

Consolidated Financial Results for the First Quarter Ended June 30, 2022 [J-GAAP] Heiwa Corporation

August 4, 2022

Stock code: 6412
 URL: <https://www.heimanet.co.jp/>
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Scheduled date of the filing of the quarterly report: August 5, 2022

Preparation of supplementary briefing materials for the quarterly financial results: Yes

Holding of any briefing session for the quarterly financial results: No

I. Financial Highlights

As of and for the three months ended June 30, 2021 and 2022

(Amounts less than one million yen are omitted.)

1. Consolidated Operating Results

	Three months ended June 30, 2021	YoY	Three months ended June 30, 2022	YoY
	(million yen)	(%)	(million yen)	(%)
(1) Consolidated financial results				
Net sales	32,051	98.2	34,731	8.4
Operating income	4,367	—	7,855	79.9
Ordinary income	4,331	—	7,827	80.7
Profit attributable to owners of parent	2,633	—	5,355	103.4
Earnings per share (yen)	26.70		54.30	
Diluted earnings per share (yen)	—		—	

(Note) Comprehensive income: Three months ended June 30, 2022: ¥ 5,150 million, 88.7% YoY
 Three months ended June 30, 2021: ¥ 2,729 million, -% YoY

	As of March 31, 2022	As of June 30, 2022
	(million yen)	(million yen)
(2) Consolidated financial position		
Total assets	417,066	411,259
Net assets	217,186	218,390
Shareholders' equity ratio (%)	52.1	53.1
Net assets per share (yen)	2,202.00	2,214.22

(Reference) Shareholders' equity: As of June 30, 2022: ¥218,390 million
 As of March 31, 2022: ¥217,186 million

2. Dividends

	Annual dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	(yen)				
FY3/2022	—	40.00	—	40.00	80.00
FY3/2023	—				
FY3/2023 (Forecast)		40.00	—	40.00	80.00

(Note) Revision of the most recently disclosed dividend forecast: None

3. Consolidated Results Forecast for Year Ending March 31, 2023

	FY 3/2023	
	Full year (million yen)	YoY (%)
Net sales	138,000	13.5
Operating income	20,700	102.2
Ordinary income	20,000	91.1
Profit attributable to owners of parent	13,300	506.4
Earnings per share (yen)	134.85	—

(Note)

1. Revision of the most recently disclosed consolidated results forecast: None
2. The Group conducts performance management on an annual basis, so only full-year consolidated forecasts is released.

* This quarterly statement of financial results is not subject to quarterly review procedures.

* Explanations about the appropriate use of the consolidated results forecasts and other noteworthy points:

1. Forward-looking statements in this document, such as the consolidated financial results outlook, are based on information currently available to the Company and certain assumptions deemed reasonable. The Company does not guarantee the accuracy of these forecasts. Furthermore, actual results, etc. may differ significantly from forecast figures due to a number of factors.

2. Supplementary briefing materials for the quarterly financial results will be posted on the Company's homepage after this financial results is released.

II. Consolidated financial statements

1. Consolidated balance sheet

(Million yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	42,250	33,858
Notes and accounts receivable - trade	7,561	9,998
Electronically recorded monetary claims - operating	1,080	1,035
Securities	24,801	24,149
Merchandise and finished goods	2,365	3,571
Raw materials and supplies	7,345	7,727
Other	7,696	7,607
Allowance for doubtful accounts	(272)	(276)
Total current assets	92,828	87,672
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	64,811	64,364
Land	215,307	215,427
Other, net	12,332	12,582
Total property, plant and equipment	292,451	292,374
Intangible assets		
Goodwill	5,748	5,660
Other	4,493	4,399
Total intangible assets	10,242	10,059
Investments and other assets		
Investment securities	8,238	7,934
Other	13,601	13,436
Allowance for doubtful accounts	(296)	(218)
Total investments and other assets	21,543	21,152
Total non-current assets	324,238	323,586
Total assets	417,066	411,259
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,704	3,489
Electronically recorded obligations - operating	7,224	7,587
Current portion of long-term borrowings	29,543	29,293
Income taxes payable	3,639	1,509
Provisions	892	386
Other	22,252	19,275
Total current liabilities	67,257	61,542
Non-current liabilities		
Long-term borrowings	83,103	81,642
Retirement benefit liability	5,278	5,286
Other	44,240	44,396
Total non-current liabilities	132,622	131,326
Total liabilities	199,880	192,868

