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MEMBERSHIP

February 6, 2024

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

Company name: GOLDWIN INC.
Stock exchange listing: Tokyo
Securities code: 8111
URL: <https://corp.goldwin.co.jp/eng/>
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Scheduled date to file Quarterly Securities Report: February 14, 2024
Scheduled date to commence dividend payments: —
Preparation of supplementary material on quarterly financial results: Yes
Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

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		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2023	94,832	9.3	19,189	5.0	23,576	7.5	17,574	8.0
December 31, 2022	86,746	17.6	18,281	29.1	21,924	41.9	16,268	50.8

Note: Comprehensive income Nine months ended December 31, 2023: ¥19,531 million [13.3%]
 Nine months ended December 31, 2022: ¥17,240 million [55.6%]

	Earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	389.83	—
December 31, 2022	361.12	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
December 31, 2023	139,591	92,160	65.9
March 31, 2023	118,517	80,056	67.4

Reference: Equity
As of December 31, 2023 ¥92,018 million
As of March 31, 2023 ¥79,914 million

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	–	25.00	–	85.00	110.00
Year ending March 31, 2024	–	30.00	–		
Year ending March 31, 2024 (Forecast)				85.00	115.00

Note: Revisions to the forecast of cash dividends most recently announced: No

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	123,000	6.9	22,600	3.2	28,200	0.4	21,700	3.4	481.72

Note: Revisions to the forecast of consolidated financial results most recently announced: No

*** Notes**

(1) Changes in significant subsidiaries during the nine months ended December 31, 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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: No

(ii) Changes in accounting policies due to other reasons: No

(iii) Changes in accounting estimates: No

(iv) Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of December 31, 2023	47,448,172 shares
As of March 31, 2023	47,448,172 shares

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

As of December 31, 2023	2,545,490 shares
As of March 31, 2023	2,405,807 shares

(iii) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	45,081,519 shares
Nine months ended December 31, 2022	45,049,778 shares

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

* Proper use of financial forecasts, and other special matters

Descriptions of the above financial forecasts and other data are based on information currently available to the Company and certain assumptions that we consider to be reasonable. Actual financial results may differ significantly from the forecasts for various reasons.

Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	35,654	37,464
Notes and accounts receivable - trade, and contract assets	11,999	18,343
Electronically recorded monetary claims - operating	4,302	9,903
Merchandise and finished goods	13,550	16,394
Work in process	352	349
Raw materials and supplies	725	917
Other	2,610	1,905
Allowance for doubtful accounts	(11)	(12)
Total current assets	69,184	85,267
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,160	2,102
Land	4,691	4,691
Other, net	1,991	2,958
Total property, plant and equipment	8,844	9,752
Intangible assets		
Trademark right	1,205	996
Other	2,085	2,183
Total intangible assets	3,290	3,180
Investments and other assets		
Investment securities	28,895	32,884
Guarantee deposits	2,849	2,880
Other	5,589	5,762
Allowance for doubtful accounts	(137)	(137)
Total investments and other assets	37,197	41,391
Total non-current assets	49,332	54,323
Total assets	118,517	139,591

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,116	5,946
Electronically recorded obligations - operating	15,717	23,526
Short-term borrowings	–	620
Current portion of long-term borrowings	940	940
Income taxes payable	3,544	3,366
Provision for bonuses	889	496
Other	7,873	7,786
Total current liabilities	34,082	42,683
Non-current liabilities		
Long-term borrowings	1,645	752
Retirement benefit liability	229	229
Provision for share awards	1,074	2,224
Other	1,429	1,541
Total non-current liabilities	4,378	4,748
Total liabilities	38,461	47,431
Net assets		
Shareholders' equity		
Share capital	7,079	7,079
Capital surplus	297	1,548
Retained earnings	78,129	90,354
Treasury shares	(7,127)	(10,410)
Total shareholders' equity	78,379	88,572
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	728	1,227
Deferred gains or losses on hedges	55	51
Foreign currency translation adjustment	1,855	3,113
Remeasurements of defined benefit plans	(1,105)	(946)
Total accumulated other comprehensive income	1,534	3,446
Non-controlling interests	141	141
Total net assets	80,056	92,160
Total liabilities and net assets	118,517	139,591

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income

Quarterly consolidated statement of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	86,746	94,832
Cost of sales	40,590	44,262
Gross profit	46,156	50,570
Selling, general and administrative expenses	27,874	31,381
Operating profit	18,281	19,189
Non-operating income		
Interest income	8	13
Dividend income	67	85
Share of profit of entities accounted for using equity method	3,513	4,261
Other	177	105
Total non-operating income	3,767	4,465
Non-operating expenses		
Interest expenses	32	27
Loss on sale of notes receivable - trade	4	-
Loss on cancellation of insurance policies	10	-
Other	77	50
Total non-operating expenses	124	78
Ordinary profit	21,924	23,576
Extraordinary income		
Gain on sale of investment securities	5	491
Gain on liquidation of subsidiaries	80	-
Total extraordinary income	85	491
Extraordinary losses		
Loss on disposal of non-current assets	92	21
Loss on valuation of investment securities	-	19
Loss on store closings	7	-
Other	6	-
Total extraordinary losses	106	41
Profit before income taxes	21,903	24,026
Income taxes - current	4,995	6,415
Income taxes - deferred	603	(8)
Total income taxes	5,598	6,407
Profit	16,304	17,619
Profit attributable to non-controlling interests	36	45
Profit attributable to owners of parent	16,268	17,574

Quarterly consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	16,304	17,619
Other comprehensive income		
Valuation difference on available-for-sale securities	236	498
Deferred gains or losses on hedges	(6)	(5)
Foreign currency translation adjustment	293	210
Remeasurements of defined benefit plans, net of tax	123	158
Share of other comprehensive income of entities accounted for using equity method	288	1,048
Total other comprehensive income	936	1,911
Comprehensive income	17,240	19,531
Comprehensive income attributable to:		
Owners of parent	17,204	19,485
Non-controlling interests	36	45