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## Non-consolidated Financial Results for the Three Months Ended May 31, 2023 [Japanese GAAP]

July 7, 2023

Company name: WADAKOHSAN CORPORATION

Stock exchange listing: Tokyo

Code number: 8931

URL: <http://www.wadakohsan.co.jp>

Representative: Toshiya Mizomoto

President and Representative Director

Contact: Hiroyuki Kurokawa

Director

Phone: +81-78-361-1510

Scheduled date of filing quarterly securities report: July 14, 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. Non-consolidated Financial Results for the Three Months Ended May 31, 2023 (March 1, 2023 to May 31, 2023)

#### (1) Non-consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended May 31, 2023	14,555	38.1	1,754	51.0	1,579	54.8	1,097	52.2
May 31, 2022	10,538	(3.9)	1,161	3.6	1,020	5.6	721	8.1

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended May 31, 2023	98.84	-
May 31, 2022	64.96	-

#### (2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of May 31, 2023	97,405	29,359	30.1
February 28, 2023	86,144	28,579	33.2

(Reference) Equity: As of May 31, 2023: ¥ 29,359 million

As of February 28, 2023: ¥ 28,579 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 February 28, 2023	-	22.00	-	28.00	50.00
Fiscal year ending February 29, 2024	-				
Fiscal year ending February 29, 2024 (Forecast)		26.00	-	26.00	52.00

(Note) Revision to the forecast for dividends announced most recently: Yes

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending February 29, 2024 :

Commemorative dividend	- yen
Special dividend	- yen

## 3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending February 29, 2024(March 1, 2023 to February 29, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending August 31, 2023	20,000	3.3	2,300	8.9	1,900	3.9	1,300	2.3	117.12
Full year	39,000	(8.7)	4,100	(6.6)	3,300	(8.5)	2,200	(7.6)	198.20

(Note) Revision to the financial results forecast announced most recently: Yes

\* Notes:

(1) Accounting policies adopted specially for the preparation of quarterly Non-consolidated financial statements:

(2) 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

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

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

May 31, 2023:	11,100,000 shares
February 28, 2023:	11,100,000 shares

2) Number of treasury shares at the end of the period:

May 31, 2023:	248 shares
February 28, 2023:	248 shares

3) Average number of shares outstanding during the period:

Three months ended May 31, 2023:	11,099,752 shares
Three months ended May 31, 2022:	11,099,752 shares

\* Quarterly results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

Forward-looking statements in this document, including the forecasts of financial results, etc., are based on the information currently available to the Company and certain assumptions deemed to be reasonable. Actual performance and other results may differ materially from these forecasts due to various factors.

Quarterly Non-consolidated Financial Statements  
Quarterly Non-consolidated Balance Sheets

(Thousands of yen)

	As of February 28, 2023	As of May 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	11,756,363	17,576,119
Accounts receivable - trade	5,148	5,955
Lease receivables	816,167	810,866
Real estate for sale	9,779,054	10,005,270
Real estate for sale in process	34,446,854	39,944,612
Other	954,725	794,790
Allowance for doubtful accounts	(13,501)	(13,640)
Total current assets	57,744,812	69,123,974
Non-current assets		
Property, plant and equipment		
Buildings, net	12,737,132	12,576,953
Land	13,413,994	13,405,239
Other, net	226,945	233,070
Total property, plant and equipment	26,378,072	26,215,262
Intangible assets	625,988	634,871
Investments and other assets		
Deferred tax assets	370,147	352,501
Other	1,040,858	1,094,689
Allowance for doubtful accounts	(15,576)	(15,565)
Total investments and other assets	1,395,429	1,431,625
Total non-current assets	28,399,489	28,281,759
Total assets	86,144,302	97,405,733

(Thousands of yen)

	As of February 28, 2023	As of May 31, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	811,133	3,035,995
Electronically recorded obligations - operating	6,215,447	5,494,790
Short-term borrowings	9,202,000	10,704,000
Current portion of bonds payable	56,000	56,000
Current portion of long-term borrowings	7,760,099	11,077,575
Income taxes payable	533,267	493,939
Advances received	3,490,184	2,929,522
Provision for bonuses	134,239	201,893
Provision for bonuses for directors (and other officers)	9,250	18,500
Provision for warranties for completed construction	19,000	21,000
Other	831,422	753,027
Total current liabilities	29,062,043	34,786,245
Non-current liabilities		
Bonds payable	232,000	204,000
Long-term borrowings	27,271,451	32,043,680
Provision for retirement benefits	235,160	233,277
Provision for retirement benefits for directors (and other officers)	100,974	100,242
Asset retirement obligations	315,552	315,908
Other	347,603	363,266
Total non-current liabilities	28,502,741	33,260,373
Total liabilities	57,564,785	68,046,619
Net assets		
Shareholders' equity		
Share capital	1,403,091	1,403,091
Capital surplus	1,448,280	1,448,280
Retained earnings	25,750,953	26,537,303
Treasury shares	(121)	(121)
Total shareholders' equity	28,602,203	29,388,552
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(20,120)	(23,260)
Deferred gains or losses on hedges	(2,565)	(6,178)
Total valuation and translation adjustments	(22,686)	(29,438)
Total net assets	28,579,516	29,359,114
Total liabilities and net assets	86,144,302	97,405,733

Quarterly Non-consolidated Statements of Income

Quarterly Non-consolidated Statements of Income (For the three months)

(Thousands of yen)

	For the three months ended May 31, 2022	For the three months ended May 31, 2023
Net sales	10,538,957	14,555,784
Cost of sales	8,384,071	11,735,166
Gross profit	2,154,885	2,820,618
Selling, general and administrative expenses	993,621	1,066,554
Operating profit	1,161,264	1,754,063
Non-operating income		
Interest income	53	56
Dividend income	2,591	3,255
Foreign exchange gains	12,255	-
Surrender value of insurance policies	2,597	6,319
Commission income	1,233	3,910
Other	5,641	2,522
Total non-operating income	24,372	16,064
Non-operating expenses		
Interest expenses	155,442	148,135
Financing expenses	4,454	37,710
Other	4,790	4,304
Total non-operating expenses	164,687	190,149
Ordinary profit	1,020,949	1,579,978
Extraordinary income		
Gain on sale of non-current assets	2	-
Total extraordinary income	2	-
Extraordinary losses		
Loss on sale of non-current assets	-	2,597
Total extraordinary losses	-	2,597
Profit before income taxes	1,020,951	1,577,380
Income taxes - current	150,000	461,000
Income taxes - deferred	149,881	19,237
Total income taxes	299,881	480,237
Profit	721,069	1,097,142