

August 12, 2022

Consolidated Financial Results for the Fiscal Year Ended June 30, 2022 (Under Japanese GAAP)

Company Name: Shibuya Corporation
 Stock Exchange Listing: Tokyo and Nagoya
 Stock Code: 6340 URL: <https://www.shibuya.co.jp>
 Representative: Hidetoshi Shibuya, President and CEO
 Contact: Yoshiaki Yoshimichi, Managing Director TEL: 076-262-1201
 Scheduled date of ordinary general meeting of shareholders: September 28, 2022
 Scheduled date of the filing of securities report: September 29, 2022
 Scheduled date of the start of year-end dividend payment: September 29, 2022
 Availability of supplementary material on financial results: None
 Annual IR meeting (for institutional investors and analysts): Not scheduled

(Amounts less than one million yen are rounded down)

1. Consolidated Financial Results for the Fiscal Year Ended June 30, 2022 (from July 1, 2021 to June 30, 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	%
Fiscal year ended June 30, 2022	96,223	△7.4	13,402	5.5	13,701	5.8	9,262	4.9
Fiscal year ended June 30, 2021	103,965	0.3	12,700	35.6	12,952	35.5	8,826	36.4

(Note) Comprehensive income Fiscal year ended June 30, 2022: 10,272 Million Yen (3.6%)
 Fiscal year ended June 30, 2021: 9,917 Million Yen (52.9%)

	Profit per share	Diluted profit per share	Return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended June 30, 2022	334.79	-	11.4	10.2	13.9
Fiscal year ended June 30, 2021	319.02	-	12.1	10.0	12.2

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2022	136,981	85,425	62.4	3,087.39
As of June 30, 2021	132,448	76,941	58.1	2,779.98

(Reference) Equity As of June 30, 2022: 85,419 Million Yen
 As of June 30, 2021: 76,914 Million Yen

(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
Fiscal year ended June 30, 2022	12,798	△3,565	△3,099	41,792
Fiscal year ended June 30, 2021	14,319	△2,605	△3,032	35,292

2. 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	%	%
Fiscal year ended June 30, 2021	-	30.00	-	40.00	70.00	1,936	21.9	2.7
Fiscal year ended June 30, 2022	-	30.00	-	40.00	70.00	1,936	20.9	2.4
Fiscal year ending June 30, 2023 (Forecast)	-	30.00	-	40.00	70.00		30.3	

(Note) Breakdown of year-end dividend for the fiscal year ended June 2021

Ordinary dividend: 30.00 Yen

Commemorative dividend: 10.00 Yen (90th anniversary of the foundation)

3. Consolidated Financial Forecast for the Year Ending June 30, 2023 (from July 1, 2022 to June 30, 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
Entire year	102,000	6.0	8,800	△34.3	9,000	△34.3	6,400	△30.9	231.32

*Notes

(1) Significant changes in subsidiaries during the period

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

Newly Added: None

Excluded: 1 (Shibuya Machinery Co., Ltd.)

Shibuya Machinery Co., Ltd., which was a specified and wholly owned subsidiary of the Company, was excluded from the scope of consolidation during the period due to the absorption-type merger by the Company.

(2) Changes in accounting policies, changes in accounting estimates, and retrospective financial restatement

1. Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2. Changes in accounting policies due to other reasons: None

3. Changes in accounting estimates: None

4. Retrospective Financial Restatement: None

(3) Number of Issued Shares (common shares)

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

As of June 30, 2022	28,149,877 shares	As of June 30, 2021	28,149,877 shares
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2. Number of treasury shares at the end of the period

As of June 30, 2022	482,691 shares	As of June 30, 2021	482,443 shares
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3. Average number of shares during the period

Fiscal year ended June 30, 2022	27,667,290 shares	Fiscal year ended June 30, 2021	27,667,511 shares
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(Reference)

Overview of Non-Consolidated Financial Results for the Fiscal Year Ended June 30, 2022 (from July 1, 2021 to June 30, 2022)

(1) Non-Consolidated Operating Results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended June 30, 2022	63,887	△7.8	8,435	5.9	9,587	1.6	9,451	44.7
Fiscal year ended June 30, 2021	69,272	△5.4	7,962	29.7	9,433	25.5	6,531	17.8

	Profit per share	Diluted profit per share
	Yen	Yen
Fiscal year ended June 30, 2022	341.60	-
Fiscal year ended June 30, 2021	236.09	-

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity Ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2022	111,044	73,080	65.8	2,641.41
As of June 30, 2021	103,923	65,002	62.5	2,349.42

(Reference) Equity As of June 30, 2022: 73,080 Million Yen

As of June 30, 2021: 65,002 Million Yen

* This financial results report is not subject to an audit procedures by a certificated public accountant or an audit firm.

