

*Note: This document is a translation of a part of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.*

## Consolidated Financial Results for the Three Months Ended June 30, 2021 [Japanese GAAP]

August 06, 2021

Company name: RHEON AUTOMATIC MACHINERY CO., LTD.

Stock exchange listing: Tokyo

Code number: 6272

URL: <https://www.rheon.com>

Representative: Mikio Kobayashi

President &amp; C.E.O.

Contact: Tadao Fukuda

Managing Operating Officer

Phone: 028-665-1111

Scheduled date of filing quarterly securities report: August 11, 2021

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: No

Schedule of quarterly financial results briefing session: No

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

## 1. Consolidated Financial Results for the Three Months Ended June 30, 2021 (April 01, 2021 to June 30, 2021)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2021	5,281	22.0	(3)	-	25	-	3	-
June 30, 2020	4,328	(36.0)	(118)	-	(34)	-	(147)	-

(Note) Comprehensive income: Three months ended June 30, 2021: ¥ 34 million [-%]  
Three months ended June 30, 2020: ¥ (59) million [-%]

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	0.15		0.15	
June 30, 2020	(5.50)		-	

## (2) Consolidated Financial Position

	Total assets		Net assets		Capital adequacy ratio	Net assets per share
	Million yen		Million yen		%	Yen
As of June 30, 2021	34,543		26,398		76.2	982.39
March 31, 2021	34,124		26,632		77.8	991.12

(Reference) Equity: As of June 30, 2021: ¥ 26,326 million  
As of March 31, 2021: ¥ 26,560 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	-	7.00	-	10.00	17.00
Fiscal year ending March 31, 2022	-				
Fiscal year ending March 31, 2022 (Forecast)		8.00	-	8.00	16.00

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

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022(April 01, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ended September 30, 2021	12,200	6.9	840	(20.9)	920	(21.8)	650	(57.4)	24.26
Full year	25,050	12.4	2,080	48.1	2,120	30.7	1,420	(11.7)	52.99

(Note) Revision to the financial results forecast announced most recently: No

## \* Notes:

## (1) Changes in significant subsidiaries during the three months ended June 30, 2021

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name: )

Exclusion: - (Company name: )

## (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: Yes

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):

June 30, 2021: 28,392,000 shares

March 31, 2021: 28,392,000 shares

## 2) Total number of treasury shares at the end of the period:

June 30, 2021: 1,593,857 shares

March 31, 2021: 1,593,686 shares

## 3) Average number of shares during the period:

Three months ended June 30, 2021: 26,798,209 shares

Three months ended June 30, 2020: 26,798,593 shares

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2021	As of June 30,2021
<b>Assets</b>		
Current assets		
Cash and deposits	7,484,219	8,293,006
Notes and accounts receivable - trade	2,690,355	1,948,892
Merchandise and finished goods	4,170,084	4,281,518
Work in process	975,989	1,503,543
Raw materials and supplies	328,369	372,231
Other	1,326,759	1,119,903
Allowance for doubtful accounts	(14,548)	(15,206)
Total current assets	16,961,228	17,503,889
Non-current assets		
Property, plant and equipment		
Buildings and structures	15,017,115	15,133,456
Accumulated depreciation	(7,737,700)	(7,836,912)
Buildings and structures, net	7,279,414	7,296,543
Machinery, equipment and vehicles	7,931,499	7,923,425
Accumulated depreciation	(6,380,314)	(6,448,982)
Machinery, equipment and vehicles, net	1,551,185	1,474,443
Tools, furniture and fixtures	1,924,816	1,931,110
Accumulated depreciation	(1,728,089)	(1,747,171)
Tools, furniture and fixtures, net	196,726	183,938
Land	4,093,968	4,094,480
Leased assets	45,286	45,286
Accumulated depreciation	(42,045)	(42,703)
Leased assets, net	3,241	2,582
Construction in progress	35,058	49,136
Total property, plant and equipment	13,159,594	13,101,125
Intangible assets	1,463,960	1,382,730
Investments and other assets		
Investment securities	976,863	977,343
Retirement benefit asset	1,407,227	1,422,221
Other	161,992	160,612
Allowance for doubtful accounts	(6,036)	(4,744)
Total investments and other assets	2,540,046	2,555,431
Total non-current assets	17,163,601	17,039,288
Total assets	34,124,830	34,543,178

