



Consolidated Financial Results for the Nine Months Ended December 31, 2021 [Japanese GAAP]

February 04, 2022

Company name: Qol Holdings Co., Ltd.
 Stock exchange listing: Tokyo
 Code number: 3034
 URL: <https://www.qolhd.co.jp/eng/>
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 Scheduled date of filing quarterly securities report: February 14, 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. Consolidated Financial Results for the Nine Months Ended December 31, 2021 (April 01, 2021 to December 31, 2021)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2021	124,545	3.1	6,921	49.5	7,072	45.3	4,155	88.5
December 31, 2020	120,819	(2.3)	4,629	(12.9)	4,866	(13.5)	2,204	(24.1)

(Note) Comprehensive income: Nine months ended December 31, 2021: ¥ 4,139 million [84.7%]
 Nine months ended December 31, 2020: ¥ 2,241 million [(26.9) %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2021	113.26	-
December 31, 2020	58.55	-

(Reference)

EBITDA (Operating profit + Depreciation + Amortization of goodwill)	As of December 31, 2021:	¥ 10,443 million
	As of December 31, 2020:	¥ 8,097 million
Net income before Amortization of goodwill (Profit attributable to owners of parent + Amortization of goodwill)	As of December 31, 2021:	¥ 6,254 million
	As of December 31, 2020:	¥ 4,504 million
EPS before Amortization of goodwill (Profit before Amortization of goodwill / Average number of shares during the period)	As of December 31, 2021:	¥ 177.83
	As of December 31, 2020:	¥ 119.61

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of December 31, 2021	103,008	42,350	41.1
March 31, 2021	100,571	41,834	40.9

(Reference) Equity: As of December 31, 2021: ¥ 42,308 million
 As of March 31, 2021: ¥ 41,162 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	-	14.00	-	14.00	28.00
Fiscal year ending March 31, 2022	-	14.00	-		
Fiscal year ending March 31, 2022 (Forecast)				14.00	28.00

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

3. 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 attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	175,000	8.1	10,000	35.8	10,000	35.1	5,000	48.6	136.29

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2021

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

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

(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 other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) 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: 38,902,785 shares

March 31, 2021: 38,902,785 shares

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

December 31, 2021: 2,105,209 shares

March 31, 2021: 2,291,509 shares

3) Average number of shares during the period:

Nine months ended December 31, 2021: 36,687,591 shares

Nine months ended December 31, 2020: 37,660,317 shares

(Note) Treasury stock includes shares owned by the exclusive trust account of the Company's Employee Stock Ownership Association.

(Remarks) Supplementary Material is available on our website.

<https://www.qolhd.co.jp/eng/ir/library/supplementarymaterial.html>

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2021	As of December 31,2021
Assets		
Current assets		
Cash and deposits	19,648	20,448
Notes and accounts receivable - trade	18,231	-
Notes and accounts receivable - trade, and contract assets	-	17,566
Merchandise and finished goods	4,606	7,892
Work in process	127	202
Supplies	120	122
Other	2,766	2,605
Allowance for doubtful accounts	(2)	(3)
Total current assets	45,499	48,834
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,380	6,446
Tools, furniture and fixtures, net	1,280	1,404
Land	4,762	4,878
Other, net	307	202
Total property, plant and equipment	12,730	12,932
Intangible assets		
Goodwill	34,071	33,133
Software	508	607
Other	358	283
Total intangible assets	34,938	34,024
Investments and other assets		
Investment securities	183	157
Leasehold and guarantee deposits	3,783	3,787
Deferred tax assets	1,904	1,620
Other	1,535	1,657
Allowance for doubtful accounts	(12)	(12)
Total investments and other assets	7,393	7,210
Total non-current assets	55,062	54,168
Deferred assets		
Bond issuance costs	9	6
Total deferred assets	9	6
Total assets	100,571	103,008

(Million yen)

	As of March 31,2021	As of December 31,2021
Liabilities		
Current liabilities		
Accounts payable - trade	19,822	24,921
Short-term borrowings	200	-
Current portion of bonds payable	1,108	1,008
Current portion of long-term borrowings	10,261	9,497
Income taxes payable	1,693	1,099
Provision for bonuses	2,281	1,177
Other	3,343	4,220
Total current liabilities	38,709	41,925
Non-current liabilities		
Bonds payable	1,416	752
Long-term borrowings	16,736	15,920
Deferred tax liabilities	302	302
Provision for retirement benefits for directors (and other officers)	30	28
Retirement benefit liability	650	616
Asset retirement obligations	809	847
Other	81	265
Total non-current liabilities	20,026	18,732
Total liabilities	58,736	60,658
Net assets		
Shareholders' equity		
Share capital	5,786	5,786
Capital surplus	13,490	11,276
Retained earnings	25,364	28,463
Treasury shares	(3,360)	(3,083)
Total shareholders' equity	41,280	42,443
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(118)	(135)
Total accumulated other comprehensive income	(118)	(135)
Non-controlling interests	672	42
Total net assets	41,834	42,350
Total liabilities and net assets	100,571	103,008

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the nine months)

(Million yen)

	For the nine months ended December 31,2020	For the nine months ended December 31,2021
Net sales	120,819	124,545
Cost of sales	105,955	107,634
Gross profit	14,863	16,911
Selling, general and administrative expenses	10,233	9,989
Operating profit	4,629	6,921
Non-operating income		
Rental income from buildings	22	26
Commission income	42	71
Surrender value of insurance policies	-	5
Subsidy income	8	17
Guarantee commission received	37	44
Subsidy income (other)	143	-
Cancellation income	-	37
Other	118	78
Total non-operating income	373	281
Non-operating expenses		
Interest expenses	84	78
Other	52	52
Total non-operating expenses	136	130
Ordinary profit	4,866	7,072
Extraordinary income		
Gain on sale of non-current assets	6	2
Gain on sale of investment securities	204	0
Gain on reversal of provision for withdraw loss from employees' pension fund	-	71
Total extraordinary income	210	74
Extraordinary losses		
Loss on retirement of non-current assets	45	32
Loss on sale of non-current assets	0	0
Impairment losses	417	-
Loss on valuation of shares of subsidiaries	-	49
Loss on sale of shares of subsidiaries	-	5
Total extraordinary losses	463	88
Profit before income taxes	4,613	7,057
Income taxes	2,263	2,900
Profit	2,350	4,156
Profit attributable to non-controlling interests	145	1
Profit attributable to owners of parent	2,204	4,155

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Million yen)

	For the nine months ended December 31,2020	For the nine months ended December 31,2021
Profit	2,350	4,156
Other comprehensive income		
Valuation difference on available-for-sale securities	(109)	(17)
Total other comprehensive income	(109)	(17)
Comprehensive income	2,241	4,139
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,095	4,138
Comprehensive income attributable to non-controlling interests	145	1