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Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2024 [Japanese GAAP]



July 31, 2023

Company name: Sanoyas Holdings Corporation

Stock exchange listing: Tokyo Stock Exchange

Code number: 7022

URL: <https://www.sanoyas.co.jp/>

Representative: Isao Kitatsuji, President

Contact: Naoya Fukui, General Manager, Accounting Department

Phone: +81-6-4803-6171

Email: info@sanoyas.co.jp

Scheduled date of filing quarterly securities report: August 10, 2023

Scheduled date of commencing dividend payments: -

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

Schedule of quarterly financial results briefing session: No

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

1. Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2024 (April 1, 2023 to June 30, 2023)

(1) Consolidated Operating Results (Cumulative) (% 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	%
Three months ended								
June 30, 2023	3,545	12.9	(620)	-	(520)	-	(545)	-
June 30, 2022	3,140	(18.0)	(545)	-	(396)	-	(387)	-

(Note) Comprehensive income: First Quarter of fiscal year ended March 31, 2024: ¥(311) million [-%]

First Quarter of fiscal year ended March 31, 2023: ¥(481) million [-%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2023	(16.31)	-
June 30, 2022	(11.70)	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of	Million yen	Million yen	%
June 30, 2023	26,700	7,531	27.9
March 31, 2023	25,702	8,010	30.9

(Reference) Equity: As of June 30, 2023: ¥7,456 million

As of March 31, 2023: ¥7,935 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2023	Yen –	Yen 0.00	Yen –	Yen 5.00	Yen 5.00
Fiscal year ending March 31, 2024	–				
Fiscal year ending March 31, 2024 (Forecast)		0.00	–	5.00	5.00

(Note) Revision to recently disclosed projected cash dividends: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% 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	23,000	14.2	500	422.9	500	26.5	300	(29.5)	9.00

(Note) Revision to recently disclosed projected consolidated financial results: No

* Notes:

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (2) Adoption of special accounting methods for preparing 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: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
 - June 30, 2023: 33,473,786 shares
 - March 31, 2023: 33,473,786 shares
 - 2) Total number of treasury shares at the end of the period:
 - June 30, 2023: 47,215 shares
 - March 31, 2023: 47,215 shares
- 3) Average number of shares during the period:
 - Fiscal Year Ended June 30, 2023: 33,426,571 shares
 - Fiscal Year Ended June 30, 2022: 33,115,256 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.

1. Quarterly Consolidated Financial Statements [Japanese GAAP]
(1) Quarterly Consolidated Balance Sheets [Japanese GAAP]

(Million yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	1,389	3,384
Notes and accounts receivable - trade	5,119	2,164
Contract assets	300	466
Electronically recorded monetary claims - operating	1,003	1,280
Merchandise and finished goods	243	229
Work in process	1,565	2,598
Raw materials and supplies	1,179	1,313
Other	1,018	1,081
Allowance for doubtful accounts	(13)	(9)
Total current assets	11,807	12,510
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,275	3,249
Machinery and equipment, net	1,601	1,743
Land	2,831	2,831
Other, net	582	454
Total property, plant and equipment	8,292	8,279
Intangible assets		
Software	353	370
Goodwill	679	656
Other	17	17
Total intangible assets	1,050	1,044
Investments and other assets		
Investment securities	3,853	4,194
Deferred tax assets	222	193
Net defined benefit asset	278	278
Other	206	207
Allowance for doubtful accounts	(8)	(8)
Total investments and other assets	4,552	4,865
Total non-current assets	13,895	14,189
Total assets	25,702	26,700

