

April 28, 2021
SHOEI CO., LTD.

Consolidated Financial Results

for the Second Quarter of the Fiscal Year Ending September 30, 2021

Name of Registrant	SHOEI CO., LTD.
Code No:	7839
Securities Traded	Tokyo Stock Exchange, 1st Section
Headquarters	Tokyo, Japan
(URL https://www.shoei.com/)	
Representative:	Kenichiro Ishida, President and Representative Director
Contact:	Atsuyuki Miyakawa, General Manager of Investors & Public Relations Department

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I . Financial Summary

1) Operating Performance

	Millions of Yen		
	Oct.19-Mar.20	Oct.20-Mar.21	% Changes
Net Sales	8,669	10,744	23.9
Operating Income	2,054	2,719	32.4
Ordinary Income	2,037	2,795	37.2
Profit attributable to owners of parent	1,412	1,929	36.6

	Yen	
	Oct.19-Mar.20	Oct.20-Mar.21
<i>Per Share Amounts</i>		
Net Income	51.91	71.86
Net Income, Diluted	—	—

Notes:

1.Earnings (Losses) of Affiliates in Equity Method:

Millions of Yen	
Oct.19-Mar.20	Oct.20-Mar.21
—	—

2.Average Number of Shares Outstanding During The Period (Consolidated):

Shares	
Oct.19-Mar.20	Oct.20-Mar.21
27,214,096	26,848,252

3.On April 1st, 2020, the Company conducted a two-for-one stock split of common stock.

Concerning the number of shares for the previous fiscal year,

“average number of shares outstanding during the period”

have been calculated and presented as if the split was conducted at beginning of the previous fiscal year.

4.Number of Treasury Stocks as of March 31, 2021: 114

5.Change of Accounting Method: Not Applicable.

6.Percentages of net sales, operating income, ordinary income and net income show changes from those in the corresponding period of the previous year.

7.Amounts Less than ¥1million are omitted.

8.The net income per share is calculated using the weighted average number of shares (excluding treasury stock)during the period.

2) Financial Position

	Millions of Yen	
	Sep.30,20	Mar.31,21
Total Assets	20,841	21,532
Net Assets	15,631	16,164

	Percentage	
	Sep.30,20	Mar.31,21
Net Assets to Total Assets	75.0%	75.1%

	Yen	
	Sep.30,20	Mar.31,21
Net Assets per Share	582.32	601.90

Notes:

1.Number of Shares Outstanding on September 30, 2020 and Mar 31, 2021 (Consolidated):

Shares	
Sep.30,20	Mar.31,21
26,843,058	26,856,858

3) Scope of Consolidation

Number of Consolidated Subsidiaries	6
Number of Non-Consolidated Subsidiaries in Equity Method	1
Number of Affiliates in Equity Method	0

4) Change in Consolidation During the Period

Number of Newly Consolidated Subsidiaries	0
Number of Companies Excluded from Consolidation	0
Number of Subsidiaries and Affiliates Newly Consolidated in Equity Method	0
Number of Companies Excluded from Consolidation in Equity Method	0

II. Consolidated Forecasts for The Fiscal Year Ending September 30, 2021

	<u>Millions of Yen</u> <u>Oct.20-Sep.21</u>
Net Sales	23,350
Operating Income	5,190
Ordinary Income	5,200
Net Income	3,560
	<u>Yen</u>
Net Income Per Share	132.62

Ⅲ. Consolidated Financial Statements

Consolidated Statements of Income

(Thousands of yen)

	Six months ended March 31, 2020	Six months ended March 31, 2021
Net sales	8,669,484	10,744,377
Cost of sales	4,980,600	6,318,291
Gross profit	3,688,884	4,426,085
Selling, general and administrative expenses	1,633,907	1,706,223
Operating profit	2,054,977	2,719,862
Non-operating income		
Interest income	907	548
Foreign exchange gains	-	56,755
Insurance claim income	278	1,740
Subsidy income	8,224	10,770
Miscellaneous income	16,140	8,564
Other	-	576
Total non-operating income	25,549	78,955
Non-operating expenses		
Interest expenses	2,112	2,696
Foreign exchange losses	39,161	-
Loss on transfer of receivables	22	-
Miscellaneous loss	1,321	582
Total non-operating expenses	42,617	3,278
Ordinary profit	2,037,909	2,795,538
Extraordinary income		
Gain on sales of non-current assets	29	1,422
Total extraordinary income	29	1,422
Profit before income taxes	2,037,939	2,796,961
Income taxes - current	699,990	966,124
Income taxes - deferred	-74,780	-98,354
Total income taxes	625,209	867,769
Profit	1,412,729	1,929,191
Profit attributable to owners of parent	1,412,729	1,929,191

