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October 25, 2022

## Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2023 (Under Japanese GAAP)

Company name: OBIC Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 4684  
 URL: <https://www.obic.co.jp/>  
 Representative: Shoichi Tachibana, President and COO  
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 Scheduled date to file quarterly securities report: November 4, 2022  
 Scheduled date to commence dividend payments: November 21, 2022  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the six months ended September 30, 2022 (from April 1, 2022 to September 30, 2022)

#### (1) Consolidated operating results

(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	%
Six months ended September 30, 2022	49,076	12.7	30,718	16.5	35,062	21.2	24,904	17.0
Six months ended September 30, 2021	43,559	–	26,371	10.4	28,935	10.7	21,277	11.4

Note: Comprehensive income Six months ended September 30, 2022: ¥20,323 million [(18.2)%]  
 Six months ended September 30, 2021: ¥24,839 million [17.7%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2022	280.84	–
Six months ended September 30, 2021	239.38	–

Note: OBIC Co., Ltd. (hereinafter “the Company”) has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. effective from the beginning of the first quarter ended June 30, 2021. The percentages indicating year-on-year changes are not presented as the figures for net sales for the six months ended September 30, 2022, are the figures after the application of this accounting standard. The year-on-year change, when calculated under the assumption that the accounting standard, etc. had been applied in the fiscal year ended March 31, 2021, was an increase of 8.9%.

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2022	333,675	303,070	90.8	3,417.57
March 31, 2022	323,927	293,567	90.6	3,310.49

Reference: Equity  
 As of September 30, 2022: ¥303,070 million  
 As of March 31, 2022: ¥293,567 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	–	92.50	–	122.50	215.00
Fiscal year ending March 31, 2023	–	110.00			
Fiscal year ending March 31, 2023 (Forecast)			–	110.00	220.00

Note: Revision to the most recently announced forecast of dividends: None

## 3. Consolidated earnings forecasts for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2023	98,500	10.1	59,600	10.1	65,600	9.0	47,000	8.0	530.01

Note: Revision to the most recently announced earnings forecasts: None

\* **Notes**

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

Newly included: –

Excluded: –

(2) Application of special accounting treatments for the preparation of quarterly consolidated financial statements: None

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of September 30, 2022	99,600,000 shares
As of March 31, 2022	99,600,000 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2022	10,919,848 shares
As of March 31, 2022	10,922,048 shares

(iii) Average number of shares outstanding during the period

Six months ended September 30, 2022	88,678,733 shares
Six months ended September 30, 2021	88,887,911 shares

\* Quarterly consolidated financial statements are exempt from audit conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

There have been no revisions to the consolidated earnings forecasts for the full year that were announced on April 21, 2022. The above forecasts were prepared based on information currently available to the Company, and any statements herein do not constitute assurances regarding actual results by the Company. Moreover, actual business and other results may differ from the forecast due to various factors in the future. Please refer to the section of “(4) Explanation of consolidated earnings forecasts and other forward-looking statements” of “1. Qualitative information regarding financial results for the six months ended September 30, 2022” on page 3 of [Attached Material] for details.

## Quarterly consolidated financial statements

### (1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	122,699	146,944
Notes and accounts receivable - trade, and contract assets	12,025	13,731
Merchandise and finished goods	68	64
Work in process	233	285
Raw materials and supplies	7	1
Other	1,118	1,383
Allowance for doubtful accounts	(1)	(2)
Total current assets	136,150	162,408
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,823	25,257
Land	27,636	27,636
Other, net	2,661	2,405
Total property, plant and equipment	56,121	55,299
Intangible assets		
Other	154	141
Total intangible assets	154	141
Investments and other assets		
Investment securities	118,570	113,052
Long-term time deposits	10,658	-
Other	2,274	2,773
Allowance for doubtful accounts	(2)	(0)
Total investments and other assets	131,500	115,825
Total non-current assets	187,776	171,266
Total assets	323,927	333,675

