

Translation

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

August 3, 2023

Company name: YAMADA Consulting Group Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 4792 URL <https://www.yamada-cg.co.jp>
 Representative: President Keisaku Masuda
 Inquiries: Director and General Manager of Administration Department Hideji Shuto TEL 03-6212-2500
 Scheduled date to file Quarterly Securities Report: August 10, 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	5,423	63.8	602	46.2	638	22.6	493	42.9
Three months ended June 30, 2022	3,310	30.6	411	–	520	–	345	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	25.92		25.91	
Three months ended June 30, 2022	18.14		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	19,329	15,003	76.7
As of March 31, 2023	20,200	15,012	73.4

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	–	23.00	–	33.00	56.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		33.00	–	34.00	67.00

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	21,800	32.5	3,500	21.8	3,500	19.8	2,550	20.6	133.90

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: No
- (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	19,896,000 shares	As of March 31, 2023	19,896,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	854,651 shares	As of March 31, 2023	858,651 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	19,040,734 shares	Three months ended June 30, 2022	19,023,011 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	9,352,928	8,625,186
Accounts receivable - trade	1,189,615	1,040,847
Securities	4,767	17,693
Operational investment securities	6,167,471	4,621,838
Merchandise and finished goods	97,976	147,889
Other	532,233	2,113,521
Allowance for doubtful accounts	(53,929)	(57,587)
Total current assets	17,291,064	16,509,390
Non-current assets		
Property, plant and equipment	486,724	477,115
Intangible assets		
Goodwill	285	257
Other	86,220	98,527
Total intangible assets	86,506	98,784
Investments and other assets		
Investment securities	812,706	861,154
Leasehold and guarantee deposits	599,062	598,226
Deferred tax assets	297,446	208,626
Other	627,133	576,509
Total investments and other assets	2,336,349	2,244,516
Total non-current assets	2,909,579	2,820,417
Total assets	20,200,643	19,329,807
Liabilities		
Current liabilities		
Notes and accounts payable - trade	275,036	250,253
Short-term borrowings	2,501,000	2,501,000
Income taxes payable	604,324	52,580
Provision for bonuses	134,872	263,654
Other	1,570,542	1,158,150
Total current liabilities	5,085,775	4,225,638
Non-current liabilities		
Deferred tax liabilities	23,757	29,154
Other	78,484	71,926
Total non-current liabilities	102,242	101,081
Total liabilities	5,188,018	4,326,719

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
Net assets		
Shareholders' equity		
Share capital	1,599,538	1,599,538
Capital surplus	1,517,823	1,521,906
Retained earnings	12,045,870	11,908,402
Treasury shares	(502,479)	(500,138)
Total shareholders' equity	14,660,751	14,529,708
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,925	40,604
Foreign currency translation adjustment	164,379	261,787
Total accumulated other comprehensive income	170,305	302,391
Share acquisition rights	23,745	11,168
Non-controlling interests	157,822	159,819
Total net assets	15,012,625	15,003,087
Total liabilities and net assets	20,200,643	19,329,807

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	3,310,922	5,423,414
Cost of sales	353,501	1,964,544
Gross profit	2,957,421	3,458,869
Selling, general and administrative expenses	2,545,662	2,856,557
Operating profit	411,759	602,312
Non-operating income		
Interest income	4,076	7,449
Foreign exchange gains	104,732	22,620
Gain on reversal of share acquisition rights	13,801	12,220
Other	3,145	2,352
Total non-operating income	125,755	44,643
Non-operating expenses		
Interest expenses	1,473	1,961
Commission expenses	11,361	5,445
Other	4,323	1,348
Total non-operating expenses	17,158	8,754
Ordinary profit	520,356	638,200
Profit before income taxes	520,356	638,200
Income taxes - current	43,034	69,859
Income taxes - deferred	135,749	77,199
Total income taxes	178,783	147,058
Profit	341,572	491,142
Loss attributable to non-controlling interests	(3,662)	(2,508)
Profit attributable to owners of parent	345,235	493,651

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	341,572	491,142
Other comprehensive income		
Valuation difference on available-for-sale securities	3,584	34,678
Foreign currency translation adjustment	105,950	101,913
Total other comprehensive income	109,534	136,591
Comprehensive income	451,107	627,733
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	449,575	625,737
Comprehensive income attributable to non-controlling interests	1,531	1,996

Consolidated statements of cash flows

(Thousands of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Cash flows from operating activities		
Profit before income taxes	520,356	638,200
Depreciation	35,343	34,270
Amortization of goodwill	28	28
Increase (decrease) in provision for bonuses	125,089	128,781
Interest and dividend income	(4,076)	(7,449)
Interest expenses	1,473	1,961
Foreign exchange losses (gains)	(104,732)	(22,620)
Decrease (increase) in operational investment securities	–	1,545,632
Decrease (increase) in trade receivables	360,494	191,834
Increase (decrease) in allowance for doubtful accounts	4,028	3,658
Decrease (increase) in inventories	(6,565)	(49,912)
Increase (decrease) in trade payables	52,956	(24,783)
Decrease (increase) in other assets	(10,957)	(1,648,695)
Increase (decrease) in other liabilities	(407,520)	(530,063)
Subtotal	565,918	260,842
Interest and dividends received	424	14,659
Interest paid	(3,188)	(1,949)
Income taxes paid	(772,843)	(528,474)
Net cash provided by (used in) operating activities	(209,689)	(254,922)
Cash flows from investing activities		
Purchase of property, plant and equipment	(21,186)	(2,263)
Purchase of intangible assets	(100)	–
Purchase of investment securities	(9,169)	(68)
Cash dividends income to Investment securities	23	308
Payments of leasehold and guarantee deposits	(408)	(187)
Proceeds from refund of leasehold and guarantee deposits	1,111	–
Other, net	310	–
Net cash provided by (used in) investing activities	(29,419)	(2,210)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	501,000	–
Proceeds from received an investment to non-controlling shareholders	789	–
Payment of dividends to non-controlling interests	(29)	–
Proceeds from disposal of treasury shares	–	5,208
Dividends paid	(532,644)	(628,232)
Other, net	(4,190)	(371)
Net cash provided by (used in) financing activities	(35,075)	(623,396)
Effect of exchange rate change on cash and cash equivalents	116,419	126,376
Net increase (decrease) in cash and cash equivalents	(157,765)	(754,152)
Cash and cash equivalents at beginning of period	9,662,826	9,151,196
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	–	34,507
Cash and cash equivalents at end of period	9,505,060	8,431,551