

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

August 5, 2022

Company name: Inabata&Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 8098 URL <https://www.inabata.co.jp>
 Representative: Director,President Katsutaro Inabata
 Executive Officer,
 Inquiries: General Manager, Financial Management Koichi Noda TEL 03-3639-6421
 Office
 Scheduled date to file Quarterly Securities Report: August 10, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

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

(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	%
Three months ended June 30, 2022	184,062	13.2	5,335	(4.7)	5,392	(16.4)	4,560	(42.8)
Three months ended June 30, 2021	162,643	–	5,596	151.2	6,451	110.0	7,968	294.4

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	79.85		–	
Three months ended June 30, 2021	132.37		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	396,631	181,339	45.2
As of March 31, 2022	389,059	176,914	45.0

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2022	–	30.00	–	80.00	110.00
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	50.00	–	65.00	115.00

3. Forecast of consolidated financial results for the 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2022	360,000	9.6	9,500	(14.2)	10,000	(17.0)	10,000	(26.0)	175.08
Full year	730,000	7.2	19,500	(2.8)	20,500	(5.3)	20,500	(8.3)	358.91

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2022
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (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: No
 - 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 June 30, 2022	57,714,127 shares	As of March 31, 2022	60,799,227 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	597,039 shares	As of March 31, 2022	3,682,139 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	57,117,088 shares	Three months ended June 30, 2021	60,196,568 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	35,403	28,573
Notes receivable - trade	22,548	23,550
Accounts receivable - trade	162,149	166,873
Merchandise and finished goods	72,145	85,507
Work in process	860	1,085
Raw materials and supplies	6,059	6,306
Other	12,728	13,128
Allowance for doubtful accounts	(389)	(399)
Total current assets	311,505	324,626
Non-current assets		
Property, plant and equipment	15,312	16,461
Intangible assets	2,647	2,575
Investments and other assets		
Investment securities	48,303	41,260
Retirement benefit asset	6,390	6,441
Other	9,934	10,773
Allowance for doubtful accounts	(5,035)	(5,508)
Total investments and other assets	59,593	52,967
Total non-current assets	77,553	72,004
Total assets	389,059	396,631
Liabilities		
Current liabilities		
Notes and accounts payable - trade	115,959	112,766
Short-term borrowings	58,657	66,940
Income taxes payable	4,093	2,686
Provision for bonuses	1,608	1,038
Other	12,865	13,202
Total current liabilities	193,185	196,634
Non-current liabilities		
Long-term borrowings	5,880	6,078
Provision for retirement benefits for directors (and other officers)	33	34
Provision for share awards for directors (and other officers)	159	181
Provision for loss on guarantees	18	–
Retirement benefit liability	1,624	1,798
Other	11,243	10,564
Total non-current liabilities	18,959	18,657
Total liabilities	212,144	215,292

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Net assets		
Shareholders' equity		
Share capital	9,364	9,364
Capital surplus	7,044	6,718
Retained earnings	130,540	124,015
Treasury shares	(7,398)	(890)
Total shareholders' equity	139,550	139,208
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22,667	19,919
Deferred gains or losses on hedges	398	632
Foreign currency translation adjustment	11,793	19,145
Remeasurements of defined benefit plans	508	485
Total accumulated other comprehensive income	35,367	40,183
Non-controlling interests	1,996	1,947
Total net assets	176,914	181,339
Total liabilities and net assets	389,059	396,631

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	162,643	184,062
Cost of sales	148,487	168,428
Gross profit	14,156	15,634
Selling, general and administrative expenses	8,559	10,298
Operating profit	5,596	5,335
Non-operating income		
Interest income	54	74
Dividend income	825	1,404
Share of profit of entities accounted for using equity method	73	–
Miscellaneous income	152	219
Total non-operating income	1,105	1,697
Non-operating expenses		
Interest expenses	143	259
Foreign exchange losses	55	41
Share of loss of entities accounted for using equity method	–	1,257
Miscellaneous losses	51	81
Total non-operating expenses	250	1,640
Ordinary profit	6,451	5,392
Extraordinary income		
Gain on sale of investment securities	4,660	1,494
Total extraordinary income	4,660	1,494
Profit before income taxes	11,112	6,887
Income taxes - current	3,116	2,199
Income taxes - deferred	(55)	173
Total income taxes	3,060	2,373
Profit	8,051	4,513
Profit (loss) attributable to non-controlling interests	83	(46)
Profit attributable to owners of parent	7,968	4,560

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	8,051	4,513
Other comprehensive income		
Valuation difference on available-for-sale securities	168	(2,766)
Deferred gains or losses on hedges	17	258
Foreign currency translation adjustment	(34)	7,318
Remeasurements of defined benefit plans, net of tax	9	(22)
Share of other comprehensive income of entities accounted for using equity method	21	61
Total other comprehensive income	183	4,849
Comprehensive income	8,235	9,363
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,170	9,376
Comprehensive income attributable to non-controlling interests	64	(12)