



Consolidated Financial Results for the Three Months Ended June 30, 2022 (Under Japanese GAAP)

July 26, 2022

Company name: CHORI CO., LTD. Listing: Tokyo Stock Exchange (Prime)
 Securities code: 8014 URL: <https://www.chori.co.jp>
 Representative: Kazuo Sakihama, President, CEO & COO
 Inquiries: Yasutaka Kawamura, Manager of Corporate Management Dept.
 Telephone: +81-3-5781-6201
 Scheduled date to file quarterly securities report: August 12, 2022
 Scheduled date to commence dividend payments: —
 Preparation of supplementary materials on quarterly financial results: Yes
 Holding of quarterly financial results briefing: None

(Amounts rounded down to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(1) Consolidated operating results (cumulative)

(Percentages indicated year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
Jun. 30, 2022	81,906	35.0	3,213	25.4	3,658	27.2	2,298	1.4
Jun. 30, 2021	60,671	23.8	2,562	—	2,876	—	2,267	—

Note: Comprehensive income

For the three months ended Jun. 30, 2022: 3,783 million yen [25.5%]

For the three months ended Jun. 30, 2021: 3,014 million yen [—%]

	Basic earnings per share	Diluted earnings per share
Three months ended	yen	yen
Jun. 30, 2022	93.41	—
Jun. 30, 2021	92.16	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
Jun. 30, 2022	144,011	67,808	47.1
Mar. 31, 2022	134,121	65,096	48.5

Reference: Equity

As of Jun. 30, 2022: 67,790 million yen

As of Mar. 31, 2022: 65,055 million yen

2. Dividends

	Dividends per share				
	Quarter-end			Fiscal year-end	Annual total
	1st	2nd	3rd		
Fiscal year ended Mar. 31, 2022	yen —	yen 42.00	yen —	yen 42.00	yen 84.00
Fiscal year ending Mar. 31, 2023	—				
Fiscal year ending Mar. 31, 2023 (Forecast)		50.00	—	50.00	100.00

Note: Revisions to the forecast of dividends most recently announced: None

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)

	Net sales		Operating profit		Ordinary profit		Net 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	330,000	16.2	11,500	23.3	12,000	16.8	8,200	20.4	333.21

Note: Revisions to the most recently announced forecasts of consolidated financial results: None

* Notes

(1) Changes affecting the consolidation status of significant subsidiaries (changes in specified subsidiary resulting in change in scope of consolidations) during this period: None

Newly included: None

Excluded: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatements

1. Changes in accounting policies due to the revision of accounting standards, etc.: None

2. Changes in accounting policies due to other reasons: None

3. Changes in accounting estimates: None

4. Restatements: None

(4) Number of issued shares (common shares)

1. Total number of issued shares at the end of the period (including treasury shares)	As of Jun. 30, 2022	25,303,478 shares	As of Mar. 31, 2022	25,303,478 shares
2. Number of treasury shares at the end of the period	As of Jun. 30, 2022	697,800 shares	As of Mar. 31, 2022	694,494 shares
3. Average number of shares outstanding during the period	Three months ended Jun. 30, 2022	24,608,141 shares	Three months ended Jun. 30, 2021	24,600,195 shares

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements in this document are based on the information available at the time of publication and certain assumptions that the Company judges as rational. Actual financial results may vary significantly due to various reasons. The Company, therefore, wishes to caution that readers should not place undue reliance on forward-looking statements.

