



Financial Results for the Fiscal Year Ended (FYE) 06/20/2021

[Japan GAAP] (Unconsolidated)

08/03/2021

Company Name	JOYFUL HONDA CO., LTD.	Exchange listed on	TSE-1
Security Code	3191	URL	https://www.joyfulhonda.com/
Representative	(Title) President & CEO	(Name)	Taketoshi Hosoya
Contact	(Title) Executive Officer General Manager, Administration Group Manager, Business Management Department	(Name)	Takeshi Ouchi (TEL) 029 (822) 2215

Scheduled date of ordinary shareholders' meeting	09/16/2021
Scheduled filing date of the securities report	09/17/2021
Scheduled commencement date of dividends payment	08/31/2021
Preparation of supplementary materials for financial results report	: Yes (To be announced via TDnet and posted on our IR website today)
Convening financial results briefing	: Yes (The meeting will be live-streamed, and later its explanatory video will be posted on our corporate website)

(Amounts rounded down to the nearest million yen)

1. Business Results for FYE 06/20/2021 (06/21/2020 - 06/20/2021)

(1) Operating Results

(Percent represents comparison changes from the previous year)

	Net sales		Operating income		Ordinary income		Profit	
	million yen	%	million yen	%	million yen	%	million yen	%
FYE 06/20/2021	132,499	6.1	11,506	25.2	12,773	20.6	8,985	(17.9)
FYE 06/20/2020	124,909	4.9	9,187	18.2	10,593	15.9	10,949	141.1

	Profit per share	Profit per share - fully diluted	Profit to shareholders equity	Ordinary income to Assets	Operating income to Net sales
	yen	yen	%	%	%
FYE 06/20/2021	129.72	-	8.2	8.0	8.7
FYE 06/20/2020	158.10	-	10.8	6.9	7.4

(Reference) Equity method investment gain (loss):	FYE 06/20/2021	93 million yen
	FYE 06/20/2020	105 million yen

(2) Financial Positions

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
FYE 06/20/2021	160,606	112,684	70.2	1,626.74
FYE 06/20/2020	157,766	106,218	67.3	1,533.48

(Reference) Shareholders' equity:	FYE 06/20/2021	112,684 million yen
	FYE 06/20/2020	106,218 million yen

(3) Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at the end of the year
	million yen	million yen	million yen	million yen
FYE 06/20/2021	12,412	2,074	(6,865)	45,495
FYE 06/20/2020	12,038	6,020	(6,837)	37,875

2. Dividends

	Annual dividends					Amount of annual dividends (Total)	Dividend payout ratio	Ratio of dividends to net assets
	End of 1Q	End of 2Q	End of 3Q	End of the year	Total			
	yen	yen	yen	yen	yen	million yen	%	%
FYE 06/20/2020	-	13.00	-	17.50	30.50	2,124	19.3	2.1
FYE 06/20/2021	-	15.50	-	18.00	33.50	2,333	25.8	2.1
FYE 06/20/2022 (forecast)	-	21.00	-	21.00	42.00		32.3	

3. Projected Business Results for FYE 06/20/2022 (06/21/2021- 06/20/2022)

(Percentage represents comparison changes from the previous year for the full-year and from the same quarter of the previous year for the quarter)

	Net sales		Operating income		Ordinary income		Profit		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
1Q + 2Q	67,000	1.3	6,200	8.1	6,600	5.8	4,600	13.7	66.41
Full year	131,000	0.4	11,800	2.6	12,900	1.0	9,000	0.2	129.93

(Note) The Company has adopted the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020) and other standards since the beginning of the FYE 06/20/2022, and the respective earnings estimates reported above show the amounts after which the above-mentioned accounting standard is applied. In addition, the rates of increase and decrease in the respective figures compared with the same period and the same quarter of the previous fiscal year are calculated on the assumption that the above-mentioned standard, etc. are applied to the FYE 06/20/2021.

