

Translation

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

November 11, 2022

Company name: KOA SHOJI HOLDINGS CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 9273 URL <https://www.koashoji-hd.com/>
 Representative: President and Representative Director Toshiyuki SHUTO
 Inquiries: Director in charge of Finance & Accounting Miyoko KOMATSU TEL 045(560)6607
 Scheduled date to file Quarterly Securities Report: November 14, 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 September 30, 2022 (from July 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	%
Three months ended September 30, 2022	5,358	10.6	1,015	16.6	979	11.8	605	(0.0)
Three months ended September 30, 2021	4,845	18.9	870	27.0	875	25.6	605	18.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended September 30, 2022	15.29		–	
Three months ended September 30, 2021	15.29		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2022	26,250	18,834	71.8
As of June 30, 2022	26,249	18,665	71.1

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended June 30, 2022	–	0.00	–	11.00	11.00
Year ending June 30, 2023	–	–	–	–	–
Year ending June 30, 2023 (Forecast)	–	0.00	–	11.00	11.00

3. Forecast of consolidated financial results for the year ending June 30, 2023 (from July 1, 2022 to June 30, 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	22,200	9.1	3,950	3.7	3,950	5.2	2,450	3.8	61.84

4. Notes

- (1) Changes in significant subsidiaries during the three 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	39,619,980 shares	As of June 30, 2022	39,619,980 shares
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Number of treasury shares at the end of the period

As of September 30, 2022	1,356 shares	As of June 30, 2022	1,356 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended September 30, 2022	39,618,624 shares	Three months ended September 30, 2021	39,618,668 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of June 30, 2022	As of September 30, 2022
Assets		
Current assets		
Cash and deposits	9,123,370	8,599,899
Notes and accounts receivable - trade	3,662,466	3,984,030
Electronically recorded monetary claims - operating	4,169,136	4,135,337
Merchandise and finished goods	1,505,144	1,802,570
Work in process	400,428	433,198
Raw materials and supplies	384,702	484,288
Other	160,572	123,079
Total current assets	19,405,821	19,562,405
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,853,376	4,873,971
Accumulated depreciation	(2,144,793)	(2,193,512)
Buildings and structures, net	2,708,583	2,680,458
Machinery, equipment and vehicles	3,714,364	3,715,511
Accumulated depreciation	(1,910,485)	(2,006,000)
Machinery, equipment and vehicles, net	1,803,878	1,709,510
Tools, furniture and fixtures	1,252,664	1,259,082
Accumulated depreciation	(1,032,481)	(1,042,939)
Tools, furniture and fixtures, net	220,182	216,143
Land	1,761,774	1,761,774
Construction in progress	48,723	39,232
Total property, plant and equipment	6,543,142	6,407,118
Intangible assets		
Other	52,740	48,492
Total intangible assets	52,740	48,492
Investments and other assets		
Investment securities	63,731	65,508
Deferred tax assets	138,633	115,127
Retirement benefit asset	34,262	34,350
Other	11,602	17,191
Total investments and other assets	248,229	232,176
Total non-current assets	6,844,113	6,687,787
Total assets	26,249,934	26,250,193

(Thousands of yen)

	As of June 30, 2022	As of September 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,464,164	1,893,825
Electronically recorded obligations - operating	658,864	628,572
Short-term borrowings	850,000	850,000
Current portion of long-term borrowings	349,904	349,904
Income taxes payable	809,405	360,376
Provision for bonuses	48,224	113,894
Other	757,440	651,602
Total current liabilities	4,938,004	4,848,175
Non-current liabilities		
Long-term borrowings	2,291,192	2,219,192
Deferred tax liabilities	6,311	2,865
Provision for retirement benefits for directors (and other officers)	124,588	127,400
Retirement benefit liability	120,339	120,763
Other	103,666	96,913
Total non-current liabilities	2,646,098	2,567,134
Total liabilities	7,584,102	7,415,309
Net assets		
Shareholders' equity		
Share capital	522,277	522,277
Capital surplus	205,828	205,828
Retained earnings	17,920,673	18,090,769
Treasury shares	(407)	(407)
Total shareholders' equity	18,648,371	18,818,467
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	15,990	16,250
Deferred gains or losses on hedges	1,469	165
Total accumulated other comprehensive income	17,460	16,416
Total net assets	18,665,832	18,834,883
Total liabilities and net assets	26,249,934	26,250,193

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended September 30, 2021	Three months ended September 30, 2022
Net sales	4,845,773	5,358,608
Cost of sales	3,478,852	3,837,240
Gross profit	1,366,921	1,521,367
Selling, general and administrative expenses	496,386	506,256
Operating profit	870,534	1,015,111
Non-operating income		
Interest and dividend income	1,391	859
Foreign exchange gains	18,867	–
Commission income	3,147	3,088
Subsidy income	2,259	–
Compensation income	226	4,922
Other	219	879
Total non-operating income	26,112	9,749
Non-operating expenses		
Interest expenses	4,483	2,036
Foreign exchange losses	–	42,725
Settlement payments	16,000	–
Other	201	784
Total non-operating expenses	20,684	45,545
Ordinary profit	875,963	979,315
Profit before income taxes	875,963	979,315
Income taxes - current	267,060	352,795
Income taxes - deferred	2,988	20,619
Total income taxes	270,049	373,415
Profit	605,913	605,900
Profit attributable to owners of parent	605,913	605,900

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended September 30, 2021	Three months ended September 30, 2022
Profit	605,913	605,900
Other comprehensive income		
Valuation difference on available-for-sale securities	2,757	260
Deferred gains or losses on hedges	13,897	(1,304)
Total other comprehensive income	16,655	(1,044)
Comprehensive income	622,569	604,856
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	622,569	604,856