

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2020 (Based on Japanese GAAP)

February 10, 2021

Company name: COPRO-HOLDINGS. Co., Ltd.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 7059 URL <https://www.copro-h.co.jp/>
 Representative: Chief Executive Office Kosuke Kiyokawa
 Executive Director, Director of Masahiko Saito
 Inquiries: Administrative Division TEL +81-52-589-3066
 Scheduled date to file Quarterly Securities Report: February 10, 2021
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2020 (from April 1, 2020 to December 31, 2020)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2020	11,068	15.9	958	△15.6	960	△14.8	689	△5.9
Nine months ended December 31, 2019	9,548	20.9	1,134	12.4	1,127	12.2	733	10.8

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2020	146.21		143.11	
Nine months ended December 31, 2019	155.64		152.56	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2020	8,437	5,918	70.1
As of March 31, 2020	8,030	5,487	68.3

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2020	—	20.00	—	40.00	60.00
Year ending March 31, 2021	—	20.00	—		
Year ending March 31, 2021 (Forecast)				27.50	—

(Note) 1. Revisions to the dividend forecasts announced most recently: Yes

2. Breakdown of year-end dividend (forecast) for the fiscal year ending March 31, 2021

Ordinary dividend 25yen

Commemorative dividend 2.5yen

(Commemorate the change to the First Section of the Tokyo Stock Exchange and the First Section of the Nagoya Stock Exchange)

3. We plan to conduct a 2-for-1 stock split with an effective date of April 1, 2021. The forecast for the year ended March 31, 2021 is for stock after split. The total for the year ending March 31, 2021 (forecast) is not shown because simple calculations are not possible due to the implementation of a stock split. For details of stock splits and revisions to dividend forecasts, please refer to the "Notice of Share Split, Partial Change to Articles of Incorporation and Revision of Dividend Forecast in Conjunction with Share Split" disclosed on February 10, 2021.

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	14,819	12.9	1,366	△14.2	1,368	△13.7	901	△16.9	191.00

(Note) 1.Revisions to the earnings forecasts announced most recently: Yes

2.Regarding the revision to the consolidated earnings forecast, please refer to the press release “Notice of Revisions to Earnings Forecasts” disclosed on February 10, 2021.

4. Notes

(1) Changes in significant subsidiaries during the nine months ended December 31, 2020

Yes

(changes in specified subsidiaries resulting in the change in scope of consolidation):

New companies: 1 company (Company name) COPRO GLOBALS PTE. LTD.

(2) Application of special accounting methods for preparing quarterly consolidated financial statements:

No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2020	5,000,000 shares	As of March 31, 2020	5,000,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2020	261,367 shares	As of March 31, 2020	286,000 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2020	4,718,158 shares	Nine months ended December 31, 2019	4,710,178 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	4,831,545	5,319,256
Accounts receivable - trade	1,856,412	1,784,926
Other	210,153	231,242
Allowance for doubtful accounts	(438)	(423)
Total current assets	6,897,672	7,335,001
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	270,645	360,988
Construction in progress	40,665	9,460
Other, net	60,480	71,915
Total property, plant and equipment	371,790	442,363
Intangible assets		
Leased assets	28,206	12,883
Other	84,861	141,893
Total intangible assets	113,067	154,776
Investments and other assets		
Deferred tax assets	130,309	57,903
Other	517,681	447,724
Total investments and other assets	647,990	505,628
Total non-current assets	1,132,849	1,102,769
Total assets	8,030,522	8,437,771
Liabilities		
Current liabilities		
Current portion of bonds payable	160,000	150,000
Lease obligations	26,290	20,063
Accounts payable - other	1,145,106	1,358,859
Income taxes payable	310,079	68,620
Accrued consumption taxes	428,522	370,558
Provision for bonuses	120,910	29,208
Asset retirement obligations	7,608	24,795
Other	181,170	414,860
Total current liabilities	2,379,689	2,436,956
Non-current liabilities		
Bonds payable	70,000	—
Lease obligations	16,242	6,088
Asset retirement obligations	76,623	76,090
Total non-current liabilities	162,866	82,178
Total liabilities	2,542,555	2,519,135

(Thousands of yen)

	As of March 31, 2020	As of December 31, 2020
Net assets		
Shareholders' equity		
Share capital	30,000	30,000
Capital surplus	1,172,858	1,196,434
Retained earnings	4,286,538	4,693,484
Treasury shares	(1,430)	△1,498
Total shareholders' equity	5,487,966	5,918,420
Accumulated other comprehensive income		
Foreign currency translation adjustment	–	215
Total accumulated other comprehensive income	–	215
Total net assets	5,487,966	5,918,635
Total liabilities and net assets	8,030,522	8,437,771

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

	(Thousands of yen)	
	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Net sales	9,548,894	11,068,254
Cost of sales	6,363,985	7,915,512
Gross profit	3,184,909	3,152,741
Selling, general and administrative expenses	2,050,350	2,194,736
Operating profit	1,134,558	958,005
Non-operating income		
Interest income	20	22
Rental income	855	855
Settlement received	—	3,762
Other	77	68
Total non-operating income	953	4,709
Non-operating expenses		
Interest expenses	1,996	679
Guarantee commission	1,958	727
Loss on redemption of bonds	3,569	—
Depreciation	562	562
Other	162	488
Total non-operating expenses	8,249	2,457
Ordinary profit	1,127,262	960,256
Extraordinary income		
Surrender value of insurance policies	17,800	90,676
Total extraordinary income	17,800	90,676
Extraordinary losses		
Loss on retirement of non-current assets	13,670	4,397
Total extraordinary losses	13,670	4,397
Profit before income taxes	1,131,391	1,046,535
Income taxes - current	384,671	284,289
Income taxes - deferred	13,627	72,405
Total income taxes	398,299	356,695
Profit	733,092	689,840
Profit attributable to owners of parent	733,092	689,840

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Profit	733,092	689,840
Other comprehensive income		
Foreign currency translation adjustment	–	215
Total other comprehensive income	–	215
Comprehensive income	733,092	690,056
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	733,092	690,056