

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Consolidated Financial Results for the Nine Months Ended December 31, 2021 [Japanese GAAP]



February 10, 2022

Company name: YAOKO CO., LTD.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 8279
 URL: <https://www.yaoko-net.com/>
 Representative: Kawano Sumito, President and Representative Director
 Contact: Kamiike Masanobu, Managing Director and Chief Director of Business Management
 Phone: +81-49-246-7000
 Scheduled date of filing quarterly securities report: February 10, 2022
 Scheduled date of commencing dividend payments: –
 Availability of supplementary briefing material on quarterly financial results: No
 Schedule of quarterly financial results briefing session: No

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

1. Consolidated Financial Results for the Nine Months Ended December 31, 2021 (April 1, 2021 to December 31, 2021)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Total revenue		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2021	408,093	5.1	25,705	9.0	25,255	7.9	16,970	7.1
December 31, 2020	388,418	12.5	23,577	30.4	23,397	30.7	15,837	32.7

(Note) Comprehensive income: Nine months ended December 31, 2021: ¥17,038 million [6.6 %]

Nine months ended December 31, 2020: ¥15,981 million [32.7 %]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2021	436.95	410.52
December 31, 2020	407.85	383.25

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2021	312,493	130,155	41.7	3,351.18
As of March 31, 2021	269,121	116,625	43.3	3,003.15

(Reference) Equity: As of December 31, 2021: ¥130,155 million

As of March 31, 2021: ¥116,625 million

2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2021	Yen -	Yen 32.50	Yen -	Yen 53.00	Yen 85.50
Fiscal year ending March 31, 2022	-	36.25	-		
Fiscal year ending March 31, 2022 (Forecast)				36.25	72.50

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Total revenue		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	508,600	0.1	22,300	(0.7)	21,800	(1.9)	14,200	(2.7)	365.67

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

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2021 (changes in specified subsidiaries resulting in changes in scope of consolidation): No

New: - company (Name of company) Exclusion: - company (Name of company)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(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

(Note) For details, please refer to page 9 of the Attachment, "Consolidated Financial Statements and Primary Notes, (3) Notes to the Consolidated Financial Statements, Changes in accounting policies."

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

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

December 31, 2021: 40,013,722 shares

March 31, 2021: 40,013,722 shares

2) Total number of treasury stocks at the end of the period:

December 31, 2021: 1,174,975 shares

March 31, 2021: 1,179,180 shares

3) Average number of shares during the period:

Nine months ended December 31, 2021: 38,837,260 shares

Nine months ended December 31, 2020: 38,832,869 shares

* These quarterly financial results are outside the scope of quarterly review by certified public accountants or audit firms.

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

The earnings forecasts and other forward-looking statements herein are based on certain assumptions in light of information currently available and deemed reasonable and are not a guarantee of future performance. Actual results may differ significantly from these forecasts due to a wide range of factors. For details on conditions for the assumptions of financial results forecasts and notes for the use of financial results forecasts, please refer to page 4 of the Japanese version of the Attachment, “1. Qualitative Information on Financial Results for the Nine Months Ended December 31, 2021, (3) Explanation of financial results forecast and forward-looking information.”

Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and bank deposits	32,080	36,177
Accounts receivable—trade	7,044	10,736
Securities	-	4,999
Merchandise and finished products	8,126	9,112
Raw materials and supplies	244	308
Other	10,596	14,376
Total current assets	58,091	75,711
Non-current assets		
Tangible fixed assets		
Buildings and structures (net)	68,312	78,173
Land	72,922	85,314
Other (net)	28,399	26,995
Total tangible fixed assets	169,634	190,483
Intangible fixed assets		
Goodwill	1,015	253
Other	7,014	6,598
Total intangible fixed assets	8,030	6,852
Investments and other assets		
Deferred tax assets	7,019	6,255
Guarantee deposits paid	19,998	21,250
Other	6,316	11,916
Total investments and other assets	33,333	39,422
Total non-current assets	210,999	236,759
Deferred assets	29	22
Total assets	269,121	312,493

(Millions of Yen)

