

April 26, 2023
SHOEI CO., LTD.

Consolidated Financial Results

for the Second Quarter of the Fiscal Year Ending September 30, 2023

Name of Registrant	SHOEI CO., LTD.
Code No:	7839
Securities Traded	Tokyo Stock Exchange, Prime Market
Headquarters	Tokyo, Japan
(URL https://www.shoei.com/)	
Representative:	Kenichiro Ishida, President and Representative Director
Contact:	Hiroshi Yamaguchi, Director and General Manager of Business & Financial Management Headquarters

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I . Financial Summary

1) Operating Performance

	Millions of Yen		
	<u>Oct.21-Mar.22</u>	<u>Oct.22-Mar.23</u>	<u>% Changes</u>
Net Sales	13,439	15,216	13.2
Operating Income	3,944	4,923	24.8
Ordinary Income	4,018	4,893	21.8
Profit attributable to owners of parent	2,714	3,456	27.4
	<hr/>		
	Yen		
<i>Per Share Amounts</i>			
Net Income	50.60	64.41	
Net Income, Diluted	—	—	

Notes:

1.Earnings (Losses) of Affiliates in Equity Method:

Millions of Yen	
<u>Oct.21-Mar.22</u>	<u>Oct.22-Mar.23</u>
—	—

2.Average Number of Shares Outstanding During The Period (Consolidated):

Shares	
<u>Oct.21-Mar.22</u>	<u>Oct.22-Mar.23</u>
53,642,059	53,670,916

3.On April 1st, 2023, the Company conducted a two-for-one stock split of common stock.

Concerning the number of shares for the previous fiscal year,

“average number of shares outstanding during the period”

have been calculated and presented as if the split was conducted at beginning of the previous fiscal year.

4.Number of Treasury Stocks as of March 31, 2023: 28,464

5.Change of Accounting Method: Not Applicable.

6.Percentages of net sales, operating income, ordinary income and net income show changes from those in the corresponding period of the previous year.

7.Amounts Less than ¥1million are omitted.

8.The net income per share is calculated using the weighted average number of shares (excluding treasury stock)during the period.

2) Financial Position

	Millions of Yen	
	<u>Sep.30,22</u>	<u>Mar.31,23</u>
Total Assets	29,428	29,695
Net Assets	22,895	23,349
	Percentage	
Net Assets to Total Assets	77.7%	78.6%
	Yen	
Net Assets per Share	426.33	434.60

Notes:

1. Number of Shares Outstanding on September 30, 2022 and Mar 31, 2023

(Consolidated):

	Shares	
	<u>Sep.30,22</u>	<u>Mar.31,23</u>
	53,713,716	53,713,716

3) Scope of Consolidation

Number of Consolidated Subsidiaries	8
Number of Non-Consolidated Subsidiaries in Equity Method	0
Number of Affiliates in Equity Method	0

4) Change in Consolidation During the Period

Number of Newly Consolidated Subsidiaries	0
Number of Companies Excluded from Consolidation	0
Number of Subsidiaries and Affiliates Newly Consolidated in Equity Method	0
Number of Companies Excluded from Consolidation in Equity Method	0

II. Consolidated Forecasts

for The Fiscal Year Ending September 30, 2023

	<u>Millions of Yen</u>
	<u>Oct.22-Sep.23</u>
Net Sales	31,690
Operating Income	8,780
Ordinary Income	8,780
Net Income	6,260
	Yen
Net Income Per Share	116.62

III. Consolidated Financial Statements

Consolidated Statements of Income

(Thousands of yen)

	Six months ended March 31, 2022	Six months ended March 31, 2023
Net sales	13,439,504	15,216,229
Cost of sales	7,353,643	7,948,374
Gross profit	6,085,860	7,267,855
Selling, general and administrative expenses	2,140,986	2,344,057
Operating profit	3,944,873	4,923,797
Non-operating income		
Interest income	144	5,021
Foreign exchange gains	62,424	-
Subsidy income	8,907	7,640
Patent Settlement	-	11,364
Other	5,389	14,820
Total non-operating income	76,865	38,846
Non-operating expenses		
Interest expenses	3,179	3,521
Foreign exchange losses	-	62,672
Other	171	2,550
Total non-operating expenses	3,351	68,744
Ordinary profit	4,018,387	4,893,899
Extraordinary income		
Gain on sale of non-current assets	51	134
Total extraordinary income	51	134
Profit before income taxes	4,018,439	4,894,034
Income taxes - current	1,319,366	1,636,550
Income taxes - refund	-	650
Income taxes - deferred	-15,414	-200,082
Total income taxes	1,303,952	1,437,118
Profit	2,714,487	3,456,916
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	2,714,487	3,456,916

