



Consolidated Financial Results for the Nine Months Ended September 30, 2022 [Japanese GAAP]

November 14, 2022

Company name: ISEKI&CO., LTD.

Stock exchange listing: Tokyo

Code number: 6310

URL: <https://www.iseki.co.jp>

Representative: Shiro Tomiyasu

, President and Representative Director

Contact: Yoshikazu Ogusu

, General Manager of Financial Department

Phone: +81-3-5604-7671

Scheduled date of filing quarterly securities report: November 14, 2022

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

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

1. Consolidated Financial Results for the Nine Months Ended September 30, 2022 (January 01, 2022 to September 30, 2022)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended September 30, 2022	125,394	1.6	3,160	(45.7)	3,882	(40.4)	3,482	(27.2)
September 30, 2021	123,432	10.6	5,825	84.2	6,516	129.5	4,780	97.6

(Note) Comprehensive income: Nine months ended September 30, 2022: ¥ 4,144 million [(22.5)%]
 Nine months ended September 30, 2021: ¥ 5,347 million [174.9%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2022	153.98	153.93
September 30, 2021	211.45	211.31

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of September 30, 2022	212,393	72,516	32.1	3,013.31
December 31, 2021	187,684	66,561	34.5	2,864.47

(Reference) Equity: As of September 30, 2022: ¥ 68,151 million
 As of December 31, 2021: ¥ 64,768 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	-	-	-	30.00	30.00
Fiscal year ending December 31, 2022	-	-	-		
Fiscal year ending December 31, 2022 (Forecast)				30.00	30.00

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

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
Full year	166,500	5.3	3,700	(10.8)	4,600	(1.9)	3,500	9.5	154.76

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

* Notes:

(1) Changes in significant subsidiaries during the nine months ended September 30, 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: 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):

September 30, 2022: 22,984,993 shares

December 31, 2021: 22,984,993 shares

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

September 30, 2022: 368,260 shares

December 31, 2021: 374,045 shares

3) Average number of shares during the period:

Nine months ended September 30, 2022: 22,615,165 shares

Nine months ended September 30, 2021: 22,607,948 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of December 31,2021	As of September 30,2022
Assets		
Current assets		
Cash and deposits	14,850	15,121
Notes and accounts receivable - trade	21,537	-
Notes and accounts receivable - trade, and contract assets	-	33,187
Merchandise and finished goods	41,532	50,459
Work in process	7,089	10,077
Raw materials and supplies	1,250	1,491
Other	4,864	4,264
Allowance for doubtful accounts	(21)	(46)
Total current assets	91,103	114,556
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,645	26,131
Land	44,475	44,880
Other, net	14,842	14,794
Total property, plant and equipment	84,962	85,806
Intangible assets	2,290	2,442
Investments and other assets		
Investment securities	5,054	5,380
Other	4,383	4,869
Allowance for doubtful accounts	(110)	(662)
Total investments and other assets	9,328	9,588
Total non-current assets	96,581	97,837
Total assets	187,684	212,393

(Million yen)

	As of December 31,2021	As of September 30,2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	20,280	20,941
Electronically recorded obligations - operating	18,999	21,149
Short-term loans payable	23,745	34,184
Current portion of long-term loans payable	6,465	13,561
Income taxes payable	496	813
Provision for bonuses	524	976
Other	10,831	10,197
Total current liabilities	81,342	101,825
Non-current liabilities		
Long-term loans payable	24,728	22,258
Deferred tax liabilities for land revaluation	4,097	4,097
Provision for retirement benefits for directors	156	157
Provision for share awards for directors	-	18
Retirement benefit liability	2,912	3,071
Asset retirement obligations	881	907
Other	7,004	7,541
Total non-current liabilities	39,780	38,051
Total liabilities	121,123	139,876
Net assets		
Shareholders' equity		
Share capital	23,344	23,344
Capital surplus	13,462	13,139
Retained earnings	17,690	20,494
Treasury shares	(930)	(591)
Total shareholders' equity	53,567	56,387
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	250	344
Deferred gains or losses on hedges	2	(8)
Revaluation reserve for land	8,835	8,835
Foreign currency translation adjustment	804	1,437
Remeasurements of defined benefit plans	1,307	1,155
Total accumulated other comprehensive income	11,201	11,764
Subscription rights to shares	26	12
Non-controlling interests	1,766	4,352
Total net assets	66,561	72,516
Total liabilities and net assets	187,684	212,393

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

(Million yen)

	For the nine months ended September 30,2021	For the nine months ended September 30,2022
Net sales	123,432	125,394
Cost of sales	86,228	88,128
Gross profit	37,203	37,266
Selling, general and administrative expenses	31,377	34,105
Operating profit	5,825	3,160
Non-operating income		
Interest income	111	73
Dividend income	94	147
Foreign exchange gains	273	989
Settlement received	401	-
Other	669	707
Total non-operating income	1,550	1,918
Non-operating expenses		
Interest expenses	423	478
Share of loss of entities accounted for using equity method	125	410
Other	310	308
Total non-operating expenses	859	1,197
Ordinary profit	6,516	3,882
Extraordinary income		
Gain on sale of non-current assets	55	52
Gain on step acquisitions	-	551
Gain on change in equity	-	41
Gain on bargain purchase	-	153
Other	-	0
Total extraordinary income	55	799
Extraordinary losses		
Loss on sale and retirement of non-current assets	127	104
Impairment losses	97	142
Other	0	-
Total extraordinary losses	224	246
Profit before income taxes	6,348	4,435
Income taxes - current	1,888	1,364
Income taxes - deferred	(352)	(495)
Total income taxes	1,536	868
Profit	4,812	3,566
Profit attributable to non-controlling interests	31	84
Profit attributable to owners of parent	4,780	3,482

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

(Million yen)

	For the nine months ended September 30,2021	For the nine months ended September 30,2022
Profit	4,812	3,566
Other comprehensive income		
Valuation difference on available-for-sale securities	415	93
Deferred gains or losses on hedges	8	(10)
Foreign currency translation adjustment	118	656
Remeasurements of defined benefit plans, net of tax	(32)	(152)
Share of other comprehensive income of entities accounted for using equity method	24	(9)
Total other comprehensive income	535	577
Comprehensive income	5,347	4,144
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,310	4,045
Comprehensive income attributable to non-controlling interests	36	99