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July 31, 2023

## Consolidated Financial Results for the Three Months Ended June 30, 2023 (Under Japanese GAAP)

Company name: Sakai Moving Service Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 9039  
 URL: <https://www.hikkoshi-sakai.co.jp/>  
 Representative: Tetsuyasu Tajima, President and Representative Director  
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 Scheduled date to file quarterly securities report: August 10, 2023  
 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 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								
Jun. 30, 2023	31,784	5.1	5,631	15.1	5,691	14.9	3,848	8.9
Jun. 30, 2022	30,254	8.7	4,893	36.0	4,952	35.7	3,533	62.7

Note: Comprehensive income For the three months ended Jun. 30, 2023: ¥3,847 million [up 8.8%]  
 For the three months ended Jun. 30, 2022: ¥3,535 million [up 63.2%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
Jun. 30, 2023	189.32	-
Jun. 30, 2022	173.82	-

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
Jun. 30, 2023	106,166	85,124	80.2
Mar. 31, 2023	109,634	82,364	75.1

Reference: Equity  
 As of Jun. 30, 2023: ¥85,124 million  
 As of Mar. 31, 2023: ¥82,364 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2023	-	30.00	-	65.00	95.00
Fiscal year ending Mar. 31, 2024	-				
Fiscal year ending Mar. 31, 2024 (Forecast)		30.00	-	75.00	105.00

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Consolidated forecast for the fiscal 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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	56,779	4.3	6,631	5.2	6,743	5.0	4,583	2.3	225.44
Full year	113,789	3.9	12,437	5.0	12,707	5.2	8,897	8.4	437.67

Note: Revisions to the consolidated forecast most recently announced: None

\* **Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly included: -

Excluded: -

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of Jun. 30, 2023	21,162,000 shares
As of Mar. 31, 2023	21,162,000 shares

(ii) Number of treasury shares at the end of the period

As of Jun. 30, 2023	832,136 shares
As of Mar. 31, 2023	832,136 shares

(iii) Average number of shares outstanding during the period

Three months ended Jun. 30, 2023	20,329,864 shares
Three months ended Jun. 30, 2022	20,329,864 shares

\* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

Forecasts of future performance in these materials are based on assumptions judged to be valid and information available to the management of Sakai Moving Service at the time the materials were prepared. These materials are not promises by Sakai Moving Service regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons. For a discussion of the assumptions for forecasts, precautions concerning usage and other information, please refer to “1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Consolidated Forecast and Other Forward-looking Statements” on page 2.

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## 1. Qualitative Information on Quarterly Consolidated Financial Performance

### (1) Explanation of Results of Operations

In the first quarter of the current fiscal year, economic activity in Japan gradually recovered following the easing of restrictions resulting from COVID-19. However, prices continued to rise due to the weakening of the yen and soaring resource prices, and the economic outlook remains uncertain.

In Japan's moving industry, market conditions remain challenging as new housing starts and the number of people moving slightly decreased.

The Sakai Moving Service Group continued to conduct effective sales activities, the Group achieved higher sales than one year earlier in the Moving Services as the average unit rate for moving services was up 3.9% and the number of jobs performed increased 0.2% to 219,057.

In the first quarter, Shinseiki Service Co., Ltd. and KIDS DREAM Co., Ltd. were included in the scope of the consolidation. Net sales increased 5.1% year-on-year to 31,784 million yen, operating profit increased 15.1% to 5,631 million yen, ordinary profit increased 14.9% to 5,691 million yen, and profit attributable to owners of parent increased 8.9% to 3,848 million yen.

### (2) Explanation of Financial Position

#### 1) Current assets

Current assets decreased by 2,897 million yen, or 8.0%, from the end of the previous fiscal year to 33,173 million yen.

This was attributable mainly to a decrease of 4,232 million yen in notes and accounts receivable-trade, and contract assets.

#### 2) Non-current assets

Non-current assets decreased by 570 million yen, or 0.8%, from the end of the previous fiscal year to 72,992 million yen.

This was mainly attributable to an increase of 160 million yen in land and a decrease of 520 million yen in long-term loans receivable included in investments and other assets.

#### 3) Current liabilities

Current liabilities decreased by 5,950 million yen, or 26.0%, from the end of the previous fiscal year to 16,948 million yen. This was attributable mainly to decreases of 3,076 million yen in accounts payable-trade, 1,669 million yen in advances received, and 773 million yen in income taxes payable.

#### 4) Non-current liabilities

Non-current liabilities decreased by 277 million yen, or 6.3%, from the end of the previous fiscal year to 4,093 million yen.

This was attributable mainly to a decrease of 279 million yen in long-term borrowings.

#### 5) Net assets

Net assets increased by 2,759 million yen, or 3.4%, from the end of the previous fiscal year to 85,124 million yen.

This was attributable mainly to an increase of 2,761 million yen in retained earnings.

