

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: GOLDWIN INC.
 Stock exchange listing: Tokyo
 Stock code: 8111 URL <https://www.goldwin.co.jp>
 Representative: President and Representative Director Takao Watanabe
 Executive Officer
 Inquiries: Director -Finance Dept. Junzo Shirai TEL 03-3481-7203
 Scheduled date to file Quarterly Securities Report: February 14, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 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	73,782	6.6	14,157	4.3	15,453	11.3	10,789	16.8
Nine months ended December 31, 2020	69,226	(8.7)	13,577	(16.2)	13,886	(15.8)	9,236	(19.4)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2021	237.76	–
Nine months ended December 31, 2020	203.62	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2021	100,436	59,993	59.6
As of March 31, 2021	91,376	52,916	57.8

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, 2021	–	15.00	–	55.00	70.00
Year ending March 31, 2022	–	20.00	–		
Year ending March 31, 2022 (Forecast)				55.00	75.00

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	100,000	10.5	14,000	(5.7)	15,200	(4.9)	10,300	(4.0)	227.07

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
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|--|-----|
| 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	47,448,172 shares	As of March 31, 2021	47,448,172 shares
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Number of treasury shares at the end of the period

As of December 31, 2021	2,058,296 shares	As of March 31, 2021	2,091,698 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	45,379,137 shares	Nine months ended December 31, 2020	45,363,084 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	21,536	23,084
Notes and accounts receivable - trade	9,281	–
Notes and accounts receivable - trade, and contract assets	–	16,435
Electronically recorded monetary claims - operating	3,175	4,682
Merchandise and finished goods	14,435	12,821
Work in process	199	196
Raw materials and supplies	518	551
Other	2,032	1,280
Allowance for doubtful accounts	(10)	(14)
Total current assets	51,168	59,038
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,681	1,676
Land	4,691	4,691
Other, net	1,860	2,037
Total property, plant and equipment	8,233	8,405
Intangible assets		
Trademark right	1,792	1,564
Other	1,120	1,350
Total intangible assets	2,912	2,915
Investments and other assets		
Investment securities	21,608	22,795
Guarantee deposits	2,696	2,703
Other	5,021	4,840
Allowance for doubtful accounts	(265)	(262)
Total investments and other assets	29,061	30,076
Total non-current assets	40,207	41,398
Total assets	91,376	100,436

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,544	4,278
Electronically recorded obligations - operating	10,131	16,352
Short-term borrowings	3,600	2,770
Current portion of long-term borrowings	2,520	1,835
Income taxes payable	3,910	1,679
Provision for bonuses	1,668	573
Provision for sales returns	51	–
Other	6,859	7,438
Total current liabilities	32,285	34,927
Non-current liabilities		
Long-term borrowings	3,626	3,039
Retirement benefit liability	232	215
Provision for share awards	807	886
Other	1,508	1,374
Total non-current liabilities	6,173	5,515
Total liabilities	38,459	40,442
Net assets		
Shareholders' equity		
Share capital	7,079	7,079
Capital surplus	264	276
Retained earnings	50,604	57,794
Treasury shares	(4,138)	(4,512)
Total shareholders' equity	53,810	60,639
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	490	367
Deferred gains or losses on hedges	27	68
Foreign currency translation adjustment	(457)	(397)
Remeasurements of defined benefit plans	(1,068)	(822)
Total accumulated other comprehensive income	(1,007)	(783)
Non-controlling interests	114	137
Total net assets	52,916	59,993
Total liabilities and net assets	91,376	100,436

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	69,226	73,782
Cost of sales	31,605	34,135
Gross profit	37,620	39,647
Provision for sales returns	92	–
Gross profit - net	37,527	39,647
Selling, general and administrative expenses	23,949	25,489
Operating profit	13,577	14,157
Non-operating income		
Interest income	6	7
Dividend income	54	58
Share of profit of entities accounted for using equity method	384	1,286
Other	64	99
Total non-operating income	510	1,451
Non-operating expenses		
Interest expenses	98	66
Loss on sale of notes receivable - trade	18	20
Loss on cancellation of insurance policies	18	22
Other	66	46
Total non-operating expenses	201	155
Ordinary profit	13,886	15,453
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on sale of investment securities	–	15
Total extraordinary income	0	15
Extraordinary losses		
Loss on disposal of non-current assets	0	6
Impairment losses	3	–
Loss on store closings	22	5
Loss on valuation of investment securities	298	–
Other	–	0
Total extraordinary losses	325	11
Profit before income taxes	13,561	15,457
Income taxes - current	3,825	4,338
Income taxes - deferred	443	266
Total income taxes	4,268	4,605
Profit	9,292	10,852
Profit attributable to non-controlling interests	55	62
Profit attributable to owners of parent	9,236	10,789

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	9,292	10,852
Other comprehensive income		
Valuation difference on available-for-sale securities	427	(123)
Deferred gains or losses on hedges	(14)	(10)
Foreign currency translation adjustment	2	176
Remeasurements of defined benefit plans, net of tax	158	228
Share of other comprehensive income of entities accounted for using equity method	(621)	(46)
Total other comprehensive income	(47)	224
Comprehensive income	9,245	11,077
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,189	11,014
Comprehensive income attributable to non-controlling interests	55	62