## Translation

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# Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Based on Japanese GAAP)

February 3, 2023

Company name: ICHINEN HOLDINGS CO., LTD

Stock exchange listing: Tokyo

Stock code: 9619 URL https://www.ichinenhd.co.jp

Representative: President Masashi Kuroda

Director

.. Executive Officer

Inquiries:

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TEL 06-6309-7890

General Planning Dept.

Scheduled date to file Quarterly Securities Report: February 14, 2023

Scheduled date to commence dividend payments:

Preparation of supplementary material on quarterly financial results: Yes Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

## (1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating pr	Operating profit Ordinary profit		ofit	Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2022	94,992	4.7	7,224	1.4	7,463	3.2	4,707	(2.9)
Nine months ended December 31, 2021	90,735	8.5	7,124	25.1	7,232	26.6	4,850	140.7

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2022	196.11	195.85
Nine months ended December 31, 2021	200.92	200.15

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2022	171,493	47,060	27.4	1,955.57
As of March 31, 2022	168,507	43,673	25.9	1,819.55

### 2. Cash dividends

	Annual dividends per share					
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total	
	Yen	Yen	Yen	Yen	Yen	
Year ended March 31, 2022	_	23.00	_	23.00	46.00	
Year ending March 31, 2023	_	25.00	_			
Year ending March 31, 2023 (Forecast)				23.00	48.00	

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

Percentages indicate year-on-year changes

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	Net sales		Operating pr	ofit	Ordinary pro	ofit	Profit attributal owners of part		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	122,000	1.1	7,660	(11.2)	7,700	(11.8)	4,880	(13.6)	203.78

#### 4. Notes

(1) Changes in significant subsidiaries during the nine months ended December 31, 2022 (changes in specified subsidiaries resulting in the change in scope of consolidation):

No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No Changes in accounting policies due to other reasons: No Changes in accounting estimates: No No

Restatement of prior period financial statements:

(4) Number of issued shares (common shares)

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

	1 (	<del>3</del> /				
As of December 31, 2022	24,262,227 shares	As of March 31, 2022	24,262,227 shares			
Number of treasury shares at the end of the	e period					
As of December 31, 2022	209,376 shares	As of March 31, 2022	314,336 shares			
Average number of shares during the period (cumulative from the beginning of the fiscal year)						
Nine months ended December 31, 2022	24.006.269 shares	Nine months ended December 31, 2021	24.142.740 shares			

# **Quarterly consolidated financial statements Consolidated balance sheets**

(Millions of yen)

		(Willions of yen)
	As of March 31, 2022	As of December 31, 2022
ssets		
Current assets		
Cash and deposits	11,038	9,300
Notes and accounts receivable - trade	15,825	15,153
Electronically recorded monetary claims - operating	4,441	5,194
Accounts receivable-leasing business and maintenance	2.407	2 (10
business	2,497	2,618
Investments in leases	21,936	23,811
Merchandise and finished goods	8,173	9,854
Work in process	869	1,005
Raw materials and supplies	1,442	1,951
Prepaid expenses	2,407	2,915
Other	3,218	5,055
Allowance for doubtful accounts	(44)	(46
Total current assets	71,806	76,813
Non-current assets		
Property, plant and equipment		
Assets for lease	136,375	139,001
Accumulated depreciation-lease business assets	(75,494)	(79,497
Lease Aseets Net	60,881	59,503
Land	10,835	10,832
Other	29,126	29,810
Accumulated depreciation	(14,913)	(15,766
Other, net	14,212	14,043
Total property, plant and equipment	85,930	84,380
Intangible assets		<u> </u>
Goodwill	947	762
Other	445	696
Total intangible assets	1,392	1,458
Investments and other assets	1,652	1,100
Investment securities	4,690	4,507
Long-term prepaid expenses	1,685	1,595
Deferred tax assets	1,089	863
Other	1,967	1,909
Allowance for doubtful accounts	(117)	(81
Total investments and other assets	9,316	8,793
Total non-current assets	96,638	94,632
Deferred assets		
	61	171 402
Total assets	168,507	171,493

