

Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 31, 2023 <under IFRS>

Company name: **Yutaka Giken Co., Ltd.**
 Listing: Tokyo Stock Exchange
 Securities code: 7229
 URL: <https://www.yutakagiken.co.jp/en/index.html>
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Scheduled date to file quarterly securities report: November 14, 2022
 Scheduled date to commence dividend payments: December 5, 2022
 Preparation of supplementary results briefing material on quarterly financial results: Yes
 Holding of quarterly financial results presentation meeting: None

(Millions of yen with fractional amounts rounded, unless otherwise noted.)

1. Consolidated financial results for first Six months of the fiscal year ending March 31, 2023 (from April 1, 2022 to September 30, 2022)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit for the period		Profit attributable to owners of parent		Total comprehensive income	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2022	108,897	15.2	1,071	(68.0)	2,448	(34.2)	770	(57.3)	541	(51.7)	6,082	229.0
September 30, 2021	94,547	10.2	3,344	165.9	3,720	335.7	1,803	—	1,120	—	1,848	—

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2022	36.50	—
September 30, 2021	75.61	—

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
September 30, 2022	196,352	99,684	88,628	45.1	5,981.05
March 31, 2022	208,334	94,974	83,808	40.2	5,655.74

2. Cash dividends

	Annual cash dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended March 31, 2022	Yen —	Yen 36.00	Yen —	Yen 40.00	Yen 76.00
Fiscal year ending March 31, 2023	—	36.00			
Fiscal year ending March 31, 2023 (Forecast)			—	40.00	76.00

Note: Revisions to the forecasts of cash dividends most recently announced: Yes

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit for the period		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	
Fiscal year ending March 31, 2023	240,000	12.5	5,500	(37.9)	5,800	(49.0)	2,300	(66.6)	1,400	(68.6)	Yen 94.48

Note: Revisions to the consolidated earnings forecasts most recently announced: Yes

*** Notes**

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

Newly included: —

Excluded: —

- (2) Changes in accounting policies and changes in accounting estimates

a. Changes in accounting policies required by IFRS: None

b. Changes in accounting policies other than the above: None

c. Changes in accounting estimates: None

- (3) Number of issued shares (ordinary shares)

- a. Total number of issued shares at end of period (including treasury shares)

As of September 30, 2022	14,820,000 shares
As of March 31, 2022	14,820,000 shares

- b. Number of treasury shares at end of period

As of September 30, 2022	1,824 shares
As of March 31, 2022	1,824 shares

- c. Average number of outstanding shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2022	14,818,176 shares
Six months ended September 30, 2021	14,818,176 shares

* Quarterly reviews are not required for quarterly financial results reports.

* Proper use of earnings forecasts, and other special notes

The forward-looking statements including earnings forecasts contained in these materials are based on information currently available to the Company and certain assumptions deemed reasonable by the Company, and are not intended as the Company's commitment to achieve such forecasts. Actual business and other results may differ significantly from these forecasts due to a wide range of factors.

Condensed Quarterly Consolidated Financial Statements

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
ASSETS		
Current assets		
Cash and cash equivalents	42,073	30,774
Trade and other receivables	72,323	66,361
Inventories	32,372	34,793
Other current assets	3,820	4,369
Total current assets	150,588	136,297
Non-current assets		
Property, plant and equipment	53,031	54,496
Intangible assets	663	673
Net defined benefit asset	1,332	1,533
Deferred tax assets	1,990	2,566
Other non-current assets	730	788
Total non-current assets	57,746	60,055
Total assets	208,334	196,352
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities		
Trade and other payables	95,279	83,515
Borrowings	9,787	4,866
Income taxes payable	1,239	1,198
Other current liabilities	2,603	2,942
Total current liabilities	108,907	92,521
Non-current liabilities		
Borrowings	652	583
Net defined benefit liability	1,607	1,825
Deferred tax liabilities	622	286
Other non-current liabilities	1,572	1,453
Total non-current liabilities	4,453	4,147
Total liabilities	113,360	96,669
Equity		
Issued capital	1,754	1,754
Retained earnings	78,360	78,308
Treasury shares	(3)	(3)
Other components of equity	3,697	8,569
Total equity attributable to owners of parent	83,808	88,628
Non-controlling interests	11,166	11,055
Total equity	94,974	99,684
Total liabilities and equity	208,334	196,352