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Six months ended March 31, 2022	Six months ended March 31, 2023
Profit	2,714,487	3,456,916
Other comprehensive income		
Foreign currency translation adjustment	-12,321	-73,375
Remeasurements of defined benefit plans, net of tax	17,847	15,090
Total other comprehensive income	5,525	-58,285
Comprehensive income	2,720,013	3,398,630
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,720,013	3,398,287
Quarterly comprehensive income for non-controlling interests	-	343

Consolidated Balance Sheets

(Thousands of yen)

	As of September 30, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	13,887,217	12,755,354
Notes receivable - trade	294,601	37,184
Accounts receivable - trade	2,933,908	2,302,701
Merchandise and finished goods	2,527,624	3,687,446
Work in process	1,082,031	1,484,254
Raw materials and supplies	1,300,821	1,561,073
Other	1,510,113	1,402,447
Allowance for doubtful accounts	-2,902	-2,818
Total current assets	23,533,416	23,227,643
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,177,291	4,249,961
Accumulated depreciation	-2,330,056	-2,386,732
Buildings and structures, net	1,847,234	1,863,229
Machinery, equipment and vehicles	4,367,929	4,416,395
Accumulated depreciation	-3,055,171	-3,161,902
Machinery, equipment and vehicles, net	1,312,758	1,254,493
Tools, furniture and fixtures	5,145,629	5,355,336
Accumulated depreciation	-4,774,059	-4,949,174
Tools, furniture and fixtures, net	371,570	406,162
Land	235,118	257,057
Leased assets	83,121	83,121
Accumulated depreciation	-37,404	-45,716
Leased assets, net	45,716	37,404
Construction in progress	520,152	926,860
Right-of-use assets	501,386	466,635
Accumulated depreciation	-139,582	-110,984
Right-of-use-assets, net	361,804	355,650
Total property, plant and equipment	4,694,355	5,100,857
Intangible assets	135,738	147,958
Investments and other assets		
Deferred tax assets	598,886	792,074
Other	466,233	427,085
Total investments and other assets	1,065,119	1,219,160
Total non-current assets	5,895,213	6,467,976
Total assets	29,428,630	29,695,620

(Thousands of yen)

	As of September 30, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	1,344,571	1,431,463
Lease liabilities	70,123	84,825
Accounts payable - other	459,691	527,925
Income taxes payable	1,587,544	1,634,578
Provision for bonuses	305,000	340,600
Other	1,650,731	1,299,683
Total current liabilities	5,417,662	5,319,077
Non-current liabilities		
Lease liabilities	346,279	313,564
Retirement benefit liability	679,628	624,274
Asset retirement obligations	41,529	41,567
Other	48,141	47,345
Total non-current liabilities	1,115,579	1,026,752
Total liabilities	6,533,242	6,345,829
Net assets		
Shareholders' equity		
Share capital	1,421,929	1,421,929
Capital surplus	418,773	418,773
Retained earnings	21,103,439	21,555,296
Treasury shares	-120,030	-59,198
Total shareholders' equity	22,824,112	23,336,801
Accumulated other comprehensive income		
Foreign currency translation adjustment	201,039	127,663
Remeasurements of defined benefit plans	-147,766	-132,676
Total accumulated other comprehensive income	53,272	-5,012
Non-controlling interests	18,003	18,003
Total net assets	22,895,387	23,349,791
Total liabilities and net assets	29,428,630	29,695,620

IV. Segment Information

(1) Business Segment Information

This section is not applicable because business of our group is limited to manufacture and sale of helmets.

(2) Overseas Sales

	<u>Oct.2021-Mar.2022</u>		<u>Oct.2022-Mar.2023</u>	
	<u>Sales</u>	<u>Percentage</u>	<u>Sales</u>	<u>Percentage</u>
	Thousands	Overseas	Thousands	Overseas
	of Yen	Sales to	of Yen	Sales to
		Net Sales		Net Sales
Europe	5,522,488	41.1	6,143,293	40.4
North America	2,505,589	18.6	1,749,449	11.5
Other Areas	<u>2,401,079</u>	<u>17.9</u>	<u>4,187,279</u>	<u>27.5</u>
Overseas Sales Total	<u>10,429,157</u>	<u>77.6</u>	<u>12,080,021</u>	<u>79.4</u>
Total including Japan	13,439,504	100.0	15,216,229	100.0