* Explanation for appropriate use of financial forecasts:

(Cautionary note on forward looking statements)

The forecasts on future business results released herein are based on available information and on certain assumptions deemed to be reasonable at the time of the announcement. Actual results may differ from these forecasts due to various reasons.

Shibuya Corporation

Consolidated Balance Sheets

(Millions of yen)

	As of June 30, 2021	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	35,550	42,080
Notes and accounts receivable - trade	30,846	—
Notes receivable - trade	—	3,227
Electronically recorded monetary claims - operating	7,252	7,674
Accounts receivable - trade	—	13,466
Contract assets	—	9,906
Finished goods	379	599
Work in process	10,055	9,114
Raw materials and supplies	2,834	3,492
Other	2,025	3,173
Allowance for doubtful accounts	△4	△5
Total current assets	88,938	92,731
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,944	17,145
Machinery, equipment and vehicles, net	2,393	1,909
Land	12,775	12,757
Construction in progress	1,769	3,981
Other, net	1,185	1,354
Total property, plant and equipment	36,069	37,148
Intangible assets		
Goodwill	78	0
Other	424	449
Total intangible assets	503	449
Investments and other assets		
Investment securities	2,093	2,206
Retirement benefit asset	2,946	2,732
Deferred tax assets	1,179	1,238
Other	749	504
Allowance for doubtful accounts	△30	△30
Total investments and other assets	6,937	6,651
Total non-current assets	43,510	44,250
Total assets	132,448	136,981

(Millions of yen)

	As of June 30, 2021	As of June 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	23,887	20,333
Electronically recorded obligations - operating	2,755	2,959
Short-term borrowings	1,107	900
Income taxes payable	2,605	2,337
Accrued expenses	6,121	5,444
Advances received	6,580	—
Contract liabilities	—	8,600
Provision for bonuses	418	431
Provision for loss on orders received	76	55
Provision for product warranties	68	65
Other	2,098	1,714
Total current liabilities	45,719	42,842
Non-current liabilities		
Long-term borrowings	2,533	1,632
Retirement benefit liability	6,607	6,472
Provision for retirement benefits for directors (and other officers)	339	409
Deferred tax liabilities	162	79
Other	144	119
Total non-current liabilities	9,787	8,713
Total liabilities	55,507	51,555
Net assets		
Shareholders' equity		
Share capital	11,392	11,392
Capital surplus	10,358	10,350
Retained earnings	55,937	63,459
Treasury shares	△439	△440
Total shareholders' equity	77,248	84,762
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	74	502
Deferred gains or losses on hedges	0	—
Foreign currency translation adjustment	42	647
Remeasurements of defined benefit plans	△450	△493
Total accumulated other comprehensive income	△333	657
Non-controlling interests	27	6
Total net assets	76,941	85,425
Total liabilities and net assets	132,448	136,981

Shibuya Corporation

Consolidated Statement of Income

(Millions of yen)

	Fiscal year ended June 30, 2021	Fiscal year ended June 30, 2022
Net sales	103,965	96,223
Cost of sales	81,098	72,599
Gross profit	22,866	23,624
Selling, general and administrative expenses	10,165	10,222
Operating profit	12,700	13,402
Non-operating income		
Interest income	4	1
Dividend income	59	54
Gain on sale of investment securities	130	—
Foreign exchange gains	—	78
Gain on sale of scraps	26	63
Other	144	140
Total non-operating income	365	338
Non-operating expenses		
Interest expenses	28	19
Loss on sale of investment securities	68	—
Taxes and dues	5	3
Loss on cancellation of insurance policies	—	8
Depreciation	4	4
Other	6	4
Total non-operating expenses	113	39
Ordinary profit	12,952	13,701
Extraordinary income		
Gain on sale of non-current assets	2	0
Gain on sale of investment securities	0	20
Subsidy income	7	—
Total extraordinary income	10	21
Extraordinary losses		
Loss on disposal of non-current assets	5	12
Loss on valuation of investment securities	425	178
Impairment losses	—	152
Other	3	2
Total extraordinary losses	433	347
Profit before income taxes	12,528	13,375
Income taxes - current	3,888	4,271
Income taxes - deferred	△195	△176
Total income taxes	3,692	4,094
Profit	8,836	9,281
Profit attributable to non-controlling interests	9	18
Profit attributable to owners of parent	8,826	9,262

Shibuya Corporation
Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended June 30, 2021	Fiscal year ended June 30, 2022
Profit	8,836	9,281
Other comprehensive income		
Valuation difference on available-for-sale securities	487	428
Deferred gains or losses on hedges	0	△0
Foreign currency translation adjustment	79	606
Remeasurements of defined benefit plans, net of tax	513	△43
Total other comprehensive income	1,081	991
Comprehensive income	9,917	10,272
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,908	10,253
Comprehensive income attributable to non-controlling interests	9	19

