

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

August 11, 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
 Inquiries: Director of Management Strategy Division Eiji Kawamura TEL +81-52-589-3066
 Scheduled date to file Quarterly Securities Report: August 11, 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 three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(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	%
Three months ended June 30, 2021	3,555	(1.4)	277	40.0	277	39.8	154	(18.4)
Three months ended June 30, 2020	3,606	19.3	198	(33.6)	198	(33.2)	188	2.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	16.12		15.91	
Three months ended June 30, 2020	20.01		19.69	

(Note) On April 1, 2021, the Company conducted a two-for-one stock split of common stock. Earnings per share and Diluted earnings per share have been calculated as if this stock split had taken place at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	8,646	6,172	71.3
As of March 31, 2021	8,514	6,272	73.7

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, 2021	–	20.00	–	55.00	75.00
Year ending March 31, 2022	–				
Year ending March 31, 2022 (Forecast)		10.00	–	30.00	40.00

(Note) On April 1, 2021, the Company conducted a two-for-one stock split of common stock. For the fiscal year ended March 31, 2021, the actual amounts of dividends prior to the stock split are presented. Dividends for the year ended March 31, 2022 (forecast) are stated in consideration of the impact of the stock split.

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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
Six months ending September 30, 2021	7,596	4.5	487	(8.4)	488	(8.5)	316	(21.8)	33.10
Full year	16,943	14.2	1,655	15.1	1,657	15.1	1,077	6.7	112.69

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2021
 (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
 New companies: 2 company (Company name) COPRO VIETNAM CO., LTD.
 ATMOS CO.,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: Yes
 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 June 30, 2021	10,000,000 shares	As of March 31, 2021	10,000,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	442,034 shares	As of March 31, 2021	446,334 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2021	9,557,334 shares	Three months ended June 30, 2020	9,428,178 shares
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(Note) On April 1, 2021, the Company conducted a two-for-one stock split of common stock. Total number of issued shares at the end of the period, Number of treasury shares at the end of the period and Average number of shares during the period have been calculated as if this stock split had taken place at the beginning of the previous fiscal year.

Quarterly consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	5,320,538	4,610,292
Accounts receivable - trade	1,880,186	1,901,912
Electronically recorded monetary claims - operating	—	29,046
Other	207,297	285,998
Allowance for doubtful accounts	(435)	(438)
Total current assets	7,407,586	6,826,812
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	272,809	463,555
Construction in progress	28,270	—
Other, net	56,235	128,426
Total property, plant and equipment	357,315	591,982
Intangible assets		
Goodwill	—	298,706
Leased assets	7,776	2,668
Other	152,933	179,142
Total intangible assets	160,709	480,516
Investments and other assets		
Deferred tax assets	117,660	154,228
Other	471,072	592,575
Total investments and other assets	588,733	746,804
Total non-current assets	1,106,757	1,819,303
Total assets	8,514,344	8,646,115
Liabilities		
Current liabilities		
Current portion of bonds payable	70,000	70,000
Lease obligations	14,560	8,660
Accounts payable - other	1,130,440	1,439,615
Income taxes payable	158,746	97,107
Accrued consumption taxes	449,936	301,667
Provision for bonuses	52,661	84,246
Asset retirement obligations	28,169	29,392
Other	258,476	284,085
Total current liabilities	2,162,989	2,314,775
Non-current liabilities		
Long-term borrowings	—	24,014
Lease obligations	4,464	3,304
Retirement benefit liability	—	20,872
Asset retirement obligations	74,487	110,415
Total non-current liabilities	78,952	158,605
Total liabilities	2,241,942	2,473,380
Net assets		
Shareholders' equity		
Share capital	30,000	30,000
Capital surplus	1,230,530	1,233,420
Retained earnings	5,012,823	4,904,301
Treasury shares	(1,279)	(1,267)
Total shareholders' equity	6,272,073	6,166,455
Accumulated other comprehensive income		
Foreign currency translation adjustment	328	972
Total accumulated other comprehensive income	328	972
Share acquisition rights	—	5,307
Total net assets	6,272,402	6,172,734
Total liabilities and net assets	8,514,344	8,646,115

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	3,606,779	3,555,317
Cost of sales	2,645,584	2,491,640
Gross profit	961,194	1,063,676
Selling, general and administrative expenses	762,978	786,126
Operating profit	198,216	277,550
Non-operating income		
Rental income	285	285
Settlement received	668	—
Other	23	21
Total non-operating income	976	306
Non-operating expenses		
Interest expenses	225	104
Guarantee commission	272	82
Depreciation	187	187
Other	54	54
Total non-operating expenses	739	428
Ordinary profit	198,453	277,427
Extraordinary income		
Surrender value of insurance policies	90,676	—
Total extraordinary income	90,676	—
Extraordinary losses		
Loss on retirement of non-current assets	203	0
Total extraordinary losses	203	0
Profit before income taxes	288,925	277,427
Income taxes - current	68,903	111,882
Income taxes - deferred	31,325	11,505
Total income taxes	100,229	123,388
Profit	188,696	154,039
Profit attributable to owners of parent	188,696	154,039

Consolidated statements of comprehensive income (cumulative)

	(Thousands of yen)	
	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	188,696	154,039
Other comprehensive income		
Foreign currency translation adjustment	—	643
Total other comprehensive income	—	643
Comprehensive income	188,696	154,683
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	188,696	154,683