Note:This document is a translation of a part of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

Consolidated Financial Results for the Three Months Ended March 31, 2022 [Japanese GAAP]

May 13, 2022

Company name: Kinjiro Co.,Ltd.
Stock exchange listing: Tokyo
Code number: 4013
URL: https://www.kinjiro-e.com
Representative: Kozo Kamura President
Contact: Shinichi Tanaka Executive Officer
Phone: 052-249-9200
Scheduled date of filing quarterly securities report: May 13, 2022
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 Three Months Ended March 31, 2022 (January 01, 2022 to March 31, 2022)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	808	(6.0)	109	2.7	109	2.1	75	1.6
March 31, 2021	860	-	106	-	107	-	74	-

(Note) Comprehensive income: Three months ended March 31, 2022: ¥ 76 million [4.0%]
Three months ended March 31, 2021: ¥ 73 million [-%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
March 31, 2022	7.63	-
March 31, 2021	7.14	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
March 31, 2022	9,652	8,762	90.8
December 31, 2021	9,778	8,854	90.5

(Reference) Equity: As of March 31, 2022: ¥ 8,762 million
As of December 31, 2021: ¥ 8,854 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2021	-	0.00	-	17.00	17.00
Fiscal year ending December 31, 2022	-				
Fiscal year ending December 31, 2022 (Forecast)		0.00	-	17.00	17.00

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

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending December 31, 2022 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2022(January 01, 2022 to December 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ended June 30, 2022	1,800	5.2	150	(16.4)	150	(16.8)	100	(15.9)	10.10
Full year	3,800	14.3	300	14.6	300	22.9	200	22.8	20.20

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Changes in significant subsidiaries during the three months ended March 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: Yes

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

1) Changes in accounting policies due to the revision of accounting standards: Yes

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):

March 31, 2022: 10,420,000 shares

December 31, 2021: 10,420,000 shares

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

March 31, 2022: 517,500 shares

December 31, 2021: 517,500 shares

3) Average number of shares during the period:

Three months ended March 31, 2022: 9,902,500 shares

Three months ended March 31, 2021: 10,420,000 shares

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of December 31,2021	As of March 31,2022
Assets		
Current assets		
Cash and deposits	7,627,459	7,403,269
Notes and accounts receivable - trade	588,330	595,602
Inventories	48,517	50,896
Other	108,216	127,420
Allowance for doubtful accounts	(3)	(3)
Total current assets	8,372,520	8,177,185
Non-current assets		
Property, plant and equipment	642,880	639,052
Intangible assets		
Software	403,039	376,380
Software in progress	71,845	171,569
Other	10,519	10,406
Total intangible assets	485,404	558,356
Investments and other assets		
Other	278,878	279,133
Allowance for doubtful accounts	(1,220)	(1,220)
Total investments and other assets	277,658	277,913
Total non-current assets	1,405,943	1,475,322
Total assets	9,778,464	9,652,508
Liabilities		
Current liabilities		
Notes and accounts payable - trade	65,442	62,576
Short-term borrowings	40,000	-
Current portion of long-term borrowings	44,608	38,359
Income taxes payable	36,397	49,724
Provision for bonuses	-	66,619
Unearned revenue	212,855	201,528
Asset retirement obligations	-	10,730
Other	292,950	230,549
Total current liabilities	692,254	660,087
Non-current liabilities		
Long-term borrowings	49,843	44,944
Provision for retirement benefits for directors (and other officers)	44,186	-
Retirement benefit liability	120,679	124,869
Asset retirement obligations	17,274	14,623
Other	-	45,347
Total non-current liabilities	231,983	229,785
Total liabilities	924,238	889,872
Net assets		
Shareholders' equity		
Share capital	4,099,300	4,099,300
Capital surplus	4,056,450	4,056,450
Retained earnings	1,692,758	1,600,020
Treasury shares	(999,946)	(999,946)
Total shareholders' equity	8,848,561	8,755,823
Accumulated other comprehensive income		
Foreign currency translation adjustment	5,664	6,812
Total accumulated other comprehensive income	5,664	6,812
Total net assets	8,854,226	8,762,636
Total liabilities and net assets	9,778,464	9,652,508

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Thousand yen)

	For the three months ended March 31,2021	For the three months ended March 31,2022
Net sales	860,139	808,116
Cost of sales	325,739	252,292
Gross profit	534,399	555,823
Selling, general and administrative expenses	427,486	446,051
Operating profit	106,913	109,771
Non-operating income		
Interest income	39	52
Foreign exchange gains	350	-
Consumption taxes refund	-	14
Other	25	7
Total non-operating income	415	74
Non-operating expenses		
Interest expenses	74	58
Foreign exchange losses	-	306
Other	31	27
Total non-operating expenses	106	391
Ordinary profit	107,222	109,454
Profit before income taxes	107,222	109,454
Income taxes	32,822	33,849
Profit	74,399	75,604
Profit attributable to owners of parent	74,399	75,604

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

(Thousand yen)

	For the three months ended March 31,2021	For the three months ended March 31,2022
Profit	74,399	75,604
Other comprehensive income		
Valuation difference on available-for-sale securities	2	-
Foreign currency translation adjustment	(608)	1,147
Total other comprehensive income	(605)	1,147
Comprehensive income	73,793	76,752
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	73,793	76,752