



Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Under Japanese GAAP)

January 27, 2023

Company name: CHORI CO., LTD. Listing: Tokyo Stock Exchange (Prime)
 Securities code: 8014 URL: <https://www.chori.co.jp>
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 Scheduled date to file quarterly securities report: February 14, 2023
 Scheduled date to commence dividend payments: —
 Preparation of supplementary materials on quarterly financial results: Yes
 Holding of quarterly financial results briefing: None

(Amounts rounded down to the nearest million yen)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

(1) Consolidated operating results (cumulative)

(Percentages indicated year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Dec. 31, 2022	255,379	24.1	10,927	48.1	11,010	35.0	7,548	29.0
Dec. 31, 2021	205,835	30.8	7,377	86.2	8,158	86.7	5,851	213.5

Note: Comprehensive income

For the nine months ended Dec.31, 2022: 9,091 million yen [32.8%]

For the nine months ended Dec.31, 2021: 6,846 million yen [177.8%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	yen	yen
Dec. 31, 2022	306.77	—
Dec. 31, 2021	237.81	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
Dec. 31, 2022	151,364	71,851	47.5
Mar. 31, 2022	134,121	65,096	48.5

Reference: Equity

As of Dec. 31, 2022: 71,846 million yen

As of Mar. 31, 2022: 65,055 million yen

2. Dividends

	Dividends per share				
	Quarter-end			Fiscal year-end	Annual total
	1st	2nd	3rd		
	yen	yen	yen	yen	yen
Fiscal year ended Mar. 31, 2022	—	42.00	—	42.00	84.00
Fiscal year ending Mar. 31, 2023	—	50.00	—		
Fiscal year ending Mar. 31, 2023 (Forecast)				55.00	105.00

Note: Revisions to the forecast of dividends most recently announced: Yes

For details, please refer to the news release titled "Notice Regarding Revisions to the Forecast of Consolidated Financial Results for the Year Ending March 31, 2023 and Revisions to the Dividend Forecast" announced today (January 27, 2023).

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		Net profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full Year	340,000	19.7	12,500	34.0	13,000	26.5	8,600	26.3	349.47

Note: Revisions to the most recently announced forecasts of consolidated financial results: Yes

For details, please refer to the news release titled "Notice Regarding Revisions to the Forecast of Consolidated Financial Results for the Year Ending March 31, 2023 and Revisions to the Dividend Forecast" announced today (January 27, 2023).

* Notes

- (1) Changes affecting the consolidation status of significant subsidiaries (changes in specified subsidiary resulting in change in scope of consolidations) during this period: None

Newly included: None

Excluded: None

- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

- (3) Changes in accounting policies, changes in accounting estimates, and restatements

1. Changes in accounting policies due to the revision of accounting standards, etc.: None

2. Changes in accounting policies due to other reasons: None

3. Changes in accounting estimates: None

4. Restatements: None

- (4) Number of issued shares (common shares)

1. Total number of issued shares at the end of the period (including treasury shares)	As of Dec. 31, 2022	25,303,478 shares	As of Mar. 31, 2022	25,303,478 shares
2. Number of treasury shares at the end of the period	As of Dec. 31, 2022	696,357 shares	As of Mar. 31, 2022	694,494 shares
3. Average number of shares outstanding during the period	Nine months ended Dec. 31, 2022	24,607,608 shares	Nine months ended Dec. 31, 2021	24,605,597 shares

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements in this document are based on the information available at the time of publication and certain assumptions that the Company judges as rational. Actual financial results may vary significantly due to various reasons. The Company, therefore, wishes to caution that readers should not place undue reliance on forward-looking statements.