(Million yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,575	1,436
Electronically recorded obligations - operating	983	1,801
Short-term loans payable	2,250	5,050
Current portion of long-term loans payable	1,797	1,624
Income taxes payable	91	9
Contract liabilities	1,030	1,181
Provision for bonuses	370	147
Provision for construction warranties	69	63
Provision for loss on construction contracts	3	16
Lease obligations	222	224
Other	1,002	800
Total current liabilities	10,395	12,356
Non-current liabilities		
Long-term loans payable	3,660	3,103
Lease obligations	575	524
Deferred tax liabilities	1,084	1,174
Net defined benefit liability	1,661	1,693
Asset retirement obligations	311	311
Other	2	4
Total non-current liabilities	7,296	6,812
Total liabilities	17,691	19,168
Net assets		
Shareholders' equity		
Capital stock	2,603	2,603
Capital surplus abstract	22	22
Retained earnings abstract	3,506	2,794
Treasury shares	(9)	(9)
Total shareholders' equity	6,122	5,410
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,619	1,851
Deferred gains or losses on hedges	1	7
Foreign currency translation adjustment	60	68
Remeasurements of defined benefit plans	130	118
Total accumulated other comprehensive income	1,812	2,046
Share acquisition right	75	74
Total net assets	8,010	7,531
Total liabilities and net assets	25,702	26,700

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

Quarterly Consolidated Statements of Income [Japanese GAAP]

(Million yen)

	Three Months ended June 30, 2022	Three Months ended June 30, 2023
Net sales	3,140	3,545
Cost of sales	2,454	2,899
Gross profit	686	645
Selling, general and administrative expenses	1,231	1,266
Operating loss	(545)	(620)
Non-operating income		
Interest income	3	2
Dividend income	179	119
Other	11	10
Total non-operating income	194	132
Non-operating expenses		
Interest expenses	32	26
Other	13	5
Total non-operating expenses	46	32
Ordinary loss	(396)	(520)
Extraordinary income		
Gain on sales of noncurrent assets	–	1
Extraordinary income abstract	–	1
Loss before income taxes	(396)	(518)
Income taxes – current	15	15
Income taxes – deferred	(24)	11
Total income taxes	(9)	26
Profit (loss)	(387)	(545)
Profit (loss) attributable to owners of parent	(387)	(545)

Quarterly Consolidated Statements of Comprehensive Income [Japanese GAAP]

(Million yen)

	Three Months ended June 30, 2022	Three Months ended June 30, 2023
Profit (loss)	(387)	(545)
Other comprehensive income loss (loss)		
Valuation difference on available-for-sale securities	(141)	231
Deferred gain (loss) on hedges	21	5
Foreign currency translation adjustment	25	8
Remeasurements of defined benefit plans, net of tax	1	(11)
Total other comprehensive income (loss)	(93)	233
Comprehensive income	(481)	(311)
Comprehensive income attributable to		
Owners of the parent	(481)	(311)
Non-controlling interests	–	–

(Segment Information)

I Three months Ended June 30, 2022 (April 1, 2022 to June 30, 2022)

Information concerning Net sales and Operating profit or loss by Reportable business segment

(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 or Services transferred at a point in time	1,290	525	716	2,532	—	2,532
Goods or Services transferred over time	23	469	116	608	—	608
Revenue from contracts with customers	1,313	994	832	3,140	—	3,140
External sales	1,313	994	832	3,140	—	3,140
Internal sales or transfers	—	—	—	—	—	—
Total	1,313	994	832	3,140	—	3,140
Segment profit (loss)	(132)	(289)	243	(179)	(366)	(545)

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

Adjustments for the segment loss of ¥(366) million include corporate cost of ¥(371) million not allocated to each reportable segment, allowance for doubtful accounts of ¥0 million and elimination of inter-segment transaction of ¥4 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 loss recorded in the quarterly consolidated statements of income.

II Three months Ended June 30, 2023 (April 1, 2023 to June 30, 2023)

Information concerning Net sales and Operating profit or loss by Reportable business segment

(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 or Services transferred at a point in time	1,310	857	611	2,779	—	2,779
Goods or Services transferred over time	24	672	69	766	—	766
Revenue from contracts with customers	1,334	1,530	680	3,545	—	3,545
External sales	1,334	1,530	680	3,545	—	3,545
Internal sales or transfers	—	—	—	—	—	—
Total	1,334	1,530	680	3,545	—	3,545
Segment profit (loss)	(154)	(191)	118	(226)	(394)	(620)

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

Adjustments for the segment loss of ¥(394) million include corporate cost of ¥(398) million not allocated to each reportable segment, allowance for doubtful accounts of ¥0 million and elimination of inter-segment transaction of ¥ 4million.

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

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