

Consolidated Financial Results for the Three-Month Period of the Fiscal Year ending February 29, 2024 (Japanese GAAP)

July 7, 2023

Company Name: Wakita & Co., LTD.

Code Number: 8125

(URL: <https://www.wakita.co.jp/>)

Stock Exchange Listing: Tokyo Stock Exchange Prime Market

Representative: Teiji Wakita, President and Representative Director

Contact: Atsuhiko Nariyama, Executive Officer, General Manager of General Affairs Division

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Scheduled date to submit the Quarterly Financial Report: July 13, 2023

Scheduled date to commence dividend payment: –

Supplementary information for quarterly financial results: Available

Organization of quarterly financial results briefing: None

(Figures are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Three-Month Period of Fiscal 2024 (From March 1, 2023 to May 31, 2023)

(1) Consolidated Results of Operations

(Percentage figures indicate changes from the same period of the previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three-Month Period of Fiscal 2024	20,003	8.7	1,465	1.3	1,501	0.9	850	(11.5)
Three-Month Period of Fiscal 2023	18,396	4.1	1,446	(17.6)	1,488	(15.1)	961	(11.9)

(Note) Comprehensive income: Three-month period of fiscal 2024: ¥1,027 million [7.5%]

Three-month period of fiscal 2023: ¥955 million [(26.0)%]

	Profit per share		Fully diluted profit per share	
	Yen		Yen	
Three-Month Period of Fiscal 2024	16.97		–	
Three-Month Period of Fiscal 2023	18.58		–	

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
Three-Month Period of Fiscal 2024	146,444	98,675	66.8
Fiscal 2023	138,652	99,574	71.2

(Reference) Equity: Three-month period of fiscal 2024: ¥97,790 million

Fiscal 2023: ¥98,709 million

2. Dividends

	Cash dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen				
Fiscal 2023	–	0.00	–	38.00	38.00
Fiscal 2024	–	–	–	–	–
Fiscal 2024 (Forecast)	–	0.00	–	43.00	43.00

(Note) Revision to the dividend forecast from recently announced figures: None

3. Forecast of Consolidated Financial Results for Fiscal 2024 (From March 1, 2023 to February 29, 2024)

(Percentage figures indicate changes from the previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	90,000	14.1	6,400	11.0	6,550	11.4	4,200	7.6	83.78

(Note) Revision to the financial forecast from recently announced figures: None

* Notes

(1) Significant changes of subsidiaries during the period under review (affecting specific subsidiaries due to changes in scope of consolidation): None

Companies added to the scope: None

Companies removed from the scope: None

(2) Adoption of special accounting treatment for preparing quarterly consolidated financial statements:

Not applicable

(3) Changes in accounting policies, changes in accounting estimates and restatements

1) Changes in accounting policies due to the revision of accounting standards, etc.: Applicable

2) Any changes in accounting policies other than 1) above: Not applicable

3) Changes in accounting estimates: Not applicable

4) Restatements: Not applicable

(4) Number of shares issued (common shares)

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

Three-month period of fiscal 2024: 52,021,297 shares

Fiscal 2023: 52,021,297 shares

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

Three-month period of fiscal 2024: 1,930,626 shares

Fiscal 2023: 1,888,341 shares

3) Average number of shares during the period:

Three-month period of fiscal 2024: 50,122,342 shares

Three-month period of fiscal 2023: 51,768,308 shares

*These Consolidated Financial Results are not subject to quarterly review by certified public accountants or an auditing firm.