	As of March 31, 2021	As of December 31, 2021
Liabilities		
Current liabilities		
Accounts payable—trade	31,314	38,229
Current portion of long-term loans payable	12,639	10,758
Income taxes payable	4,138	4,470
Provision for bonuses for employees	2,611	1,470
Other	18,584	14,413
Total current liabilities	69,287	69,342
Long-term liabilities		
Bonds payable	15,047	15,036
Long-term loans payable	45,437	73,851
Deferred tax liabilities	1,111	1,105
Deferred tax liabilities on revaluation	34	34
Provision for retirement benefits for directors	225	227
Provision for retirement benefits for executive officers	31	33
Provision for stock compensation for employees	1,980	1,936
Provision for stock compensation for directors	179	207
Liability for retirement benefits	4,039	4,207
Asset retirement obligations	4,914	5,200
Other	10,205	11,154
Total long-term liabilities	83,207	112,994
Total liabilities	152,495	182,337
Net assets		
Shareholders' equity		
Common stock	4,199	4,199
Capital surplus	7,017	7,160
Retained earnings	113,716	127,155
Treasury stock	(4,767)	(4,888)
Total shareholders' equity	120,166	133,627
Accumulated other comprehensive income		
Unrealized gains on available-for-sale securities	194	175
Revaluation reserve for land	(3,370)	(3,370)
Remeasurements of defined benefit plans	(364)	(276)
Total accumulated other comprehensive income	(3,540)	(3,471)
Total net assets	116,625	130,155
Total liabilities and net assets	269,121	312,493

(2) Consolidated Statements of Income and Comprehensive Income
 Consolidated Statements of Income

(Millions of Yen)

	Nine months ended December 31, 2020 (April 1, 2020 – December 31, 2020)	Nine months ended December 31, 2021 (April 1, 2021 – December 31, 2021)
Net sales	372,708	391,503
Cost of sales	276,733	291,098
Gross profit	95,975	100,405
Operating revenue	15,709	16,590
Operating gross profit	111,685	116,995
Selling, general and administrative expenses	88,107	91,289
Operating income	23,577	25,705
Non-operating income		
Interest income	73	79
Dividend income	8	8
Subsidy income	103	92
Other	53	43
Total non-operating income	239	223
Non-operating expenses		
Interest expenses	402	662
Other	16	11
Total non-operating expenses	419	674
Ordinary income	23,397	25,255
Extraordinary income		
Gain on sales of fixed assets	-	4
Penalty income on lease contracts	73	1
Gain on reversal of asset retirement obligations	23	43
Total extraordinary income	96	48
Extraordinary losses		
Loss on sales of fixed assets	-	0
Loss on disposal of fixed assets	57	51
Loss on impairment	14	-
Total extraordinary losses	72	52
Income before income taxes	23,422	25,251
Income taxes - current	6,907	7,554
Income taxes - deferred	677	727
Total income taxes	7,584	8,281
Net income	15,837	16,970
Net income attributable to owners of parent	15,837	16,970

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Nine months ended December 31, 2020 (April 1, 2020 – December 31, 2020)	Nine months ended December 31, 2021 (April 1, 2021 – December 31, 2021)
Net income	15,837	16,970
Other comprehensive income		
Unrealized gains on available-for-sale securities	19	(19)
Remeasurements of defined benefit plans	124	88
Total other comprehensive income	143	68
Comprehensive income	15,981	17,038
Comprehensive income attributable to		
Owners of parent	15,981	17,038

(3) Notes to the Consolidated Financial Statements

Notes on going concern assumption

Not applicable.

Notes in the event of material changes in the amount of shareholders' equity

Not applicable.

Changes in accounting policies

The Company has adopted the "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30, July 4, 2019; hereinafter referred to as "Fair Value Measurement Accounting Standard"), etc. from the beginning of the first quarter of the fiscal year under review, and will apply new accounting policies prescribed by the Fair Value Measurement Accounting Standard, etc. into the future in accordance with the transitional treatment stipulated in Paragraph 19 of the Fair Value Measurement Accounting Standard and Paragraph 44-2 of the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, July 4, 2019). The adoption has no impact on quarterly consolidated financial statements.