

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

July 25, 2023

Company name: KOMERI CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 8218 URL <https://www.komeri.bit.or.jp>
 Representative: President, CEO and COO Yuichiro Sasage
 Inquiries: Director and Managing Executive Officer Hiroshi Hayakawa TEL 025(371)4111
 Scheduled date to file Quarterly Securities Report: August 14, 2023
 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, 2023 (from April 1, 2023 to June 30, 2023)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Operating revenue		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, 2023	104,074	(3.3)	8,440	(20.3)	8,399	(17.6)	5,654	(18.2)
Three months ended June 30, 2022	107,595	1.1	10,595	1.9	10,199	(2.2)	6,916	(1.1)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	117.10		–	
Three months ended June 30, 2022	141.84		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	364,268	229,314	63.0
As of March 31, 2023	361,387	227,347	62.9

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	25.00	–	25.00	50.00
Year ending March 31, 2024	–	–	–	–	–
Year ending March 31, 2024 (Forecast)	–	26.00	–	26.00	52.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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
Six months ending September 30, 2023	202,000	2.1	17,600	3.1	17,700	7.2	11,900	5.3	244.71
Full year	386,000	1.7	27,000	3.6	27,100	5.0	17,300	1.2	355.75

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023
(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: No
- 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, 2023	54,409,168 shares	As of March 31, 2023	54,409,168 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	6,650,619 shares	As of March 31, 2023	5,779,475 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2023	48,291,275 shares	Three months ended June 30, 2022	48,764,570 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	14,111	18,779
Notes and accounts receivable - trade, and contract assets	25,527	25,522
Merchandise and finished goods	124,468	119,732
Raw materials and supplies	238	240
Other	6,542	7,795
Allowance for doubtful accounts	(872)	(943)
Total current assets	170,014	171,126
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	115,992	116,693
Land	37,337	37,348
Leased assets, net	4,403	4,621
Other, net	6,296	6,834
Total property, plant and equipment	164,029	165,497
Intangible assets	9,423	9,312
Investments and other assets		
Investment securities	1,544	1,838
Deferred tax assets	6,861	6,920
Leasehold and guarantee deposits	7,275	7,314
Other	2,238	2,260
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	17,919	18,331
Total non-current assets	191,372	193,141
Total assets	361,387	364,268

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	29,158	21,800
Electronically recorded obligations - operating	32,179	42,138
Short-term borrowings	6,000	6,000
Current portion of long-term borrowings	6,775	6,775
Lease liabilities	1,558	1,605
Income taxes payable	4,492	3,004
Provision for bonuses	1,687	2,357
Provision for bonuses for directors (and other officers)	19	5
Provision for point card certificates	161	170
Provision for loss on disaster	0	7
Other	19,460	18,404
Total current liabilities	101,492	102,268
Non-current liabilities		
Long-term borrowings	12,761	12,460
Lease liabilities	3,193	3,350
Provision for retirement benefits for directors (and other officers)	120	120
Provision for share awards for directors (and other officers)	207	207
Retirement benefit liability	6,401	6,521
Asset retirement obligations	7,878	7,974
Other	1,984	2,050
Total non-current liabilities	32,547	32,685
Total liabilities	134,039	134,953
Net assets		
Shareholders' equity		
Share capital	18,802	18,802
Capital surplus	25,260	25,260
Retained earnings	197,180	201,602
Treasury shares	(14,276)	(16,905)
Total shareholders' equity	226,966	228,759
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	288	482
Remeasurements of defined benefit plans	93	72
Total accumulated other comprehensive income	381	555
Total net assets	227,347	229,314
Total liabilities and net assets	361,387	364,268

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	103,945	100,458
Cost of sales	70,562	69,470
Gross profit	33,382	30,988
Operating revenue	3,649	3,615
Operating gross profit	37,032	34,603
Selling, general and administrative expenses	26,436	26,163
Operating profit	10,595	8,440
Non-operating income		
Interest income	4	5
Dividend income	12	24
Hoard profit of prepaid card	27	29
Subsidy income	19	18
Other	34	28
Total non-operating income	99	107
Non-operating expenses		
Interest expenses	25	14
Foreign exchange losses	433	59
Burial cultural asset investigation expense	5	49
Other	31	25
Total non-operating expenses	495	149
Ordinary profit	10,199	8,399
Extraordinary income		
Insurance claim income	18	27
Total extraordinary income	18	27
Extraordinary losses		
Loss on disposal of non-current assets	33	62
Loss on disaster	87	56
Impairment losses	2	9
Total extraordinary losses	124	127
Profit before income taxes	10,093	8,299
Income taxes - current	3,422	2,730
Income taxes - deferred	(246)	(86)
Total income taxes	3,176	2,644
Profit	6,916	5,654
Profit attributable to owners of parent	6,916	5,654

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	6,916	5,654
Other comprehensive income		
Valuation difference on available-for-sale securities	(77)	193
Deferred gains or losses on hedges	(3)	–
Remeasurements of defined benefit plans, net of tax	(19)	(20)
Total other comprehensive income	(100)	173
Comprehensive income	6,815	5,828
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,815	5,828
Comprehensive income attributable to non-controlling interests	–	–