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## Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 [Japanese GAAP]



May 13, 2022

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 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 7022  
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Scheduled date of Annual General Meeting of Shareholders: June 21, 2022

Scheduled date of filing annual securities report: June 21, 2022

Scheduled date of commencing dividend payments: June 22, 2022

Availability of supplementary briefing material on annual financial results: Available (Only in Japanese)

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

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)

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

	Net sales		Operating profit (loss)		Ordinary profit (loss)		Profit (loss) attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2022	19,148	(57.1)	222	—	205	—	434	—
March 31, 2021	44,628	(10.4)	(5,267)	—	(5,154)	—	(3,685)	—

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥887 million [—%]

Fiscal year ended March 31, 2021: ¥(4,437) million [—%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Rate of ordinary profit (loss) to total assets	Rate of operating profit (loss) to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2022	13.17	12.97	5.9	0.8	1.2
March 31, 2021	(112.47)	—	(39.7)	(11.4)	(11.8)

(Reference) Profit (loss) on equity method investments: Fiscal year ended March 31, 2022: ¥— million

Fiscal year ended March 31, 2021: ¥52 million

(Note) Diluted earnings per share for the Fiscal Year Ended March 31, 2021 are not shown in above table as a net loss per share was posted.

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	25,428	7,871	30.6	235.25
As of March 31, 2021	26,401	7,098	26.5	213.41

(Reference) Equity: As of March 31, 2022: ¥7,784 million

As of March 31, 2021: ¥7,009 million

### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2022	284	(1,189)	(1,205)	3,376
March 31, 2021	(2,680)	(4,123)	(2,821)	5,452

### 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2021	—	0.00	—	5.00	5.00	164	—	1.8
March 31, 2022	—	0.00	—	5.00	5.00	165	38.0	2.2
Fiscal year ending March 31, 2023 (Forecast)	—	—	—	5.00	5.00		55.0	

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit (loss)		Ordinary profit (loss)		Profit (loss) attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	21,000	9.7	500	124.2	500	143.8	300	(31.0)	9.09

#### \* Notes:

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): None
- (2) 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: None
  - 3) Changes in accounting estimates: None
  - 4) Retrospective restatement: None
- (3) Total number of issued shares (common shares)
  - 1) Total number of issued shares at the end of the period (including treasury shares):  
March 31, 2022: 33,137,420 shares  
March 31, 2021: 32,890,166 shares
  - 2) Total number of treasury shares at the end of the period:  
March 31, 2022: 47,214 shares  
March 31, 2021: 45,742 shares
  - 3) Average number of shares during the period:  
Fiscal Year Ended March 31, 2022: 33,006,648 shares  
Fiscal Year Ended March 31, 2021: 32,766,328 shares

\* These consolidated financial results are outside the scope of audit

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

The earnings forecasts and other forward-looking statements herein are based on information currently available and certain assumptions deemed reasonable. Actual results may differ significantly from these forecasts due to a wide range of factors.

## 2. Consolidated Financial Statements [Japanese GAAP]

### (1) Consolidated Balance Sheets [Japanese GAAP]

(Million yen)

	As of March 31, 2021	As of March 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	5,612	3,436
Notes and accounts receivable - trade	4,155	4,521
Contract assets	—	534
Electronically recorded monetary claims - operating	559	573
Merchandise and finished goods	162	189
Work in process	1,108	938
Raw materials and supplies	685	827
Other	1,364	497
Allowance for doubtful accounts	(9)	(10)
Total current assets	13,638	11,508
Non-current assets		
Property, plant and equipment		
Buildings and structures	5,739	5,961
Accumulated depreciation	(3,214)	(3,160)
Buildings and structures, net	2,524	2,800
Machinery, vehicles, tools, furniture and fixtures	14,546	14,562
Accumulated depreciation	(12,815)	(12,661)
Machinery, vehicles, tools, furniture and fixtures, net	1,730	1,901
Land	2,873	2,873
Construction in progress	244	219
Total property, plant and equipment	7,372	7,793
Intangible assets		
Software	114	353
Goodwill	806	711
Other	17	17
Total intangible assets	938	1,081
Investments and other assets		
Investment securities	3,728	4,384
Deferred tax assets	86	166
Net defined benefit asset	306	293
Other	339	208
Allowance for doubtful accounts	(9)	(8)
Total investments and other assets	4,451	5,044
Total non-current assets	12,762	13,919
<b>Total assets</b>	<b>26,401</b>	<b>25,428</b>

