

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2022 (Based on Japanese GAAP)

November 4, 2022

Company name: YAMADA Consulting Group Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 4792 URL <https://www.yamada-cg.co.jp>
 Representative: President Keisaku Masuda
 Director and General Manager of Administration Department Hideji Shuto TEL 03-6212-2500
 Scheduled date to file Quarterly Securities Report: November 11, 2022
 Scheduled date to commence dividend payments: December 6, 2022
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2022 (from April 1, 2022 to September 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	%
Six months ended September 30, 2022	6,773	15.6	754	42.7	909	70.5	623	86.1
Six months ended September 30, 2021	5,855	4.2	528	116.1	532	141.5	334	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2022	32.76		–	
Six months ended September 30, 2021	17.61		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2022	18,030	14,045	76.8
As of March 31, 2022	18,419	13,834	74.0

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	–	18.00	–	28.00	46.00
Year ending March 31, 2023	–	23.00	–	–	–
Year ending March 31, 2023 (Forecast)	–	–	–	24.00	47.00

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	16,680	13.8	2,700	7.9	2,660	3.4	1,770	3.1	93.00

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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: No
- (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: Yes
- 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 September 30, 2022	19,896,000 shares	As of March 31, 2022	19,896,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2022	861,451 shares	As of March 31, 2022	872,989 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2022	19,027,241 shares	Six months ended September 30, 2021	19,005,563 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2022	As of September 30, 2022
Assets		
Current assets		
Cash and deposits	9,864,630	7,317,144
Accounts receivable - trade	1,325,334	1,047,458
Securities	626,504	733,915
Operational investment securities	3,965,168	6,116,471
Merchandise and finished goods	99,060	312,375
Raw materials and supplies	116	–
Other	489,178	522,854
Allowance for doubtful accounts	(49,559)	(55,234)
Total current assets	16,320,434	15,994,985
Non-current assets		
Property, plant and equipment	472,275	525,276
Intangible assets		
Goodwill	399	342
Other	118,062	102,871
Total intangible assets	118,462	103,214
Investments and other assets		
Investment securities	109,517	121,707
Leasehold and guarantee deposits	610,168	603,300
Deferred tax assets	220,487	30,697
Other	568,019	651,205
Total investments and other assets	1,508,192	1,406,910
Total non-current assets	2,098,930	2,035,401
Total assets	18,419,364	18,030,387
Liabilities		
Current liabilities		
Notes and accounts payable - trade	271,670	253,566
Short-term borrowings	2,000,000	2,501,000
Income taxes payable	834,331	112,273
Provision for bonuses	133,188	136,283
Other	1,261,169	878,975
Total current liabilities	4,500,360	3,882,098
Non-current liabilities		
Deferred tax liabilities	19,777	21,109
Other	64,803	81,762
Total non-current liabilities	84,580	102,872
Total liabilities	4,584,941	3,984,970

(Thousands of yen)

	As of March 31, 2022	As of September 30, 2022
Net assets		
Shareholders' equity		
Share capital	1,599,538	1,599,538
Capital surplus	1,542,322	1,514,964
Retained earnings	10,900,246	10,991,028
Treasury shares	(510,839)	(504,117)
Total shareholders' equity	13,531,266	13,601,413
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(2,106)	(1,043)
Foreign currency translation adjustment	102,142	258,113
Total accumulated other comprehensive income	100,035	257,069
Share acquisition rights	34,447	22,893
Non-controlling interests	168,672	164,040
Total net assets	13,834,422	14,045,416
Total liabilities and net assets	18,419,364	18,030,387

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Net sales	5,855,579	6,773,759
Cost of sales	661,710	854,815
Gross profit	5,193,869	5,918,944
Selling, general and administrative expenses	4,665,459	5,164,601
Operating profit	528,410	754,342
Non-operating income		
Interest income	9,589	8,028
Foreign exchange gains	9,105	169,804
Subsidy income	2,247	–
Other	2,432	20,444
Total non-operating income	23,374	198,277
Non-operating expenses		
Interest expenses	3,328	3,410
Loss on investments in investment partnerships	2,191	5,464
Commission expenses	11,833	22,723
Other	1,451	11,784
Total non-operating expenses	18,805	43,383
Ordinary profit	532,979	909,237
Profit before income taxes	532,979	909,237
Income taxes - current	87,603	89,572
Income taxes - deferred	96,658	199,054
Total income taxes	184,262	288,626
Profit	348,717	620,610
Profit (loss) attributable to non-controlling interests	13,899	(2,816)
Profit attributable to owners of parent	334,817	623,426

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	348,717	620,610
Other comprehensive income		
Valuation difference on available-for-sale securities	(6,475)	1,108
Foreign currency translation adjustment	(6,781)	157,635
Total other comprehensive income	(13,256)	158,744
Comprehensive income	335,460	779,355
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	328,174	780,460
Comprehensive income attributable to non-controlling interests	7,286	(1,105)

Consolidated statements of cash flows

(Thousands of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Cash flows from operating activities		
Profit before income taxes	532,979	909,237
Depreciation	68,439	75,386
Amortization of goodwill	57	57
Increase (decrease) in provision for bonuses	6,630	3,094
Interest and dividend income	(9,589)	(8,028)
Interest expenses	3,328	3,410
Foreign exchange losses (gains)	(9,105)	(169,804)
Loss (gain) on investments in investment partnerships	2,191	5,464
Decrease (increase) in investment securities for sale	(1,500,035)	(2,151,302)
Decrease (increase) in trade receivables	193,868	277,875
Increase (decrease) in allowance for doubtful accounts	–	5,674
Decrease (increase) in inventories	(9,121)	(213,198)
Increase (decrease) in trade payables	(62,023)	(18,104)
Decrease (increase) in other assets	74,052	(12,727)
Increase (decrease) in other liabilities	(437,393)	(419,438)
Subtotal	(1,145,720)	(1,712,402)
Interest and dividends received	9,599	7,711
Interest paid	(3,343)	(5,113)
Income taxes paid	(281,516)	(765,925)
Net cash provided by (used in) operating activities	(1,420,981)	(2,475,730)
Cash flows from investing activities		
Purchase of property, plant and equipment	(24,879)	(115,266)
Purchase of intangible assets	(92)	(270)
Purchase of investment securities	(21,530)	(9,973)
Proceeds from the dividend of investment securities	275	83
Long-term loan advances	–	(55,027)
Payments of leasehold and guarantee deposits	(6,150)	(148)
Proceeds from refund of leasehold and guarantee deposits	1,496	2,505
Other, net	–	310
Net cash provided by (used in) investing activities	(50,880)	(177,786)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	–	501,000
Proceeds from received an investment to non-controlling shareholders	15,504	22,361
the amount of payment of the dividend to non-controlling shareholders	(22,576)	(474)
Dividends paid	(418,020)	(532,644)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	–	(59,182)
Other, net	(8,380)	(8,433)
Net cash provided by (used in) financing activities	(433,472)	(77,374)
Effect of exchange rate change on cash and cash equivalents	(7,292)	173,959
Net increase (decrease) in cash and cash equivalents	(1,912,626)	(2,556,932)
Cash and cash equivalents at beginning of period	10,195,034	9,662,826
Cash and cash equivalents at end of period	8,282,407	7,105,894