



**Consolidated Financial Results
for the Nine Months Ended December 31, 2023
(Under Japanese GAAP)**

January 31, 2024

Company name: CHORI CO., LTD. Listing: Tokyo Stock Exchange (Prime)
 Securities code: 8014 URL: <https://www.chori.co.jp>
 Representative: Kazuo Sakihama, President, CEO & COO
 Inquiries: Yasutaka Kawamura, Manager of Corporate Management Dept.
 Telephone: +81-3-5781-6201
 Scheduled date to file quarterly securities report: February 13, 2024
 Scheduled date to commence dividend payments: —
 Preparation of supplementary materials on quarterly financial results: Yes
 Holding of quarterly financial results briefing: None

(Amounts are rounded down to the nearest million yen)

**1. Consolidated Financial Results for the Nine Months Ended December 31, 2023
(from April 1, 2023 to December 31, 2023)**

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
Dec. 31, 2023	233,357	(8.6)	11,927	9.2	11,799	7.2	8,065	6.9
Dec. 31, 2022	255,379	24.1	10,927	48.1	11,010	35.0	7,548	29.0

Note: Comprehensive income

For the nine months ended Dec.31, 2023: 10,955 million yen [20.5%]

For the nine months ended Dec.31, 2022: 9,091 million yen [32.8%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	yen	yen
Dec. 31, 2023	327.65	—
Dec. 31, 2022	306.77	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
Dec. 31, 2023	147,543	80,386	54.4
Mar. 31, 2023	143,200	72,158	50.4

Reference: Equity

As of Dec. 31, 2023: 80,333 million yen

As of Mar. 31, 2023: 72,158 million yen

2. Dividends

	Dividends per share				
	Quarter-end			Fiscal year-end	Annual total
	1st	2nd	3rd		
	yen	yen	yen	yen	yen
Fiscal year ended Mar. 31, 2023	—	50.00	—	55.00	105.00
Fiscal year ending Mar. 31, 2024	—	58.00	—		
Fiscal year ending Mar. 31, 2024 (Forecast)				58.00	116.00

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

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		Net profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full Year	310,000	(5.9)	14,200	12.2	14,000	12.6	9,400	15.7	382.00

Note: Revisions to the most recently announced forecasts of consolidated financial results: Yes

For details, please refer to the "Notice Regarding Revisions to the Forecast of Consolidated Financial Results for the Year Ending March 31, 2024" released today (January 31, 2024).

* Notes

(1) Changes in significant subsidiaries during this period (changes in specified subsidiaries resulting in 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 restatements

1. Changes in accounting policies due to the revision of accounting standards, etc.: None

2. Changes in accounting policies due to other reasons: None

3. Changes in accounting estimates: Yes

4. Restatements: None

(4) Number of issued shares (common shares)

1. Total number of issued shares at the end of the period (including treasury shares)	As of Dec. 31, 2023	25,303,478 shares	As of Mar. 31, 2023	25,303,478 shares
2. Number of treasury shares at the end of the period	As of Dec. 31, 2023	662,041 shares	As of Mar. 31, 2023	696,464 shares
3. Average number of shares outstanding during the period	Nine months ended Dec. 31, 2023	24,617,216 shares	Nine months ended Dec. 31, 2022	24,607,608 shares

Note: The Company has introduced the Board Benefit Trust - Restricted Stock (BBT-RS) effective the 2nd quarter of the current consolidated fiscal year, and the number of shares of the Company held by the trust are included in that of treasury shares to be deducted in calculating the number of treasury shares at the end of the period and the average number of shares outstanding during the period.

* 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

The forward-looking statements in this document are based on the information available at the time of publication and certain assumptions that the Company judges as rational. Actual financial results may vary significantly due to various reasons. The Company, therefore, wishes to caution that readers should not place undue reliance on forward-looking statements.

