | 4,182,625shares |
| 3) Average number of shares during the period: | |
| Nine months ended September 30, 2021: | 58,429,471shares |
| Nine months ended September 30, 2020: | 58,411,009shares |

*This consolidated financial results are not subject to quarterly review procedures by Certified Public Accountants or audit firm.

*Explanation of appropriate use of financial forecasts and other special notes

The above financial forecasts are based on the current available information in the Company and certain reasonable assumption to the Company, and we don't commit to achieve these forecasting numbers. Actual results may differ from these forecasts by a variety of reasons.

*Supplementary information will be disclosed on TDnet on November 12, 2021 and will be uploaded on the Company's website.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of December 31,2020	As of September 30,2021
Assets		
Current assets		
Cash and deposits	12,427	11,482
Notes and accounts receivable - trade	43,083	46,589
Merchandise and finished goods	10,462	10,817
Work in process	1,119	1,260
Raw materials and supplies	9,602	13,940
Other	1,542	2,495
Allowance for doubtful accounts	(596)	(539)
Total current assets	77,640	86,046
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	16,134	17,395
Machinery, equipment and vehicles, net	9,282	9,615
Land	8,847	9,274
Leased assets, net	414	345
Construction in progress	3,514	4,953
Other, net	2,144	2,288
Total property, plant and equipment	40,338	43,872
Intangible assets		
Goodwill	501	473
Other	206	563
Total intangible assets	707	1,037
Investments and other assets		
Investment securities	25,176	25,137
Other	1,824	2,042
Allowance for doubtful accounts	(414)	(463)
Total investments and other assets	26,586	26,716
Total non-current assets	67,632	71,626
Total assets	145,272	157,673

(Million yen)

	As of December 31,2020	As of September 30,2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	16,376	19,690
Electronically recorded obligations - operating	11,309	10,874
Short-term loans payable	4,533	3,889
Current portion of long-term loans payable	2,771	4,504
Accrued expenses	3,563	3,843
Income taxes payable	614	746
Provision for bonuses	555	1,039
Other	2,590	2,873
Total current liabilities	42,315	47,461
Non-current liabilities		
Bonds payable	-	1,000
Long-term loans payable	9,754	6,990
Net defined benefit liability	4,940	4,973
Asset retirement obligations	71	72
Other	6,768	7,543
Total non-current liabilities	21,535	20,580
Total liabilities	63,850	68,041
Net assets		
Shareholders' equity		
Capital stock	7,472	7,472
Capital surplus	5,672	5,675
Retained earnings	73,918	76,823
Treasury shares	(4,027)	(4,010)
Total shareholders' equity	83,035	85,961
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,652	2,367
Deferred gains or losses on hedges	(0)	(2)
Foreign currency translation adjustment	(7,281)	(3,440)
Remeasurements of defined benefit plans	(1,045)	(912)
Total accumulated other comprehensive income	(6,674)	(1,987)
Non-controlling interests	5,060	5,658
Total net assets	81,421	89,631
Total liabilities and net assets	145,272	157,673

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Million yen)

	For the nine months ended September 30,2020	For the nine months ended September 30,2021
Net sales	119,417	133,637
Cost of sales	93,414	105,100
Gross profit	26,002	28,537
Selling, general and administrative expenses	21,027	22,280
Operating income	4,975	6,256
Non-operating income		
Interest income	68	53
Dividend income	288	278
Real estate rent	142	136
Equity in earnings of affiliates	50	708
Other	193	203
Total non-operating income	743	1,379
Non-operating expenses		
Interest expenses	201	171
Foreign exchange losses	596	234
Other	59	99
Total non-operating expenses	857	505
Ordinary income	4,861	7,131
Extraordinary income		
Gain on sales of investment securities	-	75
Total extraordinary income	-	75
Extraordinary losses		
Loss on sales of property, plant and equipment	-	22
Loss on valuation of investment securities	3	-
Expense on restructuring of organization	139	-
Total extraordinary losses	142	22
Income before income taxes	4,718	7,184
Income taxes - current	1,621	1,884
Income taxes - deferred	(213)	(2)
Total income taxes	1,407	1,881
Net income	3,311	5,303
Net income attributable to non-controlling interests	349	512
Net income attributable to owners of parent	2,961	4,790

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

(Million yen)

	For the nine months ended September 30,2020	For the nine months ended September 30,2021
Net income	3,311	5,303
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,630)	628
Deferred gains or losses on hedges	-	(2)
Foreign currency translation adjustment	(1,659)	2,935
Remeasurements of defined benefit plans, net of tax	102	131
Share of other comprehensive income of affiliates accounted for using equity method	(525)	999
Total other comprehensive income	(3,712)	4,692
Comprehensive income	(401)	9,996
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(556)	9,247
Comprehensive income attributable to non-controlling interests	154	748