

Translation

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**[Delayed] Summary of Consolidated Financial Results
for the Year Ended December 31, 2022
(Based on Japanese GAAP)**

February 24, 2023

Company name: AMITA HOLDINGS CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 2195 URL <https://www.amita-hd.co.jp/>
 Representative: Chairman and Chief Executive Officer Eisuke Kumano
 Inquiries: Chief Financial Officer Shinichi Karakama TEL 03-5296-9371
 Scheduled date of ordinary general meeting of shareholders: March 23, 2023
 Scheduled date to file Securities Report: March 23, 2023
 Scheduled date to commence dividend payments: March 24, 2023
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended December 31, 2022 (from January 1, 2022 to December 31, 2022)

(1) Consolidated operating results

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	%
Year ended December 31, 2022	4,824	–	609	8.9	715	13.7	531	(16.1)
Year ended December 31, 2021	5,157	11.9	560	93.3	629	115.3	632	62.8

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended December 31, 2022	30.29	30.22	30.8	15.5	12.6
Year ended December 31, 2021	36.08	–	55.9	14.4	10.9

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2022	4,824	2,001	41.4	113.69
As of December 31, 2021	4,427	1,455	32.9	82.97

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended December 31, 2022	585	(69)	(142)	1,779
Year ended December 31, 2021	873	(73)	(649)	1,390

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended December 31, 2021	–	0.00	–	30.00	30.00	35	5.5	3.1
Year ended December 31, 2022	–	0.00	–	3.00	3.00	52	9.9	3.1
Year ending December 31, 2023 (Forecast)	–	0.00	–	4.00	4.00		11.3	

3. Forecast of consolidated financial results for the year ending December 31, 2023 (from January 1, 2023 to December 31, 2023)

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
Full year	5,283	9.5	774	27.0	887	24.0	620	16.6	35.37

4. Notes

(1) Changes in significant subsidiaries during the year ended December 31, 2022

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

(2) 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: Yes

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of December 31, 2022	17,551,360 shares	As of December 31, 2021	17,541,360 shares
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Number of treasury shares at the end of the period

As of December 31, 2022	3,890 shares	As of December 31, 2021	3,765 shares
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Average number of shares during the period

Year ended December 31, 2022	17,538,334 shares	Year ended December 31, 2021	17,538,153 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of December 31, 2021	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	1,390,556	1,779,633
Notes and accounts receivable - trade	703,114	744,972
Merchandise and finished goods	34,754	32,989
Work in process	27,635	18,498
Raw materials and supplies	4,289	10,844
Other	186,172	182,759
Allowance for doubtful accounts	(70)	(70)
Total current assets	2,346,453	2,769,627
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	432,483	391,446
Machinery, equipment and vehicles, net	360,730	320,266
Land	792,290	752,187
Construction in progress	–	17,325
Other, net	48,225	65,717
Total property, plant and equipment	1,633,730	1,546,942
Intangible assets	25,900	36,966
Investments and other assets		
Investment securities	167,124	281,722
Deferred tax assets	115,214	35,136
Other	138,888	153,885
Total investments and other assets	421,227	470,743
Total non-current assets	2,080,858	2,054,652
Total assets	4,427,311	4,824,280

(Thousands of yen)

	As of December 31, 2021	As of December 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	353,579	293,290
Current portion of long-term borrowings	150,000	170,000
Lease liabilities	22,121	16,267
Accounts payable - other	193,409	170,395
Income taxes payable	29,158	101,504
Provision for bonuses	98,388	76,848
Advances received	164,289	151,151
Deposits received	211,798	211,958
Other	89,266	77,590
Total current liabilities	1,312,011	1,269,005
Non-current liabilities		
Long-term borrowings	1,200,000	1,082,562
Lease liabilities	27,470	21,450
Retirement benefit liability	330,986	349,349
Asset retirement obligations	101,639	100,681
Other	180	180
Total non-current liabilities	1,660,276	1,554,224
Total liabilities	2,972,287	2,823,230
Net assets		
Shareholders' equity		
Share capital	474,920	480,680
Capital surplus	244,683	250,443
Retained earnings	728,972	1,225,139
Treasury shares	(375)	(482)
Total shareholders' equity	1,448,200	1,955,781
Accumulated other comprehensive income		
Foreign currency translation adjustment	6,823	39,219
Total accumulated other comprehensive income	6,823	39,219
Share acquisition rights	–	6,049
Total net assets	1,455,024	2,001,050
Total liabilities and net assets	4,427,311	4,824,280

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Fiscal year ended December 31, 2021	Fiscal year ended December 31, 2022
Net sales	5,157,789	4,824,795
Cost of sales	3,156,286	2,687,253
Gross profit	2,001,502	2,137,542
Selling, general and administrative expenses	1,441,479	1,527,814
Operating profit	560,023	609,728
Non-operating income		
Interest income	108	112
Share of profit of entities accounted for using equity method	76,868	108,901
Foreign exchange gains	–	5,825
Other	25,052	13,666
Total non-operating income	102,028	128,505
Non-operating expenses		
Interest expenses	23,497	16,540
Share acquisition rights issuance costs	–	2,640
Foreign exchange losses	4,987	–
Other	4,105	3,515
Total non-operating expenses	32,589	22,696
Ordinary profit	629,461	715,537
Extraordinary income		
Gain on sale of non-current assets	22,273	2,821
Other	1,500	–
Total extraordinary income	23,773	2,821
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	–	725
Impairment losses	51,657	–
Loss on sale and retirement of non-current assets	15,838	5,495
Total extraordinary losses	67,496	6,220
Profit before income taxes	585,738	712,138
Income taxes - current	23,967	100,818
Income taxes - deferred	(71,065)	80,078
Total income taxes	(47,097)	180,896
Profit	632,836	531,242
Profit attributable to owners of parent	632,836	531,242

