

**Consolidated Financial Results
for the Three Months Ended March 31, 2021
(Japanese GAAP)**



May 13, 2021

Company Name: RYOBI LIMITED
 Stock Code: 5851
 (URL: <https://www.ryobi-group.co.jp/>)
 Stock Exchange Listing: Tokyo
 Representative: Akira Urakami, President and CEO
 Contact: Hiromu Arihiro, Corporate Officer
 Divisional Deputy General Manager of Corporate Planning Division
 General Manager Finance Department
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 Scheduled date to submit the Quarterly Securities Report : May 13, 2021
 Date of scheduled payment of dividend : —
 Presentation Meeting : No

(Any amount less than one million is disregarded.)

**1. Consolidated Financial Results for the Three Months Ended March 31, 2021
(From January 1, 2021 to March 31, 2021)**

(1) Consolidated Results of Operations (% indicates changes from the previous fiscal year.)

	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 March 31, 2021	48,235	4.4	639	157.1	1,038	360.6	827	—
Three months ended March 31, 2020	46,208	-22.0	248	-93.2	225	-93.8	23	-99.2

(Note) Comprehensive income: Three months ended March 31, 2021: 6,429 million yen [—%]
 Three months ended March 31, 2020: -3,471 million yen [—%]

	Profit per share	Fully diluted profit per share
	Yen	Yen
Three months ended March 31, 2021	25.56	—
Three months ended March 31, 2020	0.73	—

*Since the year-on-year rate of profit attributable to owners of parent from the corresponding period of the previous fiscal year is over 1,000%, “-” is indicated.

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2021	269,397	132,340	45.9
As of December 31, 2020	258,660	125,930	45.3

(Reference) Shareholders' Equity: As of March 31, 2021 : 123,588 million yen
 As of December 31, 2020 : 117,147 million yen

2. Dividends

	Cash dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY December 2020	–	0.00	–	0.00	0.00
FY December 2021	–				
FY December 2021 (Forecast)		10.00	–	25.00	35.00

(Reference) Correction from the dividend forecast, which is published in the most recent: No

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2021 (From January 1, 2021 to December 31, 2021)

(% indicates percentage changes as compared with the previous corresponding fiscal period or fiscal year, as applicable.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First Half	93,500	20.3	500	–	500	–	300	–	9.27
Full year	198,000	15.8	5,500	–	5,500	–	4,300	–	132.84

(Reference) Correction from the consolidated forecast, which is published in the most recent: No

*Notes

- (1) Significant changes of companies during the fiscal year ended March 31, 2021 (changes in specific companies involving changes in the scope of consolidation): Not applicable
New Company: —
Excluded companies: —
- (2) Adoption of specific accounting treatments to the preparation of consolidated quarterly financial statements: Not applicable
- (3) Changes in accounting policies, changes in accounting estimates and restatements
 - 1) Changes in accounting policies due to the revision of accounting standards: Not applicable
 - 2) Changes in accounting policies other than 1): Not applicable
 - 3) Changes in accounting estimates: Not applicable
 - 4) Restatements: Not applicable

(4) Shares issued (common stock)

1) Shares issued (including treasury stock)	As of March 31, 2021	32,646,143	As of December 31, 2020	32,646,143
2) Treasury stock	As of March 31, 2021	277,302	As of December 31, 2020	277,298
3) Average shares outstanding during the period	Three months ended March 31, 2021	32,368,844	Three months ended March 31, 2020	32,368,970

* These consolidated quarterly financial results are outside the scope of quarterly review.

* Explanation for the appropriate use of performance forecasts and other special notes:

The statements regarding forecast of financial results in this report are based on the information that is available, as well as estimates, assumptions and projections that are believed to be reasonable at the time of publication, and they are not meant to be a commitment by the Company. Therefore, there might be cases in which actual results differ from forecast values.

Comparative Balance Sheets (Consolidated)

(Millions of yen)

	December 31, 2020	March 31, 2021
Assets		
Current assets		
Cash and deposits	26,566	28,649
Notes and accounts receivable - trade	40,157	40,669
Securities	759	764
Merchandise and finished goods	15,353	15,789
Work in process	12,320	13,167
Raw materials and supplies	13,714	14,839
Other	3,379	4,252
Allowance for doubtful accounts	(32)	(18)
Total current assets	112,218	118,113
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	32,741	34,323
Machinery, equipment and vehicles, net	50,334	54,315
Land	15,964	15,731
Construction in progress	14,323	11,260
Other, net	5,595	6,024
Total property, plant and equipment	118,959	121,654
Intangible assets		
Other	3,482	3,469
Total intangible assets	3,482	3,469
Investments and other assets		
Investment securities	14,396	15,998
Other	9,658	10,219
Allowance for doubtful accounts	(63)	(63)
Total investments and other assets	23,991	26,154
Total non-current assets	146,432	151,278
Deferred assets		
Bond issuance costs	8	5
Total deferred assets	8	5
Total assets	258,660	269,397

Comparative Balance Sheets (Consolidated)

(Millions of yen)

	December 31, 2020	March 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	29,115	31,334
Short-term borrowings	25,595	27,292
Current portion of bonds payable	4,600	4,300
Current portion of long-term borrowings	7,110	7,696
Income taxes payable	476	485
Provision for bonuses	390	1,113
Other	16,601	16,094
Total current liabilities	83,890	88,316
Non-current liabilities		
Bonds payable	1,500	1,500
Long-term borrowings	33,670	32,901
Retirement benefit liability	8,055	8,064
Other	5,613	6,273
Total non-current liabilities	48,839	48,739
Total liabilities	132,730	137,056
Net assets		
Shareholders' equity		
Share capital	18,472	18,472
Capital surplus	21,861	21,867
Retained earnings	76,309	77,136
Treasury shares	(346)	(346)
Total shareholders' equity	116,295	117,130
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,733	5,737
Revaluation reserve for land	810	810
Foreign currency translation adjustment	(3,814)	677
Remeasurements of defined benefit plans	(877)	(766)
Total accumulated other comprehensive income	852	6,458
Non-controlling interests	8,782	8,751
Total net assets	125,930	132,340
Total liabilities and net assets	258,660	269,397

