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Consolidated Financial Results for the Six Months Ended September 30, 2020 [Japanese GAAP]

November 12, 2020

Company name: YOTAI REFRACTORIES CO.,LTD.

Stock exchange listing: Tokyo

Code number: 5357

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

Representative: Mitsuo Taguchi

President

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Director, General Manager of General Affairs Department of
Head Office

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Scheduled date of filing quarterly securities report: November 13, 2020

Scheduled date of commencing dividend payments: December 11, 2020

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, 2020 (April 01, 2020 to September 30, 2020)

(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, 2020	11,197	(18.7)	1,269	(41.9)	1,331	(40.4)	901	(38.2)
September 30, 2019	13,778	4.3	2,186	(11.8)	2,234	(11.3)	1,458	(14.8)

(Note) Comprehensive income: Six months ended September 30, 2020: ¥ 943 million [(33.8)%]
Six months ended September 30, 2019: ¥ 1,424 million [(16.6)%]

	Basic earnings per share	Diluted earnings per share
Six months ended September 30, 2020	Yen 41.28	Yen -
September 30, 2019	66.37	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of September 30, 2020	Million yen 33,983	Million yen 27,893	82.1
March 31, 2020	34,443	27,234	79.1

(Reference) Equity: As of September 30, 2020: ¥ 27,893 million
As of March 31, 2020: ¥ 27,234 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, 2020	-	9.00	-	7.00	16.00
Fiscal year ending March 31, 2021	-	5.00			
Fiscal year ending March 31, 2021 (Forecast)			-	5.00	10.00

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

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending March 31, 2020 :ordinary dividend 7.00 yen and commemorative dividend 2.00 yen (70th-anniversary of the listing)

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021(April 01, 2020 to March 31, 2021)

(% 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	22,700	(14.8)	2,400	(40.3)	2,500	(39.5)	1,650	(41.0)	75.64

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2020

(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: No

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, 2020: 25,587,421 shares

March 31, 2020: 25,587,421 shares

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

September 30, 2020: 3,805,254 shares

March 31, 2020: 3,609,808 shares

3) Average number of shares during the period:

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

Six months ended September 30, 2019: 21,977,721 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2020	As of September 30,2020
Assets		
Current assets		
Cash and deposits	8,206,159	9,660,927
Notes and accounts receivable - trade	9,963,901	8,959,106
Electronically recorded monetary claims - operating	1,542,604	943,332
Finished goods	3,813,461	3,508,855
Work in process	473,176	490,177
Raw materials and supplies	3,398,594	2,926,915
Other	55,097	170,623
Allowance for doubtful accounts	(4,063)	(3,343)
Total current assets	27,448,931	26,656,593
Non-current assets		
Property, plant and equipment	5,118,455	5,302,373
Intangible assets	26,927	23,872
Investments and other assets		
Investment securities	1,515,633	1,688,085
Other	361,286	339,292
Allowance for doubtful accounts	(27,771)	(27,191)
Total investments and other assets	1,849,148	2,000,186
Total non-current assets	6,994,530	7,326,433
Total assets	34,443,462	33,983,026

(Thousand yen)

	As of March 31,2020	As of September 30,2020
Liabilities		
Current liabilities		
Accounts payable - trade	1,855,971	1,323,933
Electronically recorded obligations - operating	1,800,813	1,547,825
Income taxes payable	469,731	465,930
Provision for bonuses	-	352,850
Provision for bonuses for directors (and other officers)	28,570	14,838
Other	1,720,185	1,042,994
Total current liabilities	5,875,271	4,748,371
Non-current liabilities		
Retirement benefit liability	1,267,635	1,286,038
Other	66,482	54,897
Total non-current liabilities	1,334,118	1,340,936
Total liabilities	7,209,389	6,089,307
Net assets		
Shareholders' equity		
Share capital	2,654,519	2,654,519
Capital surplus	1,750,465	1,750,465
Retained earnings	23,039,060	23,786,823
Treasury shares	(693,422)	(823,400)
Total shareholders' equity	26,750,623	27,368,408
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	317,204	385,005
Deferred gains or losses on hedges	5,783	1,016
Foreign currency translation adjustment	154,939	129,121
Remeasurements of defined benefit plans	5,521	10,166
Total accumulated other comprehensive income	483,449	525,310
Total net assets	27,234,072	27,893,719
Total liabilities and net assets	34,443,462	33,983,026

