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## Consolidated Financial Results for the Three Months Ended June 30, 2022 [Japanese GAAP]

July 29, 2022

Company name: PROTO CORPORATION

Stock exchange listing: Tokyo, Nagoya

Code number: 4298

URL: <https://www.proto-g.co.jp/>

Representative: Kenji Kamiya

President

Contact: Takehito Suzuki

Executive officer

Phone: +81-52-934-2000

Scheduled date of filing quarterly securities report: August 09, 2022

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2022 (April 01, 2022 to June 30, 2022)

#### (1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2022	23,784	74.1	2,082	16.9	2,100	12.6	1,398	(38.7)
June 30, 2021	13,661	7.3	1,780	18.5	1,865	20.0	2,281	124.2

(Note) Comprehensive income: Three months ended June 30, 2022: ¥ 1,012 million [ (57.1)%]  
Three months ended June 30, 2021: ¥ 2,358 million [ 107.2%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	34.80	-
June 30, 2021	56.81	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of June 30, 2022	55,421	40,718	73.4
March 31, 2022	54,525	40,397	74.0

(Reference) Equity: As of June 30, 2022: ¥ 40,681 million  
As of March 31, 2022: ¥ 40,361 million

### 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, 2022	-	17.50	-	17.50	35.00
Fiscal year ending March 31, 2023	-				
Fiscal year ending March 31, 2023 (Forecast)		17.50	-	17.50	35.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% 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
Six months ended September 30, 2022	40,586	54.3	2,887	(6.4)	2,951	(8.6)	1,946	(46.3)	48.41
Full year	85,681	49.1	6,500	1.2	6,650	0.4	4,450	(24.3)	110.71

(Note) Revision to the financial results forecast announced most recently: No

\* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2022

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

(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: Yes

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):

June 30, 2022: 41,925,300 shares

March 31, 2022: 41,925,300 shares

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

June 30, 2022: 1,729,997 shares

March 31, 2022: 1,729,997 shares

3) Average number of shares during the period:

Three months ended June 30, 2022: 40,195,303 shares

Three months ended June 30, 2021: 40,159,063 shares

**\* 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 31,2022	As of June 30,2022
<b>Assets</b>		
Current assets		
Cash and deposits	26,159	23,014
Notes and accounts receivable - trade	5,612	4,992
Inventories	4,208	6,488
Other	1,662	3,149
Allowance for doubtful accounts	(7)	(7)
Total current assets	37,635	37,636
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,433	5,431
Land	4,588	4,588
Other, net	723	720
Total property, plant and equipment	10,744	10,739
Intangible assets		
Goodwill	547	1,523
Other	1,403	1,459
Total intangible assets	1,950	2,982
Investments and other assets		
Investment securities	2,343	1,800
Other	1,910	2,319
Allowance for doubtful accounts	(58)	(57)
Total investments and other assets	4,195	4,062
Total non-current assets	16,890	17,784
Total assets	54,525	55,421

(Million yen)

	As of March 31,2022	As of June 30,2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	2,666	2,619
Short-term borrowings	2,550	3,750
Current portion of long-term borrowings	224	204
Accrued expenses	2,387	2,188
Income taxes payable	1,594	838
Contract liabilities	33	34
Provision for bonuses	165	225
Provision for merchandise warranties	18	17
Provision for loss on disaster	41	-
Other	3,353	3,610
Total current liabilities	13,035	13,489
Non-current liabilities		
Long-term borrowings	230	291
Provision for retirement benefits for directors (and other officers)	238	242
Retirement benefit liability	91	117
Asset retirement obligations	281	329
Other	251	232
Total non-current liabilities	1,093	1,213
<b>Total liabilities</b>	<b>14,128</b>	<b>14,703</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,849	1,849
Capital surplus	2,058	2,058
Retained earnings	37,121	37,829
Treasury shares	(1,279)	(1,279)
Total shareholders' equity	39,750	40,457
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	610	231
Foreign currency translation adjustment	0	(6)
Total accumulated other comprehensive income	611	224
Non-controlling interests	35	36
<b>Total net assets</b>	<b>40,397</b>	<b>40,718</b>
<b>Total liabilities and net assets</b>	<b>54,525</b>	<b>55,421</b>

Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income (For the three months)

(Million yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Net sales	13,661	23,784
Cost of sales	7,428	17,074
Gross profit	6,233	6,709
Selling, general and administrative expenses	4,452	4,627
Operating profit	1,780	2,082
Non-operating income		
Interest and dividend income	0	2
Share of profit of entities accounted for using equity method	-	0
Foreign exchange gains	88	29
Other	25	14
Total non-operating income	114	46
Non-operating expenses		
Interest expenses	2	3
Loss on investments in investment partnerships	8	11
Loss on valuation of derivatives	-	8
Miscellaneous losses	9	-
Other	9	3
Total non-operating expenses	29	28
Ordinary profit	1,865	2,100
Extraordinary income		
Gain on sale of non-current assets	5	0
Gain on sale of shares of subsidiaries and associates	2,146	-
Gain on bargain purchase	-	11
Total extraordinary income	2,151	12
Extraordinary losses		
Loss on sale and retirement of non-current assets	1	1
Total extraordinary losses	1	1
Profit before income taxes	4,015	2,110
Income taxes - current	1,842	750
Income taxes - deferred	(108)	(38)
Total income taxes	1,733	711
Profit	2,282	1,399
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	2,281	1,398

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

(Million yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Profit	2,282	1,399
Other comprehensive income		
Valuation difference on available-for-sale securities	77	(379)
Foreign currency translation adjustment	(1)	(7)
Total other comprehensive income	76	(386)
Comprehensive income	2,358	1,012
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,358	1,012
Comprehensive income attributable to non-controlling interests	0	0