



## Summary of Financial Accounts for the 1st Quarter of the Fiscal Year Ending March 2023 [Japanese Standards] (Non-Consolidated)

August 5th, 2022

Listed Company Name Nippon Pallet Pool Co., Ltd. Exchange Tokyo  
 Code Number 4690 URL <https://www.npp-web.co.jp>  
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 Scheduled Quarterly Report Submission Date August 8th, 2022 Scheduled Dividend Payment Start Date —  
 Creation of Additional Explanatory Documents for the Quarterly Report: No  
 Briefing for the Quarterly Report: No

(Rounded down to the nearest million yen)

### 1. Performance During the 1st Quarter of the Fiscal Year Ending March 2023 (April 1st, 2022 – June 30th, 2022)

#### (1) Operating Results (To Date) (% change from the same quarter of the previous year)

	Sales		Operating Profit		Ordinary Profit		Quarterly Net Profit	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
FY Ending March 2023 Q1	1,811	8.2	244	227.7	288	113.2	267	195.0
FY Ending March 2022 Q1	1,673	△2.7	74	△62.7	135	△46.2	90	△47.0

	Quarterly Net Profit per Share	Diluted Quarterly Net Profit per Share
	Yen, Sen	Yen, Sen
FY Ending March 2023 Q1	158.73	—
FY Ending March 2022 Q1	53.80	—

#### (2) Financial Status

	Total Assets	Net Assets	Capital Adequacy
	Million Yen	Million Yen	%
FY Ending March 2023 Q1	10,401	5,258	50.6
FY Ending March 2022	10,361	5,063	48.9

(Reference) Owned Capital FY Ending March 2023 Q1: 5,258 Million Yen FY Ending March 2022: 5,063 Million Yen

### 2. Dividend Status

	Annual Dividend				
	Q1 End	Q2 End	Q3 End	FY End	Total
	Yen, Sen	Yen, Sen	Yen, Sen	Yen, Sen	Yen, Sen
FY Ending March 2022	—	0.00	—	40.00	40.00
FY Ending March 2023	—				
FY Ending March 2023 (Forecast)		0.00	—	35.00	35.00

(Notes) 1. Revisions From the Most Recently Published Dividend Forecast: No

2. Breakdown of Dividends for FY Ending March 2022: Ordinary Dividend: 35.00; 50th Anniversary Commemorative Dividend: 5.00

### 3. Expected Results for the Fiscal Year Ending March 2023 (April 1st, 2022 – March 31st, 2023)

(% change from the previous year)

	Sales		Operating Profit		Ordinary Profit		Fiscal Year Net Profit		Fiscal Year Net Profit per Share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen, Sen
Whole FY	7,185	1.3	700	52.2	800	23.5	500	83.3	297.10

(Note) 1. Revisions From the Most Recently Published Expected Results: No

**\*Notes**

- (1) Application of Special Accounting in the Creation of Quarterly Financial Statements: No
- (2) Accounting Policy Changes, Accounting Estimate Changes, and Restatement
- ① Accounting Policy Changes Based on Revised Accounting Standards: Yes
  - ② Accounting Policy Changes Other Than ①: No
  - ③ Accounting Estimate Changes: Yes
  - ④ Restatement: No

(3) Shares Issued (Common Shares)

- ① FY End Shares Issued (Including Treasury Shares)
- ② FY End Treasury Shares
- ③ FY End Average Shares (QTD)

FY Ending March 2023 Q1	1,700,000 shares	FY Ending March 2022	1,700,000 shares
FY Ending March 2023 Q1	17,065 shares	FY Ending March 2022	17,040 shares
FY Ending March 2023 Q1	1,682,948 shares	FY Ending March 2022 Q1	1,682,960 shares

\* The Quarterly Summary of Financial Accounts is not subject to quarterly reviews by a certified public accountant or auditor.

\* Explanation Related to the Appropriate Use of Expected Results and Other Items of Note

- The descriptions in this document related to the future, such as earnings estimates, are based on information that the company has obtained at present and certain assumptions that are deemed reasonable. Actual results may differ significantly from the expected figures. For conditions that serve as the assumptions for the expected results and precautions related to the use of the expected results, please refer to "1. Qualitative Information Related to This Quarterly Statement (3) Explanation Regarding Expected Results and Future Projections" on the second page of the attached document.