(Million yen)

	As of March 31, 2021	As of March 31, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	3,368	3,003
Short-term loans payable	1,800	950
Current portion of long-term loans payable	2,890	2,007
Income taxes payable	69	289
Advances received	661	–
Contract liabilities	–	481
Provision for bonuses	333	364
Provision for construction warranties	76	88
Provision for removal cost of property and equipment	23	–
Lease obligations	251	302
Asset retirement obligations	–	273
Other	683	813
Total current liabilities	10,157	8,573
Non-current liabilities		
Long-term loans payable	4,009	4,878
Lease obligations	1,093	784
Deferred tax liabilities	1,618	1,232
Net defined benefit liability	1,709	1,773
Asset retirement obligations	704	309
Other	8	5
Total non-current liabilities	9,145	8,983
Total liabilities	19,302	17,557
<b>Net assets</b>		
Shareholders' equity		
Capital stock	2,563	2,581
Capital surplus	263	–
Retained earnings	2,679	3,246
Treasury shares	(9)	(9)
Total shareholders' equity	5,496	5,818
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,566	1,925
Deferred gain (loss) on hedges	–	12
Foreign currency translation adjustment	(5)	39
Remeasurements of defined benefit plans	(48)	(11)
Total accumulated other comprehensive income	1,512	1,965
Share acquisition right	89	86
Total net assets	7,098	7,871
Total liabilities and net assets	26,401	25,428

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income [Japanese GAAP]

Consolidated Statements of Income [Japanese GAAP]

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Net sales	44,628	19,148
Cost of sales	44,388	14,488
Gross profit	240	4,659
Selling, general and administrative expenses	5,508	4,436
Operating profit (loss)	(5,267)	222
Non-operating income		
Interest income	11	3
Dividend income	116	132
Share of profit of entities accounted for using equity method	52	–
Subsidies for employment adjustment	108	–
Foreign exchange gain	56	–
Other	180	52
Total non-operating income	525	188
Non-operating expenses		
Interest expenses	332	133
Other	80	72
Total non-operating expenses	412	206
Ordinary profit (loss)	(5,154)	205
Extraordinary income		
Gain on sales of investment securities	8,149	40
Gain on sale of non-current assets	–	4
Total extraordinary income	8,149	45
Extraordinary loss		
Losses on sales of shares of subsidiaries and associates and others	4,853	–
Impairment loss	1,411	9
Loss on abolishment of transition benefit plan	57	–
Loss on valuation of investment securities	–	11
Loss on liquidation of subsidiaries and affiliates	2	–
Loss on sales of investment securities	–	1
Total extraordinary loss	6,324	22
Profit (loss) before income taxes	(3,329)	7
Income taxes – current	425	446
Income taxes – deferred	(69)	(653)
Total income taxes	355	(207)
Profit (loss)	(3,685)	434
Profit (loss) attributable to owners of parent	(3,685)	434

Consolidated Statements of Comprehensive Income [Japanese GAAP]

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Profit (loss)	(3,685)	434
Other comprehensive income (loss)		
Valuation difference on available-for-sale securities	(1,142)	359
Deferred gain (loss) on hedges	(13)	12
Foreign currency translation adjustment	276	44
Remeasurements of defined benefit plans, net of tax	120	36
Comprehensive loss (income) of affiliates accounted for by the equity method attributable to the Company	6	—
Total other comprehensive loss (income)	(752)	453
Comprehensive income	(4,437)	887
Comprehensive income (loss) attributable to		
Owners of the parent	(4,437)	887
Non-controlling interests	—	—

