

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2021 (Based on Japanese GAAP)

May 14, 2021

Company name: Rasa Industries, Ltd.
 Stock exchange listing: Tokyo
 Stock code: 4022 URL <http://www.rasa.co.jp/>
 Representative: President Kousaku Sakao
 Director General Manager Accounting Dept. Tetsuo Mochizuki TEL +81-3-3258-1835
 Scheduled date of ordinary general meeting of shareholders: June 29, 2021
 Scheduled date to file Securities Report: June 29, 2021
 Scheduled date to commence dividend payments: June 30, 2021
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(1) Consolidated operating results

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	%
Year ended March 31, 2021	28,978	(2.6)	2,659	42.1	2,649	53.5	2,004	45.5
Year ended March 31, 2020	29,759	(4.0)	1,871	(27.3)	1,726	(34.1)	1,377	(39.4)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2021	252.89	–	12.0	7.1	9.2
Year ended March 31, 2020	173.82	–	9.1	4.5	6.3

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2021	36,928	17,721	47.8	2,227.54
As of March 31, 2020	37,563	15,748	41.8	1,980.26

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2021	2,367	(1,860)	(1,825)	3,407
Year ended March 31, 2020	2,963	(1,407)	(2,151)	4,737

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2020	–	–	–	40.00	40.00	317	23.0	2.1
Year ended March 31, 2021	–	–	–	45.00	45.00	356	17.8	2.1
Year ending March 31, 2022 (Forecast)	–	–	–	45.00	45.00		21.0	

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	15,000	5.2	1,100	(4.4)	1,100	(2.8)	800	(8.6)	100.94
Full year	30,500	5.3	2,300	(13.5)	2,300	(13.2)	1,700	(15.2)	214.50

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2021

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

No

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2021	7,944,203 shares	As of March 31, 2020	7,944,203 shares
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Number of treasury shares at the end of the period

As of March 31, 2021	18,829 shares	As of March 31, 2020	18,492 shares
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Average number of shares during the period

Year ended March 31, 2021	7,925,526 shares	Year ended March 31, 2020	7,925,858 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	4,737	3,407
Notes and accounts receivable - trade	8,159	8,540
Merchandise and finished goods	1,771	2,026
Work in process	809	918
Raw materials and supplies	928	956
Other	265	174
Allowance for doubtful accounts	(0)	(0)
Total current assets	16,672	16,024
Non-current assets		
Property, plant and equipment		
Buildings and structures	16,034	16,135
Accumulated depreciation	(11,722)	(11,991)
Buildings and structures, net	4,311	4,143
Machinery, equipment and vehicles	21,728	21,898
Accumulated depreciation	(16,992)	(17,740)
Machinery, equipment and vehicles, net	4,736	4,157
Tools, furniture and fixtures	2,101	2,174
Accumulated depreciation	(1,519)	(1,587)
Tools, furniture and fixtures, net	582	586
Land	6,922	6,922
Construction in progress	1,000	1,443
Other	154	173
Accumulated depreciation	(57)	(86)
Other, net	97	86
Total property, plant and equipment	17,651	17,340
Intangible assets	37	51
Investments and other assets		
Investment securities	1,498	1,981
Deferred tax assets	975	848
Other	738	692
Allowance for doubtful accounts	(9)	(9)
Total investments and other assets	3,202	3,513
Total non-current assets	20,890	20,904
Total assets	37,563	36,928

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,803	3,483
Short-term borrowings	5,333	4,708
Income taxes payable	204	506
Provision for bonuses	335	370
Other	2,387	1,381
Total current liabilities	12,064	10,449
Non-current liabilities		
Long-term borrowings	6,257	5,424
Retirement benefit liability	3,111	2,943
Provision for environmental measures	19	7
Other	363	382
Total non-current liabilities	9,751	8,757
Total liabilities	21,815	19,206
Net assets		
Shareholders' equity		
Share capital	8,443	8,443
Retained earnings	7,659	9,346
Treasury shares	(42)	(43)
Total shareholders' equity	16,059	17,746
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(0)	95
Foreign currency translation adjustment	33	80
Remeasurements of defined benefit plans	(397)	(267)
Total accumulated other comprehensive income	(364)	(92)
Non-controlling interests	53	67
Total net assets	15,748	17,721
Total liabilities and net assets	37,563	36,928

