

CONSOLIDATED FINANCIAL STATEMENTS (IFRS) (Non-Audited) (for the fiscal year 2020)

February 08, 2021

Company Name SUMIDA CORPORATION

Stock Exchange Listing: Tokyo Stock Exchange

Listing Code 6817 URL <https://www.sumida.com>

Representative : Shigeyuki Yawata, CEO

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Date of annual general meeting: March 25, 2021

The date of payout of
dividends : March 03, 2021Date of Submission of Marketable
Securities Filings : March 23, 2021

Supplementary Materials Prepared for the Financial Statements: Yes

Presentation Held to Explain the Quarterly Financial Statements : None

(Amounts of less than one million yen are omitted.)

1. Consolidated results for FY 2020 (January 1, 2020–December 31, 2020)

(1) Operating results

(Percentages represent changes compared with the same period of the previous fiscal year.)

	Revenue		Operating profit		Profit before income taxes		Profit		Profit attributable to Owners of parent		Comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY ended Dec. 2020	84,417	(10.5)	2,838	(19.9)	1,470	(32.7)	839	(47.4)	828	(47.7)	468	(38.1)
FY ended Dec. 2019	94,283	(3.3)	3,543	(34.2)	2,184	(46.2)	1,596	(36.9)	1,582	(34.6)	757	(29.3)

	Basic earnings per share	Diluted earnings per share	Ratio of net income to equity attributable to Owners of the company	Ratio of income before taxes to total assets	Ratio of operating income to revenues
	Yen	Yen	%	%	%
FY ended Dec. 2020	30.50	30.46	2.5	1.5	3.4
FY ended Dec. 2019	58.36	58.20	4.7	2.3	3.8

(2) Financial position

	Assets	Equity	Equity attributable to owners of parent	Parent company owner's equity interest	Share attributable to parent company owner per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
FY ended Dec. 2020	98,063	34,557	32,990	33.6	1,213.75
FY ended Dec. 2019	96,561	34,593	33,013	34.2	1,216.08

(3) Consolidated results (cash flow)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Balance of cash and cash equivalents
	Millions of yen	Millions of yen	Millions of yen	%
FY ended Dec. 2020	9,107	(6,669)	(447)	5,237
FY ended Dec. 2019	8,732	(8,133)	(1,261)	3,286

2. Dividends (Year ended December 31, 2019 and year ended December 31, 2020)

	Cash dividends per share				
	1 st Quarter	2 nd Quarter	3 rd Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
2019	6.00	6.00	6.00	6.00	24.00
2020	0.00	0.00	0.00	9.00	9.00
2021 (forecast)	3.00	3.00	3.00	3.00	12.00

Note: Whether the dividend forecast under review has been revised: None

3. Forecast of Consolidated Results for FY 2021 (January 1, 2021–December 31, 2021)

(% change figures for revenues, operating income, recurring profit, and net income is presented in comparison with the same period of the previous fiscal year.)

	Revenue		Operating profit		Profit (loss) before income taxes		Profit (loss) attributable to Owners of parent		Basic quarterly earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending December 31, 2021	94,000	11.4	3,500	23.3	2,100	42.8	1,500	81.6	55.19

※ Note

(1) Changes in significant subsidiaries during the FY 2020 (Changes in specific subsidiaries that caused change in scope of consolidation): None

(2) Changes in accounting policies and changes in accounting estimates

- ① Changes in accounting policies required by IFRS: None
- ② Changes in accounting policies other than those in (1) above: None
- ③ Changes in accounting estimates: None

(3) Number of common shares outstanding (Shares)

①	Number of shares issued at the end of the period (including treasury stock)	FY ended Dec. 31, 2020	27,444,317	FY ended Dec. 31, 2019	27,444,317
②	Number of treasury stocks at the end of the period	FY ended Dec. 31, 2020	263,694	FY ended Dec. 31, 2019	296,624
③	Average number of shares issued during the period	FY ended Dec. 31, 2020	27,156,681	FY ended Dec. 31, 2019	27,122,916

Note:

The consolidated financial statements are not subject to audits.

Note:

Explanation of the appropriate use of performance forecasts and other related items

Portions of this report that refer to performance forecasts or any other future events are believed to be reasonable under information available at the time of the forecasts. Actual financial results may materially differ from these forecasts due to potential risks and uncertainties.

