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

July 29, 2022

Company name: eGuarantee, Inc.
Stock exchange listing: Tokyo
Code number: 8771
URL: <https://www.eguarantee.co.jp/>
Representative: Masanori Eto
Contact: Nozomu Murai
Phone: 03-6327-3609

President and Chief Executive Officer
Director, General Manager of Corporate Administration Dept.

Scheduled date of filing quarterly securities report: August 08, 2022
Scheduled date of commencing dividend payments: -
Availability of supplementary briefing material on quarterly financial results: No
Schedule of quarterly financial results briefing session: No

(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	2,040	6.6	1,005	16.1	1,019	17.9	705	24.0
June 30, 2021	1,913	13.4	866	18.4	864	17.2	568	38.1

(Note) Comprehensive income: Three months ended June 30, 2022: ¥ 742 million [22.3%]
Three months ended June 30, 2021: ¥ 607 million [38.6%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	15.01	14.59
June 30, 2021	12.33	11.89

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2022	24,500	19,466	73.3	380.56
March 31, 2022	25,256	19,716	71.9	387.62

(Reference) Equity: As of June 30, 2022: ¥ 17,958 million
As of March 31, 2022: ¥ 18,157 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	-	0.00	-	26.00	26.00
Fiscal year ending March 31, 2023	-				
Fiscal year ending March 31, 2023 (Forecast)		0.00	-	26.00	26.00

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

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending March 31, 2023 :

Commemorative dividend	- yen
Special dividend	- yen

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	4,100	6.6	1,980	9.7	2,000	10.5	1,300	10.2	27.75
Full year	8,800	11.5	4,150	11.2	4,200	11.7	2,750	11.6	58.70

(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

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

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: 47,191,600 shares

March 31, 2022: 46,845,400 shares

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

June 30, 2022: 1,534 shares

March 31, 2022: 1,434 shares

3) Average number of shares during the period:

Three months ended June 30, 2022: 46,992,314 shares

Three months ended June 30, 2021: 46,109,045 shares

(5) Guarantee liabilities for guarantee services against sales credit

Guarantee liabilities for guarantee services against sales credit 597.8 billion yen

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2022	As of June 30,2022
Assets		
Current assets		
Cash and deposits	17,295,011	16,181,330
Accounts receivable - trade	75,267	72,217
Securities	1,200,000	1,200,000
Prepaid expenses	974,048	1,249,073
Accounts receivable - other	31,680	50,185
Other	119,548	176,502
Total current assets	19,695,557	18,929,308
Non-current assets		
Property, plant and equipment	1,381,386	1,380,873
Intangible assets	125,027	141,438
Investments and other assets		
Investment securities	3,426,737	3,426,737
Deferred tax assets	257,533	257,533
Other	369,831	364,885
Total investments and other assets	4,054,102	4,049,155
Total non-current assets	5,560,516	5,571,468
Total assets	25,256,073	24,500,777
Liabilities		
Current liabilities		
Accounts payable - trade	11,253	10,063
Income taxes payable	699,475	295,257
Advances received	3,877,049	3,757,682
Provision for settlement	433,856	428,431
Provision for bonuses	200,000	138,790
Deposits received	32,587	106,160
Other	169,610	183,070
Total current liabilities	5,423,832	4,919,457
Non-current liabilities		
Long-term accounts payable - other	115,282	115,282
Total non-current liabilities	115,282	115,282
Total liabilities	5,539,115	5,034,739
Net assets		
Shareholders' equity		
Share capital	3,509,710	3,666,424
Capital surplus	2,919,710	3,076,424
Retained earnings	11,729,322	11,216,727
Treasury shares	(877)	(877)
Total shareholders' equity	18,157,864	17,958,698
Share acquisition rights	155,261	153,325
Non-controlling interests	1,403,831	1,354,013
Total net assets	19,716,958	19,466,037
Total liabilities and net assets	25,256,073	24,500,777

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Thousand yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Net sales	1,913,991	2,040,588
Cost of sales	444,545	373,836
Gross profit	1,469,445	1,666,751
Selling, general and administrative expenses	602,930	660,943
Operating profit	866,515	1,005,808
Non-operating income		
Interest income	2,857	3,753
Share of profit of entities accounted for using equity method	-	9,782
Other	460	767
Total non-operating income	3,317	14,303
Non-operating expenses		
Share of loss of entities accounted for using equity method	4,863	-
Miscellaneous losses	31	227
Total non-operating expenses	4,894	227
Ordinary profit	864,939	1,019,884
Profit before income taxes	864,939	1,019,884
Income taxes	257,584	277,374
Profit	607,355	742,509
Profit attributable to non-controlling interests	38,723	37,161
Profit attributable to owners of parent	568,632	705,348

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

(Thousand yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Profit	607,355	742,509
Comprehensive income	607,355	742,509
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	568,632	705,348
Comprehensive income attributable to non-controlling interests	38,723	37,161