

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2020 (Based on Japanese GAAP)

August 12, 2020

Company name: Origin Company, Limited  
 Stock exchange listing: Tokyo  
 Stock code: 6513 URL <https://www.origin.co.jp/>  
 Representative: Kazuhiro Seo, President  
 Contact: Atsushi Akamatsu, General Manager, General Accounting Department  
 Phone: +81-48-755-9242  
 Scheduled date to file Quarterly Securities Report: August 14, 2020  
 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 three months ended June 30, 2020 (from April 1, 2020 to June 30, 2020)

#### (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                         | % |
| Three months ended June 30, 2020 | 5,644           | -32.7 | -541             | –     | -446            | –    | -764                                    | – |
| Three months ended June 30, 2019 | 8,384           | 9.1   | 373              | 172.2 | 364             | 75.7 | 101                                     | – |

Note: Comprehensive income Three months ended June 30, 2020 ¥-860 million [–%]  
 Three months ended June 30, 2019 ¥429 million [–%]

|                                  | Earnings per share | Diluted earnings per share |
|----------------------------------|--------------------|----------------------------|
|                                  | Yen                | Yen                        |
| Three months ended June 30, 2020 | -120.90            | –                          |
| Three months ended June 30, 2019 | 15.79              | –                          |

#### (2) Consolidated financial position

|                      | Total assets    | Net assets      | Equity ratio |
|----------------------|-----------------|-----------------|--------------|
|                      | Millions of yen | Millions of yen | %            |
| As of June 30, 2020  | 42,054          | 23,404          | 50.5         |
| As of March 31, 2020 | 44,400          | 24,879          | 50.0         |

Reference: Equity As of June 30, 2020 ¥21,225 million  
 As of March 31, 2020 ¥22,208 million

### 2. Cash dividends

|                                       | Annual dividends per share |                 |                 |                 |       |
|---------------------------------------|----------------------------|-----------------|-----------------|-----------------|-------|
|                                       | 1st quarter-end            | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total |
|                                       | Yen                        | Yen             | Yen             | Yen             | Yen   |
| Year ended March 31, 2020             | –                          | 20.00           | –               | 20.00           | 40.00 |
| Year ending March 31, 2021            | –                          |                 |                 |                 |       |
| Year ending March 31, 2021 (Forecast) |                            | –               | –               | –               | –     |

Notes: 1. Revisions to the forecasts of cash dividends most recently announced: No

2. The dividend forecasts for year ending March 31, 2021 have not yet been determined.

3. Forecasts of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

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 | 24,000          | -26.2 | -2,200           | - | -2,000          | - | -2,500                                  | - | -395.19            |

Note: Revisions to the financial result forecasts most recently announced: Yes

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2020  
(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: No
- 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 June 30, 2020 | 6,699,986 shares | As of March 31, 2020 | 6,699,986 shares |
|---------------------|------------------|----------------------|------------------|

Number of treasury shares at the end of the period

|                     |                |                      |                |
|---------------------|----------------|----------------------|----------------|
| As of June 30, 2020 | 389,651 shares | As of March 31, 2020 | 352,664 shares |
|---------------------|----------------|----------------------|----------------|

Average number of shares during the period (cumulative from the beginning of the fiscal year)

|                                  |                  |                                  |                  |
|----------------------------------|------------------|----------------------------------|------------------|
| Three months ended June 30, 2020 | 6,326,139 shares | Three months ended June 30, 2019 | 6,417,981 shares |
|----------------------------------|------------------|----------------------------------|------------------|

\* Number of treasury shares excluded for calculating the number of treasury shares at the end of the period and average number of shares during the period include the Company's shares held by the trust account related to stock remuneration system (BBT=Board Benefit Trust).

\* Quarterly financial results reports are exempt from quarterly review procedures conducted by certified public accountants or an audit corporation.

\* Proper use of forecasts of financial results, and other special matters

(Caution concerning forward-looking statements)

The forward-looking statements, including the earnings forecasts, shown in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable and actual results may differ substantially due to various factors.

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

|   | As of March 31, 2020 | As of June 30, 2020 |
|---|----------------------|---------------------|
| Assets  |                      |                     |
| Current assets                                      |                      |                     |
| Cash and deposits                                   | 8,396                | 7,589               |
| Notes and accounts receivable - trade               | 8,012                | 6,518               |
| Electronically recorded monetary claims - operating | 1,950                | 1,877               |
| Merchandise and finished goods                      | 1,598                | 1,767               |
| Work in process                                     | 3,269                | 3,228               |
| Raw materials and supplies                          | 1,807                | 1,814               |
| Other   | 1,692                | 1,777               |
| Allowance for doubtful accounts                     | -21                  | -29                 |
| Total current assets                                | 26,704               | 24,544              |
| Non-current assets                                  |                      |                     |
| Property, plant and equipment                       |                      |                     |
| Buildings and structures, net                       | 4,216                | 4,119               |
| Machinery, equipment and vehicles, net              | 1,275                | 1,216               |
| Land  | 4,823                | 4,823               |
| Construction in progress                            | 73                   | 95                  |
| Other, net  | 694                  | 655                 |
| Total property, plant and equipment                 | 11,083               | 10,911              |
| Intangible assets                                   | 635                  | 597                 |
| Investments and other assets                        |                      |                     |
| Investment securities                               | 4,488                | 4,669               |
| Long-term loans receivable                          | 22                   | 21                  |
| Deferred tax assets                                 | 416                  | 266                 |
| Other   | 1,261                | 1,259               |
| Allowance for doubtful accounts                     | -212                 | -215                |
| Total investments and other assets                  | 5,976                | 6,001               |
| Total non-current assets                            | 17,695               | 17,510              |
| Total assets  | 44,400               | 42,054              |

