

Translation

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Summary of Consolidated Financial Results for the Six Months Ended November 30, 2024 (Based on Japanese GAAP)

January 10, 2025

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 Semi-annual Securities Report: January 10, 2025
 Scheduled date to commence dividend payments: February 4, 2025
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended November 30, 2024 (from June 1, 2024 to November 30, 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	%
Six months ended November 30, 2024	8,377	18.2	792	40.3	828	38.3	565	45.9
Six months ended November 30, 2023	7,089	15.1	564	31.9	598	26.4	387	32.8

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended November 30, 2024	35.42		34.69	
Six months ended November 30, 2023	24.24		23.69	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of November 30, 2024	18,290	12,750	67.2
As of May 31, 2024	17,966	12,624	68.0

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, 2024	–	17.00	–	20.00	37.00
Year ending May 31, 2025	–	20.00			
Year ending May 31, 2025 (Forecast)			–	20.00	40.00

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) Significant changes in the scope of consolidation during the six months ended November 30, 2024: No
- (2) Application of special accounting methods for preparing semi-annual consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
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| Changes in accounting policies due to revisions to accounting standards and other regulations: | Yes |
| 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 November 30, 2024	17,000,000 shares	As of May 31, 2024	17,000,000 shares
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Number of treasury shares at the end of the period

As of November 30, 2024	1,069,727 shares	As of May 31, 2024	1,006,617 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended November 30, 2024	15,967,164 shares	Six months ended November 30, 2023	15,994,739 shares
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Semi-annual consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of May 31, 2024	As of November 30, 2024
Assets		
Current assets		
Cash and deposits	3,115,982	1,323,438
Notes and accounts receivable - trade, and contract assets	6,197,579	8,416,733
Costs on service contracts in progress	520,330	82,416
Real estate for sale	5,634	5,634
Other	177,779	398,093
Allowance for doubtful accounts	(44,534)	(44,534)
Total current assets	9,972,771	10,181,781
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,248,357	1,249,573
Accumulated depreciation	(307,863)	(340,348)
Buildings and structures, net	940,494	909,225
Machinery, equipment and vehicles	758,063	748,144
Accumulated depreciation	(562,939)	(564,634)
Machinery, equipment and vehicles, net	195,123	183,509
Land	1,962,779	1,962,779
Construction in progress	–	8,900
Other	816,888	803,862
Accumulated depreciation	(711,078)	(709,656)
Other, net	105,809	94,206
Total property, plant and equipment	3,204,206	3,158,621
Intangible assets		
Software	95,485	77,403
Other	1,762	1,701
Total intangible assets	97,248	79,104
Investments and other assets		
Investment securities	1,632,186	1,570,366
Retirement benefit asset	2,568,413	2,777,880
Deferred tax assets	17,117	17,596
Other	475,010	505,190
Total investments and other assets	4,692,727	4,871,034
Total non-current assets	7,994,182	8,108,760
Total assets	17,966,953	18,290,541

(Thousands of yen)

	As of May 31, 2024	As of November 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	1,109,687	1,224,578
Short-term borrowings	–	1,800,000
Income taxes payable	396,288	307,026
Advances received on service contracts in progress	1,228,323	377,865
Provision for bonuses	609,811	100,721
Provision for shareholder benefit program	23,190	–
Other	654,645	440,675
Total current liabilities	4,021,947	4,250,866
Non-current liabilities		
Retirement benefit liability	28,941	29,181
Asset retirement obligations	276,000	275,033
Deferred tax liabilities	1,011,311	980,139
Other	4,381	4,381
Total non-current liabilities	1,320,635	1,288,735
Total liabilities	5,342,582	5,539,601
Net assets		
Shareholders' equity		
Share capital	2,131,733	2,131,733
Capital surplus	532,933	532,933
Retained earnings	8,638,607	8,882,200
Treasury shares	(640,983)	(727,785)
Total shareholders' equity	10,662,290	10,819,082
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	761,649	718,428
Remeasurements of defined benefit plans	784,768	757,236
Total accumulated other comprehensive income	1,546,417	1,475,664
Share acquisition rights	415,662	456,192
Total net assets	12,624,370	12,750,939
Total liabilities and net assets	17,966,953	18,290,541

