Walden Research Japan

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Shinwa (3447)

Consolidated Fiscal Year (IFRS) (Million Yen)		Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY03/2019		17,512	1,963	1,894	1,331	96.44	44.00	919.24
FY03/2020		17,081	2,210	2,139	1,467	104.85	44.00	975.26
FY03/2021CoE		13,900	1,230	1,158	797	56.57	23.00	
FY03/2020	YoY	(2.5%)	12.5%	12.9%	10.2%	-	-	-
FY03/2021CoE	YoY	(18.6%)	(44.3%)	(45.9%)	(45.7%)	-	-	-
Consolidated Half Year (IFRS) (Million Yen)		Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 to Q2 FY03/2020		9,370	1,222	1,186	814	-	-	-
Q3 to Q4 FY03/2020		7,711	987	952	652	-	-	-
Q1 to Q2 FY03/2021CoE		6,130	367	331	215	-	-	-
Q3 to Q4 FY03/2021CoE		7,770	863	827	582	-	-	
Q1 to Q2 FY03/2021CoE	YoY	(34.6%)	(70.0%)	(72.1%)	(73.6%)	-	-	-
Q3 to Q4 FY03/2021CoE	YoY	0.8%	(12.6%)	(13.2%)	(10.8%)	-	-	-
Consolidated Quarter (IFRS) (Million Yen)		Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 FY03/2020		4,313	474	456	299	-	-	-
Q1 FY03/2021		2,756	205	188	121	-	-	
Q1 FY03/2021	YoY	(36.1%)	(56.7%)	(58.7%)	(59.6%)	-	-	-

Source: Company Data, WRJ Calculation

1.0 Results Update (7 August 2020)

Maintaining Surplus

On 7 August 2020, Shinwa, mainly manufacturing and selling system scaffolding products, released its Q1 FY03/2021 results. It has been revealed the Company has maintained surplus despite the impacts stemming from COVID-19, while joint company in China has started to see revenue. Revenue is coming down sharply over the same period of the previously on the Scaffolding Equipment side mainly comprising system scaffolding products as well as on the Logistics Equipment side, given the impacts stemming from COVID-19. Still, on the Scaffolding Equipment side, demand for so-called safety equipment such as presetting handrails and baseboards continues to increase. All those materials are used to prevent crashes and falls in order to improve the safety of construction sites and they are considered to have high added value and thus high gross profit margin. Meanwhile, full-year Company forecasts have remained unchanged as well as for Q1 to Q2. Company forecasts assume the impacts stemming from COVID-19 are expected to decline gradually from Q3, but in some cases there is a concern that the impacts of the second wave may become larger.

For information: Shinwa (3447) Penetration Overseas (17 July 2020)

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2.0 Company Profile

The Leader of Scaffolding Technology

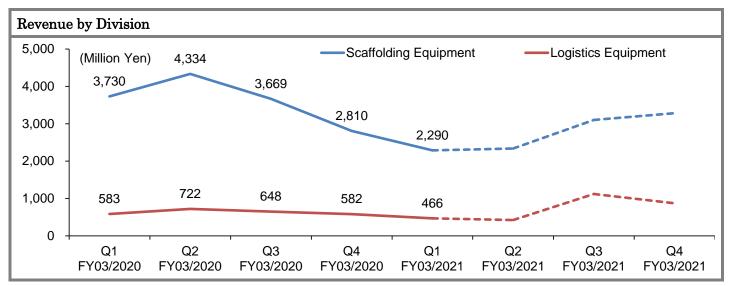
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Company Name	Shinwa Co., Ltd.
	Website S SHINWA CO.,LTD.
	IR Information
	Share Price (Japanese)
Established	11 August 2014
Listing	20 March 2019: Tokyo and Nagoya Stock Exchange 1st section (ticker: 3447)
	21 June 2018: Nagoya Stock Exchange 2nd section
	20 March 2018: Tokyo Stock Exchange 2nd section
Capital	¥150m (as of the end of June 2020)
No. of Shares	14,089,200 shares (as of the end of June 2020)
Main Features	• Advocating the No. 1 share (c.30%) in the market of Japan for system scaffolding
	products
	System scaffolding products, accounting for some 70% of revenue on the
	mainstay Scaffolding Equipment side
	First-class productive force in Japan, high readiness and quality
Business Segment	I . Manufacture and Sale of Scaffolding Equipment and Logistics Equipment
Top Management	Representative Director: Hiroshi Yamada
Shareholders	Goldman Sachs International 11.30%, Master Trust Bank of Japan, T. 7.80%, Japan
	Trustee Services, T. 5.53%, Alinco Inc. 4.89% (as of the end of March 2020)
Headquarters	Kaizu-city, Gifu-prefecture, JAPAN
No. of Employees	Consolidated: 161, Parent: 161 (as of the end of March 2020)

