

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on Japanese GAAP)

February 8, 2022

Company name: SAN-AI OIL CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 8097 URL <http://www.san-ai-oil.co.jp/>
 Representative: Representative Director, President Yukio Tsukahara
 General Manager, General Accounting
 Inquiries: Department Eiichi Nonaka TEL 03-6880-3100
 Scheduled date to file Quarterly Securities Report: February 9, 2022
 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 December 31, 2021 (from April 1, 2021 to December 31, 2021)

(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 December 31, 2021	428,310	28.3	8,154	29.2	9,010	23.4	5,438	7.8
Nine months ended December 31, 2020	333,890	(36.4)	6,311	(19.4)	7,301	(15.3)	5,044	(17.6)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2021	78.93		–	
Nine months ended December 31, 2020	72.47		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2021	194,171	109,071	53.5
As of March 31, 2021	187,245	106,468	54.2

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2021	–	14.00	–	14.00	28.00
Year ending March 31, 2022	–	14.00	–		
Year ending March 31, 2022 (Forecast)				14.00	28.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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	630,000	32.9	10,000	16.4	10,500	5.0	7,500	6.3	108.85

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2021
(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: Yes
- 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 December 31, 2021	71,000,000 shares	As of March 31, 2021	71,000,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2021	2,266,623 shares	As of March 31, 2021	2,015,903 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2021	68,902,480 shares	Nine months ended December 31, 2020	69,603,058 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	36,737	34,083
Notes and accounts receivable - trade	37,116	–
Notes and accounts receivable - trade, and contract assets	–	45,662
Securities	–	100
Merchandise and finished goods	5,709	6,601
Work in process	69	60
Raw materials and supplies	91	100
Other	1,858	2,371
Allowance for doubtful accounts	(441)	(501)
Total current assets	81,141	88,478
Non-current assets		
Property, plant and equipment		
Buildings and structures	67,885	69,601
Accumulated depreciation	(46,678)	(47,882)
Buildings and structures, net	21,207	21,718
Machinery, equipment and vehicles	33,981	34,048
Accumulated depreciation	(26,107)	(26,816)
Machinery, equipment and vehicles, net	7,873	7,231
Land	19,303	18,994
Other	7,564	8,558
Accumulated depreciation	(4,408)	(4,545)
Other, net	3,155	4,012
Total property, plant and equipment	51,539	51,957
Intangible assets		
Goodwill	1,354	1,422
Customer-related assets	1,272	1,205
Other	1,490	1,847
Total intangible assets	4,116	4,474
Investments and other assets		
Investment securities	20,104	18,518
Retirement benefit asset	3,593	3,999
Guarantee deposits	25,283	25,504
Other	1,565	1,335
Allowance for doubtful accounts	(98)	(96)
Total investments and other assets	50,448	49,261
Total non-current assets	106,103	105,693
Total assets	187,245	194,171

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	42,706	46,214
Short-term borrowings	270	300
Current portion of long-term borrowings	3,129	858
Income taxes payable	1,743	1,225
Provision for bonuses	1,707	832
Provision for bonuses for directors (and other officers)	69	56
Provision for warranties for completed construction	0	0
Asset retirement obligations	94	-
Other	11,332	15,818
Total current liabilities	61,055	65,305
Non-current liabilities		
Long-term borrowings	4,764	4,616
Provision for retirement benefits for directors (and other officers)	154	171
Provision for special repairs	170	195
Retirement benefit liability	224	207
Asset retirement obligations	592	605
Other	13,815	13,998
Total non-current liabilities	19,722	19,794
Total liabilities	80,777	85,100
Net assets		
Shareholders' equity		
Share capital	10,127	10,127
Capital surplus	4,286	4,307
Retained earnings	84,698	88,670
Treasury shares	(2,287)	(2,651)
Total shareholders' equity	96,824	100,453
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,407	3,322
Revaluation reserve for land	(353)	(353)
Remeasurements of defined benefit plans	602	500
Total accumulated other comprehensive income	4,655	3,468
Non-controlling interests	4,987	5,149
Total net assets	106,468	109,071
Total liabilities and net assets	187,245	194,171

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net sales		
Net sales of goods	331,179	425,776
Net sales of completed construction contracts	2,711	2,534
Total net sales	333,890	428,310
Cost of sales		
Cost of goods sold	296,327	387,994
Cost of sales of completed construction contracts	2,484	2,251
Total cost of sales	298,811	390,245
Gross profit	35,078	38,065
Selling, general and administrative expenses	28,766	29,910
Operating profit	6,311	8,154
Non-operating income		
Interest income	144	188
Dividend income	434	392
Light oil delivery tax grant	130	129
Reversal of allowance for doubtful accounts	–	3
Other	574	382
Total non-operating income	1,283	1,096
Non-operating expenses		
Interest expenses	190	195
Provision of allowance for doubtful accounts	0	–
Other	102	45
Total non-operating expenses	293	240
Ordinary profit	7,301	9,010
Extraordinary income		
Gain on sale of non-current assets	28	19
Gain on sale of investment securities	1,476	21
Total extraordinary income	1,504	40
Extraordinary losses		
Loss on sale and retirement of non-current assets	124	169
Loss on valuation of investment securities	1,406	12
Loss on sale of shares of subsidiaries and associates	–	10
Impairment losses	0	1
Provision for loss on store closings	133	–
Loss on sale of investment securities	39	–
Total extraordinary losses	1,704	194
Profit before income taxes	7,101	8,857
Income taxes - current	1,966	2,575
Income taxes - deferred	(108)	413
Total income taxes	1,857	2,989
Profit	5,244	5,868
Profit attributable to non-controlling interests	199	429
Profit attributable to owners of parent	5,044	5,438

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	5,244	5,868
Other comprehensive income		
Valuation difference on available-for-sale securities	1,080	(1,059)
Remeasurements of defined benefit plans, net of tax	31	(102)
Total other comprehensive income	1,111	(1,161)
Comprehensive income	6,355	4,706
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,100	4,251
Comprehensive income attributable to non-controlling interests	255	455