Quarterly consolidated financial statements

Quarterly consolidated balance sheets

(Unit: Millions of yen)

	As of Mar. 31, 2022	As of Dec. 31, 2022
Assets		
Current assets		
Cash and deposits	12,242	13,418
Notes and accounts receivable - trade	74,272	88,313
Merchandise and finished goods	17,346	20,984
Work in process	1,045	940
Raw materials and supplies	4	5
Goods in transit	3,704	1,407
Other	6,220	6,634
Allowance for doubtful accounts	(964)	(1,360)
Total current assets	113,871	130,343
Non-current assets		
Property, plant and equipment	1,964	2,045
Intangible assets		
Goodwill	1,053	688
Customer-related assets	993	918
Other	401	996
Total intangible assets	2,449	2,604
Investments and other assets	15,836	16,370
Total non-current assets	20,249	21,021
Total assets	134,121	151,364
Liabilities		
Current liabilities		
Notes and accounts payable - trade	52,213	55,776
Short-term borrowings	4,944	11,145
Current portion of long-term borrowings	113	113
Income taxes payable	2,028	1,720
Provision for bonuses	916	534
Provision for loss on liquidation of subsidiaries and affiliates	42	42
Other	5,203	6,760
Total current liabilities	65,461	76,092
Non-current liabilities		
Long-term borrowings	245	160
Deferred tax liabilities	843	672
Retirement benefit liability	2,366	2,374
Other	107	212
Total non-current liabilities	3,562	3,420
Total liabilities	69,024	79,513

(Unit: Millions of yen)

	As of Mar. 31, 2022	As of Dec. 31, 2022
Net assets		
Shareholders' equity		
Share capital	6,800	6,800
Capital surplus	1,799	1,804
Retained earnings	54,804	60,057
Treasury shares	(689)	(689)
Total shareholders' equity	62,714	67,972
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,221	989
Deferred gains or losses on hedges	285	(605)
Foreign currency translation adjustment	917	3,566
Remeasurements of defined benefit plans	(84)	(76)
Total accumulated other comprehensive income	2,340	3,873
Non-controlling interests	41	5
Total net assets	65,096	71,851
Total liabilities and net assets	134,121	151,364

Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income

Quarterly consolidated statements of income

(Unit: Millions of yen)

	Nine months ended Dec. 31, 2021	Nine months ended Dec. 31, 2022
Net sales	205,835	255,379
Cost of sales	183,553	226,839
Gross profit	22,282	28,539
Selling, general and administrative expenses	14,904	17,612
Operating profit	7,377	10,927
Non-operating income		
Interest income	176	215
Dividend income	281	220
Share of profit of entities accounted for using equity method	131	151
Foreign exchange gains	216	-
Gain on adjustment of account payable	57	36
Miscellaneous income	204	244
Total non-operating income	1,067	868
Non-operating expenses		
Interest expenses	57	276
Loss on sale of notes receivable - trade	96	285
Foreign exchange losses	-	61
Miscellaneous expenses	133	162
Total non-operating expenses	287	785
Ordinary profit	8,158	11,010
Extraordinary income		
Gain on sale of investment securities	221	390
Gain on sale of non-current assets	318	8
Gain on liquidation of subsidiaries and affiliates	-	7
Gain on sale of shares of subsidiaries and affiliates	18	-
Total extraordinary income	558	406
Extraordinary losses		
Loss on disposal of non-current assets	2	8
Loss on valuation of investment securities	-	8
Loss on valuation of golf club membership	-	2
Impairment losses	21	-
Loss on liquidation of subsidiaries and affiliates	16	-
Loss on sale of investment securities	7	-
Total extraordinary losses	48	19
Profit before income taxes	8,668	11,398
Income taxes - current	2,737	3,677
Income taxes - deferred	76	166
Total income taxes	2,814	3,844
Net profit	5,854	7,554
Net profit attributable to non-controlling interests	3	5
Net profit attributable to owners of parent	5,851	7,548

Quarterly consolidated statements of comprehensive income

(Unit: Millions of yen)

	Nine months ended Dec. 31, 2021	Nine months ended Dec. 31, 2022
Net profit	5,854	7,554
Other comprehensive income		
Valuation difference on available-for-sale securities	10	(232)
Deferred gains or losses on hedges	(26)	(891)
Foreign currency translation adjustment	800	2,138
Remeasurements of defined benefit plans	10	7
Share of other comprehensive income of entities accounted for using equity method	197	514
Total other comprehensive income	991	1,537
Comprehensive income	6,846	9,091
Comprehensive income attributable to:		
Owners of parent	6,844	9,082
Non-controlling interests	1	9