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August 3, 2022

## Non-consolidated Financial Results for the Nine Months Ended June 30, 2022 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange  
 Securities code: 4809  
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 Scheduled date to file quarterly securities report: August 10, 2022  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on quarterly financial results: None  
 Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted)

### 1. Non-consolidated financial results for the nine months ended June 30, 2022 (from October 1, 2021 to June 30, 2022)

#### (1) Non-consolidated operating results (cumulative)

(% indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
June 30, 2022	9,534	8.0	1,648	25.3	1,494	29.0	1,031	48.3
June 30, 2021	8,826	△6.6	1,316	46.2	1,158	54.9	695	51.7

	Profit per share	Profit per share after dilution
Nine months ended	Yen	Yen
June 30, 2022	103.26	103.06
June 30, 2021	69.92	69.72

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
June 30, 2022	36,711	16,499	44.9
September 30, 2021	35,778	15,998	44.7

Reference: Equity

As of June 30, 2022: ¥16,471 million  
 As of September 30, 2021: ¥15,979 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended September 30, 2021	—	0.00	—	55.00	55.00
Fiscal year ending September 30, 2022	—	0.00	—		
Fiscal year ending September 30, 2022 (Forecast)				62.00	62.00

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Forecast for the fiscal year ending September 30, 2022 (from October 1, 2021 to September 30, 2022)

(% indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full year	12,400	5.4	1,960	9.7	1,750	11.1	1,180	20.8	118.15

Note: Revisions to the forecast of financial results most recently announced: None

**\* Notes**

(1) Adoption of accounting treatment specific to the preparation of quarterly financial statements: Yes

Note: As for details, refer to page 8 of the attached materials.

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of June 30, 2022	10,294,600 shares
As of September 30, 2021	10,294,600 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2022	306,333 shares
As of September 30, 2021	309,285 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended June 30, 2022	9,986,774 shares
Nine months ended June 30, 2021	9,943,879 shares

Note: The total number of treasury shares at the end of the period included shares of the Company held by the Employee Stock Ownership Plan Trust (249,655 shares as of June 30, 2022 and 249,655 shares as of September 30, 2021).

\* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

\* Explanations and other special notes concerning the appropriate use of business performance forecasts

The business performance forecasts given in this document are based on assumptions, prospects, and future business plans, currently available on the date this document was published. Actual results may differ from these forecasts for a variety of reasons. For other matters relating to the forecasts, please refer to "1. (3) Explanation of Future Outlook" on page 4 of the attached materials.

Attached Materials

Index

1. Qualitative Information on Quarterly Results .....	2
(1) Explanation of Business Performance .....	2
(2) Explanation of Financial Condition .....	4
(3) Explanation of Future Outlook .....	4
2. Quarterly Financial Statements and Notes .....	5
(1) Quarterly balance sheet .....	5
(2) Quarterly statement of profit and loss .....	7
(3) Notes to Quarterly Financial Statements .....	8

## 1. Qualitative Information on Quarterly Results

### (1) Explanation of Business Performance

During the first nine months of the current fiscal year (October 1, 2021 to June 30, 2022), the Japanese economy showed signs of recovery as the number of COVID-19 cases declined from October to December 2021. However, business confidence worsened again, due to the rapid increase of Omicron variant cases from January 2022 and the growing trend toward voluntary restraints in various economic activities. Although COVID-19 cases peaked in early February 2022 and shifted to a gradual downward trend, the social and economic outlook remained uncertain.

From October to December 2021, the sales of parking industry have shown signs of recovery nationwide, but sales from January 2022 have been affected by spreading of the Omicron variant. Especially, there was a record snowfall in Sapporo, and sales in February 2022 was lower than in the same month of previous year. However, the sales showed a recovery trend from March to June, due to a decrease of COVID-19 cases.

Under these circumstances, the Company focused on improving profitability by developing new parking lots and setting flexible rate changes at existing parking lots, while taking into consideration the profitability in COVID-19 pandemic situation.

Overall, during the first nine months of the fiscal year, the number of newly developed parking was 121 lots with 2,830 spaces, while the number of closed parking was 83 lots with 836 spaces (net increase was 38 lots with 1,994 spaces). Total of 2,079 lots with 32,190 spaces is available as of June 30, 2022. Due to the COVID-19 spreading, the Company carefully selected newly developed parking lots and closed unprofitable parking lots, and the number of parking lot in operation temporarily declined. However, the number of parking spaces has recovered with the resumption of full-scale business activities, and exceeded the record (32,006 spaces) of March 2022.

The following table shows changes in net sales and gross profit for the period from October 2021 to June 2022.