*NOTES

(1) Change in accounting policies or estimates and retrospective restatements

- | | | |
|--------------------------------------------------------------------------------------|---|------|
| 1) Change in accounting policies in accordance with revision of accounting standards | : | None |
| 2) Change in accounting policies other than item 1) above | : | None |
| 3) Change in accounting estimates | : | None |
| 4) Retrospective restatements | : | None |

(2) Number of outstanding shares (common stock)

1) Number of outstanding shares at the end of the period (including treasury stock)	FYE 06/20/2021	103,225,760 shares	FYE 06/20/2020	103,225,760 shares
2) Number of treasury stock at the end of the period	FYE 06/20/2021	33,955,369 shares	FYE 06/20/2020	33,959,986 shares
3) Average number of shares during the period	FYE 06/20/2021	69,266,922 shares	FYE 06/20/2020	69,255,049 shares

* The financial results fall outside the scope of the review by a certified public accountant or an audit corporation.

* Explanation for appropriate use of operating results forecasts and other special notes

The descriptions regarding earnings estimates and other forward-looking statements provided in this material have been prepared on the basis of information available up until the date of announcement, and on the assumption that the descriptions may rely on uncertain factors. Therefore, our actual earnings are subject to change.

Details of the earnings estimates (for FYE 6/20/2022) are provided on p. 5 in (4) of the accompanying material.

Financial Statement and Main Notes

(1) Balance Sheets

(Unit: million yen)

	Previous Accounting Year (06/20/2020)	Current Accounting Year (06/20/2021)
Assets		
Current assets		
Cash and deposits	38,906	45,533
Accounts receivable-trade	3,059	3,268
Merchandise	13,877	13,767
Costs on construction contracts in progress	302	311
Raw materials and supplies	347	272
Prepaid expenses	697	748
Other	806	1,093
Allowance for doubtful accounts	(1)	(2)
Total current assets	57,996	64,993
Noncurrent assets		
Property, plant and equipment		
Buildings	68,551	69,171
Structures	8,384	8,434
Machinery and equipment	739	728
Vehicles	41	45
Tools, furniture and fixtures	3,849	3,901
Land	56,105	56,487
Leased assets	761	529
Construction in progress	219	310
Accumulated depreciation	(51,289)	(53,217)
Total property, plant and equipment	87,363	86,391
Intangible assets		
Leasehold interests in land	1,014	1,038
Software	517	533
Leased assets	7	1
Other	174	214
Total intangible assets	1,714	1,789
Investments and other assets		
Investment securities	5,482	2,120
Stocks of subsidiaries and affiliates	261	184
Investments in capital	0	0
Deferred tax assets	3,481	3,688
Other	1,466	1,438
Total investments and other assets	10,691	7,431
Total noncurrent assets	99,769	95,612
Total assets	157,766	160,606

(Unit: million yen)

	Previous Accounting Year (06/20/2020)	Current Accounting Year (06/20/2021)
Liabilities		
Current liabilities		
Accounts payable-trade	7,356	6,925
Current portion of long-term loans payable	4,397	4,401
Lease obligations	177	94
Accounts payable - other	3,315	4,328
Accrued expenses	849	792
Income taxes payable	2,378	2,440
Advances received on construction contracts in progress	951	1,309
Deposits received	739	527
Unearned revenue	100	97
Provision for bonuses	223	26
Provision for directors' bonuses	42	42
Other	1,184	1,298
Total current liabilities	21,717	22,284
Noncurrent liabilities		
Long-term loans payable	20,741	16,339
Lease obligations	179	102
Provision for retirement benefits	1,854	2,054
Asset retirement obligations	2,571	2,645
Long-term guarantee deposited	4,371	4,355
Provision for loss of subsidiaries and associates	36	-
Provision for employees' share-based remuneration	40	66
Provision for directors' share-based remuneration	36	73
Total noncurrent liabilities	29,831	25,636
Total liabilities	51,548	47,921
Net assets		
Shareholders' equity		
Capital stock	12,000	12,000
Capital surplus		
Other capital surplus	12,232	12,224
Total capital surpluses	12,232	12,224
Retained earnings		
Legal retained earnings	451	681
Other retained earnings		
General reserve	128,330	136,330
Retained earnings brought forward	10,596	9,053
Total retained earnings	139,377	146,064
Treasury stock	(58,751)	(58,734)
Total shareholders' equity	104,859	111,554
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,358	1,130
Total valuation and translation adjustments	1,358	1,130
Total net assets	106,218	112,684
Total liabilities and net assets	157,766	160,606

(2) Statement of Income

(Unit: million yen)

