

Consolidated Financial Statements for the Three Months Ended June 30, 2022 [Japanese GAAP]



August 3, 2022

Company name: **SODA NIKKA CO., LTD.**

Stock exchange listing: Tokyo Stock Exchange

Code number: 8158

URL: <https://www.sodanikka.co.jp/>

Representative: Takahiko Nagasu, President and Chief Executive Officer

Contact: Ryuji Mezaki, Member of the Board, Managing Executive Officer and Finance and Accounting Division
Director

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Scheduled date of filing quarterly report: August 10, 2022

Scheduled date of commencing dividend payments: –

Preparation of supplementary explanatory materials: No

Quarterly financial results briefing: No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Results for the Three Months Ended June 30, 2022 (April 1, 2022 – June 30, 2022)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2022	14,583	15.2	364	46.6	565	86.9	395	42.2
June 30, 2021	12,663	–	248	5.3	302	(16.5)	277	5.2

(Note) Comprehensive income: Three months ended June 30, 2022: ¥–141million [–%]

Three months ended June 30, 2021: ¥(294) million [–%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2022	17.43	–
June 30, 2021	11.14	–

(Note) The Company has applied the “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan Statement No. 29, March 31, 2020), etc. from the beginning of the first quarter of the previous consolidated fiscal year. For this reason, changes in net sales from the first quarter of the previous fiscal year, before the application of said standard, are not shown.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2022	61,480	25,008	40.7
As of March 31, 2022	60,854	25,229	41.5

(Reference) Equity: As of June 30, 2022: ¥25,008 million

As of March 31, 2022: ¥25,229 million

2. Cash Dividends

	Annual dividends				
	1st quarter- end	2nd quarter- end	3rd quarter- end	Year- end	Total
Fiscal year ended March 31, 2022	Yen —	Yen 8.00	Yen —	Yen 16.00	Yen 24.00
Fiscal year ending March 31, 2023	—				
Fiscal year ending March 31, 2023 (Forecast)		10.00	—	10.00	20.00

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

3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2023 (April 1, 2022 - March 31, 2023)

(% 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
Second quarter (cumulative)	30,200	14.0	740	31.2	940	43.4	670	29.56
Full year	58,800	5.9	1,430	14.2	1,720	10.7	1,200	52.94

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

*** Notes:**

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

(2) Application of an accounting method specific to 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: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Total number of outstanding shares (common shares)

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

June 30, 2022: 22,968,000 shares

March 31, 2022: 23,968,000 shares

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

June 30, 2022: 299,663 shares

March 31, 2022: 1,299,663 shares

3) Average number of shares during the period:

Three months ended June 30, 2022: 22,668,337 shares

Three months ended June 30, 2021: 24,947,013 shares

* These quarterly financial results are outside the scope of quarterly review by certified public accountants or audit corporations.

* Explanation of the proper use of performance forecast and other notes

The above forecasts are estimated based on the information currently available, and actual results may differ from these forecasts due to a wide range of factors. For assumptions that form the basis of the performance forecast and cautionary notes, etc. on the use of performance forecast, please see “Explanation regarding information on future prospects such as forecast of consolidated results” on page 3 of this Quarterly Consolidated Financial Statements (attached materials, Japanese only).

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	7,482	6,949
Notes and accounts receivable - trade, and contract assets	35,903	36,852
Merchandise and finished goods	1,266	1,384
Other	674	628
Allowance for doubtful accounts	(112)	(116)
Total current assets	45,213	45,699
Non-current assets		
Property, plant and equipment	2,191	2,771
Intangible assets	210	186
Investments and other assets		
Investment securities	12,471	12,056
Distressed receivables	12	8
Other	769	766
Allowance for doubtful accounts	(14)	(9)
Total investments and other assets	13,239	12,822
Total non-current assets	15,641	15,781
Total assets	60,854	61,480

(Million yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	27,627	28,318
Short-term borrowings	2,766	3,202
Income taxes payable	314	112
Contract liabilities	231	182
Provisions	338	182
Other	598	812
Total current liabilities	31,877	32,810
Non-current liabilities		
Deferred tax liabilities	1,653	1,574
Retirement benefit liability	1,234	1,248
Other	859	838
Total non-current liabilities	3,747	3,661
Total liabilities	35,625	36,472
Net assets		
Shareholders' equity		
Share capital	3,762	3,762
Capital surplus	3,116	3,116
Retained earnings	13,892	13,209
Treasury shares	(930)	(214)
Total shareholders' equity	19,841	19,873
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,174	4,884
Deferred gains or losses on hedges	3	6
Revaluation reserve for land	198	198
Foreign currency translation adjustment	69	100
Remeasurements of defined benefit plans	(57)	(54)
Total accumulated other comprehensive income	5,388	5,134
Total net assets	25,229	25,008
Total liabilities and net assets	60,854	61,480

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

For the Three-Month Period

(Million yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	12,663	14,583
Cost of sales	10,969	12,651
Gross profit	1,694	1,931
Selling, general and administrative expenses		
Freight and incidental costs	294	326
Salaries and allowances	469	492
Provision for bonuses	137	149
Provision for bonuses for directors (and other officers)	6	8
Retirement benefit expenses	27	29
Other	510	560
Total selling, general and administrative expenses	1,446	1,567
Operating profit	248	364
Non-operating income		
Interest income	0	0
Dividend income	129	169
Other	22	42
Total non-operating income	152	212
Non-operating expenses		
Interest expenses	9	5
Commission for syndicated loans	82	4
Other	6	1
Total non-operating expenses	98	11
Ordinary profit	302	565
Extraordinary income		
Gain on bargain purchase	90	—
Total extraordinary income	90	—
Extraordinary losses		
Provision of loss reserve for loss compensation	14	—
Total extraordinary losses	14	—
Profit before income taxes	377	565
Income taxes - current	50	119
Income taxes - deferred	49	51
Total income taxes	100	170
Profit	277	395
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	277	395

Consolidated Statements of Comprehensive Income
For the Three-Month Period

(Million yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	277	395
Other comprehensive income		
Valuation difference on available-for-sale securities	(596)	(289)
Deferred gains or losses on hedges	(3)	2
Foreign currency translation adjustment	24	31
Remeasurements of defined benefit plans, net of tax	2	2
Total other comprehensive income	(572)	(253)
Comprehensive income	(294)	141
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(294)	141
Comprehensive income attributable to non-controlling interests	—	—