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended November 30, 2023	Six months ended November 30, 2024
Net sales	7,089,879	8,377,115
Cost of sales	4,875,852	5,987,760
Gross profit	2,214,027	2,389,354
Selling, general and administrative expenses	1,649,369	1,597,111
Operating profit	564,657	792,243
Non-operating income		
Interest income	16	145
Dividend income	22,806	31,285
Insurance claim and dividend income	981	–
Other	11,620	7,636
Total non-operating income	35,424	39,066
Non-operating expenses		
Interest expenses	378	2,095
Guarantee commission	930	1,069
Other	175	–
Total non-operating expenses	1,484	3,165
Ordinary profit	598,597	828,144
Extraordinary income		
Gain on sale of non-current assets	–	1,493
Total extraordinary income	–	1,493
Extraordinary losses		
Loss on sale of non-current assets	–	257
Loss on retirement of non-current assets	1,660	0
Expenses related to the 100th anniversary of foundation	19,446	–
Total extraordinary losses	21,107	257
Profit before income taxes	577,490	829,379
Income taxes	189,855	263,758
Profit	387,635	565,620
Profit attributable to owners of parent	387,635	565,620

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended November 30, 2023	Six months ended November 30, 2024
Profit	387,635	565,620
Other comprehensive income		
Valuation difference on available-for-sale securities	164,003	(43,220)
Remeasurements of defined benefit plans, net of tax	(19,166)	(27,531)
Total other comprehensive income	144,837	(70,752)
Comprehensive income	532,472	494,868
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	532,472	494,868
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of cash flows

(Thousands of yen)

	Six months ended November 30, 2023	Six months ended November 30, 2024
Cash flows from operating activities		
Profit before income taxes	577,490	829,379
Depreciation	97,343	90,648
Loss on retirement of non-current assets	1,660	0
Loss (gain) on sale of non-current assets	–	(1,235)
Expenses related to the 100th anniversary of foundation	19,446	–
Share-based payment expenses	90,400	74,448
Increase (decrease) in provision for bonuses	(439,483)	(509,090)
Increase (decrease) in provision for shareholder benefit program	(19,061)	(23,190)
Increase (decrease) in provision for loss on orders received	(2,541)	–
Increase (decrease) in allowance for doubtful accounts	150	–
Increase/Decrease/In/Net/Defined/Benefit/Asset/And/Liability	(207,267)	(248,910)
Interest and dividend income	(22,822)	(31,430)
Interest expenses	378	2,095
Decrease (increase) in trade receivables	(2,268,658)	(2,219,153)
Increase (decrease) in advances received on service contracts in progress	83,580	(850,458)
Decrease (increase) in inventories	30,878	437,914
Increase (decrease) in trade payables	(145,878)	114,890
Increase (decrease) in accrued consumption taxes	(648,148)	(237,339)
Other, net	(135,668)	(210,899)
Subtotal	(2,988,201)	(2,782,331)
Interest and dividends received	14,042	21,453
Interest paid	(450)	(2,095)
Income taxes paid	(61,913)	(352,601)
Net cash provided by (used in) operating activities	(3,036,522)	(3,115,575)
Cash flows from investing activities		
Purchase of property, plant and equipment	(99,807)	(25,431)
Proceeds from sale of property, plant and equipment	–	2,831
Purchase of intangible assets	(6,430)	(3,530)
Purchase of investment securities	(493)	(493)
Payments of leasehold deposits	(19,556)	(36,767)
Proceeds from refund of leasehold deposits	749	1,577
Other, net	13,385	5,208
Net cash provided by (used in) investing activities	(112,152)	(56,604)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	600,000	1,800,000
Purchase of treasury shares	(50,239)	(100,055)
Proceeds from disposal of treasury shares	102	55
Dividends paid	(210,666)	(320,363)
Net cash provided by (used in) financing activities	339,196	1,379,636
Net increase (decrease) in cash and cash equivalents	(2,809,478)	(1,792,543)
Cash and cash equivalents at beginning of period	4,205,305	3,115,982
Cash and cash equivalents at end of period	1,395,826	1,323,438