

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

July 31, 2023

Company name: G-7 HOLDINGS Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 7508 URL <https://www.g-7holdings.co.jp>  
 Representative: Representative Director, Chairman and CEO Tatsumi Kaneda  
 Inquiries: Representative Director, President Yasumasa Kishimoto TEL 078-797-7705  
 Scheduled date to file Quarterly Securities Report: August 8, 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 30, 2023 (from April 1, 2023 to June 30, 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 30, 2023	45,849	7.3	1,457	(11.9)	1,572	(9.8)	1,229	11.7
Three months ended June 30, 2022	42,713	4.0	1,653	10.0	1,743	5.2	1,100	(5.6)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	27.91		–	
Three months ended June 30, 2022	24.98		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	57,106	26,979	47.2
As of March 31, 2023	57,202	26,757	46.8

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	19.00	–	19.00	38.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		20.00	–	20.00	40.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 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
Full year	185,000	4.6	7,700	18.4	8,000	17.4	5,500	43.8	124.82

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 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 30, 2023	44,063,754 shares	As of March 31, 2023	44,063,754 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	446 shares	As of March 31, 2023	446 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2023	44,063,308 shares	Three months ended June 30, 2022	44,063,330 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	15,688	14,621
Accounts receivable - trade	4,395	4,094
Merchandise and finished goods	7,982	9,368
Other	2,205	1,932
Allowance for doubtful accounts	(13)	(13)
<b>Total current assets</b>	<b>30,259</b>	<b>30,004</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	25,867	26,255
Accumulated depreciation	(15,420)	(15,734)
Buildings and structures, net	10,446	10,520
Machinery, equipment and vehicles	2,015	2,048
Accumulated depreciation	(1,579)	(1,590)
Machinery, equipment and vehicles, net	436	457
Land	5,166	5,166
Construction in progress	19	51
Other	7,648	7,877
Accumulated depreciation	(5,792)	(5,928)
Other, net	1,856	1,948
<b>Total property, plant and equipment</b>	<b>17,924</b>	<b>18,145</b>
<b>Intangible assets</b>		
Goodwill	16	14
Other	276	362
<b>Total intangible assets</b>	<b>292</b>	<b>376</b>
<b>Investments and other assets</b>		
Investment securities	465	204
Leasehold and guarantee deposits	5,932	5,980
Deferred tax assets	2,255	2,329
Other	254	249
Allowance for doubtful accounts	(181)	(185)
<b>Total investments and other assets</b>	<b>8,725</b>	<b>8,579</b>
<b>Total non-current assets</b>	<b>26,943</b>	<b>27,101</b>
<b>Total assets</b>	<b>57,202</b>	<b>57,106</b>

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	8,896	8,461
Short-term borrowings	6,300	6,300
Income taxes payable	984	101
Provision for bonuses	1,029	1,103
Other	4,619	5,532
Total current liabilities	21,829	21,498
Non-current liabilities		
Long-term borrowings	3,000	3,000
Deferred tax liabilities for land revaluation	42	42
Provision for retirement benefits for directors (and other officers)	78	78
Asset retirement obligations	3,792	3,820
Retirement benefit liability	767	778
Other	934	909
Total non-current liabilities	8,615	8,628
<b>Total liabilities</b>	<b>30,444</b>	<b>30,127</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,785	1,785
Capital surplus	2,783	2,783
Retained earnings	22,566	22,959
Treasury shares	(0)	(0)
Total shareholders' equity	27,135	27,528
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	251	97
Revaluation reserve for land	(514)	(514)
Foreign currency translation adjustment	(169)	(172)
Remeasurements of defined benefit plans	54	40
Total accumulated other comprehensive income	(378)	(549)
<b>Total net assets</b>	<b>26,757</b>	<b>26,979</b>
<b>Total liabilities and net assets</b>	<b>57,202</b>	<b>57,106</b>

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	42,713	45,849
Cost of sales	32,331	34,972
Gross profit	10,382	10,876
Selling, general and administrative expenses	8,728	9,419
Operating profit	1,653	1,457
Non-operating income		
Interest income	0	0
Dividend income	0	0
Commission income	33	39
Sponsorship money income	60	79
Foreign exchange gains	–	15
Other	47	18
Total non-operating income	142	153
Non-operating expenses		
Interest expenses	7	8
Foreign exchange losses	6	–
Loss on disposal of non-current assets	12	29
Provision of allowance for doubtful accounts	15	–
Other	11	0
Total non-operating expenses	52	38
Ordinary profit	1,743	1,572
Extraordinary income		
Gain on sale of investment securities	–	127
Total extraordinary income	–	127
Extraordinary losses		
Impairment losses	26	–
Retirement benefits for directors (and other officers)	500	–
Total extraordinary losses	526	–
Profit before income taxes	1,217	1,699
Income taxes	116	469
Profit	1,100	1,229
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	1,100	1,229

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	1,100	1,229
Other comprehensive income		
Valuation difference on available-for-sale securities	5	(153)
Foreign currency translation adjustment	24	(3)
Remeasurements of defined benefit plans, net of tax	1	(13)
Total other comprehensive income	30	(170)
Comprehensive income	1,131	1,058
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,131	1,058
Comprehensive income attributable to non-controlling interests	–	–