



## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2020	-	13.75	-	13.75	27.50
Fiscal year ending March 31, 2021	-	12.50	-		
Fiscal year ending March 31, 2021 (Forecast)				12.50	25.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) PROTO CORPORATION carried out a 2-for-1 split of common shares on July 1, 2019.

For the year ended Mar. 2020, PROTO CORPORATION took the stock split into consideration.

(Note) Breakdown of the annual dividend for the fiscal year ended March 31, 2020 :

Ordinary dividend	25.00 yen
Commemorative dividend	2.50 yen

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021(April 01, 2020 to March 31, 2021)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	59,210	0.1	5,720	11.4	5,660	5.7	3,700	(25.9)	92.13

(Note) Revision to the financial results forecast announced most recently: Yes

### \* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2020

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name: )

Exclusion: - (Company name: )

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

December 31, 2020: 41,925,300 shares

March 31, 2020: 41,925,300 shares

2) Total number of treasury shares at the end of the period:

December 31, 2020: 1,766,217 shares

March 31, 2020: 1,763,392 shares

3) Average number of shares during the period:

Nine months ended December 31, 2020: 40,159,366 shares

Nine months ended December 31, 2019: 40,139,466 shares

\*PROTO CORPORATION carried out a 2-for-1 split of common shares on July 1, 2019.

Therefore, "Total number of issued shares (common shares)" were calculated under the assumption that said share split had been conducted at the beginning of the previous consolidated accounting year.

**\*This quarterly report is not subject to quarterly review procedures by certified public accountants or an auditing firm.**

**\*Explanation for appropriate use of forecasts and other notes**

The forward-looking statements such as operational forecasts contained in this statements summary are based on the information currently available to the Company and certain assumptions which are regarded as legitimate. Actual results may differ significantly from these forecasts due to various factors.

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2020	As of December 31,2020
<b>Assets</b>		
Current assets		
Cash and deposits	18,057	19,912
Notes and accounts receivable - trade	4,913	4,944
Inventories	4,048	3,763
Other	1,219	1,946
Allowance for doubtful accounts	(6)	(7)
Total current assets	28,231	30,560
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,059	5,853
Land	4,570	4,570
Other, net	690	674
Total property, plant and equipment	11,320	11,098
Intangible assets		
Goodwill	1,546	1,227
Other	1,002	1,074
Total intangible assets	2,548	2,301
Investments and other assets		
Investments and other assets, gross	2,631	3,982
Allowance for doubtful accounts	(6)	(27)
Total investments and other assets	2,625	3,955
Total non-current assets	16,494	17,355
Total assets	44,726	47,916

(Million yen)

	As of March 31,2020	As of December 31,2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	1,720	2,178
Short-term borrowings	2,400	2,700
Current portion of long-term borrowings	388	335
Accrued expenses	2,303	2,490
Income taxes payable	1,328	870
Provision for sales returns	10	0
Provision for bonuses	151	150
Provision for merchandise warranties	35	31
Provision for point card certificates	29	31
Other	2,901	3,164
Total current liabilities	11,268	11,954
Non-current liabilities		
Long-term borrowings	681	444
Provision for retirement benefits for directors (and other officers)	281	221
Retirement benefit liability	4	7
Asset retirement obligations	294	296
Other	262	305
Total non-current liabilities	1,524	1,275
<b>Total liabilities</b>	<b>12,793</b>	<b>13,229</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,849	1,849
Capital surplus	2,036	2,036
Retained earnings	28,647	30,823
Treasury shares	(1,306)	(1,306)
Total shareholders' equity	31,227	33,402
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	199	776
Foreign currency translation adjustment	477	477
Total accumulated other comprehensive income	676	1,253
Non-controlling interests	28	31
<b>Total net assets</b>	<b>31,932</b>	<b>34,686</b>
<b>Total liabilities and net assets</b>	<b>44,726</b>	<b>47,916</b>

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Million yen)

	For the nine months ended December 31,2019	For the nine months ended December 31,2020
Net sales	44,980	44,771
Cost of sales	26,591	25,981
Gross profit	18,388	18,790
Reversal of provision for sales returns	32	10
Provision for sales returns	14	0
Gross profit - net	18,406	18,800
Selling, general and administrative expenses	14,064	13,873
Operating profit	4,341	4,927
Non-operating income		
Interest and dividend income	11	5
Foreign exchange gains	152	69
Gain on valuation of derivatives	85	-
Other	40	70
Total non-operating income	290	146
Non-operating expenses		
Interest expenses	16	9
Loss on investments in investment partnerships	15	19
Loss on valuation of derivatives	-	159
Other	15	10
Total non-operating expenses	47	199
Ordinary profit	4,584	4,873
Extraordinary income		
Gain on sales of non-current assets	1,819	0
Gain on sales of investment securities	18	-
Gain on transfer from business divestitures	-	3
Total extraordinary income	1,837	3
Extraordinary losses		
Loss on sales and retirement of non-current assets	18	0
Loss on disaster	0	-
Loss on liquidation of subsidiaries	6	-
Loss on withdrawal from business	14	-
Settlement package	-	3
Total extraordinary losses	39	4
Profit before income taxes	6,382	4,873
Income taxes - current	2,170	1,679
Income taxes - deferred	(335)	(36)
Total income taxes	1,834	1,643
Profit	4,547	3,229
Profit (loss) attributable to non-controlling interests	(21)	0
Profit attributable to owners of parent	4,569	3,229

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Million yen)

	For the nine months ended December 31,2019	For the nine months ended December 31,2020
Profit	4,547	3,229
Other comprehensive income		
Valuation difference on available-for-sale securities	(52)	576
Foreign currency translation adjustment	1	0
Total other comprehensive income	(50)	576
Comprehensive income	4,497	3,806
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,518	3,804
Comprehensive income attributable to non-controlling interests	(21)	2