(Thousand yen)

	As of March 31,2021	As of June 30,2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	740,599	1,011,799
Short-term borrowings	734,006	476,454
Lease obligations	2,334	1,811
Accrued expenses	587,624	990,606
Income taxes payable	231,165	120,374
Advances received	1,205,429	1,940,331
Provision for bonuses	485,486	248,973
Provision for bonuses for directors (and other officers)	11,600	6,050
Accounts payable - other	959,295	935,086
Other	121,154	139,614
Total current liabilities	5,078,696	5,871,102
Non-current liabilities		
Long-term borrowings	1,406,934	1,332,143
Lease obligations	1,154	937
Deferred tax liabilities	573,083	508,376
Deferred tax liabilities for land revaluation	347,422	347,422
Asset retirement obligations	36,240	36,246
Other	48,705	48,550
Total non-current liabilities	2,413,540	2,273,677
Total liabilities	7,492,237	8,144,779
<b>Net assets</b>		
Shareholders' equity		
Share capital	7,351,750	7,351,750
Capital surplus	7,069,407	7,069,407
Retained earnings	14,591,084	14,327,072
Treasury shares	(773,996)	(774,213)
Total shareholders' equity	28,238,245	27,974,016
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	345,996	340,563
Revaluation reserve for land	(1,708,996)	(1,708,996)
Foreign currency translation adjustment	(466,919)	(436,856)
Remeasurements of defined benefit plans	151,997	157,402
Total accumulated other comprehensive income	(1,677,921)	(1,647,886)
Share acquisition rights	72,268	72,268
Total net assets	26,632,592	26,398,398
Total liabilities and net assets	34,124,830	34,543,178

Quarterly Consolidated Statements of Income and Comprehensive Income  
 Quarterly Consolidated Statements of Income (For the three months)

(Thousand yen)

	For the three months ended June 30,2020	For the three months ended June 30,2021
Net sales	4,328,660	5,281,658
Cost of sales	2,529,108	3,051,466
Gross profit	1,799,552	2,230,192
Selling, general and administrative expenses		
Advertising expenses	11,997	41,774
Packing and transportation costs	160,451	292,327
Provision of allowance for doubtful accounts	1,728	386
Sales commission	89,857	122,712
Salaries and allowances	613,863	698,885
Provision for bonuses	181,217	138,843
Provision for bonuses for directors (and other officers)	7,700	6,050
Retirement benefit expenses	45,518	38,192
Travel and transportation expenses	50,255	56,791
Depreciation	86,161	152,190
Research and development expenses	122,061	88,533
Other	547,156	597,127
Total selling, general and administrative expenses	1,917,970	2,233,814
Operating loss	(118,418)	(3,622)
Non-operating income		
Interest income	803	1,062
Dividend income	11,921	10,979
Gain on sale of goods	1,667	3,381
Foreign exchange gains	2,981	2,942
Subsidy income	51,880	1,914
Sold power	8,343	7,348
Other	12,974	9,563
Total non-operating income	90,573	37,193
Non-operating expenses		
Interest expenses	3,176	2,948
Sold power expenses	2,788	2,456
Other	531	2,590
Total non-operating expenses	6,496	7,994
Ordinary profit (loss)	(34,341)	25,575
Profit (loss) before income taxes	(34,341)	25,575
Income taxes - current	32,619	82,051
Income taxes - deferred	80,519	(60,447)
Total income taxes	113,138	21,604
Profit (loss)	(147,480)	3,971
Profit (loss) attributable to owners of parent	(147,480)	3,971

## Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Thousand yen)

	For the three months ended June 30,2020	For the three months ended June 30,2021
Profit (loss)	(147,480)	3,971
Other comprehensive income		
Valuation difference on available-for-sale securities	96,326	(5,432)
Foreign currency translation adjustment	(8,624)	30,062
Remeasurements of defined benefit plans, net of tax	70	5,404
Total other comprehensive income	87,772	30,035
Comprehensive income	(59,708)	34,006
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(59,708)	34,006