Quarterly consolidated financial statements
Quarterly consolidated balance sheets

(Unit: Millions of yen)

	As of Mar. 31, 2023	As of Dec. 31, 2023
Assets		
Current assets		
Cash and deposits	16,463	14,480
Deposits paid to subsidiaries and associates	2,500	2,500
Notes and accounts receivable - trade	77,130	71,836
Merchandise and finished goods	19,212	19,867
Work in process	831	946
Raw materials and supplies	17	20
Goods in transit	1,967	1,588
Other	6,614	5,337
Allowance for doubtful accounts	(2,656)	(324)
Total current assets	122,081	116,252
Non-current assets		
Property, plant and equipment	1,919	1,955
Intangible assets		
Goodwill	645	491
Customer-related assets	893	818
Other	1,316	2,985
Total intangible assets	2,855	4,296
Investments and other assets		
Distressed receivables	6,536	17,133
Other	16,370	17,862
Allowance for doubtful accounts	(6,562)	(9,955)
Total investments and other assets	16,344	25,039
Total non-current assets	21,118	31,290
Total assets	143,200	147,543
Liabilities		
Current liabilities		
Notes and accounts payable - trade	52,919	51,995
Short-term borrowings	4,816	3,887
Current portion of long-term borrowings	113	113
Income taxes payable	2,387	1,484
Provision for bonuses	927	590
Provision for loss on liquidation of subsidiaries and associates	42	42
Other	6,456	5,430
Total current liabilities	67,663	63,543
Non-current liabilities		
Long-term borrowings	132	47
Deferred tax liabilities	797	1,067
Provision for share awards	-	32
Retirement benefit liability	2,233	2,203
Other	215	263
Total non-current liabilities	3,378	3,614
Total liabilities	71,041	67,157

(Unit: Millions of yen)

	As of Mar. 31, 2023	As of Dec. 31, 2023
Net assets		
Shareholders' equity		
Share capital	6,800	6,800
Capital surplus	1,804	2,152
Retained earnings	60,634	65,870
Treasury shares	(689)	(935)
Total shareholders' equity	68,549	73,887
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,392	2,575
Deferred gains or losses on hedges	(138)	(217)
Foreign currency translation adjustment	2,421	4,146
Remeasurements of defined benefit plans	(66)	(58)
Total accumulated other comprehensive income	3,609	6,446
Non-controlling interests	-	52
Total net assets	72,158	80,386
Total liabilities and net assets	143,200	147,543

Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income

Quarterly consolidated statements of income

(Unit: Millions of yen)

	Nine months ended Dec. 31, 2022	Nine months ended Dec. 31, 2023
Net sales	255,379	233,357
Cost of sales	226,839	203,730
Gross profit	28,539	29,626
Selling, general and administrative expenses	17,612	17,698
Operating profit	10,927	11,927
Non-operating income		
Interest income	215	683
Dividend income	220	263
Share of profit of entities accounted for using equity method	151	-
Gain on adjustment of accounts payable	36	29
Miscellaneous income	244	300
Total non-operating income	868	1,276
Non-operating expenses		
Interest expenses	276	565
Loss on sale of notes receivable - trade	285	641
Share of loss of entities accounted for using equity method	-	131
Foreign exchange losses	61	51
Miscellaneous expenses	162	14
Total non-operating expenses	785	1,404
Ordinary profit	11,010	11,799
Extraordinary income		
Gain on sale of investment securities	390	172
Gain on liquidation or reorganization of subsidiaries and associates	7	2
Gain on sale of non-current assets	8	0
Other	-	0
Total extraordinary income	406	176
Extraordinary losses		
Loss on disposal of non-current assets	8	19
Loss on valuation of investment securities	8	4
Loss on valuation of golf club membership	2	-
Total extraordinary losses	19	24
Profit before income taxes	11,398	11,951
Income taxes - current	3,677	3,711
Income taxes - deferred	166	121
Total income taxes	3,844	3,832
Net profit	7,554	8,118
Net profit attributable to non-controlling interests	5	53
Net profit attributable to owners of parent	7,548	8,065

Quarterly consolidated statements of comprehensive income

(Unit: Millions of yen)

	Nine months ended Dec. 31, 2022	Nine months ended Dec. 31, 2023
Net profit	7,554	8,118
Other comprehensive income		
Valuation difference on available-for-sale securities	(232)	1,182
Deferred gains or losses on hedges	(891)	(78)
Foreign currency translation adjustment	2,138	1,411
Remeasurements of defined benefit plans	7	7
Share of other comprehensive income of entities accounted for using equity method	514	313
Total other comprehensive income	1,537	2,836
Comprehensive income	9,091	10,955
Comprehensive income attributable to:		
Owners of parent	9,082	10,902
Non-controlling interests	9	52