Condensed quarterly consolidated financial statements and main notes

(1) Consolidated Balance Sheets

(Units : Millions of yen)

	At December 31, 2019	At December 31, 2020
Assets		
Current assets		
Cash and cash equivalents	3,286	5,237
Trade and other receivables	18,826	17,832
Inventories	16,877	16,484
Other current assets	4,041	3,920
Total current assets	43,032	43,474
Non-current assets		
Property, plant and equipment	35,668	36,936
Right-of-use asset	3,938	4,298
Goodwill	4,176	4,122
Intangible assets	6,151	6,016
Financial assets	1,104	566
Deferred tax assets	2,140	2,197
Other non-current assets	348	451
Total non-current assets	53,528	54,589
Assets	96,561	98,063

(Units : Millions of yen)

	At December 31, 2019	At December 31, 2020
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	10,184	10,149
Interest-bearing liabilities	9,303	9,286
Current portion of long-term debt	6,367	5,538
Leased assets	807	836
Provisions	128	84
Income taxes payable	393	276
Accrued expenses	2,257	2,442
Other current liabilities	1,188	1,359
Total current liabilities	30,630	29,973
Total non-current liabilities		
Long-term debt	23,707	25,681
Lease obligation	3,462	3,245
Retirement benefit liability	1,569	1,587
Provisions	18	18
Deferred tax liabilities	1,259	1,510
Other non-current liabilities	1,318	1,489
Total non-current liabilities	31,337	33,532
Liabilities	61,967	63,505
Equity		
Share capital	10,150	10,150
Capital surplus	9,898	9,898
Other components of equity	5,000	4,850
Retained earnings	12,322	12,767
Share options	48	8
Treasury shares	(616)	(547)
Accumulated other comprehensive income	(3,789)	(4,135)
Equity attributable to owners of parent	33,013	32,990
Non-controlling interests	1,579	1,567
Equity	34,593	34,557
Liabilities and equity	96,561	98,063

(2) Consolidated Statement of Profit or Loss

(Units : Millions of yen)

	Fiscal year ended December 31, 2019	Fiscal year ended December 31, 2020
Revenue	94,283	84,417
Cost of sales	(81,414)	(73,319)
Gross profit	12,868	11,098
Selling, general and administrative expenses	(9,330)	(8,798)
Other operating income	85	643
Other operating expenses	(80)	(105)
Operating profit	3,543	2,838
Finance income	27	18
Finance costs	(1,385)	(1,386)
Profit before income taxes	2,184	1,470
Income taxes	(588)	(631)
Profit	1,596	839
Profit attributable to:		
Owners of parent	1,582	828
Non-controlling interests	13	11

(Units : Yen)

	Fiscal year ended December 31, 2019	Fiscal year ended December 31, 2020
Earnings per share		
Basic quarterly earnings per share	58.36	30.50
Diluted quarterly earnings per share	58.20	30.46

(3) Consolidated Statement of Comprehensive Income

(Units : Millions of yen)

	Fiscal year ended December 31, 2019	Fiscal year ended December 31, 2020
Profit	1,596	839
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Gains and losses from investments in equity instruments designated at fair value through other comprehensive income	(0)	0
Remeasurements of defined benefit plans	(135)	(54)
Total of items that will not be reclassified to profit or loss	(135)	(54)
Items that may be reclassified subsequently to profit or loss		
Effective portion of cash flow hedges	(84)	(77)
Exchange differences on translation of foreign operations	(619)	(238)
Total of items that may be reclassified subsequently to profit or loss	(703)	(315)
Other comprehensive income	(839)	(370)
Comprehensive income	757	468
Comprehensive income attributable to:		
Owners of parent	786	481
Non-controlling interests	(29)	(12)

(4) Consolidated Statement of Change in Equity

(Units : Millions of yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Other components of equity	Retained earnings	Share options	Treasury shares
As of January 1, 2019	10,150	9,898	5,000	12,385	180	(792)
Cumulative effect of accounting change				(586)		
Restated balance	10,150	9,898	5,000	11,799	180	(792)
Profit				1,582		
Other comprehensive income						
Comprehensive income	—	—	—	1,582	—	—
Dividends				(731)		
Distribution of other essential financial instruments to owners				(202)		
Purchase of treasury shares						(0)
Disposal of treasury shares		(124)			(51)	176
Transfer disposal of treasury shares of losses		124		(124)		
Change in ownership interest of parent due to transactions with non-controlling interests		(0)				
Share-based payments					(80)	
Total transactions with owners	—	(0)	—	(1,059)	(131)	176
As of December 31, 2019	10,150	9,898	5,000	12,322	48	(616)

(Units : Millions of yen)

	Equity attributable to owners of parent						Non-controlling interests	Equity
	Accumulated other comprehensive income					Total shareholders' equity		
	Remeasurements of defined benefit plans	Share of other comprehensive income of investments accounted for using the equity method	Effective portion of cash flow hedges	Exchange differences on translation of foreign operations	Accumulated other comprehensive income/(loss)			
As of January 1, 2019	(475)	41	4	(2,564)	(2,992)	33,829	1,609	35,438
Cumulative effect of accounting change					—	(586)		(586)
Restated balance	(475)	41	4	(2,564)	(2,992)	33,242	1,609	34,851
Profit					—	1,582	13	1,596
Other comprehensive income	(127)	(0)	(84)	(583)	(796)	(796)	(43)	(839)
Comprehensive income	(127)	(0)	(84)	(583)	(796)	786	(29)	757
Dividends					—	(731)		(731)
Distribution of other essential financial instruments to owners					—	(202)		(202)
Purchase of treasury shares					—	(0)		(0)
Disposal of treasury shares					—	0		0
Transfer disposal of treasury shares of losses					—	—		—
Change in ownership interest of parent due to transactions with non-controlling interests					—	(0)	(0)	(0)
Share-based payments					—	(80)		(80)
Total transactions with owners	—	—	—	—	—	(1,015)	(0)	(1,015)
As of December 31, 2019	(603)	41	(79)	(3,147)	(3,789)	33,013	1,579	34,593

