

Translation

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

August 8, 2023

Company name: SAN-AI OBBLI CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 8097 URL <https://www.san-ai-obbli.com/>  
 Representative: Representative Director, President Hiroshi Hayata  
 General Manager, General Accounting  
 Inquiries: Department Eiichi Nonaka TEL 03-6880-3100  
 Scheduled date to file Quarterly Securities Report: August 9, 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	151,020	(2.5)	3,804	58.0	4,092	51.3	2,576	50.7
Three months ended June 30, 2022	154,892	20.3	2,407	11.0	2,705	6.5	1,709	14.8

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	38.57	–
Three months ended June 30, 2022	24.88	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	193,668	118,062	58.0
As of March 31, 2023	201,244	117,424	55.5

### 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 31, 2023	–	19.00	–	36.00	55.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		30.00	–	30.00	60.00

### 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	660,000	1.9	15,000	(1.4)	16,000	(0.2)	10,000	(8.3)	149.33

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	68,000,000 shares	As of March 31, 2023	68,000,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	1,497,635 shares	As of March 31, 2023	1,034,703 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	66,780,342 shares	Three months ended June 30, 2022	68,733,334 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>		
Current assets		
Cash and deposits	47,017	38,577
Notes and accounts receivable - trade, and contract assets	43,144	39,489
Merchandise and finished goods	7,542	8,640
Work in process	85	76
Raw materials and supplies	146	144
Other	919	1,413
Allowance for doubtful accounts	(475)	(475)
Total current assets	98,380	87,866
Non-current assets		
Property, plant and equipment		
Buildings and structures	69,516	70,683
Accumulated depreciation	(49,704)	(50,070)
Buildings and structures, net	19,812	20,613
Machinery, equipment and vehicles	34,671	36,455
Accumulated depreciation	(27,695)	(27,965)
Machinery, equipment and vehicles, net	6,976	8,490
Land	18,420	18,795
Other	11,512	9,813
Accumulated depreciation	(5,199)	(5,345)
Other, net	6,312	4,468
Total property, plant and equipment	51,522	52,367
Intangible assets		
Goodwill	1,683	1,633
Customer-related intangible assets	1,093	1,071
Other	3,419	3,802
Total intangible assets	6,197	6,506
Investments and other assets		
Investment securities	17,140	18,830
Retirement benefit asset	1,991	2,151
Guarantee deposits	24,865	24,863
Other	1,242	1,176
Allowance for doubtful accounts	(96)	(95)
Total investments and other assets	45,143	46,926
Total non-current assets	102,863	105,801
Total assets	201,244	193,668

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	44,908	40,856
Short-term borrowings	300	300
Current portion of long-term borrowings	2,346	1,812
Income taxes payable	3,530	584
Provision for bonuses	2,041	932
Provision for bonuses for directors (and other officers)	89	18
Provision for warranties for completed construction	0	0
Other	14,234	14,220
<b>Total current liabilities</b>	<b>67,453</b>	<b>58,725</b>
<b>Non-current liabilities</b>		
Long-term borrowings	2,115	2,022
Provision for retirement benefits for directors (and other officers)	208	184
Provision for special repairs	217	218
Retirement benefit liability	117	110
Asset retirement obligations	609	610
Other	13,098	13,734
<b>Total non-current liabilities</b>	<b>16,366</b>	<b>16,880</b>
<b>Total liabilities</b>	<b>83,819</b>	<b>75,605</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	10,127	10,127
Capital surplus	2,531	2,531
Retained earnings	97,862	98,028
Treasury shares	(1,280)	(1,968)
<b>Total shareholders' equity</b>	<b>109,241</b>	<b>108,718</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	4,338	5,446
Revaluation reserve for land	(612)	(612)
Remeasurements of defined benefit plans	(1,228)	(1,159)
<b>Total accumulated other comprehensive income</b>	<b>2,496</b>	<b>3,673</b>
<b>Non-controlling interests</b>	<b>5,686</b>	<b>5,670</b>
<b>Total net assets</b>	<b>117,424</b>	<b>118,062</b>
<b>Total liabilities and net assets</b>	<b>201,244</b>	<b>193,668</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		
Net sales of goods	154,234	150,416
Net sales of completed construction contracts	657	603
Total net sales	154,892	151,020
Cost of sales		
Cost of goods sold	141,136	135,716
Cost of sales of completed construction contracts	575	523
Total cost of sales	141,712	136,240
Gross profit	13,180	14,779
Selling, general and administrative expenses	10,772	10,975
Operating profit	2,407	3,804
Non-operating income		
Interest income	10	13
Dividend income	213	223
Purchase discounts	56	52
Light oil delivery tax grant	23	24
Reversal of allowance for doubtful accounts	0	0
Other	80	50
Total non-operating income	384	364
Non-operating expenses		
Interest expenses	23	21
Sales discounts	40	41
Other	23	12
Total non-operating expenses	87	75
Ordinary profit	2,705	4,092
Extraordinary income		
Gain on sale of non-current assets	3	37
Gain on sale of investment securities	14	–
Total extraordinary income	18	37
Extraordinary losses		
Loss on sale and retirement of non-current assets	9	73
Impairment losses	–	1
Total extraordinary losses	9	74
Profit before income taxes	2,714	4,055
Income taxes - current	450	891
Income taxes - deferred	444	399
Total income taxes	894	1,290
Profit	1,819	2,765
Profit attributable to non-controlling interests	109	189
Profit attributable to owners of parent	1,709	2,576

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

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	1,819	2,765
Other comprehensive income		
Valuation difference on available-for-sale securities	325	1,119
Remeasurements of defined benefit plans, net of tax	(17)	69
Total other comprehensive income	307	1,188
Comprehensive income	2,127	3,954
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,013	3,752
Comprehensive income attributable to non-controlling interests	113	201