

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

July 28, 2023

Company name: TOSHO CO., LTD.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 8920 URL <https://www.to-sho.net/>
 Representative: President Yuichiro Kutsuna
 Director, General Manager of administration Naoya Kuwazoe TEL 0566-79-3111
 Headquarters
 Inquiries: Director, General Manager of administration Naoya Kuwazoe TEL 0566-79-3111
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 Scheduled date to file Quarterly Securities Report: August 4, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2023	6,212	18.6	962	69.4	985	70.3	361	67.8
Three months ended June 30, 2022	5,239	10.1	568	84.1	579	78.3	215	21.5

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	9.44		–	
Three months ended June 30, 2022	5.62		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	82,143	42,139	46.1
As of March 31, 2023	83,286	41,672	45.1

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	1.00	–	2.00	3.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		2.00	–	2.00	4.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2023	12,400	14.5	1,560	4.8	1,560	3.9	500	6.2	13.05
Full year	26,000	15.5	4,000	27.6	4,000	27.6	1,600	86.5	41.76

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023
(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
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2023	38,315,000 shares	As of March 31, 2023	38,315,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	8,972 shares	As of March 31, 2023	8,924 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2023	38,306,037 shares	Three months ended June 30, 2022	38,306,076 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	16,978,552	16,136,476
Accounts receivable - trade	779,875	754,421
Trade accounts receivable	148,145	126,398
Merchandise	2,506	2,007
Real estate for sale	14,768,768	14,593,207
Supplies	67,201	58,488
Other	653,392	390,832
Total current assets	33,398,442	32,061,832
Non-current assets		
Property, plant and equipment		
Buildings and structures	55,023,168	54,877,931
Accumulated depreciation	(22,227,679)	(22,473,231)
Buildings and structures, net	32,795,489	32,404,700
Machinery, equipment and vehicles	1,975,153	1,965,808
Accumulated depreciation	(1,315,597)	(1,335,345)
Machinery, equipment and vehicles, net	659,556	630,462
Tools, furniture and fixtures	1,523,214	1,509,349
Accumulated depreciation	(1,346,239)	(1,346,204)
Tools, furniture and fixtures, net	176,974	163,144
Land	6,017,988	6,402,711
Leased assets	4,787,288	4,684,806
Accumulated depreciation	(1,598,642)	(1,613,274)
Leased assets, net	3,188,646	3,071,531
Construction in progress	828,264	1,289,829
Total property, plant and equipment	43,666,920	43,962,380
Intangible assets	102,411	104,398
Investments and other assets		
Deferred tax assets	1,143,095	1,071,057
Other	4,972,048	4,940,971
Allowance for doubtful accounts	(11,760)	(11,760)
Total investments and other assets	6,103,383	6,000,269
Total non-current assets	49,872,715	50,067,048
Deferred assets		
Bond issuance costs	15,458	14,133
Total deferred assets	15,458	14,133
Total assets	83,286,616	82,143,014

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	748	182
Current portion of long-term borrowings	4,840,524	4,799,336
Income taxes payable	1,017,082	319,138
Other	2,983,018	2,844,001
Total current liabilities	8,841,372	7,962,657
Non-current liabilities		
Bonds payable	5,000,000	5,000,000
Long-term borrowings	20,110,877	19,453,319
Lease liabilities	2,778,057	2,697,956
Provision for retirement benefits for directors (and other officers)	941,590	943,860
Retirement benefit liability	111,775	109,823
Asset retirement obligations	2,979,822	2,988,474
Other	850,343	847,085
Total non-current liabilities	32,772,466	32,040,519
Total liabilities	41,613,839	40,003,177
Net assets		
Shareholders' equity		
Share capital	1,580,817	1,580,817
Capital surplus	2,295,847	2,295,798
Retained earnings	33,671,415	33,956,443
Treasury shares	(7,955)	(8,016)
Total shareholders' equity	37,540,124	37,825,043
Accumulated other comprehensive income		
Remeasurements of defined benefit plans	11,199	10,684
Total accumulated other comprehensive income	11,199	10,684
Non-controlling interests	4,121,452	4,304,109
Total net assets	41,672,776	42,139,836
Total liabilities and net assets	83,286,616	82,143,014

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	5,239,647	6,212,447
Cost of sales	4,241,359	4,806,000
Gross profit	998,288	1,406,446
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	94,420	87,810
Salaries and bonuses	108,350	88,170
Retirement benefit expenses	1,608	982
Other	225,637	266,683
Total selling, general and administrative expenses	430,016	443,646
Operating profit	568,271	962,800
Non-operating income		
Interest income	344	190
Dividend income	2	2
Share of profit of entities accounted for using equity method	18,108	17,744
Commission income	27,221	30,789
Subsidy income	151	-
Miscellaneous income	9,578	17,159
Total non-operating income	55,407	65,886
Non-operating expenses		
Interest expenses	29,146	29,001
Miscellaneous losses	15,475	13,748
Total non-operating expenses	44,622	42,750
Ordinary profit	579,057	985,936
Profit before income taxes	579,057	985,936
Income taxes - current	175,632	293,641
Income taxes - deferred	43,606	72,259
Total income taxes	219,238	365,900
Profit	359,818	620,035
Profit attributable to non-controlling interests	144,260	258,395
Profit attributable to owners of parent	215,557	361,640

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	359,818	620,035
Other comprehensive income		
Remeasurements of defined benefit plans, net of tax	(15,495)	(515)
Total other comprehensive income	(15,495)	(515)
Comprehensive income	344,322	619,520
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	200,061	361,124
Comprehensive income attributable to non-controlling interests	144,260	258,395