

Translation

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

February 10, 2022

Company name: COPRO-HOLDINGS. Co., Ltd.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 7059 URL <https://www.copro-h.co.jp/>
 Representative: Chief Executive Office Kosuke Kiyokawa
 Inquiries: Managing Director Masahiko Saito TEL +81-52-589-3066
 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 meeting: No

(Amounts less than one million yen are rounded down)

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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2021	11,440	3.4	1,121	17.1	1,119	16.6	619	(10.2)
Nine months ended December 31, 2020	11,068	15.9	958	(15.6)	960	(14.8)	689	(5.9)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2021	65.38		64.55	
Nine months ended December 31, 2020	73.10		71.56	

(Note) On April 1, 2021, the Company conducted a two-for-one stock split of common stock. Earnings per share and Diluted earnings per share have been calculated as if this stock split had taken place at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of December 31, 2021	8,568		6,227		72.3	
As of March 31, 2021	8,514		6,272		73.7	

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, 2021	–	20.00	–	55.00	75.00
Year ending March 31, 2022	–	10.00	–		
Year ending March 31, 2022 (Forecast)				30.00	40.00

(Note) 1. Revisions to the dividend forecasts announced most recently: No

2. On April 1, 2021, the Company conducted a two-for-one stock split of common stock. For the fiscal year ended March 31, 2021, the actual amounts of dividends prior to the stock split are presented. Dividends for the year ended March 31, 2022 (forecast) are stated in consideration of the impact of the stock split.

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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
Full year	16,943	14.2	1,655	15.1	1,657	15.1	1,077	6.7	112.76

(Note) 1.Revisions to the earnings forecasts announced most recently: No

2.Regarding the revision to the consolidated earnings forecast, please refer to the press release “Notice of Revisions to Earnings Forecasts” disclosed on August 11, 2021

4. Notes

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

Yes

(changes in specified subsidiaries resulting in the change in scope of consolidation):

New companies: 3 company (Company name) COPRO VIETNAM CO., LTD.

ATMOS CO.,LTD.

VALUE ARK CONSULTING CO.,LTD.

(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: Yes

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 December 31, 2021	10,000,000 shares	As of March 31, 2021	10,000,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2021	719,326 shares	As of March 31, 2021	446,334 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2021	9,478,290 shares	Nine months ended December 31, 2020	9,436,316 shares
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(Note) On April 1, 2021, the Company conducted a two-for-one stock split of common stock. Total number of issued shares at the end of the period, Number of treasury shares at the end of the period and Average number of shares during the period have been calculated as if this stock split had taken place at the beginning of the previous fiscal year.

Quarterly consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	5,320,538	3,921,517
Accounts receivable - trade	1,880,186	2,047,440
Electronically recorded monetary claims - operating	—	8,236
Other	207,297	444,061
Allowance for doubtful accounts	(435)	(519)
Total current assets	7,407,586	6,420,736
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	272,809	334,516
Construction in progress	28,270	—
Other, net	56,235	100,887
Total property, plant and equipment	357,315	435,403
Intangible assets		
Goodwill	—	857,385
Leased assets	7,776	147
Other	152,933	183,163
Total intangible assets	160,709	1,040,696
Investments and other assets		
Deferred tax assets	117,660	149,610
Other	471,072	522,437
Total investments and other assets	588,733	672,047
Total non-current assets	1,106,757	2,148,148
Total assets	8,514,344	8,568,885
Liabilities		
Current liabilities		
Current portion of bonds payable	70,000	—
Lease obligations	14,560	3,850
Accounts payable - other	1,130,440	1,525,118
Income taxes payable	158,746	247,359
Accrued consumption taxes	449,936	217,689
Provision for bonuses	52,661	24,828
Asset retirement obligations	28,169	37,292
Other	258,476	185,370
Total current liabilities	2,162,989	2,241,510
Non-current liabilities		
Lease obligations	4,464	1,918
Retirement benefit liability	—	22,748
Asset retirement obligations	74,487	74,879
Total non-current liabilities	78,952	99,545
Total liabilities	2,241,942	2,341,055
Net assets		
Shareholders' equity		
Share capital	30,000	30,000
Capital surplus	1,230,530	1,236,748
Retained earnings	5,012,823	5,275,246
Treasury shares	(1,279)	(351,201)
Total shareholders' equity	6,272,073	6,190,792
Accumulated other comprehensive income		
Foreign currency translation adjustment	328	1,078
Total accumulated other comprehensive income	328	1,078
Share acquisition rights	—	35,958
Total net assets	6,272,402	6,227,829
Total liabilities and net assets	8,514,344	8,568,885

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net sales	11,068,254	11,440,120
Cost of sales	7,915,512	7,909,909
Gross profit	3,152,741	3,530,211
Selling, general and administrative expenses	2,194,736	2,408,833
Operating profit	958,005	1,121,377
Non-operating income		
Interest income	22	35
Rental income	855	855
Settlement received	3,762	—
Other	68	177
Total non-operating income	4,709	1,068
Non-operating expenses		
Interest expenses	679	339
Foreign exchange losses	—	1,557
Guarantee commission	727	166
Depreciation	562	562
Other	488	162
Total non-operating expenses	2,457	2,789
Ordinary profit	960,256	1,119,657
Extraordinary income		
Gain on sales of non-current assets	—	1,537
Surrender value of insurance policies	90,676	60,433
Total extraordinary income	90,676	61,971
Extraordinary losses		
Impairment loss	—	125,289
Loss on retirement of non-current assets	4,397	384
Other	—	17
Total extraordinary losses	4,397	125,691
Profit before income taxes	1,046,535	1,055,936
Income taxes - current	284,289	420,091
Income taxes - deferred	72,405	16,123
Total income taxes	356,695	436,215
Profit	689,840	619,720
Profit attributable to owners of parent	689,840	619,720

Other Consolidated statements of comprehensive income (cumulative)

	(Thousands of yen)	
	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	689,840	619,720
Other comprehensive income		
Foreign currency translation adjustment	215	749
Total other comprehensive income	215	749
Comprehensive income	690,056	620,470
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	690,056	620,470