Source: Company Data

3.0 Recent Trading and Prospects

Q1 FY03/2021

In Q1 FY03/2021, revenue came in at \(\frac{\pmathbf{\pma



Source: Company Data, WRJ Calculation

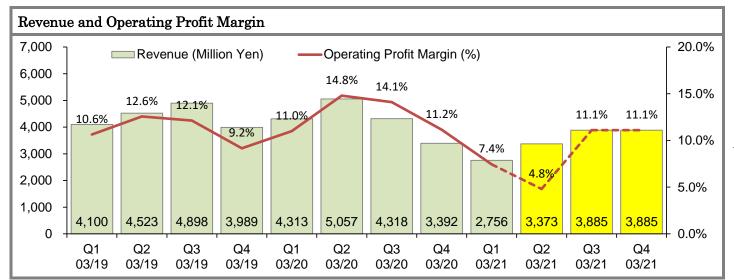
Revenue on the Scaffolding Equipment side came in at ¥2,290m (down 38.6%) and revenue on the Logistics Equipment side ¥466m (down 20.6%). Meanwhile, gross profit came in at ¥667m (down 35.3%) and SG&A expenses ¥474m (down 14.6%), implying gross profit margin of 24.2% (up 0.3% points) and revenue to SG&A expenses ratio of 17.2% (up 4.3% points). The Company has been aggressively reducing fixed costs and expenses in response to the significant decrease in revenue. Although this has not fully offset the significant decline in revenue, gross profit margin has risen, albeit slightly.

On the Scaffolding Equipment side, demand for mainstay system scaffolding products (some 70% of revenue), etc. declined sharply due to the suspension or postponement of construction work accompanying the expansion of COVID-19, but the decline in revenue was rather limited compared with assumptions of Company forecasts. Meanwhile, in recent developments, following the lifting of the emergency declaration, construction work that had been suspended or postponed has resumed and demand is expected to recover in Q2. However, it appears Company forecasts assume that revenue in Q2 will remain at the same level as in Q1. Conversely, in Q3, construction demand for renovation work & maintenance as well as repair work for social infrastructures is expected to start recovering, which is to continue into Q4, resulting in a recovery of revenue to the same level during the same period of the previous fiscal year. Full-year Company forecasts are going for prospective revenue of \mathbb{Y}11,018m (down 24.2%).

On the Logistics Equipment side, demand related to trade has been declining with the expansion of COVID-19, i.e., revenue of pallets for automotive industry and bulk containers for liquid transport has been decreasing. It appears Company forecasts are going for the similar conditions to persist in Q2. The Company was to book revenue on large-scale deal associated with logistics warehouse in Q2, but is now to do so in Q3 as the project has been delayed. Given that this is a large-scale deal, revenue in Q3 is expected to surge, which is expected to be followed by booking of revenue on another similar deal in Q4. On top of this, Company forecasts assume the normalization of trade, etc. in H2. Full-year Company forecasts are going for prospective revenue of ¥2,882m (up 13.6%).

FY03/2021 Company Forecasts

FY03/2020 Company forecasts have remained unchanged, going for prospective revenue of \$13,900m (down 18.6% YoY), operating profit of \$1,230m (down 44.3%), profit before tax of \$1,158m (down 45.9%) and profit attributable to owners of parent of \$797m (down 45.7%), while operating profit margin of 8.8% (down 4.1% points). At the same time, Company forecasts are going for prospective annual dividend of \$23.0 per share, implying payout ratio of 40.7%.