### (3) Explanation of Consolidated Forecast and Other Forward-looking Statements

There are no revisions to the first half and full-year forecasts for the fiscal year ending March 31, 2024, which were announced on May 8, 2023.

**2. Quarterly Consolidated Financial Statements and Notes****(1) Quarterly Consolidated Balance Sheet**

(Millions of yen)

	FY3/23 (As of Mar. 31, 2023)	First quarter of FY3/24 (As of Jun. 30, 2023)
<b>Assets</b>		
Current assets		
Cash and deposits	26,424	27,908
Notes and accounts receivable-trade, and contract assets	7,279	3,047
Merchandise	679	945
Other	1,690	1,283
Allowance for doubtful accounts	(3)	(11)
Total current assets	36,070	33,173
Non-current assets		
Property, plant and equipment		
Buildings, net	10,798	10,837
Land	53,678	53,839
Leased assets, net	1,199	1,219
Other, net	1,076	1,177
Total property, plant and equipment	66,752	67,074
Intangible assets		
Goodwill	119	110
Other	401	372
Total intangible assets	521	483
Investments and other assets		
Other	6,298	5,444
Allowance for doubtful accounts	(8)	(8)
Total investments and other assets	6,289	5,435
Total non-current assets	73,563	72,992
Total assets	109,634	106,166
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	5,606	2,529
Current portion of bonds payable	12	12
Short-term borrowings	1,373	1,348
Lease liabilities	387	411
Income taxes payable	2,609	1,835
Advances received	3,627	1,957
Provision for bonuses	854	297
Other	8,426	8,554
Total current liabilities	22,898	16,948
Non-current liabilities		
Bonds payable	66	60
Long-term borrowings	1,572	1,293
Lease liabilities	814	813
Retirement benefit liability	37	38
Asset retirement obligations	56	56
Other	1,824	1,831
Total non-current liabilities	4,370	4,093
Total liabilities	27,269	21,041

	(Millions of yen)	
	FY3/23 (As of Mar. 31, 2023)	First quarter of FY3/24 (As of Jun. 30, 2023)
Net assets		
Shareholders' equity		
Share capital	4,731	4,731
Capital surplus	4,949	4,949
Retained earnings	76,832	79,594
Treasury shares	(3,814)	(3,814)
Total shareholders' equity	82,700	85,461
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	74	72
Revaluation reserve for land	(409)	(409)
Total accumulated other comprehensive income	(335)	(336)
Total net assets	82,364	85,124
Total liabilities and net assets	109,634	106,166

**(2) Quarterly Consolidated Statements of Income and Comprehensive Income****(Quarterly Consolidated Statement of Income)****(For the Three-month Period)**

(Millions of yen)

	First three months of FY3/23 (Apr. 1, 2022 to Jun. 30, 2022)	First three months of FY3/24 (Apr. 1, 2023 to Jun. 30, 2023)
Net sales	30,254	31,784
Cost of sales	17,681	18,302
Gross profit	12,573	13,482
Selling, general and administrative expenses	7,680	7,850
Operating profit	4,893	5,631
Non-operating income		
Interest income	2	1
Dividend income	8	15
Share of profit of entities accounted for using equity method	-	0
Other	54	47
Total non-operating income	65	64
Non-operating expenses		
Interest expenses	5	3
Other	0	1
Total non-operating expenses	5	4
Ordinary profit	4,952	5,691
Extraordinary income		
Gain on sale of non-current assets	7	14
Other	-	0
Total extraordinary income	7	14
Extraordinary losses		
Loss on disposal of non-current assets	-	0
Total extraordinary losses	-	0
Profit before income taxes	4,960	5,706
Income taxes-current	1,353	1,706
Income taxes-deferred	73	150
Total income taxes	1,426	1,857
Profit	3,533	3,848
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	3,533	3,848



**(Quarterly Consolidated Statement of Comprehensive Income)**  
**(For the Three-month Period)**

	(Millions of yen)	
	First three months of FY3/23 (Apr. 1, 2022 to Jun. 30, 2022)	First three months of FY3/24 (Apr. 1, 2023 to Jun. 30, 2023)
Profit	3,533	3,848
Other comprehensive income		
Valuation difference on available-for-sale securities	2	(1)
Total other comprehensive income	2	(1)
Comprehensive income	3,535	3,847
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,535	3,847
Comprehensive income attributable to non-controlling interests	-	-

### **(3) Notes to Quarterly Consolidated Financial Statements**

#### **Going-concern Assumption**

Not applicable.

#### **Changes in the Scope of Consolidation**

In the first quarter of the current fiscal year, Shinseiki Service Co., Ltd. and KIDS DREAM Co., Ltd. were included in the scope of the consolidation.

#### **Significant Changes in Shareholders' Equity**

Not applicable.

#### **Changes in Significant Subsidiaries during the Period**

Not applicable.

*This summary report is solely a translation of "Kessan Tanshin" (in Japanese, including the attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*