(Units : Millions of yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Other components of equity	Retained earnings	Share options	Treasury shares
As of January 1, 2020	10,150	9,898	5,000	12,322	48	(616)
Profit				828		
Other comprehensive income						
Comprehensive income	—	—	—	828	—	—
Repayments of other equity instruments			(5,000)			
Issuance of other equity instruments			4,850			
Dividends				(162)		
Distribution of other essential financial instruments to owners				(172)		
Purchase of treasury shares						(0)
Disposal of treasury shares		(48)			(20)	68
Transfer disposal of treasury shares of losses		48		(48)		
Change in ownership interest of parent due to transactions with non-controlling interests						
Share-based payments					(19)	
Total transactions with owners	—	—	(150)	(383)	(40)	68
As of December 31, 2020	10,150	9,898	4,850	12,767	8	(547)

(Units : Millions of yen)

	Equity attributable to owners of parent						Non-controlling interests	Equity
	Accumulated other comprehensive income					Total shareholders' equity		
	Remeasurements of defined benefit plans	Share of other comprehensive income of investments accounted for using the equity method	Effective portion of cash flow hedges	Exchange differences on translation of foreign operations	Accumulated other comprehensive income/(loss)			
As of January 1, 2020	(603)	41	(79)	(3,147)	(3,789)	33,013	1,579	34,593
Profit					—	828	11	839
Other comprehensive income	(52)	0	(77)	(216)	(346)	(346)	(23)	(370)
Comprehensive income	(52)	0	(77)	(216)	(346)	481	(12)	468
Repayments of other equity instruments					—	(5,000)		(5,000)
Issuance of other equity instruments					—	4,850		4,850
Dividends					—	(162)		(162)
Distribution of other essential financial instruments to owners					—	(172)		(172)
Purchase of treasury shares					—	(0)		(0)
Disposal of treasury shares					—	0		0
Transfer disposal of treasury shares of losses					—	—		—
Change in ownership interest of parent due to transactions with non-controlling interests					—	—		—
Share-based payments					—	(19)		(19)
Total transactions with owners	—	—	—	—	—	(504)	—	(504)
As of December 31, 2020	(655)	41	(157)	(3,364)	(4,135)	32,990	1,567	34,557

(5) Consolidated Statement of Cash Flows

(Units : Millions of yen)

	Fiscal year ended December 31, 2019	Fiscal year ended December 31, 2020
Cash flows from operating activities		
Profit (loss) before income taxes	2,184	1,470
Depreciation and amortization	5,309	5,947
Impairment loss	19	482
Interest income	(20)	(14)
Interest expenses	1,217	1,077
(Gains) losses on sales of property, plant and equipment	(1)	49
(Increase) decrease in trade and other receivables	21	957
(Increase) decrease in inventories	1,708	496
Increase (decrease) in trade and other payables	42	270
Other	(55)	(182)
Subtotal	10,427	10,554
Interest and dividends received	20	14
Interest paid	(1,172)	(1,083)
Income taxes paid	(542)	(379)
Net cash provided by (used in) operating activities	8,732	9,107
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,353)	(5,989)
Proceeds from sales of property, plant and equipment	177	108
Purchase of intangible assets	(949)	(776)
Other	(8)	(12)
Net cash provided by (used in) investing activities	(8,133)	(6,669)

(Units : Millions of yen)

	Fiscal year ended December 31, 2019	Fiscal year ended December 31, 2020
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	75	69
Proceeds from long-term borrowings	3,487	4,990
Repayments of long-term borrowings	(3,010)	(4,041)
Repayments of other capital instruments	-	(5,000)
Issuance income of other capital instruments	-	4,850
Dividends paid	(731)	(164)
Payment of distributions to owners of other capital instruments	(203)	(203)
Repayments of lease obligations	(878)	(948)
Other	(0)	(0)
Net cash provided by (used in) financing activities	(1,261)	(447)
Effect of exchange rate changes on cash and cash equivalents	(148)	(39)
Net increase (decrease) in cash and cash equivalents	(811)	1,950
Cash and cash equivalents as at January 1	4,098	3,286
Cash and cash equivalents as at December 31	3,286	5,237

(6) Assumptions for Goring Concern
None