

CONSOLIDATED FINANCIAL STATEMENTS (IFRS) (Non-Audited) (For the first quarter of fiscal year 2022)

April 28, 2022

Company Name SUMIDA CORPORATION

Stock Exchange Listing: Tokyo Stock Exchange

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

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Date of Submission of Marketable

May 12 2022

The date of payout of

Securities Filings:

dividends: -

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 financial results for Three months ended March 31, 2022

(1) Operating results

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

	Revenue		Operating profit		Quarterly profit before income taxes		Quarterly profit		Quarterly profit attributable to Owners of parent		Quarterly Comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended March 31, 2022	29,566	18.0	850	(37.6)	496	(50.1)	343	(48.1)	339	(47.3)	2,990	14.8
Three months ended March 31, 2021	25,049	21.8	1,361	—	995	—	661	—	644	—	2,606	—

	Basic quarterly earnings per share	Diluted quarterly earnings per share
	Yen	Yen
Three months ended March 31, 2022	12.49	—
Three months ended March 31, 2021	23.69	23.66

(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
At March 31, 2022	127,624	42,671	40,814	32.0	1,500.89
At March 31, 2021	117,725	40,101	38,338	32.6	1,409.82

2. Dividends (Year ended December 31, 2021 and year ended December 31, 2022)

	Cash dividends per share				
	1 st Quarter	2 nd Quarter	3 rd Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
2021	3.00	3.00	11.00	11.00	28.00
2022	—	—	—	—	—
2022 (forecast)	—	14.00	—	15.00	29.00

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

3. Forecast of Consolidated Results for FY 2022 (January 1, 2022–December 31, 2022)

(% 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, 2022	119,000	13.4	5,500	3.3	4,400	12.9	3,100	17.9	114.00

※ Note

(1) Changes in significant subsidiaries during the three months ended March 31, 2022 (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: Yes
- 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)	As of March 31, 2022	27,444,317	As of ended December 31, 2021	27,444,317
②	Number of treasury stocks at the end of the period	As of March 31, 2022	250,488	As of ended December 31, 2021	250,395
③	Average number of shares issued during the period (Three months)	As of March 31, 2022	27,193,890	As of ended December 31, 2021	27,186,836

Note:

The quarterly financial statements are not subject to quarterly reviews.

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, 2021	At March 31, 2022
Assets		
Current assets		
Cash and cash equivalents	4,237	4,442
Trade and other receivables	22,557	26,245
Inventories	26,584	28,262
Other current assets	4,210	5,108
Total current assets	57,590	64,059
Non-current assets		
Property, plant and equipment	41,452	44,067
Right-of-use asset	4,664	4,997
Goodwill	4,425	4,640
Intangible assets	6,379	6,645
Financial assets	735	766
Deferred tax assets	2,114	2,095
Other non-current assets	363	352
Total non-current assets	60,135	63,565
Assets	117,725	127,624

(Units : Millions of yen)

	At December 31, 2021	At March 31, 2022
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	12,757	13,289
Interest-bearing liabilities	19,067	19,999
Current portion of long-term debt	6,516	18,660
Current portion of long-term lease	895	1,074
Provisions	160	333
Income taxes payable	573	448
Accrued expenses	3,158	3,114
Other current liabilities	1,489	2,135
Total current liabilities	44,618	59,056
Total current liabilities		
Long-term debt	24,695	17,455
Lease obligation	3,590	3,751
Retirement benefit liability	1,508	1,581
Provisions	47	48
Deferred tax liabilities	1,655	1,584
Other non-current liabilities	1,509	1,475
Total non-current liabilities	33,006	25,896
Liabilities	77,624	84,953
Equity		
Share capital	10,150	10,150
Capital surplus	9,898	9,898
Other components of equity	4,850	4,850
Retained earnings	14,440	14,322
Share options	105	143
Treasury shares	(519)	(519)
Accumulated other comprehensive income	(586)	1,970
Equity attributable to owners of parent	38,338	40,814
Non-controlling interests	1,762	1,856
Equity	40,101	42,671
Liabilities and equity	117,725	127,624

(2) Consolidated Statement of Profit or Loss

(Units : Millions of yen)

	Three months ended March 31, 2021	Three months ended March 31, 2022
Revenue	25,049	29,566
Cost of sales	(21,346)	(25,880)
Gross profit	3,703	3,685
Selling, general and administrative expenses	(2,349)	(2,824)
Other operating income	16	8
Other operating expenses	(8)	(19)
Operating profit	1,361	850
Finance income	4	5
Finance costs	(370)	(359)
Quarterly profit before income taxes	995	496
Income taxes	(334)	(153)
Quarterly profit	661	343
Quarterly profit attributable to::		
Owners of parent	644	339
Non-controlling interests	17	3

(Units : Yen)

	Three months ended March 31, 2021	Three months ended March 31, 2022
Earnings per share		
Basic quarterly earnings per share	23.69	12.49
Diluted quarterly earnings per share	23.66	—

(3) Consolidated Statement of Comprehensive Income

(Units : Millions of yen)

