

# Consolidated Financial Results for the Six Months Ended June 30, 2021 (Japanese GAAP)



August 5, 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

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Scheduled date to submit the Quarterly Securities Report : August 5, 2021

Date of scheduled payment of dividend : September 1, 2021

Availability of supplementary briefing material on quarterly results : Yes

Presentation Meeting : Yes (for analysts and institutional investors)

(Any amount less than one million is disregarded.)

## 1. Consolidated Financial Results for the Six Months Ended June 30, 2021 (From January 1, 2021 to June 30, 2021)

### (1) Consolidated Results of Operations

(% indicates changes from the previous fiscal period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended June 30, 2021	95,567	23.0	-621	—	101	—	225	—
Six months ended June 30, 2020	77,700	-30.7	-3,551	—	-2,775	—	-1,668	—

(Note) Comprehensive income: Six months ended June 30, 2021: 6,042 million yen [—%]

Six months ended June 30, 2020: -4,703 million yen [—%]

	Profit per share	Fully diluted profit per share
	Yen	Yen
Six months ended June 30, 2021	6.97	—
Six months ended June 30, 2020	-51.55	—

### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	270,051	131,952	45.6
As of December 31, 2020	258,660	125,930	45.3

(Reference) Shareholders' Equity: As of June 30, 2021 : 123,210 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	–	10.00			
FY December 2021 (Forecast)			–	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 from previous fiscal year.)

	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
Full year	211,000	23.4	2,300	–	3,000	–	2,200	–	67.97

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

### \* Notes

- (1) Significant changes of companies during the period (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 June 30, 2021	32,646,143	As of December 31, 2020	32,646,143
2) Treasury stock	As of June 30, 2021	277,386	As of December 31, 2020	277,298
3) Average shares outstanding during the period	Six months ended June 30, 2021	32,368,814	Six months ended June 30, 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	June 30, 2021
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	26,566	30,869
Notes and accounts receivable - trade	40,157	38,457
Securities	759	735
Merchandise and finished goods	15,353	16,722
Work in process	12,320	14,101
Raw materials and supplies	13,714	15,974
Other	3,379	3,881
Allowance for doubtful accounts	(32)	(19)
<b>Total current assets</b>	<b>112,218</b>	<b>120,723</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	32,741	33,867
Machinery, equipment and vehicles, net	50,334	53,108
Land	15,964	15,710
Construction in progress	14,323	11,515
Other, net	5,595	5,996
<b>Total property, plant and equipment</b>	<b>118,959</b>	<b>120,197</b>
<b>Intangible assets</b>		
Other	3,482	3,354
<b>Total intangible assets</b>	<b>3,482</b>	<b>3,354</b>
<b>Investments and other assets</b>		
Investment securities	14,396	15,539
Other	9,658	10,298
Allowance for doubtful accounts	(63)	(64)
<b>Total investments and other assets</b>	<b>23,991</b>	<b>25,773</b>
<b>Total non-current assets</b>	<b>146,432</b>	<b>149,325</b>
<b>Deferred assets</b>		
Bond issuance costs	8	2
<b>Total deferred assets</b>	<b>8</b>	<b>2</b>
<b>Total assets</b>	<b>258,660</b>	<b>270,051</b>

## Comparative Balance Sheets (Consolidated)

(Millions of yen)

	December 31, 2020	June 30, 2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	29,115	33,983
Short-term borrowings	25,595	30,038
Current portion of bonds payable	4,600	3,300
Current portion of long-term borrowings	7,110	14,791
Income taxes payable	476	408
Provision for bonuses	390	378
Other	16,601	16,147
Total current liabilities	83,890	99,047
Non-current liabilities		
Bonds payable	1,500	—
Long-term borrowings	33,670	25,417
Retirement benefit liability	8,055	7,878
Other	5,613	5,755
Total non-current liabilities	48,839	39,051
Total liabilities	132,730	138,099
<b>Net assets</b>		
Shareholders' equity		
Share capital	18,472	18,472
Capital surplus	21,861	21,874
Retained earnings	76,309	76,534
Treasury shares	(346)	(346)
Total shareholders' equity	116,295	116,535
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,733	5,420
Revaluation reserve for land	810	811
Foreign currency translation adjustment	(3,814)	1,099
Remeasurements of defined benefit plans	(877)	(655)
Total accumulated other comprehensive income	852	6,675
Non-controlling interests	8,782	8,741
Total net assets	125,930	131,952
<b>Total liabilities and net assets</b>	<b>258,660</b>	<b>270,051</b>

## Comparative Statements of Income (Consolidated)

(Millions of yen)

