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

November 11, 2021

Company name: YOTAI REFRACTORIES CO.,LTD.

Stock exchange listing: Tokyo

Code number: 5357

URL: <https://www.yotai.co.jp/>

Representative: Mitsuo Taguchi

President

Contact: Shinichiro Takebayashi

Director, General Manager of General Affairs Department of
Head Office

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Scheduled date of filing quarterly securities report: November 12, 2021

Scheduled date of commencing dividend payments: December 10, 2021

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 Six Months Ended September 30, 2021 (April 01, 2021 to September 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	%
Six months ended September 30, 2021	12,325	10.1	2,143	68.9	2,158	62.1	1,611	78.7
September 30, 2020	11,197	(18.7)	1,269	(41.9)	1,331	(40.4)	901	(38.2)

(Note) Comprehensive income: Six months ended September 30, 2021: ¥ 1,694 million [79.6%]
Six months ended September 30, 2020: ¥ 943 million [(33.8)%]

	Basic earnings per share	Diluted earnings per share
Six months ended September 30, 2021	Yen 75.39	-
September 30, 2020	41.28	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of September 30, 2021	Million yen 36,866	Million yen 29,218	79.3
March 31, 2021	35,396	29,032	82.0

(Reference) Equity: As of September 30, 2021: ¥ 29,218 million
As of March 31, 2021: ¥ 29,032 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	-	5.00	-	12.00	17.00
Fiscal year ending March 31, 2022	-	16.00			
Fiscal year ending March 31, 2022 (Forecast)			-	16.00	32.00

(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
Full year	24,200	2.7	3,100	6.1	3,200	5.9	2,200	19.2	101.00

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

* Notes:

(1) Changes in significant subsidiaries during the six 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: 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):

September 30, 2021: 25,587,421 shares

March 31, 2021: 25,587,421 shares

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

September 30, 2021: 4,786,923 shares

March 31, 2021: 3,805,354 shares

3) Average number of shares during the period:

Six months ended September 30, 2021: 21,373,096 shares

Six months ended September 30, 2020: 21,843,136 shares

Quarterly Consolidated Financial Statements
 Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2021	As of September 30,2021
Assets		
Current assets		
Cash and deposits	11,390,772	10,676,481
Notes and accounts receivable - trade	8,866,063	-
Notes and accounts receivable - trade, and contract assets	-	9,388,473
Electronically recorded monetary claims - operating	1,702,885	1,649,968
Finished goods	2,963,605	3,367,616
Work in process	369,785	290,638
Raw materials and supplies	2,518,718	3,405,854
Other	113,146	400,130
Allowance for doubtful accounts	(3,337)	(5,054)
Total current assets	27,921,641	29,174,108
Non-current assets		
Property, plant and equipment	5,094,308	5,216,477
Intangible assets	21,938	26,642
Investments and other assets		
Investment securities	2,116,078	2,172,157
Other	270,828	291,939
Allowance for doubtful accounts	(28,249)	(14,497)
Total investments and other assets	2,358,657	2,449,599
Total non-current assets	7,474,904	7,692,719
Total assets	35,396,546	36,866,827

(Thousand yen)

	As of March 31,2021	As of September 30,2021
Liabilities		
Current liabilities		
Accounts payable - trade	1,601,393	2,121,717
Electronically recorded obligations - operating	1,536,325	1,988,640
Income taxes payable	467,830	621,192
Provision for bonuses	-	367,030
Provision for bonuses for directors (and other officers)	29,400	12,528
Other	1,332,221	1,131,929
Total current liabilities	4,967,171	6,243,037
Non-current liabilities		
Retirement benefit liability	1,350,087	1,370,516
Other	46,795	35,187
Total non-current liabilities	1,396,882	1,405,703
Total liabilities	6,364,054	7,648,741
Net assets		
Shareholders' equity		
Share capital	2,654,519	2,654,519
Capital surplus	1,750,465	1,762,031
Retained earnings	24,621,486	25,971,328
Treasury shares	(823,490)	(2,082,170)
Total shareholders' equity	28,202,981	28,305,709
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	673,417	683,819
Deferred gains or losses on hedges	7,789	8,232
Foreign currency translation adjustment	161,793	225,793
Remeasurements of defined benefit plans	(13,490)	(5,469)
Total accumulated other comprehensive income	829,510	912,376
Total net assets	29,032,492	29,218,086
Total liabilities and net assets	35,396,546	36,866,827

