

Consolidated Financial Results for the Six Months Ended September 30, 2020 [Japanese GAAP]

November 30, 2020

MARUHAN Corporation

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

Consolidated Financial Results for the Six Months Ended September 30, 2020 (April 1, 2020 to September 30, 2020)

(1) Consolidated Operating Results

(% indicates changes from the previous interim period.)

	Net sales		Operating income		Ordinary income		Interim profit attributable to owners of profit	
	million yen	%	million yen	%	million yen	%	million yen	%
Six Months Ended September 30, 2020	490,627	-36.8	3,835	-85.1	4,095	-84.3	-484	—
Six Months Ended September 30, 2019	776,369	-0.5	25,785	39.4	26,114	14.4	17,548	12.8

(Note) Comprehensive income: Six Months Ended September 30, 2020: -1,036 million yen (—%)

Six Months Ended September 30, 2019: 16,473 million yen (18.9%)

	Interim net income per share	Diluted interim net income per share
	Yen	Yen
Six Months Ended September 30, 2020	-32.78	—
Six Months Ended September 30, 2019	1,186.85	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
Six months ending September 30, 2020	613,667	299,064	48.7
Fiscal year ended March 31, 2020	662,969	302,114	48.5

(Reference) Shareholders' equity: Six months ended September 30, 2020: 299,057 million yen

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

Contents of Appendix

Interim Consolidated Financial Statements	2
(1) Interim Consolidated Balance Sheets	2
(2) Interim Consolidated Statements of Income and Interim Consolidated Statements of Comprehensive Income	4
(Interim Consolidated Statements of Income)	4
(Interim Consolidated Statements of Comprehensive Income)	5

Interim Consolidated Financial Statements

(1) Interim Consolidated Balance Sheets

(Unit: million yen)

	Previous Fiscal Year (As of March 31, 2020)	Current Interim Period (As of September 30, 2020)
Assets		
Current assets		
Cash and deposits	185,050	158,982
Accounts receivable-trade	1,079	1,373
Loans and bills discounted in banking business	161,335	174,679
Merchandise	2,058	1,985
Raw materials and supplies	1,195	2,552
Prepaid expenses	4,976	6,062
Accounts receivable-other	763	1,054
Other	4,363	4,039
Allowance for doubtful accounts	-2,096	-2,789
Total current assets	358,725	347,940
Non-current assets		
Property, plant and equipment		
Buildings and structures (net)	89,010	86,560
Tools, furniture and fixtures (net)	15,752	14,430
Land	58,514	58,468
Golf courses	13,123	13,122
Construction in progress	2,617	4,277
Other (net)	1,033	1,143
Total property, plant and equipment	180,051	178,003
Intangible assets		
Goodwill	531	469
Leasehold right	4,832	4,775
Software	1,076	1,189
Other	1,643	1,852
Total intangible assets	8,082	8,286
Investments and other assets		
Investment securities	8,035	9,790
Long-term loans receivable	20,457	20,288
Long-term prepaid expenses	908	839
Guarantee deposits	12,680	12,295
Construction assistance fund receivables	2,714	2,667
Deferred tax assets	29,595	31,413
Other	2,065	2,480
Allowance for doubtful accounts	-348	-339
Total investments and other assets	76,109	79,436
Total non-current assets	264,243	265,727
Total assets	622,969	613,667

(Unit: million yen)

	Previous Fiscal Year (As of March 31, 2020)	Current Interim Period (As of September 30, 2020)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	5,080	3,290
Electronically recorded obligations-Operating	20,168	2,963
Short-term loans payable	5,435	16,140
Current portion of bonds	219	215
Current portion of long-term loans payable	26,092	24,301
Lease obligations	552	565
Accounts payable-other	14,724	8,578
Accrued expenses	6,336	5,980
Income taxes payable	9,734	1,395
Accrued consumption taxes	1,725	3,023
Deposits received	9,813	10,036
Provision for bonuses	2,965	2,849
Notes payable-facilities	2,968	357
Asset retirement obligations	1,047	1,066
Deposits in banking business	107,243	120,430
Other	2,629	2,234
Total current liabilities	216,738	203,427
Non-current liabilities		
Bonds payable	4,382	4,309
Long-term loans payable	70,189	77,491
Lease obligations	5,239	5,304
Deferred tax liabilities	58	68
Provision for directors' retirement benefits	4,847	4,149
Net defined benefit liability	6,707	6,782
Asset retirement obligations	7,998	8,273
Other	4,693	4,794
Total non-current liabilities	104,116	111,175
Total liabilities	320,854	314,603
Net assets		
Shareholders' equity		
Capital stock	10,000	10,000
Capital surplus	1,670	1,670
Retained earnings	292,851	290,888
Treasury shares	-3,719	-4,253
Total shareholders' equity	300,802	298,304
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-171	-137
Deferred gains or losses on hedges	-99	-98
Foreign currency translation adjustment	1,958	1,331
Remeasurements of defined benefit plans	-380	-343
Total accumulated other comprehensive income	1,307	752
Non-controlling interests	4	6
Total net assets	302,114	299,064
Total liabilities and net assets	622,969	613,667

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

(Unit: million yen)

	Previous Interim Period (From April 1, 2019 to September 30, 2019)	Current Interim Period (From April 1, 2020 to September 30, 2020)
Net sales	776,369	490,627
Cost of sales	736,591	474,549
Gross profit	39,778	16,078
Selling, general and administrative expenses	13,992	12,242
Operating income	25,785	3,835
Non-operating income		
Interest and dividends income	226	179
Rent income	670	698
Income from IC card receipts	148	90
Share of profit of entities accounted for using equity method	440	496
Other	536	642
Total non-operating income	2,022	2,107
Non-operating expenses		
Interest expenses	430	405
Foreign exchange losses	1,072	1,126
Rent expenses	93	140
Provision of allowance for doubtful accounts	1	—
Commission fee	63	159
Other	31	16
Total non-operating expenses	1,693	1,848
Ordinary income	26,114	4,095
Extraordinary income		
Gain on sales of non-current assets	0	6
Subsidy income	—	1,441
Other	—	62
Total extraordinary income	0	1,510
Extraordinary loss		
Loss on sales of non-current assets	0	1
Loss on disaster	88	0
Loss on abandonment of non-current assets	270	102
Impairment loss	792	0
Loss on cancellation of leases	0	5
Loss due to temporary store closures	—	6,582
Total extraordinary loss	1,152	6,694
Profit (loss) before income taxes	24,962	-1,088
Income taxes-current	8,286	1,232
Income taxes-deferred	-872	-1,838
Total income taxes	7,413	-605
Profit (loss)	17,549	-482
Profit attributable to non-controlling interests	0	2
Profit (loss) attributable to owners of parent	17,548	-484

(Interim Consolidated Statements of Comprehensive Income)

(Unit: million yen)

	Previous Interim Period (From April 1, 2019 to September 30, 2019)	Current Interim Period (From April 1, 2020 to September 30, 2020)
Profit (loss)	17,549	-482
Other comprehensive income		
Valuation difference on available-for-sale securities	-6	8
Deferred gains or losses on hedges	1	1
Foreign currency translation adjustment	-973	-557
Remeasurements of defined benefit plans, net of tax	31	34
Share of other comprehensive income of associates accounted for using equity method	-127	-41
Total other comprehensive income	-1,075	-554
Comprehensive income	16,473	-1,036
Comprehensive income attributable to		
Comprehensive net income attributable to owners of the parent	16,472	-1,039
Comprehensive net income attributable to minority interests	0	2