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Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 [Japanese GAAP]



May 12, 2023

Company name: WIN-Partners Co., Ltd.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 3183
 URL: <https://www.win-partners.co.jp>
 Representative: Hideumi Akizawa, Chief Executive Officer
 Contact: Keiji Matsumoto, Director
 Phone: +81-3-3548-0790
 Scheduled date of general shareholders' meeting: June 29, 2023
 Scheduled date of commencing dividend payments: June 30, 2023
 Scheduled date of filing securities report: June 29, 2023
 Availability of supplementary explanatory materials on annual financial results: Not available
 Schedule of annual financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 - March 31, 2023)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2023	70,854	6.7	2,470	(10.6)	2,472	(10.6)	2,047	11.8
March 31, 2022	66,391	6.9	2,762	22.5	2,765	22.0	1,831	18.9

(Note) Comprehensive income: Fiscal year ended March 31, 2023: ¥2,055 million [10.6%]
 Fiscal year ended March 31, 2022: ¥1,857 million [17.6%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2023	72.04	—	9.2	5.8	3.5
March 31, 2022	63.88	—	8.5	6.8	4.2

(Reference) Equity in earnings of affiliated companies: Fiscal year ended March 31, 2023: ¥— million
 Fiscal year ended March 31, 2022: ¥— million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2023	43,883	22,782	51.9	801.64
As of March 31, 2022	41,564	21,721	52.3	764.32

(Reference) Equity: As of March 31, 2023: ¥22,782 million
 As of March 31, 2022: ¥21,721 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year-end
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2023	445	1,916	(1,162)	11,771
March 31, 2022	2,622	(2,894)	(1,276)	10,572

2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2022	–	0.00	–	35.00	35.00	994	54.8	4.7
Fiscal year ended March 31, 2023	–	0.00	–	50.00	50.00	1,420	69.4	6.4
Fiscal year ending March 31, 2024 (Forecast)	–	0.00	–	50.00	50.00		73.6	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 - March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	35,100	4.4	1,030	(7.0)	1,030	(7.1)	700	(5.6)	24.63
Full year	75,500	6.6	2,830	14.6	2,830	14.4	1,930	(5.7)	67.91

* Notes:

(1) Changes in significant subsidiaries during the period under review: None

(Changes in specified subsidiaries resulting in changes in scope of consolidation)

(Note) Through consolidated subsidiary TESCO Co., Ltd., we acquired all shares of TOSAY Medical Co., Ltd. in the second quarter of the fiscal year under review and included it in the scope of consolidation, although this does not constitute a change in specified subsidiaries.

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

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

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

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

March 31, 2023: 30,503,310 shares

March 31, 2022: 30,503,310 shares

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

March 31, 2023: 2,083,573 shares

March 31, 2022: 2,083,573 shares

3) Average number of shares during the period:

Fiscal year ended March 31, 2023: 28,419,737 shares

Fiscal year ended March 31, 2022: 28,675,572 shares

(Reference) Summary of Non-consolidated Financial Results**1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 - March 31, 2023)****(1) Non-consolidated Operating Results** (% indicates changes from the previous corresponding period.)

Year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2023	2,924	17.7	1,914	25.0	1,918	25.4	1,901	32.3
March 31, 2022	2,485	(7.0)	1,531	(14.5)	1,530	(14.7)	1,436	(16.9)

Year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2023	66.89	—
March 31, 2022	50.10	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2023	20,294	20,003	98.6	703.84
As of March 31, 2022	19,376	19,096	98.6	671.95

(Reference) Equity: As of March 31, 2023: ¥20,003 million

As of March 31, 2022: ¥19,096 million

* These financial results are outside the scope of audit by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecasts and other notes

(Note on forward-looking statements)

The financial results forecasts and other forward-looking statements contained in this document are based on information currently available and assumptions as of the announcement date of this document concerning uncertain factors that may affect the future performance, and the Company does not promise the achievement of these forecasts. Actual results may differ significantly from these forecasts due to various factors.

