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January 28, 2022

Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Japanese GAAP)

Company name: Prestige International Inc.
 Listing: Tokyo Stock Exchange First Section
 Securities code: 4290
 URL: <http://www.prestigein.com/>
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 Scheduled date to file quarterly securities report: February 10, 2022
 Scheduled date to commence dividend payments: —

Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: No

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the Nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2021	34,260	14.0	4,924	27.6	5,163	29.1	3,126	37.8
December 31, 2020	30,049	△ 5.2	3,859	2.1	4,000	△ 1.6	2,269	△ 6.3

(Note) Comprehensive income For the Nine months ended December 31, 2021: ¥3,628 million [39.5%]
 For the Nine months ended December 31, 2020: ¥2,600 million [△ 2.2%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2021	24.39	24.27
December 31, 2020	17.72	17.62

(Note) Since Accounting Standard for Revenue Recognition (ASBJ Statement No. 29), etc. have been applied from the Nine months ended December 31, 2021, the above amounts of consolidated financial results reflect the application of the accounting standard.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2021	51,657	35,247	64.1
March 31, 2021	46,755	32,888	66.1

Reference: Equity

As of December 31, 2021 : ¥33,103 million
 As of March 31, 2021 : ¥30,918 million



2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	—	3.50	—	3.50	7.00
Fiscal year ended March 31, 2022	—	4.00			
Fiscal year ended March 31, 2022 (Forecast)			—	4.50	8.50

(Note) Revisions to the forecast of cash dividends most recently announced: Yes

For the revision of the dividend forecast, please refer to "Notice Concerning Revision of Consolidated Earnings Forecast and Dividend Forecast for the Fiscal Year Ending March 31, 2022" that has been announced today (January 28, 2022).

3. Forecast of consolidated financial results for the year ending March 31, 2022

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen
Full year	46,000	13.3	6,800	29.9	7,000	28.4	4,000	34.7	31.21

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

For the revision of the consolidated earnings forecast, please refer to "Notice Concerning Revision of Consolidated Earnings Forecast and Dividend Forecast for the Fiscal Year Ending March 31, 2022" that has been announced today (January 28, 2022).

Note:

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|---|------|
| (1) Changes in significant subsidiaries during the Nine months ended December 31, 2021 : | None |
| (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: | None |
| (3) 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 due to other reasons: | None |
| 3) Changes in accounting estimates: | None |
| 4) Restatement of prior period financial statements: | None |

(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, 2021	128,187,200 shares	As of March 31, 2021	128,131,800 shares
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Number of treasury shares at the end of the period

As of December 31, 2021	708 shares	As of March 31, 2021	708 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

As of December 31, 2021	128,158,847 shares	As of December 31, 2020	128,047,936 shares
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*Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

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

The forecasts given in this document are based on the current available information in the company and certain reasonable assumptions to the company. And we don't commit to achieve these forecasting numbers. Actual results may differ from these forecasts by a variety of reasons.

Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	16,310,272	17,761,037
Notes and accounts receivable - trade	4,027,637	—
Notes and accounts receivable - trade, and contract assets	—	4,460,090
Merchandise and finished goods	34,324	53,727
Work in process	109,316	170,675
Raw materials and supplies	70,654	80,378
Other	7,346,609	8,244,810
Allowance for doubtful accounts	△623,651	△798,684
Total current assets	27,275,163	29,972,036
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,777,982	9,530,201
Other, net	1,456,838	2,953,559
Total property, plant and equipment	11,234,820	12,483,761
Intangible assets		
Other	1,439,807	1,711,044
Total intangible assets	1,439,807	1,711,044
Investments and other assets		
Investment securities	5,947,399	6,644,591
Other	930,865	918,263
Allowance for doubtful accounts	△72,265	△71,716
Total investments and other assets	6,806,000	7,491,138
Total non-current assets	19,480,628	21,685,944
Total assets	46,755,792	51,657,980

(Thousands of yen)

	As of March 31, 2021	As of December 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,042,946	1,201,605
Short-term borrowings	250,000	1,250,000
Income taxes payable	1,117,442	849,646
Provision for bonuses	742,044	472,136
Reserve for fulfillment of guarantees	102,263	123,781
Asset retirement obligations	1,914	—
Other	8,201,918	10,102,853
Total current liabilities	11,458,529	14,000,023
Non-current liabilities		
Long-term borrowings	250,000	125,000
Retirement benefit liability	7,356	6,314
Asset retirement obligations	1,659,018	1,695,831
Other	492,026	582,887
Total non-current liabilities	2,408,400	2,410,032
Total liabilities	13,866,930	16,410,056
Net assets		
Shareholders' equity		
Share capital	1,502,742	1,519,373
Capital surplus	2,772,011	2,788,642
Retained earnings	25,561,466	27,454,397
Treasury shares	△248	△248
Total shareholders' equity	29,835,971	31,762,165
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	507,301	579,921
Foreign currency translation adjustment	575,026	761,038
Total accumulated other comprehensive income	1,082,327	1,340,959
Share acquisition rights	153,375	198,002
Non-controlling interests	1,817,187	1,946,797
Total net assets	32,888,861	35,247,924
Total liabilities and net assets	46,755,792	51,657,980

(2) Consolidated Statement of Income and Comprehensive Income
(Consolidated Statement of Income)

(Thousands of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net sales	30,049,428	34,260,945
Cost of sales	23,322,210	26,084,304
Gross profit	6,727,217	8,176,640
Selling, general and administrative expenses	2,868,210	3,252,575
Operating profit	3,859,006	4,924,065
Non-operating income		
Interest income	3,894	2,402
Interest on securities	99,083	119,529
Dividend income	25,631	26,598
Share of profit of entities accounted for using equity method	90,923	105,214
Other	29,221	29,275
Total non-operating income	248,755	283,020
Non-operating expenses		
Interest expenses	1,525	4,380
Foreign exchange losses	56,513	—
Employment of People with Disabilities payment	18,868	17,550
Consumption Taxes Ajustment	18,113	15,710
Other	11,901	5,775
Total non-operating expenses	106,921	43,416
Ordinary profit	4,000,840	5,163,669
Extraordinary income		
Gain on sale of non-current assets	13,801	772
Subsidy income	1,475	2,014
Total extraordinary income	15,276	2,787
Extraordinary losses		
Loss on sale of non-current assets	67	89
Loss on retirement of non-current assets	—	31,894
Impairment losses	—	366
Fraudulent billing surcharge	116,723	—
Other	28,379	2,014
Total extraordinary losses	145,171	34,364
Profit before income taxes	3,870,945	5,132,092
Income taxes - current	1,362,979	1,672,027
Income taxes - deferred	△8,069	86,724
Total income taxes	1,354,910	1,758,751
Profit	2,516,035	3,373,340
Profit attributable to non-controlling interests	246,767	247,033
Profit attributable to owners of parent	2,269,267	3,126,306

(Consolidated Statement of Comprehensive Income)

(Thousands of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	2,516,035	3,373,340
Other comprehensive income		
Valuation difference on available-for-sale securities	172,253	69,322
Foreign currency translation adjustment	△87,700	186,011
Total other comprehensive income	84,553	255,334
Comprehensive income	2,600,588	3,628,674
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,348,968	3,384,938
Comprehensive income attributable to non-controlling interests	251,619	243,736