

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 15, 2023 (Based on Japanese GAAP)

July 26, 2023

Company name: CAWACHI LIMITED
 Stock exchange listing: Tokyo
 Stock code: 2664 URL <https://www.cawachi.co.jp/>
 Representative: President Shinji Kawachi
 Inquiries: Corporate Officer Hiroshi Asuke TEL 0285-32-1131
 Director Administration Manager
 Scheduled date to file Quarterly Securities Report: July 27, 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 three months ended June 15, 2023 (from March 16, 2023 to June 15, 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	%
Three months ended June 15, 2023	70,564	2.5	1,754	11.9	2,035	10.9	1,313	11.5
Three months ended June 15, 2022	68,834	–	1,567	–	1,836	–	1,178	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 15, 2023	58.82	58.75
Three months ended June 15, 2022	52.77	52.71

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 15, 2023	198,683	107,872	54.3	4,827.55
As of March 15, 2023	194,496	107,725	55.3	4,818.93

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 15, 2023	–	0.00	–	50.00	50.00
Year ending March 15, 2024	–				
Year ending March 15, 2024 (Forecast)		0.00	–	50.00	50.00

3. Forecast of consolidated financial results for the year ending March 15, 2024 (from March 16, 2023 to March 15, 2024)

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
Six months ending September 15, 2023	146,100	2.5	3,700	(8.2)	4,200	(8.1)	2,550	(9.3)	114.17
Full year	286,500	1.6	6,000	(9.2)	7,000	(8.8)	4,200	0.5	188.05

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 15, 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 June 15, 2023	24,583,420 shares	As of March 15, 2023	24,583,420 shares
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Number of treasury shares at the end of the period

As of June 15, 2023	2,249,122 shares	As of March 15, 2023	2,249,122 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 15, 2023	22,334,298 shares	Three months ended June 15, 2022	22,334,298 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 15, 2023	As of June 15, 2023
Assets		
Current assets		
Cash and deposits	38,450	42,458
Accounts receivable - trade	6,604	6,549
Merchandise	32,961	35,077
Supplies	32	38
Other	5,474	3,845
Total current assets	83,523	87,969
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	40,126	39,955
Land	49,292	49,368
Other, net	3,969	3,798
Total property, plant and equipment	93,388	93,122
Intangible assets		
Other	5,243	5,247
Total intangible assets	5,243	5,247
Investments and other assets		
Leasehold and guarantee deposits	7,633	7,628
Other	4,708	4,715
Total investments and other assets	12,342	12,343
Total non-current assets	110,973	110,713
Total assets	194,496	198,683
Liabilities		
Current liabilities		
Accounts payable - trade	41,923	45,489
Current portion of long-term borrowings	7,909	7,776
Income taxes payable	1,424	776
Provision for bonuses	1,204	2,071
Contract liabilities	2,046	2,117
Other	7,927	7,987
Total current liabilities	62,435	66,218
Non-current liabilities		
Long-term borrowings	11,640	11,850
Retirement benefit liability	8,693	8,771
Asset retirement obligations	3,078	3,044
Other	922	925
Total non-current liabilities	24,335	24,592
Total liabilities	86,771	90,811

(Millions of yen)

	As of March 15, 2023	As of June 15, 2023
Net assets		
Shareholders' equity		
Share capital	13,001	13,001
Capital surplus	14,902	14,902
Retained earnings	84,070	84,267
Treasury shares	(4,362)	(4,362)
Total shareholders' equity	107,612	107,809
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	15	10
Total accumulated other comprehensive income	15	10
Share acquisition rights	98	52
Total net assets	107,725	107,872
Total liabilities and net assets	194,496	198,683

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 15, 2022	Three months ended June 15, 2023
Net sales	68,834	70,564
Cost of sales	53,363	54,518
Gross profit	15,470	16,046
Selling, general and administrative expenses	13,903	14,291
Operating profit	1,567	1,754
Non-operating income		
Interest income	5	5
Dividend income	1	1
Commission income	201	208
Revenue from sales of electric power	56	49
Other	91	111
Total non-operating income	357	375
Non-operating expenses		
Interest expenses	11	9
Commission expenses	27	26
Depreciation	14	14
Other	34	43
Total non-operating expenses	87	94
Ordinary profit	1,836	2,035
Extraordinary income		
Gain on sale of non-current assets	3	–
Gain on reversal of share acquisition rights	–	45
Other	–	39
Total extraordinary income	3	85
Extraordinary losses		
Loss on sale of non-current assets	–	10
Loss on retirement of non-current assets	16	4
Impairment losses	–	135
Loss on disaster	36	–
Other	0	–
Total extraordinary losses	53	149
Profit before income taxes	1,785	1,971
Income taxes	607	657
Profit	1,178	1,313
Profit attributable to owners of parent	1,178	1,313

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 15, 2022	Three months ended June 15, 2023
Profit	1,178	1,313
Other comprehensive income		
Valuation difference on available-for-sale securities	2	(4)
Total other comprehensive income	2	(4)
Comprehensive income	1,181	1,309
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,181	1,309