

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 10, 2023

Company name: XEBIO HOLDINGS CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 8281 URL <http://www.xebio.co.jp>
 Representative: President & CEO Tomoyoshi Morohashi
 Inquiries: CFO Kazuhiko Nakamura TEL 03-6870-6008
 Scheduled date to file Quarterly Securities Report: August 10, 2023
 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, 2023 (from April 1, 2023 to June 30, 2023)

(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, 2023	62,266	1.3	2,624	(37.2)	3,149	(35.1)	1,987	(37.5)
Three months ended June 30, 2022	61,463	9.8	4,180	54.0	4,851	56.5	3,177	52.7

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	44.95		44.69	
Three months ended June 30, 2022	71.87		71.59	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2023	217,484	123,706	56.6	2,784.15
As of March 31, 2023	211,300	122,567	57.7	2,760.04

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	15.00	–	15.00	30.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		15.00	–	15.00	30.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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, 2023	126,356	7.1	4,139	2.4	4,480	(10.6)	2,854	(9.3)	64.55
Full year	259,891	8.6	8,815	5.9	9,535	3.2	5,643	4.6	127.64

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023
 (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
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2023	47,911,023 shares	As of March 31, 2023	47,911,023 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	3,700,367 shares	As of March 31, 2023	3,700,307 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2023	44,210,678 shares	Three months ended June 30, 2022	44,210,968 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	32,890	33,032
Notes and accounts receivable - trade	23,414	22,530
Operating loans	878	874
Merchandise	80,714	84,460
Income taxes refund receivable	157	554
Other	8,188	8,736
Allowance for doubtful accounts	(438)	(414)
Total current assets	145,805	149,774
Non-current assets		
Property, plant and equipment		
Buildings and structures	52,445	52,209
Accumulated depreciation	(38,560)	(37,716)
Buildings and structures, net	13,885	14,492
Land	13,984	14,010
Leased assets	6,091	6,085
Accumulated depreciation	(1,853)	(1,975)
Leased assets, net	4,238	4,109
Construction in progress	291	468
Other	22,463	23,531
Accumulated depreciation	(19,477)	(19,821)
Other, net	2,985	3,710
Total property, plant and equipment	35,385	36,790
Intangible assets		
Goodwill	330	227
Software	3,831	4,434
Other	2,622	2,547
Total intangible assets	6,784	7,209
Investments and other assets		
Investment securities	953	1,537
Long-term loans receivable	12	10
Deferred tax assets	4,574	4,301
Guarantee deposits	1,465	1,459
Leasehold deposits	14,013	14,087
Investment property	3,120	3,120
Accumulated depreciation	(1,289)	(1,293)
Investment property, net	1,831	1,827
Retirement benefit asset	103	118
Other	539	577
Allowance for doubtful accounts	(168)	(209)
Total investments and other assets	23,325	23,710
Total non-current assets	65,494	67,710
Total assets	211,300	217,484

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	23,429	20,322
Electronically recorded obligations - operating	29,032	37,892
Short-term borrowings	800	800
Current portion of long-term borrowings	1,840	1,825
Income taxes payable	1,521	975
Provision for bonuses	1,299	709
Provision for bonuses for directors (and other officers)	15	3
Provision for point card certificates	78	71
Other	14,160	15,096
Total current liabilities	72,177	77,696
Non-current liabilities		
Long-term borrowings	4,772	4,335
Lease liabilities	5,222	5,077
Retirement benefit liability	862	852
Provision for retirement benefits for directors (and other officers)	59	59
Asset retirement obligations	4,768	4,849
Other	870	907
Total non-current liabilities	16,555	16,081
Total liabilities	88,732	93,778
Net assets		
Shareholders' equity		
Share capital	15,935	15,935
Capital surplus	16,119	16,119
Retained earnings	96,499	97,823
Treasury shares	(6,498)	(6,498)
Total shareholders' equity	122,056	123,380
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	185	234
Foreign currency translation adjustment	197	(110)
Remeasurements of defined benefit plans	(415)	(416)
Total accumulated other comprehensive income	(32)	(291)
Share acquisition rights	341	347
Non-controlling interests	202	270
Total net assets	122,567	123,706
Total liabilities and net assets	211,300	217,484

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	61,463	62,266
Cost of sales	37,079	38,173
Gross profit	24,384	24,092
Selling, general and administrative expenses	20,203	21,468
Operating profit	4,180	2,624
Non-operating income		
Interest income	30	47
Dividend income	6	7
Rental income from real estate	148	185
Foreign exchange gains	485	309
Outsourcing service income	71	103
Subsidy income	81	–
Other	49	111
Total non-operating income	873	765
Non-operating expenses		
Interest expenses	25	25
Rental expenses on real estate	105	114
Commission expenses	57	76
Other	13	23
Total non-operating expenses	202	240
Ordinary profit	4,851	3,149
Extraordinary income		
Gain on sale of non-current assets	1	0
Gain on reversal of share acquisition rights	102	–
Insurance claim income	62	18
Total extraordinary income	165	18
Extraordinary losses		
Loss on retirement of non-current assets	58	9
Loss on sale of non-current assets	0	0
Loss on disaster	–	2
Total extraordinary losses	58	11
Profit before income taxes	4,958	3,155
Income taxes - current	1,132	877
Income taxes - deferred	616	252
Total income taxes	1,749	1,130
Profit	3,209	2,025
Profit attributable to non-controlling interests	31	38
Profit attributable to owners of parent	3,177	1,987

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	3,209	2,025
Other comprehensive income		
Valuation difference on available-for-sale securities	33	49
Foreign currency translation adjustment	(852)	(307)
Remeasurements of defined benefit plans, net of tax	17	(0)
Total other comprehensive income	(801)	(258)
Comprehensive income	2,408	1,766
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,376	1,699
Comprehensive income attributable to non-controlling interests	31	67