1. Consolidated Financial Statements and Principal Notes
(1) Consolidated Balance Sheets

(Thousand yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	15,572,870	16,771,746
Notes and accounts receivable - trade	14,542,286	15,676,256
Electronically recorded monetary claims - operating	1,819,004	1,948,745
Merchandise	2,066,037	2,813,288
Accounts receivable - other	283,135	282,745
Other	462,494	1,179,061
Total current assets	34,745,828	38,671,843
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,494,421	1,738,403
Land	3,999,503	2,490,857
Construction in progress	842,651	–
Other	1,024,569	1,211,262
Accumulated depreciation	(1,612,370)	(1,540,721)
Total property, plant and equipment	5,748,776	3,899,801
Intangible assets		
Software	49,240	37,094
Goodwill	–	132,090
Other	107,338	202,753
Total intangible assets	156,579	371,938
Investments and other assets		
Investment securities	87,619	70,707
Deferred tax assets	589,671	617,236
Other	236,522	251,799
Total investments and other assets	913,813	939,743
Total non-current assets	6,819,169	5,211,483
Total assets	41,564,997	43,883,327

(Thousand yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,881,444	16,543,188
Electronically recorded obligations - operating	2,094,209	2,026,169
Accounts payable - other	342,034	252,664
Income taxes payable	595,688	447,458
Contract liabilities	66,061	71,030
Provision for bonuses	392,514	369,176
Other	326,608	174,361
Total current liabilities	18,698,560	19,884,049
Non-current liabilities		
Retirement benefit liability	1,142,531	1,214,650
Other	2,000	2,140
Total non-current liabilities	1,144,531	1,216,790
Total liabilities	19,843,091	21,100,840
Net assets		
Shareholders' equity		
Share capital	550,000	550,000
Capital surplus	2,272,369	2,272,369
Retained earnings	19,688,252	20,740,823
Treasury shares	(836,142)	(836,142)
Total shareholders' equity	21,674,479	22,727,050
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	40,538	42,209
Remeasurements of defined benefit plans	6,887	13,226
Total accumulated other comprehensive income	47,426	55,436
Total net assets	21,721,905	22,782,487
Total liabilities and net assets	41,564,997	43,883,327

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statement of Income

(Thousand yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Net sales	66,391,940	70,854,470
Cost of sales	57,871,801	62,192,233
Gross profit	8,520,139	8,662,236
Selling, general and administrative expenses	5,757,706	6,192,163
Operating profit	2,762,432	2,470,073
Non-operating income		
Interest income	133	111
Dividend income	1,221	1,211
Rental income from real estate	2,067	1,417
Other	3,870	6,171
Total non-operating income	7,292	8,912
Non-operating expenses		
Interest expenses	–	64
Other	4,638	6,050
Total non-operating expenses	4,638	6,115
Ordinary profit	2,765,086	2,472,870
Extraordinary income		
Gain on sale of non-current assets	357	515,100
Gain on sale of investment securities	–	28,306
Total extraordinary income	357	543,406
Extraordinary losses		
Loss on retirement of non-current assets	110,597	71,413
Total extraordinary losses	110,597	71,413
Profit before income taxes	2,654,845	2,944,863
Income taxes - current	901,661	891,545
Income taxes - deferred	(78,709)	6,055
Total income taxes	822,951	897,601
Profit	1,831,893	2,047,262
Profit attributable to owners of parent	1,831,893	2,047,262

Consolidated Statement of Comprehensive Income

(Thousand yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Profit	1,831,893	2,047,262
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,340)	1,671
Remeasurements of defined benefit plans, net of tax	29,170	6,338
Total other comprehensive income	25,829	8,010
Comprehensive income	1,857,723	2,055,272
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,857,723	2,055,272

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	550,000	2,272,369	18,832,438	(538,066)	21,116,741
Changes during period					
Dividends of surplus			(976,080)		(976,080)
Profit attributable to owners of parent			1,831,893		1,831,893
Purchase of treasury shares				(298,075)	(298,075)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	855,813	(298,075)	557,738
Balance at end of period	550,000	2,272,369	19,688,252	(836,142)	21,674,479

