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## Summary of Non-Consolidated Financial Results for the Six Months Ended January 31, 2023 [Based on Japanese GAAP]

March 10, 2023

Company name: SILVER LIFE CO., LTD.

Stock exchange listing: Tokyo

Code number: 9262

URL: <https://www.silver-life.co.jp/>

Representative: Takahisa Shimizu

President, CEO

Contact: Hirokazu Masuyama

Director, Administration Manager

Phone: (03)6300-5629

Scheduled date of filing quarterly securities report: March 10, 2023

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down.)

### 1. Non-consolidated Financial Results for the Six Months Ended January 31, 2023 (August 01, 2022 to January 31, 2023)

#### (1) Non-consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended January 31, 2023	6,015	10.4	417	33.6	507	32.8	317	24.6
January 31, 2022	5,450	11.5	312	(49.0)	382	(43.1)	254	(39.0)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended January 31, 2023	29.40	29.00
January 31, 2022	23.63	23.23

#### (2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of January 31, 2023	9,217	5,625	61.0
July 31, 2022	8,859	5,304	59.9

(Reference) Equity: As of January 31, 2023: ¥ 5,625 million  
As of July 31, 2022: ¥ 5,304 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 July 31, 2022	-	0.00	-	0.00	0.00
Fiscal year ending July 31, 2023	-	0.00			
Fiscal year ending July 31, 2023 (Forecast)			-	15.00	15.00

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

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending July 31, 2023 :

Commemorative dividend - yen

Special dividend - yen

## 3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending July 31, 2023(August 01, 2022 to July 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	12,700	13.2	700	24.7	860	21.2	550	36.9	50.96

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

\* Notes:

(1) Accounting policies adopted specially for the preparation of quarterly Non-consolidated financial statements:

(2) 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

(3) Total number of issued shares (common shares)

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

January 31, 2023: 10,810,800 shares

July 31, 2022: 10,792,400 shares

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

January 31, 2023: 422 shares

July 31, 2022: 399 shares

3) Average number of shares during the period:

Six months ended January 31, 2023: 10,801,627 shares

Six months ended January 31, 2022: 10,781,127 shares

Quarterly Non-consolidated Financial Statements

Quarterly Non-consolidated Balance Sheets

(Thousand yen)

	As of July 31,2022	As of January 31,2023
<b>Assets</b>		
Current assets		
Cash and deposits	1,474,844	1,733,483
Accounts receivable - trade	1,019,139	926,597
Merchandise and finished goods	287,792	389,998
Raw materials and supplies	28,053	35,242
Other	481,462	536,085
Allowance for doubtful accounts	(58,705)	(63,538)
Total current assets	3,232,587	3,557,868
Non-current assets		
Property, plant and equipment		
Buildings, net	3,016,529	2,975,578
Machinery and equipment, net	1,305,483	1,273,986
Construction in progress	-	71,802
Other, net	767,050	793,189
Total property, plant and equipment	5,089,063	5,114,556
Intangible assets	329,146	361,413
Investments and other assets		
Other	223,394	198,993
Allowance for doubtful accounts	(14,666)	(15,258)
Total investments and other assets	208,727	183,734
Total non-current assets	5,626,937	5,659,705
Total assets	8,859,525	9,217,573
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	570,916	501,154
Contract liabilities	11,458	10,058
Lease liabilities	720	720
Accounts payable - other	403,436	506,962
Current portion of long-term borrowings	239,400	239,400
Income taxes payable	54,512	203,104
Provision for shareholder benefit program	61,527	13,423
Other	65,544	90,510
Total current liabilities	1,407,517	1,565,334
Non-current liabilities		
Long-term borrowings	1,951,450	1,831,750
Lease liabilities	2,762	2,402
Other	193,417	192,927
Total non-current liabilities	2,147,630	2,027,080
Total liabilities	3,555,147	3,592,414
<b>Net assets</b>		
Shareholders' equity		
Share capital	725,645	727,266
Capital surplus	715,645	717,266
Retained earnings	3,864,006	4,181,582
Treasury shares	(919)	(956)
Total shareholders' equity	5,304,378	5,625,158
Total net assets	5,304,378	5,625,158
Total liabilities and net assets	8,859,525	9,217,573

