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MEMBERSHIP

May 13, 2022

## Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

Company name: GOLDWIN INC.  
 Stock exchange listing: Tokyo  
 Securities code: 8111  
 URL: <https://www.goldwin.co.jp>  
 Representative: Takao Watanabe, President and Representative Director  
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Scheduled date of ordinary general meeting of shareholders: June 23, 2022  
 Scheduled date to commence dividend payments: June 9, 2022  
 Scheduled date to file Securities Report: June 23, 2022  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

#### (1) Consolidated operating result

(Percentages indicate year-on-year changes)

Year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2022	98,235	8.6	16,501	11.2	20,285	26.9	14,350	33.7
March 31, 2021	90,479	(7.6)	14,838	(15.1)	15,984	(2.4)	10,734	(0.3)

Note: Comprehensive income Year ended March 31, 2022: ¥15,365 million [34.0%]  
 Year ended March 31, 2021: ¥11,469 million [20.1%]

Year ended	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
March 31, 2022	316.30	—	24.7	21.3	16.8
March 31, 2021	236.64	—	21.6	18.4	16.4

Reference: Share of profit (loss) of entities accounted for using equity method  
 Year ended March 31, 2022: ¥3,669 million  
 Year ended March 31, 2021: ¥1,238 million

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2022	99,085	63,411	63.9	1,398.56
March 31, 2021	91,376	52,916	57.8	1,164.16

Reference: Equity

As of March 31, 2022

¥63,278 million

As of March 31, 2021

¥52,802 million

## (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2022	18,049	(1,567)	(11,853)	25,036
March 31, 2021	7,401	(3,261)	(162)	20,287

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
Year ended March 31, 2021	Yen –	Yen 15.00	Yen –	Yen 55.00	Yen 70.00	Millions of yen 3,288	% 29.6	% 6.4
Year ended March 31, 2022	–	20.00	–	65.00	85.00	3,980	26.9	6.3
Year ending March 31, 2023 (Forecast)	–	25.00	–	65.00	90.00		25.5	

Note: Year-end dividend of ¥55 for the fiscal year ended March 31, 2021 includes commemorative dividend for 70th anniversary of foundation of ¥10

## 3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(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
Six months ending September 30, 2022	42,400	11.0	3,000	(9.1)	3,800	(0.9)	2,660	1.1	58.63
Full year	106,000	7.9	17,000	3.0	21,400	5.5	16,000	11.5	352.65

**\* Notes**

- (1) Changes in significant subsidiaries during the year ended March 31, 2022 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: No
- (iii) Changes in accounting estimates: No
- (iv) Restatement of prior period financial statements: No
- (3) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2022	47,448,172 shares
As of March 31, 2021	47,448,172 shares

- (ii) Number of treasury shares at the end of the period

As of March 31, 2022	2,202,276 shares
As of March 31, 2021	2,091,698 shares

- (iii) Average number of shares during the period

Year ended March 31, 2022	45,370,540 shares
Year ended March 31, 2021	45,360,759 shares

**[Reference] Overview of non-consolidated financial result**

**1. Non-consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)**

**(1) Non-consolidated operating result**

(Percentages indicate year-on-year changes)

Year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2022	85,838	7.9	14,029	11.5	17,484	19.8	11,951	16.5
March 31, 2021	79,583	(4.1)	12,587	(9.2)	14,589	(6.9)	10,259	39.2

Year ended	Earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2022	263.41	—
March 31, 2021	226.17	—

## (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2022	74,543	42,065	56.4	929.71
March 31, 2021	70,388	34,896	49.6	769.37

Reference: Equity

As of March 31, 2022: ¥42,065 million

As of March 31, 2021: ¥34,896 million

## 2. Forecast of non-consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2022	38,800	17.1	2,550	(0.9)	4,000	(2.4)	2,800	(12.8)	61.71
Full year	98,000	14.2	15,800	12.6	19,500	11.5	14,200	18.8	312.98

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

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

Descriptions of the above financial forecasts and other data are based on information currently available to the Company and certain assumptions that we consider to be reasonable. Actual financial results may differ significantly from the forecasts for various reasons.