## (3) Consolidated Statements of Cash Flows [Japanese GAAP]

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	(3,329)	227
Depreciation	1,536	667
Impairment loss	1,411	9
Amortization of goodwill	94	94
Increase (decrease) in net defined benefit liability	46	63
Increase (decrease) in allowance for doubtful accounts	(54)	(0)
Increase (decrease) in provision for bonuses	(72)	30
Increase (decrease) in provision for construction warranties	(154)	12
Increase (decrease) in provision for loss on construction contracts	2,920	—
Increase (decrease) in provision for removal cost of property and equipment	(1)	—
Interest and dividend income	(127)	(135)
Interest expenses	332	133
Foreign exchange loss (gain)	(7)	—
Subsidies for employment adjustment etc	(108)	—
Loss (gain) on sale of non-current assets	(46)	0
Loss (gain) on sales of investment securities	(8,149)	(38)
Loss (gain) on valuation of investment securities	—	11
Loss (gain) on sales of shares of subsidiaries and associates and others	4,853	—
Decrease (increase) in notes and accounts receivable – trade	(517)	(899)
Decrease (increase) in inventories	(100)	7
Decrease (increase) in advance payment	(223)	(166)
Increase (decrease) in notes and accounts payable - trade	972	(396)
Increase (decrease) in advances received	(629)	—
Increase (decrease) in contract liabilities	—	(181)
Decrease (increase) in consumption taxes refund receivable	449	(111)
Other, net	(622)	143
Subtotal	(1,528)	(527)
Interest and dividend income received	120	136
Interest expenses paid	(314)	(133)
Subsidies for employment adjustment etc	108	—
Income taxes paid	(1,066)	808
Net cash provided by (used in) operating activities	(2,680)	284



(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
<b>Cash flows from investing activities</b>		
Payments into time deposits	(142)	(160)
Proceeds from withdrawal of time deposits	552	260
Proceeds from redemption of securities	500	—
Purchase of property, plant and equipment	(933)	(955)
Proceeds from sales of property, plant and equipment	132	13
Purchase of non-current assets	(173)	(224)
Purchase of investment securities	(17)	(166)
Proceeds from sales of investment securities	8,380	78
Proceeds from cancellation of insurance funds	236	—
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	(12,689)	—
Other, net	29	(35)
Net cash provided by (used in) investing activities	(4,123)	(1,189)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	357	(850)
Proceeds from long-term loans payable	2,286	3,100
Repayments of long-term loans payable	(4,895)	(3,114)
Proceeds from sales and leaseback transactions	—	80
Cash dividends paid	(163)	(164)
Repayments of lease obligations	(407)	(257)
Other, net	0	0
Net cash provided by (used in) financing activities	(2,821)	(1,205)
Effect of exchange rate change on cash and cash equivalents	24	34
Net increase (decrease) in cash and cash equivalents	(9,600)	(2,076)
Cash and cash equivalents at beginning of period	15,053	5,452
Cash and cash equivalents at end of period	5,452	3,376

(Segment Information)

Information concerning Net sales and Operating profit or loss by Reportable business segment  
Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(Million yen)

	Reportable segment				Total	Adjustments ( Note 1)	Amount recorded in quarterly consolidated statements of income ( Note 2)
	Shipbuilding & Engineering Business	Machinery / Equipment & Services for Manufacturing Industry	Machinery / Equipment & Services for Construction Industry	Leisure business			
Net sales							
External sales	25,915	9,465	7,172	2,075	44,628	—	44,628
Internal sales or transfers	143	—	2	—	145	(145)	—
Total	26,058	9,465	7,175	2,075	44,774	(145)	44,628
Segment profit (loss)	(4,669)	676	315	(418)	(4,095)	(1,171)	(5,267)
Segment assets	—	11,752	8,312	2,634	22,699	3,702	26,401
Other items							
Depreciation and amortization	620	364	151	203	1,340	195	1,536
Amortization of goodwill	—	—	94	—	94	—	94
Increase in property, plant and equipment and intangible assets	1,083	447	86	162	1,779	884	2,623

(Note 1) Details of “Adjustments” are as follows:

Adjustments for the segment profit(loss) of ¥(1,171) million include corporate cost of ¥(1,200) million not allocated to each reportable segment, allowance for doubtful accounts of ¥4 million and elimination of inter-segment transaction of ¥24 million. Adjustments for segment assets of ¥3,702 million include corporate assets of ¥7,113 million and consolidation adjustments of ¥(3,411) million.

