

Financial Results for the Fiscal Year Ended March 31, 2021

Jun 16, 2021

MARUHAN Corporation

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2021(April 1, 2020 to March 31, 2021)

(1) Consolidated Operating Results

(% indicates changes from the previous period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal year ended March 31, 2021	1,105,584	-26.8	13,408	-58.2	16,675	-51.6	6,089	-55.9
Fiscal year ended March 31, 2020	1,509,454	-2.6	32,090	-4.5	34,417	-11.3	13,082	-37.5

(Note) Comprehensive income: Fiscal year ended March 31, 2021: 4,408 million yen (-66.1%)

Fiscal year ended March 31, 2020: 13,034 million yen (-36.8%)

	Net income per share	Diluted net income per share	Return on equity	Return on assets	Operating margin
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2021	413.12	—	2.0	2.6	1.2
Fiscal year ended March 31, 2020	933.63	—	4.7	5.8	2.1

(Reference) Equity in net income of affiliates: Fiscal year ended March 31, 2021: 998 million yen

Fiscal year ended March 31, 2020: 944million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	Yen
Fiscal year ended March 31, 2021	664,581	304,509	45.8	20,719.40
Fiscal year ended March 31, 2020	622,969	302,114	48.5	20,436.93

(Reference) Shareholders' equity: Fiscal year ended March 31, 2021: 304,503 million yen

Fiscal year ended March 31, 2020: 302,109 million yen

(3) Consolidated 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 end of year
	million yen	million yen	million yen	million yen
Fiscal year ended March 31, 2021	9,778	-22,787	30,293	198,344
Fiscal year ended March 31, 2020	29,955	-24,319	17,805	182,662

2.Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2020 (April 1, 2020 to March 31, 2021)

(1) Non-consolidated Operating Results

(% indicates changes from the previous period.)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal year ended March 31, 2021	1,056,593	-27.8	4,662	-80.9	6,828	-73.4	-1,460	—
Fiscal year ended March 31, 2020	1,463,270	-3.2	24,385	-12.4	25,628	-19.7	8,433	-51.1

	Net income per share		Diluted net income per share	
	Yen		Yen	
Fiscal year ended March 31, 2021	-99.07		—	
Fiscal year ended March 31, 2020	570.45		—	

(2) Non-consolidated Financial Position

	Total assets		Net assets		Equity ratio		Net assets per share	
	million yen		million yen		%		Yen	
Fiscal year ended March 31, 2021	395,199		270,155		68.4		18,382.30	
Fiscal year ended March 31, 2020	396,532		273,581		69.0		18,507.06	

(Reference) Shareholder's equity: Fiscal year ended March 31, 2021: 270,155 million yen
 Fiscal year ended March 31, 2020: 273,581 million yen

1. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: million yen)

	Previous Fiscal Year (as of March 31, 2020)	Current Fiscal Year (As of March 31, 2021)
Assets		
Current assets		
Cash and deposits	185,050	202,760
Accounts receivable-trade	1,079	1,129
Loans and bills discounted in banking business	161,335	185,923
Merchandise	2,058	1,790
Raw materials and supplies	1,195	1,798
Prepaid expenses	4,976	5,860
Accounts receivable-other	763	780
Other	4,363	4,332
Allowance for doubtful accounts	-2,096	-2,933
Total current assets	358,725	401,442
Non-current assets		
Property, plant and equipment		
Buildings and structures (net)	89,010	85,272
Tools, furniture and fixtures (net)	15,752	12,903
Land	58,514	57,632
Golf courses	13,123	13,120
Construction in progress	2,617	5,466
Other (net)	1,033	1,114
Total property, plant and equipment	180,051	175,511
Intangible assets		
Goodwill	531	627
Leasehold right	4,832	4,712
Software	1,076	1,381
Other	1,643	1,892
Total intangible assets	8,082	8,613
Investments and other assets		
Investment securities	8,035	10,501
Long-term loans receivable	20,457	20,563
Long-term prepaid expenses	908	810
Guarantee deposits	12,680	11,857
Construction assistance fund receivables	2,714	2,723
Deferred tax assets	29,595	30,203
Other	2,065	2,658
Allowance for doubtful accounts	-348	-302
Total investments and other assets	76,109	79,014
Total non-current assets	264,243	263,139
Total assets	622,969	664,581

(Unit: million yen)