* Explanation for the appropriate use of performance forecasts and other special notes:

The performance forecasts and other descriptions on future events presented in this material are based on information that was available at the time of preparation of this material and based on certain assumptions considered to be reasonable, and not intended to guarantee their achievement. The actual performance, etc. may differ materially from these forecasts due to various factors.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of February 28, 2023	As of May 31, 2023
Assets		
Current assets		
Cash and deposits	20,210	23,161
Notes and accounts receivable - trade	20,182	20,065
Securities	3,713	600
Merchandise	5,305	5,732
Raw materials and supplies	150	133
Work in process	-	78
Other	975	1,583
Allowance for doubtful accounts	(69)	(79)
Total current assets	50,467	51,273
Non-current assets		
Property, plant and equipment		
Assets for rent, net	12,457	12,189
Real estate for rent, net	42,678	42,675
Land	11,079	11,564
Other, net	9,501	10,509
Total property, plant and equipment	75,716	76,939
Intangible assets		
Goodwill	6,070	10,829
Other	636	701
Total intangible assets	6,706	11,530
Investments and other assets		
Investment securities	2,991	3,868
Retirement benefit asset	787	811
Other	2,484	2,580
Allowance for doubtful accounts	(503)	(560)
Total investments and other assets	5,761	6,700
Total non-current assets	88,184	95,170
Total assets	138,652	146,444

	As of February 28, 2023	As of May 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,626	11,315
Short-term borrowings	920	7,169
Current portion of long-term borrowings	122	117
Provision for product warranties	-	9
Income taxes payable	1,201	967
Provision for bonuses	405	909
Other	7,573	8,426
Total current liabilities	20,848	28,916
Non-current liabilities		
Long-term borrowings	543	692
Provision for share-based compensation expenses for directors	106	111
Provision for retirement benefits for directors (and other officers)	21	26
Retirement benefit liability	283	368
Other	17,275	17,653
Total non-current liabilities	18,229	18,852
Total liabilities	39,078	47,769
Net assets		
Shareholders' equity		
Share capital	13,821	13,821
Capital surplus	16,627	16,627
Retained earnings	71,092	70,075
Treasury shares	(2,154)	(2,212)
Total shareholders' equity	99,386	98,311
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,086	1,263
Deferred gains or losses on hedges	185	173
Revaluation reserve for land	(2,144)	(2,144)
Remeasurements of defined benefit plans	195	187
Total accumulated other comprehensive income	(676)	(520)
Non-controlling interests	864	884
Total net assets	99,574	98,675
Total liabilities and net assets	138,652	146,444

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

(Three-Month Period of Consolidated Fiscal Year)

(Millions of yen)

	Three-Month Period of Fiscal 2023 (From March 1, 2022 to May 31, 2022)	Three-Month Period of Fiscal 2024 (From March 1, 2023 to May 31, 2023)
Net sales	18,396	20,003
Cost of sales	13,205	14,330
Gross profit	5,191	5,672
Selling, general and administrative expenses	3,744	4,207
Operating profit	1,446	1,465
Non-operating income		
Interest income	1	0
Dividend income	11	12
Purchase discounts	8	8
Foreign exchange gains	28	16
Gain on investments in investment partnerships	9	11
Other	26	32
Total non-operating income	86	82
Non-operating expenses		
Interest expenses	30	44
Dismantlement cost	12	–
Other	2	2
Total non-operating expenses	44	46
Ordinary profit	1,488	1,501
Extraordinary income		
Gain on sale of non-current assets	0	1
Total extraordinary income	0	1
Extraordinary losses		
Loss on sale of non-current assets	–	0
Loss on retirement of non-current assets	0	5
Total extraordinary losses	0	6
Profit before income taxes	1,487	1,496
Income taxes - current	642	743
Income taxes - deferred	(144)	(121)
Total income taxes	498	621
Profit	989	874
Profit attributable to non-controlling interests	27	23
Profit attributable to owners of parent	961	850

Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three-Month Period of Fiscal 2023 (From March 1, 2022 to May 31, 2022)	Three-Month Period of Fiscal 2024 (From March 1, 2023 to May 31, 2023)
Profit	989	874
Other comprehensive income		
Valuation difference on available-for-sale securities	(97)	176
Deferred gains or losses on hedges	70	(15)
Remeasurements of defined benefit plans, net of tax	(6)	(8)
Total other comprehensive income	(33)	153
Comprehensive income	955	1,027
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	914	1,006
Comprehensive income attributable to non-controlling interests	41	20