(Millions of yen)

|   | As of March 31, 2020 | As of June 30, 2020 |
|---|----------------------|---------------------|
| <b>Liabilities</b>  |                      |                     |
| <b>Current liabilities</b>  |                      |                     |
| Notes and accounts payable - trade  | 2,576                | 2,118               |
| Electronically recorded obligations - operating                           | 3,606                | 2,818               |
| Current portion of long-term borrowings                                   | 575                  | 570                 |
| Income taxes payable  | 116                  | 114                 |
| Provision for bonuses   | 546                  | 166                 |
| Provision for bonuses for directors (and other officers)                  | 16                   | –                   |
| Unearned revenue  | 81                   | 81                  |
| Other   | 1,810                | 2,861               |
| <b>Total current liabilities</b>  | <b>9,330</b>         | <b>8,731</b>        |
| <b>Non-current liabilities</b>  |                      |                     |
| Long-term borrowings  | 1,373                | 1,234               |
| Provision for share-based remuneration for directors (and other officers) | 19                   | 28                  |
| Retirement benefit liability  | 3,010                | 2,894               |
| Asset retirement obligations  | 29                   | 29                  |
| Long-term unearned revenue  | 5,580                | 5,560               |
| Deferred tax liabilities  | 34                   | 38                  |
| Other   | 142                  | 131                 |
| <b>Total non-current liabilities</b>                                      | <b>10,190</b>        | <b>9,918</b>        |
| <b>Total liabilities</b>  | <b>19,521</b>        | <b>18,650</b>       |
| <b>Net assets</b>   |                      |                     |
| <b>Shareholders' equity</b>   |                      |                     |
| Share capital   | 6,103                | 6,103               |
| Capital surplus   | 3,454                | 3,454               |
| Retained earnings   | 11,711               | 10,818              |
| Treasury shares   | -661                 | -715                |
| <b>Total shareholders' equity</b>   | <b>20,608</b>        | <b>19,661</b>       |
| <b>Accumulated other comprehensive income</b>                             |                      |                     |
| Valuation difference on available-for-sale securities                     | 1,318                | 1,452               |
| Foreign currency translation adjustment                                   | 281                  | 111                 |
| <b>Total accumulated other comprehensive income</b>                       | <b>1,599</b>         | <b>1,563</b>        |
| <b>Non-controlling interests</b>  | <b>2,671</b>         | <b>2,179</b>        |
| <b>Total net assets</b>   | <b>24,879</b>        | <b>23,404</b>       |
| <b>Total liabilities and net assets</b>                                   | <b>44,400</b>        | <b>42,054</b>       |

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

|   | Three months ended<br>June 30, 2019 | Three months ended<br>June 30, 2020 |
|---|-------------------------------------|-------------------------------------|
| Net sales   | 8,384                               | 5,644                               |
| Cost of sales   | 6,179                               | 4,539                               |
| Gross profit  | 2,205                               | 1,105                               |
| Selling, general and administrative expenses                  | 1,831                               | 1,647                               |
| Operating profit (loss)                                       | 373                                 | -541                                |
| Non-operating income  |                                     |                                     |
| Interest income   | 18                                  | 15                                  |
| Dividend income   | 59                                  | 58                                  |
| Rental income   | -                                   | 32                                  |
| Share of profit of entities accounted for using equity method | 5                                   | -                                   |
| Other   | 56                                  | 41                                  |
| Total non-operating income                                    | 139                                 | 146                                 |
| Non-operating expenses  |                                     |                                     |
| Interest expenses   | 9                                   | 3                                   |
| Foreign exchange losses                                       | 73                                  | 6                                   |
| Share of loss of entities accounted for using equity method   | -                                   | 6                                   |
| Other   | 66                                  | 35                                  |
| Total non-operating expenses                                  | 148                                 | 52                                  |
| Ordinary profit (loss)  | 364                                 | -446                                |
| Extraordinary income  |                                     |                                     |
| Gain on sales of non-current assets                           | 0                                   | 1                                   |
| Compensation income   | -                                   | 23                                  |
| Total extraordinary income                                    | 0                                   | 24                                  |
| Extraordinary losses  |                                     |                                     |
| Loss on retirement of non-current assets                      | 0                                   | 0                                   |
| Loss on sales of non-current assets                           | -                                   | 0                                   |
| Product compensation expenses                                 | 34                                  | -                                   |
| Extra retirement payments                                     | -                                   | 65                                  |
| Total extraordinary losses                                    | 34                                  | 66                                  |
| Profit (loss) before income taxes                             | 330                                 | -489                                |
| Income taxes - current  | 127                                 | 149                                 |
| Income taxes - deferred                                       | 56                                  | 94                                  |
| Total income taxes  | 183                                 | 243                                 |
| Profit (loss)   | 146                                 | -732                                |
| Profit attributable to non-controlling interests              | 45                                  | 32                                  |
| Profit (loss) attributable to owners of parent                | 101                                 | -764                                |

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

|  | Three months ended<br>June 30, 2019 | Three months ended<br>June 30, 2020 |
|--|-------------------------------------|-------------------------------------|
| Profit (loss)  | 146                                 | -732                                |
| Other comprehensive income   |                                     |                                     |
| Valuation difference on available-for-sale securities                                | 102                                 | 135                                 |
| Foreign currency translation adjustment  | 181                                 | -262                                |
| Share of other comprehensive income of entities accounted<br>for using equity method | -1                                  | -0                                  |
| Total other comprehensive income   | 282                                 | -127                                |
| Comprehensive income   | 429                                 | -860                                |
| Comprehensive income attributable to   |                                     |                                     |
| Comprehensive income attributable to owners of parent                                | 328                                 | -800                                |
| Comprehensive income attributable to non-controlling<br>interests                    | 100                                 | -59                                 |