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July 21, 2022

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2023 (Under Japanese GAAP)

Company name: OBIC Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 4684
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 Scheduled date to file quarterly securities report: August 5, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: None
 Holding of quarterly financial results briefing: None

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

1. Consolidated financial results for the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(1) Consolidated operating results

(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	%
Three months ended June 30, 2022	24,106	14.3	15,072	18.4	18,485	29.6	13,130	21.7
Three months ended June 30, 2021	21,098	–	12,731	9.3	14,266	9.0	10,792	10.2

Note: Comprehensive income Three months ended June 30, 2022: ¥10,137 million [(23.0)%]
 Three months ended June 30, 2021: ¥13,159 million [22.6%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	148.07	–
Three months ended June 30, 2021	121.33	–

Note: OBIC Co., Ltd. (hereinafter “the Company”) has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. effective from the beginning of the first quarter ended June 30, 2021. The percentages indicating year-on-year changes are not presented as the figures for net sales for the three months ended June 30, 2022, are the figures after the application of this accounting standard. The year-on-year change, when calculated under the assumption that the accounting standard, etc. had been applied in the fiscal year ended March 31, 2021, was an increase of 7.3%.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2022	320,678	292,841	91.3	3,302.30
March 31, 2022	323,927	293,567	90.6	3,310.49

Reference: Equity
 As of June 30, 2022: ¥292,841 million
 As of March 31, 2022: ¥293,567 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, 2022	–	92.50	–	122.50	215.00
Fiscal year ending March 31, 2023	–				
Fiscal year ending March 31, 2023 (Forecast)		110.00	–	110.00	220.00

Note: Revision to the most recently announced forecast of dividends: None

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2023	98,500	10.1	59,600	10.1	65,600	9.0	47,000	8.0	530.01

Note: Revision to the most recently announced earnings forecasts: None

* **Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly included: –

Excluded: –

(2) Application of special accounting treatments for the preparation of quarterly consolidated financial statements: None

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

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

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2022	99,600,000 shares
As of March 31, 2022	99,600,000 shares

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

As of June 30, 2022	10,922,048 shares
As of March 31, 2022	10,922,048 shares

(iii) Average number of shares outstanding during the period

Three months ended June 30, 2022	88,677,952 shares
Three months ended June 30, 2021	88,950,452 shares

* Quarterly consolidated financial statements are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

There have been no revisions to the consolidated earnings forecasts for the full year that were announced on April 21, 2022. The above forecasts were prepared based on information currently available to the Company, and any statements herein do not constitute assurances regarding actual results by the Company. Moreover, actual business and other results may differ from the forecast due to various factors in the future. Please refer to the section of “(4) Explanation of consolidated earnings forecasts and other forward-looking statements” of “1. Qualitative information regarding financial results for the three months ended June 30, 2022” on page 3 of [Attached Material] for details.

Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	122,699	122,094
Notes and accounts receivable - trade, and contract assets	12,025	12,886
Merchandise and finished goods	68	104
Work in process	233	218
Raw materials and supplies	7	6
Other	1,118	1,171
Allowance for doubtful accounts	(1)	(2)
Total current assets	136,150	136,480
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,823	25,535
Land	27,636	27,636
Other, net	2,661	2,414
Total property, plant and equipment	56,121	55,587
Intangible assets		
Other	154	151
Total intangible assets	154	151
Investments and other assets		
Investment securities	118,570	114,271
Long-term time deposits	10,658	11,902
Other	2,274	2,286
Allowance for doubtful accounts	(2)	(0)
Total investments and other assets	131,500	128,459
Total non-current assets	187,776	184,198
Total assets	323,927	320,678

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	3,606	3,404
Income taxes payable	8,552	5,317
Provision for bonuses	2,372	3,416
Other	6,535	7,385
Total current liabilities	21,066	19,524
Non-current liabilities		
Retirement benefit liability	5,942	5,970
Asset retirement obligations	358	358
Other	2,992	1,984
Total non-current liabilities	9,293	8,312
Total liabilities	30,359	27,837
Net assets		
Shareholders' equity		
Share capital	19,178	19,178
Capital surplus	19,530	19,530
Retained earnings	265,985	268,253
Treasury shares	(27,562)	(27,562)
Total shareholders' equity	277,131	279,399
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	16,877	13,893
Revaluation reserve for land	(481)	(481)
Remeasurements of defined benefit plans	39	29
Total accumulated other comprehensive income	16,435	13,441
Total net assets	293,567	292,841
Total liabilities and net assets	323,927	320,678

(2) Quarterly consolidated statement of income and consolidated statement of comprehensive income
(Quarterly consolidated statement of income)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	21,098	24,106
Cost of sales	4,934	5,486
Gross profit	16,163	18,619
Selling, general and administrative expenses	3,431	3,547
Operating profit	12,731	15,072
Non-operating income		
Interest income	0	33
Dividend income	430	1,120
Share of profit of entities accounted for using equity method	811	935
Rental income	394	418
Foreign exchange gains	–	1,245
Other	282	36
Total non-operating income	1,919	3,788
Non-operating expenses		
Rental expenses	383	375
Other	2	–
Total non-operating expenses	385	375
Ordinary profit	14,266	18,485
Extraordinary income		
Gain on sale of non-current assets	0	–
Total extraordinary income	0	–
Extraordinary losses		
Loss on sale of non-current assets	0	–
Loss on retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	14,266	18,485
Income taxes - current	3,968	5,300
Income taxes - deferred	(494)	54
Total income taxes	3,473	5,354
Profit	10,792	13,130
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	10,792	13,130

(Quarterly consolidated statement of comprehensive income)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	10,792	13,130
Other comprehensive income		
Valuation difference on available-for-sale securities	1,407	(2,843)
Revaluation reserve for land	213	—
Remeasurements of defined benefit plans, net of tax	13	(3)
Share of other comprehensive income of entities accounted for using equity method	732	(145)
Total other comprehensive income	2,367	(2,993)
Comprehensive income	13,159	10,137
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	13,159	10,137
Comprehensive income attributable to non-controlling interests	—	—

(3) Quarterly consolidated statement of cash flows

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Cash flows from operating activities		
Profit before income taxes	14,266	18,485
Depreciation	548	596
Share of loss (profit) of entities accounted for using equity method	(811)	(935)
Increase (decrease) in provision for bonuses	1,000	1,044
Increase (decrease) in provision for bonuses for directors (and other officers)	(105)	(129)
Increase (decrease) in allowance for doubtful accounts	(0)	(1)
Increase (decrease) in retirement benefit liability	23	22
Interest and dividend income	(431)	(1,153)
Loss on retirement of non-current assets	0	0
Decrease (increase) in trade receivables	(133)	(861)
Decrease (increase) in inventories	35	(19)
Increase (decrease) in trade payables	(548)	(202)
Other, net	(764)	(1)
Subtotal	13,081	16,844
Interest and dividends received	1,280	2,111
Income taxes paid	(9,387)	(8,330)
Net cash provided by (used in) operating activities	4,974	10,625
Cash flows from investing activities		
Purchase of property, plant and equipment	(677)	(355)
Purchase of intangible assets	(33)	(10)
Purchase of investment securities	(0)	(1)
Other, net	(167)	0
Net cash provided by (used in) investing activities	(880)	(367)
Cash flows from financing activities		
Dividends paid	(9,339)	(10,863)
Net cash provided by (used in) financing activities	(9,339)	(10,863)
Net increase (decrease) in cash and cash equivalents	(5,245)	(604)
Cash and cash equivalents at beginning of period	150,745	122,699
Cash and cash equivalents at end of period	145,499	122,094