

Consolidated Financial Statements for the Nine Months Ended December 31, 2022 [Japanese GAAP]



February 8, 2023

Company name: **SODA NIKKA CO., LTD.**

Stock exchange listing: Tokyo Stock Exchange

Code number: 8158

URL: <https://www.sodanikka.co.jp/>

Representative: Takahiko Nagasu, President and Chief Executive Officer

Contact: Ryuji Mezaki, Member of the Board, Managing Executive Officer and Finance and Accounting Division
Director

Phone: +81-3-3245-1803

Scheduled date of filing quarterly report: February 13, 2023

Scheduled date of commencing dividend payments: –

Preparation of supplementary explanatory materials: No

Quarterly financial results briefing: No

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

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

(1) Consolidated Operating Results (Cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2022	46,777	14.3	1,483	44.6	1,850	47.9	1,325	26.5
December 31, 2021	40,925	–	1,025	81.3	1,251	55.8	1,047	100.5

(Note) Comprehensive income: Nine months ended December 31, 2022: ¥1,073 million [14.8%]

Nine months ended December 31, 2021: ¥935 million [(53.0)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2022	58.41	–
December 31, 2021	44.90	–

(Note) The Company has applied the “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan Statement No. 29, March 31, 2020), etc. from the beginning of the first quarter of the previous consolidated fiscal year. For this reason, changes in net sales from the third quarter of the previous fiscal year, before the application of said standard, are not shown.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2022	71,463	25,663	35.9
As of March 31, 2022	60,854	25,229	41.5

(Reference) Equity: As of December 31, 2022: ¥25,663 million

As of March 31, 2022: ¥25,229 million

2. Cash Dividends

	Annual dividends				
	1st quarter- end	2nd quarter- end	3rd quarter- end	Year- end	Total
Fiscal year ended March 31, 2022	Yen —	Yen 8.00	Yen —	Yen 16.00	Yen 24.00
Fiscal year ending March 31, 2023	—	13.00	—		
Fiscal year ending March 31, 2023 (Forecast)				13.00	26.00

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

3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2023 (April 1, 2022 - March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share	
Full year	Million yen 61,100	% 10.1	Million yen 1,660	% 32.5	Million yen 2,110	% 35.9	Million yen 1,500	% 9.7	Yen 66.08	

(Note) Revision to the forecast of consolidated results announced most recently: No

*** Notes:**

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Application of an accounting method specific to the preparation of Quarterly Consolidated Financial Statements: No

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

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

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

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

December 31, 2022: 22,968,000 shares

March 31, 2022: 23,968,000 shares

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

December 31, 2022: 269,156 shares

March 31, 2022: 1,299,663 shares

3) Average number of shares during the period:

Nine months ended December 31, 2022: 22,686,777 shares

Nine months ended December 31, 2021: 23,327,631 shares

* These quarterly financial results are outside the scope of quarterly review by certified public accountants or audit corporations.

* Explanation of the proper use of performance forecast and other notes

The above forecasts are estimated based on the information currently available, and actual results may differ from these forecasts due to a wide range of factors. For assumptions that form the basis of the performance forecast and cautionary notes, etc. on the use of performance forecast, please see “Explanation regarding information on future prospects such as forecast of consolidated results” on page 3 of this Quarterly Consolidated Financial Statements (attached materials, Japanese only).

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	7,482	8,195
Notes and accounts receivable - trade, and contract assets	35,903	45,332
Merchandise and finished goods	1,266	1,586
Other	674	740
Allowance for doubtful accounts	(112)	(119)
Total current assets	45,213	55,735
Non-current assets		
Property, plant and equipment	2,191	2,842
Intangible assets	210	145
Investments and other assets		
Investment securities	12,471	11,982
Distressed receivables	12	5
Other	769	758
Allowance for doubtful accounts	(14)	(6)
Total investments and other assets	13,239	12,740
Total non-current assets	15,641	15,728
Total assets	60,854	71,463

(Million yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	27,627	36,538
Short-term borrowings	2,766	4,200
Income taxes payable	314	292
Contract liabilities	231	128
Provisions	338	221
Other	598	776
Total current liabilities	31,877	42,157
Non-current liabilities		
Deferred tax liabilities	1,653	1,539
Retirement benefit liability	1,234	1,284
Other	859	818
Total non-current liabilities	3,747	3,642
Total liabilities	35,625	45,799
Net assets		
Shareholders' equity		
Share capital	3,762	3,762
Capital surplus	3,116	3,116
Retained earnings	13,892	13,842
Treasury shares	(930)	(192)
Total shareholders' equity	19,841	20,528
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,174	4,848
Deferred gains or losses on hedges	3	(1)
Revaluation reserve for land	198	196
Foreign currency translation adjustment	69	141
Remeasurements of defined benefit plans	(57)	(50)
Total accumulated other comprehensive income	5,388	5,135
Total net assets	25,229	25,663
Total liabilities and net assets	60,854	71,463

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income
For the Nine-Month Period

(Million yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	40,925	46,777
Cost of sales	35,456	40,599
Gross profit	5,468	6,177
Selling, general and administrative expenses		
Freight and incidental costs	978	970
Salaries and allowances	1,650	1,719
Provision for bonuses	163	173
Provision for bonuses for directors (and other officers)	18	24
Retirement benefit expenses	79	105
Other	1,553	1,702
Total selling, general and administrative expenses	4,443	4,694
Operating profit	1,025	1,483
Non-operating income		
Interest income	1	1
Dividend income	294	348
Other	57	47
Total non-operating income	353	397
Non-operating expenses		
Interest expenses	21	17
Commission for syndicated loans	87	9
Other	18	3
Total non-operating expenses	127	30
Ordinary profit	1,251	1,850
Extraordinary income		
Gain on sale of non-current assets	-	19
Gain on bargain purchase	90	-
Gain on sale of investment securities	183	41
Compensation for forced relocation	-	30
Total extraordinary income	273	90
Extraordinary losses		
Provision of loss reserve for loss compensation	14	-
Loss on valuation of investment securities	25	-
Office relocation expenses	-	11
Total extraordinary losses	40	11
Profit before income taxes	1,484	1,929
Income taxes - current	343	555
Income taxes - deferred	94	48
Total income taxes	437	604
Profit	1,047	1,325
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	1,047	1,325

Consolidated Statements of Comprehensive Income
For the Nine-Month Period

(Million yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	1,047	1,325
Other comprehensive income		
Valuation difference on available-for-sale securities	(152)	(325)
Deferred gains or losses on hedges	(5)	(5)
Foreign currency translation adjustment	37	72
Remeasurements of defined benefit plans, net of tax	8	7
Total other comprehensive income	(111)	(251)
Comprehensive income	935	1,073
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	935	1,073
Comprehensive income attributable to non-controlling interests	-	-