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Consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]

February 13, 2024

Company name: ENSHU Limited

Stock exchange listing: Tokyo

Code number: 6218

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

Representative: Atsushi Suzuki, President and Representative Director, Chief Executive Officer

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Scheduled date of filing quarterly securities report: February 14, 2024

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

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

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

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	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	18,137	7.5	445	-	327	-	141	-
December 31, 2022	16,878	6.2	(555)	-	(737)	-	(724)	-

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥ 584 million [602.9%]

Nine months ended December 31, 2022: ¥ 83 million [(82.8)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended December 31, 2023	Yen 22.47	Yen -
December 31, 2022	(114.96)	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of December 31, 2023	Millions of yen 32,482	Millions of yen 11,855	% 36.5
March 31, 2023	34,168	11,362	33.3

(Reference) Equity: As of December 31, 2023: ¥ 11,855 million

As of March 31, 2023: ¥ 11,362 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2023	Yen -	Yen 0.00	Yen -	Yen 13.00	Yen 13.00
Fiscal year ending March 31, 2024	-	0.00	-	-	-
Fiscal year ending March 31, 2024 (Forecast)	-	-	-	13.00	13.00

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

3. 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		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	24,300	(2.1)	390	390.9	220	-	0	-	0.00

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2023
(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) 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

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

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

December 31, 2023: 6,353,454 shares

March 31, 2023: 6,353,454 shares

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

December 31, 2023: 48,927 shares

March 31, 2023: 48,722 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023: 6,304,627 shares

Nine months ended December 31, 2022: 6,305,199 shares

Quarterly Consolidated Financial Statements
 Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	4,588	4,046
Notes and accounts receivable - trade	4,685	2,902
Electronically recorded monetary claims - operating	1,217	1,597
Merchandise and finished goods	3,233	2,615
Work in process	3,182	3,791
Raw materials and supplies	2,093	2,494
Other	448	234
Allowance for doubtful accounts	(7)	(7)
Total current assets	19,442	17,673
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,544	2,637
Machinery, equipment and vehicles, net	2,989	3,341
Land	7,392	7,392
Other, net	1,313	1,108
Total property, plant and equipment	14,239	14,479
Intangible assets		
Other	103	80
Total intangible assets	103	80
Investments and other assets		
Other	353	187
Allowance for doubtful accounts	(11)	(2)
Total investments and other assets	341	184
Total non-current assets	14,684	14,744
Deferred assets	41	64
Total assets	34,168	32,482

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,732	1,612
Electronically recorded obligations - operating	2,125	1,525
Short-term borrowings	7,924	3,570
Income taxes payable	84	83
Provision for bonuses	430	219
Reserves for losses on liquidation of subsidiaries and affiliates	13	11
Other	2,602	2,469
Total current liabilities	14,912	9,494
Non-current liabilities		
Bonds payable	1,580	2,440
Long-term borrowings	1,415	3,957
Retirement benefit liability	2,613	2,473
Asset retirement obligations	40	40
Other	2,244	2,221
Total non-current liabilities	7,893	11,133
Total liabilities	22,805	20,627
Net assets		
Shareholders' equity		
Share capital	4,640	4,640
Retained earnings	2,652	2,709
Treasury shares	(70)	(70)
Total shareholders' equity	7,222	7,279
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2	3
Revaluation reserve for land	3,666	3,666
Foreign currency translation adjustment	901	1,284
Remeasurements of defined benefit plans	(429)	(378)
Total accumulated other comprehensive income	4,140	4,575
Total net assets	11,362	11,855
Total liabilities and net assets	34,168	32,482

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Net sales	16,878	18,137
Cost of sales	14,848	15,094
Gross profit	2,029	3,043
Selling, general and administrative expenses	2,584	2,597
Operating profit (loss)	(555)	445
Non-operating income		
Interest income	26	26
Dividend income	0	0
Claim income	6	5
Other	46	27
Total non-operating income	80	60
Non-operating expenses		
Interest expenses	123	102
Foreign exchange losses	112	6
Commission for syndicated loans	-	39
Other	27	30
Total non-operating expenses	262	178
Ordinary profit (loss)	(737)	327
Extraordinary income		
Gain on sale of non-current assets	1	0
Gain on sale of investment securities	3	15
Gain on transition of retirement benefit plan	144	-
Total extraordinary income	148	16
Extraordinary losses		
Loss on abandonment of non-current assets	1	0
Provision of reserves for losses on liquidation of subsidiaries and affiliates	4	-
Total extraordinary losses	5	0
Profit (loss) before income taxes	(593)	343
Income taxes - current	164	170
Income taxes - deferred	(33)	30
Total income taxes	131	201
Profit (loss)	(724)	141
Profit attributable to non-controlling interests	-	-
Profit (loss) attributable to owners of parent	(724)	141

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit (loss)	(724)	141
Other comprehensive income		
Valuation difference on available-for-sale securities	0	0
Foreign currency translation adjustment	700	391
Remeasurements of defined benefit plans, net of tax	107	51
Total other comprehensive income	808	443
Comprehensive income	83	584
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	83	584
Comprehensive income attributable to non-controlling interests	-	-