

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

July 29, 2022

Company name: G-7 HOLDINGS Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 7508 URL <https://www.g-7holdings.co.jp>  
 Representative: Representative Director, Chairman, President and CEO Tatsumi Kaneda  
 Inquiries: Managing Director and General Manager of Business Management Division Yasumasa Kishimoto TEL 078-797-7705  
 Scheduled date to file Quarterly Securities Report: August 5, 2022  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(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	%
Three months ended June 30, 2022	42,713	4.0	1,653	10.0	1,743	5.2	1,100	(5.6)
Three months ended June 30, 2021	41,088	2.6	1,504	(11.4)	1,656	(6.6)	1,165	(6.5)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	24.98		–	
Three months ended June 30, 2021	26.46		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	52,234	24,791	47.4
As of March 31, 2022	54,145	24,747	45.4

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2022	–	35.00	–	19.00	–
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	19.00	–	19.00	38.00

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
Full year	180,000	6.8	7,700	3.4	8,000	1.6	5,400	2.7	122.55

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2022  
 (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: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- 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 June 30, 2022	44,063,754 shares	As of March 31, 2022	44,063,754 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	424 shares	As of March 31, 2022	424 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	44,063,330 shares	Three months ended June 30, 2021	44,063,354 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	17,033	14,237
Accounts receivable - trade	3,992	3,496
Merchandise and finished goods	6,854	8,021
Other	1,627	1,497
Allowance for doubtful accounts	(10)	(8)
<b>Total current assets</b>	<b>29,498</b>	<b>27,244</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	23,207	23,405
Accumulated depreciation	(14,830)	(15,038)
Buildings and structures, net	8,376	8,367
Machinery, equipment and vehicles	2,013	1,992
Accumulated depreciation	(1,554)	(1,547)
Machinery, equipment and vehicles, net	458	445
Land	5,086	5,086
Construction in progress	143	231
Other	6,961	7,114
Accumulated depreciation	(5,289)	(5,432)
Other, net	1,672	1,681
<b>Total property, plant and equipment</b>	<b>15,737</b>	<b>15,812</b>
<b>Intangible assets</b>		
Goodwill	437	420
Other	294	284
<b>Total intangible assets</b>	<b>731</b>	<b>705</b>
<b>Investments and other assets</b>		
Investment securities	417	417
Leasehold and guarantee deposits	5,525	5,612
Deferred tax assets	2,133	2,357
Other	274	269
Allowance for doubtful accounts	(173)	(185)
<b>Total investments and other assets</b>	<b>8,177</b>	<b>8,472</b>
<b>Total non-current assets</b>	<b>24,647</b>	<b>24,989</b>
<b>Total assets</b>	<b>54,145</b>	<b>52,234</b>

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	8,479	8,055
Short-term borrowings	8,000	7,000
Income taxes payable	1,180	17
Provision for bonuses	1,081	980
Other	4,571	4,972
<b>Total current liabilities</b>	<b>23,313</b>	<b>21,025</b>
<b>Non-current liabilities</b>		
Long-term borrowings	1,300	2,300
Provision for retirement benefits for directors (and other officers)	731	78
Deferred tax liabilities for land revaluation	42	42
Asset retirement obligations	2,192	2,187
Retirement benefit liability	807	818
Other	1,010	989
<b>Total non-current liabilities</b>	<b>6,084</b>	<b>6,416</b>
<b>Total liabilities</b>	<b>29,398</b>	<b>27,442</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,785	1,785
Capital surplus	2,905	2,783
Retained earnings	20,415	20,679
Treasury shares	(0)	(0)
<b>Total shareholders' equity</b>	<b>25,106</b>	<b>25,248</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	203	208
Revaluation reserve for land	(514)	(514)
Foreign currency translation adjustment	(196)	(172)
Remeasurements of defined benefit plans	(4)	(3)
<b>Total accumulated other comprehensive income</b>	<b>(511)</b>	<b>(481)</b>
<b>Non-controlling interests</b>	<b>152</b>	<b>24</b>
<b>Total net assets</b>	<b>24,747</b>	<b>24,791</b>
<b>Total liabilities and net assets</b>	<b>54,145</b>	<b>52,234</b>

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	41,088	42,713
Cost of sales	30,971	32,331
Gross profit	10,116	10,382
Selling, general and administrative expenses	8,612	8,728
Operating profit	1,504	1,653
Non-operating income		
Interest income	0	0
Dividend income	0	0
Commission income	32	33
Sponsorship money income	50	60
Gain on sale of investment securities	79	0
Other	36	47
Total non-operating income	199	142
Non-operating expenses		
Interest expenses	7	7
Foreign exchange losses	–	6
Loss on disposal of non-current assets	22	12
Provision of allowance for doubtful accounts	–	15
Other	16	11
Total non-operating expenses	47	52
Ordinary profit	1,656	1,743
Extraordinary losses		
Impairment losses	–	26
Retirement benefits for directors (and other officers)	–	500
Total extraordinary losses	–	526
Profit before income taxes	1,656	1,217
Income taxes	485	116
Profit	1,171	1,100
Profit attributable to non-controlling interests	5	–
Profit attributable to owners of parent	1,165	1,100

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	1,171	1,100
Other comprehensive income		
Valuation difference on available-for-sale securities	(94)	5
Foreign currency translation adjustment	(11)	24
Remeasurements of defined benefit plans, net of tax	4	1
Total other comprehensive income	(101)	30
Comprehensive income	1,070	1,131
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,064	1,131
Comprehensive income attributable to non-controlling interests	5	–