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## 1. Qualitative Information Related to This Quarterly Statement

### (1) Explanation Regarding Operating Results

During this 1st quarter period to date, effects of the COVID-19 pandemic were mitigated and movements toward economic recovery became apparent, as seen in the step-wise resumption of economic activity. At the same time, uncertainty in the outlook increased due to factors including the Ukrainian situation, pressure from the weak yen, and price hikes caused by inflation in raw materials prices.

Under this business environment, strong transactions continued with companies involved with petrochemical resins, which are main clients, and sales exceeded performance in same quarter of the previous fiscal year. Due to a strong recovery trend in business conditions for general clients, total rental sales increased by 106 million yen (6.8%) from the same quarter in the previous fiscal year to 1.672 billion yen, and total sales including items handled as "Other" increased by 137 million yen (8.2%) from the same quarter in the previous fiscal year to 1.811 billion yen.

In terms of profit, due to factors including increased revenue, operating profit was 244 million yen (up 227.7% from the same quarter in the previous fiscal year) and ordinary profit was 288 million yen (up 113.2% from the same quarter in the previous fiscal year). Quarterly net profit was 267 million yen (up 195.0% from the same quarter of the previous fiscal year), as tax expenses decreased due to a revision in recoverable deferred tax assets.

### (2) Explanation Regarding Financial Status

#### ① State of Flux in Financial Status

Total assets at the end of the 1st quarter accounting period were 10.401 billion yen, up 39 million yen from the previous fiscal year.

Current assets were 1.784 billion yen, down 90 million yen (4.8%) from the end of the previous fiscal year. Fixed assets were 8.616 billion yen, up 129 million yen (1.5%) from the end of the previous fiscal year.

The main causes for the decrease in current assets included decreases in cash and deposits, rental accounts receivable, and accounts receivable (categorized as "Other").

The main causes for the increase in fixed assets included increases in assets lent and deferred tax assets (categorized as "Other"), despite decreases in corporate assets and intangible fixed assets.

Current liabilities were 3.215 billion yen, down 120 million yen (3.6%) from the end of the previous fiscal year. Fixed liabilities were 1.926 billion yen, down 35 million yen (1.8%) from the end of the previous fiscal year.

The main causes for the decrease in current liabilities included decreases in accounts payable (categorized as "Other") and allowances for bonuses, despite increases in unpaid corporate taxes, etc. and long-term debt to be paid within 1 year.

Main causes for the decrease in fixed liabilities included a decrease in long-term accounts payable, despite an increase in long-term borrowings.

Net assets at the end of the 1st quarter accounting term were 5.258 million yen, up 195 million yen (3.9%) from the end of the previous fiscal year. This was due to an increase in earned surplus.

### (3) Explanation Regarding Expected Results and Future Projections

There have been no revisions to the expected results that were published on May 9th, 2022.

## 2. Quarterly Financial Statements and Main Points of Note

### (1) Quarterly Balance Sheet

(Units: 1,000 yen)

	Previous FY March 31, 2022)	Current Q1 Accounting Term (June 30th, 2022)
<b>Assets</b>		
Current Assets		
Cash and Deposits	898,839	874,576
Notes Receivable	23,712	16,233
Rental Accounts Receivable	769,704	730,516
Accounts Receivable	92,018	78,317
Other	94,492	88,450
Bad Debt Allowance	△4,328	△3,980
<b>Total Current Assets</b>	<b>1,874,439</b>	<b>1,784,114</b>
Fixed Assets		
Tangible Fixed Assets		
Assets Lent		
Equipment Lent (Net)	7,306,533	7,400,150
<b>Total Assets Lent</b>	<b>7,306,533</b>	<b>7,400,150</b>
Corporate Assets		
Buildings (Net)	132,081	127,472
Land	342,324	342,324
Other (Net)	132,411	122,956
<b>Total Corporate Assets</b>	<b>606,817</b>	<b>592,753</b>
<b>Total Tangible Fixed Assets</b>	<b>7,913,351</b>	<b>7,992,904</b>
<b>Intangible Fixed Assets</b>	<b>207,272</b>	<b>194,568</b>
Investments and Other Assets		
Investment Securities	182,788	175,930
Other	190,142	259,794
Bad Debt Allowance	△6,255	△6,255
<b>Total Investments and Other Assets</b>	<b>366,675</b>	<b>429,469</b>
<b>Total Fixed Assets</b>	<b>8,487,299</b>	<b>8,616,941</b>
<b>Total Assets</b>	<b>10,361,739</b>	<b>10,401,055</b>
<b>Liabilities</b>		
Current Liabilities		
Accounts Payable	682,636	672,718
Short-Term Debt	1,030,000	1,030,000
Long-Term Debt to Be Paid Within 1 Year	868,404	885,110
Unpaid Corporate Taxes, Etc.	71,362	92,353
Reserve	39,040	16,221
Other	644,745	519,400
<b>Total Current Liabilities</b>	<b>3,336,189</b>	<b>3,215,803</b>
Fixed Liabilities		
Long-Term Debt	1,241,812	1,281,710
Reserve	16,409	17,935
Long-Term Accounts Payable	660,613	568,075
Asset Retirement Obligation	42,931	58,606
<b>Total Fixed Liabilities</b>	<b>1,961,765</b>	<b>1,926,327</b>
<b>Total Liabilities</b>	<b>5,297,955</b>	<b>5,142,131</b>