	Three months ended March 31, 2021	Three months ended March 31, 2022
Quarterly profit	661	343
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	(16)	(26)
Total of items that will not be reclassified to profit or loss	(16)	(26)
Items that may be reclassified subsequently to profit or loss		
Effective portion of cash flow hedges	9	50
Exchange differences on translation of foreign operations	1,952	2,623
Total of items that may be reclassified subsequently to profit or loss	1,961	2,673
Other comprehensive income	1,945	2,647
Quarterly Comprehensive income	2,606	2,990
Comprehensive income attributable to:		
Owners of parent	2,507	2,896
Non-controlling interests	99	94

(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, 2021	10,150	9,898	4,850	12,767	8	(547)
Quarterly profit				644		
Other comprehensive income						
Comprehensive income	—	—	—	644	—	—
Dividends				(244)		
Distribution of other essential financial instruments to owners				(56)		
Purchase of treasury shares						(0)
Disposal of treasury shares		(19)			(8)	28
Transfer disposal of treasury shares of losses		19		(19)		
Share-based payments						
Total transactions with owners	—	—	—	(320)	(8)	27
As of March 31, 2021	10,150	9,898	4,850	13,090	—	(519)

(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, 2021	(655)	41	(157)	(3,364)	(4,135)	32,990	1,567	34,557
Quarterly profit					—	644	17	661
Other comprehensive income	(15)	0	9	1,869	1,862	1,862	82	1,945
Comprehensive income	(15)	0	9	1,869	1,862	2,507	99	2,606
Dividends					—	(244)		(244)
Distribution of other essential financial instruments to owners					—	(56)		(56)
Purchase of treasury shares					—	(0)		(0)
Disposal of treasury shares					—	0		0
Transfer disposal of treasury shares of losses					—	—		—
Share-based payments					—	—		—
Total transactions with owners	—	—	—	—	—	(301)	—	(301)
As of March 31, 2021	(671)	41	(148)	(1,494)	(2,272)	35,196	1,666	36,862

(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, 2022	10,150	9,898	4,850	14,440	105	(519)
Change in accounting policy				(102)		
Restated balance	10,150	9,898	4,850	14,338	105	(519)
Quarterly profit				339		
Other comprehensive income						
Comprehensive income	—	—	—	339	—	—
Dividends				(299)		
Distribution of other essential financial instruments to owners				(56)		
Purchase of treasury shares						(0)
Disposal of treasury shares						
Transfer disposal of treasury shares of losses						
Share-based payments					37	
Total transactions with owners	—	—	—	(355)	37	(0)
As of March 31, 2022	10,150	9,898	4,850	14,322	143	(519)

(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, 2022	(590)	41	(79)	41	(586)	38,338	1,762	40,101
Change in accounting policy					—	(102)		(102)
Restated balance	(590)	41	(79)	41	(586)	38,235	1,762	39,998
Quarterly profit					—	339	3	343
Other comprehensive income	(25)	0	50	2,532	2,556	2,556	90	2,647
Comprehensive income	(25)	0	50	2,532	2,556	2,896	94	2,990
Dividends					—	(299)		(299)
Distribution of other essential financial instruments to owners					—	(56)		(56)
Purchase of treasury shares					—	(0)		(0)
Disposal of treasury shares					—	—		—
Transfer disposal of treasury shares of losses					—	—		—
Share-based payments					—	37		37
Total transactions with owners	—	—	—	—	—	(317)	—	(317)
As of March 31, 2022	(616)	41	(28)	2,574	1,970	40,814	1,856	42,671

(5) Consolidated Statement of Cash Flows

(Units : Millions of yen)

	Three months ended March 31, 2021	Three months ended March 31, 2022
Cash flows from operating activities		
Profit (loss) before income taxes	995	496
Depreciation and amortization	1,599	1,815
Impairment loss	1	15
Interest income	(3)	(5)
Interest expenses	250	289
(Gains) losses on sales of property, plant and equipment	(2)	(4)
(Increase) decrease in trade and other receivables	(1,873)	(2,366)
(Increase) decrease in inventories	(821)	(186)
Increase (decrease) in trade and other payables	369	(10)
Other	786	208
Subtotal	1,303	251
Interest and dividends received	3	5
Interest paid	(225)	(269)
Income taxes paid	(147)	(365)
Net cash provided by (used in) operating activities	933	(377)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,141)	(1,694)
Proceeds from sales of property, plant and equipment	26	61
Purchase of intangible assets	(179)	(209)
Other	(0)	(3)
Net cash provided by (used in) investing activities	(1,294)	(1,846)

(Units : Millions of yen)

	Three months ended March 31, 2021	Three months ended March 31, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,810	(141)
Proceeds from long-term borrowings	43	3,415
Repayments of long-term borrowings	(1,269)	(441)
Dividends paid	(244)	(298)
Payment of distributions to owners of other capital instruments	(56)	(54)
Repayments of lease obligations	(205)	(284)
Other	(0)	(0)
Net cash provided by (used in) financing activities	79	2,194
Effect of exchange rate changes on cash and cash equivalents	239	235
Net increase (decrease) in cash and cash equivalents	(42)	205
Cash and cash equivalents as at January 1	5,237	4,237
Cash and cash equivalents as at March 31	5,194	4,442

(6) Assumptions for Goring Concern
None