	October 2021	November 2021	December 2021
Net sales (Millions of yen)	1,065	1,070	1,139
Comparison with FY2021	101.1%	106.4%	110.9%
Comparison with FY2020	92.9%	92.1%	91.7%
Gross profit (Millions of yen)	338	347	375
Gross profit margin	31.7%	32.5%	32.9%

	January 2022	February 2022	March 2022
Net sales (Millions of yen)	988	892	1,099
Comparison with FY2021	108.8%	99.0%	104.6%
Comparison with FY2020	86.6%	81.1%	101.5%
Gross profit (Millions of yen)	263	173	304
Gross profit margin	26.7%	19.5%	27.7%

	April 2022	May 2022	June 2022
Net sales (Millions of yen)	1,065	1,089	1,124
Comparison with FY2021	110.4%	117.6%	114.0%
Comparison with FY2020	133.6%	136.2%	116.0%
Comparison with FY2019	90.7%	94.4%	96.2%
Gross profit (Millions of yen)	296	331	351
Gross profit margin	27.8%	30.4%	31.3%

As a result, in the first nine months of the fiscal year under review, the net sales was ¥ 9,534 million (up 8.0% year-on-year), operating profit was ¥ 1,648 million (up 25.3% year-on-year), ordinary profit was ¥ 1,494 million (up 29.0% year-on-year), and profit was ¥ 1,031 million (up 48.3% year-on-year).

The results by parking business types are as follows.

(Leased parking Business)

During the first nine months of the fiscal year, the number of newly developed leased parking was 111 lots with 2,720 spaces, while the number of closed leased parking was 82 lots with 820 spaces (net increase was 29 lots with 1,900 spaces). As a result, total of 1,834 lots with 27,509 spaces is available as of June 30, 2022. The net sales of leased parking business was ¥ 7,654 million (up 7.2% year-on-year), and gross profit was ¥ 1,408 million (up 18.1% year-on-year).

(Owned parking Business)

During the first nine months of the fiscal year, owned parking lots were developed in Sapporo City (4 spaces), in Ishinomaki City, Miyagi Prefecture (52 spaces), in Kita-ku, Tokyo (3 spaces), in Chuo-ku, Tokyo (6 spaces), in Tachikawa City (5 spaces), in Yokohama City (2 spaces), in Nagoya City (2 lots with 19 spaces), in Kyoto City (6 spaces), and in Nagasaki City (7 spaces). And 4 parking spaces were added in Kofu City, by acquiring land adjacent to an existing owned parking lot. On the other hand, the Company reviewed portfolio and sold a parking land in Kamakura City, Kanagawa Prefecture (15 spaces), and the gain from this sale of fixed asset was ¥ 29 million. Moreover, additional 2 parking spaces were developed in Koshigaya City, Saitama Prefecture, and 1 parking space was closed in Nagoya City due to layout changes. As a result, the number of newly developed owned parking was 10 lots with 110 spaces, while the number of closed owned parking was 1 lot with 16 spaces. Total of 245 lots with 4,681 spaces is available as of June 30, 2022. The net sales of owned parking business was ¥ 1,496 million (up 11.9% year-on-year), and gross profit was ¥ 1,195 million (up 14.6% year-on-year).

Furthermore, the Company acquired lands for parking in Gifu City (6 spaces) and in Ikeda City, Osaka Prefecture (56 spaces), which are both scheduled to be opened in the fourth quarter or later.

(Others)

During the first nine months of the fiscal year, the net sales except for car parking business, including real estate leasing, vending machine, bike/bus/cycle parking, and solar power generation, was ¥ 383 million (up 10.6% year-on-year).

Sales results by parking business types for the current fiscal year are as follows.

	Nine months ended June 30, 2021	Nine months ended June 30, 2022	Fiscal year ended September 30, 2021
Types	Sales (Millions of yen)	Sales (Millions of yen)	Sales (Millions of yen)
Leased parking Business	7,142	7,654	9,506
Owned parking Business	1,337	1,496	1,788
Others	346	383	467
Total	8,826	9,534	11,761

## (2) Explanation of Financial Condition

Total assets at the end of the nine month the fiscal year under review increased ¥ 932 million from the end of the previous fiscal year, to ¥ 36,711 million. It was mainly due to an increase in land (¥ 1,266 million) and a decrease in cash and deposits (¥ 273 million).

Total liabilities at the end of the nine month the fiscal year under review increased ¥ 431 million, to ¥ 20,211 million. It was mainly due to an increase in borrowings (¥ 866 million) and a decrease in income taxes payable (¥ 199 million).

Total net assets at the end of the nine month the fiscal year under review increased ¥ 500 million, to ¥ 16,499 million. It was mainly due to an increase in retained earnings (¥ 468 million). As a result, the equity ratio increased to 44.9% from 44.7% at the end of the previous fiscal year.

## (3) Explanation of Future Outlook

In Japan, the seventh wave of COVID-19 Omicron variant has been still ongoing, but Omicron variant seems to be attenuated compared to the COVID-19 Alpha and Delta variants, thus normalization of social and economic activities in the post-COVID-19 world are being explored. In addition, discussion is starting to suggest that the treatment of COVID-19 under the law should be reviewed and changed to “category 5 equivalent”.