	Previous Fiscal Year (as of March 31, 2020)	Current Fiscal Year (As of March 31, 2021)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	5,080	3,184
Electronically recorded obligations-operating	20,168	13,663
Short-term loans payable	5,435	31,296
Current portion of bonds	219	393
Current portion of long-term loans payable	26,092	23,598
Lease obligations	552	506
Accounts payable-other	14,724	11,777
Accrued expenses	6,336	7,339
Income taxes payable	9,734	2,000
Accrued consumption taxes	1,725	3,533
Deposits received	9,813	10,150
Provision for bonuses	2,965	3,162
Notes payable-facilities	2,968	407
Asset retirement obligations	1,047	1,197
Deposits in banking business	107,243	135,032
Other	2,629	2,363
Total current liabilities	216,738	249,609
Non-current liabilities		
Bonds payable	4,382	5,997
Long-term loans payable	70,189	75,967
Lease obligations	5,239	4,933
Deferred tax liabilities	58	78
Provision for directors' retirement benefits	4,847	4,222
Net defined benefit liability	6,707	6,456
Asset retirement obligations	7,998	8,195
Other	4,693	4,611
Total non-current liabilities	104,116	110,462
Total liabilities	320,854	360,072
Net Assets		
Shareholders' equity		
Capital stock	10,000	10,000
Capital surplus	1,670	1,998
Retained earnings	292,851	297,133
Treasury shares	-3,719	-4,253
Total shareholders' equity	300,802	304,878
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-171	-49
Deferred gains or losses on hedges	-99	-67
Foreign currency translation adjustment	1,958	-228
Remeasurements of defined benefit plans	-380	-29
Total accumulated other comprehensive income	1,307	-375
Non-controlling interests	4	6
Total net assets	302,114	304,509
Total liabilities and net assets	622,969	664,581

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Unit: million yen)

	Previous Fiscal Year (From April 1, 2019 to March 31, 2020)	Current Fiscal Year (From April 1, 2020 to March 31, 2021)
Net sales	1,509,454	1,105,584
Cost of sales	1,448,985	1,066,361
Gross profit	60,468	39,222
Selling, general and administrative expenses	28,377	25,813
Operating income	32,090	13,408
Non-operating income		
Interest and dividends income	425	341
Share of profit of entities accounted for using equity method	944	998
Foreign exchange gains	—	522
Rent income	1,352	1,419
Income from IC card receipts	286	200
Other	1,397	1,445
Total non-operating income	4,406	4,927
Non-operating expenses		
Interest expenses	1,081	1,066
Foreign exchange losses	576	—
Rent expenses	180	279
Commission fee	144	274
Other	97	40
Total non-operating expenses	2,079	1,661
Ordinary income	34,417	16,675
Extraordinary income		
Gain on sales of non-current assets	6	17
Subsidy income	—	1,291
Gain on Reversal of lease obligations	—	384
Insurance income from loss on disaster	6	104
Other	5	62
Total extraordinary income	18	1,860
Extraordinary loss		
Loss on sales of non-current assets	—	4
Loss on abandonment of non-current assets	1,444	245
Loss on cancellation of leases	—	41
Loss on disaster	219	28
Impairment loss	9,848	3,873
Loss on cancellation of rental contracts	14	—
Loss due to temporary store closures	—	6,582
Other	2	153
Total extraordinary loss	11,529	10,929
Income before income taxes	22,906	7,606
Income taxes-current	12,469	2,198
Income taxes-deferred	-3,367	-683
Total income taxes	9,101	1,515
Net income	13,804	6,091
Profit attributable to non-controlling interests	1	2
Profit attributable to owners of parent	13,802	6,089

Consolidated Statements of Comprehensive Income

(Unit: million yen)

	Previous Fiscal Year (From April 1, 2019 to March 31, 2020)	Current Fiscal Year (From April 1, 2020 to March 31, 2021)
Net income	13,804	6,091
Other comprehensive income		
Valuation difference on available-for-sale securities	-58	45
Deferred gains or losses on hedges	40	31
Foreign currency translation adjustment	-321	-2,195
Remeasurements of defined benefit plans, net of tax	-260	346
Share of other comprehensive income of associates accounted for using equity method	-169	89
Total other comprehensive income	-769	-1,682
Comprehensive income:	13,034	4,408
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	13,033	4,406
Comprehensive income attributable to non-controlling interests	1	2