Quarterly consolidated financial statements
Quarterly consolidated balance sheets

(Unit: Millions of yen)

	As of Mar. 31, 2022	As of Jun. 30, 2022
Assets		
Current assets		
Cash and deposits	12,242	13,798
Notes and accounts receivable - trade	74,272	79,338
Merchandise and finished goods	17,346	18,951
Work in process	1,045	1,001
Raw materials and supplies	4	2
Goods in transit	3,704	4,232
Other	6,220	7,075
Allowance for doubtful accounts	(964)	(1,256)
Total current assets	113,871	123,143
Non-current assets		
Property, plant and equipment	1,964	2,144
Intangible assets		
Goodwill	1,053	925
Customer-related assets	993	968
Other	401	559
Total intangible assets	2,449	2,453
Investments and other assets	15,836	16,270
Total non-current assets	20,249	20,868
Total assets	134,121	144,011
Liabilities		
Current liabilities		
Notes and accounts payable - trade	52,213	53,550
Short-term borrowings	4,944	10,919
Current portion of long-term borrowings	113	113
Income taxes payable	2,028	1,316
Provision for bonuses	916	427
Provision for loss on liquidation of subsidiaries and associates	42	42
Other	5,203	6,158
Total current liabilities	65,461	72,527
Non-current liabilities		
Long-term borrowings	245	217
Deferred tax liabilities	843	861
Retirement benefit liabilities	2,366	2,341
Other	107	256
Total non-current liabilities	3,562	3,676
Total liabilities	69,024	76,203

(Unit: Millions of yen)

	As of Mar. 31, 2022	As of Jun. 30, 2022
Net assets		
Shareholders' equity		
Share capital	6,800	6,800
Capital surplus	1,799	1,799
Retained earnings	54,804	56,059
Treasury shares	(689)	(690)
Total shareholders' equity	62,714	63,969
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,221	1,333
Deferred gains or losses on hedges	285	398
Foreign currency translation adjustment	917	2,170
Remeasurements of defined benefit plans	(84)	(81)
Total accumulated other comprehensive income	2,340	3,820
Non-controlling interests	41	18
Total net assets	65,096	67,808
Total liabilities and net assets	134,121	144,011

Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income

Quarterly consolidated statements of income

(Unit: Millions of yen)

	Three months ended Jun. 30, 2021	Three months ended Jun. 30, 2022
Net sales	60,671	81,906
Cost of sales	53,853	72,778
Gross profit	6,818	9,127
Selling, general and administrative expenses	4,256	5,914
Operating profit	2,562	3,213
Non-operating income		
Interest income	63	70
Dividend income	186	110
Share of profit of entities accounted for using equity method	43	94
Foreign exchange gains	—	263
Gain on adjustment of account payable	13	8
Miscellaneous income	104	54
Total non-operating income	411	601
Non-operating expenses		
Interest expenses	22	33
Loss on sale of notes receivable - trade	25	80
Foreign exchange losses	25	—
Miscellaneous expenses	22	42
Total non-operating expenses	96	156
Ordinary profit	2,876	3,658
Extraordinary income		
Gain on liquidation or reorganization of subsidiaries and affiliates	—	7
Gain on sale of investment securities	0	3
Gain on sale of non-current assets	316	2
Gain on sale of shares of subsidiaries and associates	18	—
Total extraordinary income	336	13
Extraordinary losses		
Loss on valuation of investment securities	—	8
Loss on disposal of non-current assets	0	2
Loss on valuation of golf club membership	—	2
Loss on liquidation of subsidiaries and associates	15	—
Total extraordinary losses	15	13
Profit before income taxes	3,197	3,658
Income taxes - current	930	1,205
Income taxes - deferred	(1)	152
Total income taxes	928	1,357
Net profit	2,268	2,300
Net profit attributable to non-controlling interests	0	1
Net profit attributable to owners of parent	2,267	2,298

Quarterly consolidated statements of comprehensive income

(Unit: Millions of yen)

	Three months ended Jun. 30, 2021	Three months ended Jun. 30, 2022
Net profit	2,268	2,300
Other comprehensive income		
Valuation difference on available-for-sale securities	(33)	112
Deferred gains or losses on hedges	(79)	112
Foreign currency translation adjustment	700	1,034
Remeasurements of defined benefit plans	4	2
Share of other comprehensive income of entities accounted for using equity method	153	221
Total other comprehensive income	746	1,483
Comprehensive income	3,014	3,783
Comprehensive income attributable to:		
Owners of parent	3,012	3,779
Non-controlling interests	1	4