	Six months ended June 30, 2020	Six months ended June 30, 2021
Net sales	77,700	95,567
Cost of sales	71,877	86,457
Gross profit	5,822	9,110
Selling, general and administrative expenses	9,374	9,731
Operating loss	(3,551)	(621)
Non-operating income		
Interest income	55	95
Dividend income	189	192
Rental income	112	82
Foreign exchange gains	—	74
Share of profit of entities accounted for using equity method	35	35
Usage income of trademark	108	136
Subsidy income	742	315
Other	227	352
Total non-operating income	1,470	1,285
Non-operating expenses		
Interest expenses	500	458
Foreign exchange losses	53	—
Depreciation	18	8
Other	121	95
Total non-operating expenses	694	562
Ordinary profit (loss)	(2,775)	101
Extraordinary income		
Gain on disposal of non-current assets	1	3
Gain on sales of investment securities	—	0
Total extraordinary income	1	3
Extraordinary losses		
Loss on disposal of non-current assets	15	47
Loss on valuation of investment securities	76	—
Loss on sales of investment securities	0	—
Loss on sales of shares of subsidiaries and associates	78	—
Total extraordinary losses	170	47
Profit (loss) before income taxes	(2,943)	57
Income taxes	(1,186)	(143)
Profit (loss)	(1,757)	200
Loss attributable to non-controlling interests	(88)	(24)
Profit (loss) attributable to owners of parent	(1,668)	225

## Comparative Statements of Comprehensive Income (Consolidated)

(Millions of yen)

	Six months ended June 30, 2020	Six months ended June 30, 2021
Profit (loss)	(1,757)	200
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,493)	703
Revaluation reserve for land	0	0
Foreign currency translation adjustment	(1,598)	4,754
Remeasurements of defined benefit plans, net of tax	229	223
Share of other comprehensive income of entities accounted for using equity method	(84)	159
Total other comprehensive income	(2,946)	5,841
Comprehensive income	(4,703)	6,042
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(4,540)	6,049
Comprehensive income attributable to non-controlling interests	(162)	(6)

## Comparative Statements of Cash Flows (Consolidated)

(Millions of yen)

	Six months ended June 30, 2020	Six months ended June 30, 2021
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	(2,943)	57
Depreciation	8,225	8,475
Increase (decrease) in allowance for doubtful accounts	(6)	(12)
Increase (decrease) in provision for bonuses	20	(12)
Increase (decrease) in retirement benefit liability	23	18
Interest and dividend income	(244)	(288)
Interest expenses	500	458
Subsidy income	(742)	(315)
Share of loss (profit) of entities accounted for using equity method	(35)	(35)
Loss (gain) on sales of investment securities	0	—
Loss (gain) on sales of shares of subsidiaries and associates	78	—
Loss (gain) on disposal of non-current assets	13	44
Decrease (increase) in trade receivables	6,995	2,579
Decrease (increase) in inventories	253	(4,276)
Decrease (increase) in other current assets	(188)	(368)
Increase (decrease) in trade payables	(12,332)	4,426
Increase (decrease) in other current liabilities	(1,444)	683
Other, net	(169)	(72)
Subtotal	(1,997)	11,360
Interest and dividends received	289	349
Interest paid	(479)	(453)
Proceeds from subsidy income	245	371
Income taxes (paid) refund	(354)	(493)
Net cash provided by (used in) operating activities	(2,295)	11,133
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(12,583)	(7,038)
Proceeds from sales of property, plant and equipment	32	321
Purchase of securities	(680)	(650)
Proceeds from sales of securities	680	680
Purchase of investment securities	(16)	(5)
Proceeds from sales of investment securities	0	13
Proceeds from sales of shares of subsidiaries and associates	2,630	—
Payments into time deposits	(1,214)	(1,214)
Proceeds from withdrawal of time deposits	1,214	1,214
Other, net	(887)	(199)
Net cash provided by (used in) investing activities	(10,825)	(6,878)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	5,711	3,585
Proceeds from long-term borrowings	15,406	1,844
Repayments of long-term borrowings	(4,645)	(3,312)
Redemption of bonds	—	(2,800)
Purchase of treasury shares	—	(0)
Dividends paid	(1,132)	(3)
Other, net	(143)	(80)
Net cash provided by (used in) financing activities	15,197	(767)
Effect of exchange rate change on cash and cash equivalents	(234)	821
Net increase (decrease) in cash and cash equivalents	1,841	4,309
Cash and cash equivalents at beginning of period	21,356	25,405
Cash and cash equivalents at end of period	23,198	29,715

## Segment Information

### Industry Segment Information

(Six months ended June 30, 2020)

(Millions of yen)

	Die Castings	Builders' Hardware	Printing Equipment	Other	Eliminations / Corporate	Consolidated
Net Sales:						
Unaffiliated customers	64,648	4,672	8,302	76	—	77,700
Intersegment	36	—	—	27	(63)	—
Total	64,684	4,672	8,302	104	(63)	77,700
Operating profit (loss)	(3,509)	372	(402)	(12)	0	(3,551)

(Six months ended June 30, 2021)

(Millions of yen)

	Die Castings	Builders' Hardware	Printing Equipment	Other	Eliminations / Corporate	Consolidated
Net Sales:						
Unaffiliated customers	82,140	4,520	8,817	89	—	95,567
Intersegment	29	—	—	16	(46)	—
Total	82,169	4,520	8,817	106	(46)	95,567
Operating profit (loss)	(369)	233	(488)	1	2	(621)

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