

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended February 29, 2024 (Based on Japanese GAAP)

April 11, 2024

Company name: OHBA CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 9765 URL <http://www.k-ohba.co.jp>
 Representative: Representative Director,President Shigeru Tsujimoto
 Inquiries: Managing Executive Officer Hirofumi Katayama TEL 03-5931-5888
 Scheduled date to file Quarterly Securities Report: April 11, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended February 29, 2024 (from June 1, 2023 to February 29, 2024)

(1) Consolidated operating results (cumulative)

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	%
Nine months ended February 29, 2024	10,759	10.1	1,046	20.1	1,112	19.1	718	140.5
Nine months ended February 28, 2023	9,774	(5.1)	871	(0.2)	933	0.4	298	(47.6)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended February 29, 2024	44.91		43.38	
Nine months ended February 28, 2023	18.54		17.95	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of February 29, 2024	18,089	11,397	60.7
As of May 31, 2023	16,117	10,930	65.4

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended May 31, 2023	–	11.00	–	13.00	24.00
Year ending May 31, 2024	–	17.00	–		
Year ending May 31, 2024 (Forecast)				20.00	37.00

3. Forecast of consolidated financial results for the year ending May 31, 2024 (from June 1, 2023 to May 31, 2024)

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
Full year	17,000	8.6	1,800	5.0	1,850	3.5	1,150	6.9	71.75

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended February 29, 2024
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of February 29, 2024	17,250,000 shares	As of May 31, 2023	17,250,000 shares
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Number of treasury shares at the end of the period

As of February 29, 2024	1,232,412 shares	As of May 31, 2023	1,222,012 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended February 29, 2024	16,002,327 shares	Nine months ended February 28, 2023	16,122,726 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of May 31, 2023	As of February 29, 2024
Assets		
Current assets		
Cash and deposits	4,205,305	1,805,603
Notes and accounts receivable - trade, and contract assets	4,802,853	8,111,417
Costs on service contracts in progress	503,299	554,580
Real estate for sale	5,634	5,634
Other	170,458	620,192
Allowance for doubtful accounts	(44,824)	(44,974)
Total current assets	9,642,727	11,052,453
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,229,006	1,252,167
Accumulated depreciation	(247,836)	(295,500)
Buildings and structures, net	981,170	956,666
Machinery, equipment and vehicles	771,446	762,826
Accumulated depreciation	(542,307)	(558,431)
Machinery, equipment and vehicles, net	229,139	204,395
Land	1,961,889	1,961,889
Other	819,911	810,844
Accumulated depreciation	(680,461)	(699,780)
Other, net	139,450	111,064
Total property, plant and equipment	3,311,649	3,234,016
Intangible assets		
Software	79,775	105,789
Other	1,885	1,793
Total intangible assets	81,660	107,582
Investments and other assets		
Investment securities	1,208,021	1,553,772
Retirement benefit asset	1,373,352	1,636,734
Deferred tax assets	9,472	12,819
Other	490,379	492,342
Total investments and other assets	3,081,226	3,695,669
Total non-current assets	6,474,536	7,037,269
Total assets	16,117,264	18,089,722

(Thousands of yen)

	As of May 31, 2023	As of February 29, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	1,257,393	601,828
Short-term borrowings	–	3,100,000
Income taxes payable	92,537	215,858
Advances received on service contracts in progress	1,428,187	1,147,418
Provision for bonuses	551,675	142,686
Provision for loss on orders received	3,116	574
Provision for shareholder benefit program	19,061	–
Other	919,774	464,451
Total current liabilities	4,271,746	5,672,818
Non-current liabilities		
Retirement benefit liability	33,200	27,670
Asset retirement obligations	280,572	281,553
Deferred tax liabilities	596,556	705,782
Other	4,381	4,381
Total non-current liabilities	914,710	1,019,386
Total liabilities	5,186,457	6,692,205
Net assets		
Shareholders' equity		
Share capital	2,131,733	2,131,733
Capital surplus	532,933	532,933
Retained earnings	7,940,953	8,172,599
Treasury shares	(746,407)	(771,709)
Total shareholders' equity	9,859,212	10,065,556
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	448,410	707,464
Remeasurements of defined benefit plans	237,583	208,834
Total accumulated other comprehensive income	685,993	916,298
Share acquisition rights	385,600	415,662
Total net assets	10,930,806	11,397,516
Total liabilities and net assets	16,117,264	18,089,722

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended February 28, 2023	Nine months ended February 29, 2024
Net sales	9,774,055	10,759,098
Cost of sales	6,714,847	7,288,484
Gross profit	3,059,208	3,470,613
Selling, general and administrative expenses	2,187,424	2,423,843
Operating profit	871,784	1,046,770
Non-operating income		
Interest income	14	22
Dividend income	35,919	38,088
Insurance claim and dividend income	16,848	6,030
Gain on sale of securities	2,201	8,989
Other	19,116	15,524
Total non-operating income	74,100	68,654
Non-operating expenses		
Interest expenses	3,119	2,096
Guarantee commission	1,111	1,152
Delinquency charges	8,360	–
Other	0	175
Total non-operating expenses	12,590	3,424
Ordinary profit	933,293	1,112,000
Extraordinary income		
Gain on sale of non-current assets	90	–
Total extraordinary income	90	–
Extraordinary losses		
Loss on retirement of non-current assets	1,282	1,660
Impairment losses	432,040	–
Loss on valuation of investment securities	12,576	–
Expenses related to the 100th anniversary of foundation	37,229	27,234
Total extraordinary losses	483,128	28,895
Profit before income taxes	450,255	1,083,105
Income taxes	151,364	364,383
Profit	298,890	718,721
Profit attributable to owners of parent	298,890	718,721

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended February 28, 2023	Nine months ended February 29, 2024
Profit	298,890	718,721
Other comprehensive income		
Valuation difference on available-for-sale securities	69,726	259,053
Remeasurements of defined benefit plans, net of tax	(13,728)	(28,749)
Total other comprehensive income	55,998	230,304
Comprehensive income	354,889	949,025
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	354,889	949,025
Comprehensive income attributable to non-controlling interests	—	—