



Consolidated Financial Results for the Six Months Ended June 30, 2023 [Japanese GAAP]

August 9, 2023

Company name: Kinjiro Co.,Ltd.

Stock exchange listing: Tokyo

Code number: 4013

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President

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Scheduled date of filing quarterly securities report: August 9, 2023

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

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

1. Consolidated Financial Results for the Six Months Ended June 30, 2023 (January 1, 2023 to June 30, 2023)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended June 30, 2023	1,970	19.8	298	62.9	296	63.5	189	53.6
June 30, 2022	1,644	(3.9)	183	2.3	181	0.7	123	3.9

(Note) Comprehensive income: Six months ended June 30, 2023: ¥ 180 million [41.0%]
Six months ended June 30, 2022: ¥ 127 million [6.0%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended June 30, 2023	19.50	-
June 30, 2022	12.46	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	12,537	8,801	70.2
December 31, 2022	12,653	8,755	69.2

(Reference) Equity: As of June 30, 2023: ¥ 8,801 million
As of December 31, 2022: ¥ 8,755 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2022	-	0.00	-	17.00	17.00
Fiscal year ending December 31, 2023	-	0.00			
Fiscal year ending December 31, 2023 (Forecast)			-	17.00	17.00

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

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending December 31, 2023 :

Commemorative dividend - yen
Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2023(January 1, 2023 to December 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
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	4,000	12.7	554	24.7	545	24.7	367	20.6	37.80

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

* Notes:

(1) Changes in significant subsidiaries during the six months ended June 30, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

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

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

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

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

June 30, 2023: 10,420,000 shares

December 31, 2022: 10,420,000 shares

2) Number of treasury shares at the end of the period:

June 30, 2023: 675,081 shares

December 31, 2022: 701,953 shares

3) Average number of shares outstanding during the period:

Six months ended June 30, 2023: 9,727,355 shares

Six months ended June 30, 2022: 9,905,766 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of December 31, 2022	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	4,574,674	4,438,616
Notes and accounts receivable - trade	694,352	642,243
Inventories	74,023	72,187
Other	328,699	98,721
Allowance for doubtful accounts	(2,453)	(2,131)
Total current assets	5,669,296	5,249,638
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,239,899	3,150,962
Land	2,377,534	2,384,084
Other, net	198,119	303,011
Total property, plant and equipment	5,815,552	5,838,058
Intangible assets		
Software	411,682	842,381
Software in progress	315,556	110,009
Other	10,069	9,844
Total intangible assets	737,307	962,234
Investments and other assets		
Investment securities	67,766	59,458
Other	364,406	429,342
Allowance for doubtful accounts	(1,220)	(1,220)
Total investments and other assets	430,952	487,580
Total non-current assets	6,983,813	7,287,874
Total assets	12,653,110	12,537,512

(Thousands of yen)

	As of December 31, 2022	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	72,677	47,834
Current portion of long-term borrowings	269,592	269,592
Income taxes payable	155,152	142,794
Provision for bonuses	-	2,596
Unearned revenue	228,429	262,084
Asset retirement obligations	49,000	19,000
Other	301,770	337,750
Total current liabilities	1,076,622	1,081,653
Non-current liabilities		
Long-term borrowings	2,530,251	2,364,085
Retirement benefit liability	130,411	137,237
Asset retirement obligations	13,056	13,076
Other	147,583	139,665
Total non-current liabilities	2,821,301	2,654,064
Total liabilities	3,897,923	3,735,718
Net assets		
Shareholders' equity		
Share capital	4,099,300	4,099,300
Capital surplus	4,056,450	4,056,450
Retained earnings	1,819,608	1,837,927
Treasury shares	(1,230,064)	(1,192,347)
Total shareholders' equity	8,745,294	8,801,329
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(6,345)	(12,110)
Foreign currency translation adjustment	16,237	12,575
Total accumulated other comprehensive income	9,892	464
Total net assets	8,755,186	8,801,794
Total liabilities and net assets	12,653,110	12,537,512

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the six months)

(Thousands of yen)

	For the six months ended June 30, 2022	For the six months ended June 30, 2023
Net sales	1,644,573	1,970,705
Cost of sales	515,835	676,504
Gross profit	1,128,737	1,294,201
Selling, general and administrative expenses	945,305	995,355
Operating profit	183,432	298,845
Non-operating income		
Interest income	55	1,343
Guarantee commission received	-	4,061
Other	192	1,013
Total non-operating income	248	6,418
Non-operating expenses		
Interest expenses	103	6,364
Foreign exchange losses	1,955	490
Commission expenses	-	1,125
Other	47	364
Total non-operating expenses	2,106	8,344
Ordinary profit	181,574	296,919
Profit before income taxes	181,574	296,919
Income taxes	58,125	107,248
Profit	123,449	189,671
Profit attributable to owners of parent	123,449	189,671

Quarterly Consolidated Statements of Comprehensive Income (For the six months)

(Thousands of yen)

	For the six months ended June 30, 2022	For the six months ended June 30, 2023
Profit	123,449	189,671
Other comprehensive income		
Valuation difference on available-for-sale securities	-	(5,764)
Foreign currency translation adjustment	4,391	(3,662)
Total other comprehensive income	4,391	(9,427)
Comprehensive income	127,841	180,244
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	127,841	180,244

Quarterly Consolidated Statements of Cash Flows

(Thousands of yen)

	For the six months ended June 30, 2022	For the six months ended June 30, 2023
Cash flows from operating activities		
Profit before income taxes	181,574	296,919
Depreciation	120,121	278,583
Increase (decrease) in allowance for doubtful accounts	(0)	(322)
Interest and dividend income	(55)	(1,343)
Interest expenses	103	6,364
Decrease (increase) in trade receivables	3,577	53,710
Decrease (increase) in inventories	(12,436)	2,159
Increase (decrease) in trade payables	(8,204)	(25,706)
Increase (decrease) in provision for bonuses	-	2,585
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(44,186)	-
Increase (decrease) in retirement benefit liability	8,350	6,826
Increase (decrease) in unearned revenue	26,472	33,655
Increase (decrease) in accounts payable - other, and accrued expenses	22,953	(92,519)
Decrease (increase) in consumption taxes refund receivable	-	244,812
Increase (decrease) in accrued consumption taxes	24,366	105,058
Other, net	4,538	(26,168)
Subtotal	327,174	884,614
Interest and dividends received	55	1,343
Interest paid	(93)	(6,308)
Income taxes paid	(6,819)	(89,658)
Income taxes refund	25,499	1,125
Net cash provided by (used in) operating activities	345,817	791,116
Cash flows from investing activities		
Purchase of property, plant and equipment	(8,883)	(171,091)
Purchase of intangible assets	(225,588)	(354,887)
Decrease (increase) in time deposits	(10,800)	(5,400)
Payments of leasehold and guarantee deposits	(1,551)	(120,143)
Proceeds from refund of leasehold and guarantee deposits	16,639	61,695
Other, net	(13,168)	(38,136)
Net cash provided by (used in) investing activities	(243,352)	(627,962)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(40,000)	-
Repayments of long-term borrowings	(22,296)	(166,166)
Proceeds from sale of treasury shares	-	27,791
Dividends paid	(168,342)	(168,486)
Net cash provided by (used in) financing activities	(230,638)	(306,860)
Effect of exchange rate change on cash and cash equivalents	(3,618)	2,248
Net increase (decrease) in cash and cash equivalents	(131,791)	(141,457)
Cash and cash equivalents at beginning of period	7,528,650	4,454,564
Cash and cash equivalents at end of period	7,396,858	4,313,106