	Previous Accounting Year (From 06/21/2019 to 06/20/2020)	Current Accounting Year (From 06/21/2020 to 06/20/2021)
Net sales	124,909	132,499
Cost of sales	89,969	90,652
Gross profit	34,940	41,846
Operating revenue		
Rent income of real estate	5,400	4,793
Income from service fees	506	445
Other	0	187
Total operating revenue	5,907	5,426
Operating gross profit	40,847	47,272
Selling, general and administrative expenses	31,659	35,766
Operating income	9,187	11,506
Non-operating income		
Interest income	150	39
Dividends income	529	237
Commission fee	352	389
Technical advisory fee	14	-
Rental income from buildings	52	9
Rental income from land	98	114
Other	451	597
Total non-operating income	1,650	1,387
Non-operating expenses		
Interest expenses	73	38
Commission fee	162	65
Other	7	16
Total non-operating expenses	244	120
Ordinary income	10,593	12,773
Extraordinary income		
Gain on sales of noncurrent assets	19	0
Compensation income	5	5
Gain on sales of shares of subsidiaries and associates	-	523
Gain on sales of investment securities	204	214
Gain on reversal of asset retirement obligations	-	30
Gain on extinguishment of tie-in shares	8,362	-
Gain on sale of businesses	1,550	-
Total extraordinary income	10,142	774
Extraordinary loss		
Loss on retirement of noncurrent assets	195	80
Loss on sales of non-current assets	101	-
Impairment loss	4,833	72
Loss on sales of investment securities	526	495
Loss on valuation of investment securities	953	-
Other	14	0
Total extraordinary loss	6,624	649
Profit before income taxes	14,110	12,898
Income taxes-current	3,605	4,020
Income taxes-deferred	(443)	(106)
Total income taxes	3,161	3,913
Profit	10,949	8,985

(3) Statements of changes in net assets

Previous Accounting Year (From 06/21/2019 to 06/20/2020)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus		Retained earnings	
		Other capital surplus	Total capital surpluses	Legal retained earnings	Other retained earnings
				General reserve	
Balance at the beginning of this period	12,000	12,232	12,232	273	126,330
Changes of items during the period					
Provision of legal retained earnings			-	177	
Provision of general reserve			-		2,000
Dividends from surplus			-		
Profit			-		
Purchase of treasury stock			-		
Disposal of treasury stock			-		
Net changes of items other than shareholders' equity			-		
Total changes of items during the period	-	-	-	177	2,000
Balance at the end of this period	12,000	12,232	12,232	451	128,330

	Shareholders' equity				Valuation and translation adjustments	Total net assets
	Retained earnings		Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	
	Other retained earnings	Total retained earnings				
	Retained earnings brought forward					
Balance at the beginning of this period	3,601	130,205	(58,798)	95,639	4	95,643
Changes of items during the period						
Provision of legal retained earnings	(177)	-		-		-
Provision of general reserve	(2,000)	-		-		-
Dividends from surplus	(1,776)	(1,776)		(1,776)		(1,776)
Profit	10,949	10,949		10,949		10,949
Purchase of treasury stock		-	(0)	(0)		(0)
Disposal of treasury stock		-	47	47		47
Net changes of items other than shareholders' equity		-		-	1,354	1,354
Total changes of items during the period	6,995	9,172	46	9,219	1,354	10,574
Balance at the end of this period	10,596	139,377	(58,751)	104,859	1,358	106,218

Current Accounting Year (From 06/21/2020 to 06/20/2021)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus		Retained earnings	
		Other capital surplus	Total capital surpluses	Legal retained earnings	Other retained earnings
					General reserve
Balance at the beginning of this period	12,000	12,232	12,232	451	128,330
Changes of items during the period					
Provision of legal retained earnings			-	229	
Provision of general reserve			-		8,000
Dividends from surplus			-		
Profit			-		
Purchase of treasury stock			-		
Disposal of treasury stock		(8)	(8)		
Net changes of items other than shareholders' equity			-		
Total changes of items during the period	-	(8)	(8)	229	8,000
Balance for the end of this period	12,000	12,224	12,224	681	136,330

