

Financial Statement

2nd Quarter Report for Fiscal Year 2021
(December 1, 2020 through May 31, 2021)



2nd Quarter Consolidated Financial Statements
 (1) Consolidated Balance Sheet

(Thousands of yen)

	FY2020 As of November 30, 2020	2nd Quarter of FY2021 As of May 31, 2021
Assets		
Current assets		
Cash and cash equivalents	5,004,506	5,273,437
Notes and accounts receivable	13,849,488	14,569,197
Merchandise and finished goods	21,008,277	22,840,959
Raw materials and supplies	374,916	546,137
Other	389,165	570,660
Allowance for doubtful accounts	(2,922)	(2,839)
Total current assets	40,623,432	43,797,553
Non-current assets		
Property, plant and equipment	690,774	691,209
Intangible assets	20,357	22,820
Investments and other assets		
Other	2,052,507	2,058,591
Allowance for doubtful accounts	(17,301)	(17,651)
Total investments and other assets	2,035,205	2,040,939
Total non-current assets	2,746,337	2,754,969
Total assets	43,369,769	46,552,522

Consolidated Balance Sheet

(Thousands of yen)

	FY2020 As of November 30, 2020	2nd Quarter of FY2021 As of May 31, 2021
Liabilities		
Current liabilities		
Accounts payable	9,739,548	11,045,037
Short-term borrowings	5,500,000	5,000,000
Commercial papers	–	1,000,000
Current portion of bonds payable	270,000	60,000
Current portion of long-term borrowings	3,220,000	2,790,000
Income taxes payable	490,902	429,744
Other	718,632	506,836
Total current liabilities	19,939,083	20,831,618
Non-current liabilities		
Long-term borrowings	5,060,000	6,240,000
Retirement benefit liability	350,141	349,938
Asset retirement obligations	37,585	39,022
Other	390,916	371,121
Total non-current liabilities	5,838,643	7,000,082
Total liabilities	25,777,726	27,831,700
Net assets		
Shareholders' equity		
Capital stock	1,142,565	1,145,985
Capital surplus	1,178,509	1,179,823
Retained earnings	15,017,796	15,732,529
Treasury shares	(10,643)	(111,662)
Total shareholders' equity	17,328,227	17,946,676
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	257,397	287,340
Deferred gains or losses on hedges	(59,307)	189,543
Foreign currency translation adjustment	(3,076)	228,459
Total accumulated other comprehensive income	195,013	705,343
Share acquisition rights	68,801	68,801
Total net assets	17,592,042	18,720,822
Total liabilities and net assets	43,369,769	46,552,522

(2) Consolidated Income Statements

(Thousands of yen)

	Six months ended May 31, 2020	Six months ended May 31, 2021
Net sales	57,912,018	52,648,383
Cost of sales	54,504,945	49,273,695
Gross profit	3,407,072	3,374,687
Selling, general and administrative expenses	1,825,830	1,844,272
Operating income	1,581,242	1,530,415
Non-operating income		
Interest income	3,315	1,640
Dividend income	7,265	6,706
Foreign exchange gains	–	263
Subsidy income	10,421	9,065
Insurance return	18,494	27,681
Miscellaneous income	22,265	21,139
Total non-operating income	61,762	66,497
Non-operating expenses		
Interest expenses	97,412	68,667
Commission expenses	58,837	103,403
Foreign exchange losses	38,921	–
Miscellaneous loss	14,273	12,465
Total non-operating expenses	209,443	184,537
Ordinary income	1,433,561	1,412,375
Income before income taxes	1,433,561	1,412,375
Income taxes	393,122	401,404
Net income	1,040,439	1,010,971
Net income attributable to owners of parent	1,040,439	1,010,971

(3) Consolidated Statements of comprehensive income

(Thousands of yen)

	Six months ended May 31, 2020	Six months ended May 31, 2021
Net income	1,040,439	1,010,971
Other comprehensive income		
Valuation difference on available-for-sale securities	46,979	29,942
Deferred gains or losses on hedges	24,876	248,851
Foreign currency translation adjustment	(102,523)	227,090
Share of other comprehensive income of entities accounted for using equity method	(5,066)	4,445
Total other comprehensive income	(35,734)	510,330
Comprehensive income	1,004,704	1,521,301
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,004,704	1,521,301
Comprehensive income attributable to non-controlling interests	—	—

(4) Consolidated Statements of Cash-Flow

(Thousands of yen)

	Six months ended May 31, 2020	Six months ended May 31, 2021
Cash flows from operating activities		
Income before income taxes	1,433,561	1,412,375
Depreciation	135,625	135,508
Increase (decrease) in allowance for doubtful accounts	24,909	(83)
Increase (decrease) in retirement benefit liability	18,312	(203)
Interest and dividend income	(10,581)	(8,347)
Interest expenses	97,412	68,667
Decrease (increase) in trade receivables	(850,626)	(552,021)
Decrease (increase) in inventories	(1,121,253)	(1,964,061)
Increase (decrease) in trade payables	616,113	1,191,415
Other, net	(428,689)	(23,905)
Subtotal	(85,216)	259,343
Interest and dividends received	15,868	8,897
Interest paid	(118,195)	(75,163)
Income taxes paid	(381,778)	(476,450)
Net cash provided by (used in) operating activities	(569,321)	(283,372)
Cash flows from investing activities		
Decrease (increase) in time deposits	12,010	(1)
Purchase of investment securities	(3,818)	(45,664)
Purchase of property, plant and equipment	(83,868)	(81,518)
Proceeds from sales of property, plant and equipment	1,079	—
Purchase of intangible assets	(641)	(6,987)
Purchase of golf club memberships	(1,000)	—
Proceeds from maturity of insurance funds	100,672	43,541
Purchase of insurance funds	(8,654)	(7,482)
Other, net	(20,087)	(4,683)
Net cash provided by (used in) investing activities	(4,306)	(102,796)

Consolidated Statements of Cash-Flow

(Thousands of yen)

	Six months ended May 31, 2020	Six months ended May 31, 2021
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	1,300,000	(500,000)
Increase (decrease) in commercial papers	–	1,000,000
Proceeds from long-term borrowings	5,200,000	3,000,000
Repayments of long-term borrowings	(4,783,000)	(2,250,000)
Redemption of bonds	(240,000)	(210,000)
Purchase of treasury shares	–	(144,850)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	11,970	6,840
Repayments of lease obligations	(43,152)	(66,162)
Dividends paid	(215,966)	(296,154)
Net cash provided by (used in) financing activities	1,229,850	539,673
Effect of exchange rate change on cash and cash equivalents	(40,226)	115,425
Net increase (decrease) in cash and cash equivalents	615,995	268,930
Cash and cash equivalents at beginning of period	3,946,691	4,508,366
Cash and cash equivalents at end of period	4,562,686	4,777,296