Quarterly Non-consolidated Statements of Income

Quarterly Non-consolidated Statements of Income (For the six months)

(Thousand yen)

	For the six months ended January 31,2022	For the six months ended January 31,2023
Net sales	5,450,333	6,015,308
Cost of sales	4,068,227	4,194,233
Gross profit	1,382,106	1,821,075
Selling, general and administrative expenses	1,069,834	1,403,763
Operating profit	312,271	417,312
Non-operating income		
Interest income	6,146	6,483
Compensation income	61,705	81,141
Other	23,884	24,365
Total non-operating income	91,736	111,990
Non-operating expenses		
Interest expenses	2,615	2,354
Rental expenses	12,961	9,146
Bad debt expenses	4,003	1,630
Provision of allowance for doubtful accounts	2,281	2,360
Depreciation	-	5,718
Other	31	827
Total non-operating expenses	21,894	22,038
Ordinary profit	382,114	507,264
Extraordinary income		
Gain on sale of non-current assets	22,900	-
Total extraordinary income	22,900	-
Extraordinary losses		
Loss on retirement of non-current assets	7,090	13
Total extraordinary losses	7,090	13
Profit before income taxes	397,923	507,251
Income taxes - current	110,747	186,870
Income taxes - deferred	32,388	2,805
Total income taxes	143,135	189,675
Profit	254,788	317,575

## Quarterly Non-consolidated Statements of Cash Flows

(Thousand yen)

	For the six months ended January 31,2022	For the six months ended January 31,2023
<b>Cash flows from operating activities</b>		
Profit before income taxes	397,923	507,251
Depreciation	279,603	322,564
Increase (decrease) in allowance for doubtful accounts	2,739	5,425
Increase (decrease) in provision for shareholder benefit program	(8,922)	(48,104)
Interest and dividend income	(6,146)	(6,483)
Interest expenses	2,615	2,354
Loss (gain) on sale of property, plant and equipment	(22,900)	-
Loss on retirement of property, plant and equipment	7,298	13
Decrease (increase) in trade receivables	71,312	92,542
Decrease (increase) in inventories	(55,397)	(109,394)
Increase (decrease) in trade payables	8,150	(69,761)
Increase (decrease) in accrued consumption taxes	322,177	32,210
Increase (decrease) in contract liabilities	-	(6,096)
Other, net	(103,389)	(50,804)
Subtotal	895,064	671,715
Interest and dividends received	6,146	6,483
Interest paid	(2,559)	(2,286)
Income taxes paid	(177,812)	(46,627)
Net cash provided by (used in) operating activities	720,840	629,284
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,115,653)	(197,819)
Proceeds from sale of property, plant and equipment	65,000	-
Purchase of intangible assets	(43,450)	(77,749)
Loan advances	(7,150)	(630)
Proceeds from collection of loans receivable	7,970	6,719
Payments of leasehold and guarantee deposits	(89)	(207)
Proceeds from refund of leasehold and guarantee deposits	135	13,205
Other, net	325	2,692
Net cash provided by (used in) investing activities	(1,092,913)	(253,790)
<b>Cash flows from financing activities</b>		
Proceeds from long-term borrowings	500,000	-
Repayments of long-term borrowings	(119,700)	(119,700)
Purchase of treasury shares	-	(36)
Repayments of lease liabilities	-	(360)
Other, net	3,016	3,241
Net cash provided by (used in) financing activities	383,316	(116,855)
Effect of exchange rate change on cash and cash equivalents	-	-
Net increase (decrease) in cash and cash equivalents	11,242	258,638
Cash and cash equivalents at beginning of period	1,472,438	1,474,844
Cash and cash equivalents at end of period	1,483,681	1,733,483