

**Translation**

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## [Updated] Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 13, 2022

Company name: COPRO-HOLDINGS. Co., Ltd.  
 Stock exchange listing: Tokyo, Nagoya  
 Stock code: 7059 URL <https://www.copro-h.co.jp/>  
 Representative: Chief Executive Office Kosuke Kiyokawa  
 Inquiries: Managing Director Masahiko Saito TEL +81-52-589-3066  
 Scheduled date of ordinary general meeting of shareholders: June 23, 2022  
 Scheduled date to file Securities Report: June 24, 2022  
 Scheduled date to commence dividend payments: June 24, 2022  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

## I. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 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 March 31, 2022	15,589	5.1	1,621	12.8	1,619	12.5	962	(4.6)
Year ended March 31, 2021	14,836	13.1	1,437	(9.7)	1,439	(9.2)	1,009	(6.9)

	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 March 31, 2022	102.12	100.84	15.0	18.7	10.4
Year ended March 31, 2021	106.74	104.73	17.2	17.4	9.7

(Note) On April 1, 2021, the Company conducted a two-for-one stock split of common stock. Earnings per share and Diluted earnings per share have been calculated as if this stock split had taken place at the beginning of the previous fiscal year.

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	8,841	6,575	74.0	704.25
As of March 31, 2021	8,514	6,272	73.7	656.54

(Note) On April 1, 2021, the Company conducted a two-for-one stock split of common stock. Net assets per share has been calculated as if this stock split had taken place at the beginning of the previous fiscal year.

## (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 March 31, 2022	824	(1,264)	(825)	4,021
Year ended March 31, 2021	988	(83)	(417)	5,283

## 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 March 31, 2021	–	20.00	–	55.00	75.00	356	35.1	6.1
Year ended March 31, 2022	–	10.00	–	30.00	40.00	373	39.2	5.9
Year ending March 31, 2023 (Forecast)	–	10.00	–	30.00	40.00		61.5	

(Note) On April 1, 2021, the Company conducted a two-for-one stock split of common stock. For the fiscal year ended March 31, 2021, the actual amounts of dividends prior to the stock split are presented.

## 3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 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
Six months ending September 30, 2022	8,144	10.0	289	(54.3)	290	(54.0)	158	(51.9)	17.02
Full year	17,854	14.5	1,024	(36.8)	1,024	(36.8)	604	(37.3)	65.05

## 4. Notes

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

(changes in specified subsidiaries resulting in the change in scope of consolidation):

New companies: 3 company (Company name) COPRO VIETNAM CO., LTD.  
ATMOS CO.,LTD.  
VALUE ARK CONSULTING CO.,LTD.

Yes

### (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 March 31, 2022	10,000,000 shares	As of March 31, 2021	10,000,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	715,126 shares	As of March 31, 2021	446,334 shares
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Average number of shares during the period

Year ended March 31, 2022	9,429,821 shares	Year ended March 31, 2021	9,454,824 shares
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(Note) On April 1, 2021, the Company conducted a two-for-one stock split of common stock. Total number of issued shares at the end of the period, Number of treasury shares at the end of the period and Average number of shares during the period have been calculated as if this stock split had taken place at the beginning of the previous fiscal year.

## Consolidated financial statements

### Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	5,320,538	4,058,265
Accounts receivable - trade	1,880,186	2,226,864
Other	207,297	463,806
Allowance for doubtful accounts	(435)	(475)
Total current assets	7,407,586	6,748,461
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	272,809	328,233
Construction in progress	28,270	—
Other, net	56,235	79,041
Total property, plant and equipment	357,315	407,274
Intangible assets		
Goodwill	—	780,712
Leased assets	7,776	—
Other	152,933	218,095
Total intangible assets	160,709	998,807
Investments and other assets		
Deferred tax assets	117,660	138,735
Other	471,072	548,039
Total investments and other assets	588,733	686,775
Total non-current assets	1,106,757	2,092,858
Total assets	8,514,344	8,841,319
<b>Liabilities</b>		
Current liabilities		
Current portion of bonds payable	70,000	—
Lease obligations	14,560	2,786
Accounts payable - other	1,130,440	1,328,319
Income taxes payable	158,746	375,271
Accrued consumption taxes	449,936	237,927
Provision for bonuses	52,661	51,649
Asset retirement obligations	28,169	23,300
Other	258,476	146,285
Total current liabilities	2,162,989	2,165,539
Non-current liabilities		
Lease obligations	4,464	1,379
Retirement benefit liability	—	24,306
Asset retirement obligations	74,487	74,930
Total non-current liabilities	78,952	100,615
Total liabilities	2,241,942	2,266,154
<b>Net assets</b>		
Shareholders' equity		
Share capital	30,000	30,000
Capital surplus	1,230,530	1,237,532
Retained earnings	5,012,823	5,618,539
Treasury shares	(1,279)	(349,151)
Total shareholders' equity	6,272,073	6,536,921
Accumulated other comprehensive income		
Foreign currency translation adjustment	328	1,943
Total accumulated other comprehensive income	328	1,943
Share acquisition rights	—	36,299
Total net assets	6,272,402	6,575,164
Total liabilities and net assets	8,514,344	8,841,319