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	3,606	3,475
Income taxes payable	8,552	10,359
Provision for bonuses	2,372	2,372
Other	6,535	5,950
Total current liabilities	21,066	22,157
Non-current liabilities		
Retirement benefit liability	5,942	5,979
Asset retirement obligations	358	398
Other	2,992	2,069
Total non-current liabilities	9,293	8,446
<b>Total liabilities</b>	<b>30,359</b>	<b>30,604</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	19,178	19,178
Capital surplus	19,530	19,567
Retained earnings	265,985	280,027
Treasury shares	(27,562)	(27,557)
Total shareholders' equity	277,131	291,215
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	16,877	12,316
Revaluation reserve for land	(481)	(481)
Remeasurements of defined benefit plans	39	19
Total accumulated other comprehensive income	16,435	11,854
<b>Total net assets</b>	<b>293,567</b>	<b>303,070</b>
<b>Total liabilities and net assets</b>	<b>323,927</b>	<b>333,675</b>

**(2) Quarterly consolidated statement of income and consolidated statement of comprehensive income**  
**(Quarterly consolidated statement of income)**

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Net sales	43,559	49,076
Cost of sales	10,251	11,071
Gross profit	33,308	38,005
Selling, general and administrative expenses	6,937	7,287
Operating profit	26,371	30,718
Non-operating income		
Interest income	0	69
Dividend income	431	1,120
Gain on sale of investment securities	3	–
Share of profit of entities accounted for using equity method	1,820	1,813
Rental income	790	843
Foreign exchange gains	–	1,906
Other	286	42
Total non-operating income	3,332	5,796
Non-operating expenses		
Rental expenses	766	753
Cancellation fee	–	696
Other	2	3
Total non-operating expenses	768	1,453
Ordinary profit	28,935	35,062
Extraordinary income		
Gain on sale of non-current assets	1	–
Gain on sale of shares of subsidiaries and associates	1	–
Total extraordinary income	2	–
Extraordinary losses		
Loss on sale of non-current assets	0	–
Loss on retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	28,937	35,062
Income taxes - current	7,944	10,066
Income taxes - deferred	(284)	91
Total income taxes	7,659	10,157
Profit	21,277	24,904
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	21,277	24,904

**(Quarterly consolidated statement of comprehensive income)**

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	21,277	24,904
Other comprehensive income		
Valuation difference on available-for-sale securities	2,630	(4,001)
Revaluation reserve for land	213	—
Remeasurements of defined benefit plans, net of tax	27	(7)
Share of other comprehensive income of entities accounted for using equity method	689	(571)
Total other comprehensive income	3,561	(4,580)
Comprehensive income	24,839	20,323
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	24,839	20,323
Comprehensive income attributable to non-controlling interests	—	—

**(3) Quarterly consolidated statement of cash flows**

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	28,937	35,062
Depreciation	1,144	1,235
Share of loss (profit) of entities accounted for using equity method	(1,820)	(1,813)
Loss (gain) on sale of investment securities	(3)	–
Increase (decrease) in provision for bonuses for directors (and other officers)	(105)	(129)
Increase (decrease) in allowance for doubtful accounts	0	(1)
Increase (decrease) in retirement benefit liability	(17)	25
Interest and dividend income	(432)	(1,190)
Loss (gain) on sale of non-current assets	(1)	–
Decrease (increase) in trade receivables	(781)	(1,706)
Decrease (increase) in inventories	61	(42)
Increase (decrease) in trade payables	(382)	(131)
Other, net	(2,367)	(1,252)
Subtotal	24,233	30,057
Interest and dividends received	1,281	2,191
Income taxes paid	(9,424)	(8,342)
Net cash provided by (used in) operating activities	16,090	23,906
<b>Cash flows from investing activities</b>		
Proceeds from withdrawal of time deposits	–	11,865
Purchase of property, plant and equipment	(1,425)	(746)
Proceeds from sale of property, plant and equipment	3	–
Purchase of intangible assets	(44)	(27)
Purchase of investment securities	(1)	(2)
Proceeds from sale of investment securities	9	–
Proceeds from sale of shares of subsidiaries and associates	234	–
Other, net	(227)	110
Net cash provided by (used in) investing activities	(1,452)	11,199
<b>Cash flows from financing activities</b>		
Dividends paid	(9,339)	(10,863)
Purchase of treasury shares	(5,422)	–
Net cash provided by (used in) financing activities	(14,762)	(10,863)
Effect of exchange rate change on cash and cash equivalents	–	2
Net increase (decrease) in cash and cash equivalents	(124)	24,245
Cash and cash equivalents at beginning of period	150,745	122,699
Cash and cash equivalents at end of period	150,621	146,944