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Consolidated Financial Results For the Third Quarter of Fiscal Year Ending March 31, 2023 [Japanese GAAP]



January 31, 2023

Company name: Sanoyas Holdings Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 7022
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 Scheduled date of filing quarterly securities report: February 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: –

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

1. Consolidated Financial Results for the Third Quarter of Fiscal Year Ending March 31, 2023 (April 1, 2022 to December 31, 2022)

(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	%
Nine months ended								
December 31, 2022	13,305	0.9	(536)	–	(240)	–	(259)	–
December 31, 2021	13,191	(60.5)	(197)	–	(165)	–	92	–

(Note) Comprehensive income: Third Quarter of fiscal year ended March 31, 2023: ¥(191) million [–%]
 Third Quarter of fiscal year ended March 31, 2022: ¥325 million [–%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2022	(7.79)	–
December 31, 2021	2.81	2.76

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of	Million yen	Million yen	%
December 31, 2022	27,653	7,554	27.0
March 31, 2022	25,428	7,871	30.6

(Reference) Equity: As of December 31, 2022: ¥7,477 million

As of March 31, 2022: ¥7,784 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2022	Yen —	Yen 0.00	Yen —	Yen 5.00	Yen 5.00
Fiscal year ending March 31, 2023	—	0.00	—		
Fiscal year ending March 31, 2023 (Forecast)				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, 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

(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):
 - December 31, 2022: 33,460,586 shares
 - March 31, 2022: 33,137,420 shares
 - 2) Total number of treasury shares at the end of the period:
 - December 31, 2022: 47,215 shares
 - March 31, 2022: 47,214 shares
 - 3) Average number of shares during the period:
 - Nine months ended December 31, 2022: 33,294,125 shares
 - Nine months ended December 31, 2021: 32,982,271 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. Quarterly Consolidated Financial Statements [Japanese GAAP]
(1) Quarterly Consolidated Balance Sheets [Japanese GAAP]

(Million yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	3,436	3,589
Notes and accounts receivable - trade	4,521	3,200
Contract assets	534	598
Electronically recorded monetary claims - operating	573	865
Merchandise and finished goods	189	225
Work in process	938	2,110
Raw materials and supplies	827	1,141
Other	497	1,102
Allowance for doubtful accounts	(10)	(10)
Total current assets	11,508	12,823
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,800	3,293
Machinery and equipment, net	1,677	1,588
Land	2,873	2,842
Other, net	443	572
Total property, plant and equipment	7,793	8,296
Intangible assets		
Software	353	369
Goodwill	711	1,011
Other	17	17
Total intangible assets	1,081	1,399
Investments and other assets		
Investment securities	4,384	4,429
Long term loans receivable	2	2
Deferred tax assets	166	223
Net defined benefit asset	293	277
Other	206	209
Allowance for doubtful accounts	(8)	(8)
Total investments and other assets	5,044	5,133
Total non-current assets	13,919	14,829
Total assets	25,428	27,653

(Million yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,003	3,603
Short-term loans payable	950	4,350
Current portion of long-term loans payable	2,007	1,767
Income taxes payable	289	15
Contract liabilities	481	940
Provision for bonuses	364	153
Provision for construction warranties	88	85
Lease obligations	302	220
Other	1,087	893
Total current liabilities	8,573	12,028
Non-current liabilities		
Long-term loans payable	4,878	3,843
Lease obligations	784	632
Deferred tax liabilities	1,232	1,302
Net defined benefit liability	1,773	1,827
Asset retirement obligations	309	311
Other	5	153
Total non-current liabilities	8,983	8,069
Total liabilities	17,557	20,098
Net assets		
Shareholders' equity		
Capital stock	2,581	2,602
Capital surplus	—	21
Retained earnings	3,246	2,829
Treasury shares	(9)	(9)
Total shareholders' equity	5,818	5,444
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,925	1,940
Deferred gains or losses on hedges	12	21
Foreign currency translation adjustment	39	79
Remeasurements of defined benefit plans	(11)	(8)
Total accumulated other comprehensive income	1,965	2,033
Share acquisition right	86	77
Total net assets	7,871	7,554
Total liabilities and net assets	25,428	27,653

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

Quarterly Consolidated Statements of Income [Japanese GAAP]

(Million yen)

	Nine Months ended December 31, 2021	Nine Months ended December 31, 2022
Net sales	13,191	13,305
Cost of sales	10,052	10,228
Gross profit	3,138	3,076
Selling, general and administrative expenses	3,336	3,613
Operating loss	(197)	(536)
Non-operating income		
Interest income	3	1
Dividend income	130	358
Other	40	57
Total non-operating income	174	417
Non-operating expenses		
Interest expenses	102	85
Other	39	35
Total non-operating expenses	141	120
Ordinary loss	(165)	(240)
Extraordinary income		
Gain on sales of investment securities	40	—
Gain on sales of noncurrent assets	—	6
Other	4	—
Total extraordinary income	45	6
Extraordinary loss		
Loss on valuation of investment securities	9	—
Total extraordinary loss	9	—
Loss before income taxes	(130)	(233)
Income taxes – current	329	53
Income taxes – deferred	(552)	(27)
Total income taxes	(222)	26
Loss	92	(259)
Loss attributable to owners of parent	92	(259)

Quarterly Consolidated Statements of Comprehensive Income [Japanese GAAP]

(Million yen)

	Nine Months ended December 31, 2021	Nine Months ended December 31, 2022
Profit (loss)	92	(259)
Other comprehensive income		
Valuation difference on available-for-sale securities	194	15
Deferred gain on hedges	1	8
Foreign currency translation adjustment	28	40
Remeasurements of defined benefit plans, net of tax	8	3
Total other comprehensive income	233	67
Comprehensive income	325	(191)
Comprehensive income (loss) attributable to		
Owners of the parent	325	(191)
Non-controlling interests	—	—

(Segment Information)

I Nine months Ended December 31, 2021 (April 1, 2021 to December 31, 2021)

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 transferred at a point in time	6,253	2,938	1,678	10,869	—	10,869
Goods transferred over time	404	1,853	64	2,321	—	2,321
Revenue from contacts with customers	6,657	4,791	1,742	13,191	—	13,191
External sales	6,657	4,791	1,742	13,191	—	13,191
Internal sales or transfers	—	—	—	—	—	—
Total	6,657	4,791	1,742	13,191	—	13,191
Segment profit (loss)	549	58	151	760	(958)	(197)

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

Adjustments for the segment loss of ¥(958) million include corporate cost of ¥(969) million not allocated to each reportable segment, allowance for doubtful accounts of ¥0 million and elimination of inter-segment transaction of ¥11 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 Nine months Ended December 31, 2022 (April 1, 2022 to December 31, 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 transferred at a point in time	5,906	2,508	1,972	10,387	—	10,387
Goods transferred over time	195	1,873	847	2,917	—	2,917
Revenue from contacts with customers	6,102	4,382	2,820	13,305	—	13,305
External sales	6,102	4,382	2,820	13,305	—	13,305
Internal sales or transfers	—	1	—	1	(1)	—
Total	6,102	4,384	2,820	13,306	(1)	13,305
Segment profit (loss)	293	(398)	640	536	(1,072)	(536)

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

Adjustments for the segment loss of ¥(1,072) million include corporate cost of ¥(1,086) million not allocated to each reportable segment, allowance for doubtful accounts of ¥0 million and elimination of inter-segment transaction of ¥12 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.