

Translation

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

November 4, 2020

Company name: EBARA JITSUGYO CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 6328 URL <https://www.ejk.co.jp/>  
 Representative: President and COO Toru Abe  
 Inquiries: Managing Executive Officer, Head of Planning & Strategy Office Shuji Ohno TEL 03-5565-2885  
 Scheduled date to file Quarterly Securities Report: November 10, 2020  
 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 nine months ended September 30, 2020 (from January 1, 2020 to September 30, 2020)

(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	%
Nine months ended September 30, 2020	21,933	1.7	2,298	39.1	2,409	37.3	1,685	36.0
Nine months ended September 30, 2019	21,556	(0.6)	1,652	(9.2)	1,755	(7.7)	1,239	(7.2)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended September 30, 2020	264.85		–	
Nine months ended September 30, 2019	187.98		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2020	28,703	15,616	54.4
As of December 31, 2019	28,065	14,945	53.3

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended December 31, 2019	–	30.00	–	30.00	60.00
Year ending December 31, 2020	–	30.00	–		
Year ending December 31, 2020 (Forecast)				70.00	100.00

3. Forecast of consolidated financial results for the year ending December 31, 2020 (from January 1, 2020 to December 31, 2020)

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	30,000	5.5	2,800	38.3	2,950	36.0	2,000	32.2	318.24

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended September 30, 2020  
(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: No
  - 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 September 30, 2020	6,715,000 shares	As of December 31, 2019	6,715,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2020	430,442 shares	As of December 31, 2019	122,867 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2020	6,365,113 shares	Nine months ended September 30, 2019	6,592,133 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of December 31, 2019	As of September 30, 2020
Assets		
Current assets		
Cash and deposits	6,408	9,566
Notes and accounts receivable - trade	10,167	7,651
Merchandise and finished goods	541	643
Work in process	195	227
Costs on construction contracts in progress	647	440
Raw materials and supplies	210	337
Other	150	191
Allowance for doubtful accounts	(1)	(1)
Total current assets	18,321	19,057
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,172	3,205
Accumulated depreciation	(1,767)	(1,834)
Buildings and structures, net	1,405	1,370
Machinery, equipment and vehicles	191	195
Accumulated depreciation	(110)	(130)
Machinery, equipment and vehicles, net	80	64
Tools, furniture and fixtures	631	637
Accumulated depreciation	(543)	(566)
Tools, furniture and fixtures, net	87	70
Land	1,360	1,360
Other	3	3
Accumulated depreciation	(3)	(3)
Other, net	–	–
Total property, plant and equipment	2,934	2,866
Intangible assets	154	135
Investments and other assets		
Investment securities	5,087	5,081
Insurance funds	727	731
Investment property, net	679	669
Deferred tax assets	14	20
Other	253	245
Allowance for doubtful accounts	(106)	(106)
Total investments and other assets	6,655	6,642
Total non-current assets	9,744	9,645
Total assets	28,065	28,703

(Millions of yen)

	As of December 31, 2019	As of September 30, 2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	8,397	7,365
Short-term borrowings	1,090	1,090
Income taxes payable	381	507
Accrued consumption taxes	136	212
Advances received	1,056	1,908
Provision for bonuses	–	205
Provision for loss on construction contracts	112	174
Other	570	349
Total current liabilities	11,746	11,812
Non-current liabilities		
Deferred tax liabilities	977	862
Provision for retirement benefits for directors (and other officers)	158	158
Retirement benefit liability	153	176
Other	83	75
Total non-current liabilities	1,374	1,273
Total liabilities	13,120	13,086
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,001	1,001
Capital surplus	831	831
Retained earnings	10,996	12,295
Treasury shares	(291)	(861)
Total shareholders' equity	12,538	13,266
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,451	2,381
Remeasurements of defined benefit plans	(44)	(31)
Total accumulated other comprehensive income	2,407	2,350
Total net assets	14,945	15,616
Total liabilities and net assets	28,065	28,703

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Nine months ended September 30, 2019	Nine months ended September 30, 2020
Net sales	21,556	21,933
Cost of sales	15,789	15,419
Gross profit	5,767	6,514
Selling, general and administrative expenses	4,115	4,215
Operating profit	1,652	2,298
Non-operating income		
Interest income	2	0
Dividend income	54	57
Rental income from investment property	74	72
Other	21	21
Total non-operating income	153	153
Non-operating expenses		
Interest expenses	6	4
Rental expenses on real estate	29	28
Loss on cancellation of insurance policies	9	0
Other	5	8
Total non-operating expenses	50	41
Ordinary profit	1,755	2,409
Extraordinary losses		
Loss on valuation of investment securities	-	31
Total extraordinary losses	-	31
Profit before income taxes	1,755	2,378
Income taxes - current	586	788
Income taxes - deferred	(70)	(95)
Total income taxes	515	692
Profit	1,239	1,685
Profit attributable to owners of parent	1,239	1,685

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Nine months ended September 30, 2019	Nine months ended September 30, 2020
Profit	1,239	1,685
Other comprehensive income		
Valuation difference on available-for-sale securities	539	(70)
Remeasurements of defined benefit plans, net of tax	13	12
Total other comprehensive income	552	(57)
Comprehensive income	1,791	1,628
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,791	1,628
Comprehensive income attributable to non-controlling interests	—	—