

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended March 31, 2023 (Based on Japanese GAAP)

May 8, 2023

Company name: CHARM CARE CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 6062 URL <https://www.charmcc.jp/>
 Representative: Chairman and President Takahiko Shimomura
 Inquiries: Director Managing Executive Officer Yukihiro Satomi TEL 06-6445-3389
 Scheduled date to file Quarterly Securities Report: May 8, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 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 March 31, 2023 (from July 1, 2022 to March 31, 2023)

(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 March 31, 2023	22,486	4.1	1,368	(24.7)	1,776	(9.2)	1,139	(50.3)
Nine months ended March 31, 2022	21,608	–	1,816	–	1,955	–	2,295	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended March 31, 2023	34.93		34.87	
Nine months ended March 31, 2022	70.38		70.25	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2023	40,791	13,065	31.9
As of June 30, 2022	37,355	12,458	33.2

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	–	17.00	17.00
Year ending June 30, 2023	–	0.00	–		
Year ending June 30, 2023 (Forecast)				22.00	22.00

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	40,460	39.2	4,330	87.5	4,380	74.7	3,760	27.4	115.29

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended March 31, 2023
 (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 March 31, 2023	32,712,000 shares	As of June 30, 2022	32,712,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	82,628 shares	As of June 30, 2022	95,328 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended March 31, 2023	32,625,108 shares	Nine months ended March 31, 2022	32,613,111 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of June 30, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	6,941	1,845
Accounts receivable - trade	2,596	2,730
Real estate for sale	580	2,846
Real estate for development	1,897	6,003
Money held in trust	4,443	4,628
Other	619	1,189
Allowance for doubtful accounts	(3)	(1)
Total current assets	17,075	19,242
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,585	7,297
Land	1,822	2,042
Leased assets, net	206	222
Construction in progress	254	775
Other, net	559	775
Total property, plant and equipment	10,427	11,112
Intangible assets		
Goodwill	3,017	2,856
Other	66	79
Total intangible assets	3,083	2,936
Investments and other assets		
Investment securities	300	610
Guarantee deposits	4,770	5,111
Deferred tax assets	1,120	1,116
Other	577	661
Total investments and other assets	6,768	7,499
Total non-current assets	20,279	21,548
Total assets	37,355	40,791

(Millions of yen)

	As of June 30, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	264	296
Short-term borrowings	2,140	6,475
Current portion of long-term borrowings	1,177	1,036
Lease liabilities	89	90
Income taxes payable	1,510	12
Accounts payable - other	1,642	1,697
Contract liabilities	8,870	9,255
Provision for bonuses	124	465
Other	457	272
Total current liabilities	16,277	19,601
Non-current liabilities		
Long-term borrowings	7,336	6,725
Lease liabilities	136	153
Retirement benefit liability	585	675
Asset retirement obligations	224	227
Deferred tax liabilities	133	131
Other	202	210
Total non-current liabilities	8,619	8,124
Total liabilities	24,896	27,725
Net assets		
Shareholders' equity		
Share capital	2,759	2,759
Capital surplus	2,755	2,758
Retained earnings	6,994	7,579
Treasury shares	(76)	(66)
Total shareholders' equity	12,432	13,031
Accumulated other comprehensive income		
Deferred gains or losses on hedges	(4)	(3)
Remeasurements of defined benefit plans	(19)	(12)
Total accumulated other comprehensive income	(23)	(15)
Share acquisition rights	50	50
Total net assets	12,458	13,065
Total liabilities and net assets	37,355	40,791

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended March 31, 2022	Nine months ended March 31, 2023
Net sales	21,608	22,486
Cost of sales	18,067	19,087
Gross profit	3,541	3,399
Selling, general and administrative expenses	1,724	2,030
Operating profit	1,816	1,368
Non-operating income		
Interest income	3	3
Subsidy income	168	415
Other	23	35
Total non-operating income	195	454
Non-operating expenses		
Interest expenses	53	41
Other	3	5
Total non-operating expenses	57	47
Ordinary profit	1,955	1,776
Extraordinary income		
Gain on sale of non-current assets	1,593	–
Subsidy income	86	30
Total extraordinary income	1,679	30
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	84	29
Other	5	–
Total extraordinary losses	90	29
Profit before income taxes	3,545	1,777
Income taxes	1,250	637
Profit	2,295	1,139
Profit attributable to owners of parent	2,295	1,139

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended March 31, 2022	Nine months ended March 31, 2023
Profit	2,295	1,139
Other comprehensive income		
Deferred gains or losses on hedges	4	1
Remeasurements of defined benefit plans, net of tax	8	6
Total other comprehensive income	12	8
Comprehensive income	2,308	1,147
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,308	1,147