Source: Company Data, WRJ Calculation (Q3 and Q4 FY03/2021: half-year Company forecasts, pro rata)

4.0 Financial Statements

Statement of Profit or Loss (Cumulative/Quarterly)

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Statement of Profit or Loss	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	03/2020	03/2020	03/2020	03/2020	03/2021	03/2021	03/2021	03/2021	Net Chg.
Revenue	4,313	9,370	13,688	17,081	2,756	-	-	-	(1,556)
Cost of sales	3,283	7,063	10,238	12,751	2,089	-	-	-	(1,193)
Gross profit	1,030	2,307	3,450	4,329	667	-	-	-	(363)
SG&A expenses	555	1,084	1,619	2,127	474	-	-	-	(81)
Other income and expenses (net)	(0)	0	0	8	12	-	-	-	+13
Operating profit	474	1,222	1,831	2,210	205	-	-	-	(269)
Financial income and costs (net)	(17)	(35)	(53)	(70)	(16)	-	-	-	+1
Profit before tax	456	1,186	1,778	2,139	188	-	-	-	(267)
Income tax expenses	156	371	557	671	67	-	-	-	(89)
Profit	299	814	1,220	1,467	121	-	-	-	(178)
Profit attributable to owners of parent	299	814	1,220	1,467	121	-	-	-	(178)
Profit attributable to non-controlling interests	-	-	-	0	0	-	-	-	+0
Profit attributable to owners of parent	299	814	1,220	1,467	121	-	-	-	(178)
Revenue YoY	+5.2%	+8.7%	+1.2%	(2.5%)	(36.1%)	-	-	-	-
Operating profit YoY	+8.7%	+21.7%	+14.6%	+12.5%	(56.7%)	-	-	-	-
Profit before tax YoY	+8.5%	+21.8%	+14.5%	+12.9%	(58.7%)	-	-	-	-
Profit YoY	+14.6%	+29.9%	+21.4%	+10.2%	(59.6%)	-	-	-	-
Profit attributable to owners of parent YoY	+14.6%	+29.9%	+21.4%	+10.2%	(59.6%)	-	-	-	-
Gross profit margin	23.9%	24.6%	25.2%	25.3%	24.2%	-	-	-	+0.3%
Revenue to SG&A expenses ratio	12.9%	11.6%	11.8%	12.5%	17.2%	-	-	-	+4.3%
Operating profit margin	11.0%	13.0%	13.4%	12.9%	7.4%	-	-	-	(3.6%)
Profit before tax margin	10.6%	12.7%	13.0%	12.5%	6.8%	-	-	-	(3.7%)
Profit margin	7.0%	8.7%	8.9%	8.6%	4.4%	-	-	-	(2.6%)
Profit attributable to owners of parent margin	7.0%	8.7%	8.9%	8.6%	4.4%	-	-	-	(2.6%)
Income tax expenses / Profit before tax	04.00/								. 4 20/
income tax expenses/ 1 folit belote tax	34.3%	31.3%	31.3%	31.4%	35.6%	-	-	-	+1.3%
Statement of Profit or Loss	Cons.Act	31.3% Cons.Act	31.3% Cons.Act	31.4% Cons.Act	35.6% Cons.Act	Cons.Act	Cons.Act	Cons.Act	+1.3%
								Cons.Act Q4	YoY
	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act		
Statement of Profit or Loss	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Q4	YoY Net Chg. (1,556)
Statement of Profit or Loss (Million Yen)	Cons.Act Q1 03/2020	Cons.Act Q2 03/2020	Cons.Act Q3 03/2020	Cons.Act Q4 03/2020	Cons.Act Q1 03/2021	Cons.Act Q2	Cons.Act Q3	Q4	YoY Net Chg.
Statement of Profit or Loss (Million Yen) Revenue	Cons. Act Q1 03/2020 4,313	Cons.Act Q2 03/2020 5,057	Cons.Act Q3 03/2020 4,318	Q4 03/2020 3,392	Q1 03/2021 2,756	Cons.Act Q2	Cons.Act Q3	Q4	YoY Net Chg. (1,556)
Statement of Profit or Loss (Million Yen) Revenue Cost of sales	Cons. Act Q1 03/2020 4,313 3,283	Cons.Act Q2 03/2020 5,057 3,780	Q3 03/2020 4,318 3,174	Q4 03/2020 3,392 2,513	Q1 03/2021 2,756 2,089	Cons.Act Q2	Cons.Act Q3	Q4	YoY Net Chg. (1,556) (1,193)
Statement of Profit or Loss (Million Yen) Revenue Cost of sales Gross profit	Cons. Act Q1 03/2020 4,313 3,283 1,030	Cons.Act Q2 03/2020 5,057 3,780 1,277	Cons.Act Q3 03/2020 4,318 3,174 1,143	Cons.Act Q4 03/2020 3,392 2,513 879	Cons.Act Q1 03/2021 2,756 2,089 667	Cons.Act Q2	Cons.Act Q3	Q4	YoY Net Chg. (1,556) (1,193) (363)
