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Consolidated Financial Results for the Nine Months Ended September 30, 2023 [Japanese GAAP]

November 14, 2023

Company name: Seibu Giken Co., Ltd.

Stock exchange listing: Tokyo

Code number: 6223

URL: <https://seibu-giken.com/>

Representative: Fumio Kuma

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Scheduled date of filing quarterly securities report: November 14, 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

President and Representative Director

Director and General Manager, Business Administration Division

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

1. Consolidated Financial Results for the Nine Months Ended September 30, 2023 (January 1, 2023 to September 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	%
Nine months ended September 30, 2023	20,299	-	3,241	-	3,369	-	2,607	-
September 30, 2022	-	-	-	-	-	-	-	-

(Note) Comprehensive income: Nine months ended September 30, 2023: ¥ 3,702 million [-%]
 Nine months ended September 30, 2022: ¥ - million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2023	140.43	-
September 30, 2022	-	-

(Note) 1. The Company did not prepare quarterly consolidated financial statements for the nine months ended September 30, 2022.

Therefore, the figures for the nine months ended September 30, 2022 and the year-on-year changes for nine months ended September 30, 2022 are not shown.

2. The Company conducted a share split at a ratio of 100 shares for a common share effective May 29, 2023.

"Basic earnings per share" is calculated assuming that the share split was conducted at the beginning of the fiscal year ended December 31, 2023.

3. "Diluted earnings per share" is not stated as there are no diluted shares.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	36,553	21,442	58.7
December 31, 2022	31,105	17,748	57.1

(Reference) Equity: As of September 30, 2023: ¥ 21,442 million

As of December 31, 2022: ¥ 17,748 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended December 31, 2022	Yen -	Yen 0.00	Yen -	Yen 50.00	Yen 50.00
Fiscal year ending December 31, 2023	-	0.00	-		
Fiscal year ending December 31, 2023 (Forecast)				-	-

(Note) 1. Revision to the forecast for dividends announced most recently: No

2. The Company conducted a share split at a ratio of 100 shares for a common share effective May 29, 2023.

The dividend for the end of the fiscal year ended December 31, 2022 presents the amount prior to the share split.

3. Dividends for the Fiscal year ending December 31, 2023 (Forecast) have not yet been determined and are therefore indicated as "-".

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	27,147	9.1	5,236	13.7	5,267	10.1	4,075	4.3	213.96

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

* Notes:

(1) Changes in significant subsidiaries during the nine months ended September 30, 2023

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

(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: Yes

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):

September 30, 2023: 20,000,000 shares

December 31, 2022: 20,000,000 shares

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

September 30, 2023: 1,430,000 shares

December 31, 2022: 1,430,000 shares

3) Average number of shares outstanding during the period:

Nine months ended September 30, 2023: 18,570,000 shares

Nine months ended September 30, 2022: - shares

(Note) 1. The Company did not prepare quarterly consolidated financial statements for the nine months ended September 30, 2022.

Therefore, the average number of shares outstanding during the period for the nine months ended September 30, 2022 is not shown.

2. The Company conducted a share split at a ratio of 100 shares for a common share effective May 29, 2023.

"Total number of issued shares at the end of the period," "number of treasury shares at the end of the period," and "average number of shares outstanding during the period" are calculated assuming that the share split was conducted at the beginning of the fiscal year ended December 31, 2022.

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

*2. Explanation of the proper use of financial results forecast and other notes

The forward-looking statements contained in this document, including the financial results forecasts, are based on information currently available to the Company and certain assumptions deemed to be reasonable. Actual results may differ significantly from these forecasts due to a wide range of factors.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2022	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	9,803	12,396
Notes and accounts receivable - trade, and contract assets	5,970	5,892
Electronically recorded monetary claims - operating	1,204	1,320
Inventories	4,669	5,903
Other	786	1,212
Allowance for doubtful accounts	(256)	(392)
Total current assets	22,178	26,332
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,584	3,533
Machinery, equipment and vehicles, net	1,175	1,179
Land	2,456	2,465
Other, net	965	2,266
Total property, plant and equipment	8,181	9,445
Intangible assets	299	251
Investments and other assets	445	524
Total non-current assets	8,926	10,221
Total assets	31,105	36,553

(Millions of yen)

	As of December 31, 2022	As of September 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,839	1,829
Electronically recorded obligations - operating	1,961	2,116
Short-term borrowings	1,690	2,740
Current portion of long-term borrowings	1,158	993
Income taxes payable	505	351
Contract liabilities	1,628	2,887
Provision for product warranties	184	221
Provision for bonuses	184	571
Other	1,382	1,302
Total current liabilities	10,534	13,013
Non-current liabilities		
Long-term borrowings	2,045	1,323
Retirement benefit liability	42	53
Other	733	721
Total non-current liabilities	2,822	2,098
Total liabilities	13,356	15,111
Net assets		
Shareholders' equity		
Share capital	100	100
Retained earnings	17,031	19,630
Treasury shares	(569)	(569)
Total shareholders' equity	16,562	19,161
Accumulated other comprehensive income		
Foreign currency translation adjustment	1,186	2,280
Total accumulated other comprehensive income	1,186	2,280
Total net assets	17,748	21,442
Total liabilities and net assets	31,105	36,553

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Millions of yen)

	For the nine months ended September 30, 2023
Net sales	20,299
Cost of sales	11,988
Gross profit	8,310
Selling, general and administrative expenses	5,069
Operating profit	3,241
Non-operating income	
Interest income and dividend income	50
Nursery school-related revenue	15
Subsidy income	19
Foreign exchange gains	86
Other	36
Total non-operating income	209
Non-operating expenses	
Interest expenses	31
Nursery school-related expenses	19
Other	28
Total non-operating expenses	80
Ordinary profit	3,369
Extraordinary losses	
Loss on litigation	27
Loss on retirement of non-current assets	14
Total extraordinary losses	42
Profit before income taxes	3,327
Income taxes - current	787
Income taxes - deferred	(67)
Total income taxes	720
Profit	2,607
Profit attributable to owners of parent	2,607

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

(Millions of yen)

	For the nine months ended September 30, 2023
Profit	2,607
Other comprehensive income	
Foreign currency translation adjustment	1,094
Total other comprehensive income	1,094
Comprehensive income	3,702
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	3,702