

# Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

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

August 8, 2022

Company name: PROPERTY AGENT Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 3464 URL <http://www.propertyagent.co.jp>  
 Representative: CEO Sei Nakanishi  
 Inquiries: CFO Koji Iwase TEL 03-6302-3627  
 Scheduled date to file Quarterly Securities Report: August 8, 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 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	8,066	(7.7)	711	(9.0)	648	(9.2)	439	(9.9)
Three months ended June 30, 2021	8,741	–	781	–	713	–	488	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	60.20	59.85
Three months ended June 30, 2021	67.09	66.46

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	31,165	8,438	26.8
As of March 31, 2022	31,982	8,220	25.4

### 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, 2022	–	0.00	–	27.00	27.00
Year ending March 31, 2023	–				
Year ending March 31, 2023 (Forecast)		0.00	–	28.00	28.00

### 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
Full year	38,000	8.0	2,500	13.2	2,150	12.1	1,400	15.0	191.60

#### 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: 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 June 30, 2022	7,307,600 shares	As of March 31, 2022	7,307,600 shares
---------------------	------------------	----------------------	------------------

Number of treasury shares at the end of the period

As of June 30, 2022	728 shares	As of March 31, 2022	688 shares
---------------------	------------	----------------------	------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	7,306,876 shares	Three months ended June 30, 2021	7,278,653 shares
----------------------------------	------------------	----------------------------------	------------------

# Quarterly consolidated financial statements

## Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2022	As of June 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	7,908,014	6,838,275
Accounts receivable - trade	176,710	162,452
Merchandise	13,935	25,696
Real estate for sale	9,427,375	9,469,965
Real estate for sale in process	12,511,023	12,656,725
Work in process	2,766	5,650
Other	551,288	694,896
Allowance for doubtful accounts	(6,171)	(6,489)
Total current assets	30,584,942	29,847,173
Non-current assets		
Property, plant and equipment	185,822	179,836
Intangible assets	353,167	343,511
Investments and other assets		
Other	1,006,990	943,431
Allowance for doubtful accounts	(148,604)	(148,604)
Total investments and other assets	858,386	794,827
Total non-current assets	1,397,377	1,318,175
Total assets	31,982,320	31,165,349
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	1,172,402	895,745
Short-term borrowings	4,272,292	3,770,670
Current portion of bonds payable	468,000	468,000
Current portion of long-term borrowings	2,291,001	2,541,559
Income taxes payable	510,310	185,806
Provision for bonuses	55,535	12,273
Provision for bonuses for directors (and other officers)	67,000	—
Provision for costs after sales	47,526	53,595
Other	1,738,598	1,708,455
Total current liabilities	10,622,667	9,636,105
Non-current liabilities		
Bonds payable	770,000	750,000
Long-term borrowings	12,256,952	12,223,466
Other	112,264	117,107
Total non-current liabilities	13,139,216	13,090,573
Total liabilities	23,761,883	22,726,679

	(Thousands of yen)	
	As of March 31, 2022	As of June 30, 2022
Net assets		
Shareholders' equity		
Share capital	616,119	616,119
Capital surplus	534,223	534,223
Retained earnings	6,907,163	7,149,721
Treasury shares	(502)	(566)
Total shareholders' equity	8,057,003	8,299,498
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	81,447	52,332
Total accumulated other comprehensive income	81,447	52,332
Share acquisition rights	7,301	7,252
Non-controlling interests	74,683	79,587
Total net assets	8,220,436	8,438,670
Total liabilities and net assets	31,982,320	31,165,349

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

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	8,741,716	8,066,737
Cost of sales	7,186,323	6,495,990
Gross profit	1,555,392	1,570,746
Selling, general and administrative expenses	773,754	859,459
Operating profit	781,637	711,287
Non-operating income		
Interest income	4	1
Dividend income	2	3
Commission income	56	431
Penalty income	100	200
Subsidies for employment adjustment	—	8,706
Other	128	2,909
Total non-operating income	291	12,250
Non-operating expenses		
Interest expenses	50,800	60,421
Commission expenses	15,984	13,419
Other	1,332	1,688
Total non-operating expenses	68,117	75,529
Ordinary profit	713,811	648,008
Profit before income taxes	713,811	648,008
Income taxes - current	199,339	171,741
Income taxes - deferred	27,977	31,517
Total income taxes	227,317	203,259
Profit	486,494	444,749
Profit (loss) attributable to non-controlling interests	(1,837)	4,903
Profit attributable to owners of parent	488,332	439,845

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	486,494	444,749
Other comprehensive income		
Valuation difference on available-for-sale securities	43,748	(29,115)
Total other comprehensive income	43,748	(29,115)
Comprehensive income	530,242	415,633
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	532,080	410,729
Comprehensive income attributable to non-controlling interests	(1,837)	4,903