

**Consolidated Financial Statements for  
the Fiscal Year Ended March 31, 2023  
[Japanese GAAP]**



May 10, 2023

Company name: **SODA NIKKA CO., LTD.**

Stock exchange listing: Tokyo Stock Exchange

Code number: 8158

URL: <https://www.sodanikka.co.jp/>

Representative: Ryuji Mezaki, President and Chief Executive Officer

Contact: Osamu Iwabuchi, Executive Officer and Finance and Accounting Division Director

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Scheduled date of annual general meeting of shareholders: June 22, 2023

Scheduled date of commencing dividend payments: June 23, 2023

Scheduled date of filing securities report: June 23, 2023

Preparation of supplementary explanatory materials: No

Financial results briefing: Yes (for institutional investors)

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

**1. Consolidated Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 – March 31, 2023)**

(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	%
Fiscal year ended								
March 31, 2023	62,744	13.0	1,741	39.0	2,131	37.3	1,506	10.2
March 31, 2022	55,508	–	1,252	60.4	1,553	44.8	1,367	70.8

(Note) Comprehensive income: Year ended March 31, 2023: ¥1,686 million [50.1%]

Year ended March 31, 2022: ¥1,124 million [(61.8)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2023	66.35	–	5.8	3.3	2.8
March 31, 2022	58.84	–	5.3	2.5	2.3

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2023	69,292	26,437	38.2	1,151.52
As of March 31, 2022	60,854	25,229	41.5	1,112.99

(Reference) Equity: As of March 31, 2023: ¥26,437 million

As of March 31, 2022: ¥25,229 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2023	215	(669)	1,342	8,267
March 31, 2022	452	594	(4,424)	7,352

## 2. Cash Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2022	–	8.00	–	16.00	24.00	552	40.8	2.2
March 31, 2023	–	13.00	–	27.00	40.00	914	60.3	3.5
Fiscal year ending March 31, 2024 (Forecast)	–	14.00	–	14.00	28.00		40.2	

(Note) Breakdown of year-end dividends for the fiscal year ended March 31, 2023:

Commemorative dividend: ¥26.00 Special dividend: ¥14.00

## 3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2024 (April 1, 2023 - March 31, 2024)

Preface to forecast of consolidated results:

(% 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
Second quarter (cumulative)	32,500	8.2	890	6.8	1,100	0.7	800	0.4	34.85
Full year	65,300	4.1	1,850	6.2	2,180	2.3	1,600	6.2	69.69

**\* Notes:**

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: None
  - 2) Changes in accounting policies other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Retrospective restatement: None
- (3) Total number of outstanding shares (common shares)
- 1) Total number of outstanding shares at the end of the period (including treasury shares):
    - March 31, 2023: 22,968,000 shares
    - March 31, 2022: 23,968,000 shares
  - 2) Total number of treasury shares at the end of the period:
    - March 31, 2023: 9,556 shares
    - March 31, 2022: 1,299,663 shares
  - 3) Average number of shares during the period:
    - Year ended March 31, 2023: 22,712,512 shares
    - Year ended March 31, 2022: 23,238,564 shares

**(Reference) Summary of Non-consolidated Results**

**1. Non-consolidated Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 - March 31, 2023)**

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2023	56,564	13.7	1,594	31.6	1,938	29.3	1,353	12.0
March 31, 2022	49,752	—	1,211	55.8	1,499	41.5	1,207	49.2

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended		
March 31, 2023	59.58	—
March 31, 2022	51.98	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2023	67,163	25,802	38.4	1,123.89
As of March 31, 2022	58,800	24,831	42.2	1,095.43

(Reference) Equity: As of March 31, 2023: ¥25,802 million

As of March 31, 2022: ¥24,831 million

\* These financial results are outside the scope of audit by certified public accountants or audit corporations.

\* Explanation of the proper use of performance forecast and other notes

The above forecasts are estimated based on the information currently available, and actual results may differ from these forecasts due to a wide range of factors. For assumptions that form the basis of the performance forecast and cautionary notes, etc. on the use of performance forecast, please see “Overview of Operating Results, etc.; (4) Future Outlook” on page 5 of this Consolidated Financial Statements (attached materials, Japanese only).

