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## Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2022 [Japanese GAAP]



July 30, 2021

Company name: Sanoyas Holdings Corporation  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 7022  
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 Scheduled date of filing quarterly securities report: August 6, 2021  
 Scheduled date of commencing dividend payments: –  
 Availability of supplementary briefing material on annual financial results: Not available  
 Schedule of quarterly financial results briefing session: No

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

### 1. Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2022 (April 1, 2021 to June 30, 2021)

(1) Consolidated Operating Results (Cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit (loss)		Ordinary profit (loss)		Profit (loss) attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended								
June 30, 2021	3,830	(65.6)	(310)	–	(288)	–	50	–
June 30, 2020	11,125	(3.2)	(839)	–	(781)	–	(803)	–

(Note) Comprehensive income: First Quarter of fiscal year ended March 31, 2022: ¥24 million [(36.7%)]  
 First Quarter of fiscal year ended March 31, 2021: ¥38million [–%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2021	1.53	1.51
June 30, 2020	(24.64)	–

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of	Million yen	Million yen	%
June 30, 2021	27,190	6,974	25.3
March 31, 2021	26,401	7,098	26.5

(Reference) Equity: As of June 30, 2021: ¥6,884 million  
 As of March 31, 2021: ¥7,009 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2021	Yen —	Yen 0.00	Yen —	Yen 5.00	Yen 5.00
Fiscal year ending March 31, 2022	—				
Fiscal year ending March 31, 2022 (Forecast)		—	—	5.00	5.00

(Note) Revision to recently disclosed projected cash dividends: No

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit (loss)		Ordinary profit (loss)		Profit (loss) attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	8,500	60.8	(400)	—	(400)	—	(100)	—	—
Full year	20,000	(55.2)	600	—	500	—	300	—	9.16

(Note) Revision to recently disclosed projected consolidated financial results: Yes

### \* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Adoption of special accounting methods for preparing 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):

June 30, 2021: 32,890,166 shares

March 31, 2021: 32,890,166 shares

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

June 30, 2021: 45,214 shares

March 31, 2021: 45,742 shares

3) Average number of shares during the period:

Fiscal Year Ended June 30, 2021: 32,843,320 shares

Fiscal Year Ended June 30, 2020: 32,616,785 shares

\* These consolidated financial results are outside the scope of audit

### \* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available and certain assumptions deemed reasonable. Actual results may differ significantly from these forecasts due to a wide range of factors.

1. Quarterly Consolidated Financial Statements [Japanese GAAP]  
(1) Quarterly Consolidated Balance Sheets [Japanese GAAP]

(Million yen)

	As of March 31, 2021	As of June 30, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	5,612	6,558
Notes and accounts receivable - trade	4,155	3,269
Contract assets	—	166
Electronically recorded monetary claims - operating	559	673
Merchandise and finished goods	162	173
Work in process	1,108	1,505
Raw materials and supplies	685	695
Other	1,364	1,264
Allowance for doubtful accounts	(9)	(10)
Total current assets	13,638	14,298
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,524	2,826
Machinery and equipment, net	1,497	1,540
Land	2,873	2,873
Other, net	476	316
Total property, plant and equipment	7,372	7,557
Intangible assets		
Software	114	131
Goodwill	806	782
Other	17	17
Total intangible assets	938	932
Investments and other assets		
Investment securities	3,728	3,661
Deferred tax assets	86	94
Net defined benefit asset	306	320
Other	339	336
Allowance for doubtful accounts	(9)	(9)
Total investments and other assets	4,451	4,402
Total non-current assets	12,762	12,892
Total assets	26,401	27,190

(Million yen)