(Million yen)

	As of March 31, 2022	As of June 30, 2022
Net assets		
Shareholders' equity		
Share capital	16,755	16,755
Capital surplus	54,863	54,863
Retained earnings	146,922	148,332
Treasury shares	(1,346)	(1,348)
Total shareholders' equity	217,194	218,603
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	41	(166)
Remeasurements of defined benefit plans	(49)	(45)
Total accumulated other comprehensive income	(7)	(212)
Total net assets	217,186	218,390
Total liabilities and net assets	417,066	411,259

2. Consolidated statements of income and comprehensive income

(Million yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	32,051	34,731
Cost of sales	22,174	22,005
Gross profit	9,876	12,725
Selling, general and administrative expenses	5,509	4,869
Operating profit	4,367	7,855
Non-operating income		
Interest income	34	17
Dividend income	21	67
Gain on sale of investment securities	—	4
Insurance claim income	20	46
Electricity sale income	46	44
Gain on sale of non-current assets	0	112
Other	80	90
Total non-operating income	203	382
Non-operating expenses		
Interest expenses	105	96
Loss on redemption of securities	55	—
Commission expenses	7	7
Loss on retirement of non-current assets	17	207
Other	54	98
Total non-operating expenses	239	410
Ordinary profit	4,331	7,827
Extraordinary income		
Total extraordinary income	—	—
Extraordinary losses		
Total extraordinary losses	—	—
Profit before income taxes	4,331	7,827
Income taxes	1,697	2,472
Profit	2,633	5,355
Profit attributable to		
Profit attributable to owners of parent	2,633	5,355
Other comprehensive income		
Valuation difference on available-for-sale securities	94	(208)
Remeasurements of defined benefit plans, net of tax	1	3
Total other comprehensive income	96	(204)
Comprehensive income	2,729	5,150
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,729	5,150

3. Segment Information

A. Previous consolidated cumulative first quarter (April 1, 2021 to June 30, 2021)

(Million yen)

	Reporting segment			Adjustments	Amount recorded in quarterly consolidated statements of income and consolidated statements of comprehensive income
	Pachinko and pachislot machine business	Golf business	Total		
Net sales					
Assets transferred at a point in time	9,116	20,815	29,932	—	29,932
Assets transferred over time	—	2,119	2,119	—	2,119
Revenue from contracts with customers	9,116	22,934	32,051	—	32,051
Net sales to external customers	9,116	22,934	32,051	—	32,051
Internal net sales and transfers between segments	—	0	0	(0)	—
Total	9,116	22,935	32,051	(0)	32,051
Segment profit	77	4,796	4,874	(507)	4,367

B. Consolidated cumulative first quarter under review (April 1, 2022 to June 30, 2022)

(Million yen)

	Reporting segment			Adjustments	Amount recorded in quarterly consolidated statements of income and consolidated statements of comprehensive income
	Pachinko and pachislot machine business	Golf business	Total		
Net sales					
Assets transferred at a point in time	9,785	22,780	32,565	—	32,565
Assets transferred over time	—	2,165	2,165	—	2,165
Revenue from contracts with customers	9,785	24,945	34,731	—	34,731
Net sales to external customers	9,785	24,945	34,731	—	34,731
Internal net sales and transfers between segments	0	0	1	(1)	—
Total	9,785	24,946	34,732	(1)	34,731
Segment profit	2,332	6,252	8,584	(728)	7,855