Adjustments for depreciation and amortization of ¥195 million include depreciation and amortization of corporate assets of ¥199 million and the elimination of transaction between the segments of ¥(4) million.

Adjustment for the increase in property, plant and equipment and intangible assets of ¥844 million include investments in corporate assets of ¥23 million and software of ¥821 million.

Corporate cost consists of general and administrative expenses which do not belong to the reporting segment.

(Note 2) Segment profit(loss) is adjusted with operating profit recorded in the consolidated statements of income.

Fiscal Year Ended March 31, 2022 (April 1, 2020 to March 31, 2022)

(Million yen)

	Reportable segment			Total	Adjustments (Note 1)	Amount recorded in quarterly consolidated statements of income (Note 2)
	Machinery / Equipment & Services for Manufacturing Industry	Machinery / Equipment & Services for Construction Industry	Leisure business			
Net sales						
Goods transferred at a point in time	8,743	4,654	2,448	15,846	—	15,846
Goods transferred over time	673	2,537	91	3,302	—	3,302
Revenue from contacts with customers	9,416	7,192	2,539	19,148	—	19,148
External sales	9,416	7,192	2,539	19,148	—	19,148
Internal sales or transfers	—	—	—	—	—	—
Total	9,416	7,192	2,539	19,148	—	19,148
Segment profit (loss)	856	288	342	1,487	(1,264)	222
Segment assets	11,601	7,383	1,639	20,624	4,804	25,428
Other items						
Depreciation and amortization	408	142	95	646	20	667
Amortization of goodwill	—	94	—	94	—	94
Increase in property, plant and equipment and intangible assets	927	199	16	1,143	227	1,370

(Note 1) Details of “Adjustments” are as follows:

Adjustments for the segment loss of ¥(1,264) million include corporate cost of ¥(1,277) million not allocated to each reportable segment, allowance for doubtful accounts of ¥0 million and elimination of inter-segment transaction of ¥12 million.

Adjustments for segment assets of ¥4,804 million include corporate assets of ¥6,950 million and consolidated adjustment of ¥(2,146) million

Adjustments for depreciation and amortization of ¥20 million include depreciation and amortization of corporate assets of ¥20 million.

Adjustment for the increase in property, plant and equipment and intangible assets of ¥227 million include investments in corporate assets of ¥24 million and software of ¥202 million.

Corporate cost consists of general and administrative expenses which do not belong to the reporting segment.

(Note 2) Segment loss is adjusted with operating profit recorded in the consolidated statements of income.

3. Supplementary information  
 Status of sales and orders  
 Segmental sales

Segment	Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)		Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)	
	(Million yen)	Composition ratio (%)	(Million yen)	Composition ratio (%)
Shipbuilding & Engineering Business	25,915	58.1	—	—
Machinery / Equipment & Services for Manufacturing Industry	9,465	21.2	9,416	49.2
Machinery / Equipment & Services for Construction Industry	7,172	16.1	7,192	37.6
Leisure business	2,075	4.6	2,539	13.2
Total	44,628	100.0	19,148	100.0

Order status and backlog of orders

Segment	Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)		Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)	
	Orders (Million yen)	Backlog of orders (Million yen)	Orders (Million yen)	Backlog of orders (Million yen)
Shipbuilding & Engineering Business	30,379	—	—	—
Machinery / Equipment & Services for Manufacturing Industry	7,287	3,065	9,708	4,212
Machinery / Equipment & Services for Construction Industry	6,905	4,129	6,477	4,333
Leisure business	706	153	1,875	1,176
Total	45,278	7,348	18,061	9,721

(Note) The amount of orders received and order backlogs for rental of temporary construction-use elevators are included in Machinery / Equipment & Services for Construction Industry Segment since the beginning of the first quarter of the current consolidated fiscal year. Following the change, the amounts for the previous period have been changed to include the amount of orders received and order backlogs for rental of temporary construction-use elevators.