In this environment, the Company will continue to conduct sales activities while taking into consideration the profitability of newly developed parking lots in the event of the spread of infection, and will also make efforts to improve the profitability of existing parking lots by setting flexible rate changes. In addition, the Company aims to expand its business and base earnings by taking advantage of business alliances with major real estate developers and real estate brokerage firms. The Company will focus on acquiring lands for its parking lots in areas where the decline in sales is small even in the COVID-19 disaster, while taking into consideration demographic trends and other indicators.

There are no revisions to the earnings forecast for the fiscal year ending September 30, 2022, which was announced on November 5, 2021.

\*This explanation is based on information available to the Company at this time, and include potential risks and uncertainties. Due to these effects, actual results may differ from the announced forecasts.

2. Quarterly Financial Statements and Notes  
(1) Quarterly balance sheet

(Millions of yen)

	As of September 30, 2021	As of June 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	4,182	3,909
Accounts receivable - trade	129	160
Prepaid expenses	499	530
Other	21	35
Allowance for doubtful accounts	△0	△0
Total current assets	4,832	4,636
Non-current assets		
Property, plant and equipment		
Buildings, net	534	712
Machinery and equipment, net	761	705
Land	27,514	28,781
Leased assets, net	935	759
Other, net	541	469
Total property, plant and equipment	30,288	31,428
Intangible assets	12	9
Investments and other assets	645	636
Total non-current assets	30,945	32,074
Total assets	35,778	36,711
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	240	286
Short-term borrowings	—	253
Current portion of long-term borrowings	1,780	1,916
Income taxes payable	446	246
Provision for bonuses	32	19
Provision for shareholder benefit program	25	—
Other	724	652
Total current liabilities	3,249	3,375
Non-current liabilities		
Long-term borrowings	15,393	15,869
Lease obligations	637	498
Provision for share awards	38	39
Asset retirement obligations	285	289
Other	175	138
Total non-current liabilities	16,530	16,835
Total liabilities	19,779	20,211



(Millions of yen)

	As of September 30, 2021	As of June 30, 2022
Net assets		
Shareholders' equity		
Share capital	1,839	1,839
Capital surplus	2,272	2,275
Retained earnings	12,296	12,765
Treasury shares	△379	△379
Total shareholders' equity	16,029	16,501
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	7	6
Deferred gains or losses on hedges	△57	△36
Total valuation and translation adjustments	△50	△29
Share acquisition rights	19	28
Total net assets	15,998	16,499
Total liabilities and net assets	35,778	36,711

## (2) Quarterly statement of profit and loss

(Millions of yen)

	Nine months ended March 31, 2021	Nine months ended March 31, 2022
Net sales	8,826	9,534
Cost of sales	6,399	6,752
Gross profit	2,427	2,782
Selling, general and administrative expenses	1,111	1,134
Operating profit	1,316	1,648
Non-operating income		
Interest income	0	0
Dividend income	0	0
Gain on forfeiture of unclaimed dividends	1	0
Insurance claim income	0	0
Interest on tax refund	1	—
Subsidy income	2	—
Other	1	0
Total non-operating income	7	1
Non-operating expenses		
Interest expenses	160	154
Other	5	0
Total non-operating expenses	165	155
Ordinary profit	1,158	1,494
Extraordinary income		
Gain on sale of non-current assets	—	29
Gain on reversal of share acquisition rights	7	—
Total extraordinary income	7	29
Extraordinary losses		
Loss on retirement of non-current assets	20	9
Impairment losses	112	—
Total extraordinary losses	132	9
Profit before income taxes	1,033	1,515
Income taxes	338	484
Profit	695	1,031

(3) Notes to Quarterly Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes on significant changes to shareholders' equity)

Not applicable.

(Adoption of accounting treatment specific to the preparation of quarterly financial statements)

Calculation of tax expense

Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax effect accounting against income before income taxes for the current fiscal year, including the third quarter ended June 30, 2022, and then multiplying income before income taxes for the nine months with the said estimated effective tax rate.

(Changes in accounting policies)

(Application of Accounting Standard for Revenue Recognition)

The Company has adopted the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29 dated March 31, 2020) and other relevant standards from the beginning of the first quarter of the current fiscal period. Under the new accounting policy, revenue is recognized as the amount expected to be received in exchange for promised goods or services when the control of such goods or services is transferred to the customer.

In accordance with the transitional treatment stipulated in the proviso of Article 84 of the "Accounting Standard for Revenue Recognition", retained earnings as of the beginning of the first quarter of the current fiscal period has been adjusted to reflect the cumulative effects of retrospectively applying the new accounting policy to periods prior to the beginning of the first quarter of the current fiscal period, and the new accounting policy is applied from the said balance.

The impact of this change on the current third quarter financial statements is negligible.

(Changes in accounting estimates)

Not applicable.

(Segment information)

The segment information has been omitted, as the Company has a single segment related to the parking lot development, operation and management business.