

# Consolidated Financial Results for the Three Months Ended June 30, 2022 [Japanese GAAP]



August 5, 2022

Company name: Neturen Co., Ltd.

Stock exchange listing: Tokyo Stock Exchange

Code number: 5976

URL: <https://www.k-neturen.co.jp/>

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Scheduled date of filing quarterly securities report: August 10, 2022

Scheduled date of commencing dividend payments: –

Availability of supplementary explanatory materials on quarterly financial results: No

Availability of quarterly financial results briefing: No

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

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

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2022	13,922	17.9	682	(25.3)	1,033	(3.7)	583	(12.6)
June 30, 2021	11,811	41.7	912	–	1,072	–	667	–

(Note) Comprehensive income: Three months ended June 30, 2022: ¥2,161 million [(36.1)%]

Three months ended June 30, 2021: ¥1,588 million [–%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	14.73	–
June 30, 2021	16.75	–

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2022	82,247	67,579	73.1
As of March 31, 2022	82,003	66,859	72.7

(Reference) Equity: As of June 30, 2022: ¥60,085 million

As of March 31, 2022: ¥59,646 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 13.00	Yen —	Yen 17.00	Yen 30.00
Fiscal year ending March 31, 2023	—				
Fiscal year ending March 31, 2023 (Forecast)		15.00	—	15.00	30.00

(Note) Revision to the forecast for dividends announced most recently: None

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	29,000	18.9	1,700	(7.1)	1,900	(11.5)	1,100	(18.9)	27.57
Full year	60,000	13.2	3,600	(2.8)	4,200	(4.9)	2,400	(10.8)	60.14

(Note) Revision to the financial results forecast announced most recently: None

### \* Notes:

(1) Changes in significant subsidiaries during the period under review: None  
(Changes in specified subsidiaries resulting in changes in scope of consolidation)

Newly included: –

Excluded: –

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes  
(Note) For details, please see “2. Quarterly Consolidated Financial Statements (3) Notes to Quarterly Consolidated Financial Statements (Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements)” on page 7 of the appendix (Japanese version only).

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Total number of issued and outstanding shares (common shares)

1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

June 30, 2022: 40,906,500 shares

March 31, 2022: 40,906,500 shares

2) Total number of treasury shares at the end of the period:

June 30, 2022: 1,763,207 shares

March 31, 2022: 1,000,118 shares

3) Average number of shares during the period:

Three months ended June 30, 2022: 39,631,504 shares

Three months ended June 30, 2021: 39,862,190 shares

\* These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

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

(Notes on forward-looking statements, etc.)

The forward-looking statements contained in this document are based on judgments made in accordance with information available at the time of the release of this document and include many uncertain factors. Actual results may differ from these forecasts due to changes in business conditions and other factors.

For the assumptions used for the financial results forecast as well as precautions regarding the use of such forecast, please refer to “1. Qualitative Information on Quarterly Financial Results (3) Explanation Regarding Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the Attachments (Japanese version only).

2. Quarterly Consolidated Financial Statements  
(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2022	As of June 30, 2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	19,213	18,486
Notes and accounts receivable - trade, and contract assets	12,696	11,968
Electronically recorded monetary claims	2,954	2,914
Securities	338	301
Finished goods	1,170	1,024
Work in process	1,781	2,361
Raw materials and supplies	2,847	3,220
Other	1,773	2,348
Allowance for doubtful accounts	(52)	(54)
<b>Total current assets</b>	<b>42,723</b>	<b>42,573</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	8,295	8,382
Machinery, equipment and vehicles, net	8,549	8,562
Land	9,848	9,875
Construction in progress	627	459
Other, net	747	763
<b>Total property, plant and equipment</b>	<b>28,067</b>	<b>28,043</b>
<b>Intangible assets</b>		
Leasehold interests in land	669	709
Other	108	137
<b>Total intangible assets</b>	<b>778</b>	<b>847</b>
<b>Investments and other assets</b>		
Investment securities	8,737	8,923
Long-term loans receivable	20	21
Retirement benefit asset	71	73
Other	1,683	1,844
Allowance for doubtful accounts	(79)	(78)
<b>Total investments and other assets</b>	<b>10,434</b>	<b>10,783</b>
<b>Total non-current assets</b>	<b>39,280</b>	<b>39,674</b>
<b>Total assets</b>	<b>82,003</b>	<b>82,247</b>

(Million yen)

	As of March 31, 2022	As of June 30, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable – trade	3,755	4,069
Electronically recorded obligations – operating	3,451	3,634
Short-term borrowings	1,412	1,833
Income taxes payable	974	305
Provision for bonuses	708	385
Provision for bonuses for directors (and other officers)	41	55
Other	2,681	2,858
Total current liabilities	13,026	13,142
Non-current liabilities		
Long-term borrowings	738	156
Provision for share awards for directors (and other officers)	7	11
Retirement benefit liability	450	435
Other	921	921
Total non-current liabilities	2,117	1,525
Total liabilities	15,144	14,667
<b>Net assets</b>		
Shareholders' equity		
Share capital	6,418	6,418
Capital surplus	2,407	2,407
Retained earnings	49,174	49,080
Treasury shares	(790)	(1,301)
Total shareholders' equity	57,209	56,604
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,327	1,317
Foreign currency translation adjustment	959	2,015
Remeasurements of defined benefit plans	150	147
Total accumulated other comprehensive income	2,436	3,480
Non-controlling interests	7,212	7,494
Total net assets	66,859	67,579
Total liabilities and net assets	82,003	82,247

(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
For the three months ended June 30

(Million yen)

	For the three months ended June 30, 2021	For the three months ended June 30, 2022
Net sales	11,811	13,922
Cost of sales	9,009	11,298
Gross profit	2,801	2,624
Selling, general and administrative expenses	1,889	1,942
Operating income	912	682
Non-operating income		
Interest income	9	18
Dividend income	46	62
Share of profit of entities accounted for using equity method	45	46
Foreign exchange gains	15	176
Other	59	61
Total non-operating income	176	364
Non-operating expenses		
Interest expenses	9	11
Other	7	2
Total non-operating expenses	17	13
Ordinary income	1,072	1,033
Extraordinary income		
Gain on sales of non-current assets	11	0
Gain on sales of investment securities	0	0
Total extraordinary income	11	0
Extraordinary losses		
Loss on sales of non-current assets	–	0
Loss on retirement of non-current assets	6	1
Total extraordinary losses	6	1
Profit before income taxes	1,077	1,031
Income taxes	316	317
Profit	760	714
Profit attributable to:		
Profit attributable to owners of parent	667	583
Profit attributable to non-controlling interests	93	130
Other comprehensive income		
Valuation difference on available-for-sale securities	(212)	(10)
Foreign currency translation adjustment	919	1,244
Remeasurements of defined benefit plans, net of tax	(2)	(3)
Share of other comprehensive income of entities accounted for using equity method	122	215
Total other comprehensive income	827	1,446
Comprehensive income	1,588	2,161
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	1,175	1,627
Comprehensive income attributable to non-controlling interests	413	533