

Translation

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## Summary of Consolidated Financial Results for the Year Ended May 31, 2024 (Based on Japanese GAAP)

July 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 of ordinary general meeting of shareholders: August 23, 2024  
 Scheduled date to file Securities Report: August 23, 2024  
 Scheduled date to commence dividend payments: August 26, 2024  
 Preparation of supplementary material on financial results: No  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended May 31, 2024 (from June 1, 2023 to May 31, 2024)

#### (1) Consolidated operating results

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	%
Year ended May 31, 2024	16,485	5.4	1,842	7.4	1,929	7.9	1,339	24.6
Year ended May 31, 2023	15,647	(1.8)	1,714	8.3	1,787	8.1	1,075	(0.9)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended May 31, 2024	83.70	80.00	11.8	11.3	11.2
Year ended May 31, 2023	66.74	63.94	10.6	11.7	11.0

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of May 31, 2024	17,966	12,624	68.0	763.36
As of May 31, 2023	16,117	10,930	65.4	657.93

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended May 31, 2024	(346)	(164)	(578)	3,115
Year ended May 31, 2023	2,294	573	(619)	4,205

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended May 31, 2023	—	11.00	—	13.00	24.00	386	36.0	3.8
Year ended May 31, 2024	—	17.00	—	20.00	37.00	592	44.2	5.2
Year ending May 31, 2025 (Forecast)	—	20.00	—	20.00	40.00		45.7	

3. Forecast of consolidated financial results for the year ending May 31, 2025 (from June 1, 2024 to May 31, 2025)

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	17,500	6.1	1,950	5.8	2,000	3.7	1,400	4.5	87.54

4. Notes

(1) Changes in significant subsidiaries during the year ended May 31, 2024

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) Number of issued shares (common shares)

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

As of May 31, 2024	17,000,000 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 May 31, 2024	1,006,617 shares	As of May 31, 2023	1,222,012 shares
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Average number of shares during the period

Year ended May 31, 2024	16,004,023 shares	Year ended May 31, 2023	16,112,761 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of May 31, 2023	As of May 31, 2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	4,205,305	3,115,982
Notes and accounts receivable - trade, and contract assets	4,802,853	6,197,579
Costs on service contracts in progress	503,299	520,330
Real estate for sale	5,634	5,634
Other	170,458	177,779
Allowance for doubtful accounts	(44,824)	(44,534)
<b>Total current assets</b>	<b>9,642,727</b>	<b>9,972,771</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	1,229,006	1,248,357
Accumulated depreciation	(247,836)	(307,863)
Buildings and structures, net	981,170	940,494
Machinery, equipment and vehicles	771,446	758,063
Accumulated depreciation	(542,307)	(562,939)
Machinery, equipment and vehicles, net	229,139	195,123
Land	1,961,889	1,962,779
Other	819,911	816,888
Accumulated depreciation	(680,461)	(711,078)
Other, net	139,450	105,809
<b>Total property, plant and equipment</b>	<b>3,311,649</b>	<b>3,204,206</b>
<b>Intangible assets</b>		
Software	79,775	95,485
Other	1,885	1,762
<b>Total intangible assets</b>	<b>81,660</b>	<b>97,248</b>
<b>Investments and other assets</b>		
Investment securities	1,208,021	1,632,186
Long-term lease and deposits on golf	367,329	375,181
Retirement benefit asset	1,373,352	2,568,413
Deferred tax assets	9,472	17,117
Other	123,050	99,829
<b>Total investments and other assets</b>	<b>3,081,226</b>	<b>4,692,727</b>
<b>Total non-current assets</b>	<b>6,474,536</b>	<b>7,994,182</b>
<b>Total assets</b>	<b>16,117,264</b>	<b>17,966,953</b>

(Thousands of yen)

