

Translation

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

February 7, 2024

Company name: Inabata&Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 8098 URL <https://www.inabata.co.jp>
 Representative: Director, President Katsutaro Inabata
 Executive Officer,
 Inquiries: General Manager, Financial Management Koichi Noda TEL 050-3684-4011
 Office
 Scheduled date to file Quarterly Securities Report: February 13, 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	572,995	2.1	16,319	1.2	16,402	6.5	16,686	8.7
Nine months ended December 31, 2022	561,154	11.1	16,126	(1.3)	15,394	(13.7)	15,357	(16.0)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	302.18		–	
Nine months ended December 31, 2022	269.96		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	409,952	196,465	46.4
As of March 31, 2023	380,443	181,507	47.2

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	–	50.00	–	65.00	115.00
Year ending March 31, 2024	–	55.00	–	–	–
Year ending March 31, 2024 (Forecast)	–	–	–	65.00	120.00

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	800,000	8.8	21,000	3.4	20,000	4.7	21,000	7.8	376.14

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): Yes
- (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	55,914,127 shares	As of March 31, 2023	57,114,127 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	680,133 shares	As of March 31, 2023	1,284,045 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	55,218,979 shares	Nine months ended December 31, 2022	56,887,811 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
Assets		
Current assets		
Cash and deposits	36,353	48,025
Notes receivable - trade	23,247	29,803
Accounts receivable - trade	153,640	171,263
Merchandise and finished goods	83,097	76,339
Work in process	802	2,012
Raw materials and supplies	4,990	4,353
Other	13,623	9,968
Allowance for doubtful accounts	(382)	(417)
Total current assets	315,373	341,349
Non-current assets		
Property, plant and equipment	16,606	18,140
Intangible assets	2,403	3,451
Investments and other assets		
Investment securities	32,840	32,454
Retirement benefit asset	8,215	8,475
Other	10,305	11,954
Allowance for doubtful accounts	(5,300)	(5,873)
Total investments and other assets	46,060	47,011
Total non-current assets	65,070	68,603
Total assets	380,443	409,952
Liabilities		
Current liabilities		
Notes and accounts payable - trade	105,730	123,353
Short-term borrowings	49,474	42,251
Income taxes payable	3,589	1,969
Provision for bonuses	1,606	1,057
Other	13,133	13,002
Total current liabilities	173,534	181,633
Non-current liabilities		
Bonds payable	7,500	7,500
Long-term borrowings	7,795	13,356
Provision for retirement benefits for directors (and other officers)	37	40
Provision for share awards for directors (and other officers)	206	248
Retirement benefit liability	1,713	2,146
Other	8,149	8,561
Total non-current liabilities	25,402	31,853
Total liabilities	198,936	213,487
Net assets		
Shareholders' equity		
Share capital	9,364	9,364
Capital surplus	6,718	7,177
Retained earnings	134,684	141,375
Treasury shares	(2,220)	(904)
Total shareholders' equity	148,546	157,013
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,805	9,714
Deferred gains or losses on hedges	395	415
Foreign currency translation adjustment	17,187	22,523
Remeasurements of defined benefit plans	526	492
Total accumulated other comprehensive income	30,914	33,145
Non-controlling interests	2,046	6,306
Total net assets	181,507	196,465
Total liabilities and net assets	380,443	409,952

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	561,154	572,995
Cost of sales	513,086	520,691
Gross profit	48,067	52,303
Selling, general and administrative expenses	31,941	35,983
Operating profit	16,126	16,319
Non-operating income		
Interest income	181	295
Dividend income	1,782	736
Share of profit of entities accounted for using equity method	–	209
Miscellaneous income	617	932
Total non-operating income	2,581	2,174
Non-operating expenses		
Interest expenses	1,259	1,482
Foreign exchange losses	750	277
Share of loss of entities accounted for using equity method	1,076	–
Miscellaneous losses	227	331
Total non-operating expenses	3,313	2,091
Ordinary profit	15,394	16,402
Extraordinary income		
Gain on sale of non-current assets	–	273
Gain on sale of investment securities	6,420	3,712
Gain on bargain purchase	–	3,419
Total extraordinary income	6,420	7,405
Extraordinary losses		
Loss on step acquisitions	–	225
Total extraordinary losses	–	225
Profit before income taxes	21,814	23,582
Income taxes - current	6,207	5,822
Income taxes - deferred	239	473
Total income taxes	6,446	6,296
Profit	15,367	17,285
Profit attributable to non-controlling interests	10	599
Profit attributable to owners of parent	15,357	16,686

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	15,367	17,285
Other comprehensive income		
Valuation difference on available-for-sale securities	(7,264)	(2,872)
Deferred gains or losses on hedges	(107)	(10)
Foreign currency translation adjustment	3,882	5,287
Remeasurements of defined benefit plans, net of tax	74	(35)
Share of other comprehensive income of entities accounted for using equity method	92	77
Total other comprehensive income	(3,321)	2,445
Comprehensive income	12,045	19,731
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,066	18,917
Comprehensive income attributable to non-controlling interests	(20)	814