

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

August 6, 2021

Company name: SAN-AI OIL CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 8097 URL <http://www.san-ai-oil.co.jp/>
 Representative: Representative Director, President Yukio Tsukahara
 General Manager, General Accounting
 Inquiries: Department Eiichi Nonaka TEL 03-6880-3100
 Scheduled date to file Quarterly Securities Report: August 10, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2021	128,719	36.8	2,169	10.4	2,539	9.0	1,489	(11.5)
Three months ended June 30, 2020	94,080	(48.0)	1,964	(11.0)	2,330	(9.1)	1,683	(35.4)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2021	21.59	–
Three months ended June 30, 2020	24.13	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	180,432	107,304	56.8
As of March 31, 2021	187,245	106,468	54.2

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2021	–	14.00	–	14.00	28.00
Year ending March 31, 2022	–				
Year ending March 31, 2022 (Forecast)		14.00	–	14.00	28.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	470,000	(0.8)	10,000	16.4	10,500	5.0	7,500	6.3	108.72

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2021
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2021	71,000,000 shares	As of March 31, 2021	71,000,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	2,015,978 shares	As of March 31, 2021	2,015,903 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2021	68,984,041 shares	Three months ended June 30, 2020	69,773,631 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	36,737	31,430
Notes and accounts receivable - trade	37,116	–
Notes and accounts receivable - trade, and contract assets	–	34,355
Securities	–	100
Merchandise and finished goods	5,709	5,761
Work in process	69	41
Raw materials and supplies	91	87
Other	1,858	2,151
Allowance for doubtful accounts	(441)	(443)
Total current assets	81,141	73,485
Non-current assets		
Property, plant and equipment		
Buildings and structures	67,885	69,286
Accumulated depreciation	(46,678)	(46,910)
Buildings and structures, net	21,207	22,376
Machinery, equipment and vehicles	33,981	33,840
Accumulated depreciation	(26,107)	(26,171)
Machinery, equipment and vehicles, net	7,873	7,669
Land	19,303	18,995
Other	7,564	7,780
Accumulated depreciation	(4,408)	(4,385)
Other, net	3,155	3,395
Total property, plant and equipment	51,539	52,437
Intangible assets		
Goodwill	1,354	1,578
Customer-related assets	1,272	1,249
Other	1,490	1,499
Total intangible assets	4,116	4,328
Investments and other assets		
Investment securities	20,104	19,820
Retirement benefit asset	3,593	3,713
Guarantee deposits	25,283	25,278
Other	1,565	1,467
Allowance for doubtful accounts	(98)	(98)
Total investments and other assets	50,448	50,180
Total non-current assets	106,103	106,946
Total assets	187,245	180,432

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	42,706	36,687
Short-term borrowings	270	300
Current portion of long-term borrowings	3,129	3,180
Income taxes payable	1,743	506
Provision for bonuses	1,707	751
Provision for bonuses for directors (and other officers)	69	16
Provision for warranties for completed construction	0	0
Asset retirement obligations	94	94
Other	11,332	11,293
Total current liabilities	61,055	52,831
Non-current liabilities		
Long-term borrowings	4,764	5,152
Provision for retirement benefits for directors (and other officers)	154	156
Provision for special repairs	170	179
Retirement benefit liability	224	220
Asset retirement obligations	592	603
Other	13,815	13,983
Total non-current liabilities	19,722	20,296
Total liabilities	80,777	73,127
Net assets		
Shareholders' equity		
Share capital	10,127	10,127
Capital surplus	4,286	4,305
Retained earnings	84,698	85,687
Treasury shares	(2,287)	(2,287)
Total shareholders' equity	96,824	97,831
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,407	4,434
Revaluation reserve for land	(353)	(353)
Remeasurements of defined benefit plans	602	568
Total accumulated other comprehensive income	4,655	4,649
Non-controlling interests	4,987	4,823
Total net assets	106,468	107,304
Total liabilities and net assets	187,245	180,432

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales		
Net sales of goods	93,067	127,965
Net sales of completed construction contracts	1,013	754
Total net sales	94,080	128,719
Cost of sales		
Cost of goods sold	81,977	115,934
Cost of sales of completed construction contracts	925	659
Total cost of sales	82,903	116,594
Gross profit	11,177	12,125
Selling, general and administrative expenses	9,212	9,955
Operating profit	1,964	2,169
Non-operating income		
Interest income	41	55
Dividend income	245	174
Light oil delivery tax grant	25	23
Reversal of allowance for doubtful accounts	5	–
Other	133	194
Total non-operating income	450	448
Non-operating expenses		
Interest expenses	61	61
Provision of allowance for doubtful accounts	0	–
Other	22	16
Total non-operating expenses	84	78
Ordinary profit	2,330	2,539
Extraordinary income		
Gain on sale of non-current assets	2	4
Gain on sale of investment securities	382	0
Total extraordinary income	384	5
Extraordinary losses		
Loss on sale and retirement of non-current assets	12	67
Loss on valuation of investment securities	–	12
Loss on sale of shares of subsidiaries and associates	–	10
Loss on sale of investment securities	39	–
Total extraordinary losses	51	90
Profit before income taxes	2,663	2,454
Income taxes - current	468	479
Income taxes - deferred	565	356
Total income taxes	1,033	836
Profit	1,629	1,618
Profit (loss) attributable to non-controlling interests	(54)	128
Profit attributable to owners of parent	1,683	1,489

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	1,629	1,618
Other comprehensive income		
Valuation difference on available-for-sale securities	75	28
Remeasurements of defined benefit plans, net of tax	10	(34)
Total other comprehensive income	85	(5)
Comprehensive income	1,715	1,612
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,738	1,482
Comprehensive income attributable to non-controlling interests	(23)	129