



**Financial Results for the 2Q of the Fiscal Year Ending (FYE) 06/20/2023
[Japan GAAP] (Unconsolidated)**

02/01/2023

Company Name	JOYFUL HONDA CO., LTD.	Exchange listed on	TSE
Security Code	3191	URL	https://www.joyfulhonda.com/
Representative	(Title) President & CEO	(Name)	Taketoshi Hosoya
Contact	(Title) Executive Officer General Manager, Administration Group Manager, Business Management Department	(Name)	Takeshi Ouchi (TEL) 029 (822) 2215
Scheduled date for submission of quarterly report:			02/01/2023
Scheduled commencement date of dividends payment:			03/10/2023
Preparation of supplementary materials for quarterly report:			Yes (To be announced via TDnet and posted on our IR website today)
Convening quarterly results briefing:			Yes (Will be live-streamed, and later posted on the Company's website with an explanation video, etc.) (Amounts rounded down to the nearest million yen)

1. Business Results for 2Q of FYE 06/20/2023 (06/21/2022 - 12/20/2022)

(1) Quarterly Operating Results (Percent represents year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit	
	million yen	%	million yen	%	million yen	%	million yen	%
2Q of FYE 06/20/2023	62,236	0.1	6,192	(0.4)	6,692	0.5	4,589	(0.1)
2Q of FYE 06/20/2022	62,162	-	6,216	-	6,661	-	4,594	-

	Profit per share	Profit per share - fully diluted
	yen	yen
2Q of FYE 06/20/2023	70.66	70.52
2Q of FYE 06/20/2022	67.16	-

(Note) The Company has adopted the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020) and other standards since the beginning of the FYE 06/20/2022, and for each figure for the second quarter of the FYE 06/20/2022 show the figure after which the above-mentioned accounting standard is applied. Accordingly, the comparison changes from the same quarter of the previous year for the second quarter of the FYE 06/20/2022 are omitted.

(2) Financial Positions

	Total assets	Net assets	Shareholders' equity ratio
	million yen	million yen	%
2Q of FYE 06/20/2023	158,168	116,727	73.8
FYE 06/20/2022	156,431	115,821	74.0

(Reference) Shareholders' equity: 2Q of FYE 06/20/2023 116,727 million yen
 FYE 06/20/2022 115,821 million yen

2. Dividends

	Annual dividends				
	End of 1Q	End of 2Q	End of 3Q	End of the year	Total
	yen	yen	yen	yen	yen
FYE 06/20/2022	-	21.00	-	21.00	42.00
FYE 06/20/2023	-	23.00			
FYE 06/20/2023 (forecast)			-	23.00	46.00

(Note) Modification of the dividends forecast released most recently: None

3. Projected Business Results for FYE 06/20/2023 (06/21/2022- 06/20/2023)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	130,000	5.2	11,800	(3.6)	12,400	(6.2)	8,600	(22.5)	130.07

(Note) Modification of the business result forecast released most recently: None

*NOTES

- (1) Adoption of special accounting treatment used in preparation of the quarterly financial statements: None
- (2) Change in accounting policies or estimates and retrospective restatements
- | | | |
|--------------------------------------------------------------------------------------|---|------|
| 1) Change in accounting policies in accordance with revision of accounting standards | : | Yes |
| 2) Change in accounting policies other than item 1) above | : | None |
| 3) Change in accounting estimates | : | None |
| 4) Retrospective restatements | : | None |

(3) Number of outstanding shares (common stock)

1) Number of outstanding shares at the end of the period (including treasury stock)	2Q of FYE 06/20/2023	70,010,871 shares	FYE 06/20/2022	70,010,871 shares
2) Number of treasury stock at the end of the period	2Q of FYE 06/20/2023	5,452,520 shares	FYE 06/20/2022	3,894,520 shares
3) Average number of shares during the period (cumulative for all quarters)	2Q of FYE 06/20/2023	64,949,099 shares	2Q of FYE 06/20/2022	68,411,313 shares

- * The financial results fall outside the scope of the review by a certified public accountant or an audit corporation.
- * Explanation for appropriate use of operating results forecasts and other special notes

The financial results forecasts and other figures contained herein concerning the future are based on current information in possession of the company pertaining thereto, and on certain presumptions that are assessed as rational; however, this information does not constitute a commitment to achieve the relevant figures. The actual results may vary greatly due to various factors.

Quarterly Financial Statement and Main Notes

(1) Quarterly Balance Sheets

(Unit: million yen)

	Previous Accounting Year (06/20/2022)	Current 2Q Accounting Period (12/20/2022)
Assets		
Current assets		
Cash and deposits	42,520	39,318
Accounts receivable - trade, and contract assets	3,392	4,060
Merchandise	15,524	18,067
Costs on construction contracts in progress	400	399
Raw materials and supplies	307	401
Other	1,953	1,801
Allowance for doubtful accounts	(0)	(0)
Total current assets	64,099	64,047
Noncurrent assets		
Property, plant and equipment		
Buildings	70,112	70,168
Structures	8,285	8,286
Machinery and equipment	649	588
Vehicles	51	56
Tools, furniture and fixtures	3,925	4,056
Land	49,702	49,702
Leased assets	313	242
Construction in progress	5,048	7,908
Accumulated depreciation	(54,729)	(55,837)
Total property, plant and equipment	83,358	85,172
Intangible assets		
Leasehold interests in land	1,232	1,235
Software	577	504
Other	122	146
Total intangible assets	1,932	1,886
Investments and other assets		
Investment securities	1,596	1,790
Stocks of subsidiaries and affiliates	184	184
Deferred tax assets	3,563	3,333
Other	1,695	1,753
Total investments and other assets	7,041	7,061
Total noncurrent assets	92,331	94,120
Total assets	156,431	158,168

