



Consolidated Financial Results for the Six Months Ended June 30, 2022 [Japanese GAAP]

August 09, 2022

Company name: Kinjiro Co., Ltd.

Stock exchange listing: Tokyo

Code number: 4013

URL: <https://www.kinjiro-e.com>

Representative: Kozo Kamura

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Scheduled date of filing quarterly securities report: August 09, 2022

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

President

Executive Officer

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

1. Consolidated Financial Results for the Six Months Ended June 30, 2022 (January 01, 2022 to June 30, 2022)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended June 30, 2022	1,644	(3.9)	183	2.3	181	0.7	123	3.9
June 30, 2021	1,710	(3.1)	179	(48.0)	180	(47.9)	118	(47.8)

(Note) Comprehensive income: Six months ended June 30, 2022: ¥ 127 million [6.0%]
Six months ended June 30, 2021: ¥ 120 million [(46.9) %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended June 30, 2022	12.46	-
June 30, 2021	11.41	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of June 30, 2022	9,758	8,820	90.4
December 31, 2021	9,778	8,854	90.5

(Reference) Equity: As of June 30, 2022: ¥ 8,820 million
As of December 31, 2021: ¥ 8,854 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2021	-	0.00	-	17.00	17.00
Fiscal year ending December 31, 2022	-	0.00			
Fiscal year ending December 31, 2022 (Forecast)			-	17.00	17.00

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

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending December 31, 2022 :

Commemorative dividend - yen
Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2022(January 01, 2022 to December 31, 2022)

(% 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
Full year	3,620	8.9	402	53.6	400	63.8	270	65.7	27.25

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

* Notes:

(1) Changes in significant subsidiaries during the six months ended June 30, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

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

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

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

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

June 30, 2022: 10,420,000 shares

December 31, 2021: 10,420,000 shares

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

June 30, 2022: 509,053 shares

December 31, 2021: 517,500 shares

3) Average number of shares during the period:

Six months ended June 30, 2022: 9,905,766 shares

Six months ended June 30, 2021: 10,416,286 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of December 31,2021	As of June 30,2022
Assets		
Current assets		
Cash and deposits	7,627,459	7,506,467
Notes and accounts receivable - trade	588,330	582,799
Inventories	48,517	60,402
Other	108,216	93,070
Allowance for doubtful accounts	(3)	(3)
Total current assets	8,372,520	8,242,737
Non-current assets		
Property, plant and equipment	642,880	608,673
Intangible assets		
Software	403,039	559,643
Software in progress	71,845	72,020
Other	10,519	10,294
Total intangible assets	485,404	641,958
Investments and other assets		
Other	278,878	266,321
Allowance for doubtful accounts	(1,220)	(1,220)
Total investments and other assets	277,658	265,100
Total non-current assets	1,405,943	1,515,731
Total assets	9,778,464	9,758,469
Liabilities		
Current liabilities		
Notes and accounts payable - trade	65,442	56,469
Short-term borrowings	40,000	-
Current portion of long-term borrowings	44,608	32,110
Income taxes payable	36,397	89,197
Unearned revenue	212,855	239,328
Other	292,950	291,685
Total current liabilities	692,254	708,791
Non-current liabilities		
Long-term borrowings	49,843	40,045
Provision for retirement benefits for directors (and other officers)	44,186	-
Retirement benefit liability	120,679	129,029
Asset retirement obligations	17,274	14,672
Other	-	45,347
Total non-current liabilities	231,983	229,094
Total liabilities	924,238	937,885
Net assets		
Shareholders' equity		
Share capital	4,099,300	4,099,300
Capital surplus	4,056,450	4,056,450
Retained earnings	1,692,758	1,638,402
Treasury shares	(999,946)	(983,625)
Total shareholders' equity	8,848,561	8,810,527
Accumulated other comprehensive income		
Foreign currency translation adjustment	5,664	10,056
Total accumulated other comprehensive income	5,664	10,056
Total net assets	8,854,226	8,820,584
Total liabilities and net assets	9,778,464	9,758,469

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the six months)

(Thousand yen)

	For the six months ended June 30,2021	For the six months ended June 30,2022
Net sales	1,710,449	1,644,573
Cost of sales	655,663	515,835
Gross profit	1,054,786	1,128,737
Selling, general and administrative expenses	875,404	945,305
Operating profit	179,382	183,432
Non-operating income		
Interest income	48	55
Foreign exchange gains	1,223	-
Interest on refund of income taxes	-	162
Surrender value of insurance policies	603	-
Other	33	29
Total non-operating income	1,909	248
Non-operating expenses		
Interest expenses	143	103
Foreign exchange losses	-	1,955
Commission expenses	840	-
Miscellaneous losses	59	47
Total non-operating expenses	1,043	2,106
Ordinary profit	180,248	181,574
Profit before income taxes	180,248	181,574
Income taxes	61,378	58,125
Profit	118,870	123,449
Profit attributable to owners of parent	118,870	123,449

Quarterly Consolidated Statements of Comprehensive Income (For the six months)

(Thousand yen)

	For the six months ended June 30,2021	For the six months ended June 30,2022
Profit	118,870	123,449
Other comprehensive income		
Valuation difference on available-for-sale securities	18	-
Foreign currency translation adjustment	1,710	4,391
Total other comprehensive income	1,729	4,391
Comprehensive income	120,599	127,841
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	120,599	127,841

Quarterly Consolidated Statements of Cash Flows

(Thousand yen)

	For the six months ended June 30,2021	For the six months ended June 30,2022
Cash flows from operating activities		
Profit before income taxes	180,248	181,574
Depreciation	90,075	120,121
Increase (decrease) in allowance for doubtful accounts	3	(0)
Interest and dividend income	(48)	(55)
Interest expenses	143	103
Decrease (increase) in trade receivables	(18,541)	3,577
Decrease (increase) in inventories	19,792	(12,436)
Increase (decrease) in trade payables	(9,663)	(8,204)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(10,346)	(44,186)
Increase (decrease) in retirement benefit liability	1,894	8,350
Increase (decrease) in unearned revenue	21,353	26,472
Increase (decrease) in accounts payable - other, and accrued expenses	(6,227)	22,953
Increase (decrease) in accrued consumption taxes	(65,533)	24,366
Other, net	(20,291)	4,538
Subtotal	182,857	327,174
Interest and dividends received	48	55
Interest paid	(142)	(93)
Income taxes paid	(116,502)	(6,819)
Income taxes refund	-	25,499
Net cash provided by (used in) operating activities	66,260	345,817
Cash flows from investing activities		
Purchase of property, plant and equipment	(272,612)	(8,883)
Purchase of intangible assets	(124,370)	(225,588)
Decrease (increase) in time deposits	(10,800)	(10,800)
Other, net	(8,555)	1,919
Net cash provided by (used in) investing activities	(416,338)	(243,352)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-	(40,000)
Repayments of long-term borrowings	(22,296)	(22,296)
Purchase of treasury shares	(105,030)	-
Decrease (increase) in deposits for purchase of treasury shares	(394,045)	-
Dividends paid	(208,400)	(168,342)
Net cash provided by (used in) financing activities	(729,771)	(230,638)
Effect of exchange rate change on cash and cash equivalents	(2,793)	(3,618)
Net increase (decrease) in cash and cash equivalents	(1,082,643)	(131,791)
Cash and cash equivalents at beginning of period	9,153,419	7,528,650
Cash and cash equivalents at end of period	8,070,775	7,396,858