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Six months ended March 31, 2020	Six months ended March 31, 2021
Profit	1,412,729	1,929,191
Other comprehensive income		
Foreign currency translation adjustment	9,812	200,406
Remeasurements of defined benefit plans, net of tax	17,439	14,301
Total other comprehensive income	27,251	214,707
Comprehensive income	1,439,981	2,143,898
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,439,981	2,143,898

Consolidated Balance Sheets

(Thousands of yen)

	As of September 30, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	9,383,136	9,645,344
Notes and accounts receivable - trade	1,931,140	1,961,301
Merchandise and finished goods	2,506,584	2,235,658
Work in process	812,916	1,219,547
Raw materials and supplies	885,261	924,027
Other	1,069,399	1,001,738
Allowance for doubtful accounts	-5,065	-2,257
Total current assets	16,583,374	16,985,360
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,334,367	3,396,902
Accumulated depreciation	-2,171,539	-2,213,969
Buildings and structures, net	1,162,827	1,182,932
Machinery, equipment and vehicles	3,681,397	3,799,148
Accumulated depreciation	-2,363,868	-2,545,133
Machinery, equipment and vehicles, net	1,317,529	1,254,014
Tools, furniture and fixtures	4,888,988	4,976,897
Accumulated depreciation	-4,419,589	-4,596,661
Tools, furniture and fixtures, net	469,399	380,235
Land	211,544	213,986
Construction in progress	115,446	328,212
Right-of-use assets	272,131	264,933
Total property, plant and equipment	3,548,878	3,624,313
Intangible assets	104,126	122,656
Investments and other assets		
Deferred tax assets	402,094	494,355
Other	202,938	306,160
Total investments and other assets	605,033	800,515
Total non-current assets	4,258,037	4,547,486
Total assets	20,841,411	21,532,847

(Thousands of yen)

	As of September 30, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	1,658,287	1,379,156
Lease obligations	45,034	40,538
Accounts payable - other	383,722	499,114
Income taxes payable	872,509	932,687
Provision for bonuses	236,900	264,600
Other	833,884	1,092,528
Total current liabilities	4,030,337	4,208,624
Non-current liabilities		
Lease obligations	226,581	223,241
Long-term accounts payable - other	-	128,674
Provision for retirement benefits for directors (and other officers)	137,978	-
Retirement benefit liability	774,075	765,891
Asset retirement obligations	41,380	41,417
Total non-current liabilities	1,180,016	1,159,225
Total liabilities	5,210,353	5,367,849
Net assets		
Shareholders' equity		
Share capital	1,394,778	1,421,929
Capital surplus	391,621	418,773
Retained earnings	14,575,019	14,839,947
Treasury shares	-276	-276
Total shareholders' equity	16,361,142	16,680,374
Accumulated other comprehensive income		
Foreign currency translation adjustment	-564,824	-364,418
Remeasurements of defined benefit plans	-165,260	-150,959
Total accumulated other comprehensive income	-730,084	-515,377
Total net assets	15,631,057	16,164,997
Total liabilities and net assets	20,841,411	21,532,847

IV. Segment Information

(1) Business Segment Information

This section is not applicable because business of our group is limited to manufacture and sale of helmets.

(2) Overseas Sales

	<u>Oct.2019-Mar.2020</u>		<u>Oct.2020-Mar.2021</u>	
	<u>Sales</u>	<u>Percentage</u>	<u>Sales</u>	<u>Percentage</u>
	Thousands	Overseas	Thousands	Overseas
	of Yen	Sales to	of Yen	Sales to
		Net Sales		Net Sales
Europe	4,203,517	48.5	4,316,874	40.2
North America	999,777	11.5	1,206,451	11.2
Other Areas	<u>1,267,536</u>	<u>14.6</u>	<u>2,831,367</u>	<u>26.4</u>
Overseas Sales Total	<u>6,470,832</u>	<u>74.6</u>	<u>8,354,694</u>	<u>77.8</u>
Total including Japan	8,669,484	100.0	10,744,377	100.0