	As of May 31, 2023	As of May 31, 2024
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	1,257,393	1,109,687
Income taxes payable	92,537	396,288
Advances received on service contracts in progress	1,428,187	1,228,323
Provision for bonuses	551,675	609,811
Provision for loss on orders received	3,116	–
Provision for shareholder benefit program	19,061	23,190
Other	919,774	654,645
<b>Total current liabilities</b>	<b>4,271,746</b>	<b>4,021,947</b>
<b>Non-current liabilities</b>		
Retirement benefit liability	33,200	28,941
Asset retirement obligations	280,572	276,000
Deferred tax liabilities	596,556	1,011,311
Other	4,381	4,381
<b>Total non-current liabilities</b>	<b>914,710</b>	<b>1,320,635</b>
<b>Total liabilities</b>	<b>5,186,457</b>	<b>5,342,582</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	2,131,733	2,131,733
Capital surplus	532,933	532,933
Retained earnings	7,940,953	8,638,607
Treasury shares	(746,407)	(640,983)
<b>Total shareholders' equity</b>	<b>9,859,212</b>	<b>10,662,290</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	448,410	761,649
Remeasurements of defined benefit plans	237,583	784,768
<b>Total accumulated other comprehensive income</b>	<b>685,993</b>	<b>1,546,417</b>
Share acquisition rights	385,600	415,662
<b>Total net assets</b>	<b>10,930,806</b>	<b>12,624,370</b>
<b>Total liabilities and net assets</b>	<b>16,117,264</b>	<b>17,966,953</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Thousands of yen)

	Fiscal year ended May 31, 2023	Fiscal year ended May 31, 2024
Net sales	15,647,518	16,485,974
Cost of sales	10,467,540	10,962,524
Gross profit	5,179,977	5,523,450
Selling, general and administrative expenses	3,465,062	3,680,950
Operating profit	1,714,914	1,842,500
Non-operating income		
Interest income	15	25
Dividend income	43,962	51,278
Insurance claim and dividend income	16,848	6,030
Gain on sale of securities	3,890	8,989
Other	23,984	26,716
Total non-operating income	88,701	93,040
Non-operating expenses		
Interest expenses	5,333	4,089
Guarantee commission	1,833	1,702
Delinquency charges	8,360	–
Other	113	197
Total non-operating expenses	15,641	5,989
Ordinary profit	1,787,974	1,929,551
Extraordinary income		
Gain on sale of non-current assets	90	–
Gain on bargain purchase	210,100	–
Total extraordinary income	210,191	–
Extraordinary losses		
Loss on retirement of non-current assets	1,364	3,269
Impairment losses	432,040	–
Loss on valuation of investment securities	14,149	–
Expenses related to the 100th anniversary of foundation	49,495	27,234
Total extraordinary losses	497,049	30,503
Profit before income taxes	1,501,116	1,899,047
Income taxes - current	343,262	531,269
Income taxes - deferred	82,464	28,315
Total income taxes	425,727	559,585
Profit	1,075,389	1,339,462
Profit attributable to owners of parent	1,075,389	1,339,462

## Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended May 31, 2023	Fiscal year ended May 31, 2024
Profit	1,075,389	1,339,462
Other comprehensive income		
Valuation difference on available-for-sale securities	99,368	313,238
Remeasurements of defined benefit plans, net of tax	62,982	547,184
Total other comprehensive income	162,351	860,423
Comprehensive income	1,237,741	2,199,886
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,237,741	2,199,886
Comprehensive income attributable to non-controlling interests	—	—

## Consolidated statements of changes in equity

Fiscal year ended May 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,131,733	532,933	7,448,995	(798,125)	9,315,536
Changes during period					
Dividends of surplus			(419,763)		(419,763)
Profit attributable to owners of parent			1,075,389		1,075,389
Purchase of treasury shares				(199,348)	(199,348)
Disposal of treasury shares		(14,682)		102,080	87,398
Cancellation of treasury shares		(148,986)		148,986	–
Transfer from retained earnings to capital surplus		163,668	(163,668)		–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	491,957	51,718	543,676
Balance at end of period	2,131,733	532,933	7,940,953	(746,407)	9,859,212

	Accumulated other comprehensive income			Share acquisition rights	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	349,041	174,600	523,642	390,626	10,229,804
Changes during period					
Dividends of surplus					(419,763)
Profit attributable to owners of parent					1,075,389
Purchase of treasury shares					(199,348)
Disposal of treasury shares					87,398
Cancellation of treasury shares					–
Transfer from retained earnings to capital surplus					–
Net changes in items other than shareholders' equity	99,368	62,982	162,351	(5,025)	157,325
Total changes during period	99,368	62,982	162,351	(5,025)	701,002
Balance at end of period	448,410	237,583	685,993	385,600	10,930,806

