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Consolidated Financial Results for the Nine Months Ended December 31, 2022 [Japanese GAAP]

January 30, 2023

Company name: NAGAWA Co.,Ltd. Stock exchange listing: Tokyo

Code number: 9663

URL: https://group.nagawa.co.jp/ Representative: Osamu Takahashi

President Senior Managing Director

Contact: Ryo Shimmura Phone: 03-5288-8666

Scheduled date of filing quarterly securities report: February 08, 2023

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

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

1. Consolidated Financial Results for the Nine Months Ended December 31, 2022 (April 01, 2022 to December 31, 2022)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sale	es	Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2022	22,660	3.8	3,232	(0.3)	3,550	2.7	2,431	10.2
December 31, 2021	21,833	2.8	3,243	0.6	3,458	(0.1)	2,206	(4.7)

(Note) Comprehensive income:

Nine months ended December 31, 2022:

Nine months ended December 31, 2021:

2,378 million 9.1%] 2,179 million [(29.2)%

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2022	154.65	-
December 31, 2021	140.93	_

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
December 31, 2022	56,304	52,374	93.0
March 31, 2022	55,902	51,009	91.2

52,374 million (Reference) Equity: As of December 31, 2022: As of March 31, 2022: 51,009 million

2. Dividends

	Annual dividends				
	1st quarter-end	Year-end			
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	-	0.00	-	65.00	65.00
Fiscal year ending March 31, 2023	-	0.00	-		
Fiscal year ending March 31, 2023 (Forecast)				60.00	60.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 3rd quarter dividend for the fiscal year ending March 31, 2023:

Commemorative dividend - yen Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

(70 indicates changes from the previous corresponding period							sponding period.)		
	Net sale	S	Operating p	orofit	Ordinary p	orofit	Profit attribu		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	31,500	3.0	4,650	4.9	4,850	3.4	3,300	9.4	209.89

(Note) Revision to the financial results forecast announced most recently: No

- * Notes:
- (1) Changes in significant subsidiaries during the nine months ended December 31, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)
Exclusion: - (Company name:)

- (2) Accounting policies adopted specially for the preparation of 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: 16,357,214 shares March 31, 2022: 16,357,214 shares

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

December 31, 2022: 638,707 shares March 31, 2022: 634,588 shares

3) Average number of shares during the period:

Nine months ended December 31, 2022: 15,720,120 shares Nine months ended December 31, 2021: 15,659,776 shares

		(William yell
	As of March 31,2022	As of December 31,2022
Assets		
Current assets		
Cash and deposits	12,794	9,82
Notes receivable - trade	1,430	1,67
Electronically recorded monetary claims - operating	1,655	1,62
Accounts receivable - trade	4,861	3,87
Contract assets	88	60
Merchandise and finished goods	2,123	2,43
Work in process	153	26
Raw materials and supplies	328	1,10
Other	217	79
Allowance for doubtful accounts	(0)	
Total current assets	23,653	22,20
Non-current assets		
Property, plant and equipment		
Assets for rent, net	9,768	11,49
Buildings and structures, net	1,448	2,17
Land	7,081	7,15
Construction in progress	308	(
Other, net	181	2:
Total property, plant and equipment	18,788	21,10
Intangible assets	248	26
Investments and other assets		
Investment securities	11,975	11,50
Leasehold and guarantee deposits	563	66
Retirement benefit asset	76	10
Deferred tax assets	276	17
Other	321	27
Allowance for doubtful accounts	(0)	
Total investments and other assets	13,211	12,73
Total non-current assets	32,248	34,09
Total assets	55,902	56,30

	As of March 31,2022	As of December 31,2022
Liabilities		
Current liabilities		
Accounts payable - trade	2,719	2,351
Income taxes payable	825	227
Provision for bonuses	251	154
Provision for bonuses for directors (and other officers)	66	45
Provision for loss on liquidation of subsidiaries and associates	1	-
Asset retirement obligations	5	1
Other	941	1,065
Total current liabilities	4,811	3,845
Non-current liabilities		
Long-term accounts payable - other	26	25
Retirement benefit liability	0	-
Asset retirement obligations	51	55
Other	2	2
Total non-current liabilities	81	83
Total liabilities	4,893	3,929
Net assets		
Shareholders' equity		
Share capital	2,855	2,855
Capital surplus	8,812	8,823
Retained earnings	40,888	42,297
Treasury shares	(1,838)	(1,839)
Total shareholders' equity	50,717	52,136
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	296	260
Foreign currency translation adjustment	(4)	(22)
Total accumulated other comprehensive income	291	238
Non-controlling interests	-	-
Total net assets	51,009	52,374
Total liabilities and net assets	55,902	56,304

Quarterly Consolidated Statements of Income and Comprehensive Income Quarterly Consolidated Statements of Income (For the nine months)

	For the nine months ended December 31,2021	For the nine months ended December 31,2022
Net sales	21,833	22,660
Cost of sales	12,611	13,214
Gross profit	9,222	9,445
Selling, general and administrative expenses	5,978	6,213
Operating profit	3,243	3,232
Non-operating income		
Interest income	29	6
Dividend income	203	244
Rental income	18	13
Compensation income	-	43
Foreign exchange gains	-	22
Miscellaneous income	17	18
Total non-operating income	268	348
Non-operating expenses		
Commission expenses	4	
Foreign exchange losses	5	-
Share-based remuneration expenses	24	29
Miscellaneous losses	19	0
Total non-operating expenses	53	29
Ordinary profit	3,458	3,550
Extraordinary income		
Gain on sale of non-current assets	3	3
Gain on sale of investment securities	-	0
Total extraordinary income	3	4
Extraordinary losses		
Loss on disposal of non-current assets	80	29
Loss on valuation of investment securities	44	
Provision for loss on liquidation of subsidiaries and associates	3	-
Loss on liquidation of subsidiaries	-	10
Total extraordinary losses	127	39
Profit before income taxes	3,334	3,515
Income taxes - current	1,002	971
Income taxes - deferred	124	112
Total income taxes	1,127	1,084
Profit	2,206	2,431
Profit attributable to owners of parent	2,206	2,431

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

		(Million yen)
	For the nine months ended December 31,2021	For the nine months ended December 31,2022
Profit	2,206	2,431
Other comprehensive income		
Valuation difference on available-for-sale securities	(30)	(35)
Foreign currency translation adjustment	2	(17)
Total other comprehensive income	(27)	(52)
Comprehensive income	2,179	2,378
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,179	2,378
Comprehensive income attributable to non-controlling interests	-	-