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Non-consolidated Financial Results for the Nine Months Ended December 31, 2021 [Japanese GAAP]

January 27, 2022

Company name: CONEXIO Corporation Stock exchange listing: Tokyo
Code number: 9422 URL: <https://www.conexio.co.jp>
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Scheduled date of filing quarterly securities report: February 09, 2022
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. Non-consolidated Financial Results for the Nine Months Ended December 31, 2021 (April 01, 2021 to December 31, 2021)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2021	138,298	5.6	5,358	(33.2)	5,452	(35.1)	3,935	(30.1)
December 31, 2020	130,946	(16.4)	8,019	7.8	8,398	10.2	5,630	9.3

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2021	87.97	-
December 31, 2020	125.84	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of December 31, 2021	98,654	51,942	52.7
March 31, 2021	105,315	51,140	48.6

(Reference) Equity: As of December 31, 2021: ¥ 51,942 million
As of March 31, 2021: ¥ 51,140 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	-	30.00	-	35.00	65.00
Fiscal year ending March 31, 2022	-	35.00	-		
Fiscal year ending March 31, 2022 (Forecast)				35.00	70.00

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

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 01, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	185,000	(2.0)	8,000	(25.1)	8,000	(27.8)	5,700	(24.4)	127.41

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

* Notes:

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

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

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

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

December 31, 2021: 44,737,938 shares

March 31, 2021: 44,737,938 shares

2) Total number of treasury shares at the end of the period:

December 31, 2021: 194 shares

March 31, 2021: 153 shares

3) Average number of shares during the period:

Nine months ended December 31, 2021: 44,737,773 shares

Nine months ended December 31, 2020: 44,737,789 shares

*** This Financial Results is not subject to audit procedures.**

*** Explanation of appropriate use of financial forecasts and other special notes**

- Financial forecasts and other forward-looking statements herein are based on information available to the Company and certain assumptions deemed reasonable as at the time of preparing this report. The Company does not guarantee that any forecasts would be met. Actual results may vary significantly from the forecasts due to a wide range of factors.

1. Quarterly Non-consolidated Financial Statements

(1) Quarterly Non-consolidated Balance Sheets

(Million yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	21,550	19,974
Accounts receivable - trade	29,038	21,526
Merchandise and finished goods	6,295	5,572
Accounts receivable - other	27,788	31,134
Deposits paid	114	127
Other	1,131	1,171
Allowance for doubtful accounts	(5)	(6)
Total current assets	85,914	79,499
Non-current assets		
Property, plant and equipment	4,014	3,872
Intangible assets		
Goodwill	1,306	1,222
The right of career shop management	7,654	7,154
Other	449	497
Total intangible assets	9,410	8,874
Investments and other assets	5,976	6,408
Total non-current assets	19,401	19,155
Total assets	105,315	98,654
Liabilities		
Current liabilities		
Accounts payable - trade	14,756	13,430
Accrued agency commission	6,370	4,811
Accounts payable - other	14,505	16,231
Income taxes payable	2,022	401
Provision for bonuses	4,829	675
Provision for bonuses for directors (and other officers)	81	4
Other	5,017	5,921
Total current liabilities	47,583	41,476
Non-current liabilities		
Provision for bonuses	-	20
Provision for directors' bonuses	-	8
Provision for retirement benefits	5,894	3,138
Asset retirement obligations	595	623
Other	102	1,444
Total non-current liabilities	6,591	5,234
Total liabilities	54,174	46,711

(Million yen)

	As of March 31,2021	As of December 31,2021
Net assets		
Shareholders' equity		
Share capital	2,778	2,778
Capital surplus	585	585
Retained earnings	47,774	48,578
Treasury shares	(0)	(0)
Total shareholders' equity	51,138	51,941
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2	0
Total valuation and translation adjustments	2	0
Total net assets	51,140	51,942
Total liabilities and net assets	105,315	98,654

(2) Quarterly Non-consolidated Statements of Income

	(Million yen)	
	For the nine months ended December 31, 2020	For the nine months ended December 31, 2021
Net sales	130,946	138,298
Cost of sales	93,667	100,049
Gross profit	37,278	38,249
Selling, general and administrative expenses	29,259	32,890
Operating profit	8,019	5,358
Non-operating income		
Interest income	0	0
Dividend income	0	0
Support money of store move etc income	90	36
Reversal of allowance for doubtful accounts	0	3
Subsidies for employment adjustment	259	-
Surrender value of insurance policies	-	31
Other	41	25
Total non-operating income	392	97
Non-operating expenses		
Interest expenses	0	0
Loss on cancellation of contracts	5	0
Loss on investments in investment partnerships	3	-
Other	3	3
Total non-operating expenses	12	3
Ordinary profit	8,398	5,452
Extraordinary income		
Gain on sale of non-current assets	24	-
Compensation for forced relocation	-	332
Gain on revision of retirement benefit plan	-	280
Other	0	13
Total extraordinary income	25	626
Extraordinary losses		
Head office relocation expenses	-	127
Loss on store closings	19	20
Loss on sale and retirement of non-current assets	27	9
Impairment losses	24	25
Other	1	-
Total extraordinary losses	73	183
Profit before income taxes	8,350	5,895
Income taxes - current	2,864	2,103
Income taxes - deferred	(143)	(143)
Total income taxes	2,720	1,959
Profit	5,630	3,935