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	43,879	(22,282)	21,596	21,138,338
Changes during period				
Dividends of surplus				(976,080)
Profit attributable to owners of parent				1,831,893
Purchase of treasury shares				(298,075)
Net changes in items other than shareholders' equity	(3,340)	29,170	25,829	25,829
Total changes during period	(3,340)	29,170	25,829	583,567
Balance at end of period	40,538	6,887	47,426	21,721,905

Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	550,000	2,272,369	19,688,252	(836,142)	21,674,479
Changes during period					
Dividends of surplus			(994,690)		(994,690)
Profit attributable to owners of parent			2,047,262		2,047,262
Purchase of treasury shares					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	1,052,571	-	1,052,571
Balance at end of period	550,000	2,272,369	20,740,823	(836,142)	22,727,050

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	40,538	6,887	47,426	21,721,905
Changes during period				
Dividends of surplus				(994,690)
Profit attributable to owners of parent				2,047,262
Purchase of treasury shares				-
Net changes in items other than shareholders' equity	1,671	6,338	8,010	8,010
Total changes during period	1,671	6,338	8,010	1,060,581
Balance at end of period	42,209	13,226	55,436	22,782,487

(4) Consolidated Statement of Cash Flows

(Thousand yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	2,654,845	2,944,863
Depreciation	160,524	166,198
Interest and dividend income	(1,354)	(1,323)
Loss (gain) on sale of non-current assets	(357)	(515,100)
Decrease (increase) in trade receivables	(394,338)	(640,002)
Decrease (increase) in inventories	269,497	(641,544)
Increase (decrease) in trade payables	219,587	921,656
Other, net	304,812	(710,573)
Subtotal	3,213,216	1,524,175
Interest and dividends received	1,354	2,063
Income taxes paid	(592,513)	(1,081,025)
Other, net	–	(64)
Net cash provided by (used in) operating activities	2,622,058	445,148
Cash flows from investing activities		
Payments into time deposits	(5,000,000)	(5,000,000)
Proceeds from withdrawal of time deposits	5,000,000	5,180,106
Purchase of property, plant and equipment	(2,758,956)	(970,314)
Proceeds from sale of non-current assets	2,685	3,402,592
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(505,076)
Other, net	(138,657)	(190,709)
Net cash provided by (used in) investing activities	(2,894,928)	1,916,598
Cash flows from financing activities		
Purchase of treasury shares	(298,075)	–
Dividends paid	(976,080)	(994,690)
Other, net	(2,156)	(168,180)
Net cash provided by (used in) financing activities	(1,276,312)	(1,162,870)
Effect of exchange rate change on cash and cash equivalents	–	–
Net increase (decrease) in cash and cash equivalents	(1,549,182)	1,198,876
Cash and cash equivalents at beginning of period	12,122,053	10,572,870
Cash and cash equivalents at end of period	10,572,870	11,771,746

2. Non-consolidated Financial Statements and Principal Notes

(1) Non-consolidated Balance Sheets

(Thousand yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	7,519,383	7,609,774
Prepaid expenses	8,727	11,759
Short-term loans receivable from subsidiaries and associates	1,000,000	1,200,000
Income taxes refund receivable	309,512	372,015
Other	15,399	489,217
Total current assets	8,853,023	9,682,766
Non-current assets		
Property, plant and equipment		
Buildings	27,879	32,200
Tools, furniture and fixtures	64,123	65,900
Accumulated depreciation	(57,977)	(61,795)
Total property, plant and equipment	34,025	36,305
Intangible assets		
Software	43,274	30,925
Other	106,004	201,596
Total intangible assets	149,278	232,521
Investments and other assets		
Shares of subsidiaries and associates	10,205,422	10,205,422
Long-term prepaid expenses	40	248
Leasehold and guarantee deposits	65,209	65,182
Deferred tax assets	69,957	72,328
Total investments and other assets	10,340,630	10,343,181
Total non-current assets	10,523,934	10,612,008
Total assets	19,376,957	20,294,775

