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MEMBERSHIP

August 5, 2022

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

Company name: GOLDWIN INC.
 Stock exchange listing: Tokyo
 Securities code: 8111
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 Scheduled date to file Quarterly Securities Report: August 12, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(1) Consolidated operating results (cumulative)

(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	%
Three months ended June 30, 2022	21,099	23.5	2,266	99.6	3,368	98.5	2,603	110.8
June 30, 2021	17,078	40.0	1,135	–	1,696	–	1,235	–

Note: Comprehensive income Three months ended June 30, 2022: ¥3,636 million [99.6%]
 Three months ended June 30, 2021: ¥1,821 million [–%]

	Earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2022	57.74	–
June 30, 2021	27.23	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
June 30, 2022	94,125	62,008	65.8
March 31, 2022	99,085	63,411	63.9

Reference: Equity
 As of June 30, 2022 ¥61,914 million
 As of March 31, 2022 ¥63,278 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2022	–	20.00	–	65.00	85.00
Year ending March 31, 2023	–				
Year ending March 31, 2023 (Forecast)		25.00	–	65.00	90.00

Note: Revisions to the forecast of cash dividends most recently announced: No

3. Forecast of consolidated financial results for the 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2022	44,400	16.2	3,900	18.2	5,900	53.8	4,130	56.9	91.58
Full year	106,000	7.9	17,000	3.0	21,400	5.5	16,000	11.5	354.79

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

*** Notes**

(1) Changes in significant subsidiaries during the three months ended June 30, 2022 (changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: No

(iii) Changes in accounting estimates: No

(iv) Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2022	47,448,172 shares
As of March 31, 2022	47,448,172 shares

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

As of June 30, 2022	2,450,606 shares
As of March 31, 2022	2,202,276 shares

(iii) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	45,096,981 shares
Three months ended June 30, 2021	45,365,674 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of financial forecasts, and other special matters

Descriptions of the above financial forecasts and other data are based on information currently available to the Company and certain assumptions that we consider to be reasonable. Actual financial results may differ significantly from the forecasts for various reasons.

Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	26,406	20,734
Notes and accounts receivable - trade, and contract assets	11,032	8,548
Electronically recorded monetary claims - operating	2,797	3,069
Merchandise and finished goods	12,554	12,194
Work in process	326	247
Raw materials and supplies	542	571
Other	1,841	3,059
Allowance for doubtful accounts	(13)	(8)
Total current assets	55,486	48,417
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,718	2,304
Land	4,691	4,691
Other, net	2,231	1,803
Total property, plant and equipment	8,642	8,799
Intangible assets		
Trademark right	1,490	1,420
Other	1,602	1,690
Total intangible assets	3,093	3,110
Investments and other assets		
Investment securities	24,060	25,986
Guarantee deposits	2,708	2,692
Other	5,282	5,308
Allowance for doubtful accounts	(188)	(188)
Total investments and other assets	31,862	33,798
Total non-current assets	43,598	45,707
Total assets	99,085	94,125

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,904	3,141
Electronically recorded obligations - operating	12,223	13,673
Current portion of long-term borrowings	1,437	1,183
Income taxes payable	3,112	443
Provision for bonuses	1,648	2,107
Other	7,060	6,542
Total current liabilities	30,386	27,093
Non-current liabilities		
Long-term borrowings	2,751	2,490
Retirement benefit liability	217	200
Provision for share awards	947	958
Other	1,371	1,373
Total non-current liabilities	5,287	5,024
Total liabilities	35,673	32,117
Net assets		
Shareholders' equity		
Share capital	7,079	7,079
Capital surplus	276	276
Retained earnings	61,356	60,918
Treasury shares	(5,377)	(7,329)
Total shareholders' equity	63,335	60,945
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	480	521
Deferred gains or losses on hedges	98	186
Foreign currency translation adjustment	196	1,052
Remeasurements of defined benefit plans	(830)	(790)
Total accumulated other comprehensive income	(56)	969
Non-controlling interests	132	93
Total net assets	63,411	62,008
Total liabilities and net assets	99,085	94,125

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

Quarterly consolidated statement of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	17,078	21,099
Cost of sales	8,091	9,976
Gross profit	8,986	11,122
Selling, general and administrative expenses	7,851	8,855
Operating profit	1,135	2,266
Non-operating income		
Interest income	1	1
Dividend income	35	41
Share of profit of entities accounted for using equity method	558	1,080
Other	31	34
Total non-operating income	627	1,157
Non-operating expenses		
Interest expenses	23	9
Loss on sale of notes receivable - trade	8	4
Loss on cancellation of insurance policies	17	-
Other	17	41
Total non-operating expenses	66	55
Ordinary profit	1,696	3,368
Extraordinary income		
Gain on sale of non-current assets	0	-
Gain on sale of investment securities	14	5
Gain on liquidation of subsidiaries	-	80
Total extraordinary income	15	85
Extraordinary losses		
Loss on store closings	0	1
Other	0	-
Total extraordinary losses	0	1
Profit before income taxes	1,711	3,452
Income taxes - current	449	658
Income taxes - deferred	16	182
Total income taxes	466	841
Profit	1,244	2,610
Profit attributable to non-controlling interests	9	6
Profit attributable to owners of parent	1,235	2,603

Quarterly consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	1,244	2,610
Other comprehensive income		
Valuation difference on available-for-sale securities	(179)	41
Deferred gains or losses on hedges	(8)	47
Foreign currency translation adjustment	157	72
Remeasurements of defined benefit plans, net of tax	127	44
Share of other comprehensive income of entities accounted for using equity method	479	820
Total other comprehensive income	576	1,025
Comprehensive income	1,821	3,636
Comprehensive income attributable to:		
Owners of parent	1,811	3,629
Non-controlling interests	9	6