

Translation

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Summary of Non-Consolidated Financial Results for the Three Months Ended October 31, 2023 (Based on Japanese GAAP)

December 11, 2023

Company name: Samco Inc.
 Stock exchange listing: Tokyo
 Stock code: 6387 URL <https://www.samco.co.jp>
 Representative: President & COO Tsukasa Kawabe
 Director, Executive Officer, Accounting and Administration Shozo Miyamoto TEL 075-621-7841
 Scheduled date to file Quarterly Securities Report: December 12, 2023
 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, 2023 (from August 1, 2023 to October 31, 2023)

(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, 2023	1,380	(3.3)	232	(8.2)	278	(8.5)	194	(10.0)
Three months ended October 31, 2022	1,427	31.5	253	377.3	303	329.0	216	347.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended October 31, 2023	24.23		–	
Three months ended October 31, 2022	26.92		–	

(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, 2023	14,491		10,954		75.6		1,363.71	
As of July 31, 2023	14,795		11,144		75.3		1,387.39	

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended July 31, 2023	–	0.00	–	45.00	45.00
Year ending July 31, 2024	–				
Year ending July 31, 2024 (Forecast)		0.00	–	45.00	45.00

3. Forecast of non-consolidated financial results for the year ending July 31, 2024 (from August 1, 2023 to July 31, 2024)

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, 2024	4,520	17.4	1,140	18.2	1,150	17.1	780	11.3	97.10
Full year	8,500	8.5	1,990	7.0	2,010	4.3	1,370	0.3	170.56

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, 2023	∴	8,042,881 shares	As of July 31, 2023	∴	8,042,881 shares
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Number of treasury shares at the end of the period

As of October 31, 2023	∴	10,405 shares	As of July 31, 2023	∴	10,405 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, 2023	∴	8,032,476 shares	Three months ended October 31, 2022	∴	8,032,733 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of July 31, 2023	As of October 31, 2023
Assets		
Current assets		
Cash and deposits	5,301,752	5,096,641
Notes receivable - trade	12,252	–
Electronically recorded monetary claims - operating	182,574	153,096
Trade receivables and contract asset	2,489,827	2,045,245
Finished goods	–	31,532
Work in process	1,741,835	2,000,754
Raw materials and supplies	428,537	521,005
Prepaid expenses	9,815	19,731
Other	29,974	34,287
Allowance for doubtful accounts	(20,984)	(18,971)
Total current assets	10,175,585	9,883,323

(Thousands of yen)

	As of July 31, 2023	As of October 31, 2023
Non-current assets		
Property, plant and equipment		
Buildings	1,113,037	1,116,135
Accumulated depreciation	(824,645)	(831,046)
Buildings, net	288,392	285,088
Structures	27,100	27,100
Accumulated depreciation	(25,093)	(25,137)
Structures, net	2,007	1,962
Machinery and equipment	689,649	723,578
Accumulated depreciation	(670,345)	(673,537)
Machinery and equipment, net	19,303	50,041
Vehicles	56,314	59,109
Accumulated depreciation	(52,778)	(51,712)
Vehicles, net	3,536	7,396
Tools, furniture and fixtures	256,030	257,696
Accumulated depreciation	(233,988)	(236,227)
Tools, furniture and fixtures, net	22,042	21,469
Land	3,453,567	3,453,567
Leased assets	50,790	60,486
Accumulated depreciation	(50,790)	(51,113)
Leased assets, net	–	9,372
Construction in progress	74,611	47,029
Total property, plant and equipment	3,863,459	3,875,928
Intangible assets		
Telephone subscription right	2,962	2,962
Software	1,402	2,391
Total intangible assets	4,364	5,354
Investments and other assets		
Investment securities	300,794	267,956
Shares of subsidiaries and associates	25,207	25,207
Investments in capital	5,000	5,000
Long-term loans receivable from subsidiaries and associates	12,150	9,946
Deferred tax assets	129,893	140,194
Guarantee deposits	78,378	78,615
Insurance funds	199,206	199,206
Other	991	954
Total investments and other assets	751,621	727,080
Total non-current assets	4,619,445	4,608,363
Total assets	14,795,031	14,491,687

(Thousands of yen)

	As of July 31, 2023	As of October 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	861,405	854,203
Short-term borrowings	700,000	700,000
Current portion of long-term borrowings	39,996	39,996
Lease liabilities	–	1,939
Accounts payable - other	126,249	126,724
Accrued expenses	43,846	48,245
Income taxes payable	411,448	94,462
Contract liabilities	335,648	552,256
Deposits received	39,874	62,394
Provision for bonuses	25,500	55,014
Provision for bonuses for directors (and other officers)	30,000	–
Provision for product warranties	18,000	17,100
Other	44,069	11,688
Total current liabilities	2,676,039	2,564,025
Non-current liabilities		
Long-term borrowings	103,343	93,344
Lease liabilities	–	7,433
Provision for retirement benefits	476,640	474,904
Provision for retirement benefits for directors (and other officers)	394,752	397,212
Other	–	743
Total non-current liabilities	974,736	973,638
Total liabilities	3,650,775	3,537,663
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	2,837,418	2,670,627
Total retained earnings	7,263,918	7,097,127
Treasury shares	(13,453)	(13,453)
Total shareholders' equity	10,993,640	10,826,848
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	150,615	127,175
Total valuation and translation adjustments	150,615	127,175
Total net assets	11,144,255	10,954,023
Total liabilities and net assets	14,795,031	14,491,687

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended October 31, 2022	Three months ended October 31, 2023
Net sales	1,427,552	1,380,230
Cost of sales	700,285	669,363
Gross profit	727,267	710,867
Selling, general and administrative expenses	473,988	478,234
Operating profit	253,278	232,632
Non-operating income		
Interest income	90	66
Foreign exchange gains	45,354	38,487
Rental income	3,034	2,818
Miscellaneous income	3,227	5,116
Total non-operating income	51,708	46,489
Non-operating expenses		
Interest expenses	1,094	1,104
Loss on retirement of non-current assets	0	0
Total non-operating expenses	1,094	1,104
Ordinary profit	303,892	278,017
Profit before income taxes	303,892	278,017
Income taxes	87,580	83,347
Profit	216,312	194,669