

**SANWAYUKA INDUSTRY (4125 TSE Mothers) - - - - - January 11, 2022****In addition to manufacturing chemicals, the company performs industrial waste recycling**

This report is an English translation of part of the report issued on December 28, 2021.  
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**[4125 SANWAYUKA INDUSTRY Sector : Chemicals]**

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Mar. 2020	12,462	-	947	-	977	-	624	-	185.8	1,403.7	13.3
Mar. 2021	12,460	-0.0	1,060	11.9	1,081	10.7	727	16.5	216.3	1,652.6	19.0
Mar. 2022 f	13,997	12.3	1,386	30.7	1,400	29.4	999	37.3	274.1	-	25.0

Note: Consolidated basis. Figures for the fiscal year ending March 2022 are the company's forecasts.  
It conducted 1-to-20 stock split on June 18, 2021. Per share indices are adjusted retroactively.

**Industrial Waste Recycling Firm Also Serving as a Manufacturer**

SANWAYUKA INDUSTRY is an industrial waste recycling company based in Aichi Prefecture. Originally a manufacturer of oils and chemicals for automobile-related companies, SANWAYUKA INDUSTRY launched its recycling operations in the 1990s beginning with organic solvents. Since then, the company has evolved into a recycling company that serves the entire manufacturing industry. As a result, the company handles many high-value-added recycled products. Moreover, as its roots are in manufacturing, the company remains active in business as a manufacturer.

In the 2010s, SANWAYUKA INDUSTRY established recycling facilities in eastern and western Japan as many of its customers have manufacturing bases across the country. Unlike most companies in the recycling industry, which are community-based, SANWAYUKA INDUSTRY is expanding nationwide.

Although the company is engaged in a single segment of the environment-related business, it classifies its net sales into five business categories, which are reuse, recycling, chemical, automotive, and poly-chlorinated biphenyl (PCB). The company also divides net sales into two categories, "disposal cost sales," which are the proceeds of services such as waste processing, and "general sales," for the sale of recycled and other products. The recycling business category accounts for about 30% of sales, the reuse, chemical, and automotive business categories about 20% each, and the PCB business category for about 10%. In terms of the type of service or product provided, more than 60% was accounted for by general sales, and less than 40% by disposal cost sales.

**SANWAYUKA INDUSTRY (4125 TSE Mothers) - - - - - January 11,2022****Financial Statements**

Statement of income	Fiscal Year	Mar.2020		Mar.2021		Six months to Sep. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		12,462	100.0	12,460	100.0	7,245	100.0
Cost of sales		9,074	72.8	8,651	69.4	4,979	68.7
Gross profit		3,388	27.2	3,809	30.6	2,265	31.3
Selling, general and administrative expenses		2,440	19.6	2,748	22.1	1,399	19.3
Operating profit		947	7.6	1,060	8.5	866	12.0
Non-operating income		64	-	57	-	26	-
Non-operating expenses		34	-	36	-	16	-
Ordinary profit		977	7.8	1,081	8.7	876	12.1
Profit before income taxes		918	7.4	1,141	9.2	863	11.9
Net profit		624	5.0	727	5.8	566	7.8

Balance sheet	Fiscal Year	Mar.2020		Mar.2021		Sep. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		4,666	29.4	4,972	29.0	4,830	28.1
Cash and deposits		1,224	7.7	1,499	8.8	891	5.2
Accounts receivable-trade		2,629	16.6	2,611	15.3	3,203	18.6
Inventories		594	3.7	580	3.4	622	3.6
Non-current assets		11,218	70.6	12,144	71.0	12,347	71.9
Property, plant and equipment		9,955	62.7	10,866	63.5	11,058	64.4
Intangible assets		16	0.1	23	0.1	28	0.2
Investments and other assets		1,246	7.8	1,254	7.3	1,260	7.3
Total assets		15,885	100.0	17,116	100.0	17,177	100.0
Current liabilities		6,098	38.4	5,763	33.7	5,476	31.9
Accounts payable - trade		1,160	7.3	1,175	6.9	1,377	8.0
Short-term borrowings		1,400	8.8	400	2.3	700	4.1
Current portion of long-term borrowings		1,721	10.8	1,941	11.3	1,848	10.8
Non-current liabilities		5,057	31.8	5,724	33.4	5,561	32.4
Long-term borrowings		4,850	30.5	5,475	32.0	5,297	30.8
Net assets		4,729	29.8	5,628	32.9	6,140	35.7
Owners' equity		4,716	29.7	5,628	32.9	6,140	35.7

Statement of cash flows	Fiscal Year	Mar.2020	Mar.2021	Six months to Sep. 2021
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		1,315	1,772	597
Depreciation		596	619	398
Cash flows from investing activities		-1,513	-1,333	-1,160
Cash flows from financing activities		965	-164	-44
Dividends paid		-27	-44	-64
Net increase in cash and cash equivalents		767	275	-608
Cash and cash equivalents		1,224	1,499	891

Note: Consolidated basis.

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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