

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

August 10, 2022

## Consolidated Financial Results for the Three Months Ended June 30, 2022 (Under Japanese GAAP)

Company name: Hakudo Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 7637  
 URL: <https://www.hakudo.co.jp/>  
 Representative: Koji Tsunoda, President  
 Inquiries: Akihiro Taniguchi, Executive General Manager, Administration Division  
 Telephone: +81-3-6212-2811  
 Scheduled date to file quarterly securities report: August 12, 2022  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results briefing: Yes

(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 (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2022	16,062	27.1	1,212	22.5	1,272	23.5	888	23.8
June 30, 2021	12,636	35.0	989	243.0	1,030	232.8	717	233.0

Note: Comprehensive income For the three months ended June 30, 2022: ¥1,021 million [34.4%]  
 For the three months ended June 30, 2021: ¥760 million [304.9%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2022	78.32	—
June 30, 2021	63.27	—

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2022	43,540	20,091	46.1
March 31, 2022	41,780	19,829	47.5

Reference: Equity As of June 30, 2022: ¥20,091 million  
 As of March 31, 2022: ¥19,829 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	—	48.00	—	67.00	115.00
Fiscal year ending March 31, 2023	—				
Fiscal year ending March 31, 2023 (Forecast)		50.0	—	51.00	101.00

Note: Revisions to the forecast of cash dividends most recently announced: None

## 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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Half year	30,700	18.9	1,970	1.5	2,040	2.3	1,430	5.5	126.08
Full year	62,100	12.0	3,970	(6.7)	4,080	(6.7)	2,860	(3.5)	252.16

Note: Revisions to the forecast of the financial results most recently announced: 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) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

Note: For details, please refer to “Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements” of “(3) Notes to the quarterly consolidated financial statements” (Japanese only) of the attached materials.

- (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	11,343,300 shares
As of March 31, 2022	11,343,300 shares

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

As of June 30, 2022	1,515 shares
As of March 31, 2022	1,515 shares

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

Three months ended June 30, 2022	11,341,785 shares
Three months ended June 30, 2021	11,341,882 shares

- \* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

- \* Proper use of financial results forecasts, and other special matters

(Notice concerning forward-looking statements and others)

Please note that the forecast figures presented above are outlooks based on information currently available and include a considerable number of uncertain factors.

Actual results and others may differ from the forecast figures due to changes in business conditions and other factors.

Quarterly consolidated financial statements

Quarterly consolidated balance sheets

(Thousands of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	8,674,821	7,802,770
Notes and accounts receivable - trade	13,322,545	14,703,483
Electronically recorded monetary claims - operating	3,687,848	3,899,604
Merchandise and finished goods	7,770,408	8,767,757
Raw materials and supplies	32,108	39,182
Other	154,456	161,897
Allowance for doubtful accounts	△26,474	△29,787
Total current assets	33,615,714	35,344,909
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,766,535	7,800,746
Accumulated depreciation	△6,129,659	△6,172,216
Buildings and structures, net	1,636,876	1,628,529
Machinery, equipment and vehicles	7,776,485	7,893,349
Accumulated depreciation	△5,281,475	△5,417,672
Machinery, equipment and vehicles, net	2,495,009	2,475,676
Land	1,899,876	1,899,876
Other	629,515	648,708
Accumulated depreciation	△563,279	△568,972
Other, net	66,235	79,736
Total property, plant and equipment	6,097,997	6,083,819
Intangible assets	509,318	514,766
Investments and other assets		
Investment securities	944,065	986,365
Deferred tax assets	428,919	416,593
Other	184,570	194,530
Total investments and other assets	1,557,555	1,597,490
Total non-current assets	8,164,872	8,196,075
Total assets	41,780,586	43,540,984

(Thousands of yen)

	As of March 31, 2022	As of June 30, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable – trade	7,844,404	8,631,086
Electronically recorded obligations – operating	10,808,557	11,752,039
Accrued expenses	986,691	1,794,747
Income taxes payable	1,145,670	416,807
Provision for bonuses	604,959	317,946
Provision for bonuses for directors (and other officers)	213,634	36,500
Other	299,259	440,968
Total current liabilities	21,903,177	23,390,095
Non-current liabilities		
Deferred tax liabilities	466	469
Long-term guarantee deposits	15,150	15,150
Retirement benefit liability	10,735	11,095
Other	21,982	33,147
Total non-current liabilities	48,334	59,862
Total liabilities	21,951,511	23,449,958
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,000,000	1,000,000
Capital surplus	621,397	621,397
Retained earnings	17,739,890	17,868,242
Treasury shares	△1,878	△1,878
Total shareholders' equity	19,359,409	19,487,761
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	150,395	177,664
Foreign currency translation adjustment	319,269	425,598
Total accumulated other comprehensive income	469,664	603,262
Non-controlling interests	1	1
Total net assets	19,829,075	20,091,025
<b>Total liabilities and net assets</b>	<b>41,780,586</b>	<b>43,540,984</b>

Quarterly consolidated statements of income and comprehensive income

Quarterly consolidated statements of income

(Thousands of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	12,636,167	16,062,935
Cost of sales	10,263,499	13,261,740
Gross profit	2,372,667	2,801,194
Selling, general and administrative expenses	1,382,951	1,588,509
Operating profit	989,715	1,212,685
Non-operating income		
Interest income	1,870	3,263
Dividend income	27,729	6,705
Rental income from real estate	21,705	25,455
Foreign exchange gains	—	25,902
Other	897	3,714
Total non-operating income	52,202	65,040
Non-operating expenses		
Rental expenses on real estate	3,882	4,121
Commission expenses	125	125
Loss on disposal of non-current assets	300	394
Foreign exchange losses	4,575	—
Other	2,406	436
Total non-operating expenses	11,290	5,078
Ordinary profit	1,030,627	1,272,648
Profit before income taxes	1,030,627	1,272,648
Income taxes	313,003	384,396
Profit	717,623	888,251
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	717,623	888,251

Quarterly consolidated statements of comprehensive income

(Thousands of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	717,623	888,251
Other comprehensive income		
Valuation difference on available-for-sale securities	13,927	27,268
Foreign currency translation adjustment	28,830	106,329
Total other comprehensive income	42,757	133,598
Comprehensive income	760,381	1,021,850
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	760,381	1,021,849
Comprehensive income attributable to non-controlling interests	0	0