

Outline of Consolidated Financial Results of Taiheiyo Cement Corporation for the Third Quarter of Fiscal 2021 ending March 31, 2021

February 9, 2021

Company: Taiheiyo Cement Corporation	Fiscal 2020 3Q : April 1, 2019 through December 31, 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 3Q : April 1, 2020 through December 31, 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 Third Quarter of Fiscal 2021 (April 1, 2020 through December 31, 2020)

(1) Operating Results (% of change from previous 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	%
Fiscal 2021 3Q	652,714	(1.6)	48,195	14.3	49,348	16.4	37,163	21.7
Fiscal 2020 3Q	662,992	(4.3)	42,156	(15.2)	42,405	(13.7)	30,541	(10.4)

* Comprehensive income : Fiscal 2021 3Q 37,269 (+23.9%) Fiscal 2020 3Q 30,089 (-4.5%)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Fiscal 2021 3Q	307.11		-	
Fiscal 2020 3Q	249.55		-	

(2) Financial Position

	Total assets	Total net assets	Equity ratio
	Millions of yen	Millions of yen	%
Fiscal 2021 3Q	1,066,643	495,797	43.1
Fiscal 2020	1,032,923	473,241	42.3

* Equity : Fiscal 2021 3Q 460,067 Fiscal 2020 436,678

2. Dividends

	Dividend per share				
	1Q	3Q	3Q	4Q	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2020	-	30.00	-	30.00	60.00
Fiscal 2021	-	30.00	-		
Fiscal 2021(forecast)				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 income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	867,000	(2.0)	63,000	3.3	63,000	4.1	41,000	4.7	339.20

* 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 (As of March 31, 2020)	Fiscal 2021 3Q (As of December 31, 2020)
Assets		
Current assets		
Cash and deposits	51,641	80,756
Notes and accounts receivable - trade	159,048	162,241
Electronically recorded monetary claims - operating	13,507	23,243
Merchandise and finished goods	30,897	27,450
Work in process	2,310	2,966
Raw materials and supplies	45,075	44,085
Other	17,324	16,312
Allowance for doubtful accounts	(1,302)	(851)
Total current assets	318,502	356,204
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	138,947	135,894
Machinery, equipment and vehicles, net	162,944	154,812
Land	164,869	165,855
Other, net	77,792	83,813
Total property, plant and equipment	544,553	540,375
Intangible assets		
Goodwill	179	186
Other	29,634	28,470
Total intangible assets	29,814	28,657
Investments and other assets		
Investment securities	82,931	89,173
Retirement benefit asset	11,090	11,672
Other	52,358	46,804
Allowance for doubtful accounts	(6,327)	(6,244)
Total investments and other assets	140,053	141,405
Total non-current assets	714,420	710,438
Total assets	1,032,923	1,066,643

(Millions of yen)

	Fiscal 2020 (As of March 31, 2020)	Fiscal 2021 3Q (As of December 31, 2020)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	83,430	86,589
Electronically recorded obligations - operating	5,330	8,369
Short-term borrowings	120,783	116,718
Commercial papers	12,000	-
Current portion of bonds payable	-	10,000
Income taxes payable	6,024	5,245
Provision for bonuses	6,158	3,257
Other provisions	139	62
Other	79,906	86,309
Total current liabilities	313,771	316,550
Non-current liabilities		
Bonds payable	30,000	50,000
Long-term borrowings	103,332	92,125
Retirement benefit liability	24,999	23,769
Provision for retirement benefits for directors	521	463
Provision for special repairs	128	167
Other provisions	828	527
Asset retirement obligations	7,341	7,783
Other	78,758	79,457
Total non-current liabilities	245,910	254,294
Total liabilities	559,682	570,845
Net assets		
Shareholders' equity		
Share capital	86,174	86,174
Capital surplus	60,233	60,291
Retained earnings	326,086	355,957
Treasury shares	(16,098)	(21,109)
Total shareholders' equity	456,395	481,313
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,723	10,141
Deferred gains or losses on hedges	(0)	(0)
Revaluation reserve for land	4,968	4,961
Foreign currency translation adjustment	(21,413)	(27,084)
Remeasurements of defined benefit plans	(9,995)	(9,263)
Total accumulated other comprehensive income	(19,716)	(21,246)
Non-controlling interests	36,563	35,730
Total net assets	473,241	495,797
Total liabilities and net assets	1,032,923	1,066,643

