# Outline of Consolidated Financial Results of Taiheiyo Cement Corporation for the First Quarter of Fiscal 2021 ended March 31, 2021

August 12, 2020

Company: Taiheiyo Cement Corporation Fiscal 2020 1Q : April 1, 2019 through June 30, 2019 Stock code: 5233 Fiscal 2020 : April 1, 2019 through March 31, 2020 URL: https://www.taiheiyo-cement.co.jp/english/index.html Fiscal 2021 1Q : April 1, 2020 through June 30, 2020

Fiscal 2021 : April 1, 2020 through March 31, 2021

The accompanying consolidated financial results are not intended to present the financial results in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

(All yen figures are rounded down to the nearest one million yen.)

1. Consolidated Financial Results for the First Quarter of Fiscal 2021 (April 1, 2020 through June 30, 2020)

(1) Operating Results

(% of change from previous year)

(1) Specialing results								
	Net Sales		Operating inc	ome	Ordinary income Profit attributab owners of pare		Profit attributable to	
			- r <del>8</del>				rent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2021 1Q	200,560	(3.0)	7,023	17.1	7,136	14.4	3,267	(41.8)
Fiscal 2020 1Q	206,868	(2.1)	5,996	(38.5)	6,235	(37.6)	5,614	(8.4)

\* Comprehensive income: Fiscal 2021 1Q 3,776 (-30.8%) Fiscal 2020 1Q 5,454

	Earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal 2021 1Q	26.80	-
Fiscal 2020 1Q	45.87	-

#### (2) Financial Position

	Total assets	Total net assets	Equity ratio
	Millions of yen	Millions of yen	%
Fiscal 2021 1Q	1,052,051	469,273	41.1
Fiscal 2020	1,032,923	473,241	42.3

<sup>\*</sup> Equity : Fiscal 2021 1Q 432,883 Fiscal 2020 436,678

#### 2. Dividends

	Dividend per share					
	1Q	2Q	3Q	4Q	Total	
	Yen	Yen	Yen	Yen	Yen	
Fiscal 2020	-	30.00	-	30.00	60.00	
Fiscal 2021	-					
Fiscal 2021(forecast)		30.00	-	30.00	60.00	

#### 3. Consolidated Financial Results Forecast for the Fiscal 2021 (April 1, 2020 through March 31, 2021)

(% of change from the corresponding period of the previous year)

		Net sales		Operating in	ncome	Ordinary in	come	Profit attributable to		Earnings
						owners of		parent	per share	
Г		Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	First half	414,000	(4.0)	16,500	(26.5)	16,500	(26.6)	9,000	(44.5)	73.53
	Full year	876,000	(0.9)	55,000	(9.8)	54,500	(10.0)	32,000	(18.3)	261.44

<sup>\*</sup> This forecast is based on the information available at the date of publication of this material and assumptions at the same date with respect to the various factors which might have impact on the future financial results. Actual results may differ materially from this forecast due to various factors.

## Consolidated Balance Sheets

		(Millions of yen)
	Fiscal 2020	Fiscal 2021 1Q
	(As of March 31, 2020)	(As of June 30, 2020)
Assets		
Current assets		
Cash and deposits	51,641	79,256
Notes and accounts receivable - trade	159,048	144,828
Electronically recorded monetary claims - operating	13,507	13,464
Merchandise and finished goods	30,897	32,216
Work in process	2,310	3,088
Raw materials and supplies	45,075	46,784
Other	17,324	19,031
Allowance for doubtful accounts	(1,302)	(1,307)
Total current assets	318,502	337,364
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	138,947	137,769
Machinery, equipment and vehicles, net	162,944	162,949
Land	164,869	165,585
Other, net	77,792	77,846
Total property, plant and equipment	544,553	544,151
Intangible assets		
Goodwill	179	208
Other	29,634	29,508
Total intangible assets	29,814	29,716
Investments and other assets		
Investment securities	82,931	85,072
Retirement benefit asset	11,090	11,054
Other	52,358	50,989
Allowance for doubtful accounts	(6,327)	(6,296)
Total investments and other assets	140,053	140,819

Total non-current assets

Total assets

714,687

1,052,051

714,420

1,032,923

(Millions of ven)

