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Summary of Non-Consolidated Financial Results for the Nine Months Ended April 30, 2023 [Based on Japanese GAAP]

June 8, 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: +81-03)6300-5629

Scheduled date of filing quarterly securities report: June 8, 2023

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. Non-consolidated Financial Results for the Nine Months Ended April 30, 2023 (August 1, 2022 to April 30, 2023)

(1) Non-consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended April 30, 2023	9,022	9.1	554	16.1	698	19.8	437	14.6
April 30, 2022	8,268	11.7	477	(36.6)	583	(31.3)	381	(29.3)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended April 30, 2023	40.46	39.92
April 30, 2022	35.39	34.80

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of April 30, 2023	9,281	5,746	61.9
July 31, 2022	8,859	5,304	59.9

(Reference) Equity: As of April 30, 2023: ¥ 5,746 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

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending July 31, 2023(August 1, 2022 to July 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of 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):

April 30, 2023: 10,822,000 shares

July 31, 2022: 10,792,400 shares

2) Number of treasury shares at the end of the period:

April 30, 2023: 422 shares

July 31, 2022: 399 shares

3) Average number of shares outstanding during the period:

Nine months ended April 30, 2023: 10,806,080 shares

Nine months ended April 30, 2022: 10,784,672 shares

Quarterly Non-consolidated Financial Statements

Quarterly Non-consolidated Balance Sheets

(Thousands of yen)

	As of July 31, 2022	As of April 30, 2023
Assets		
Current assets		
Cash and deposits	1,474,844	1,527,633
Accounts receivable - trade	1,019,139	1,069,594
Merchandise and finished goods	287,792	374,596
Raw materials and supplies	28,053	42,866
Other	481,462	540,783
Allowance for doubtful accounts	(58,705)	(75,138)
Total current assets	3,232,587	3,480,336
Non-current assets		
Property, plant and equipment		
Buildings, net	3,016,529	2,988,392
Machinery and equipment, net	1,305,483	1,225,472
Construction in progress	-	178,205
Other, net	767,050	804,155
Total property, plant and equipment	5,089,063	5,196,226
Intangible assets	329,146	401,595
Investments and other assets		
Other	223,394	218,403
Allowance for doubtful accounts	(14,666)	(15,355)
Total investments and other assets	208,727	203,047
Total non-current assets	5,626,937	5,800,869
Total assets	8,859,525	9,281,206
Liabilities		
Current liabilities		
Accounts payable - trade	570,916	550,726
Contract liabilities	11,458	9,191
Lease liabilities	720	720
Provision for bonuses	-	13,513
Accounts payable - other	403,436	481,691
Current portion of long-term borrowings	239,400	239,400
Income taxes payable	54,512	153,736
Provision for shareholder benefit program	61,527	8,021
Other	65,544	119,577
Total current liabilities	1,407,517	1,576,579
Non-current liabilities		
Long-term borrowings	1,951,450	1,771,900
Lease liabilities	2,762	2,222
Other	193,417	184,022
Total non-current liabilities	2,147,630	1,958,144
Total liabilities	3,555,147	3,534,724
Net assets		
Shareholders' equity		
Share capital	725,645	728,102
Capital surplus	715,645	718,102
Retained earnings	3,864,006	4,301,233
Treasury shares	(919)	(956)
Total shareholders' equity	5,304,378	5,746,481
Total net assets	5,304,378	5,746,481
Total liabilities and net assets	8,859,525	9,281,206

Quarterly Non-consolidated Statements of Income

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

(Thousands of yen)

	For the nine months ended April 30, 2022	For the nine months ended April 30, 2023
Net sales	8,268,264	9,022,367
Cost of sales	6,013,627	6,302,223
Gross profit	2,254,636	2,720,144
Selling, general and administrative expenses	1,777,449	2,166,055
Operating profit	477,186	554,088
Non-operating income		
Interest income	9,146	9,551
Compensation income	93,529	129,809
Other	36,427	36,574
Total non-operating income	139,103	175,934
Non-operating expenses		
Interest expenses	3,816	3,399
Rental expenses	13,100	13,625
Bad debt expenses	4,051	1,630
Provision of allowance for doubtful accounts	6,325	2,788
Depreciation	-	8,711
Other	5,669	1,031
Total non-operating expenses	32,962	31,185
Ordinary profit	583,326	698,838
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	18,774	13
Total extraordinary losses	18,774	13
Profit before income taxes	587,452	698,824
Income taxes - current	162,667	252,653
Income taxes - deferred	43,169	8,944
Total income taxes	205,836	261,597
Profit	381,615	437,226