Fiscal year ended May 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,131,733	532,933	7,940,953	(746,407)	9,859,212
Changes during period					
Dividends of surplus			(480,662)		(480,662)
Profit attributable to owners of parent			1,339,462		1,339,462
Purchase of treasury shares				(116,161)	(116,161)
Disposal of treasury shares		(3,352)		63,792	60,440
Cancellation of treasury shares		(157,792)		157,792	–
Transfer from retained earnings to capital surplus		161,145	(161,145)		–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	697,654	105,423	803,078
Balance at end of period	2,131,733	532,933	8,638,607	(640,983)	10,662,290

	Accumulated other comprehensive income			Share acquisition rights	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	448,410	237,583	685,993	385,600	10,930,806
Changes during period					
Dividends of surplus					(480,662)
Profit attributable to owners of parent					1,339,462
Purchase of treasury shares					(116,161)
Disposal of treasury shares					60,440
Cancellation of treasury shares					–
Transfer from retained earnings to capital surplus					–
Net changes in items other than shareholders' equity	313,238	547,184	860,423	30,062	890,485
Total changes during period	313,238	547,184	860,423	30,062	1,693,563
Balance at end of period	761,649	784,768	1,546,417	415,662	12,624,370



## Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended May 31, 2023	Fiscal year ended May 31, 2024
Cash flows from operating activities		
Profit before income taxes	1,501,116	1,899,047
Depreciation	219,564	204,358
Loss on retirement of non-current assets	1,364	3,269
Loss (gain) on sale of non-current assets	(90)	–
Impairment losses	432,040	–
Gain on bargain purchase	(210,100)	–
Expenses related to the 100th anniversary of foundation	49,495	27,234
Share-based payment expenses	82,200	90,400
Increase (decrease) in provision for loss on orders received	3,086	(3,116)
Increase (decrease) in allowance for doubtful accounts	44,824	(290)
IncreaseDecreaseInNetDefinedBenefitAssetAndLiability	(335,426)	(410,641)
Increase (decrease) in provision for bonuses	50,594	58,136
Increase (decrease) in provision for shareholder benefit program	1,712	4,129
Interest and dividend income	(43,978)	(51,302)
Interest expenses	5,333	4,089
Loss (gain) on sale of securities	(3,890)	(8,989)
Loss (gain) on valuation of investment securities	14,149	–
Decrease (increase) in trade receivables	79,186	(1,394,725)
Increase (decrease) in advances received on service contracts in progress	305,648	(199,864)
Decrease (increase) in inventories	(228,953)	(17,031)
Increase (decrease) in trade payables	202,984	(147,705)
Increase (decrease) in accrued consumption taxes	731,136	(162,978)
Other, net	(64,952)	(54,546)
Subtotal	2,837,046	(160,527)
Interest and dividends received	44,362	46,542
Interest paid	(5,333)	(4,089)
Income taxes paid	(581,278)	(228,346)
Net cash provided by (used in) operating activities	2,294,797	(346,421)
Cash flows from investing activities		
Purchase of property, plant and equipment	(54,290)	(152,491)
Proceeds from sale of property, plant and equipment	499,115	–
Purchase of intangible assets	(1,308)	(53,190)
Purchase of investment securities	(5,912)	(875)
Proceeds from sale of securities	67,641	36,240
Payments of leasehold deposits	(23,403)	(22,562)
Proceeds from refund of leasehold deposits	6,071	14,150
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	151,531	–
Other, net	(65,480)	14,288
Net cash provided by (used in) investing activities	573,965	(164,439)

(Thousands of yen)

	Fiscal year ended May 31, 2023	Fiscal year ended May 31, 2024
Cash flows from financing activities		
Proceeds from disposal of treasury shares	172	102
Purchase of treasury shares	(199,905)	(100,185)
Dividends paid	(419,555)	(478,379)
Net cash provided by (used in) financing activities	(619,288)	(578,462)
Net increase (decrease) in cash and cash equivalents	2,249,474	(1,089,323)
Cash and cash equivalents at beginning of period	1,955,831	4,205,305
Cash and cash equivalents at end of period	4,205,305	3,115,982