Statement of Profit or Loss (Million Yen) Revenue Cost of sales Gross profit SG&A expenses	Cons. Act Q1 03/2020 4,313 3,283 1,030 555	Cons.Act Q2 03/2020 5,057 3,780 1,277 529	Q3 03/2020 4,318 3,174 1,143 534	Cons.Act Q4 03/2020 3,392 2,513 879 508	Q1 03/2021 2,756 2,089 667 474	Cons.Act Q2	Cons.Act Q3	Q4	YoY Net Chg. (1,556) (1,193) (363) (81)
Statement of Profit or Loss (Million Yen) Revenue Cost of sales Gross profit SG&A expenses Other income and expenses (net)	Cons. Act Q1 03/2020 4,313 3,283 1,030 555 (0)	Cons.Act Q2 03/2020 5,057 3,780 1,277 529	Cons.Act Q3 03/2020 4,318 3,174 1,143 534	Cons.Act Q4 03/2020 3,392 2,513 879 508 7	Cons.Act Q1 03/2021 2,756 2,089 667 474 12	Cons.Act Q2	Cons.Act Q3	Q4	YoY Net Chg. (1,556) (1,193) (363) (81) +13
Statement of Profit or Loss (Million Yen) Revenue Cost of sales Gross profit SG&A expenses Other income and expenses (net) Operating profit	Cons. Act Q1 03/2020 4,313 3,283 1,030 555 (0)	Q2 03/2020 5,057 3,780 1,277 529 0 748	Q3 03/2020 4,318 3,174 1,143 534 0 609	Cons.Act Q4 03/2020 3,392 2,513 879 508 7	Cons.Act Q1 03/2021 2,756 2,089 667 474 12 205	Cons.Act Q2	Cons.Act Q3	Q4	YoY Net Chg. (1,556) (1,193) (363) (81) +13 (269)
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(Million Yen) Revenue Cost of sales Gross profit SG&A expenses Other income and expenses (net) Operating profit Financial income and costs (net) Profit before tax Income tax expenses Profit Profit attributable to owners of parent Profit attributable to non-controlling interests Profit attributable to owners of parent Profit attributable to owners of parent Profit attributable to owners of parent Revenue YoY Operating profit YoY Profit before tax YoY Profit YoY Profit YoY	Cons. Act Q1 03/2020 4,313 3,283 1,030 555 (0) 474 (17) 456 156 299 299 - 299 +5.2% +8.7% +8.5% +14.6% +14.6%	Cons.Act Q2 03/2020 5,057 3,780 1,277 529 0 748 (18) 730 215 514 514 - 514 +11.8% +31.7% +31.9% +40.8%	Cons. Act Q3 03/2020 4,318 3,174 1,143 534 0 609 (17) 591 185 406 406 (11.8%) +2.5% +2.3% +7.4%	Cons. Act Q4 03/2020 3,392 2,513 879 508 7 378 (17) 360 114 246 246 0 246 (15.0%) +3.6% +5.6% (24.3%) (24.4%)	Cons.Act Q1 03/2021 2,756 2,089 667 474 12 205 (16) 188 67 121 121 0 121 (36.1%) (56.7%) (58.7%) (59.6%)	Cons.Act	Cons.Act Q3	Q4	YoY Net Chg. (1,556) (1,193) (363) (81) +13 (269) +1 (267) (89) (178) (178) +0 (178)
Statement of Profit or Loss (Million Yen) Revenue Cost of sales Gross profit SG&A expenses Other income and expenses (net) Operating profit Financial income and costs (net) Profit before tax Income tax expenses Profit Profit attributable to owners of parent Profit attributable to non-controlling interests Profit attributable to owners of parent Revenue YoY Operating profit YoY Profit before tax YoY Profit YoY	Cons. Act Q1 03/2020 4,313 3,283 1,030 555 (0) 474 (17) 456 156 299 299 - 299 +5.2% +8.7% +8.5% +14.6%	Cons.Act Q2 03/2020 5,057 3,780 1,277 529 0 748 (18) 730 215 514 514 - 514 +11.8% +31.7% +31.9% +40.8%	Cons. Act Q3 03/2020 4,318 3,174 1,143 534 0 609 (17) 591 185 406 406 (11.8%) +2.5% +2.3% +7.4%	Cons. Act Q4 03/2020 3,392 2,513 879 508 7 378 (17) 360 114 246 246 0 246 (15.0%) +3.6% +5.6% (24.3%)	Cons.Act Q1 03/2021 2,756 2,089 667 474 12 205 (16) 188 67 121 121 0 121 (36.1%) (56.7%) (58.7%) (59.6%)	Cons.Act	Cons.Act Q3	Q4	YoY Net Chg. (1,556) (1,193) (363) (81) +13 (269) +1 (267) (89) (178) +0