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the six months)

(Thousand yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
Net sales	11,197,726	12,325,314
Cost of sales	8,937,785	9,048,082
Gross profit	2,259,940	3,277,231
Selling, general and administrative expenses	990,684	1,133,386
Operating profit	1,269,255	2,143,845
Non-operating income		
Interest income	3,452	3,472
Dividend income	33,433	36,897
Rental income from real estate	8,634	10,062
Subsidies for employment adjustment	18,000	-
Other	11,264	15,716
Total non-operating income	74,783	66,148
Non-operating expenses		
Interest expenses	377	236
Commission for purchase of treasury shares	971	8,841
Foreign exchange losses	9,693	705
Loss on retirement of non-current assets	584	38,364
Other	1,315	3,673
Total non-operating expenses	12,942	51,821
Ordinary profit	1,331,096	2,158,172
Extraordinary losses		
Loss on sale of non-current assets	11,089	-
Total extraordinary losses	11,089	-
Profit before income taxes	1,320,007	2,158,172
Income taxes - current	427,859	586,481
Income taxes - deferred	(9,458)	(39,535)
Total income taxes	418,401	546,945
Profit	901,606	1,611,227
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	901,606	1,611,227

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

(Thousand yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
Profit	901,606	1,611,227
Other comprehensive income		
Valuation difference on available-for-sale securities	67,801	10,402
Deferred gains or losses on hedges	(4,766)	443
Foreign currency translation adjustment	(25,818)	63,999
Remeasurements of defined benefit plans, net of tax	4,644	8,020
Total other comprehensive income	41,860	82,866
Comprehensive income	943,467	1,694,093
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	943,467	1,694,093
Comprehensive income attributable to non-controlling interests	-	-

Quarterly Consolidated Statements of Cash Flows

(Thousand yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
Cash flows from operating activities		
Profit before income taxes	1,320,007	2,158,172
Depreciation	402,748	398,630
Increase (decrease) in allowance for doubtful accounts	(673)	(13,852)
Increase (decrease) in retirement benefit liability	18,402	20,428
Increase (decrease) in provision for bonuses	352,850	367,030
Increase (decrease) in provision for bonuses for directors (and other officers)	(13,732)	(16,872)
Interest and dividend income	(36,885)	(40,369)
Subsidies for employment adjustment	(18,000)	-
Interest expenses	377	236
Loss (gain) on sale of non-current assets	11,089	-
Decrease (increase) in trade receivables	1,595,728	(129,606)
Decrease (increase) in inventories	751,971	(1,265,131)
Increase (decrease) in trade payables	(820,793)	998,812
Other, net	(762,568)	(545,498)
Subtotal	2,800,522	1,931,979
Interest and dividends received	36,885	40,369
Interest paid	(377)	(236)
Income taxes paid	(376,370)	(391,910)
Net cash provided by (used in) operating activities	2,460,660	1,580,202
Cash flows from investing activities		
Purchase of property, plant and equipment	(635,067)	(466,205)
Payments for retirement of property, plant and equipment	-	(3,500)
Proceeds from sale of property, plant and equipment	17,558	5,745
Purchase of intangible assets	-	(6,389)
Purchase of investment securities	(79,895)	(33,264)
Net cash provided by (used in) investing activities	(697,404)	(503,612)
Cash flows from financing activities		
Purchase of treasury shares	(129,977)	(1,263,095)
Dividends paid	(153,591)	(260,879)
Decrease (increase) in deposits for purchase of treasury shares	-	(277,207)
Other, net	(13,818)	(12,023)
Net cash provided by (used in) financing activities	(297,388)	(1,813,205)
Effect of exchange rate change on cash and cash equivalents	(11,100)	22,324
Net increase (decrease) in cash and cash equivalents	1,454,767	(714,291)
Cash and cash equivalents at beginning of period	8,206,159	11,390,772
Cash and cash equivalents at end of period	9,660,927	10,676,481