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## Consolidated Financial Results for the Nine Months Ended December 31, 2021 [Japanese GAAP]

March 11, 2022

Company name: RHEON AUTOMATIC MACHINERY CO., LTD.

Stock exchange listing: Tokyo

Code number: 6272

URL: <https://www.rheon.com>

Representative: Mikio Kobayashi

President &amp; C.E.O.

Contact: Tadao Fukuda

Managing Operating Officer

Phone: 028-665-1111

Scheduled date of filing quarterly securities report: March 14, 2022

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: No

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down)

## 1. Consolidated Financial Results for the Nine Months Ended December 31, 2021 (April 01, 2021 to December 31, 2021)

## (1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2021	19,691	19.5	1,125	14.1	1,302	15.0	1,248	4.0
December 31, 2020	16,481	(18.5)	986	(53.8)	1,132	(48.8)	1,200	(23.1)

(Note) Comprehensive income: Nine months ended December 31, 2021: ¥ 1,456 million [ 34.1%]  
 Nine months ended December 31, 2020: ¥ 1,086 million [ (34.0)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2021	46.60	46.49
December 31, 2020	44.79	44.70

## (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
December 31, 2021	36,085	27,617	76.3	1,027.56
March 31, 2021	34,124	26,632	77.8	991.12

(Reference) Equity: As of December 31, 2021: ¥ 27,543 million  
 As of March 31, 2021: ¥ 26,560 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	-	7.00	-	10.00	17.00
Fiscal year ending March 31, 2022	-	8.00	-		
Fiscal year ending March 31, 2022 (Forecast)				-	-

(Note) Revision to the forecast for dividends announced most recently: Yes

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022(April 01, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	26,560	19.2	1,110	(20.9)	1,320	(18.6)	930	(42.2)	34.70

(Note) Revision to the financial results forecast announced most recently: Yes

## \* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2021

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

December 31, 2021: 28,392,000 shares

March 31, 2021: 28,392,000 shares

2) Total number of treasury shares at the end of the period:

December 31, 2021: 1,587,105 shares

March 31, 2021: 1,593,686 shares

3) Average number of shares during the period:

Nine months ended December 31, 2021: 26,802,255 shares

Nine months ended December 31, 2020: 26,798,533 shares

Quarterly Consolidated Financial Statements  
 Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2021	As of December 31,2021
<b>Assets</b>		
Current assets		
Cash and deposits	7,484,219	9,162,683
Notes and accounts receivable - trade	2,690,355	2,620,185
Merchandise and finished goods	4,170,084	4,189,040
Work in process	975,989	1,751,141
Raw materials and supplies	328,369	436,640
Other	1,326,759	1,069,192
Allowance for doubtful accounts	(14,548)	(18,305)
Total current assets	16,961,228	19,210,578
Non-current assets		
Property, plant and equipment		
Buildings and structures	15,017,115	15,305,708
Accumulated depreciation	(7,737,700)	(8,103,282)
Buildings and structures, net	7,279,414	7,202,425
Machinery, equipment and vehicles	7,931,499	8,150,855
Accumulated depreciation	(6,380,314)	(6,742,704)
Machinery, equipment and vehicles, net	1,551,185	1,408,151
Tools, furniture and fixtures	1,924,816	1,948,668
Accumulated depreciation	(1,728,089)	(1,788,402)
Tools, furniture and fixtures, net	196,726	160,265
Land	4,093,968	4,099,764
Leased assets	45,286	45,286
Accumulated depreciation	(42,045)	(43,914)
Leased assets, net	3,241	1,372
Construction in progress	35,058	222,713
Total property, plant and equipment	13,159,594	13,094,692
Intangible assets	1,463,960	1,225,753
Investments and other assets		
Investment securities	976,863	901,820
Retirement benefit asset	1,407,227	1,451,470
Other	161,992	205,740
Allowance for doubtful accounts	(6,036)	(4,060)
Total investments and other assets	2,540,046	2,554,970
Total non-current assets	17,163,601	16,875,416
Total assets	34,124,830	36,085,995

(Thousand yen)

