

Translation

*Note: This document is a translation of a part of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.*

## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2020 (Based on Japanese GAAP)

August 12, 2020

Company name: ADEKA CORPORATION

Stock exchange listing: Tokyo

Code number: 4401

URL: <https://www.adeka.co.jp>

Representative: HIDETAKA SHIROZUME      PRESIDENT AND CHIEF EXECUTIVE OFFICER

Contact: FUMITAKE KOYAE      GENERAL MANAGER, LEGAL AFFAIRS & PUBLICITY DEPARTMENT

Phone: 03-4455-2803

Scheduled date of filing quarterly securities report: August 12, 2020

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

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

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2020 (April 01, 2020 to June 30, 2020)

#### (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	%
Three months ended June 30, 2020	67,849	(3.3)	5,046	12.3	4,512	6.7	3,104	(3.4)
June 30, 2019	70,155	13.6	4,493	(16.5)	4,229	(27.5)	3,214	(21.4)

(Note) Comprehensive income: Three months ended June 30, 2020:      ¥      2,799 million [      16.4%]  
Three months ended June 30, 2019:      ¥      2,405 million [      (9.8)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2020	30.08	-
June 30, 2019	31.21	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
June 30, 2020	399,003	249,498	52.6
March 31, 2020	409,452	250,634	51.4

(Reference) Equity: As of June 30, 2020:      ¥      210,071 million

As of March 31, 2020:      ¥      210,266 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, 2020	-	24.00	-	24.00	48.00
Fiscal year ending March 31, 2021	-				
Fiscal year ending March 31, 2021 (Forecast)		24.00	-	24.00	48.00

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

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021(April 01, 2020 to March 31, 2021)

(% 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
Six months ended September 30, 2020	135,000	(7.6)	5,800	(35.7)	5,100	(38.4)	3,400	(42.6)	32.94
Full year	290,000	(4.6)	16,000	(28.9)	16,000	(27.2)	10,000	(34.3)	96.88

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

### \* Notes:

- (1) Changes in significant subsidiaries during the three months ended June 30, 2020  
(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: Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: No
  - 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, 2020:	103,714,442 shares
March 31, 2020:	103,714,442 shares
  - 2) Total number of treasury shares at the end of the period:
 

June 30, 2020:	490,275 shares
March 31, 2020:	490,003 shares
  - 3) Average number of shares during the period:
 

Three months ended June 30, 2020:	103,224,188 shares
Three months ended June 30, 2019:	102,983,643 shares

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2020	As of June 30,2020
<b>Assets</b>		
Current assets		
Cash and deposits	62,827	61,811
Notes and accounts receivable - trade	84,765	78,130
Securities	1,500	1,500
Merchandise and finished goods	41,312	41,794
Work in process	5,715	5,886
Raw materials and supplies	22,023	22,606
Other	9,921	8,354
Allowance for doubtful accounts	(430)	(467)
Total current assets	227,635	219,616
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	33,465	36,617
Machinery, equipment and vehicles, net	40,258	42,197
Land	29,397	29,354
Other, net	10,109	10,898
Total property, plant and equipment	113,230	119,067
Intangible assets		
Technical assets	8,455	8,207
Customer related assets	2,971	2,930
Other	4,943	5,225
Total intangible assets	16,370	16,363
Investments and other assets		
Investment securities	31,335	32,127
Other	20,881	11,829
Total investments and other assets	52,216	43,956
Total non-current assets	181,816	179,387
Total assets	409,452	399,003

(Million yen)

	As of March 31,2020	As of June 30,2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	46,125	40,182
Short-term borrowings	21,823	19,923
Income taxes payable	3,700	1,750
Provision for bonuses	3,145	1,601
Other provisions	130	57
Other	17,778	26,805
Total current liabilities	92,704	90,321
Non-current liabilities		
Bonds payable	12,249	11,751
Long-term borrowings	20,297	13,727
Retirement benefit liability	20,072	20,260
Other provisions	260	183
Other	13,233	13,261
Total non-current liabilities	66,114	59,184
Total liabilities	158,818	149,505
Net assets		
Shareholders' equity		
Share capital	22,994	22,994
Capital surplus	19,986	19,986
Retained earnings	158,872	158,648
Treasury shares	(441)	(457)
Total shareholders' equity	201,412	201,172
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,541	7,724
Revaluation reserve for land	4,253	4,253
Foreign currency translation adjustment	155	(1,047)
Remeasurements of defined benefit plans	(2,096)	(2,030)
Total accumulated other comprehensive income	8,854	8,899
Non-controlling interests	40,367	39,426
Total net assets	250,634	249,498
Total liabilities and net assets	409,452	399,003

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Million yen)

	For the three months ended June 30,2019	For the three months ended June 30,2020
Net sales	70,155	67,849
Cost of sales	51,895	49,865
Gross profit	18,260	17,983
Selling, general and administrative expenses	13,766	12,936
Operating profit	4,493	5,046
Non-operating income		
Interest income	109	67
Dividend income	289	219
Share of profit of entities accounted for using equity method	63	234
Other	119	346
Total non-operating income	581	867
Non-operating expenses		
Interest expenses	287	227
Foreign exchange losses	366	1,102
Other	191	71
Total non-operating expenses	845	1,401
Ordinary profit	4,229	4,512
Extraordinary losses		
Loss on abandonment of non-current assets	46	28
Total extraordinary losses	46	28
Profit before income taxes	4,183	4,483
Income taxes - current	1,549	1,652
Income taxes - deferred	(512)	(233)
Total income taxes	1,036	1,418
Profit	3,146	3,064
Loss attributable to non-controlling interests	(67)	(40)
Profit attributable to owners of parent	3,214	3,104

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Million yen)

	For the three months ended June 30,2019	For the three months ended June 30,2020
Profit	3,146	3,064
Other comprehensive income		
Valuation difference on available-for-sale securities	(797)	1,520
Foreign currency translation adjustment	(247)	(1,620)
Remeasurements of defined benefit plans, net of tax	63	63
Share of other comprehensive income of entities accounted for using equity method	239	(228)
Total other comprehensive income	(741)	(265)
Comprehensive income	2,405	2,799
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,554	3,150
Comprehensive income attributable to non-controlling interests	(148)	(351)