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net sales	29,759	28,978
Cost of sales	23,541	22,049
Gross profit	6,217	6,928
Selling, general and administrative expenses	4,345	4,269
Operating profit	1,871	2,659
Non-operating income		
Interest income	1	0
Dividend income	30	27
Rental income from land and buildings	34	35
Share of profit of entities accounted for using equity method	155	241
Subsidy income	2	42
Other	38	30
Total non-operating income	262	377
Non-operating expenses		
Interest expenses	185	173
Inactive mine environmental impact mitigation expenses	107	115
Other	114	98
Total non-operating expenses	408	387
Ordinary profit	1,726	2,649
Extraordinary income		
Compensation for forced relocation	–	59
Gain on sale of investment securities	17	12
Gain on sale of non-current assets	214	–
Total extraordinary income	232	71
Extraordinary losses		
Impairment losses	6	58
Loss on disaster	35	–
Loss on valuation of investment securities	4	–
Total extraordinary losses	45	58
Profit before income taxes	1,912	2,662
Income taxes - current	324	617
Income taxes - deferred	203	27
Total income taxes	528	645
Profit	1,384	2,017
Profit attributable to non-controlling interests	6	13
Profit attributable to owners of parent	1,377	2,004

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Profit	1,384	2,017
Other comprehensive income		
Valuation difference on available-for-sale securities	(41)	95
Deferred gains or losses on hedges	(2)	–
Foreign currency translation adjustment	23	30
Remeasurements of defined benefit plans, net of tax	(14)	129
Share of other comprehensive income of entities accounted for using equity method	(29)	16
Total other comprehensive income	(64)	273
Comprehensive income	1,319	2,290
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,312	2,276
Comprehensive income attributable to non-controlling interests	7	14

Consolidated statements of changes in equity

Fiscal year ended March 31, 2020

(Millions of yen)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,443	6,598	(42)	14,999
Changes during period				
Dividends of surplus		(317)		(317)
Profit attributable to owners of parent		1,377		1,377
Purchase of treasury shares			(0)	(0)
Net changes in items other than shareholders' equity				
Total changes during period	–	1,060	(0)	1,060
Balance at end of period	8,443	7,659	(42)	16,059

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	40	2	40	(382)	(298)	45	14,746
Changes during period							
Dividends of surplus							(317)
Profit attributable to owners of parent							1,377
Purchase of treasury shares							(0)
Net changes in items other than shareholders' equity	(41)	(2)	(6)	(14)	(65)	7	(58)
Total changes during period	(41)	(2)	(6)	(14)	(65)	7	1,001
Balance at end of period	(0)	–	33	(397)	(364)	53	15,748

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,443	7,659	(42)	16,059
Changes during period				
Dividends of surplus		(317)		(317)
Profit attributable to owners of parent		2,004		2,004
Purchase of treasury shares			(0)	(0)
Net changes in items other than shareholders' equity				
Total changes during period	–	1,687	(0)	1,686
Balance at end of period	8,443	9,346	(43)	17,746

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	(0)	33	(397)	(364)	53	15,748
Changes during period						
Dividends of surplus						(317)
Profit attributable to owners of parent						2,004
Purchase of treasury shares						(0)
Net changes in items other than shareholders' equity	95	46	129	272	14	286
Total changes during period	95	46	129	272	14	1,973
Balance at end of period	95	80	(267)	(92)	67	17,721

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from operating activities		
Profit before income taxes	1,912	2,662
Depreciation	1,441	1,487
Increase (decrease) in retirement benefit liability	41	19
Interest and dividend income	(32)	(28)
Share of loss (profit) of entities accounted for using equity method	(155)	(241)
Interest expenses	185	173
Loss (gain) on sale of investment securities	(17)	(12)
Impairment losses	6	58
Loss on disaster	35	–
Decrease (increase) in trade receivables	477	(369)
Decrease (increase) in inventories	246	(383)
Decrease (increase) in other assets	27	144
Increase (decrease) in trade payables	(321)	(322)
Increase (decrease) in other liabilities	(80)	(413)
Other, net	(214)	72
Subtotal	3,553	2,847
Interest and dividends received	32	28
Interest paid	(188)	(176)
Compensation for damage paid	(27)	–
Payments associated with disaster loss	(24)	(14)
Income taxes paid	(382)	(318)
Net cash provided by (used in) operating activities	2,963	2,367
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,709)	(1,742)
Purchase of investment securities	–	(91)
Proceeds from sale of investment securities	317	16
Other, net	(15)	(43)
Net cash provided by (used in) investing activities	(1,407)	(1,860)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,389)	(872)
Proceeds from long-term borrowings	2,000	2,000
Repayments of long-term borrowings	(2,415)	(2,601)
Dividends paid	(314)	(315)
Other, net	(31)	(35)
Net cash provided by (used in) financing activities	(2,151)	(1,825)
Effect of exchange rate change on cash and cash equivalents	(0)	(11)
Net increase (decrease) in cash and cash equivalents	(596)	(1,329)
Cash and cash equivalents at beginning of period	5,333	4,737
Cash and cash equivalents at end of period	4,737	3,407