

Translation

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

February 14, 2023

Company name: SAN-AI OBBLI CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 8097 URL <https://www.san-ai-obbli.com/>  
 Representative: Representative Director, President Yukio Tsukahara  
 General Manager, General Accounting  
 Inquiries: Department Eiichi Nonaka TEL 03-6880-3100  
 Scheduled date to file Quarterly Securities Report: February 14, 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	478,279	11.7	10,090	23.7	10,804	19.9	7,416	36.4
Nine months ended December 31, 2021	428,310	28.3	8,154	29.2	9,010	23.4	5,438	7.8

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	108.49		–	
Nine months ended December 31, 2021	78.93		–	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	214,031	115,344	51.3
As of March 31, 2022	197,887	112,358	54.2

### 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	–	14.00	–	26.00	40.00
Year ending March 31, 2023	–	19.00	–		
Year ending March 31, 2023 (Forecast)				27.00	46.00

### 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	635,000	6.1	14,000	16.0	14,500	10.5	10,000	20.4	146.28

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: 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: 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	71,000,000 shares	As of March 31, 2022	71,000,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2022	3,803,153 shares	As of March 31, 2022	2,266,623 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	68,362,374 shares	Nine months ended December 31, 2021	68,902,480 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	38,267	51,285
Notes and accounts receivable - trade, and contract assets	45,801	48,414
Securities	100	–
Merchandise and finished goods	7,387	7,929
Work in process	55	108
Raw materials and supplies	176	146
Other	2,366	2,088
Allowance for doubtful accounts	(477)	(484)
Total current assets	93,677	109,488
Non-current assets		
Property, plant and equipment		
Buildings and structures	69,654	70,190
Accumulated depreciation	(48,314)	(49,855)
Buildings and structures, net	21,340	20,335
Machinery, equipment and vehicles	34,164	34,782
Accumulated depreciation	(27,010)	(27,943)
Machinery, equipment and vehicles, net	7,153	6,839
Land	18,870	18,818
Other	9,037	10,460
Accumulated depreciation	(4,650)	(5,089)
Other, net	4,386	5,371
Total property, plant and equipment	51,751	51,364
Intangible assets		
Goodwill	1,374	1,799
Customer-related assets	1,182	1,115
Other	2,317	3,070
Total intangible assets	4,874	5,985
Investments and other assets		
Investment securities	17,167	16,818
Retirement benefit asset	3,930	3,856
Guarantee deposits	25,278	25,490
Other	1,303	1,123
Allowance for doubtful accounts	(95)	(95)
Total investments and other assets	47,584	47,192
Total non-current assets	104,210	104,543
Total assets	197,887	214,031

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	47,615	59,441
Short-term borrowings	300	300
Current portion of long-term borrowings	827	2,391
Income taxes payable	2,500	1,316
Provision for bonuses	1,701	897
Provision for bonuses for directors (and other officers)	76	62
Provision for warranties for completed construction	0	0
Other	13,040	16,778
<b>Total current liabilities</b>	<b>66,062</b>	<b>81,188</b>
<b>Non-current liabilities</b>		
Long-term borrowings	4,462	2,225
Provision for retirement benefits for directors (and other officers)	178	200
Provision for special repairs	196	219
Retirement benefit liability	211	116
Asset retirement obligations	606	608
Other	13,812	14,127
<b>Total non-current liabilities</b>	<b>19,467</b>	<b>17,498</b>
<b>Total liabilities</b>	<b>85,529</b>	<b>98,686</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	10,127	10,127
Capital surplus	4,339	4,336
Retained earnings	91,563	95,897
Treasury shares	(2,651)	(4,505)
<b>Total shareholders' equity</b>	<b>103,378</b>	<b>105,855</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	3,853	4,154
Revaluation reserve for land	(376)	(381)
Remeasurements of defined benefit plans	318	264
<b>Total accumulated other comprehensive income</b>	<b>3,795</b>	<b>4,037</b>
<b>Non-controlling interests</b>	<b>5,184</b>	<b>5,451</b>
<b>Total net assets</b>	<b>112,358</b>	<b>115,344</b>
<b>Total liabilities and net assets</b>	<b>197,887</b>	<b>214,031</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		
Net sales of goods	425,776	475,911
Net sales of completed construction contracts	2,534	2,368
Total net sales	428,310	478,279
Cost of sales		
Cost of goods sold	387,994	434,038
Cost of sales of completed construction contracts	2,251	2,047
Total cost of sales	390,245	436,085
Gross profit	38,065	42,194
Selling, general and administrative expenses	29,910	32,103
Operating profit	8,154	10,090
Non-operating income		
Interest income	188	199
Dividend income	392	409
Light oil delivery tax grant	129	133
Reversal of allowance for doubtful accounts	3	–
Other	382	234
Total non-operating income	1,096	977
Non-operating expenses		
Interest expenses	195	197
Other	45	65
Total non-operating expenses	240	263
Ordinary profit	9,010	10,804
Extraordinary income		
Gain on sale of non-current assets	19	106
Gain on sale of investment securities	21	535
Total extraordinary income	40	642
Extraordinary losses		
Loss on sale and retirement of non-current assets	169	46
Loss on sale of investment securities	–	4
Impairment losses	1	0
Loss on valuation of investment securities	12	–
Loss on sale of shares of subsidiaries and associates	10	–
Total extraordinary losses	194	52
Profit before income taxes	8,857	11,394
Income taxes - current	2,575	3,156
Income taxes - deferred	413	361
Total income taxes	2,989	3,518
Profit	5,868	7,876
Profit attributable to non-controlling interests	429	460
Profit attributable to owners of parent	5,438	7,416

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

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	5,868	7,876
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,059)	320
Remeasurements of defined benefit plans, net of tax	(102)	(53)
Total other comprehensive income	(1,161)	266
Comprehensive income	4,706	8,143
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,251	7,663
Comprehensive income attributable to non-controlling interests	455	479