

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Nine Months Ended February 28, 2022 (Based on Japanese GAAP)

April 13, 2022

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: Senior Executive Officer Hirofumi Katayama TEL 03-5931-5888
 Scheduled date to file Quarterly Securities Report: April 13, 2022
 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 28, 2022 (from June 1, 2021 to February 28, 2022)

(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 28, 2022	10,294	82.2	873	–	929	–	570	–
Nine months ended February 28, 2021	5,651	(3.5)	(505)	–	(459)	–	(305)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended February 28, 2022	35.17	34.07
Nine months ended February 28, 2021	(18.63)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of February 28, 2022	16,669	9,741	56.1
As of May 31, 2021	13,674	9,299	65.7

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended May 31, 2021	–	7.00	–	8.00	15.00
Year ending May 31, 2022	–	8.00	–		
Year ending May 31, 2022 (Forecast)				15.00	23.00

3. Forecast of consolidated financial results for the year ending May 31, 2022 (from June 1, 2021 to May 31, 2022)

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	16,000	0.9	1,500	12.4	1,550	12.3	1,000	17.3	61.68

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended February 28, 2022
(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: 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 February 28, 2022	17,500,000 shares	As of May 31, 2021	18,000,000 shares
-------------------------	-------------------	--------------------	-------------------

Number of treasury shares at the end of the period

As of February 28, 2022	1,298,647 shares	As of May 31, 2021	1,708,716 shares
-------------------------	------------------	--------------------	------------------

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

Nine months ended February 28, 2022	16,217,163 shares	Nine months ended February 28, 2021	16,400,207 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of May 31, 2021	As of February 28, 2022
Assets		
Current assets		
Cash and deposits	3,002,039	813,573
Notes and accounts receivable - trade	2,763,978	–
Notes and accounts receivable - trade, and contract assets	–	7,489,048
Costs on service contracts in progress	1,002,566	699,468
Real estate for sale	5,634	5,634
Other	119,834	903,642
Allowance for doubtful accounts	(513)	(196)
Total current assets	6,893,540	9,911,171
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,983,570	1,987,241
Accumulated depreciation	(774,219)	(809,831)
Buildings and structures, net	1,209,350	1,177,410
Machinery, equipment and vehicles	752,310	751,560
Accumulated depreciation	(460,571)	(489,916)
Machinery, equipment and vehicles, net	291,739	261,644
Land	2,657,285	2,659,013
Other	848,414	895,949
Accumulated depreciation	(638,843)	(688,814)
Other, net	209,570	207,134
Total property, plant and equipment	4,367,946	4,305,202
Intangible assets		
Software	137,161	121,536
Other	1,781	1,689
Total intangible assets	138,942	123,225
Investments and other assets		
Investment securities	1,174,022	1,111,253
Long-term accounts receivable - other	224,002	–
Retirement benefit asset	600,737	833,966
Deferred tax assets	14,784	22,743
Other	410,962	400,449
Allowance for doubtful accounts	(150,170)	(38,168)
Total investments and other assets	2,274,339	2,330,243
Total non-current assets	6,781,229	6,758,672
Total assets	13,674,769	16,669,843

(Thousands of yen)

	As of May 31, 2021	As of February 28, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	869,267	868,376
Short-term borrowings	–	3,450,000
Current portion of long-term borrowings	60,000	15,000
Income taxes payable	462,354	69,678
Advances received on service contracts in progress	1,103,036	1,246,441
Provision for bonuses	392,136	119,841
Provision for loss on order received	–	333
Provision for shareholder benefit program	15,955	–
Other	769,519	403,102
Total current liabilities	3,672,270	6,172,774
Non-current liabilities		
Retirement benefit liability	11,495	13,421
Asset retirement obligations	250,538	251,370
Deferred tax liabilities	430,635	485,242
Other	9,847	5,833
Total non-current liabilities	702,516	755,867
Total liabilities	4,374,787	6,928,642
Net assets		
Shareholders' equity		
Share capital	2,131,733	2,131,733
Capital surplus	771,471	489,582
Retained earnings	6,475,454	6,977,234
Treasury shares	(939,040)	(736,560)
Total shareholders' equity	8,439,619	8,861,989
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	385,765	342,183
Remeasurements of defined benefit plans	158,875	146,401
Total accumulated other comprehensive income	544,640	488,585
Share acquisition rights	315,722	390,626
Total net assets	9,299,982	9,741,201
Total liabilities and net assets	13,674,769	16,669,843

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, 2021	Nine months ended February 28, 2022
Net sales	5,651,222	10,294,697
Cost of sales	4,058,050	7,298,798
Gross profit	1,593,172	2,995,899
Selling, general and administrative expenses	2,098,644	2,122,625
Operating profit (loss)	(505,471)	873,273
Non-operating income		
Interest income	16	18
Dividend income	26,966	32,486
Insurance claim and dividend income	8,871	12,063
Gain on sale of securities	4,675	5,273
Other	12,433	14,083
Total non-operating income	52,964	63,925
Non-operating expenses		
Interest expenses	3,695	2,670
Guarantee commission	1,242	1,892
Delinquency charges	–	3,227
Other	2,081	11
Total non-operating expenses	7,020	7,802
Ordinary profit (loss)	(459,527)	929,397
Extraordinary income		
Gain on sale of non-current assets	240	–
Total extraordinary income	240	–
Extraordinary losses		
Loss on sale of non-current assets	–	1,405
Loss on retirement of non-current assets	445	1,006
Loss on valuation of investment securities	3,042	–
Expenses related to the 100th anniversary of foundation	–	46,454
Other	1,449	–
Total extraordinary losses	4,936	48,867
Profit (loss) before income taxes	(464,223)	880,529
Income taxes	(158,762)	310,129
Profit (loss)	(305,461)	570,400
Profit (loss) attributable to owners of parent	(305,461)	570,400

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended February 28, 2021	Nine months ended February 28, 2022
Profit (loss)	(305,461)	570,400
Other comprehensive income		
Valuation difference on available-for-sale securities	63,630	(43,582)
Remeasurements of defined benefit plans, net of tax	16,402	(12,473)
Total other comprehensive income	80,032	(56,055)
Comprehensive income	(225,428)	514,345
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(225,428)	514,345
Comprehensive income attributable to non-controlling interests	—	—