(Units: 1,000 yen)

	Previous FY March 31, 2022)	Current Q1 Accounting Term (June 30th, 2022)
Net Assets		
Shareholders' Equity		
Capital	767,955	767,955
Capital Surplus	486,455	486,455
Earned Surplus	3,771,669	3,971,491
Treasury Shares	△17,822	△17,854
Total Shareholders' Equity	5,008,256	5,208,046
Valuation or Translation Differences, Etc.		
Other Securities Valuation Differences	55,527	50,877
Total Valuation or Translation Differences, Etc.	55,527	50,877
Total Net Assets	5,063,784	5,258,924
Total Liabilities and Net Assets	10,361,739	10,401,055

## (2) Quarterly Profit and Loss Statement

1st Quarter Period to Date

(Units: 1,000 yen)

	Previous Q1 Period to Date (From April 1st, 2021 to September 30th, 2021)	Current Q1 Period to Date (From April 1st, 2022 to September 30th, 2022)
Sales	1,673,645	1,811,427
Cost of Sales	1,374,292	1,327,441
Gross Profit	299,353	483,986
Selling and General Administrative Costs	224,829	239,800
Operating Profit	74,523	244,185
Non-Operating Income		
Interest Income	0	0
Dividend Income	2,386	2,099
Loss Compensation	53,891	37,946
Waste Disposal Income	10,541	10,575
Other	389	311
Total Non-Operating Income	67,210	50,934
Non-Operating Expenses		
Interest Expense	6,404	6,579
Total Non-Operating Expenses	6,404	6,579
Ordinary Profit	135,329	288,540
Extraordinary Profit		
Gains From Sales of Fixed Assets	—	199
Total Extraordinary Profit	—	199
Extraordinary Loss		
Valuation Loss of Investment Securities	563	—
Total Extraordinary Loss	563	—
Pre-Tax Quarterly Net Profit	134,765	288,740
Corporate Tax, Resident Tax, and Business Tax	34,452	86,404
Corporate Tax, Etc. Adjustment	9,769	△64,804
Total Corporate Tax	44,221	21,600
Quarterly Net Profit	90,544	267,140

### (3) Points of Note Regarding the Quarterly Financial Statements

(Points of Note Regarding the Going Concern Assumption)

There are no corresponding items.

(Points of Note in Case of Significant Fluctuation in the Shareholders' Equity)

There are no corresponding items.

(Application of Special Accounting in the Creation of Quarterly Financial Statements)

There are no corresponding items.

(Accounting Policy Changes)

"Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021; hereinafter "Accounting Standard for Fair Value Measurement Implementation Guidance") have been applied since the start of the 1st quarter accounting period. In accordance with the transitional treatment stipulated in Article 27-2 of the Accounting Standard for Fair Value Measurement Implementation Guidance, the new accounting policy stipulated in the Accounting Standard for Fair Value Measurement Implementation Guidance will be applied in the future. This has no impact on the quarterly financial statements.

(Accounting Estimate Changes)

(Changes in Useful Life of Assets Lent)

The lent assets (wooden pallets) owned by the Company have been amortized in the past based on a useful life of 5 years. With the formulation of the medium-term management plan beginning in FY 2022, however, and with investigation of past usage performance of wooden pallets revealing that wooden pallets are usable for 6 years, the useful life has been changed to 6 years from the 1st quarter accounting period.

As a result, depreciation expenses for the 1st quarter of the current fiscal year to date decreased by 117 million yen relative to the calculation based on the previous useful life, and operating profit, ordinary profit, and pre-tax quarterly net profit all increased by the same amount.

(Restatement)

There are no corresponding items.



### 3. Other

(Noteworthy Incidents, etc. Regarding the Going Concern Assumption)

There are no corresponding items.