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Consolidated Financial Results for the Nine Months Ended December 31, 2022 [Japanese GAAP]

January 30, 2023

Company name: eGuarantee, Inc.
Stock exchange listing: Tokyo
Code number: 8771
URL: <https://www.eguarantee.co.jp/>
Representative: Masanori Eto
Contact: Nozomu Murai
Phone: 03-6327-3609

President and Chief Executive Officer
Director, General Manager of Corporate Administration Dept.

Scheduled date of filing quarterly securities report: February 13, 2023
Scheduled date of commencing dividend payments: -
Availability of supplementary briefing material on quarterly financial results: No
Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2022 (April 01, 2022 to December 31, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2022	6,298	7.4	3,172	12.5	3,235	15.1	2,211	20.2
December 31, 2021	5,864	10.7	2,819	23.2	2,811	22.2	1,840	23.1

(Note) Comprehensive income: Nine months ended December 31, 2022: ¥ 2,333 million [18.0%]
Nine months ended December 31, 2021: ¥ 1,977 million [27.8%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2022	46.89	45.53
December 31, 2021	39.61	38.35

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2022	26,416	21,295	74.0	413.84
March 31, 2022	25,256	19,716	71.9	387.62

(Reference) Equity: As of December 31, 2022: ¥ 19,558 million
As of March 31, 2022: ¥ 18,157 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	-	0.00	-	26.00	26.00
Fiscal year ending March 31, 2023	-	0.00	-		
Fiscal year ending March 31, 2023 (Forecast)				30.00	30.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 3rd quarter dividend for the fiscal year ending March 31, 2023 :

Commemorative dividend	4.00 yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	8,800	11.5	4,150	11.2	4,200	11.7	2,750	11.6	58.70

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

December 31, 2022: 47,261,800 shares

March 31, 2022: 46,845,400 shares

2) Total number of treasury shares at the end of the period:

December 31, 2022: 1,534 shares

March 31, 2022: 1,434 shares

3) Average number of shares during the period:

Nine months ended December 31, 2022: 47,160,214 shares

Nine months ended December 31, 2021: 46,462,899 shares

(5) Guarantee liabilities for guarantee services against sales credit

Guarantee liabilities for guarantee services against sales credit 644.4billion yen

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2022	As of December 31,2022
Assets		
Current assets		
Cash and deposits	17,295,011	16,688,700
Accounts receivable - trade	75,267	89,869
Securities	1,200,000	-
Prepaid expenses	974,048	1,367,358
Accounts receivable - other	31,680	83,443
Other	119,548	170,210
Total current assets	19,695,557	18,399,581
Non-current assets		
Property, plant and equipment	1,381,386	1,770,245
Intangible assets	125,027	155,544
Investments and other assets		
Investment securities	3,426,737	5,412,392
Deferred tax assets	257,533	257,533
Other	369,831	420,858
Total investments and other assets	4,054,102	6,090,783
Total non-current assets	5,560,516	8,016,573
Total assets	25,256,073	26,416,155
Liabilities		
Current liabilities		
Accounts payable - trade	11,253	18,042
Income taxes payable	699,475	369,791
Advances received	3,877,049	3,810,918
Provision for settlement	433,856	438,898
Provision for bonuses	200,000	108,399
Deposits received	32,587	59,227
Other	169,610	200,277
Total current liabilities	5,423,832	5,005,554
Non-current liabilities		
Long-term accounts payable - other	115,282	115,282
Total non-current liabilities	115,282	115,282
Total liabilities	5,539,115	5,120,837
Net assets		
Shareholders' equity		
Share capital	3,509,710	3,713,164
Capital surplus	2,919,710	3,123,164
Retained earnings	11,729,322	12,722,770
Treasury shares	(877)	(877)
Total shareholders' equity	18,157,864	19,558,220
Share acquisition rights	155,261	152,737
Non-controlling interests	1,403,831	1,584,360
Total net assets	19,716,958	21,295,318
Total liabilities and net assets	25,256,073	26,416,155

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the nine months)

(Thousand yen)

	For the nine months ended December 31,2021	For the nine months ended December 31,2022
Net sales	5,864,137	6,298,706
Cost of sales	1,272,188	1,234,690
Gross profit	4,591,948	5,064,015
Selling, general and administrative expenses	1,772,838	1,891,705
Operating profit	2,819,110	3,172,309
Non-operating income		
Interest income	9,460	17,472
Share of profit of entities accounted for using equity method	-	43,569
Other	1,314	1,967
Total non-operating income	10,774	63,009
Non-operating expenses		
Share of loss of entities accounted for using equity method	18,020	-
Miscellaneous losses	31	250
Total non-operating expenses	18,051	250
Ordinary profit	2,811,833	3,235,068
Extraordinary income		
Gain on sale of investment securities	-	26,012
Total extraordinary income	-	26,012
Extraordinary losses		
Loss on retirement of non-current assets	385	10,626
Total extraordinary losses	385	10,626
Profit before income taxes	2,811,447	3,250,454
Income taxes	833,964	916,460
Profit	1,977,482	2,333,994
Profit attributable to non-controlling interests	137,231	122,603
Profit attributable to owners of parent	1,840,251	2,211,390

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Thousand yen)

	For the nine months ended December 31,2021	For the nine months ended December 31,2022
Profit	1,977,482	2,333,994
Comprehensive income	1,977,482	2,333,994
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,840,251	2,211,390
Comprehensive income attributable to non-controlling interests	137,231	122,603