Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Consolidated Financial Results for the Three Months Ended March 31, 2022 [Japanese GAAP]



May 12, 2022

Company name: Future Innovation Group, Inc. Stock exchange listing: Tokyo and Fukuoka

Code number: 4392

URL: http://www.figinc.jp/

Representative: MURAI Yuji, President and CEO

Contact: KIBE Kazuhisa, Director and Managing Executive Officer

Phone: +81-97-576-8730

Scheduled date of filing quarterly securities report: May 12, 2022

Scheduled date of commencing dividend payments: -

Availability of supplementary explanatory materials on quarterly financial results: Available

Schedule of quarterly 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 Three Months Ended March 31, 2022 (January 1, 2022 - March 31, 2022)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

		Net sales		Operating p	rofit	Ordinary p	rofit	Profit attribu owners of j	
	Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
	March 31, 2022	3,544	18.4	397	98.0	386	83.9	237	79.9
March 31, 2021 2,993 18.8 200 - 210 - 132	March 31, 2021	2,993	18.8	200	_	210	_	132	-

(Note) Comprehensive income: Three months ended March 31, 2022: \(\preceq\)237 million [26.2%]

Three months ended March 31, 2021: ¥188 million [-%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
March 31, 2022	8.12	8.00
March 31, 2021	4.53	4.46

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of March 31, 2022	20,195	8,970	43.7
As of December 31, 2021	18,971	8,878	46.0

(Reference) Equity: As of March 31, 2022: \(\frac{1}{2}\)8,823 million
As of December 31, 2021: \(\frac{1}{2}\)8,730 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 December 31, 2021	-	0.00	-	5.00	5.00	
Fiscal year ending December 31, 2022	_					
Fiscal year ending December 31, 2022 (Forecast)		0.00	_	5.00	5.00	

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2022 (January 1, 2022 - December 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales	S	Operating 1	profit	Ordinary p	orofit	Profit attribute to owners parent	of	Basic earnings per share
Full year	Million yen 13,000	% 6.0	Million yen 750	% 32.5	Million yen 712	% 24.3	Million yen 474	% 7.3	Yen 16.20

(Note) Revision to the financial results forecast announced most recently: None

*	Notes:
---	---------------

(1) Changes in significant subsidiaries during the pe	eriod under review: None	
(Changes in specified subsidiaries resulting in o	changes in scope of consolidation):	
Newly included: – (), E	xcluded: – ()

- (2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None
- (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: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (4) Total number of issued and outstanding shares (common shares)
 - 1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

March 31, 2022: 31,176,015 shares December 31, 2021: 31,176,015 shares

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

March 31, 2022: 1,918,347 shares December 31, 2021: 1,918,322 shares

3) Average number of shares during the period:

Three months ended March 31, 2022: 29,257,685 shares Three months ended March 31, 2021: 29,166,277 shares

- * These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants or an audit firm.
- * Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available and certain assumptions that the Company regards as reasonable, and are not intended as a guarantee that the Company will achieve these targets. Actual results may therefore differ materially from these statements for various reasons.

	As of December 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	2,414	2,198
Notes and accounts receivable	3,145	-
Notes and accounts receivable, and contract assets	-	4,072
Investments in leases	1,955	4,560
Inventories	2,063	1,534
Other	313	484
Allowance for doubtful accounts	(45)	(45)
Total current assets	9,846	12,804
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,096	1,962
Land	1,718	1,718
Construction in progress	2,942	-
Other, net	437	437
Total property, plant and equipment	6,194	4,119
Intangible assets		
Goodwill	357	341
Other	493	505
Total intangible assets	850	847
Investments and other assets		
Investment securities	946	1,247
Deferred tax assets	73	93
Long-term accounts receivable	885	888
Other	186	207
Allowance for doubtful accounts	(12)	(12)
Total investments and other assets	2,079	2,424
Total non-current assets	9,125	7,391
Total assets	18,971	20,195

	As of December 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable	1,298	1,116
Short-term borrowings	3,833	1,326
Current portion of bonds payable	16	16
Current portion of long-term borrowings	802	1,030
Income taxes payable	81	148
Accrued consumption taxes	188	137
Provision for bonuses for directors (and other officers)	53	223
Provision for product warranties	27	27
Other	766	598
Total current liabilities	7,068	4,624
Non-current liabilities		
Bonds payable	17	17
Long-term borrowings	2,731	6,324
Provision for retirement benefits for directors (and other officers)	65	60
Retirement benefit liability	128	125
Deferred tax liabilities	81	67
Other	1	
Total non-current liabilities	3,024	6,600
Total liabilities	10,093	11,225
Net assets		
Shareholders' equity		
Capital stock	2,012	2,012
Capital surplus	3,852	3,852
Retained earnings	3,035	3,126
Treasury shares	(455)	(455
Total shareholders' equity	8,444	8,535
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	282	283
Foreign currency translation adjustment	4	4
Total accumulated other comprehensive income	286	28'
Share acquisition rights	131	13
Non-controlling interests	16	1:
Total net assets	8,878	8,970
Total liabilities and net assets	18,971	20,195

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

Three Months Ended March 31

(Million yen)

	For the three months ended March 31, 2021	For the three months ended March 31, 2022
Net sales	2,993	3,544
Cost of sales	2,134	2,449
Gross profit	858	1,095
Selling, general and administrative expenses	658	698
Operating profit	200	397
Non-operating income		
Interest income	0	0
Subsidy income	14	1
Other	3	2
Total non-operating income	17	3
Non-operating expenses		
Interest expenses	7	13
Other	0	1
Total non-operating expenses	7	14
Ordinary profit	210	386
Profit before income taxes	210	386
Income taxes - current	103	183
Income taxes - deferred	(23)	(33)
Total income taxes	79	150
Profit	130	236
Profit (loss) attributable to non-controlling interests	(1)	(1)
Profit attributable to owners of parent	132	237

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended March 31

(Million yen)

	For the three months ended March 31, 2021	For the three months ended March 31, 2022
Profit	130	236
Other comprehensive income		
Valuation difference on available-for-sale securities	53	1
Foreign currency translation adjustment	4	0
Total other comprehensive income	58	1
Comprehensive income	188	237
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	189	238
Comprehensive income attributable to non-controlling interests	(0)	(0)