

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Based on Japanese GAAP)

February 10, 2023

Company name: Kisoji Co.,Ltd.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 8160 URL <https://www.kisoji.co.jp/>
 Representative: Representative Director and President Toyonaru Uchida
 Inquiries: Accounting Manager Akihiro Toya TEL 052-872-1811
 Scheduled date to file Quarterly Securities Report: February 13, 2023
 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, 2022 (from April 1, 2022 to December 31, 2022)

(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, 2022	33,132	22.6	(1,133)	–	(1,092)	–	(1,288)	–
Nine months ended December 31, 2021	27,019	–	(2,946)	–	1,115	–	829	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	(46.06)		–	
Nine months ended December 31, 2021	32.32		32.19	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	48,750	27,195	55.8
As of March 31, 2022	47,898	26,601	55.5

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, 2022	–	8.00	–	8.00	16.00
Year ending March 31, 2023	–	8.00	–		
Year ending March 31, 2023 (Forecast)				8.00	16.00

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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	46,200	25.6	(520)	–	(560)	–	(950)	–	(33.96)

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2022
(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, 2022	28,543,889 shares	As of March 31, 2022	27,413,889 shares
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Number of treasury shares at the end of the period

As of December 31, 2022	382,114 shares	As of March 31, 2022	381,656 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, 2022	27,976,431 shares	Nine months ended December 31, 2021	25,664,981 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	17,617	16,368
Accounts receivable - trade	1,437	2,584
Merchandise and finished goods	38	62
Raw materials and supplies	1,848	2,530
Other	1,781	580
Allowance for doubtful accounts	(1)	(1)
Total current assets	22,721	22,124
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,473	7,607
Land	6,198	6,198
Other, net	1,848	2,099
Total property, plant and equipment	14,520	15,905
Intangible assets		
Goodwill	1,916	1,934
Other	1,045	1,001
Total intangible assets	2,961	2,936
Investments and other assets		
Guarantee deposits	4,363	4,219
Other	3,359	3,592
Allowance for doubtful accounts	(28)	(28)
Total investments and other assets	7,693	7,783
Total non-current assets	25,176	26,625
Total assets	47,898	48,750

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	1,203	2,192
Short-term borrowings	4,500	4,370
Current portion of long-term borrowings	490	5,484
Income taxes payable	560	–
Asset retirement obligations	89	21
Provision for bonuses	519	223
Other	3,628	4,244
Total current liabilities	10,993	16,536
Non-current liabilities		
Long-term borrowings	6,891	1,762
Retirement benefit liability	948	923
Asset retirement obligations	1,296	1,303
Other	1,167	1,028
Total non-current liabilities	10,303	5,018
Total liabilities	21,296	21,554
Net assets		
Shareholders' equity		
Share capital	11,553	12,648
Capital surplus	11,371	12,467
Retained earnings	4,520	2,790
Treasury shares	(931)	(932)
Total shareholders' equity	26,515	26,974
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	44	208
Remeasurements of defined benefit plans	13	12
Total accumulated other comprehensive income	58	220
Share acquisition rights	28	–
Total net assets	26,601	27,195
Total liabilities and net assets	47,898	48,750

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, 2021	Nine months ended December 31, 2022
Net sales	27,019	33,132
Cost of sales	9,549	10,849
Gross profit	17,470	22,282
Selling, general and administrative expenses	20,417	23,416
Operating loss	(2,946)	(1,133)
Non-operating income		
Interest income	18	18
Dividend income	22	35
Subsidy income	4,078	28
Other	30	39
Total non-operating income	4,149	121
Non-operating expenses		
Interest expenses	51	32
Loss on cancellation of rental contracts	17	30
Other	18	18
Total non-operating expenses	87	81
Ordinary profit (loss)	1,115	(1,092)
Extraordinary income		
Gain on sale of non-current assets	0	1
Gain on sale of investment securities	16	–
Total extraordinary income	17	1
Extraordinary losses		
Loss on retirement of non-current assets	37	163
Impairment losses	78	–
Total extraordinary losses	115	163
Profit (loss) before income taxes	1,016	(1,254)
Income taxes - current	195	112
Income taxes - deferred	(8)	(78)
Total income taxes	187	34
Profit (loss)	829	(1,288)
Profit (loss) attributable to owners of parent	829	(1,288)

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit (loss)	829	(1,288)
Other comprehensive income		
Valuation difference on available-for-sale securities	63	163
Remeasurements of defined benefit plans, net of tax	(0)	(1)
Total other comprehensive income	62	162
Comprehensive income	892	(1,126)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	892	(1,126)
Comprehensive income attributable to non-controlling interests	—	—