		(Millions of yen)
	Fiscal 2020	Fiscal 2021 1Q
		(As of June 30, 2020)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	83,430	75,893
Electronically recorded obligations - operating	5,330	5,376
Short-term borrowings	120,783	151,600
Commercial papers	12,000	19,000
Income taxes payable	6,024	2,510
Provision for bonuses	6,158	4,741
Other provisions	139	92
Other	79,906	83,716
Total current liabilities	313,771	342,930
Non-current liabilities	-	
Bonds payable	30,000	30,000
Long-term borrowings	103,332	98,148
Retirement benefit liability	24,999	24,457
Provision for retirement benefits for directors	521	460
Provision for special repairs	128	141
Other provisions	828	840
Asset retirement obligations	7,341	7,378
Other	78,758	78,421
Total non-current liabilities	245,910	239,848
Total liabilities	559,682	582,778
Net assets		
Shareholders' equity		
Share capital	86,174	86,174
Capital surplus	60,233	60,282
Retained earnings	326,086	325,677
Treasury shares	(16,098)	(20,006)
Total shareholders' equity	456,395	452,128
Accumulated other comprehensive income	· · · · · · · · · · · · · · · · · · ·	·
Valuation difference on available-for-sale securities	6,723	8,490
Deferred gains or losses on hedges		(0)
Revaluation reserve for land		4,968
Foreign currency translation adjustment	(21,413)	(22,971)
Remeasurements of defined benefit plans		(9,731)
Total accumulated other comprehensive income		(19,244)
Non-controlling interests		36,389
Total net assets	473,241	469,273
Total liabilities and net assets	1,032,923	1,052,051

## Consolidated Statements of Income

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		(Millions of yell)
	Fiscal 2020 1Q	Fiscal 2021 1Q
	(April 1, 2019 through June 30, 2019)	(April 1, 2020 through June 30, 2020)
Net sales	206,868	200,560
Cost of sales	167,554	162,517
Gross profit	39,313	38,043
Selling, general and administrative expenses	33,317	31,019
Operating income	5,996	7,023
Non-operating income		
Interest income	103	97
Dividend income	559	585
Share of profit of entities accounted for using equity method	623	287
Other	587	706
Total non-operating income	1,874	1,677
Non-operating expenses		
Interest expenses	984	887
Other	650	677
Total non-operating expenses	1,634	1,564
Ordinary income	6,235	7,136
Extraordinary income		
Gain on disposal of non-current assets	139	77
Gain on sales of investment securities	78	-
Compensation income	2,730	-
Other	15	12
Total extraordinary income	2,963	90
Extraordinary losses		
Loss on disposal of non-current assets	638	670
Loss on withdrawal from business	185	-
Loss on temporary suspension of operations	-	358
Other	11	379
Total extraordinary losses	836	1,408
Profit before income taxes	8,363	5,819
Income taxes	2,693	2,221
Profit	5,669	3,597
Profit attributable to non-controlling interests	55	329
Profit attributable to owners of parent	5,614	3,267

## Consolidated Statements of Comprehensive Income

(	Mil	lions	of v	zen)	١

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	Fiscal 2020 1Q	Fiscal 2021 1Q
	(April 1, 2019 through June 30, 2019)	(April 1, 2020 through June 30, 2020)
Profit	5,669	3,597
Other comprehensive income		
Valuation difference on available-for-sale securities	(341)	1,942
Deferred gains or losses on hedges	1	(0)
Foreign currency translation adjustment	96	(1,680)
Remeasurements of defined benefit plans	124	256
Share of other comprehensive income of entities accounted for using equity method	(96)	(339)
Total other comprehensive income	(215)	179
Comprehensive income	5,454	3,776
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,356	3,740
Comprehensive income attributable to non-controlling interests	98	36

## Consolidated Segment Information

Fiscal 2020 1Q (April 1, 2019 through June 30, 2019)

[Industry Segments] (Millions of yen)

	(minute of year)								
	Reportable Segments								
	Cement Business	Mineral Resources Business	Environmental Business	Construction Materials Business	Total	Other	Total	Adjustment	Consolidated Total
Net sales Sales to outside customers	144,183	13,757	18,703	17,949	194,593	12,275	206,868	-	206,868
Inter-segment sales	2,743	5,964	1,727	946	11,382	5,363	16,745	(16,745)	-
Total	146,927	19,721	20,431	18,895	205,975	17,638	223,614	(16,745)	206,868
Segment income	1,624	1,533	1,406	761	5,325	445	5,771	224	5,996

Fiscal 2021 1Q (April 1, 2020 through June 30, 2020)

[Industry Segments] (Millions of yen)

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	Reportable Segments								
	Cement Business	Mineral Resources Business	Environmental Business	Construction Materials Business	Total	Other	Total	Adjustment	Consolidated Total
Net sales Sales to outside customers	142,995	12,590	16,055	15,278	186,919	13,640	200,560	-	200,560
Inter-segment sales	2,421	5,617	1,761	1,055	10,856	5,039	15,895	(15,895)	-
Total	145,417	18,208	17,816	16,333	197,775	18,679	216,455	(15,895)	200,560
Segment income	3,499	1,079	1,182	305	6,067	954	7,021	2	7,023