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended December 31, 2021	Fiscal year ended December 31, 2022
Profit	632,836	531,242
Other comprehensive income		
Foreign currency translation adjustment	1,061	2,548
Share of other comprehensive income of entities accounted for using equity method	12,170	29,847
Total other comprehensive income	13,231	32,395
Comprehensive income	646,068	563,637
Comprehensive income attributable to Comprehensive income attributable to owners of parent	646,068	563,637

Consolidated statements of changes in equity

Fiscal year ended December 31, 2021

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	474,920	244,683	96,135	(245)	815,493
Changes during period					
Profit attributable to owners of parent			632,836		632,836
Purchase of treasury shares				(130)	(130)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	632,836	(130)	632,706
Balance at end of period	474,920	244,683	728,972	(375)	1,448,200

	Accumulated other comprehensive income		Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	(6,407)	(6,407)	809,085
Changes during period			
Profit attributable to owners of parent			632,836
Purchase of treasury shares			(130)
Net changes in items other than shareholders' equity	13,231	13,231	13,231
Total changes during period	13,231	13,231	645,938
Balance at end of period	6,823	6,823	1,455,024

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	474,920	244,683	728,972	(375)	1,448,200
Changes during period					
Issuance of new shares - exercise of share acquisition rights	5,760	5,760			11,520
Dividends of surplus			(35,075)		(35,075)
Profit attributable to owners of parent			531,242		531,242
Purchase of treasury shares				(106)	(106)
Net changes in items other than shareholders' equity					
Total changes during period	5,760	5,760	496,166	(106)	507,581
Balance at end of period	480,680	250,443	1,225,139	(482)	1,955,781

	Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	6,823	6,823	—	1,455,024
Changes during period				
Issuance of new shares - exercise of share acquisition rights				11,520
Dividends of surplus				(35,075)
Profit attributable to owners of parent				531,242
Purchase of treasury shares				(106)
Net changes in items other than shareholders' equity	32,395	32,395	6,049	38,445
Total changes during period	32,395	32,395	6,049	546,026
Balance at end of period	39,219	39,219	6,049	2,001,050

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended December 31, 2021	Fiscal year ended December 31, 2022
Cash flows from operating activities		
Profit before income taxes	585,738	712,138
Depreciation	143,833	139,734
Impairment losses	51,657	–
Loss on valuation of shares of subsidiaries and associates	–	725
Loss (gain) on sale and retirement of non-current assets	(6,434)	4,049
Increase (decrease) in provision for bonuses	(1,106)	(21,540)
Increase (decrease) in retirement benefit liability	21,869	18,363
Interest and dividend income	(108)	(112)
Interest expenses	23,497	16,540
Foreign exchange losses (gains)	(4,214)	(13,391)
Share of loss (profit) of entities accounted for using equity method	(76,868)	(108,901)
Share acquisition rights issuance costs	–	2,640
Decrease (increase) in trade receivables	(11,629)	(41,857)
Decrease (increase) in inventories	(2,845)	4,347
Increase (decrease) in trade payables	26,507	(60,289)
Increase (decrease) in advances received	(12,526)	(13,137)
Increase (decrease) in deposits received	31,750	157
Other, net	8,428	(50,905)
Subtotal	777,549	588,559
Interest and dividends received	28,644	48,373
Interest paid	(20,968)	(17,230)
Income taxes paid	–	(34,619)
Income taxes refund	87,998	–
Net cash provided by (used in) operating activities	873,224	585,083
Cash flows from investing activities		
Purchase of property, plant and equipment	(68,465)	(80,507)
Proceeds from sale of property, plant and equipment	6,073	58,383
Purchase of intangible assets	(4,977)	(21,855)
Purchase of investment securities	–	(25,000)
Proceeds from cancellation of insurance funds	716	7,059
Other, net	(7,316)	(7,922)
Net cash provided by (used in) investing activities	(73,969)	(69,841)
Cash flows from financing activities		
Repayments of short-term borrowings	(400,000)	–
Proceeds from long-term borrowings	–	52,562
Repayments of long-term borrowings	(150,000)	(150,000)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	–	11,490
Proceeds from issuance of share acquisition rights	–	3,440
Dividends paid	–	(33,841)
Other, net	(99,522)	(25,817)
Net cash provided by (used in) financing activities	(649,522)	(142,166)
Effect of exchange rate change on cash and cash	5,073	16,002

equivalents		
Net increase (decrease) in cash and cash equivalents	154,806	389,077
Cash and cash equivalents at beginning of period	1,235,749	1,390,556
Cash and cash equivalents at end of period	1,390,556	1,779,633