## Consolidated Financial Statements and Significant Notes Thereto

### (1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	21,536	26,406
Notes and accounts receivable - trade	9,281	–
Notes receivable - trade	–	630
Accounts receivable - trade	–	10,402
Electronically recorded monetary claims - operating	3,175	2,797
Merchandise and finished goods	14,435	12,554
Work in process	199	326
Raw materials and supplies	518	542
Other	2,032	1,841
Allowance for doubtful accounts	(10)	(13)
Total current assets	51,168	55,486
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,681	1,718
Machinery, equipment and vehicles, net	101	269
Land	4,691	4,691
Leased assets, net	1,231	1,138
Other, net	527	823
Total property, plant and equipment	8,233	8,642
Intangible assets		
Software	731	912
Trademark right	1,792	1,490
Software in progress	318	635
Other	70	54
Total intangible assets	2,912	3,093
Investments and other assets		
Investment securities	21,608	24,060
Long-term loans receivable	46	45
Retirement benefit asset	1,267	1,637
Guarantee deposits	2,696	2,708
Distressed receivables	148	70
Deferred tax assets	1,449	1,608
Other	2,110	1,920
Allowance for doubtful accounts	(265)	(188)
Total investments and other assets	29,061	31,862
Total non-current assets	40,207	43,598
Total assets	91,376	99,085

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	3,544	4,904
Electronically recorded obligations - operating	10,131	12,223
Short-term borrowings	3,600	–
Current portion of long-term borrowings	2,520	1,437
Lease liabilities	566	566
Accounts payable - other	1,998	2,359
Income taxes payable	3,910	3,112
Accrued consumption taxes	1,645	1,428
Accrued expenses	1,932	1,424
Contract liabilities	–	556
Provision for bonuses	1,668	1,648
Provision for sales returns	51	–
Other	715	725
Total current liabilities	32,285	30,386
Non-current liabilities		
Long-term borrowings	3,626	2,751
Lease liabilities	1,122	901
Retirement benefit liability	232	217
Asset retirement obligations	56	57
Provision for share awards	807	947
Other	329	412
Total non-current liabilities	6,173	5,287
Total liabilities	38,459	35,673
Net assets		
Shareholders' equity		
Share capital	7,079	7,079
Capital surplus	264	276
Retained earnings	50,604	61,356
Treasury shares	(4,138)	(5,377)
Total shareholders' equity	53,810	63,335
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	490	480
Deferred gains or losses on hedges	27	98
Foreign currency translation adjustment	(457)	196
Remeasurements of defined benefit plans	(1,068)	(830)
Total accumulated other comprehensive income	(1,007)	(56)
Non-controlling interests	114	132
Total net assets	52,916	63,411
Total liabilities and net assets	91,376	99,085

**(2) Consolidated statement of income and consolidated statement of comprehensive income**  
**(Consolidated statement of income)**

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	90,479	98,235
Cost of sales	42,470	46,491
Gross profit	48,008	51,743
Provision for sales returns	17	–
Gross profit - net	47,991	51,743
Selling, general and administrative expenses	33,152	35,241
Operating profit	14,838	16,501
Non-operating income		
Interest income	23	25
Dividend income	55	59
Share of profit of entities accounted for using equity method	1,238	3,669
Other	90	241
Total non-operating income	1,407	3,996
Non-operating expenses		
Interest expenses	129	83
Loss on sale of notes receivable - trade	22	27
Loss on cancellation of insurance policies	18	22
Other	91	78
Total non-operating expenses	261	212
Ordinary profit	15,984	20,285
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on sale of investment securities	33	51
Gain on transfer of non-current assets	15	–
Total extraordinary income	49	51
Extraordinary losses		
Loss on disposal of non-current assets	0	6
Impairment losses	147	180
Loss on store closings	26	8
Loss on valuation of investment securities	278	–
Extra retirement payments	13	7
Other	9	4
Total extraordinary losses	476	206
Profit before income taxes	15,557	20,131
Income taxes - current	4,822	5,938
Income taxes - deferred	(56)	(221)
Total income taxes	4,766	5,717
Profit	10,791	14,413
Profit attributable to non-controlling interests	56	62
Profit attributable to owners of parent	10,734	14,350

**(Consolidated statement of comprehensive income)**

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	10,791	14,413
Other comprehensive income		
Valuation difference on available-for-sale securities	551	(10)
Deferred gains or losses on hedges	10	12
Foreign currency translation adjustment	(3)	264
Remeasurements of defined benefit plans, net of tax	44	236
Share of other comprehensive income of entities accounted for using equity method	74	449
Total other comprehensive income	678	951
Comprehensive income	11,469	15,365
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,412	15,302
Comprehensive income attributable to non-controlling interests	56	62



### (3) Consolidated statement of changes in equity

Fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,079	1,439	44,157	(4,233)	48,443
Cumulative effects of changes in accounting policies					
Restated balance	7,079	1,439	44,157	(4,233)	48,443
Changes during period					
Purchase of treasury shares				(2,602)	(2,602)
Disposal of treasury shares		(294)	(1,467)	1,815	53
Cancellation of treasury shares		(881)		881	-
Dividends of surplus			(2,818)		(2,818)
Profit attributable to owners of parent			10,734		10,734
Net changes in items other than shareholders' equity					
Total changes during period	-	(1,175)	6,447	94	5,366
Balance at end of period	7,079	264	50,604	(4,138)	53,810

