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Consolidated Financial Results for the Nine Months Ended December 31, 2021 [Japanese GAAP]

February 10, 2022

Company name: VALOR HOLDINGS CO.,LTD.

Stock exchange listing: Tokyo, Nagoya

Code number: 9956

URL: <https://valorholdings.co.jp/>

Representative: Masami Tashiro

President and Representative Director

Contact: Akira Shinohana

Executive Director

Phone: 0574-60-0864

Scheduled date of filing quarterly securities report: February 14, 2022

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. Consolidated Financial Results for the Nine Months Ended December 31, 2021 (April 01, 2021 to December 31, 2021)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2021	553,691	-	18,467	-	20,515	-	8,829	-
December 31, 2020	553,583	8.5	23,210	101.1	25,164	93.9	13,148	108.4

(Note) Comprehensive income: Nine months ended December 31, 2021: ¥ 10,500 million [-%]
 Nine months ended December 31, 2020: ¥ 18,397 million [190.3%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2021	164.43	164.37
December 31, 2020	244.87	244.78

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
December 31, 2021	423,006	162,171	35.1
March 31, 2021	404,458	155,190	35.3

(Reference) Equity: As of December 31, 2021: ¥ 148,356 million

As of March 31, 2021: ¥ 142,862 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 March 31, 2021	-	25.00	-	29.00	54.00
Fiscal year ending March 31, 2022	-	26.00	-		
Fiscal year ending March 31, 2022 (Forecast)				30.00	56.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022(April 01, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	732,000	-	23,000	(10.3)	25,000	(12.0)	12,000	(4.7)	223.47

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

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2021

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

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) 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

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

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

December 31, 2021: 53,987,499 shares

March 31, 2021: 53,987,499 shares

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

December 31, 2021: 285,341 shares

March 31, 2021: 291,212 shares

3) Average number of shares during the period:

Nine months ended December 31, 2021: 53,699,654 shares

Nine months ended December 31, 2020: 53,695,544 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2021	As of December 31,2021
Assets		
Current assets		
Cash and deposits	29,924	28,745
Notes and accounts receivable - trade	13,717	-
Notes and accounts receivable - trade, and contract assets	-	17,853
Merchandise and finished goods	52,878	61,348
Raw materials and supplies	1,149	1,266
Other	14,537	14,231
Allowance for doubtful accounts	(7)	(8)
Total current assets	112,199	123,437
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	139,460	143,414
Land	52,096	54,121
Other, net	26,616	27,765
Total property, plant and equipment	218,173	225,302
Intangible assets		
Goodwill	1,496	2,666
Other	14,496	15,270
Total intangible assets	15,993	17,936
Investments and other assets		
Guarantee deposits	32,350	32,902
Other	26,134	23,767
Allowance for doubtful accounts	(392)	(339)
Total investments and other assets	58,092	56,330
Total non-current assets	292,259	299,569
Total assets	404,458	423,006

(Million yen)

	As of March 31,2021	As of December 31,2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	59,423	68,472
Short-term borrowings	42,457	42,695
Commercial papers	10,000	20,000
Current portion of bonds payable	10,010	5
Income taxes payable	7,848	1,609
Provision for bonuses	3,634	2,068
Provisions	2,287	788
Asset retirement obligations	30	232
Other	29,793	33,262
Total current liabilities	165,484	169,134
Non-current liabilities		
Bonds payable	-	10,000
Long-term borrowings	44,520	41,183
Provisions	673	592
Retirement benefit liability	5,804	6,119
Asset retirement obligations	13,342	14,078
Other	19,442	19,727
Total non-current liabilities	83,783	91,700
Total liabilities	249,267	260,835
Net assets		
Shareholders' equity		
Share capital	13,609	13,609
Capital surplus	20,049	20,060
Retained earnings	108,998	114,845
Treasury shares	(561)	(547)
Total shareholders' equity	142,095	147,968
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	880	450
Deferred gains or losses on hedges	-	0
Foreign currency translation adjustment	140	163
Remeasurements of defined benefit plans	(254)	(227)
Total accumulated other comprehensive income	766	387
Share acquisition rights	134	121
Non-controlling interests	12,194	13,693
Total net assets	155,190	162,171
Total liabilities and net assets	404,458	423,006

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the nine months)

(Million yen)

	For the nine months ended December 31,2020	For the nine months ended December 31,2021
Net sales	535,450	535,333
Cost of sales	393,160	393,386
Gross profit	142,289	141,946
Operating revenue	18,132	18,358
Operating gross profit	160,422	160,305
Selling, general and administrative expenses	137,212	141,838
Operating profit	23,210	18,467
Non-operating income		
Interest income	98	99
Dividend income	99	94
Administrative service fee income	1,200	1,204
Rental income	647	481
Share of profit of entities accounted for using equity method	48	74
Other	1,269	1,365
Total non-operating income	3,363	3,321
Non-operating expenses		
Interest expenses	645	603
Rental costs on real estate	524	370
Other	239	298
Total non-operating expenses	1,409	1,272
Ordinary profit	25,164	20,515
Extraordinary income		
Gain on sale of non-current assets	45	73
Gain on sale of investment securities	42	1
Gain on bargain purchase	17	0
Penalty income	165	46
Subsidy income	171	420
Other	141	90
Total extraordinary income	583	632
Extraordinary losses		
Loss on sale of non-current assets	22	2
Loss on retirement of non-current assets	184	117
Impairment losses	337	754
Loss on tax purpose reduction entry of non-current assets	-	354
Loss on voluntarily close	702	-
Other	170	161
Total extraordinary losses	1,417	1,390
Profit before income taxes	24,329	19,758
Income taxes - current	8,791	6,140
Income taxes - deferred	(187)	2,730
Total income taxes	8,604	8,870
Profit	15,725	10,887
Profit attributable to non-controlling interests	2,577	2,057
Profit attributable to owners of parent	13,148	8,829

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Million yen)

	For the nine months ended December 31,2020	For the nine months ended December 31,2021
Profit	15,725	10,887
Other comprehensive income		
Valuation difference on available-for-sale securities	2,761	(449)
Deferred gains or losses on hedges	(0)	0
Foreign currency translation adjustment	(93)	33
Remeasurements of defined benefit plans, net of tax	3	29
Share of other comprehensive income of entities accounted for using equity method	0	(0)
Total other comprehensive income	2,671	(386)
Comprehensive income	18,397	10,500
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	15,808	8,450
Comprehensive income attributable to non-controlling interests	2,589	2,050