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## Consolidated Financial Results for the Nine Months Ended September 30, 2022 [Japanese GAAP]

November 11, 2022

Company name: SAKATA INX CORPORATION  
 Stock exchange listing: Tokyo  
 Code number: 4633  
 URL: <https://www.inx.co.jp/>  
 Representative: Yoshiaki Ueno Representative Director, President & CEO  
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Scheduled date of filing quarterly securities report: November 11, 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 Nine Months Ended September 30, 2022 (January 1, 2022 to September 30, 2022)

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended September 30, 2022	159,849	19.6	3,270	(47.7)	3,696	(48.2)	3,090	(35.5)
September 30, 2021	133,637	11.9	6,256	25.8	7,131	46.7	4,790	61.7

(Note) Comprehensive income: Nine months ended September 30, 2022: ¥ 15,341million [ 53.5%]  
 Nine months ended September 30, 2021: ¥ 9,996million [ -%]

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended September 30, 2022	56.98		-	
September 30, 2021	81.98		-	

(Note) The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the first quarter under review, and each figure for the first quarter of the fiscal year ending September 30, 2022, is the figure after applying the accounting standard and relevant ASBJ regulations.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of	Million yen	Million yen	%
September 30, 2022	185,270	97,510	48.9
December 31, 2021	166,899	92,465	51.8

(Note) Equity: As of September 30, 2022: ¥ 90,563million

As of December 31, 2021: ¥ 86,379million

(Note) The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the first quarter under review, and each figure for the first quarter of the fiscal year ending September 30, 2022, is the figure after applying the accounting standard and relevant ASBJ regulations.

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended December 31, 2021	Yen -	Yen 15.00	Yen -	Yen 15.00	Yen 30.00
Fiscal year ending December 31, 2022	-	15.00	-		
Fiscal year ending December 31, 2022(Forecast)				15.00	30.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2022 (January 1, 2022 to December 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	221,000	21.8	5,000	(32.6)	5,800	(31.8)	4,700	(4.7)	88.24

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

\* Notes:

- (1) Changes in significant subsidiaries during the nine months ended September 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): |                  |
| September 30, 2022:  | 54,172,361shares |
| December 31, 2021:   | 62,601,161shares |
| 2) Total number of treasury shares at the end of the period:                           |                  |
| September 30, 2022:  | 4,143,459shares  |
| December 31, 2021:   | 4,164,408shares  |
| 3) Average number of shares during the period:   |                  |
| Nine months ended September 30, 2022:  | 54,234,985shares |
| Nine months ended September 30, 2021:  | 58,429,471shares |

\*This consolidated financial results are not subject to quarterly review procedures by Certified Public Accountants or audit firm.

\*Explanation of appropriate use of financial forecasts and other special notes

The above financial forecasts are based on the current available information in the Company and certain reasonable assumption to the Company, and we don't commit to achieve these forecasting numbers. Actual results may differ from these forecasts by a variety of reasons.

\*Supplementary information will be disclosed on TDnet on November 11, 2022 and will be uploaded on the Company's website.

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Million yen)

	As of December 31,2021	As of September 30,2022
<b>Assets</b>		
Current assets		
Cash and deposits	12,684	10,834
Notes and accounts receivable - trade	49,363	56,497
Merchandise and finished goods	12,802	16,538
Work in process	1,227	1,614
Raw materials and supplies	14,562	17,906
Other	2,785	2,755
Allowance for doubtful accounts	(566)	(654)
Total current assets	92,860	105,493
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,642	20,866
Machinery, equipment and vehicles, net	10,293	11,171
Land	9,396	9,705
Leased assets, net	343	257
Construction in progress	3,055	4,272
Other, net	2,588	4,337
Total property, plant and equipment	45,320	50,610
Intangible assets		
Goodwill	453	499
Other	374	1,608
Total intangible assets	827	2,108
Investments and other assets		
Investment securities	25,698	24,885
Other	3,174	3,248
Allowance for doubtful accounts	(981)	(1,075)
Total investments and other assets	27,890	27,058
Total non-current assets	74,039	79,776
Total assets	166,899	185,270

(Million yen)

	As of December 31,2021	As of September 30,2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	23,010	24,656
Electronically recorded obligations - operating	13,234	11,464
Short-term loans payable	5,133	13,421
Current portion of long-term loans payable	5,334	3,006
Accrued expenses	4,156	4,423
Income taxes payable	791	610
Provision for bonuses	612	1,136
Other	2,983	2,734
Total current liabilities	55,258	61,454
Non-current liabilities		
Bonds payable	1,000	1,000
Long-term loans payable	5,557	11,183
Net defined benefit liability	4,981	5,041
Asset retirement obligations	73	74
Other	7,563	9,005
Total non-current liabilities	19,176	26,305
<b>Total liabilities</b>	<b>74,434</b>	<b>87,759</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	7,472	7,472
Capital surplus	5,675	5,672
Retained earnings	76,967	70,264
Treasury shares	(4,010)	(4,015)
Total shareholders' equity	86,104	79,395
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,106	1,088
Deferred gains or losses on hedges	(2)	(3)
Foreign currency translation adjustment	(1,606)	10,230
Remeasurements of defined benefit plans	(222)	(147)
Total accumulated other comprehensive income	275	11,168
Non-controlling interests	6,085	6,947
<b>Total net assets</b>	<b>92,465</b>	<b>97,510</b>
<b>Total liabilities and net assets</b>	<b>166,899</b>	<b>185,270</b>

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Million yen)

	For the nine months ended September 30,2021	For the nine months ended September 30,2022
Net sales	133,637	159,849
Cost of sales	105,100	130,677
Gross profit	28,537	29,171
Selling, general and administrative expenses	22,280	25,901
Operating income	6,256	3,270
Non-operating income		
Interest income	53	40
Dividend income	278	179
Equity in earnings of affiliates	708	730
Other	339	353
Total non-operating income	1,379	1,303
Non-operating expenses		
Interest expenses	171	352
Foreign exchange losses	234	481
Other	99	43
Total non-operating expenses	505	877
Ordinary income	7,131	3,696
Extraordinary income		
Gain on sales of investment securities	75	1,442
Total extraordinary income	75	1,442
Extraordinary losses		
Loss on sales of non-current assets	22	-
Loss on retirement of non-current assets	-	30
Total extraordinary losses	22	30
Income before income taxes	7,184	5,107
Income taxes - current	1,884	1,646
Income taxes - deferred	(2)	144
Total income taxes	1,881	1,790
Net income	5,303	3,317
Net income attributable to non-controlling interests	512	226
Net income attributable to owners of parent	4,790	3,090

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

(Million yen)

	For the nine months ended September 30,2021	For the nine months ended September 30,2022
Net income	5,303	3,317
Other comprehensive income		
Valuation difference on available-for-sale securities	628	(956)
Deferred gains or losses on hedges	(2)	(0)
Foreign currency translation adjustment	2,935	9,841
Remeasurements of defined benefit plans, net of tax	131	78
Share of other comprehensive income of affiliates accounted for using equity method	999	3,061
Total other comprehensive income	4,692	12,024
Comprehensive income	9,996	15,341
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,247	13,983
Comprehensive income attributable to non-controlling interests	748	1,358