	Shareholders' equity				Valuation and translation adjustments	Total net assets
	Retained earnings		Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	
	Other retained earnings	Total retained earnings				
	Retained earnings brought forward					
Balance at the beginning of this period	10,596	139,377	(58,751)	104,859	1,358	106,218
Changes of items during the period						
Provision of legal retained earnings	(229)	-		-		-
Provision of general reserve	(8,000)	-		-		-
Dividends from surplus	(2,298)	(2,298)		(2,298)		(2,298)
Profit	8,985	8,985		8,985		8,985
Purchase of treasury stock		-	(30)	(30)		(30)
Disposal of treasury stock		-	47	38		38
Net changes of items other than shareholders' equity			-	-	(228)	(228)
Total changes of items during the period	(1,543)	6,686	17	6,695	(228)	6,466
Balance for the end of this period	9,053	146,064	(58,734)	111,554	1,130	112,684

(4) Statements of cash flows

(Unit: million yen)

	Previous Accounting Year (From 06/21/2019 to 06/20/2020)	Current Accounting Year (From 06/21/2020 to 06/20/2021)
Net cash provided by (used in) operating activities		
Profit before income taxes	14,110	12,898
Depreciation and amortization	2,690	2,805
Impairment loss	4,833	72
Insurance claim income	(119)	(16)
Compensation income	(5)	(5)
Increase (decrease) in allowance for doubtful accounts	0	0
Increase (decrease) in provision for bonuses	(154)	(196)
Increase (decrease) in provision for directors' bonuses	5	-
Increase (decrease) in provision for employees' share-based remuneration	15	27
Increase (decrease) in provision for directors' share-based remuneration	24	38
Increase (decrease) in provision for retirement benefits	370	200
Increase (decrease) in provision for losses of affiliates and subsidiaries	(42)	(36)
Interest and dividends income	(680)	(276)
Interest expenses	73	38
Loss (gain) on extinguishment of tie-in shares	(8,362)	-
Loss (gain) on sale of businesses	(1,550)	-
Loss (gain) on valuation of investment securities	953	-
Loss (gain) on sales of investment securities	322	281
Loss (gain) on sale of affiliated companies	-	(523)
Gain on reversal of asset retirement obligations	-	(30)
Loss on retirement of noncurrent assets	195	80
Loss (gain) on sales of noncurrent assets	81	(0)
Decrease (increase) in notes and accounts receivable-trade	(574)	(208)
Decrease (increase) in inventories	1,080	175
Increase (decrease) in notes and accounts payable-trade	273	(430)
Increase (decrease) in accrued consumption taxes	267	111
Other	517	1,083
Subtotal	14,327	16,088
Interest and dividends income received	697	286
Interest expenses paid	(73)	(38)
Proceeds from insurance income	119	16
Proceeds from compensation	5	5
Income taxes paid	(3,037)	(3,946)
Net cash provided by (used in) operating activities	12,038	12,412
Net cash provided by (used in) investing activities		
Proceeds from withdrawal of time deposits	4,000	1,000
Purchase of property, plant and equipment	(2,180)	(1,858)
Proceeds from sales of property, plant and equipment	63	0
Payments for retirement of property, plant and equipment	(155)	(76)
Purchase of intangible assets	(187)	(330)
Purchase of investment securities	(76)	-
Proceeds from sales of investment securities	1,637	2,751
Proceeds from redemption of investment securities	1,000	-
Proceeds from sale of affiliated companies	-	600
Proceeds from sale of businesses	1,919	-
Other	(0)	(12)
Net cash provided by (used in) investing activities	6,020	2,074
Net cash provided by (used in) financing activities		

Repayments of short-term borrowings from affiliates and subsidiaries	(500)	-
Repayments of long-term loans payable	(4,393)	(4,397)
Purchase of treasury stock	(0)	(30)
Proceeds from sales of treasury shares	0	29
Repayments of lease obligations	(168)	(170)
Cash dividends paid	(1,776)	(2,298)
Net cash provided by (used in) financing activities	(6,837)	(6,865)
Net increase (decrease) in cash and cash equivalents	11,221	7,620
Cash and cash equivalents at the beginning of the year	20,311	37,875
Increase (decrease) in cash and cash equivalents resulting from merger of consolidated subsidiaries	6,342	-
Cash and cash equivalents at the end of the year	37,875	45,495