

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Based on Japanese GAAP)

January 31, 2023

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: February 7, 2023  
 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 nine months ended December 31, 2022 (from April 1, 2022 to December 31, 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	%
Nine months ended December 31, 2022	133,759	4.9	5,705	(7.8)	5,958	(8.6)	3,871	(17.5)
Nine months ended December 31, 2021	127,545	3.0	6,190	3.7	6,519	5.1	4,695	8.6

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	87.87		–	
Nine months ended December 31, 2021	106.57		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	55,311	26,699	48.3
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	–	19.00	–		
Year ending March 31, 2023 (Forecast)				19.00	–

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 nine months ended December 31, 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 December 31, 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 December 31, 2022	446 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)

Nine months ended December 31, 2022	44,063,322 shares	Nine months ended December 31, 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 December 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	17,033	13,970
Accounts receivable - trade	3,992	5,499
Merchandise and finished goods	6,854	9,069
Other	1,627	1,498
Allowance for doubtful accounts	(10)	(8)
Total current assets	29,498	30,030
Non-current assets		
Property, plant and equipment		
Buildings and structures	23,207	23,997
Accumulated depreciation	(14,830)	(15,396)
Buildings and structures, net	8,376	8,600
Machinery, equipment and vehicles	2,013	2,006
Accumulated depreciation	(1,554)	(1,562)
Machinery, equipment and vehicles, net	458	444
Land	5,086	5,166
Construction in progress	143	16
Other	6,961	7,363
Accumulated depreciation	(5,289)	(5,675)
Other, net	1,672	1,688
Total property, plant and equipment	15,737	15,916
Intangible assets		
Goodwill	437	403
Other	294	284
Total intangible assets	731	687
Investments and other assets		
Investment securities	417	395
Leasehold and guarantee deposits	5,525	5,837
Deferred tax assets	2,133	2,359
Other	274	265
Allowance for doubtful accounts	(173)	(181)
Total investments and other assets	8,177	8,676
Total non-current assets	24,647	25,281
Total assets	54,145	55,311

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	8,479	10,053
Short-term borrowings	8,000	7,000
Income taxes payable	1,180	241
Provision for bonuses	1,081	360
Other	4,571	4,504
Total current liabilities	23,313	22,159
Non-current liabilities		
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	2,230
Retirement benefit liability	807	842
Other	1,010	958
Total non-current liabilities	6,084	6,452
<b>Total liabilities</b>	<b>29,398</b>	<b>28,611</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,785	1,785
Capital surplus	2,905	2,783
Retained earnings	20,415	22,614
Treasury shares	(0)	(0)
Total shareholders' equity	25,106	27,183
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	203	200
Revaluation reserve for land	(514)	(514)
Foreign currency translation adjustment	(196)	(168)
Remeasurements of defined benefit plans	(4)	(1)
Total accumulated other comprehensive income	(511)	(483)
Non-controlling interests	152	–
<b>Total net assets</b>	<b>24,747</b>	<b>26,699</b>
<b>Total liabilities and net assets</b>	<b>54,145</b>	<b>55,311</b>

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

### Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	127,545	133,759
Cost of sales	95,625	101,075
Gross profit	31,919	32,684
Selling, general and administrative expenses	25,729	26,978
Operating profit	6,190	5,705
Non-operating income		
Interest income	1	1
Dividend income	2	3
Commission income	112	120
Gain on sale of investment securities	79	0
Sponsorship money income	118	181
Other	197	80
Total non-operating income	512	386
Non-operating expenses		
Interest expenses	23	21
Foreign exchange losses	–	15
Provision of allowance for doubtful accounts	4	15
Loss on disposal of non-current assets	95	67
Other	60	13
Total non-operating expenses	183	133
Ordinary profit	6,519	5,958
Extraordinary losses		
Impairment losses	16	131
Loss on valuation of investment securities	11	–
Retirement benefits for directors (and other officers)	–	500
Loss on valuation of shares of subsidiaries and associates	6	–
Total extraordinary losses	33	631
Profit before income taxes	6,485	5,327
Income taxes	1,801	1,455
Profit	4,684	3,871
Loss attributable to non-controlling interests	(11)	–
Profit attributable to owners of parent	4,695	3,871

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

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	4,684	3,871
Other comprehensive income		
Valuation difference on available-for-sale securities	(80)	(2)
Foreign currency translation adjustment	(19)	27
Remeasurements of defined benefit plans, net of tax	14	3
Total other comprehensive income	(85)	28
Comprehensive income	4,598	3,899
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,610	3,899
Comprehensive income attributable to non-controlling interests	(11)	–