

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 15, 2021 (Based on Japanese GAAP)

January 27, 2022

Company name: CAWACHI LIMITED
 Stock exchange listing: Tokyo
 Stock code: 2664 URL <https://www.cawachi.co.jp/>
 Representative: President Shinji Kawachi
 Inquiries: Corporate Officer Hiroshi Asuke TEL 0285-32-1131
 Director Administration Manager
 Scheduled date to file Quarterly Securities Report: January 28, 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 15, 2021 (from March 16, 2021 to December 15, 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 15, 2021	211,498	(2.1)	6,258	(28.3)	7,007	(25.8)	4,634	(25.8)
Nine months ended December 15, 2020	216,078	7.0	8,728	127.2	9,449	107.9	6,250	113.7

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 15, 2021	207.68		207.32	
Nine months ended December 15, 2020	280.24		280.05	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 15, 2021	194,290	104,449	53.7	4,673.59
As of March 15, 2021	194,100	100,857	51.9	4,517.46

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 15, 2021	–	0.00	–	50.00	50.00
Year ending March 15, 2022	–	0.00	–		
Year ending March 15, 2022 (Forecast)				50.00	50.00

3. Forecast of consolidated financial results for the year ending March 15, 2022 (from March 16, 2021 to March 15, 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	282,000	(0.9)	8,000	(24.2)	9,000	(22.3)	5,800	(18.4)	259.91

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 15, 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: Yes
- (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 December 15, 2021	24,583,420 shares	As of March 15, 2021	24,583,420 shares
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Number of treasury shares at the end of the period

As of December 15, 2021	2,261,722 shares	As of March 15, 2021	2,274,254 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 15, 2021	22,317,765 shares	Nine months ended December 15, 2020	22,302,732 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 15, 2021	As of December 15, 2021
Assets		
Current assets		
Cash and deposits	41,235	39,895
Accounts receivable - trade	5,368	5,568
Merchandise	30,729	33,308
Supplies	32	37
Other	5,429	5,109
Total current assets	82,796	83,918
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	40,153	39,590
Land	50,105	49,986
Other, net	3,665	3,511
Total property, plant and equipment	93,924	93,088
Intangible assets		
Other	4,918	4,955
Total intangible assets	4,918	4,955
Investments and other assets		
Leasehold and guarantee deposits	7,988	7,882
Other	4,471	4,445
Total investments and other assets	12,460	12,327
Total non-current assets	111,303	110,372
Total assets	194,100	194,290
Liabilities		
Current liabilities		
Accounts payable - trade	41,220	43,549
Short-term borrowings	–	100
Current portion of long-term borrowings	10,259	9,312
Income taxes payable	3,065	490
Provision for bonuses	1,364	2,065
Provision for point card certificates	1,188	1,316
Provision for loss on disaster	134	–
Other	7,805	6,919
Total current liabilities	65,037	63,752
Non-current liabilities		
Long-term borrowings	16,151	13,546
Retirement benefit liability	7,718	8,064
Provision for point card certificates	513	609
Asset retirement obligations	2,840	2,912
Other	981	955
Total non-current liabilities	28,205	26,088
Total liabilities	93,243	89,841

(Millions of yen)

	As of March 15, 2021	As of December 15, 2021
Net assets		
Shareholders' equity		
Share capital	13,001	13,001
Capital surplus	14,899	14,901
Retained earnings	77,293	80,812
Treasury shares	(4,411)	(4,387)
Total shareholders' equity	100,782	104,328
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(2)	(5)
Total accumulated other comprehensive income	(2)	(5)
Share acquisition rights	76	126
Total net assets	100,857	104,449
Total liabilities and net assets	194,100	194,290

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 15, 2020	Nine months ended December 15, 2021
Net sales	216,078	211,498
Cost of sales	167,401	164,104
Gross profit	48,676	47,393
Selling, general and administrative expenses	39,947	41,135
Operating profit	8,728	6,258
Non-operating income		
Interest income	21	19
Dividend income	4	2
Commission income	623	613
Revenue from sales of electric power	158	163
Other	230	253
Total non-operating income	1,039	1,052
Non-operating expenses		
Interest expenses	48	39
Commission expenses	127	118
Depreciation	56	49
Other	86	96
Total non-operating expenses	318	303
Ordinary profit	9,449	7,007
Extraordinary income		
Gain on sales of non-current assets	31	–
Total extraordinary income	31	–
Extraordinary losses		
Loss on sales of non-current assets	6	21
Loss on retirement of non-current assets	39	22
Impairment loss	151	–
Other	18	12
Total extraordinary losses	216	57
Profit before income taxes	9,265	6,949
Income taxes	3,015	2,314
Profit	6,250	4,634
Profit attributable to owners of parent	6,250	4,634

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 15, 2020	Nine months ended December 15, 2021
Profit	6,250	4,634
Other comprehensive income		
Valuation difference on available-for-sale securities	17	(3)
Total other comprehensive income	17	(3)
Comprehensive income	6,267	4,631
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,267	4,631