

Translation

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

February 6, 2024

Company name: SATOSHOJI CORPORATION  
 Stock exchange listing: Tokyo  
 Stock code: 8065 URL <http://www.satoshoji.co.jp>  
 Representative: Representative Director, President Tetsuo Nozawa  
 Inquiries: General Manager of Financial Dept. Akihito Okeda TEL 03-5218-5312  
 Scheduled date to file Quarterly Securities Report: February 7, 2024  
 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 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	205,818	0.2	4,598	1.8	5,334	4.1	4,523	29.7
Nine months ended December 31, 2022	205,403	19.8	4,514	10.9	5,122	13.3	3,486	26.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	214.24		209.36	
Nine months ended December 31, 2022	165.08		161.18	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	171,822	61,747	35.7
As of March 31, 2023	163,743	56,102	34.0

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	29.00	–	38.00	67.00
Year ending March 31, 2024	–	32.00	–		
Year ending March 31, 2024 (Forecast)				35.00	67.00

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	277,000	0.7	6,200	1.0	6,700	(0.3)	6,000	(3.1)	284.14

4. 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
- 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 December 31, 2023	21,799,050 shares	As of March 31, 2023	21,799,050 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	664,243 shares	As of March 31, 2023	725,891 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	21,116,307 shares	Nine months ended December 31, 2022	21,121,197 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	3,346	3,541
Notes receivable - trade	7,610	7,514
Electronically recorded monetary claims - operating	25,445	31,622
Accounts receivable - trade	56,134	54,513
Merchandise and finished goods	30,349	29,012
Other	5,465	4,783
Allowance for doubtful accounts	(237)	(206)
Total current assets	128,114	130,780
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,295	5,021
Land	10,149	12,823
Other, net	2,234	2,685
Total property, plant and equipment	17,679	20,530
Intangible assets	177	200
Investments and other assets		
Investment securities	15,722	18,425
Deferred tax assets	76	62
Retirement benefit asset	798	740
Other	1,602	1,163
Allowance for doubtful accounts	(423)	(75)
Allowance for investment loss	(5)	(5)
Total investments and other assets	17,771	20,311
Total non-current assets	35,628	41,041
Total assets	163,743	171,822

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	53,234	56,418
Electronically recorded obligations - operating	12,080	14,385
Short-term borrowings	20,253	17,478
Income taxes payable	1,456	213
Contract liabilities	492	873
Provision for bonuses	1,669	883
Other	2,739	3,303
<b>Total current liabilities</b>	<b>91,927</b>	<b>93,556</b>
<b>Non-current liabilities</b>		
Long-term borrowings	12,546	12,134
Deferred tax liabilities	2,603	3,808
Retirement benefit liability	154	167
Provision for retirement benefits for directors (and other officers)	72	57
Other	336	349
<b>Total non-current liabilities</b>	<b>15,713</b>	<b>16,517</b>
<b>Total liabilities</b>	<b>107,641</b>	<b>110,074</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,321	1,321
Capital surplus	838	818
Retained earnings	46,915	49,965
Treasury shares	(760)	(696)
<b>Total shareholders' equity</b>	<b>48,315</b>	<b>51,409</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	6,312	8,430
Deferred gains or losses on hedges	(6)	(11)
Foreign currency translation adjustment	1,101	1,535
<b>Total accumulated other comprehensive income</b>	<b>7,408</b>	<b>9,955</b>
Share acquisition rights	367	369
Non-controlling interests	11	13
<b>Total net assets</b>	<b>56,102</b>	<b>61,747</b>
<b>Total liabilities and net assets</b>	<b>163,743</b>	<b>171,822</b>

## Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

### Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	205,403	205,818
Cost of sales	189,536	190,322
Gross profit	15,867	15,496
Selling, general and administrative expenses	11,352	10,898
Operating profit	4,514	4,598
Non-operating income		
Interest income	4	7
Dividend income	495	826
Rental income	108	94
Purchase discounts	40	30
Share of profit of entities accounted for using equity method	31	23
Subsidies for employment adjustment	3	0
Foreign exchange gains	145	10
Other	58	43
Total non-operating income	886	1,038
Non-operating expenses		
Interest expenses	194	208
Loss on sale of trade receivables	11	18
Rental expenses	38	35
Other	34	39
Total non-operating expenses	279	301
Ordinary profit	5,122	5,334
Extraordinary income		
Gain on sale of non-current assets	0	2
Gain on sale of investment securities	62	881
Total extraordinary income	62	884
Extraordinary losses		
Loss on sale and retirement of non-current assets	1	1
Loss on valuation of investment securities	0	60
Loss on sale of investment securities	–	3
Provision of allowance for investment loss	20	–
Total extraordinary losses	21	66
Profit before income taxes	5,163	6,153
Income taxes - current	1,358	1,329
Income taxes - deferred	315	297
Total income taxes	1,674	1,627
Profit	3,488	4,525
Profit attributable to non-controlling interests	1	1
Profit attributable to owners of parent	3,486	4,523

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

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	3,488	4,525
Other comprehensive income		
Valuation difference on available-for-sale securities	(700)	2,117
Deferred gains or losses on hedges	(29)	(4)
Foreign currency translation adjustment	362	426
Share of other comprehensive income of entities accounted for using equity method	2	8
Total other comprehensive income	(365)	2,547
Comprehensive income	3,122	7,073
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,121	7,071
Comprehensive income attributable to non-controlling interests	1	2