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## Consolidated Financial Results for the Three Months Ended June 30, 2022 [Japanese GAAP]

August 10, 2022

Company name: VALOR HOLDINGS CO.,LTD.

Stock exchange listing: Tokyo, Nagoya

Code number: 9956

URL: <https://valorholdings.co.jp/>

Representative: Masami Tashiro

President and Representative Director

Contact: Akira Shinohana

Executive Director

Phone: 0574-60-0858

Scheduled date of filing quarterly securities report: August 12, 2022

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

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, 2022 (April 01, 2022 to June 30, 2022)

#### (1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

|                                  | Operating revenues |     | Operating profit |        | Ordinary profit |        | Profit attributable to owners of parent |        |
|----------------------------------|--------------------|-----|------------------|--------|-----------------|--------|---|--------|
|                                  | Million yen        | %   | Million yen      | %      | Million yen     | %      | Million yen                             | %      |
| Three months ended June 30, 2022 | 186,630            | 2.2 | 5,301            | (17.9) | 6,040           | (16.8) | 3,096                                   | (18.4) |
| June 30, 2021                    | 182,601            | -   | 6,454            | -      | 7,263           | -      | 3,796                                   | -      |

(Note) Comprehensive income: Three months ended June 30, 2022: ¥ 2,642 million [ (36.2)%]  
Three months ended June 30, 2021: ¥ 4,142 million [ -%]

|                                  | Basic earnings per share | Diluted earnings per share |
|----------------------------------|--------------------------|----------------------------|
|                                  | Yen                      | Yen                        |
| Three months ended June 30, 2022 | 57.66                    | 57.64                      |
| June 30, 2021                    | 70.69                    | 70.66                      |

#### (2) Consolidated Financial Position

|                     | Total assets | Net assets  | Capital adequacy ratio |
|---------------------|--------------|-------------|------------------------|
|                     | Million yen  | Million yen | %                      |
| As of June 30, 2022 | 415,914      | 163,255     | 35.8                   |
| March 31, 2022      | 410,365      | 162,521     | 36.2                   |

(Reference) Equity: As of June 30, 2022: ¥ 149,030 million  
As of March 31, 2022: ¥ 148,587 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, 2022                | -                | 26.00           | -               | 30.00    | 56.00 |
| Fiscal year ending March 31, 2023               | -                |                 |                 |          |       |
| Fiscal year ending March 31, 2023<br>(Forecast) |                  | 27.00           | -               | 31.00    | 58.00 |

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

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

|                                     | Operating revenues |     | Operating profit |     | Ordinary profit |     | Profit attributable to owners of parent |      | Basic earnings per share |
|-------------------------------------|--------------------|-----|------------------|-----|-----------------|-----|---|------|--------------------------|
|                                     | Million yen        | %   | Million yen      | %   | Million yen     | %   | Million yen                             | %    | Yen                      |
| Six months ended September 30, 2022 | 375,000            | 2.5 | 12,600           | 1.1 | 14,100          | 0.4 | 7,500                                   | 22.9 | 139.66                   |
| Full year                           | 750,000            | 2.4 | 22,700           | 7.0 | 25,000          | 3.6 | 11,500                                  | 27.6 | 214.14                   |

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

### \* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(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):

June 30, 2022: 53,987,499 shares

March 31, 2022: 53,987,499 shares

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

June 30, 2022: 285,341 shares

March 31, 2022: 285,341 shares

3) Average number of shares during the period:

Three months ended June 30, 2022: 53,702,158 shares

Three months ended June 30, 2021: 53,696,287 shares

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Million yen)

|  | As of March 31,2022 | As of June 30,2022 |
|--|---------------------|--------------------|
| <b>Assets</b>  |                     |                    |
| Current assets   |                     |                    |
| Cash and deposits  | 23,260              | 20,616             |
| Notes and accounts receivable - trade, and contract assets | 14,905              | 15,273             |
| Securities   | -                   | 80                 |
| Merchandise and finished goods                             | 56,261              | 61,031             |
| Raw materials and supplies                                 | 1,128               | 1,175              |
| Other  | 14,670              | 16,489             |
| Allowance for doubtful accounts                            | (9)                 | (1)                |
| Total current assets                                       | 110,217             | 114,665            |
| Non-current assets   |                     |                    |
| Property, plant and equipment                              |                     |                    |
| Buildings and structures, net                              | 144,152             | 147,438            |
| Land   | 54,282              | 54,324             |
| Other, net   | 26,877              | 25,105             |
| Total property, plant and equipment                        | 225,312             | 226,868            |
| Intangible assets  |                     |                    |
| Goodwill   | 2,323               | 2,259              |
| Other  | 15,435              | 15,262             |
| Total intangible assets                                    | 17,759              | 17,521             |
| Investments and other assets                               |                     |                    |
| Guarantee deposits   | 32,578              | 32,315             |
| Other  | 24,859              | 24,890             |
| Allowance for doubtful accounts                            | (360)               | (346)              |
| Total investments and other assets                         | 57,077              | 56,858             |
| Total non-current assets                                   | 300,148             | 301,248            |
| Total assets   | 410,365             | 415,914            |

