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Non-consolidated Financial Results for the Six Months Ended September 30, 2023 [Japanese GAAP]

November 8, 2023

Company name: Syuppin Co., Ltd.

Stock exchange listing: Tokyo

Code number: 3179

URL: <https://www.syuppin.co.jp>

Representative: Naohiko Ono

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Scheduled date of filing quarterly securities report: November 9, 2023

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

CEO and Representative Director

CFO and Head of Corporate Strategy Division

(Amounts of less than one million yen are rounded down.)

1. Non-consolidated Financial Results for the Six Months Ended September 30, 2023 (April 1, 2023 to September 30, 2023)

(1) Non-consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2023	23,381	6.8	1,625	(0.1)	1,632	(0.8)	1,111	(1.3)
September 30, 2022	21,885	15.4	1,628	23.8	1,645	21.8	1,125	20.6

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2023	52.73	52.40
September 30, 2022	54.02	53.20

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	14,757	7,028	47.6
March 31, 2023	15,066	6,479	42.9

(Reference) Equity: As of September 30, 2023: ¥ 7,026 million
As of March 31, 2023: ¥ 6,477 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	0.00	-	30.00	30.00
Fiscal year ending March 31, 2024	-	0.00			
Fiscal year ending March 31, 2024 (Forecast)			-	33.00	33.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending March 31, 2024 :

Commemorative dividend	- yen
Special dividend	- yen

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	50,028	9.7	3,122	26.8	3,092	26.8	2,133	25.7	101.40

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Accounting policies adopted specially for the preparation of quarterly Non-consolidated financial statements:

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

- 1) Changes in accounting policies due to the revision of accounting standards: No
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

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

September 30, 2023:	23,207,991 shares
March 31, 2023:	23,392,997 shares

2) Number of treasury shares at the end of the period:

September 30, 2023:	2,078,138 shares
March 31, 2023:	2,352,209 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2023:	21,068,910 shares
Six months ended September 30, 2022:	20,844,612 shares

Quarterly Non-consolidated Financial Statements
Quarterly Non-consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	1,423,525	1,425,288
Accounts receivable - trade	2,469,923	2,388,999
Merchandise	8,812,856	8,549,931
Other	496,408	482,802
Total current assets	13,202,714	12,847,021
Non-current assets		
Property, plant and equipment	320,171	311,589
Intangible assets		
Trademark right	7,819	7,204
Software	352,297	312,746
Software in progress	264,062	439,111
Total intangible assets	624,179	759,062
Investments and other assets		
Other	919,293	839,399
Total investments and other assets	919,293	839,399
Total non-current assets	1,863,644	1,910,051
Total assets	15,066,358	14,757,073
Liabilities		
Current liabilities		
Accounts payable - trade	1,374,813	1,165,699
Short-term borrowings	1,200,000	1,130,000
Current portion of long-term borrowings	1,702,819	1,567,544
Contract liabilities	232,014	281,269
Income taxes payable	280,916	497,511
Provision for bonuses	-	76,865
Other	849,617	767,494
Total current liabilities	5,640,179	5,486,383
Non-current liabilities		
Long-term borrowings	2,903,923	2,189,895
Provision for performance-linked incentive compensation	4,368	10,679
Provision for share-based payments	2,150	5,376
Asset retirement obligations	36,248	36,292
Total non-current liabilities	2,946,690	2,242,243
Total liabilities	8,586,869	7,728,627
Net assets		
Shareholders' equity		
Share capital	535,262	541,912
Capital surplus	435,262	441,912
Retained earnings	7,982,423	8,230,112
Treasury shares	(2,475,926)	(2,187,439)
Total shareholders' equity	6,477,022	7,026,498
Share acquisition rights	2,466	1,948
Total net assets	6,479,488	7,028,446
Total liabilities and net assets	15,066,358	14,757,073

Quarterly Non-consolidated Statements of Income

Quarterly Non-consolidated Statements of Income (For the six months)

(Thousands of yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Net sales	21,885,409	23,381,822
Cost of sales	17,769,124	18,983,618
Gross profit	4,116,284	4,398,204
Selling, general and administrative expenses	2,488,008	2,772,313
Operating profit	1,628,275	1,625,890
Non-operating income		
Interest income	6	8
Dividend income	-	8,596
Foreign exchange gains	20,879	7,458
Repayment income	-	7,390
Other	9,921	10,323
Total non-operating income	30,807	33,777
Non-operating expenses		
Interest expenses	11,396	9,198
Loss on extinguishment share-based compensation expenses	-	16,715
Other	1,923	1,704
Total non-operating expenses	13,319	27,619
Ordinary profit	1,645,763	1,632,048
Extraordinary losses		
Loss on retirement of non-current assets	359	123
Total extraordinary losses	359	123
Profit before income taxes	1,645,403	1,631,924
Income taxes - current	450,403	466,931
Income taxes - deferred	69,033	53,966
Total income taxes	519,436	520,898
Profit	1,125,967	1,111,026

Quarterly Non-consolidated Statements of Cash Flows

(Thousands of yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	1,645,403	1,631,924
Depreciation	96,639	88,595
Interest and dividend income	(7)	(8,606)
Interest expenses	11,396	9,198
Loss on retirement of non-current assets	359	123
Decrease (increase) in trade receivables	434,280	80,923
Decrease (increase) in inventories	(291,459)	262,925
Increase (decrease) in trade payables	(142,309)	(209,113)
Increase (decrease) in contract liabilities	(15,125)	49,255
Increase (decrease) in provision for bonuses	20,719	76,865
Increase (decrease) in provision for provision for performance-linked incentive compensation	2,548	6,311
Increase (decrease) in provision for share-based payments	797	3,226
Other, net	331,083	(23,990)
Subtotal	2,094,327	1,967,640
Interest and dividends received	6	8,604
Interest paid	(11,262)	(9,009)
Income taxes paid	(795,980)	(250,336)
Net cash provided by (used in) operating activities	1,287,090	1,716,899
Cash flows from investing activities		
Purchase of property, plant and equipment	(16,640)	(13,476)
Purchase of intangible assets	(156,996)	(206,929)
Other	(33)	0
Net cash provided by (used in) investing activities	(173,669)	(220,405)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(640,000)	(70,000)
Proceeds from long-term borrowings	2,004,167	-
Repayments of long-term borrowings	(1,123,138)	(849,303)
Proceeds from disposal of treasury shares resulting from exercise of share acquisition rights	35,661	55,796
Purchase of treasury shares	(420,000)	-
Dividends paid	(587,392)	(631,223)
Net cash provided by (used in) financing activities	(730,702)	(1,494,730)
Net increase (decrease) in cash and cash equivalents	382,718	1,762
Cash and cash equivalents at beginning of period	1,173,407	1,423,525
Cash and cash equivalents at end of period	1,556,125	1,425,288