



Consolidated Financial Results for the Three Months Ended June 30, 2023 (Under Japanese GAAP)

July 28, 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: August 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 are rounded down to the nearest million yen)

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)

	Net sales		Operating profit		Ordinary profit		Net profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Jun. 30, 2023	75,780	(7.5)	3,938	22.6	3,609	(1.3)	2,216	(3.6)
Jun. 30, 2022	81,906	35.0	3,213	25.4	3,658	27.2	2,298	1.4

Note: Comprehensive income

For the three months ended Jun.30, 2023: 3,587 million yen [(5.2)%]

For the three months ended Jun.30, 2022: 3,783 million yen [25.5%]

	Basic earnings per share	Diluted earnings per share
Three months ended	yen	yen
Jun. 30, 2023	90.06	—
Jun. 30, 2022	93.41	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
Jun. 30, 2023	142,279	74,379	52.3
Mar. 31, 2023	143,200	72,158	50.4

Reference: Equity

As of Jun. 30, 2023: 74,366 million yen

As of Mar. 31, 2023: 72,158 million yen

2. Dividends

	Dividends per share				
	Quarter-end			Fiscal year-end	Annual total
	1st	2nd	3rd		
Fiscal year ended Mar. 31, 2023	yen —	yen 50.00	yen —	yen 55.00	yen 105.00
Fiscal year ending Mar. 31, 2024	—				
Fiscal year ending Mar. 31, 2024 (Forecast)		58.00	—	58.00	116.00

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

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		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	3.2	14,200	12.2	14,000	12.6	9,400	15.7	382.00

Note: Revisions to the most recently announced forecasts of consolidated financial results: None

* Notes

(1) Changes in significant subsidiaries during this period (changes in specified subsidiaries resulting in change in scope of consolidation): None

Newly included: —

Excluded: —

(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 Jun. 30, 2023	25,303,478 shares	As of Mar. 31, 2023	25,303,478 shares
2. Number of treasury shares at the end of the period	As of Jun. 30, 2023	696,536 shares	As of Mar. 31, 2023	696,464 shares
3. Average number of shares outstanding during the period	Three months ended Jun. 30, 2023	24,606,994 shares	Three months ended Jun. 30, 2022	24,608,141 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, 2023	As of Jun. 30, 2023
Assets		
Current assets		
Cash and deposits	16,463	16,453
Deposits paid to subsidiaries and associates	2,500	2,500
Notes and accounts receivable - trade	77,130	77,093
Merchandise and finished goods	19,212	19,131
Work in process	831	880
Raw materials and supplies	17	16
Goods in transit	1,967	1,055
Other	6,614	6,119
Allowance for doubtful accounts	(2,656)	(3,415)
Total current assets	122,081	119,835
Non-current assets		
Property, plant and equipment	1,919	1,837
Intangible assets		
Goodwill	645	594
Customer-related assets	893	868
Other	1,316	1,925
Total intangible assets	2,855	3,388
Investments and other assets	16,344	17,217
Total non-current assets	21,118	22,443
Total assets	143,200	142,279
Liabilities		
Current liabilities		
Notes and accounts payable - trade	52,919	51,797
Short-term borrowings	4,816	4,303
Current portion of long-term borrowings	113	113
Income taxes payable	2,387	1,271
Provision for bonuses	927	434
Provision for loss on liquidation of subsidiaries and associates	42	42
Other	6,456	6,416
Total current liabilities	67,663	64,377
Non-current liabilities		
Long-term borrowings	132	103
Deferred tax liabilities	797	1,003
Retirement benefit liability	2,233	2,244
Other	215	169
Total non-current liabilities	3,378	3,521
Total liabilities	71,041	67,899

(Unit: Millions of yen)

	As of Mar. 31, 2023	As of Jun. 30, 2023
Net assets		
Shareholders' equity		
Share capital	6,800	6,800
Capital surplus	1,804	1,804
Retained earnings	60,634	61,483
Treasury shares	(689)	(689)
Total shareholders' equity	68,549	69,398
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,392	1,986
Deferred gains or losses on hedges	(138)	236
Foreign currency translation adjustment	2,421	2,808
Remeasurements of defined benefit plans	(66)	(63)
Total accumulated other comprehensive income	3,609	4,967
Non-controlling interests	-	13
Total net assets	72,158	74,379
Total liabilities and net assets	143,200	142,279

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

Quarterly consolidated statements of income

(Unit: Millions of yen)

	Three months ended Jun. 30, 2022	Three months ended Jun. 30, 2023
Net sales	81,906	75,780
Cost of sales	72,778	66,138
Gross profit	9,127	9,642
Selling, general and administrative expenses	5,914	5,703
Operating profit	3,213	3,938
Non-operating income		
Interest income	70	225
Dividend income	110	129
Share of profit of entities accounted for using equity method	94	57
Foreign exchange gains	263	-
Gain on adjustment of accounts payable	8	9
Miscellaneous income	54	115
Total non-operating income	601	536
Non-operating expenses		
Interest expenses	33	152
Loss on sale of notes receivable - trade	80	214
Foreign exchange losses	-	497
Miscellaneous expenses	42	2
Total non-operating expenses	156	865
Ordinary profit	3,658	3,609
Extraordinary income		
Gain on sale of non-current assets	2	0
Gain on liquidation or reorganization of subsidiaries and associates	7	-
Gain on sale of investment securities	3	-
Total extraordinary income	13	0
Extraordinary losses		
Loss on valuation of investment securities	8	4
Loss on disposal of non-current assets	2	0
Loss on valuation of golf club membership	2	-
Total extraordinary losses	13	4
Profit before income taxes	3,658	3,605
Income taxes - current	1,205	1,307
Income taxes - deferred	152	68
Total income taxes	1,357	1,376
Net profit	2,300	2,229
Net profit attributable to non-controlling interests	1	13
Net profit attributable to owners of parent	2,298	2,216

Quarterly consolidated statements of comprehensive income

(Unit: Millions of yen)

	Three months ended Jun. 30, 2022	Three months ended Jun. 30, 2023
Net profit	2,300	2,229
Other comprehensive income		
Valuation difference on available-for-sale securities	112	593
Deferred gains or losses on hedges	112	374
Foreign currency translation adjustment	1,034	325
Remeasurements of defined benefit plans	2	2
Share of other comprehensive income of entities accounted for using equity method	221	62
Total other comprehensive income	1,483	1,358
Comprehensive income	3,783	3,587
Comprehensive income attributable to:		
Owners of parent	3,779	3,574
Non-controlling interests	4	13