3. Consolidated Financial Statements and Primary Notes  
(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	7,482	8,405
Notes and accounts receivable – trade, and contract assets	35,903	41,996
Merchandise and finished goods	1,266	1,512
Other	674	774
Allowance for doubtful accounts	(112)	(114)
Total current assets	45,213	52,573
Non-current assets		
Property, plant and equipment		
Buildings and structures	2,596	3,145
Accumulated depreciation	(2,125)	(2,127)
Buildings and structures, net	470	1,018
Vehicles	70	79
Accumulated depreciation	(49)	(60)
Vehicles, net	20	19
Land	1,360	1,702
Other	1,317	1,498
Accumulated depreciation	(977)	(1,003)
Other, net	340	495
Total property, plant and equipment	2,191	3,235
Intangible assets	210	123
Investments and other assets		
Investment securities	12,471	12,604
Distressed receivables	12	5
Other	769	756
Allowance for doubtful accounts	(14)	(6)
Total investments and other assets	13,239	13,360
Total non-current assets	15,641	16,719
Total assets	60,854	69,292

(Million yen)

	As of March 31, 2022	As of March 31, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	27,627	32,085
Short-term borrowings	2,766	4,757
Income taxes payable	314	519
Contract liabilities	231	166
Provision for bonuses	314	358
Provision for bonuses for directors (and other officers)	24	27
Other	598	1,047
Total current liabilities	31,877	38,961
Non-current liabilities		
Deferred tax liabilities	1,653	1,683
Deferred tax liabilities for land revaluation	187	186
Retirement benefit liability	1,234	1,192
Long-term guarantee deposits	467	670
Other	204	161
Total non-current liabilities	3,747	3,893
Total liabilities	35,625	42,855
<b>Net assets</b>		
Shareholders' equity		
Share capital	3,762	3,762
Capital surplus	3,116	3,116
Retained earnings	13,892	13,999
Treasury shares	(930)	(6)
Total shareholders' equity	19,841	20,871
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,174	5,279
Deferred gains or losses on hedges	3	(3)
Revaluation reserve for land	198	196
Foreign currency translation adjustment	69	96
Remeasurements of defined benefit plans	(57)	(2)
Total accumulated other comprehensive income	5,388	5,566
Total net assets	25,229	26,437
Total liabilities and net assets	60,854	69,292

(2) Consolidated Statements of Income and Comprehensive Income  
Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Net sales	55,508	62,744
Cost of sales	48,184	54,422
Gross profit	7,324	8,322
Selling, general and administrative expenses		
Freight and incidental costs	1,308	1,294
Provision of allowance for doubtful accounts	6	9
Salaries and allowances	2,167	2,421
Provision for bonuses	314	344
Provision for bonuses for directors (and other officers)	24	27
Retirement benefit expenses	117	145
Rent expenses	463	464
Other	1,670	1,873
Total selling, general and administrative expenses	6,071	6,581
Operating profit	1,252	1,741
Non-operating income		
Interest income	2	2
Dividend income	338	389
Other	97	45
Total non-operating income	438	436
Non-operating expenses		
Interest expenses	26	24
Commission for syndicated loans	90	11
Other	21	10
Total non-operating expenses	138	46
Ordinary profit	1,553	2,131
Extraordinary income		
Gain on sale of non-current assets	–	19
Gain on sale of investment securities	321	193
Gain on bargain purchase	90	–
Compensation for forced relocation	–	30
Total extraordinary income	411	242
Extraordinary losses		
Loss on sale of investment securities	13	–
Loss on valuation of investment securities	27	94
Office relocation expenses	–	25
Provision of loss reserve for loss compensation	14	–
Total extraordinary losses	55	119
Profit before income taxes	1,909	2,254
Income taxes - current	548	766
Income taxes - deferred	(6)	(18)
Total income taxes	541	747
Profit	1,367	1,506
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	1,367	1,506

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Profit	1,367	1,506
Other comprehensive income		
Valuation difference on available-for-sale securities	(294)	105
Deferred gains or losses on hedges	(2)	(7)
Foreign currency translation adjustment	57	27
Remeasurements of defined benefit plans, net of tax	(3)	54
Total other comprehensive income	(243)	179
Comprehensive income	1,124	1,686
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,124	1,686
Comprehensive income attributable to non-controlling interests	–	–

### (3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,762	3,148	13,562	(45)	20,428
Changes during period					
Dividends of surplus			(364)		(364)
Profit attributable to owners of parent			1,367		1,367
Purchase of treasury shares				(1,546)	(1,546)
Disposal of treasury shares		2		16	19
Cancellation of treasury shares		(35)	(609)	644	–
Reversal of revaluation reserve for land			(63)		(63)
Net changes in items other than shareholders' equity	–	–	–	–	–
Total changes during period	–	(32)	330	(884)	(587)
Balance at end of period	3,762	3,116	13,892	(930)	19,841

