

Translation

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Summary of Non-Consolidated Financial Results for the Three Months Ended October 31, 2022 (Based on Japanese GAAP)

December 9, 2022

Company name: Samco Inc.
 Stock exchange listing: Tokyo
 Stock code: 6387 URL <https://www.samco.co.jp>
 Representative: President & COO Tsukasa Kawabe
 Inquiries: Director, Executive Officer, Accounting and Administration Shozo Miyamoto TEL 075-621-7841
 Scheduled date to file Quarterly Securities Report: December 12, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the three months ended October 31, 2022 (from August 1, 2022 to October 31, 2022)

(1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended October 31, 2022	1,427	31.5	253	377.3	303	329.0	216	347.9
Three months ended October 31, 2021	1,085	50.6	53	–	70	–	48	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended October 31, 2022	26.92		–	
Three months ended October 31, 2021	6.01		–	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of October 31, 2022	13,369	9,972	74.6	1,241.52
As of July 31, 2022	13,379	10,057	75.2	1,252.06

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended July 31, 2022	–	0.00	–	35.00	35.00
Year ending July 31, 2023	–				
Year ending July 31, 2023 (Forecast)		0.00	–	35.00	35.00

3. Forecast of non-consolidated financial results for the year ending July 31, 2023 (from August 1, 2022 to July 31, 2023)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending January 31, 2023	3,840	31.9	830	58.7	810	47.6	550	44.1	68.47
Full year	7,700	20.3	1,620	18.1	1,580	6.7	1,080	2.6	134.45

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: Yes

(2) 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

(3) Number of issued shares (common shares)

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

As of October 31, 2022	∴	8,042,881 shares	As of July 31, 2022	∴	8,042,881 shares
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Number of treasury shares at the end of the period

As of October 31, 2022	∴	10,168 shares	As of July 31, 2022	∴	10,128 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended October 31, 2022	∴	8,032,733 shares	Three months ended October 31, 2021	∴	8,032,773 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of July 31, 2022	As of October 31, 2022
Assets		
Current assets		
Cash and deposits	5,826,790	4,845,452
Notes receivable - trade	11,429	2,162
Electronically recorded monetary claims - operating	57,931	99,871
Trade receivables and contract asset	1,313,788	1,772,985
Finished goods	7,974	–
Work in process	1,268,297	1,703,821
Raw materials and supplies	308,935	354,954
Prepaid expenses	12,522	16,718
Other	32,919	53,828
Allowance for doubtful accounts	(141)	(190)
Total current assets	8,840,448	8,849,602

(Thousands of yen)

	As of July 31, 2022	As of October 31, 2022
Non-current assets		
Property, plant and equipment		
Buildings	1,099,671	1,110,007
Accumulated depreciation	(798,686)	(805,061)
Buildings, net	300,985	304,946
Structures	27,100	27,100
Accumulated depreciation	(24,908)	(24,954)
Structures, net	2,191	2,145
Machinery and equipment	764,976	766,614
Accumulated depreciation	(732,673)	(736,834)
Machinery and equipment, net	32,302	29,779
Vehicles	55,024	55,024
Accumulated depreciation	(51,251)	(51,565)
Vehicles, net	3,773	3,458
Tools, furniture and fixtures	243,062	245,364
Accumulated depreciation	(224,898)	(226,516)
Tools, furniture and fixtures, net	18,164	18,848
Land	3,453,567	3,453,567
Leased assets	50,790	50,790
Accumulated depreciation	(49,780)	(50,314)
Leased assets, net	1,009	475
Construction in progress	3,869	2,409
Total property, plant and equipment	3,815,865	3,815,630
Intangible assets		
Telephone subscription right	2,962	2,962
Right to use water facilities	143	72
Leased assets	1,828	1,161
Total intangible assets	4,934	4,197
Investments and other assets		
Investment securities	290,122	262,646
Shares of subsidiaries and associates	25,207	25,207
Investments in capital	5,000	5,000
Long-term loans receivable from subsidiaries and associates	19,044	17,846
Deferred tax assets	121,990	130,652
Guarantee deposits	76,823	78,296
Insurance funds	179,066	179,066
Other	1,138	1,101
Total investments and other assets	718,392	699,816
Total non-current assets	4,539,192	4,519,644
Total assets	13,379,640	13,369,247

(Thousands of yen)

	As of July 31, 2022	As of October 31, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	779,591	993,986
Short-term borrowings	700,000	700,000
Current portion of long-term borrowings	39,996	39,996
Lease liabilities	2,838	1,637
Accounts payable - other	110,224	131,955
Accrued expenses	38,697	41,469
Income taxes payable	258,203	98,831
Contract liabilities	217,378	250,598
Deposits received	35,443	52,108
Provision for bonuses	23,700	54,579
Provision for bonuses for directors (and other officers)	30,000	3,088
Provision for product warranties	15,400	16,900
Other	62,766	14,000
Total current liabilities	2,314,240	2,399,151
Non-current liabilities		
Long-term borrowings	143,339	133,340
Provision for retirement benefits	479,575	476,539
Provision for retirement benefits for directors (and other officers)	384,954	387,369
Total non-current liabilities	1,007,868	997,248
Total liabilities	3,322,108	3,396,399
Net assets		
Shareholders' equity		
Share capital	1,663,687	1,663,687
Capital surplus		
Legal capital surplus	2,079,487	2,079,487
Total capital surplus	2,079,487	2,079,487
Retained earnings		
Legal retained earnings	59,500	59,500
Other retained earnings		
General reserve	4,367,000	4,367,000
Retained earnings brought forward	1,752,437	1,687,603
Total retained earnings	6,178,937	6,114,103
Treasury shares	(12,238)	(12,377)
Total shareholders' equity	9,909,873	9,844,900
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	147,658	127,947
Total valuation and translation adjustments	147,658	127,947
Total net assets	10,057,532	9,972,848
Total liabilities and net assets	13,379,640	13,369,247

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended October 31, 2021	Three months ended October 31, 2022
Net sales	1,085,596	1,427,552
Cost of sales	594,749	700,285
Gross profit	490,846	727,267
Selling, general and administrative expenses	437,776	473,988
Operating profit	53,069	253,278
Non-operating income		
Interest income	146	90
Foreign exchange gains	14,167	45,354
Rental income	3,007	3,034
Miscellaneous income	1,350	3,227
Total non-operating income	18,672	51,708
Non-operating expenses		
Interest expenses	909	1,094
Loss on retirement of non-current assets	–	0
Total non-operating expenses	909	1,094
Ordinary profit	70,833	303,892
Profit before income taxes	70,833	303,892
Income taxes	22,541	87,580
Profit	48,292	216,312