(Million Yen) Revenue Cost of sales Gross profit SG&A expenses Other income and expenses (net) Operating profit Financial income and costs (net) Profit before tax Income tax expenses Profit Profit attributable to owners of parent Profit attributable to non-controlling interests Profit attributable to owners of parent Profit attributable to owners of parent Profit attributable to owners of parent Revenue YoY Operating profit YoY Profit before tax YoY Profit YoY Profit YoY	Cons. Act Q1 03/2020 4,313 3,283 1,030 555 (0) 474 (17) 456 156 299 299 - 299 +5.2% +8.7% +8.5% +14.6% +14.6%	Cons.Act Q2 03/2020 5,057 3,780 1,277 529 0 748 (18) 730 215 514 514 - 514 +11.8% +31.7% +31.9% +40.8%	Cons. Act Q3 03/2020 4,318 3,174 1,143 534 0 609 (17) 591 185 406 406 (11.8%) +2.5% +2.3% +7.4%	Cons. Act Q4 03/2020 3,392 2,513 879 508 7 378 (17) 360 114 246 246 0 246 (15.0%) +3.6% +5.6% (24.3%) (24.4%)	Cons.Act Q1 03/2021 2,756 2,089 667 474 12 205 (16) 188 67 121 121 0 121 (36.1%) (56.7%) (58.7%) (59.6%)	Cons.Act	Cons.Act Q3	Q4	YoY Net Chg. (1,556) (1,193) (363) (81) +13 (269) +1 (267) (89) (178) (178) +0 (178)
Statement of Profit or Loss (Million Yen) Revenue Cost of sales Gross profit SG&A expenses Other income and expenses (net) Operating profit Financial income and costs (net) Profit before tax Income tax expenses Profit Profit attributable to owners of parent Profit attributable to non-controlling interests Profit attributable to owners of parent Revenue YoY Operating profit YoY Profit YoY Profit YoY Profit attributable to owners of parent YoY Gross profit margin	Cons. Act Q1 03/2020 4,313 3,283 1,030 555 (0) 474 (17) 456 156 299 299 299 +5.2% +8.7% +8.5% +14.6% +14.6% 23.9%	Cons.Act Q2 03/2020 5,057 3,780 1,277 529 0 748 (18) 730 215 514 514 - 514 +11.8% +31.7% +31.9% +40.8% +40.8%	Cons. Act Q3 03/2020 4,318 3,174 1,143 534 0 609 (17) 591 185 406 406 406 (11.8%) +2.5% +2.3% +7.4% +7.4%	Cons. Act Q4 03/2020 3,392 2,513 879 508 7 378 (17) 360 114 246 246 0 246 (15.0%) +3.6% +5.6% (24.3%) (24.4%) 25.9%	Cons.Act Q1 03/2021 2,756 2,089 667 474 12 205 (16) 188 67 121 121 0 121 (36.1%) (56.7%) (58.7%) (59.6%) (59.6%)	Cons.Act	Cons.Act Q3	Q4	YoY Net Chg. (1,556) (1,193) (363) (81) +13 (269) +1 (267) (89) (178) (178) +0 (178) +0.3%
(Million Yen) Revenue Cost of sales Gross profit SG&A expenses Other income and expenses (net) Operating profit Financial income and costs (net) Profit before tax Income tax expenses Profit Profit attributable to owners of parent Profit attributable to non-controlling interests Profit attributable to owners of parent Profit attributable to owners of parent Profit attributable to owners of parent Revenue YoY Operating profit YoY Profit YoY Profit YoY Profit attributable to owners of parent YoY Gross profit margin Revenue to SG&A expenses ratio	Cons. Act Q1 03/2020 4,313 3,283 1,030 555 (0) 474 (17) 456 156 299 299 299 +5.2% +8.7% +8.5% +14.6% +14.6% 