	Accumulated other comprehensive income						Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	5,469	6	134	11	(54)	5,568	25,997
Changes during period							
Dividends of surplus						–	(364)
Profit attributable to owners of parent						–	1,367
Purchase of treasury shares						–	(1,546)
Disposal of treasury shares						–	19
Cancellation of treasury shares						–	–
Reversal of revaluation reserve for land						–	(63)
Net changes in items other than shareholders' equity	(294)	(2)	63	57	(3)	(179)	(179)
Total changes during period	(294)	(2)	63	57	(3)	(179)	(767)
Balance at end of period	5,174	3	198	69	(57)	5,388	25,229



Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,762	3,116	13,892	(930)	19,841
Changes during period					
Dividends of surplus			(657)		(657)
Profit attributable to owners of parent			1,506		1,506
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares			(28)	207	178
Cancellation of treasury shares			(715)	715	–
Reversal of revaluation reserve for land			2		2
Net changes in items other than shareholders' equity					
Total changes during period	–	–	106	923	1,030
Balance at end of period	3,762	3,116	13,999	(6)	20,871

	Accumulated other comprehensive income						Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	5,174	3	198	69	(57)	5,388	25,229
Changes during period							
Dividends of surplus							(657)
Profit attributable to owners of parent							1,506
Purchase of treasury shares							(0)
Disposal of treasury shares							178
Cancellation of treasury shares							–
Reversal of revaluation reserve for land							2
Net changes in items other than shareholders' equity	105	(7)	(2)	27	54	177	177
Total changes during period	105	(7)	(2)	27	54	177	1,207
Balance at end of period	5,279	(3)	196	96	(2)	5,566	26,437

## (4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
<b>Cash flows from operating activities</b>		
Profit before income taxes	1,909	2,254
Depreciation	212	212
Loss (gain) on sale and retirement of non-current assets	1	(12)
Loss (gain) on sale of investment securities	(307)	(193)
Loss (gain) on valuation of investment securities	27	94
Increase (decrease) in allowance for doubtful accounts	(116)	(7)
Increase (decrease) in provision for bonuses for directors (and other officers)	–	3
Increase (decrease) in retirement benefit liability	14	36
Interest and dividend income	(341)	(391)
Interest expenses	26	24
Commission for syndicated loans	90	11
Decrease (increase) in trade receivables	(2,832)	(6,097)
Decrease (increase) in inventories	(26)	(237)
Decrease (increase) in distressed receivables	146	7
Increase (decrease) in trade payables	1,774	4,457
Gain on bargain purchase	(90)	–
Other, net	186	254
<b>Subtotal</b>	<b>673</b>	<b>417</b>
Interest and dividends received	342	391
Compensation for forced relocation	–	30
Interest paid	(33)	(22)
Office relocation expenses	–	(25)
Income taxes paid	(530)	(576)
<b>Net cash provided by (used in) operating activities</b>	<b>452</b>	<b>215</b>
<b>Cash flows from investing activities</b>		
Payments into time deposits	(123)	(153)
Proceeds from withdrawal of time deposits	156	145
Purchase of property, plant and equipment	(143)	(772)
Purchase of intangible assets	(16)	(17)
Purchase of investment securities	(122)	(186)
Proceeds from sale of investment securities	809	293
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(7)	–
Other, net	41	19
<b>Net cash provided by (used in) investing activities</b>	<b>594</b>	<b>(669)</b>
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	99	2,382
Repayments of short-term borrowings	(2,506)	(398)
Proceeds from long-term borrowings	–	50
Repayments of long-term borrowings	–	(24)
Purchase of treasury shares	(1,546)	(0)
Dividends paid	(365)	(655)
Commission for syndicated loans paid	(86)	(8)
Other, net	(19)	(2)
<b>Net cash provided by (used in) financing activities</b>	<b>(4,424)</b>	<b>1,342</b>
Effect of exchange rate change on cash and cash equivalents	45	27
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(3,332)</b>	<b>915</b>
Cash and cash equivalents at beginning of period	10,684	7,352
<b>Cash and cash equivalents at end of period</b>	<b>7,352</b>	<b>8,267</b>