(Unit: million yen)

	Previous Accounting Year (06/20/2022)	Current 2Q Accounting Period (12/20/2022)
Liabilities		
Current liabilities		
Accounts payable - trade	6,443	8,566
Current portion of long-term loans payable	4,127	3,592
Lease obligations	51	42
Income taxes payable	681	2,094
Advances received on construction contracts in progress	1,443	1,101
Provision for bonuses	22	110
Provision for directors' bonuses	46	16
Other	5,408	5,086
Total current liabilities	18,224	20,609
Noncurrent liabilities		
Long-term loans payable	12,212	10,587
Lease obligations	66	47
Provision for retirement benefits	2,027	2,078
Asset retirement obligations	3,398	3,412
Long-term guarantee deposited	4,501	4,460
Provision for employees' share-based remuneration	93	113
Provision for directors' share-based remuneration	86	132
Total noncurrent liabilities	22,385	20,831
Total liabilities	40,609	41,440
Net assets		
Shareholders' equity		
Capital stock	12,000	12,000
Capital surplus		
Other capital surplus	—	7
Total capital surpluses	—	7
Retained earnings		
Legal retained earnings	946	1,086
Other retained earnings		
General reserve	86,330	86,330
Retained earnings brought forward	22,242	25,295
Total retained earnings	109,519	112,711
Treasury stock	(6,463)	(8,891)
Total shareholders' equity	115,055	115,827
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	765	900
Total valuation and translation adjustments	765	900
Total net assets	115,821	116,727
Total liabilities and net assets	156,431	158,168

(2) Quarterly Statement of Income

2Q

(Unit: million yen)

	Previous 2Q (From 06/21/2021 to 12/20/2021)	Current 2Q (From 06/21/2022 to 12/20/2022)
Net sales	62,162	62,236
Cost of sales	42,392	42,014
Gross profit	19,770	20,221
Operating revenue		
Rent income of real estate	2,427	2,585
Income from service fees	202	186
Other	75	77
Total operating revenue	2,705	2,848
Operating gross profit	22,476	23,070
Selling, general and administrative expenses	16,259	16,877
Operating income	6,216	6,192
Non-operating income		
Interest income	2	0
Dividends income	15	24
Commission fee	181	185
Rental income	78	105
Other	273	204
Total non-operating income	551	519
Non-operating expenses		
Interest expenses	16	13
Commission expenses	84	1
Settlement payments	—	4
Other	5	1
Total non-operating expenses	106	19
Ordinary income	6,661	6,692
Extraordinary loss		
Loss on retirement of noncurrent assets	27	13
Total extraordinary loss	27	13
Profit before income taxes	6,633	6,678
Income taxes-current	1,446	1,917
Income taxes-deferred	592	171
Total income taxes	2,039	2,088
Profit	4,594	4,589

(3) Quarterly Statement of cash flows

(Unit: million yen)

	Previous 2Q (From 06/21/2021 to 12/20/2021)	Current 2Q (From 06/21/2022 to 12/20/2022)
Net cash provided by (used in) operating activities		
Profit (loss) before income taxes	6,633	6,678
Depreciation	1,345	1,366
Insurance claim income	(2)	(1)
Increase (decrease) in allowance for doubtful accounts	(0)	(0)
Increase (decrease) in provision for bonuses	(18)	88
Increase (decrease) in provision for directors' bonuses	(25)	(30)
Increase (decrease) in provision for employees' share-based remuneration	27	23
Increase (decrease) in provision for directors' share-based remuneration	34	49
Increase (decrease) in provision for retirement benefits	(60)	51
Interest and dividends income	(18)	(24)
Interest expenses	16	13
Commission expenses	84	1
Loss on retirement of non-current assets	27	13
Decrease (increase) in trade receivables	(304)	(667)
Decrease (increase) in inventories	(1,912)	(2,635)
Increase (decrease) in trade payables	1,362	2,123
Increase (decrease) in accrued consumption taxes	(815)	4
Other	(1,262)	(411)
Subtotal	5,112	6,642
Interest and dividends received	18	24
Interest paid	(16)	(13)
Proceeds from insurance income	2	1
Income taxes paid	(2,273)	(558)
Net cash provided by (used in) operating activities	2,842	6,097
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(1,080)	(3,085)
Payments for retirement of property, plant and equipment	(13)	(13)
Purchase of intangible assets	(244)	(52)
Other	(290)	(64)
Net cash provided by (used in) investing activities	(1,629)	(3,216)
Net cash provided by (used in) financing activities		
Repayments of long-term borrowings	(2,202)	(2,160)
Purchase of treasury shares	(5,084)	(2,500)
Repayments of lease obligations	(53)	(25)
Dividends paid	(1,254)	(1,396)
Net cash provided by (used in) financing activities	(8,595)	(6,083)
Net increase (decrease) in cash and cash equivalents	(7,381)	(3,202)
Cash and cash equivalents at beginning of period	45,495	42,482
Cash and cash equivalents at end of period	38,114	39,280