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

	(Thousands of yen)	
	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	14,836,579	15,589,085
Cost of sales	10,539,032	10,744,245
Gross profit	4,297,547	4,844,839
Selling, general and administrative expenses	2,859,825	3,223,379
Operating profit	1,437,722	1,621,460
Non-operating income		
Interest income	49	60
Rental income	1,140	1,140
Settlement received	3,762	—
Other	80	179
Total non-operating income	5,033	1,380
Non-operating expenses		
Interest expenses	841	364
Foreign exchange losses	325	1,571
Guarantee commission	903	166
Depreciation	750	750
Other	216	217
Total non-operating expenses	3,037	3,069
Ordinary profit	1,439,718	1,619,771
Extraordinary income		
Gain on sale of non-current assets	—	1,537
Surrender value of insurance policies	90,676	60,433
Total extraordinary income	90,676	61,971
Extraordinary losses		
Impairment loss	87,150	125,289
Loss on retirement of non-current assets	4,397	384
Other	—	17
Total extraordinary losses	91,548	125,691
Profit before income taxes	1,438,846	1,556,050
Income taxes - current	417,018	583,394
Income taxes - deferred	12,648	9,703
Total income taxes	429,667	593,097
Profit	1,009,179	962,953
Profit attributable to owners of parent	1,009,179	962,953

## Consolidated statements of comprehensive income

	(Thousands of yen)	
	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	1,009,179	962,953
Other comprehensive income		
Foreign currency translation adjustment	328	1,615
Total other comprehensive income	328	1,615
Comprehensive income	1,009,507	964,568
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,009,507	964,568

## Consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Foreign currency translation adjustment	
Balance at beginning of period	30,000	1,172,858	4,286,538	(1,430)	5,487,966	—	5,487,966
Cumulative effects of changes in accounting policies					—		—
Restated balance	30,000	1,172,858	4,286,538	(1,430)	5,487,966	—	5,487,966
Changes during period							
Dividends of surplus			(282,894)		(282,894)		(282,894)
Profit attributable to owners of parent			1,009,179		1,009,179		1,009,179
Purchase of treasury shares				(208)	(208)		(208)
Disposal of treasury shares		57,672		359	58,031		58,031
Net changes in items other than shareholders' equity						328	328
Total changes during period	—	57,672	726,284	150	784,107	328	784,435
Balance at end of period	30,000	1,230,530	5,012,823	(1,279)	6,272,073	328	6,272,402

Fiscal year ended March 31, 2022

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income	Share acquisition rights	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Foreign currency translation adjustment		
Balance at beginning of period	30,000	1,230,530	5,012,823	(1,279)	6,272,073	328	—	6,272,402
Cumulative effects of changes in accounting policies					—			—
Restated balance	30,000	1,230,530	5,012,823	(1,279)	6,272,073	328	—	6,272,402
Changes during period								
Dividends of surplus			(357,236)		(357,236)			(357,236)
Profit attributable to owners of parent			962,953		962,953			962,953
Purchase of treasury shares				(349,942)	(349,942)			(349,942)
Disposal of treasury shares		7,002		2,070	9,072			9,072
Net changes in items other than shareholders' equity						1,615	36,299	37,914
Total changes during period	—	7,002	605,716	(347,871)	264,847	1,615	36,299	302,761
Balance at end of period	30,000	1,237,532	5,618,539	(349,151)	6,536,921	1,943	36,299	6,575,164

## Consolidated statements of cash flows

	(Thousands of yen)	
	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	1,438,846	1,556,050
Depreciation	93,439	121,337
Impairment loss	87,150	125,289
Amortization of goodwill	—	65,323
Surrender value of insurance policies	(90,676)	(60,433)
Share-based payment expenses	—	36,299
Increase (decrease) in allowance for doubtful accounts	(3)	(655)
Increase (decrease) in provision for bonuses	(68,249)	(16,894)
Increase (decrease) in retirement benefit liability	—	3,434
Interest income	(49)	(60)
Interest expenses	841	364
Gain on sale of non-current assets	—	(1,537)
Loss on retirement of non-current assets	4,397	384
Decrease (increase) in trade receivables	(23,774)	(133,876)
Decrease (increase) in other current assets	(7,440)	(108,538)
Increase (decrease) in accounts payable - other	23,108	79,450
Increase (decrease) in other current liabilities	99,390	(344,874)
Other, net	813	8,815
Subtotal	1,557,795	1,329,877
Interest and dividends received	46	59
Interest paid	(843)	(366)
Income taxes paid	(568,352)	(504,803)
Net cash provided by (used in) operating activities	988,646	824,767
Cash flows from investing activities		
Purchase of property, plant and equipment	(130,019)	(230,176)
Proceeds from sale of property, plant and equipment	—	13,627
Purchase of intangible assets	(97,713)	(75,237)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(921,327)
Other, net	144,547	(51,022)
Net cash provided by (used in) investing activities	(83,185)	(1,264,136)
Cash flows from financing activities		
Repayments of long-term borrowings	—	(40,010)
Repayments of lease obligations	(27,902)	(14,288)
Redemption of bonds	(160,000)	(70,000)
Purchase of treasury shares	(208)	(349,942)
Proceeds from exercise of employee share options	53,687	5,940
Dividends paid	(282,635)	(356,727)
Net cash provided by (used in) financing activities	(417,059)	(825,027)
Effect of exchange rate change on cash and cash equivalents	328	1,615
Net increase (decrease) in cash and cash equivalents	488,729	(1,262,782)
Cash and cash equivalents at beginning of period	4,795,089	5,283,819
Cash and cash equivalents at end of period	5,283,819	4,021,037