Liabilities  Current liabilities  Notes and accounts payable - trade Electronically recorded obligations - operating Short-term borrowings Current portion of bonds payable Current portion of long-term borrowings Lease liabilities Income taxes payable As of March 31, 2022 As of December 31, 2022  Lase flabilities As of March 31, 2022 As of December 31, 2022  Lase flabilities  12, 20, 20, 20, 20, 20, 20, 20, 20, 20, 2
Current liabilities  Notes and accounts payable - trade  Electronically recorded obligations - operating  Short-term borrowings  Commercial papers  Current portion of bonds payable  Current portion of long-term borrowings  Lease liabilities  Income taxes payable  Advances received-leasing business and maintenance
Notes and accounts payable - trade 13,542 12,6 Electronically recorded obligations - operating 4,488 5,5 Short-term borrowings 4,350 4,5 Commercial papers 3,500 4,6 Current portion of bonds payable 260 5,5 Current portion of long-term borrowings 20,042 20,7 Lease liabilities 12 Income taxes payable 2,578 9 Advances received-leasing business and maintenance
Electronically recorded obligations - operating  4,488  5,7  Short-term borrowings  4,350  4,350  4,7  Commercial papers  3,500  4,0  Current portion of bonds payable  260  Current portion of long-term borrowings  20,042  20,7  Lease liabilities  12  Income taxes payable  Advances received-leasing business and maintenance
Short-term borrowings 4,350 4,550 Commercial papers 3,500 4,6 Current portion of bonds payable 260 5,5 Current portion of long-term borrowings 20,042 20,7 Lease liabilities 12 Income taxes payable 2,578 9 Advances received-leasing business and maintenance
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Advances received-leasing business and maintenance
Advances received-leasing business and maintenance
471
business
Provision for bonuses 944
Reserve for quality assurance 9
Other 2,409 2,7
Total current liabilities 52,629 56,2
Non-current liabilities
Bonds payable 16,490 11,
Long-term borrowings 52,386 53,3
Lease liabilities 7
Retirement benefit liability 1,999 2,0
Provision for retirement benefits for directors (and other
officers)
Asset retirement obligations 489
Other 610
Total non-current liabilities 72,204 68,
Total liabilities 124,834 124,
Net assets
Shareholders' equity
Share capital 2,529 2,5
Capital surplus 1,805 1,9
Retained earnings 38,201 41,
Treasury shares (368)
Total shareholders' equity 42,166 45,5
Accumulated other comprehensive income
Valuation difference on available-for-sale securities 1,338 1,338
Deferred gains or losses on hedges 16 Foreign currency translation adjustment 72
Remeasurements of defined benefit plans (20)
Total accumulated other comprehensive income 1,407 1,2
Share acquisition rights 98
Total net assets 43,673 47,0
Total liabilities and net assets 168,507 171,4

# Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

## **Consolidated statements of income (cumulative)**

	Nine months ended	(Millions of yen) Nine months ended
	December 31, 2021	December 31, 2022
Net sales	· · · · · · · · · · · · · · · · · · ·	
Net sales Cost of sales	90,735	94,992
	70,449	73,869
Gross profit	20,286	21,122
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	767	863
Salaries, allowances and bonuses	5,249	5,462
Provision for bonuses	288	299
Retirement benefit expenses	214	224
Provision for retirement benefits for directors (and other	22	23
officers)	445	
Provision of allowance for doubtful accounts	(1)	(15)
Provision for quality assurance	3	(1)
Amortization of goodwill	185	185
Other	6,432	6,855
Total selling, general and administrative expenses	13,162	13,898
Operating profit	7,124	7,224
Non-operating income		
Dividend income	77	96
Purchase discounts	45	42
Foreign exchange gains	6	105
Other	70	101
Total non-operating income	199	344
Non-operating expenses		
Interest expenses	46	54
Commission expenses	17	16
Other	27	34
Total non-operating expenses	91	105
Ordinary profit	7,232	7,463
Extraordinary income	-	·
Gain on sale of non-current assets	2	3
Gain on sale of investment securities	2	1
Gain on bargain purchase	259	_
Total extraordinary income	264	5
Extraordinary losses		
Loss on sale and retirement of non-current assets	55	47
Loss on sale of investment securities	0	3
Loss on valuation of investment securities	49	47
Loss on disaster	_	40
	105	138
Total extraordinary losses	-	
Profit before income taxes	7,391	7,329
Income taxes - current	2,567	2,334
Income taxes - deferred	(27)	287
Total income taxes	2,540	2,621
Profit	4,850	4,707
Profit attributable to owners of parent	4,850	4,707

# Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

		(minorib of join)
	Nine months ended	Nine months ended
	December 31, 2021	December 31, 2022
Profit	4,850	4,707
Other comprehensive income		
Valuation difference on available-for-sale securities	(204)	(110)
Deferred gains or losses on hedges	(1)	(46)
Foreign currency translation adjustment	32	(45)
Remeasurements of defined benefit plans, net of tax	1	2
Total other comprehensive income	(171)	(200)
Comprehensive income	4,679	4,507
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,679	4,507