

Consolidated Financial Results for the First Nine 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: February 14, 2023
 Scheduled date to commence dividend payments: —
 Preparation of supplementary results briefing material on quarterly financial results: None
 Holding of quarterly financial results presentation meeting: None

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

1. Consolidated financial results for first Nine months of the fiscal year ending March 31, 2023 (from April 1, 2022 to December 31, 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	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2022	160,305	7.5	549	(91.7)	1,520	(82.5)	(448)	—	(669)	—	903	(87.0)
December 31, 2021	149,057	5.2	6,641	29.9	8,674	90.0	5,231	293.8	2,774	509.4	6,964	266.7

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2022	(45.13)	—
December 31, 2021	187.20	—

(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
December 31, 2022	195,568	94,650	83,439	42.7	5,630.87
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
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	—	36.00	—	40.00	76.00
Fiscal year ending March 31, 2023	—	36.00	—		
Fiscal year ending March 31, 2023 (Forecast)				36.00	72.00

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	217,000	1.7	3,400	(61.6)	4,600	(59.5)	1,700	(75.3)	1,300	(70.9)	87.73

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 December 31, 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 December 31, 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)

Nine months ended December 31, 2022	14,818,176 shares
Nine months ended December 31, 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 December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	42,073	28,647
Trade and other receivables	72,323	71,258
Inventories	32,372	34,274
Other current assets	3,820	4,861
Total current assets	150,588	139,040
Non-current assets		
Property, plant and equipment	53,031	51,072
Intangible assets	663	651
Net defined benefit asset	1,332	1,547
Deferred tax assets	1,990	2,550
Other non-current assets	730	707
Total non-current assets	57,746	56,527
Total assets	208,334	195,568
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities		
Trade and other payables	95,279	87,075
Borrowings	9,787	6,693
Income taxes payable	1,239	1,002
Other current liabilities	2,603	2,318
Total current liabilities	108,907	97,088
Non-current liabilities		
Borrowings	652	372
Net defined benefit liability	1,607	1,758
Deferred tax liabilities	622	85
Other non-current liabilities	1,572	1,614
Total non-current liabilities	4,453	3,829
Total liabilities	113,360	100,917
Equity		
Issued capital	1,754	1,754
Capital surplus	—	241
Retained earnings	78,360	76,570
Treasury shares	(3)	(3)
Other components of equity	3,697	4,877
Total equity attributable to owners of parent	83,808	83,439
Non-controlling interests	11,166	11,211
Total equity	94,974	94,650
Total liabilities and equity	208,334	195,568

(2) Condensed Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Revenue	149,057	160,305
Cost of sales	131,555	148,656
Gross profit	17,501	11,649
Selling, general and administrative expenses	11,379	11,414
Other income	906	465
Other expense	387	151
Operating profit	6,641	549
Finance income	2,112	1,606
Finance costs	79	635
Profit before tax	8,674	1,520
Income tax expense	3,443	1,968
Profit for the period	5,231	(448)
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	5	11
Total items that will not be reclassified to profit or loss	5	11
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	1,729	1,339
Total items that may be reclassified to profit or loss	1,729	1,339
Total other comprehensive income, net of tax	1,733	1,351
Comprehensive income for the period	6,964	903
Profit attributable to:		
Owners of parent	2,774	(669)
Non-controlling interests	2,457	221
Profit for the period	5,231	(448)
Total comprehensive income attributable to:		
Owners of parent	4,277	616
Non-controlling interests	2,687	287
Comprehensive income	6,964	903
Earnings per share (attributable to owners of parent)		
Basic earnings per share (Yen)	187.20	(45.13)

(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			2,774		
Other comprehensive income					3
Comprehensive income for the period	—	—	2,774	—	3
Dividends paid			(1,067)		
Total transactions with owners	—	—	(1,067)	—	—
Balance as of December 31, 2021	1,754	—	76,833	(3)	12

	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		—	2,774	2,457	5,231
Other comprehensive income	1,501	1,503	1,503	230	1,733
Comprehensive income for the period	1,501	1,503	4,277	2,687	6,964
Dividends paid		—	(1,067)	(97)	(1,164)
Total transactions with owners	—	—	(1,067)	(97)	(1,164)
Balance as of December 31, 2021	642	654	79,238	12,325	91,563

(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			(669)		
Other comprehensive income					8
Comprehensive income for the period	—	—	(669)	—	8
Dividends paid			(1,126)		
Changes in ownership interests in subsidiaries		241			
Transfer from other components of equity to retained earnings			5		(5)
Total transactions with owners	—	241	(1,121)	—	(5)
Balance as of December 31, 2022	1,754	241	76,570	(3)	15

	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		—	(669)	221	(448)
Other comprehensive income	1,276	1,284	1,284	66	1,351
Comprehensive income for the period	1,276	1,284	616	287	903
Dividends paid		—	(1,126)	(779)	(1,905)
Changes in ownership interests in subsidiaries	(99)	(99)	142	537	679
Transfer from other components of equity to retained earnings		(5)	—		—
Total transactions with owners	(99)	(104)	(984)	(242)	(1,226)
Balance as of December 31, 2022	4,861	4,877	83,439	11,211	94,650

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Cash flows from (used in) operating activities		
Profit before tax	8,674	1,520
Depreciation and amortization	6,259	6,704
Finance costs (income)	(1,307)	(171)
Decrease (increase) in trade and other receivables	5,437	4,362
Decrease (increase) in inventories	(10,695)	(851)
Increase (decrease) in trade and other payables	(12,069)	(10,847)
Increase (decrease) in provisions	(1,234)	—
Increase (decrease) in net defined benefit liability	(327)	160
Other inflows (outflows) of cash	195	416
Subtotal	(5,067)	1,291
Interest received	188	364
Dividends received	1	2
Interest paid	(79)	(196)
Income taxes refund (paid)	(3,691)	(3,478)
Net cash flows from (used in) operating activities	(8,648)	(2,015)
Cash flows from (used in) investing activities		
Net decrease (increase) in term deposits	675	971
Purchase of property, plant and equipment	(4,985)	(3,386)
Proceeds from sales of property, plant and equipment	243	868
Purchase of intangible assets	(70)	(126)
Proceeds from sales of Investment securities Shares of subsidiaries and associates	—	8
Payments for loans receivable	(5)	(2)
Proceeds from collection of loans receivable	3	5
Net cash flows from (used in) investing activities	(4,139)	(1,663)
Cash flows from (used in) financing activities		
Net increase (decrease) in current borrowings	2,200	(3,343)
Repayments of lease obligations	(337)	(342)
Repayments of non-current borrowings	(268)	(390)
Dividends paid	(1,066)	(1,125)
Dividends paid to non-controlling interests	(1,368)	(2,402)
Proceeds from sale of interests in subsidiaries to non-controlling interests	—	781
Net cash flows from (used in) financing activities	(839)	(6,821)
Effect of exchange rate changes on cash and cash equivalents	705	(717)
Net increase (decrease) in cash and cash equivalents	(12,920)	(11,216)
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	19,200	27,743