23.9% 12.9%	Cons.Act Q2 03/2020 5,057 3,780 1,277 529 0 748 (18) 730 215 514 514 514 +11.8% +31.7% +31.9% +40.8% +40.8% 25.3% 10.5%	Cons. Act Q3 03/2020 4,318 3,174 1,143 534 0 609 (17) 591 185 406 406 406 (11.8%) +2.5% +2.3% +7.4% 26.5% 12.4%	Cons. Act Q4 03/2020 3,392 2,513 879 508 7 378 (17) 360 114 246 246 0 246 (15.0%) +3.6% +5.6% (24.3%) (24.4%) 25.9% 15.0%	Cons.Act Q1 03/2021 2,756 2,089 667 474 12 205 (16) 188 67 121 121 (36.1%) (56.7%) (58.7%) (59.6%) 24.2% 17.2%	Cons.Act	Cons.Act Q3	Q4	YoY Net Chg. (1,556) (1,193) (363) (81) +13 (269) +1 (267) (89) (178) (178) +0 (178) +0.3% +4.3%
(Million Yen) Revenue Cost of sales Gross profit SG&A expenses Other income and expenses (net) Operating profit Financial income and costs (net) Profit before tax Income tax expenses Profit Profit attributable to owners of parent Profit attributable to non-controlling interests Profit attributable to owners of parent Profit attributable to owners of parent Profit attributable to owners of parent Revenue YoY Operating profit YoY Profit YoY Profit Attributable to owners of parent YoY Gross profit margin Revenue to SG&A expenses ratio Operating profit margin	Cons. Act Q1 03/2020 4,313 3,283 1,030 555 (0) 474 (17) 456 156 299 299 299 +5.2% +8.7% +8.5% +14.6% +14.6% 23.9% 12.9% 11.0%	Cons.Act Q2 03/2020 5,057 3,780 1,277 529 0 748 (18) 730 215 514 514 514 +11.8% +31.7% +31.9% +40.8% 25.3% 10.5% 14.8%	Cons. Act Q3 03/2020 4,318 3,174 1,143 534 0 609 (17) 591 185 406 406 406 (11.8%) +2.5% +2.3% +7.4% 26.5% 12.4% 14.1%	Cons. Act Q4 03/2020 3,392 2,513 879 508 7 378 (17) 360 114 246 246 0 246 (15.0%) +3.6% +5.6% (24.3%) (24.4%) 25.9% 15.0% 11.2%	Cons.Act Q1 03/2021 2,756 2,089 667 474 12 205 (16) 188 67 121 121 (36.1%) (56.7%) (58.7%) (59.6%) 24.2% 17.2% 7.4%	Cons.Act	Cons.Act Q3	Q4	YoY Net Chg. (1,556) (1,193) (363) (81) +13 (269) +1 (267) (89) (178) (178) +0 (178) +0.3% +4.3% (3.6%)
(Million Yen) Revenue Cost of sales Gross profit SG&A expenses Other income and expenses (net) Operating profit Financial income and costs (net) Profit before tax Income tax expenses Profit Profit attributable to owners of parent Profit attributable to non-controlling interests Profit attributable to owners of parent Profit attributable to owners of parent Profit attributable to owners of parent Revenue YoY Operating profit YoY Profit YoY Profit YoY Profit attributable to owners of parent YoY Gross profit margin Revenue to SG&A expenses ratio Operating profit margin Profit before tax margin	Cons. Act Q1 03/2020 4,313 3,283 1,030 555 (0) 474 (17) 456 156 299 299	Cons.Act Q2 03/2020 5,057 3,780 1,277 529 0 748 (18) 730 215 514 514 514 +11.8% +31.7% +31.9% +40.8% 25.3% 10.5% 14.8% 14.4%	Cons. Act Q3 03/2020 4,318 3,174 1,143 534 0 609 (17) 591 185 406 406 406 (11.8%) +2.5% +2.3% +7.4% 26.5% 12.4% 14.1% 13.7%	Cons. Act Q4 03/2020 3,392 2,513 879 508 7 378 (17) 360 114 246 246 0 246 (15.0%) +3.6% +5.6% (24.3%) (24.4%) 25.9% 15.0% 11.2% 10.6%	Cons.Act Q1 03/2021 2,756 2,089 667 474 12 205 (16) 188 67 121 121 (36.1%) (56.7%) (58.7%) (59.6%) 24.2% 17.2% 7.4% 6.8%	Cons.Act	Cons.Act Q3	Q4	YoY Net Chg. (1,556) (1,193) (363) (81) +13 (266) +1 (267) (89) (178) +0 (178) +0.3% +4.3% (3.6%) (3.7%)

