

Translation

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**Summary of Consolidated Financial Results
for the Three Months Ended June 30, 2023
(Based on Japanese GAAP)**

August 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: August 14, 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 three months ended June 30, 2023 (from April 1, 2023 to June 30, 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	%
Three months ended June 30, 2023	11,647	15.6	(232)	–	(217)	–	(360)	–
Three months ended June 30, 2022	10,075	40.5	(661)	–	(661)	–	(656)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	(12.79)	–
Three months ended June 30, 2022	(23.77)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	46,813	26,823	57.3
As of March 31, 2023	48,412	27,331	56.5

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	–	8.00	–	8.00	16.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		8.00	–	8.00	16.00

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
Six months ending September 30, 2023	23,500	17.2	(740)	–	(730)	–	(770)	–	(27.34)
Full year	53,000	15.4	1,600	–	1,620	–	920	–	32.67

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 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 June 30, 2023	28,543,889 shares	As of March 31, 2023	28,543,889 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	382,330 shares	As of March 31, 2023	382,119 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2023	28,161,691 shares	Three months ended June 30, 2022	27,601,307 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	17,220	14,616
Accounts receivable - trade	1,743	1,449
Merchandise and finished goods	51	56
Raw materials and supplies	1,948	2,483
Other	637	810
Allowance for doubtful accounts	(1)	(1)
Total current assets	21,598	19,414
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,019	8,371
Land	6,175	6,175
Other, net	2,142	2,436
Total property, plant and equipment	16,337	16,983
Intangible assets		
Goodwill	1,831	1,785
Other	1,063	1,037
Total intangible assets	2,894	2,823
Investments and other assets		
Guarantee deposits	4,201	4,166
Other	3,409	3,454
Allowance for doubtful accounts	(28)	(28)
Total investments and other assets	7,582	7,592
Total non-current assets	26,813	27,399
Total assets	48,412	46,813

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	1,228	1,440
Short-term borrowings	4,500	4,560
Current portion of long-term borrowings	5,360	5,261
Income taxes payable	70	103
Asset retirement obligations	22	2
Provision for bonuses	531	288
Other	4,465	4,154
Total current liabilities	16,178	15,811
Non-current liabilities		
Long-term borrowings	1,631	933
Retirement benefit liability	947	959
Asset retirement obligations	1,314	1,319
Other	1,008	966
Total non-current liabilities	4,901	4,179
Total liabilities	21,080	19,990
Net assets		
Shareholders' equity		
Share capital	12,648	12,648
Capital surplus	12,467	12,467
Retained earnings	2,996	2,407
Treasury shares	(932)	(932)
Total shareholders' equity	27,180	26,590
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	138	222
Remeasurements of defined benefit plans	12	10
Total accumulated other comprehensive income	151	232
Total net assets	27,331	26,823
Total liabilities and net assets	48,412	46,813

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	10,075	11,647
Cost of sales	3,268	3,716
Gross profit	6,806	7,931
Selling, general and administrative expenses	7,468	8,164
Operating loss	(661)	(232)
Non-operating income		
Interest income	5	5
Dividend income	20	17
Other	14	10
Total non-operating income	40	33
Non-operating expenses		
Interest expenses	10	11
Loss on cancellation of leasehold contracts	17	3
Other	11	3
Total non-operating expenses	40	18
Ordinary loss	(661)	(217)
Extraordinary income		
Gain on sale of non-current assets	–	0
Total extraordinary income	–	0
Extraordinary losses		
Loss on retirement of non-current assets	26	73
Total extraordinary losses	26	73
Loss before income taxes	(687)	(290)
Income taxes - current	47	44
Income taxes - deferred	(79)	24
Total income taxes	(31)	69
Loss	(656)	(360)
Loss attributable to owners of parent	(656)	(360)

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Loss	(656)	(360)
Other comprehensive income		
Valuation difference on available-for-sale securities	36	83
Remeasurements of defined benefit plans, net of tax	(0)	(1)
Total other comprehensive income	36	81
Comprehensive income	(619)	(278)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(619)	(278)
Comprehensive income attributable to non-controlling interests	—	—