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 30,2019	For the six months ended September 30,2020
Net sales	13,778,878	11,197,726
Cost of sales	10,542,541	8,937,785
Gross profit	3,236,336	2,259,940
Selling, general and administrative expenses	1,050,229	990,684
Operating profit	2,186,106	1,269,255
Non-operating income		
Interest income	5,892	3,452
Dividend income	35,707	33,433
Rental income from real estate	8,605	8,634
Subsidies for employment adjustment	-	18,000
Other	6,868	11,264
Total non-operating income	57,074	74,783
Non-operating expenses		
Interest expenses	438	377
Foreign exchange losses	5,560	9,693
Other	2,488	2,871
Total non-operating expenses	8,487	12,942
Ordinary profit	2,234,693	1,331,096
Extraordinary income		
Gain on sales of investment securities	17,212	-
Total extraordinary income	17,212	-
Extraordinary losses		
Loss on sales of non-current assets	-	11,089
Loss on valuation of investment securities	66,220	-
Total extraordinary losses	66,220	11,089
Profit before income taxes	2,185,684	1,320,007
Income taxes - current	724,784	427,859
Income taxes - deferred	2,149	(9,458)
Total income taxes	726,934	418,401
Profit	1,458,750	901,606
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	1,458,750	901,606

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

(Thousand yen)

	For the six months ended September 30,2019	For the six months ended September 30,2020
Profit	1,458,750	901,606
Other comprehensive income		
Valuation difference on available-for-sale securities	(17,631)	67,801
Deferred gains or losses on hedges	(8,314)	(4,766)
Foreign currency translation adjustment	(17,242)	(25,818)
Remeasurements of defined benefit plans, net of tax	9,280	4,644
Total other comprehensive income	(33,907)	41,860
Comprehensive income	1,424,843	943,467
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,424,843	943,467
Comprehensive income attributable to non-controlling interests	-	-

Quarterly Consolidated Statements of Cash Flows

(Thousand yen)

	For the six months ended September 30,2019	For the six months ended September 30,2020
Cash flows from operating activities		
Profit before income taxes	2,185,684	1,320,007
Depreciation	397,463	402,748
Increase (decrease) in allowance for doubtful accounts	189	(673)
Increase (decrease) in retirement benefit liability	(12,183)	18,402
Increase (decrease) in provision for bonuses	337,375	352,850
Increase (decrease) in provision for bonuses for directors (and other officers)	(14,300)	(13,732)
Interest and dividend income	(41,599)	(36,885)
Subsidies for employment adjustment	-	(18,000)
Interest expenses	438	377
Loss (gain) on sales of non-current assets	-	11,089
Loss (gain) on sales of investment securities	(17,212)	-
Loss (gain) on valuation of investment securities	66,220	-
Decrease (increase) in trade receivables	567,431	1,595,728
Decrease (increase) in inventories	397,608	751,971
Increase (decrease) in trade payables	(516,664)	(820,793)
Other, net	(550,694)	(762,568)
Subtotal	2,799,757	2,800,522
Interest and dividends received	41,599	36,885
Interest paid	(438)	(377)
Income taxes paid	(968,584)	(376,370)
Net cash provided by (used in) operating activities	1,872,333	2,460,660
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	100,000	-
Purchase of property, plant and equipment	(878,455)	(635,067)
Proceeds from sales of property, plant and equipment	-	17,558
Purchase of investment securities	(5,902)	(79,895)
Proceeds from sales of investment securities	33,886	-
Net cash provided by (used in) investing activities	(750,472)	(697,404)
Cash flows from financing activities		
Purchase of treasury shares	(28)	(129,977)
Dividends paid	(175,408)	(153,591)
Other, net	(11,711)	(13,818)
Net cash provided by (used in) financing activities	(187,149)	(297,388)
Effect of exchange rate change on cash and cash equivalents	(3,985)	(11,100)
Net increase (decrease) in cash and cash equivalents	930,726	1,454,767
Cash and cash equivalents at beginning of period	4,311,347	8,206,159
Cash and cash equivalents at end of period	5,242,073	9,660,927