Source: Company Data, WRJ Calculation

Revenue by Division (Cumulative/Quarterly)

Revenue by Division	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	03/2020	03/2020	03/2020	03/2020	03/2021	03/2021	03/2021	03/2021	Net Chg.
Scaffolding Equipment	3,730	8,064	11,734	14,544	2,290	-	-	-	(1,439)
Logistics Equipment	583	1,305	1,954	2,536	466	-	-		(116)
Revenue	4,313	9,370	13,688	17,081	2,756	-	-	-	(1,556)
Scaffolding Equipment	+19.1%	+15.6%	+6.9%	+1.9%	(38.6%)	-	-		-
Logistics Equipment	(39.7%)	(20.9%)	(23.1%)	(21.6%)	(20.1%)	-	-	-	-
Revenue (YoY)	+5.2%	+8.7%	+1.2%	(2.5%)	(36.1%)	-	-	-	-
Scaffolding Equipment	86.5%	86.1%	85.7%	85.2%	83.1%	-	-	-	-
Logistics Equipment	13.5%	13.9%	14.3%	14.8%	16.9%	-	-	-	-
Revenue (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-	-
Revenue by Division	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
Revenue by Division	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	YoY
Revenue by Division (Million Yen)									YoY Net Chg.
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
(Million Yen)	Q1 03/2020	Q2 03/2020	Q3 03/2020	Q4 03/2020	Q1 03/2021	Q2	Q3	Q4	Net Chg.
(Million Yen) Scaffolding Equipment	Q1 03/2020 3,730	Q2 03/2020 4,334	Q3 03/2020 3,669	Q4 03/2020 2,810	Q1 03/2021 2,290	Q2	Q3	Q4	Net Chg. (1,439)
(Million Yen) Scaffolding Equipment Logistics Equipment	Q1 03/2020 3,730 583	Q2 03/2020 4,334 722	Q3 03/2020 3,669 648	Q4 03/2020 2,810 582	Q1 03/2021 2,290 466	Q2	Q3	Q4	Net Chg. (1,439) (116)
(Million Yen) Scaffolding Equipment Logistics Equipment Revenue	Q1 03/2020 3,730 583 4,313	Q2 03/2020 4,334 722 5,057	Q3 03/2020 3,669 648 4,318	Q4 03/2020 2,810 582 3,392	Q1 03/2021 2,290 466 2,756	Q2 03/2021 - - -	Q3	Q4	Net Chg. (1,439) (116)
(Million Yen) Scaffolding Equipment Logistics Equipment Revenue Scaffolding Equipment	Q1 03/2020 3,730 583 4,313 +19.1%	Q2 03/2020 4,334 722 5,057 +12.8%	Q3 03/2020 3,669 648 4,318 (8.4%)	Q4 03/2020 2,810 582 3,392 (14.7%)	Q1 03/2021 2,290 466 2,756 (38.6%)	Q2 03/2021 - - -	Q3	Q4	Net Chg. (1,439) (116)
(Million Yen) Scaffolding Equipment Logistics Equipment Revenue Scaffolding Equipment Logistics Equipment	Q1 03/2020 3,730 583 4,313 +19.1% (39.7%)	Q2 03/2020 4,334 722 5,057 +12.8% +5.8%	Q3 03/2020 3,669 648 4,318 (8.4%) (27.2%)	Q4 03/2020 2,810 582 3,392 (14.7%) (16.2%)	Q1 03/2021 2,290 466 2,756 (38.6%) (20.1%)	Q2 03/2021 - - -	Q3	Q4	Net Chg. (1,439) (116)
(Million Yen) Scaffolding Equipment Logistics Equipment Revenue Scaffolding Equipment Logistics Equipment Revenue (YoY)	Q1 03/2020 3,730 583 4,313 +19.1% (39.7%) +5.2%	Q2 03/2020 4,334 722 5,057 +12.8% +5.8% +11.8%	Q3 03/2020 3,669 648 4,318 (8.4%) (27.2%) (11.8%)	Q4 03/2020 2,810 582 3,392 (14.7%) (16.2%) (15.0%)	Q1 03/2021 2,290 466 2,756 (38.6%) (20.1%) (36.1%)	Q2 03/2021 - - -	Q3	Q4	Net Chg. (1,439) (116)

Source: Company Data, WRJ Calculation

Statement of Financial Position (Quarterly)

