

Summary of Financial Report for the 3rd Quarter of FY2022 (Non-Consolidated)

January 27, 2023

Listed Company Name: Japan Tissue Engineering Co., Ltd. Listed Securities Exchange: Tokyo Growth
 Stock Code: 7774 URL <https://www.jpte.co.jp>
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(Rounding down to the nearest million yen)

1. Results for the 3rd Quarter of FY2022 (April 1, 2022 to December 31, 2022)

(1) Business Results (% indicate increase / decrease on previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
3 rd quarter of FY2022	1,443	-9.5	-624	—	-622	—	-625	—
3 rd quarter of FY2021	1,595	15.3	-339	—	-337	—	-340	—

	Net income per share	Net income per share, diluted
	yen	yen
3 rd quarter of FY2022	-15.41	—
3 rd quarter of FY2021	-8.39	—

(2) Financial Condition

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
3 rd quarter of FY2022	6,917	6,040	87.3
FY2021	7,598	6,666	87.7

Note: Shareholders' equity 3rd quarter of FY2022: 6,040 million yen FY2021: 6,666 million yen

2. Cash Dividends

	Dividends per share				
	Q1 end	Q2 end	Q3 end	Term end	Annual
	yen	yen	yen	yen	yen
FY2022	—	0.00	—	0.00	0.00
FY2021	—	0.00	—	—	—
FY2022 (Forecast)	—	—	—	0.00	0.00

Note: Revisions to cash dividends this quarter No

3. Forecast for FY2022 (April 1, 2022 to March 31, 2023)

(% indicate increase/decrease on previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
FY2022	1,971	-6.3	-787	—	-785	—	-789	—	-19.43

Note: Revisions to forecast this quarter Yes

***Disclaimer regarding appropriate use of forecasts and related points of note**

The above-mentioned forecasts are based on the information available on the date of release of these materials and on various assumptions made on the date of release of these materials including uncertain factors and may affect future earnings. Actual operating results may differ significantly from those forecasts as a consequence of various factors.

Japan Tissue Engineering Co., Ltd.
Non-consolidated Financial Statements for 3rd Quarter of FY2022
(April 1, 2022 – December 31, 2022)

(1) Non-consolidated Balance Sheets

(Thousands of yen)

	FY2021 As of March 31, 2022	FY2022 3Q As of December 31, 2022
Assets		
Current assets		
Cash and deposits	4,933,319	4,375,635
Notes and accounts receivable - trade	496,493	421,944
Work in process	28,837	43,932
Raw materials and supplies	158,448	225,386
Other	328,837	255,815
Total current assets	5,945,936	5,322,714
Non-current assets		
Property, plant and equipment		
Buildings, net	813,664	764,158
Land	582,770	582,770
Other, net	217,320	200,068
Total property, plant and equipment	1,613,755	1,546,997
Intangible assets	36,267	35,514
Investments and other assets	2,195	12,342
Total non-current assets	1,652,219	1,594,853
Total assets	7,598,156	6,917,567
Liabilities		
Current liabilities		
Notes and accounts payable - trade	117,092	177,903
Income taxes payable	26,001	10,926
Provision for bonuses	126,668	63,146
Provision for bonuses for directors (and other officers)	3,643	2,456
Other	623,225	587,392
Total current liabilities	896,630	841,825
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	34,900	34,900
Other	133	-
Total non-current liabilities	35,033	34,900
Total liabilities	931,664	876,725
Net assets		
Shareholders' equity		
Share capital	4,958,763	4,958,763
Capital surplus	2,788,763	2,788,763
Retained earnings	-1,080,727	-1,706,377
Treasury shares	-307	-307
Total shareholders' equity	6,666,491	6,040,841
Total net assets	6,666,491	6,040,841
Total liabilities and net assets	7,598,156	6,917,567

(2) Non-consolidated Statements of Income

(Thousands of yen)

	FY2021 Q3	FY2022 Q3
	April 1 – December 31, 2021	April 1 – December 31, 2022
Net sales	1,595,502	1,443,615
Cost of sales	610,525	648,410
Gross profit	984,977	795,205
Selling, general and administrative expenses	1,324,622	1,419,665
Operating loss	-339,645	-624,460
Non-operating income		
Interest and dividend income	1,810	863
Income from employee	706	715
Other	981	1,282
Total non-operating income	3,498	2,862
Non-operating expenses		
Foreign exchange losses	15	1,199
Loss on retirement of non-current assets	1,391	0
Total non-operating expenses	1,406	1,199
Ordinary loss	-337,552	-622,797
Loss before income taxes	-337,552	-622,797
Income taxes - current	3,048	2,851
Total income taxes	3,048	2,851
Loss	-340,601	-625,649