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Consolidated Financial Results for the Six Months Ended September 30, 2023 [Japanese GAAP]

November 2, 2023

Company name: **Yamatane Corporation**
Stock exchange listing: Tokyo Stock Exchange
Securities code: 9305
URL: https://www.yamatane.co.jp
Representative: Motohiro Yamazaki, Representative Director, President
Contact: Ichiro Tasaki, General Manager, Accounting & Finance Department, Administration Division
Phone: +81-3-3820-1111
Scheduled date for filing quarterly securities report: November 14, 2023
Scheduled date for commencing dividend payments: December 1, 2023
Preparation of supplementary briefing materials for quarterly financial results: Yes
Holding of quarterly financial results briefing: Yes

(Amounts of less than one million yen are truncated.)

1. Consolidated financial results for the six months ended September 30, 2023 (April 1, 2023 to September 30, 2023)

(1) Consolidated operating results (% indicates year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2023	27,663	8.7	1,831	(6.0)	1,497	(21.5)	1,416	24.7
September 30, 2022	25,440	9.3	1,948	44.5	1,909	60.8	1,135	63.5

Note: Comprehensive income: Six months ended September 30, 2023: ¥4,785 million [183.7%]
Six months ended September 30, 2022: ¥1,686 million [13.4%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2023	137.19	—
September 30, 2022	110.04	—

Note: At the end of the fiscal year ended March 31, 2023, the accounting treatment for the business combination that had been applied provisionally was finalized, and this is reflected in the figures and comparative information relating to the six months ended September 30, 2022.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
September 30, 2023	133,433	52,306	36.2	4,685.00
March 31, 2023	126,188	47,878	35.4	4,321.59

Reference: Equity: As of September 30, 2023: ¥48,361 million
As of March 31, 2023: ¥44,612 million

2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	—	25.00	—	31.00	56.00
Fiscal year ending March 31, 2024	—	25.00			
Fiscal year ending March 31, 2024 (Forecast)			—	32.00	57.00

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

3. Consolidated financial results forecast for the fiscal year ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicates year-on-year change)

	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	63,800	24.9	3,400	(5.3)	3,100	(11.5)	2,200	2.3	213.12

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

*** Notes:**

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

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes

(Note) For details, please refer to "2. Quarterly Consolidated Financial Statements and Primary Notes (3) Notes to Quarterly Consolidated Financial Statements: Application of special accounting methods for preparing quarterly consolidated financial statements" on page 8 of the Japanese version of the attached materials.

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

1) Changes in accounting policies due to application of revised accounting standards: None
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting estimates: None
4) Retrospective restatements: None

(4) Number of common shares issued

1) Number of shares issued at the end of the period (including treasury shares):
As of September 30, 2023: 11,344,181 shares
As of March 31, 2023: 11,344,181 shares

2) Number of treasury shares at the end of the period:
As of September 30, 2023: 1,021,649 shares
As of March 31, 2023: 1,021,118 shares

3) Average number of common shares during the period:
Six months ended September 30, 2023: 10,322,699 shares
Six months ended September 30, 2022: 10,323,406 shares

* These quarterly financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

* Explanation on appropriate use of financial results forecasts and other matters of note

- Financial results forecasts and other forward-looking statements provided in these materials are based on information available to the Company and certain assumptions deemed reasonable as of the date of publication of this document, and are not intended to provide any assurance that they will be accomplished in the future. Actual financial results and other aspects of business performance may differ significantly from these forecasts owing to various factors. Please refer to "1. Qualitative Information on Quarterly Financial Results for the Period under Review (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information" on page 3 of the Japanese version of the attached materials for conditions forming the basis for financial results forecasts, notes regarding the use of financial results forecasts, and other information.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

(Million yen)

	Previous fiscal year (As of March 31, 2023)	Second quarter under review (As of September 30, 2023)
Assets		
Current assets		
Cash and deposits	8,416	5,949
Notes and accounts receivable - trade, and contract assets	6,699	6,875
Inventories	612	676
Other	3,952	4,003
Allowance for doubtful accounts	-	(0)
Total current assets	19,681	17,505
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	26,656	27,990
Land	50,533	54,782
Other, net	9,941	9,808
Total property, plant and equipment	87,131	92,581
Intangible assets		
Goodwill	295	258
Customer-related intangible assets	1,094	1,065
Other	957	996
Total intangible assets	2,346	2,320
Investments and other assets		
Investment securities	15,066	19,010
Other	1,895	1,975
Allowance for doubtful accounts	(36)	(36)
Total investments and other assets	16,926	20,949
Total non-current assets	106,405	115,851
Deferred assets	101	76
Total assets	126,188	133,433

(Million yen)

	Previous fiscal year (As of March 31, 2023)	Second quarter under review (As of September 30, 2023)
Liabilities		
Current liabilities		
Trade accounts payable	2,298	2,572
Short-term borrowings	4,100	4,600
Current portion of long-term borrowings	3,338	3,556
Current portion of bonds payable	9,983	9,933
Other	5,958	3,906
Total current liabilities	25,678	24,568
Non-current liabilities		
Bonds payable	13,347	13,078
Long-term borrowings	23,279	26,229
Retirement benefit liability	1,607	1,651
Asset retirement obligations	2,573	2,457
Other	11,822	13,141
Total non-current liabilities	52,630	56,559
Total liabilities	78,309	81,127
Net assets		
Shareholders' equity		
Share capital	10,555	10,555
Capital surplus	3,747	3,747
Retained earnings	23,961	25,057
Treasury shares	(2,235)	(2,236)
Total shareholders' equity	36,030	37,125
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,711	8,308
Deferred gains or losses on hedges	9	64
Revaluation reserve for land	2,872	2,872
Remeasurements of defined benefit plans	(12)	(11)
Total accumulated other comprehensive income	8,581	11,235
Non-controlling interests	3,266	3,945
Total net assets	47,878	52,306
Total liabilities and net assets	126,188	133,433

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

Six Months Ended September 30

(Million yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Operating revenue	25,440	27,663
Operating costs	21,714	23,678
Operating gross profit	3,725	3,985
Selling, general and administrative expenses	1,777	2,153
Operating profit	1,948	1,831
Non-operating income		
Dividend income	243	258
Other	12	25
Total non-operating income	255	284
Non-operating expenses		
Interest expenses	248	242
Commission for syndicated loans	0	346
Other	46	29
Total non-operating expenses	295	617
Ordinary profit	1,909	1,497
Extraordinary income		
Gain on sale of non-current assets	48	1,235
Other	0	-
Total extraordinary income	48	1,235
Extraordinary losses		
Loss on retirement of non-current assets	10	38
Impairment losses	-	44
Other	0	13
Total extraordinary losses	11	96
Profit before income taxes	1,946	2,636
Income taxes	639	683
Profit	1,306	1,952
Profit attributable to non-controlling interests	171	536
Profit attributable to owners of parent	1,135	1,416

Quarterly Consolidated Statement of Comprehensive Income

Six Months Ended September 30

(Million yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	1,306	1,952
Other comprehensive income		
Valuation difference on available-for-sale securities	411	2,751
Deferred gains or losses on hedges	(35)	79
Remeasurements of defined benefit plans, net of tax	3	0
Total other comprehensive income	379	2,832
Comprehensive income	1,686	4,785
Comprehensive income attributable to:		
Owners of parent	1,506	4,069
Non-controlling interests	180	715