(Million yen)

|   | As of March 31,2022 | As of June 30,2022 |
|---|---------------------|--------------------|
| <b>Liabilities</b>                                    |                     |                    |
| Current liabilities                                   |                     |                    |
| Notes and accounts payable - trade                    | 57,237              | 61,391             |
| Short-term borrowings                                 | 37,636              | 36,686             |
| Commercial papers                                     | 17,000              | 16,000             |
| Income taxes payable                                  | 3,480               | 2,748              |
| Provision for bonuses                                 | 3,540               | 5,931              |
| Provisions  | 742                 | 712                |
| Asset retirement obligations                          | 65                  | 108                |
| Other   | 28,341              | 31,592             |
| Total current liabilities                             | 148,045             | 155,171            |
| Non-current liabilities                               |                     |                    |
| Bonds payable   | 10,000              | 10,000             |
| Long-term borrowings                                  | 47,511              | 45,304             |
| Provisions  | 496                 | 496                |
| Retirement benefit liability                          | 6,297               | 6,373              |
| Asset retirement obligations                          | 16,143              | 16,382             |
| Other   | 19,350              | 18,930             |
| Total non-current liabilities                         | 99,799              | 97,487             |
| Total liabilities                                     | 247,844             | 252,658            |
| <b>Net assets</b>                                     |                     |                    |
| Shareholders' equity                                  |                     |                    |
| Share capital   | 13,609              | 13,609             |
| Capital surplus                                       | 20,063              | 20,063             |
| Retained earnings                                     | 115,030             | 116,512            |
| Treasury shares                                       | (547)               | (547)              |
| Total shareholders' equity                            | 148,156             | 149,639            |
| Accumulated other comprehensive income                |                     |                    |
| Valuation difference on available-for-sale securities | 559                 | (231)              |
| Deferred gains or losses on hedges                    | 5                   | 2                  |
| Foreign currency translation adjustment               | 132                 | (122)              |
| Remeasurements of defined benefit plans               | (266)               | (256)              |
| Total accumulated other comprehensive income          | 431                 | (608)              |
| Share acquisition rights                              | 121                 | 121                |
| Non-controlling interests                             | 13,811              | 14,103             |
| Total net assets                                      | 162,521             | 163,255            |
| <b>Total liabilities and net assets</b>               | <b>410,365</b>      | <b>415,914</b>     |

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

(Million yen)

|   | For the three months<br>ended June 30,2021 | For the three months<br>ended June 30,2022 |
|---|--|--|
| Net sales   | 176,555                                    | 180,433                                    |
| Cost of sales   | 129,925                                    | 132,371                                    |
| Gross profit  | 46,630                                     | 48,061                                     |
| Operating revenue   | 6,046                                      | 6,197                                      |
| Operating gross profit  | 52,676                                     | 54,259                                     |
| Selling, general and administrative expenses                  | 46,221                                     | 48,957                                     |
| Operating profit  | 6,454                                      | 5,301                                      |
| Non-operating income  |  |  |
| Interest income   | 33   | 31   |
| Dividend income   | 3  | 7  |
| Administrative service fee income                             | 403  | 395  |
| Rental income   | 160  | 168  |
| Share of profit of entities accounted for using equity method | 60   | 30   |
| Other   | 633  | 479  |
| Total non-operating income                                    | 1,293                                      | 1,112                                      |
| Non-operating expenses  |  |  |
| Interest expenses   | 203  | 191  |
| Rental costs on real estate                                   | 117  | 125  |
| Other   | 164  | 56   |
| Total non-operating expenses                                  | 485  | 373  |
| Ordinary profit   | 7,263                                      | 6,040                                      |
| Extraordinary income  |  |  |
| Gain on sale of non-current assets                            | 2  | 2  |
| Gain on bargain purchase                                      | 0  | 1  |
| Penalty income  | 16   | 31   |
| Gain on reversal of foreign currency translation adjustment   | -  | 163  |
| Other   | 11   | 16   |
| Total extraordinary income                                    | 30   | 215  |
| Extraordinary losses  |  |  |
| Loss on sale of non-current assets                            | 1  | -  |
| Loss on retirement of non-current assets                      | 43   | 12   |
| Impairment losses   | 213  | 307  |
| Provision for loss on disaster                                | -  | 105  |
| Other   | 55   | 58   |
| Total extraordinary losses                                    | 313  | 484  |
| Profit before income taxes                                    | 6,980                                      | 5,771                                      |
| Income taxes - current  | 2,814                                      | 2,863                                      |
| Income taxes - deferred                                       | (522)                                      | (857)                                      |
| Total income taxes  | 2,292                                      | 2,006                                      |
| Profit  | 4,687                                      | 3,765                                      |
| Profit attributable to non-controlling interests              | 891  | 668  |
| Profit attributable to owners of parent                       | 3,796                                      | 3,096                                      |

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

(Million yen)

|  | For the three months<br>ended June 30,2021 | For the three months<br>ended June 30,2022 |
|--|--|--|
| Profit   | 4,687                                      | 3,765                                      |
| Other comprehensive income   |  |  |
| Valuation difference on available-for-sale securities                                | (467)                                      | (802)                                      |
| Deferred gains or losses on hedges   | -  | (3)  |
| Foreign currency translation adjustment  | (86)                                       | (327)                                      |
| Remeasurements of defined benefit plans, net of tax                                  | 9  | 10   |
| Share of other comprehensive income of entities<br>accounted for using equity method | (0)  | (0)  |
| Total other comprehensive income   | (544)                                      | (1,122)                                    |
| Comprehensive income   | 4,142                                      | 2,642                                      |
| Comprehensive income attributable to   |  |  |
| Comprehensive income attributable to owners of<br>parent                             | 3,296                                      | 2,056                                      |
| Comprehensive income attributable to non-controlling<br>interests                    | 846  | 585  |