	04			Cons. Act	Cons.Act	Cons.Act	Cons. Act	Cons.Act	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY
(Million Yen)	03/2020	03/2020	03/2020	03/2020	03/2021	03/2021	03/2021	03/2021	Net Chg.
Cash and cash equivalents	1,619	1,863	2,255	3,120	3,073	-	-	-	+1,454
Trade and other receivables	3,634	4,000	3,279	2,777	2,351	-	-	-	(1,282)
Inventories	2,675	2,429	2,854	2,405	2,142	-	-	-	(533)
Other	75	24	20	42	81	-	-	-	+5
Total current assets	8,004	8,318	8,410	8,345	7,649	-	-	-	(354)
Property, plant and equipment	2,331	2,338	2,346	2,370	2,269	-	-	-	(61)
Right-of-use assets	371	369	344	353	381	-	-	-	+10
Goodwill	9,221	9,221	9,221	9,221	9,221	-	-	-	0
Intangible assets	1,270	1,267	1,261	1,258	1,252	-	-	-	(18)
Other	121	109	79	71	69	-	-	-	(51)
Total non-current assets	13,315	13,306	13,253	13,274	13,194	-	-	-	(121)
Total assets	21,320	21,625	21,664	21,620	20,844	-	-	-	(476)
Trade and other payables	1,370	1,178	953	739	699	-	-	-	(670)
Borrowings	494	494	495	495	495	-	-	-	+1
Other	543	794	639	783	499	-	-	-	(44)
Total current liabilities	2,409	2,468	2,088	2,018	1,695	-	-	-	(714)
Borrowings	5,689	5,444	5,448	5,202	5,206	-	-	-	(483)
Other	663	640	634	611	639	-	-	-	(24)
Total non-current liabilities	6,353	6,085	6,082	5,814	5,845	-	-	-	(507)
Total liabilities	8,762	8,553	8,170	7,832	7,540	-	-	-	(1,222)
Total equity attributable to owners of parent	12,557	13,071	13,493	13,740	13,255	-	-	-	+698
Total equity	12,557	13,071	13,493	13,788	13,303	-	-	-	+746
Total liabilities and equity	21,320	21,625	21,664	21,620	20,844	-	-	-	(476)
Equity attributable to owners of parent	12,557	13,071	13,493	13,740	13,255	-	-	-	+698
Interest bearing debt	6,184	5,939	5,943	5,698	5,702	-	-	-	(482)
Net debt	4,565	4,075	3,688	2,577	2,628	-	-	-	(1,937)
Equity ratio	58.9%	60.4%	62.3%	63.6%	63.6%	-	-	-	-
Net debt equity ratio	36.4%	31.2%	27.3%	18.8%	19.8%	-	-	-	-
ROE (12 months)	11.3%	12.1%	11.9%	11.0%	10.0%	-	-	-	-
ROA (12 months)	9.1%	9.8%	10.0%	10.0%	8.9%	-	-	-	-
Days for inventory turnover	74	59	82	87	94	-	-	-	-
Quick ratio	218%	238%	265%	292%	320%	-	-	-	-
Current ratio	332%	337%	403%	413%	451%	-	-	-	-

Source: Company Data, WRJ Calculation

Statement of Cash Flows (Cumulative/Quarterly)

Statement of Cash Flows	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	03/2020	03/2020	03/2020	03/2020	03/2021	03/2021	03/2021	03/2021	Net Chg.
Cashflows from operating activities	587	1,228	1,791	3,121	593	-	-	-	+5
Cashflows from Investing activities	(90)	(185)	(327)	(515)	(43)	-	-	-	+46
Cashflows from operating and investing activities	497	1,042	1,463	2,606	549	-	-	-	+51
Cashflows from financing activities	(621)	(921)	(951)	(1,227)	(595)	-	-	-	+25
Statement of Cash Flows	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
Statement of Cash Flows	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	YoY
Statement of Cash Flows (Million Yen)									YoY Net Chg.
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	-
(Million Yen)	Q1 03/2020	Q2 03/2020	Q3 03/2020	Q4 03/2020	Q1 03/2021	Q2 03/2021	Q3	Q4	Net Chg.
(Million Yen) Cashflows from operating activities	Q1 03/2020 587	Q2 03/2020 640	Q3 03/2020 562	Q4 03/2020 1,330	Q1 03/2021 593	Q2 03/2021	Q3	Q4	Net Chg. +5

Source: Company Data, WRJ Calculation

Disclaimer

Information here is a summary of "IR Information" of the Company, compiled by Walden Research Japan, from a neutral and professional standing point, in the form of a report. "IR Information" of the Company comprises a) contents of our interview with the Company, b) contents of presentations for institutional investors, c) contents of timely disclosed information and d) contents of the homepage, etc.

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