	As of March 31, 2021	As of June 30, 2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	3,368	3,074
Short-term loans payable	1,800	4,100
Current portion of long-term loans payable	2,890	2,757
Income taxes payable	69	267
Advances received	661	—
Contract liabilities	—	664
Provision for bonuses	333	151
Provision for construction warranties	76	83
Provision for removal cost of property and equipment	23	23
Lease obligations	251	252
Other	683	824
Total current liabilities	10,157	12,199
Non-current liabilities		
Long-term loans payable	4,009	3,522
Lease obligations	1,093	1,030
Deferred tax liabilities	1,618	1,039
Net defined benefit liability	1,709	1,714
Asset retirement obligations	704	704
Other	8	6
Total non-current liabilities	9,145	8,017
<b>Total liabilities</b>	<b>19,302</b>	<b>20,216</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	2,563	2,563
Capital surplus	263	—
Retained earnings	2,679	2,843
Treasury shares	(9)	(9)
Total shareholders' equity	5,496	5,398
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,556	1,514
Foreign currency translation adjustment	(5)	13
Remeasurements of defined benefit plans	(48)	(40)
Total accumulated other comprehensive income	1,512	1,486
Share acquisition right	89	89
<b>Total net assets</b>	<b>7,098</b>	<b>6,974</b>
<b>Total liabilities and net assets</b>	<b>26,401</b>	<b>27,190</b>

(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income [Japanese GAAP]

Quarterly Consolidated Statements of Income [Japanese GAAP]

(Million yen)

	Three Months ended June 30, 2020	Three Months ended June 30, 2021
Net sales	11,125	3,830
Cost of sales	10,553	2,960
Gross profit	572	869
Selling, general and administrative expenses	1,411	1,180
Operating loss	(839)	(310)
Non-operating income		
Interest income	1	2
Dividend income	58	52
Share of profit of entities accounted for using equity method	25	—
Foreign exchange gains	31	—
Other	50	13
Total non-operating income	167	68
Non-operating expenses		
Interest expenses	84	37
Other	25	8
Total non-operating expenses	110	46
Ordinary loss	(781)	(288)
Loss before income taxes	(781)	(288)
Income taxes – current	27	236
Income taxes – deferred	(5)	(575)
Total income taxes	22	(338)
Profit (loss)	(803)	50
Profit (loss) attributable to owners of parent	(803)	50

Quarterly Consolidated Statements of Comprehensive Income [Japanese GAAP]

(Million yen)

	Three Months ended June 30, 2020	Three Months ended June 30, 2021
Profit (loss)	(803)	50
Other comprehensive income loss (loss)		
Valuation difference on available-for-sale securities	797	(51)
Deferred gain (loss) on hedges	(4)	—
Foreign currency translation adjustment	35	18
Remeasurements of defined benefit plans, net of tax	11	7
Comprehensive loss (income) of affiliates accounted for by the equity method attributable to the Company	3	—
Total other comprehensive income (loss)	842	(25)
Comprehensive income	38	24
Comprehensive income attributable to		
Owners of the parent	38	24
Non-controlling interests	—	—

## (Segment Information)

## I Three months Ended June 30, 2020 (April 1, 2020 to June 30, 2020)

## Information concerning Net sales and Operating profit or loss by Reportable business segment

(Million yen)

	Reportable segment				Total	Adjustments ( Note 1)	Amount recorded in quarterly consolidated statements of income ( Note 2)
	Shipbuilding & Engineering Business	Machinery / Equipment & Services for Manufacturing Industry	Machinery / Equipment & Services for Construction Industry	Leisure Business			
Net sales							
External sales	7,533	1,823	1,518	250	11,125	—	11,125
Internal sales or transfers	41	—	—	—	41	(41)	—
Total	7,575	1,823	1,518	250	11,167	(41)	11,125
Segment profit (loss)	(266)	24	(55)	(283)	(581)	(257)	(839)

(Note 1) Details of “Adjustments” are as follows:

Adjustments for the segment profit or loss of ¥(257) million include corporate cost of ¥(270) million not allocated to each reportable segment, allowance for doubtful accounts of ¥3 million and elimination of inter-segment transaction of ¥8 million.

Corporate cost consists of general and administrative expenses which do not belong to the reporting segment.