Shibuya Corporation
Consolidated Statement of Changes in Equity

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at July 1,2020	11,392	10,357	48,770	△438	70,082
Changes during period					
Dividends of surplus			△1,660		△1,660
Profit attributable to owners of parent			8,826		8,826
Purchase of treasury shares				△0	△0
Disposal of treasury shares		0		0	0
Purchase of shares of consolidated subsidiaries		△0			△0
Net changes in items other than shareholders' equity					
Total changes during period	—	0	7,166	△0	7,166
Balance at June 30,2021	11,392	10,358	55,937	△439	77,248

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at July 1,2020	△413	—	△37	△963	△1,414	17	68,684
Changes during period							
Dividends of surplus							△1,660
Profit attributable to owners of parent							8,826
Purchase of treasury shares							△0
Disposal of treasury shares							0
Purchase of shares of consolidated subsidiaries							△0
Net changes in items other than shareholders' equity	487	0	80	513	1,081	9	1,090
Total changes during period	487	0	80	513	1,081	9	8,256
Balance at June 30,2021	74	0	42	△450	△333	27	76,941

Shibuya Corporation

Consolidated Statement of Changes in Equity

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at July 1, 2021	11,392	10,358	55,937	△439	77,248
Cumulative effects of changes in accounting policies			196		196
Restated balance	11,392	10,358	56,133	△439	77,444
Changes during period					
Dividends of surplus			△1,936		△1,936
Profit attributable to owners of parent			9,262		9,262
Purchase of treasury shares				△0	△0
Purchase of shares of consolidated subsidiaries		△7			△7
Net changes in items other than shareholders' equity					
Total changes during period	—	△7	7,325	△0	7,317
Balance at June 30, 2022	11,392	10,350	63,459	△440	84,762

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at July 1, 2021	74	0	42	△450	△333	27	76,941
Cumulative effects of changes in accounting policies							196
Restated balance	74	0	42	△450	△333	27	77,137
Changes during period							
Dividends of surplus							△1,936
Profit attributable to owners of parent							9,262
Purchase of treasury shares							△0
Purchase of shares of consolidated subsidiaries							△7
Net changes in items other than shareholders' equity	428	△0	605	△43	990	△20	970
Total changes during period	428	△0	605	△43	990	△20	8,288
Balance at June 30, 2022	502	—	647	△493	657	6	85,425

Shibuya Corporation

Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended June 30, 2021	Fiscal year ended June 30, 2022
Cash flows from operating activities		
Profit before income taxes	12,528	13,375
Depreciation	2,514	2,628
Impairment losses	—	152
Amortization of goodwill	137	78
Decrease (increase) in retirement benefit asset	123	47
Increase (decrease) in retirement benefit liability	138	△32
Increase (decrease) in provision for retirement benefits for directors (and other officers)	1	69
Increase (decrease) in allowance for doubtful accounts	△75	△0
Increase (decrease) in provision for bonuses	10	12
Increase (decrease) in provision for loss on orders received	△102	△20
Interest and dividend income	△64	△55
Interest expenses	28	19
Loss (gain) on sale of investment securities	△62	△20
Subsidy income	△7	—
Decrease (increase) in trade receivables	871	—
Decrease (increase) in trade receivables and contract assets	—	4,018
Increase (decrease) in advances received	△2,106	—
Increase (decrease) in contract liabilities	—	1,957
Decrease (increase) in inventories	2,159	578
Increase (decrease) in trade payables	206	△3,428
Decrease (increase) in advance payments to suppliers	534	△362
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	△414	△1,172
Other, net	594	△567
Subtotal	17,015	17,278
Interest and dividends received	68	55
Interest paid	△30	△19
Income taxes paid	△2,734	△4,515
Net cash provided by (used in) operating activities	14,319	12,798
Cash flows from investing activities		
Payments into time deposits	△398	△321
Proceeds from withdrawal of time deposits	422	315
Purchase of investment securities	△705	△0
Proceeds from sale of investment securities	1,987	164
Purchase of property, plant and equipment	△4,367	△3,774
Proceeds from sale of property, plant and equipment	2	9
Purchase of intangible assets	△150	△202
Subsidies received	7	—
Other, net	597	244
Net cash provided by (used in) investing activities	△2,605	△3,565

(Millions of yen)

	Fiscal year ended June 30, 2021	Fiscal year ended June 30, 2022
Cash flows from financing activities		
Repayments of long-term borrowings	△1,348	△1,107
Decrease (increase) in treasury shares	△0	△0
Dividends paid	△1,658	△1,936
Other, net	△24	△54
Net cash provided by (used in) financing activities	△3,032	△3,099
Effect of exchange rate change on cash and cash equivalents	57	366
Net increase (decrease) in cash and cash equivalents	8,739	6,500
Cash and cash equivalents at beginning of period	26,552	35,292
Cash and cash equivalents at end of period	35,292	41,792