(2) Condensed Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Revenue	94,547	108,897
Cost of sales	84,044	100,367
Gross profit	10,503	8,531
Selling, general and administrative expenses	7,655	7,628
Other income	803	297
Other expense	307	129
Operating profit	3,344	1,071
Finance income	430	1,493
Finance costs	54	115
Profit before tax	3,720	2,448
Income tax expense	1,916	1,679
Profit for the period	1,803	770
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in financial assets at fair value through other comprehensive income	2	4
Total items that will not be reclassified to profit or loss	2	4
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	43	5,308
Total items that may be reclassified to profit or loss	43	5,308
Total other comprehensive income, net of tax	45	5,312
Comprehensive income for the period	1,848	6,082
Profit attributable to:		
Owners of parent	1,120	541
Non-controlling interests	683	229
Profit for the period	1,803	770
Total comprehensive income attributable to:		
Owners of parent	1,165	5,413
Non-controlling interests	683	668
Comprehensive income	1,848	6,082
Earnings per share (attributable to owners of parent)		
Basic earnings per share (Yen)	75.61	36.50

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

(Millions of yen)

	Equity attributable to owners of parent				
	Issued capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity
					Net change in financial assets at fair value through other comprehensive income
Balance as of April 1, 2021	1,754	—	75,126	(3)	10
Profit for the period			1,120		
Other comprehensive income					1
Comprehensive income for the period	—	—	1,120	—	1
Dividends paid			(533)		
Total transactions with owners	—	—	(533)	—	—
Balance as of September 30, 2021	1,754	—	75,713	(3)	11

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total equity attributable to owners of parent		
	Exchange differences on translation of foreign operations	Total other components of equity			
Balance as of April 1, 2021	(859)	(849)	76,028	9,735	85,763
Profit for the period		—	1,120	683	1,803
Other comprehensive income	44	45	45	0	45
Comprehensive income for the period	44	45	1,165	683	1,848
Dividends paid		—	(533)	(97)	(631)
Total transactions with owners	—	—	(533)	(97)	(631)
Balance as of September 30, 2021	(815)	(804)	76,659	10,321	86,981

(Millions of yen)

	Equity attributable to owners of parent				
	Issued capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity
					Net change in financial assets at fair value through other comprehensive income
Balance as of April 1, 2022	1,754	—	78,360	(3)	12
Profit for the period			541		
Other comprehensive income					2
Comprehensive income for the period	—	—	541	—	2
Dividends paid			(593)		
Total transactions with owners	—	—	(593)	—	—
Balance as of September 30, 2022	1,754	—	78,308	(3)	14

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total equity attributable to owners of parent		
	Exchange differences on translation of foreign operations	Total other components of equity			
Balance as of April 1, 2022	3,684	3,697	83,808	11,166	94,974
Profit for the period		—	541	229	770
Other comprehensive income	4,870	4,872	4,872	439	5,312
Comprehensive income for the period	4,870	4,872	5,413	668	6,082
Dividends paid		—	(593)	(779)	(1,372)
Total transactions with owners	—	—	(593)	(779)	(1,372)
Balance as of September 30, 2022	8,555	8,569	88,628	11,055	99,684

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Cash flows from (used in) operating activities		
Profit before tax	3,720	2,448
Depreciation and amortization	4,176	4,431
Finance costs (income)	(88)	(140)
Decrease (increase) in trade and other receivables	7,149	14,541
Decrease (increase) in inventories	(1,891)	953
Increase (decrease) in trade and other payables	(16,603)	(21,919)
Increase (decrease) in net defined benefit liability	(182)	167
Other inflows (outflows) of cash	117	1,808
Subtotal	(3,602)	2,289
Interest received	141	255
Dividends received	1	1
Interest paid	(64)	(131)
Income taxes refund (paid)	(3,341)	(2,628)
Net cash flows from (used in) operating activities	(6,866)	(214)
Cash flows from (used in) investing activities		
Net decrease (increase) in term deposits	668	327
Purchase of property, plant and equipment	(3,305)	(2,276)
Proceeds from sales of property, plant and equipment	193	811
Purchase of intangible assets	(56)	(97)
Payments for loans receivable	(5)	(2)
Proceeds from collection of loans receivable	3	4
Net cash flows from (used in) investing activities	(2,502)	(1,233)
Cash flows from (used in) financing activities		
Net increase (decrease) in current borrowings	(1,195)	(5,622)
Repayments of lease obligations	(269)	(220)
Repayments of non-current borrowings	(183)	(302)
Dividends paid	(534)	(593)
Dividends paid to non-controlling interests	(1,368)	(2,402)
Net cash flows from (used in) financing activities	(3,548)	(9,138)
Effect of exchange rate changes on cash and cash equivalents	114	817
Net increase (decrease) in cash and cash equivalents	(12,803)	(9,768)
Cash and cash equivalents at beginning of period	32,121	40,249
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	—	(1,290)
Cash and cash equivalents at end of period	19,318	29,191