(Note 2) Segment profit or loss is adjusted with operating loss recorded in the quarterly consolidated statements of income.

## II Three months Ended June 30, 2021 (April 1, 2021 to June 30, 2021)

## Information concerning Net sales and Operating profit or loss by Reportable business segment

(Million yen)

	Reportable segment			Total	Adjustments ( Note 1)	Amount recorded in quarterly consolidated statements of income ( Note 2)
	Machinery / Equipment & Services for Manufacturing Industry	Machinery / Equipment & Services for Construction Industry	Leisure Business			
Net sales						
Goods transferred at a point in time	1,943	1,127	460	3,530	—	3,530
Goods transferred over time	86	174	38	299	—	299
Revenue from contacts with customers	2,029	1,302	498	3,830	—	3,830
External sales	2,029	1,302	498	3,830	—	3,830
Internal sales or transfers	—	—	—	—	—	—
Total	2,029	1,302	498	3,830	—	3,830
Segment profit (loss)	153	(71)	(47)	35	(346)	(310)

(Note 1) Details of “Adjustments” are as follows:

Adjustments for the segment loss of ¥(346) million include corporate cost of ¥(348) million not allocated to each reportable segment, allowance for doubtful accounts of ¥0 million and elimination of inter-segment transaction of ¥1 million.

Corporate cost consists of general and administrative expenses which do not belong to the reporting segment.

(Note 2) Segment loss is adjusted with operating loss recorded in the quarterly consolidated statements of income.

(Note 3) We have changed our business segmentation from "M&T business" to "Machinery / Equipment & Services for Manufacturing Industry", "Machinery / Equipment & Services for Construction Industry", and "Leisure business" since the beginning of the first quarter of the current consolidated fiscal year due to the transfer of shares of Sanoyas Shipbuilding Corporation to SHIN KURUSHIMA DOCKYARD CO., LTD. The segment information for the previous period is restated to current period presentation.

(Note 4) The Accounting Standards for Revenue Recognition, etc. has been applied since the beginning of the first quarter of the current consolidated fiscal year. As a result of a change in the method of accounting treatment for revenue recognition, the method of measuring profit or loss in each business segment has also been changed accordingly. The impact of these changes on the Company's consolidated quarterly financial statements is minor.

### 3. Supplementary information

#### Status of sales and orders

##### Segmental sales

Segment	Three months ended June 30, 2020 (April 1, 2020 to June 30, 2020)		Three months ended June 30, 2021 (April 1, 2021 to June 30, 2021)	
	(Million yen)	Composition ratio (%)	(Million yen)	Composition ratio (%)
Shipbuilding & Engineering Business	7,533	67.7	—	—
Machinery / Equipment & Services for Manufacturing Industry	1,823	16.4	2,029	53.0
Machinery / Equipment & Services for Construction Industry	1,518	13.6	1,302	34.0
Leisure Business	250	2.3	498	13.0
Total	11,125	100.0	11,125	100.0

##### Order status and backlog of orders

Segment	Three months ended June 30, 2020 (April 1, 2020 to June 30, 2020)		Three months ended June 30, 2021 (April 1, 2021 to June 30, 2021)	
	Orders (Million yen)	Backlog of orders (Million yen)	Orders (Million yen)	Backlog of orders (Million yen)
Shipbuilding & Engineering Business	777	30,066	—	—
Machinery / Equipment & Services for Manufacturing Industry	2,225	5,075	1,865	3,096
Machinery / Equipment & Services for Construction Industry	1,640	4,200	2,075	5,180
Leisure Business	130	160	1,115	1,081
Total	4,773	39,502	5,055	9,358

(Note) The amount of orders received and order backlogs for rental of temporary construction-use elevators are included in Machinery / Equipment & Services for Construction Industry Segment since the beginning of the first quarter of the current consolidated fiscal year. Following the change, the amounts for the previous period have been changed to include the amount of orders received and order backlogs for rental of temporary construction-use elevators.