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	(60)	67	(577)	(1,114)	(1,686)	95	46,852
Cumulative effects of changes in accounting policies							
Restated balance	(60)	67	(577)	(1,114)	(1,686)	95	46,852
Changes during period							
Purchase of treasury shares							(2,602)
Disposal of treasury shares							53
Cancellation of treasury shares							-
Dividends of surplus							(2,818)
Profit attributable to owners of parent							10,734
Net changes in items other than shareholders' equity	551	(39)	120	46	678	19	697
Total changes during period	551	(39)	120	46	678	19	6,064
Balance at end of period	490	27	(457)	(1,068)	(1,007)	114	52,916

Fiscal year ended March 31, 2022 (From April 1, 2021 to March 31, 2022)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,079	264	50,604	(4,138)	53,810
Cumulative effects of changes in accounting policies			(79)		(79)
Restated balance	7,079	264	50,525	(4,138)	53,731
Changes during period					
Purchase of treasury shares				(1,544)	(1,544)
Disposal of treasury shares		12		305	317
Cancellation of treasury shares					-
Dividends of surplus			(3,520)		(3,520)
Profit attributable to owners of parent			14,350		14,350
Net changes in items other than shareholders' equity					
Total changes during period	-	12	10,830	(1,238)	9,604
Balance at end of period	7,079	276	61,356	(5,377)	63,335

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	490	27	(457)	(1,068)	(1,007)	114	52,916
Cumulative effects of changes in accounting policies							(79)
Restated balance	490	27	(457)	(1,068)	(1,007)	114	52,837
Changes during period							
Purchase of treasury shares							(1,544)
Disposal of treasury shares							317
Cancellation of treasury shares							-
Dividends of surplus							(3,520)
Profit attributable to owners of parent							14,350
Net changes in items other than shareholders' equity	(10)	71	653	237	951	18	969
Total changes during period	(10)	71	653	237	951	18	10,573
Balance at end of period	480	98	196	(830)	(56)	132	63,411

**(4) Consolidated statement of cash flows**

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	15,557	20,131
Depreciation	1,669	1,646
Share of loss (profit) of entities accounted for using equity method	(1,238)	(3,669)
Decrease (increase) in retirement benefit asset	(427)	(370)
Increase (decrease) in retirement benefit liability	28	(4)
Impairment losses	147	180
Increase (decrease) in allowance for doubtful accounts	0	(73)
Increase (decrease) in provision for bonuses	21	(20)
Interest and dividend income	(78)	(85)
Interest expenses	129	83
Loss (gain) on disposal of non-current assets	(0)	0
Decrease (increase) in trade receivables	(604)	(1,368)
Decrease (increase) in inventories	(368)	1,741
Increase (decrease) in trade payables	(3,749)	3,447
Increase (decrease) in accounts payable - other	(465)	356
Increase (decrease) in accrued consumption taxes	301	(216)
Decrease (increase) in prepaid expenses	(264)	126
Other, net	179	378
Subtotal	10,838	22,284
Interest and dividends received	810	2,573
Interest paid	(129)	(80)
Income taxes paid	(4,117)	(6,728)
Net cash provided by (used in) operating activities	7,401	18,049
<b>Cash flows from investing activities</b>		
Payments into time deposits	(249)	(102)
Proceeds from withdrawal of time deposits	342	121
Purchase of non-current assets	(3,195)	(1,722)
Proceeds from sale of non-current assets	-	1
Purchase of investment securities	(1)	(101)
Proceeds from sale of investment securities	88	90
Payments of guarantee deposits	(164)	(104)
Proceeds from refund of guarantee deposits	14	66
Other, net	(96)	182
Net cash provided by (used in) investing activities	(3,261)	(1,567)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	3,600	(3,600)
Proceeds from long-term borrowings	4,600	643
Repayments of long-term borrowings	(2,479)	(2,600)
Repayments of lease liabilities	(478)	(785)
Purchase of treasury shares	(2,602)	(2,140)
Dividends paid	(2,818)	(3,520)
Other, net	16	150
Net cash provided by (used in) financing activities	(162)	(11,853)
Effect of exchange rate change on cash and cash equivalents	(81)	120
Net increase (decrease) in cash and cash equivalents	3,895	4,748
Cash and cash equivalents at beginning of period	16,391	20,287
Cash and cash equivalents at end of period	20,287	25,036