

(Translation)



Consolidated Financial Results
for the Second Quarter of the Fiscal Year Ending March 31, 2022
(under Japanese GAAP)

October 29, 2021

Company name: SG Holdings Co., Ltd.

Securities code: 9143

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Listing: Tokyo Stock Exchange

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Planned date of quarterly report submission:

November 9, 2021

Planned start date for payment of dividends:

November 26, 2021

Preparation of supplemental explanatory material for quarterly results: Yes

Holding of briefing for quarterly results:

Yes

(for analysts and institutional investors)

(Note: Amounts less than one million yen are rounded down)

1. Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2022

(April 1, 2021 to September 30, 2021)

(1) Consolidated Operating Results

(Percentage figures represent year-on-year changes)

	Operating revenues		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2021	726,054	14.4	58,856	12.1	58,832	11.5	39,825	6.8
Six months ended September 30, 2020	634,846	8.0	52,494	41.1	52,777	35.6	37,293	69.9

(Note) Comprehensive income:

Six months ended September 30, 2021 47,826 million yen (down 4.7%)

Six months ended September 30, 2020 50,184 million yen (up 119.1%)

	Basic net income per share	Diluted net income per share
	Yen	Yen
Six months ended September 30, 2021	62.69	—
Six months ended September 30, 2020	58.71	—

(Notes) 1. The Company conducted a split of the shares of its common stock on a 2-for-1 basis effective November 1, 2020. Basic net income per share was calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

2. The “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan Statement No. 29, March 31, 2020), etc. has been applied from the beginning of the first quarter of the fiscal year ending March 31, 2022, and the figures for the second quarter of the fiscal year ending March 31, 2022 reflect the application of the accounting standard, etc.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2021	823,844	439,837	52.3
As of March 31, 2021	790,259	404,845	50.4

(Reference) Equity (Total equity – non-controlling interests):

As of September 30, 2021 431,235 million yen

As of March 31, 2021 398,342 million yen

(Note) The “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan Statement No. 29, March 31, 2020), etc. has been applied from the beginning of the first quarter of the fiscal year ending March 31, 2022, and the figures for the second quarter of the fiscal year ending March 31, 2022 reflect the application of the accounting standard, etc.

2. Dividend Status

	Dividend per share				
	1Q-end	2Q-end	3Q-end	4Q-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	—	36.00	—	17.00	—
Fiscal year ending March 31, 2022	—	20.00			
Fiscal year ending March 31, 2022 (Forecast)			—	21.00	41.00

(Notes) 1. Revisions to the dividend forecasts announced most recently: Yes

2. Interim dividend for the first six months of the fiscal year ended March 31, 2021: ordinary dividend of 26.00 yen per share and special dividend of 10.00 yen per share.

3. The Company conducted a split of the shares of its common stock on a 2-for-1 basis effective November 1, 2020. Regarding interim dividend per share for the first six months of the fiscal year ended March 31, 2021, the dividend per share indicates the actual amount before the stock split, while the annual dividend is indicated as “—”.

4. Please refer to the “Notice Concerning Revision of Dividend Forecast” released on October 29, 2021 regarding the revision to the dividend forecasts.

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2022

(April 1, 2021 to March 31, 2022)

(Percentage figures represent year-on-year changes)

	Operating revenues		Operating income		Ordinary income		Net income attributable to owners of the parent		Basic net Income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,450,000	10.5	125,000	22.9	127,000	22.5	85,000	14.3	133.81

(Notes) 1. Revisions to the earnings forecasts announced most recently: Yes

2. The number of shares issued as of September 30, 2021 (excluding treasury stock) has been used as the average number of shares during the period, which serves as the basis for calculating basic net income per share.

3. The “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan Statement No. 29, March 31, 2020), etc. has been applied from the beginning of the first quarter of the fiscal year ending March 31, 2022, and the above consolidated earnings forecasts reflect the application of the accounting standard, etc.

4. Please refer to the “Notice of Revisions to Earnings Forecast” released on October 29, 2021 regarding the revision to the consolidated earnings forecasts.

* Notes

(1) Changes in significant subsidiaries during the period

(Changes in specified subsidiaries resulting in changes in scope of consolidation): None

Newly added: - companies

Excluded: - companies

(2) Application of special accounting treatment for the preparation of quarterly consolidated financial statements: Yes

(Note) Please refer to the section “2. Quarterly Consolidated Financial Statements and Notes (4) Notes to the Quarterly Consolidated Financial Statements (Application of Special Accounting Treatment for the Preparation of Quarterly Consolidated Financial Statements)” in the Appendix for further information.

(3) Changes in accounting policies, changes in accounting estimates, and restatements

(i) Changes in accounting policies due to revisions to accounting standards: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatements: None

(Note) Please refer to the section “2. Quarterly Consolidated Financial Statements and Notes (4) Notes to the Quarterly Consolidated Financial Statements (Changes in Accounting Policies)” in the Appendix for further information.

(4) Number of shares issued (common stock)

(i) Number of shares issued at the end of the period (including treasury stock)

As of September 30, 2021 640,394,400 shares

As of March 31, 2021 640,394,400 shares

(ii) Number of treasury stock at the end of the period

As of September 30, 2021 5,142,512 shares

As of March 31, 2021 5,169,214 shares

(iii) Average number of shares during the period

Six months ended September 30, 2021 635,234,366 shares

Six months ended September 30, 2020 635,224,838 shares

(Note) The Company conducted a split of the shares of its common stock on a 2-for-1 basis effective November 1, 2020. The number of shares issued (common stock) was calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

* This report is not subject to the quarterly review by certified public accountants or auditing firms.

* Description concerning the appropriate use of earnings forecasts and other remarks

The descriptions concerning earnings forecasts included in this document are based on information currently available to the Company and the certain assumptions reasonably judged to be valid. Actual results may differ substantially from these forecasts due to a variety of factors. For the assumptions on which the earnings forecasts were based and the notes for use of the forecasts, please refer to “1. Qualitative Information on Quarterly Results (3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Statements” in the Appendix.

- The Company plans to promptly publish supplemental explanatory material for quarterly results on its website following the financial results announcement.

- The Company plans to hold a results presentation briefing for analysts and institutional investors on November 4, 2021.