Comparative Statements of Income (Consolidated)

(Millions of yen)

	Three months ended March 31, 2020	Three months ended March 31, 2021
Net sales	46,208	48,235
Cost of sales	41,140	42,932
Gross profit	5,068	5,303
Selling, general and administrative expenses	4,819	4,663
Operating profit	248	639
Non-operating income		
Interest income	23	42
Dividend income	1	2
Rental income	59	42
Foreign exchange gains	20	99
Share of profit of entities accounted for using equity method	23	12
Usage income of trademark	54	81
Subsidy income	—	164
Other	105	216
Total non-operating income	287	661
Non-operating expenses		
Interest expenses	244	228
Depreciation	9	5
Other	56	29
Total non-operating expenses	311	263
Ordinary profit	225	1,038
Extraordinary income		
Gain on disposal of non-current assets	0	1
Gain on sales of investment securities	—	0
Total extraordinary income	0	1
Extraordinary losses		
Loss on disposal of non-current assets	10	11
Loss on valuation of investment securities	58	—
Loss on sales of shares of subsidiaries and associates	78	—
Total extraordinary losses	147	11
Profit before income taxes	77	1,028
Income taxes	32	231
Profit	45	797
Profit (loss) attributable to non-controlling interests	22	(29)
Profit attributable to owners of parent	23	827

Comparative Statements of Comprehensive Income (Consolidated)

(Millions of yen)

	Three months ended March 31, 2020	Three months ended March 31, 2021
Profit	45	797
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,143)	1,029
Foreign currency translation adjustment	(1,439)	4,367
Remeasurements of defined benefit plans, net of tax	114	111
Share of other comprehensive income of entities accounted for using equity method	(49)	124
Total other comprehensive income	(3,517)	5,631
Comprehensive income	(3,471)	6,429
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(3,394)	6,433
Comprehensive income attributable to non-controlling interests	(76)	(3)

Comparative Statements of Cash Flows (Consolidated)

(Millions of yen)

	Three months ended March 31, 2020	Three months ended March 31, 2021
Cash flows from operating activities		
Profit before income taxes	77	1,028
Depreciation	4,215	4,159
Increase (decrease) in allowance for doubtful accounts	(10)	(14)
Increase (decrease) in provision for bonuses	1,149	722
Increase (decrease) in retirement benefit liability	94	106
Interest and dividend income	(24)	(44)
Interest expenses	244	228
Subsidy income	—	(164)
Share of loss (profit) of entities accounted for using equity method	(23)	(12)
Loss (gain) on valuation of investment securities	58	—
Loss (gain) on sales of shares of subsidiaries and associates	78	—
Loss (gain) on disposal of non-current assets	10	9
Decrease (increase) in trade receivables	1,305	376
Decrease (increase) in inventories	136	(1,378)
Decrease (increase) in other current assets	106	(801)
Increase (decrease) in trade payables	(6,254)	1,830
Increase (decrease) in other current liabilities	(2,499)	(947)
Other, net	(219)	(153)
Subtotal	(1,554)	4,943
Interest and dividends received	24	43
Interest paid	(237)	(241)
Proceeds from subsidy income	—	205
Income taxes paid	(600)	(210)
Net cash provided by (used in) operating activities	(2,367)	4,740
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,061)	(2,982)
Proceeds from sales of property, plant and equipment	7	321
Purchase of investment securities	(4)	(5)
Proceeds from sales of investment securities	—	13
Proceeds from sales of shares of subsidiaries and associates	2,630	—
Payments into time deposits	(15)	(15)
Proceeds from withdrawal of time deposits	15	15
Other, net	(335)	(208)
Net cash provided by (used in) investing activities	(3,763)	(2,861)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	780	909
Proceeds from long-term borrowings	13,704	807
Repayments of long-term borrowings	(3,918)	(1,844)
Redemption of bonds	—	(300)
Purchase of treasury shares	—	(0)
Dividends paid	(1,092)	(0)
Other, net	(104)	(54)
Net cash provided by (used in) financing activities	9,369	(482)
Effect of exchange rate change on cash and cash equivalents	(216)	691
Net increase (decrease) in cash and cash equivalents	3,022	2,087
Cash and cash equivalents at beginning of period	21,356	25,405
Cash and cash equivalents at end of period	24,379	27,493

Segment Information

Industry Segment Information

(Three months ended March 31, 2020)

(Millions of yen)

	Die Castings	Builders' Hardware	Printing Equipment	Other	Eliminations / Corporate	Consolidated
Net Sales:						
Unaffiliated customers	39,186	2,517	4,470	35	—	46,208
Intersegment	17	—	—	4	(22)	—
Total	39,203	2,517	4,470	40	(22)	46,208
Operating profit (loss)	217	228	(181)	(16)	0	248

(Three months ended March 31, 2021)

(Millions of yen)

	Die Castings	Builders' Hardware	Printing Equipment	Other	Eliminations / Corporate	Consolidated
Net Sales:						
Unaffiliated customers	41,965	2,196	4,040	33	—	48,235
Intersegment	16	—	—	4	(20)	—
Total	41,981	2,196	4,040	38	(20)	48,235
Operating profit (loss)	878	115	(342)	(10)	0	639

* All amounts have been rounded down to the nearest million yen.