Consolidated Statements of Income

(Millions of yen)

	Fiscal 2020 3Q (April 1, 2019 through December 31, 2019)	Fiscal 2021 3Q (April 1, 2020 through December 31, 2020)
Net sales	662,992	652,714
Cost of sales	520,094	508,811
Gross profit	142,897	143,903
Selling, general and administrative expenses	100,741	95,707
Operating income	42,156	48,195
Non-operating income		
Interest income	357	374
Dividend income	1,032	1,031
Share of profit of entities accounted for using equity method	2,690	2,254
Other	2,323	2,396
Total non-operating income	6,404	6,056
Non-operating expenses		
Interest expenses	2,968	2,752
Other	3,186	2,150
Total non-operating expenses	6,155	4,903
Ordinary income	42,405	49,348
Extraordinary income		
Gain on disposal of non-current assets	647	2,712
Gain on sales of investment securities	169	3,317
Compensation income	2,730	-
Other	47	193
Total extraordinary income	3,595	6,223
Extraordinary losses		
Loss on disposal of non-current assets	2,794	2,577
Loss on temporary suspension of operations	-	547
Other	402	455
Total extraordinary losses	3,196	3,581
Profit before income taxes	42,804	51,990
Income taxes	10,972	12,569
Profit	31,832	39,421
Profit attributable to non-controlling interests	1,290	2,257
Profit attributable to owners of parent	30,541	37,163

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal 2020 3Q (April 1, 2019 through December 31, 2019)	Fiscal 2021 3Q (April 1, 2020 through December 31, 2020)
Profit	31,832	39,421
Other comprehensive income		
Valuation difference on available-for-sale securities	2,514	3,423
Deferred gains or losses on hedges	3	(0)
Foreign currency translation adjustment	(4,214)	(6,124)
Remeasurements of defined benefit plans, net of tax	281	710
Share of other comprehensive income of entities accounted for using equity method	(328)	(161)
Total other comprehensive income	(1,743)	(2,151)
Comprehensive income	30,089	37,269
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	29,170	35,641
Comprehensive income attributable to non-controlling interests	918	1,627

Consolidated Segment Information

Fiscal 2020 3Q (April 1, 2019 through December 31, 2019)

【Industry Segments】

(Millions of yen)

	Reportable Segments					Other	Total	Adjustment	Consolidated Total
	Cement Business	Mineral Resources Business	Environmental Business	Construction Materials Business	Total				
Net sales									
Sales to outside customers	467,542	42,019	57,756	56,916	624,234	38,757	662,992	-	662,992
Inter-segment sales	8,192	18,658	5,657	3,138	35,647	16,757	52,404	(52,404)	-
Total	475,734	60,678	63,413	60,055	659,881	55,515	715,397	(52,404)	662,992
Segment income	25,303	5,526	5,712	3,363	39,907	2,105	42,013	142	42,156

Fiscal 2021 3Q (April 1, 2020 through December 31, 2020)

【Industry Segments】

(Millions of yen)

	Reportable Segments					Other	Total	Adjustment	Consolidated Total
	Cement Business	Mineral Resources Business	Environmental Business	Construction Materials Business	Total				
Net sales									
Sales to outside customers	465,926	39,603	50,099	50,813	606,442	46,272	652,714	-	652,714
Inter-segment sales	8,325	17,796	7,692	3,262	37,077	18,204	55,282	(55,282)	-
Total	474,252	57,400	57,791	54,076	643,519	64,477	707,996	(55,282)	652,714
Segment income	31,544	4,891	4,757	2,261	43,454	4,741	48,195	(0)	48,195