(Thousand yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Accounts payable - other	97,214	94,482
Accrued expenses	10,996	9,030
Income taxes payable	14,604	22,108
Accrued consumption taxes	2,851	14,206
Provision for bonuses	45,517	42,081
Other	11,927	10,823
Total current liabilities	183,112	192,731
Non-current liabilities		
Provision for retirement benefits	97,227	99,034
Total non-current liabilities	97,227	99,034
Total liabilities	280,340	291,766
Net assets		
Shareholders' equity		
Share capital	550,000	550,000
Capital surplus		
Legal capital surplus	150,000	150,000
Other capital surplus	9,505,422	9,505,422
Total capital surplus	9,655,422	9,655,422
Retained earnings		
Other retained earnings		
Retained earnings brought forward	9,727,337	10,633,729
Total retained earnings	9,727,337	10,633,729
Treasury shares	(836,142)	(836,142)
Total shareholders' equity	19,096,617	20,003,009
Total net assets	19,096,617	20,003,009
Total liabilities and net assets	19,376,957	20,294,775

(2) Non-consolidated Statement of Income

(Thousand yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Operating revenue		
Management fee income	977,531	1,039,849
Dividends from subsidiaries and associates	1,507,761	1,884,983
Total operating revenue	2,485,292	2,924,833
Operating expenses		
General and administrative expenses	953,788	1,010,289
Total operating expenses	953,788	1,010,289
Operating profit	1,531,503	1,914,543
Non-operating income		
Interest income	491	3,931
Other	621	1,893
Total non-operating income	1,112	5,824
Non-operating expenses		
Other	2,537	1,436
Total non-operating expenses	2,537	1,436
Ordinary profit	1,530,078	1,918,931
Extraordinary losses		
Loss on retirement of non-current assets	110,597	–
Total extraordinary losses	110,597	–
Profit before income taxes	1,419,480	1,918,931
Income taxes - current	1,677	20,218
Income taxes - deferred	(18,869)	(2,370)
Total income taxes	(17,191)	17,848
Profit	1,436,672	1,901,083

(3) Non-consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Thousand yen)

	Shareholders' equity			
	Share capital	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of period	550,000	150,000	9,505,422	9,655,422
Changes during period				
Dividends of surplus				
Profit				
Purchase of treasury shares				
Total changes during period	–	–	–	–
Balance at end of period	550,000	150,000	9,505,422	9,655,422

	Shareholders' equity				Total net assets
	Retained earnings		Treasury shares	Total shareholders' equity	
	Other retained earnings	Total retained earnings			
Balance at beginning of period	9,266,744	9,266,744	(538,066)	18,934,099	18,934,099
Changes during period					
Dividends of surplus	(976,080)	(976,080)		(976,080)	(976,080)
Profit	1,436,672	1,436,672		1,436,672	1,436,672
Purchase of treasury shares			(298,075)	(298,075)	(298,075)
Total changes during period	460,592	460,592	(298,075)	162,517	162,517
Balance at end of period	9,727,337	9,727,337	(836,142)	19,096,617	19,096,617

Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Thousand yen)

	Shareholders' equity			
	Share capital	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of period	550,000	150,000	9,505,422	9,655,422
Changes during period				
Dividends of surplus				
Profit				
Purchase of treasury shares				
Total changes during period	–	–	–	–
Balance at end of period	550,000	150,000	9,505,422	9,655,422

	Shareholders' equity				Total net assets
	Retained earnings		Treasury shares	Total shareholders' equity	
	Other retained earnings	Total retained earnings			
Balance at beginning of period	9,727,337	9,727,337	(836,142)	19,096,617	19,096,617
Changes during period					
Dividends of surplus	(994,690)	(994,690)		(994,690)	(994,690)
Profit	1,901,083	1,901,083		1,901,083	1,901,083
Purchase of treasury shares				–	–
Total changes during period	906,392	906,392	–	906,392	906,392
Balance at end of period	10,633,729	10,633,729	(836,142)	20,003,009	20,003,009