

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 June 30, 2023 [Japanese GAAP]

August 10, 2023

Company name: GAKKYUSHA CO.,LTD.

Stock exchange listing: Tokyo

Code number: 9769

URL: <https://www.gakkyusha.com/>

Representative: Shinichi Kawabata

Chairman of the Board, President, and Representative
Executive Officer
Executive Officer, General Manager of Administrative
Headquarters

Contact: Shinya Komatsu

Phone: +81-3-6300-5311

Scheduled date of filing quarterly securities report: August 14, 2023

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: No

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 June 30, 2023 (April 1, 2023 to June 30, 2023)

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

	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, 2023	2,471	1.8	46	88.5	(18)	-	(66)	-
June 30, 2022	2,427	7.5	24	-	(19)	-	(41)	-

(Note) Comprehensive income: Three months ended June 30, 2023: ¥ (63) million [-%]
Three months ended June 30, 2022: ¥ (19) million [-%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2023	(6.11)	-
June 30, 2022	(3.79)	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
June 30, 2023	9,605	5,045	52.5
March 31, 2023	10,678	5,795	54.2

(Reference) Equity: As of June 30, 2023: ¥ 5,043 million
As of March 31, 2023: ¥ 5,792 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 March 31, 2023	-	45.00	-	42.00	87.00
Fiscal year ending March 31, 2024	-				
Fiscal year ending March 31, 2024 (Forecast)		45.00	-	42.00	87.00

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

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending March 31, 2024 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	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
Full year	15,000	15.5	2,950	6.8	3,000	7.6	2,030	7.9	186.78

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2023

(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: No

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):

June 30, 2023: 10,968,356 shares

March 31, 2023: 10,968,356 shares

2) Number of treasury shares at the end of the period:

June 30, 2023: 100,000 shares

March 31, 2023: - shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2023: 10,917,806 shares

Three months ended June 30, 2022: 10,968,356 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	1,922,326	965,786
Accounts receivable - trade	57,312	68,180
Merchandise	69,210	63,870
Supplies	5,609	6,457
Other	256,156	256,166
Allowance for doubtful accounts	(575)	(490)
Total current assets	2,310,039	1,359,970
Non-current assets		
Property, plant and equipment		
Buildings and structures	5,815,127	5,864,705
Accumulated depreciation	(1,806,263)	(1,856,828)
Buildings and structures, net	4,008,863	4,007,877
Tools, furniture and fixtures	1,083,857	1,091,053
Accumulated depreciation	(892,395)	(913,129)
Tools, furniture and fixtures, net	191,462	177,923
Land	1,603,633	1,603,633
Other	606,902	598,737
Accumulated depreciation	(290,280)	(318,172)
Other, net	316,621	280,564
Total property, plant and equipment	6,120,580	6,069,998
Intangible assets		
Goodwill	41,066	38,312
Other	60,026	59,817
Total intangible assets	101,092	98,129
Investments and other assets	2,147,197	2,077,615
Total non-current assets	8,368,870	8,245,744
Total assets	10,678,910	9,605,714

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	22,623	5,321
Short-term borrowings	-	300,000
Current portion of long-term borrowings	213,845	185,927
Accounts payable - other	405,375	849,104
Income taxes payable	616,622	54,595
Advances received	1,235,699	940,072
Provision for bonuses	44,076	40,757
Other	506,241	407,792
Total current liabilities	3,044,483	2,783,571
Non-current liabilities		
Long-term borrowings	1,459,102	1,421,936
Retirement benefit liability	106,138	109,517
Other	273,263	244,912
Total non-current liabilities	1,838,504	1,776,366
Total liabilities	4,882,988	4,559,938
Net assets		
Shareholders' equity		
Share capital	1,216,356	1,216,356
Capital surplus	410,842	410,842
Retained earnings	4,157,566	3,630,164
Treasury shares	-	(225,700)
Total shareholders' equity	5,784,765	5,031,663
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	21,527	23,207
Deferred gains or losses on hedges	(1,002)	(706)
Foreign currency translation adjustment	(33,157)	(32,179)
Remeasurements of defined benefit plans	20,867	21,077
Total accumulated other comprehensive income	8,233	11,400
Non-controlling interests	2,922	2,712
Total net assets	5,795,921	5,045,776
Total liabilities and net assets	10,678,910	9,605,714

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

(Thousands of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Net sales	2,427,518	2,471,477
Cost of sales	1,828,612	1,932,995
Gross profit	598,906	538,481
Selling, general and administrative expenses	574,266	492,030
Operating profit	24,639	46,451
Non-operating income		
Interest income	7	16
Rental income from buildings	2,653	2,202
Other	4,163	3,966
Total non-operating income	6,823	6,185
Non-operating expenses		
Interest expenses	3,782	3,038
Share of loss of entities accounted for using equity method	45,646	46,093
Litigation expenses	-	19,000
Other	1,552	2,730
Total non-operating expenses	50,981	70,862
Ordinary loss	(19,518)	(18,225)
Extraordinary losses		
Impairment losses	1,414	5,835
Loss on retirement of non-current assets	4,833	3,370
Loss on cancellation of rental contracts	739	1,074
Total extraordinary losses	6,987	10,280
Loss before income taxes	(26,505)	(28,505)
Income taxes	15,011	38,435
Loss	(41,517)	(66,940)
Loss attributable to non-controlling interests	-	(209)
Loss attributable to owners of parent	(41,517)	(66,731)

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

(Thousands of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Loss	(41,517)	(66,940)
Other comprehensive income		
Foreign currency translation adjustment	21,913	1,152
Share of other comprehensive income of entities accounted for using equity method	(314)	2,013
Total other comprehensive income	21,599	3,166
Comprehensive income	(19,918)	(63,774)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(19,918)	(63,564)
Comprehensive income attributable to non-controlling interests	-	(209)