

# Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021

## [Japanese Standards] (Consolidated)

February 10, 2021

Company name: OKAMOTO INDUSTRIES, INC.  
 Stock exchange listing: Tokyo  
 Stock code: 5122 URL <https://www.okamoto-inc.jp/>  
 Representative: Yoshiyuki Okamoto, Chairman and President  
 Inquiries: Hiroshi Takashima, Executive Director Accounting Dept.  
 Scheduled date to file Securities Report: February 14, 2022  
 Scheduled date to commence dividend payments: –  
 Supplemental material on quarterly results: No  
 Presentation on quarterly results: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the nine months ended December 31, 2021

(from April 1, 2021 to December 31, 2021)

#### (1) Consolidated operating results (cumulative)

(% represents changes over the same period in the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2021	67,411	7.2	6,820	13.2	8,186	14.5	5,403	13.7
Nine months ended December 31, 2020	62,855	△ 10.5	6,024	△ 9.2	7,149	△ 6.1	4,752	34.9

(Note) Comprehensive income: Nine months ended December 31, 2021 : 6,192 million yen 4.9 %  
 Nine months ended December 31, 2020 : 5,904 million yen 37.2 %

	Net income per share	Diluted net income per share
	yen	yen
Nine months ended December 31, 2021	291.07	—
Nine months ended December 31, 2020	253.49	—

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2021	114,907	73,077	61.1
As of March 31, 2021	112,070	70,316	60.3

(Reference) Own capital: As of December 31, 2021 : 70,171 million yen  
 As of March 31, 2021 : 67,522 million yen

### 2. Dividends

	Cash dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
	yen	yen	yen	yen	yen
FY Ended March 31, 2021	—	50.00	—	50.00	100.00
FY Ended March 31, 2022	—	50.00	—	—	—
FY Ended March 31, 2022 (forecast)	—	—	—	50.00	100.00

(Note) Revision of the latest dividend forecast announced: No

### 3. Forecasts of consolidated financial results for the year ending March 31, 2022

(from April 1, 2021 to March 31, 2022)

(% represents changes over the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full year	88,000	1.9	7,800	△ 5.7	8,600	△ 12.2	5,700	0.1	304.19

(Note) Revision of the latest consolidated results forecast announced: No

\*Notes

- (1) Changes in status of significant subsidiaries during the nine months ended December 31, 2021  
(changes in status of specified subsidiaries accompanying changes in consolidated) No  
Newly consolidated subsidiaries: — Subsidiaries excluded: —

- (2) Application of accounting methods for preparing quarterly consolidated financial statements: No

- (3) Changes in accounting principles, changes in accounting estimates, and retrospective restatements

- ① Changes in accounting principles due to revisions to accounting standards: No  
② Changes other than ①: No  
③ Changes in accounting estimates: No  
④ Retrospective restatements: No

- (4) Number of outstanding shares(common stock)

- ① Number of outstanding shares at period-end(including treasury stock)  
② Number of treasury stocks at period-end  
③ Average number of shares during the period(cumulative total for quarterly period)

①	Nine months ended December 31, 2021	19,099,367	FY Ended March 31, 2021	19,599,367
②	Nine months ended December 31, 2021	752,923	FY Ended March 31, 2021	891,169
③	Nine months ended December 31, 2021	18,565,350	Nine months ended December 31, 2020	18,746,579

\*The current quarterly financial results are not subject to quarterly review procedures by certified public accountant or by auditing firm.

\*Explanation relating to the appropriate use of forecasts of business results and other items of note;

The forecasts included in this document are based on the currently available information and certain assumptions that we believe reasonable. Actual results, etc. may differ from projections due to a variety of reasons.

**Consolidated Quarterly Financial Statements and Notes**  
**Consolidated Quarterly Balance Sheets**

(millions of yen)

	As of March 31, 2021	As of December 31, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	29,687	30,495
Notes and accounts receivable-trade	18,856	18,848
Electronically recorded monetary claims-operating	7,323	7,870
Merchandise and finished goods	7,195	7,613
Work in process	2,112	2,072
Raw materials and supplies	2,752	3,254
Other	1,583	1,344
Allowance for doubtful accounts	△ 31	△ 33
Total current assets	69,478	71,465
Non-current assets		
Property, plant and equipment	19,907	19,674
Intangible assets	1,215	1,318
Investments and other assets		
Investment securities	20,739	21,018
Deferred tax assets	149	133
Other	590	1,303
Allowance for doubtful accounts	△ 9	△ 6
Total investments and other assets	21,469	22,448
Total non-current assets	42,592	43,441
Total assets	112,070	114,907

(millions of yen)

	As of March 31, 2021	As of December 31, 2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	19,626	21,668
Short-term loans payable	2,505	2,735
Income taxes payable	2,040	678
Provision for bonuses	1,023	556
Reserve for building demolition costs	206	—
Other	4,598	4,437
Total current liabilities	30,000	30,076
Non-current liabilities		
Long-term loans payable	1,216	1,050
Deferred tax liabilities	2,061	2,380
Net defined benefit liability	7,248	7,238
Other	1,226	1,084
Total non-current liabilities	11,753	11,753
Total liabilities	41,754	41,830
<b>Net assets</b>		
Shareholders' equity		
Capital stock	13,047	13,047
Capital surplus	518	555
Retained earnings	49,480	51,068
Treasury stock	△ 3,662	△ 3,235
Total shareholders' equity	59,383	61,435
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,558	8,432
Deferred gains or losses on hedges	△ 8	△ 1
Foreign currency translation adjustment	△ 344	350
Remeasurements of defined benefit plans	△ 66	△ 44
Total accumulated other comprehensive income	8,139	8,735
Non-controlling interests	2,793	2,905
Total net assets	70,316	73,077
<b>Total liabilities and net assets</b>	<b>112,070</b>	<b>114,907</b>

**Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income**  
**Consolidated Quarterly Statements of Income**  
**Nine months ended December 31, 2021**

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net sales	62,855	67,411
Cost of sales	46,368	50,367
Gross profit	16,486	17,044
Selling, general and administrative expenses		
Freightage and packing expenses	2,629	2,860
Other selling expenses	1,961	1,471
Salaries and bonuses	2,937	2,899
Provision for bonuses	187	222
Retirement benefit expenses	151	116
Other general and administrative expenses	2,594	2,652
Total selling, general and administrative expenses	10,462	10,223
Operating profit	6,024	6,820
Non-operating income		
Interest income	20	23
Dividends income	511	639
Real estate rent	439	336
Equity in earnings of affiliates	167	194
Foreign exchange gains	–	165
Other income	212	159
Total non-operating income	1,351	1,518
Non-operating expenses		
Interest expenses	20	20
Rent expenses on real estates	74	82
Foreign exchange losses	51	–
Other expenses	80	50
Total non-operating expenses	226	152
Ordinary income	7,149	8,186
Extraordinary income		
Gain on sales of noncurrent assets	7	–
Gain on sales of investment securities	29	–
Total extraordinary gain	36	–
Extraordinary loss		
Loss on retirement of noncurrent assets	0	–
Impairment loss	53	487
Provision of reserve for building demolition costs	430	–
Loss on retirement of noncurrent assets	8	3
Operation suspension related costs	101	–
Other loss	–	1
Total extraordinary loss	593	492
Profit before income taxes	6,592	7,693
Income taxes—current	1,786	1,847
Income taxes—deferred	144	345
Total income taxes	1,931	2,192
Net income	4,661	5,500
Profit attributable to non-controlling interests	△ 90	96
Profit attributable to owners of parent	4,752	5,403

**Consolidated Quarterly Statements of Comprehensive Income**  
**Nine months ended December 31, 2021**

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net income	4,661	5,500
Other comprehensive income		
Valuation difference on available-for-sale securities	1,673	△ 92
Deferred gains or losses on hedges	△ 12	6
Foreign currency translation adjustment	△ 536	769
Remeasurements of defined benefit plans, net of tax	95	21
Share of other comprehensive income of associates accounted for using equity method	22	△ 13
Total accumulated other comprehensive income	1,243	691
Comprehensive income	5,904	6,192
(comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	6,026	5,999
Comprehensive income attributable to non-controlling interests	△ 122	192

**Information about net sales, profit or loss, assets, liabilities and other items by reportable segment**

Nine months ended December 31, 2020

(Millions of yen)

	Reportable segment			*Other	Total	**Adjustment	Amount recorded on the consolidated financial statements
	Industrial Products	Household Products	Total				
Net sales							
Sales to external customers	39,077	23,606	62,684	171	62,855	–	62,855
Intersegment sales or transfers	68	294	362	2,588	2,951	△ 2,951	–
Total	39,145	23,901	63,046	2,760	65,806	△ 2,951	62,855
Segment profit (loss)	2,292	4,979	7,272	236	7,508	△ 1,484	6,024

\* The Other category is the business segment that is not included in the reportable segments, and include the group logistics business.

\*\* Adjustment is as follows:

The adjustment to segment profit represents 27 million yen in intersegment eliminations and company-wide expenses negative 1,511 million yen. The company-wide expenses mainly include general and administrative expenses that are not attributable to the reportable segments.

\*\*\* Segment profit is adjusted to operating income in the consolidated statements of income.

※ In the Industrial Products business segment, impairment losses on fixed assets were recorded. The impairment loss was 53 million for the third quarter of the fiscal year ended March 31, 2021.

Nine months ended December 31, 2021

(Millions of yen)

	Reportable segment			*Other	Total	**Adjustment	Amount recorded on the consolidated financial statements
	Industrial Products	Household Products	Total				
Net sales							
Sales to external customers	42,863	24,368	67,232	179	67,411	–	67,411
Intersegment sales or transfers	66	351	417	2,533	2,950	△ 2,950	–
Total	42,929	24,720	67,649	2,712	70,362	△ 2,950	67,411
Segment profit (loss)	1,930	6,118	8,049	231	8,280	△ 1,460	6,820

\* The Other category is the business segment that is not included in the reportable segments, and include the group logistics business.

\*\* Adjustment is as follows:

The adjustment to segment profit represents 31 million yen in intersegment eliminations and company-wide expenses negative 1,491 million yen. The company-wide expenses mainly include general and administrative expenses that are not attributable to the reportable segments.

\*\*\* Segment profit is coordinated with the operating income in the consolidated statements.

※ In the Industrial Products business and the Household Products business segment, impairment loss on fixed assets was recorded at 487 million yen. The impairment loss was recorded at 280 million yen in the Industrial Products business and 206 million yen in the Household Products business for the third quarter of the fiscal year ended March 31, 2022.