	As of March 31,2021	As of December 31,2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	740,599	1,310,865
Short-term borrowings	734,006	975,730
Lease obligations	2,334	835
Accrued expenses	587,624	519,797
Income taxes payable	231,165	301,548
Advances received	1,205,429	1,949,302
Provision for bonuses	485,486	320,893
Provision for bonuses for directors (and other officers)	11,600	18,370
Accounts payable - other	959,295	522,842
Other	121,154	311,556
Total current liabilities	5,078,696	6,231,743
Non-current liabilities		
Long-term borrowings	1,406,934	1,450,609
Lease obligations	1,154	690
Deferred tax liabilities	573,083	353,482
Deferred tax liabilities for land revaluation	347,422	347,422
Asset retirement obligations	36,240	36,260
Other	48,705	48,406
Total non-current liabilities	2,413,540	2,236,872
Total liabilities	7,492,237	8,468,615
<b>Net assets</b>		
Shareholders' equity		
Share capital	7,351,750	7,351,750
Capital surplus	7,069,407	7,075,427
Retained earnings	14,591,084	15,357,410
Treasury shares	(773,996)	(771,088)
Total shareholders' equity	28,238,245	29,013,498
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	345,996	289,659
Revaluation reserve for land	(1,708,996)	(1,708,881)
Foreign currency translation adjustment	(466,919)	(218,746)
Remeasurements of defined benefit plans	151,997	168,212
Total accumulated other comprehensive income	(1,677,921)	(1,469,755)
Share acquisition rights	72,268	73,636
Total net assets	26,632,592	27,617,379
Total liabilities and net assets	34,124,830	36,085,995

Quarterly Consolidated Statements of Income and Comprehensive Income  
 Quarterly Consolidated Statements of Income (For the nine months)

(Thousand yen)

	For the nine months ended December 31,2020	For the nine months ended December 31,2021
Net sales	16,481,869	19,691,211
Cost of sales	9,217,331	11,483,059
Gross profit	7,264,537	8,208,152
Selling, general and administrative expenses		
Advertising expenses	52,001	92,228
Packing and transportation costs	559,374	1,146,451
Provision of allowance for doubtful accounts	7,106	5,556
Sales commission	331,085	434,066
Salaries and allowances	2,333,329	2,434,690
Provision for bonuses	129,690	183,115
Provision for bonuses for directors (and other officers)	22,500	18,370
Retirement benefit expenses	133,279	114,334
Travel and transportation expenses	192,200	231,255
Depreciation	345,496	403,500
Research and development expenses	404,928	347,030
Other	1,767,003	1,671,831
Total selling, general and administrative expenses	6,277,996	7,082,431
Operating profit	986,541	1,125,721
Non-operating income		
Interest income	2,611	2,724
Dividend income	20,200	19,467
Gain on sale of goods	6,901	14,980
Foreign exchange gains	4,107	42,126
Subsidy income	53,988	55,446
Surrender value of insurance policies	-	2,287
Sold power	19,118	18,153
Other	64,160	53,242
Total non-operating income	171,088	208,428
Non-operating expenses		
Interest expenses	12,041	10,021
Loss on sale of non-current assets	29	7,321
Sold power expenses	8,366	7,454
Other	4,291	6,456
Total non-operating expenses	24,729	31,254
Ordinary profit	1,132,900	1,302,895
Extraordinary income		
Reversal of provision for loss on litigation	7,646	-
Gain on sale of non-current assets	684,706	-
Total extraordinary income	692,352	-
Extraordinary losses		
Loss on valuation of investment securities	28,231	-
Head office relocation expenses	101,523	-
Total extraordinary losses	129,755	-
Profit before income taxes	1,695,498	1,302,895
Income taxes - current	159,787	294,930
Income taxes - deferred	335,305	(240,897)
Total income taxes	495,092	54,032
Profit	1,200,405	1,248,863

Profit attributable to owners of parent	1,200,405	1,248,863
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## Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Thousand yen)

	For the nine months ended December 31,2020	For the nine months ended December 31,2021
Profit	1,200,405	1,248,863
Other comprehensive income		
Valuation difference on available-for-sale securities	31,752	(56,336)
Foreign currency translation adjustment	(146,115)	248,172
Remeasurements of defined benefit plans, net of tax	211	16,214
Total other comprehensive income	(114,151)	208,050
Comprehensive income	1,086,254	1,456,913
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,086,254	1,456,913