

Translation

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Summary of Consolidated Financial Results for the Three Months Ended August 31, 2022 (Based on Japanese GAAP)

October 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: October 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 three months ended August 31, 2022 (from June 1, 2022 to August 31, 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	%
Three months ended August 31, 2022	2,462	(4.1)	0	(98.0)	14	34.7	11	74.5
Three months ended August 31, 2021	2,568	59.0	8	–	10	–	6	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended August 31, 2022	0.74		0.73	
Three months ended August 31, 2021	0.42		0.42	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of August 31, 2022	13,434	9,943	71.1
As of May 31, 2022	14,426	10,229	68.2

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, 2022	–	8.00	–	15.00	23.00
Year ending May 31, 2023	–				
Year ending May 31, 2023 (Forecast)		11.00	–	11.00	22.00

3. Forecast of consolidated financial results for the year ending May 31, 2023 (from June 1, 2022 to May 31, 2023)

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	4.2	1,600	1.1	1,650	(0.3)	1,100	1.3	68.73

4. Notes

- (1) Changes in significant subsidiaries during the three months ended August 31, 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: 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 August 31, 2022	17,500,000 shares	As of May 31, 2022	17,500,000 shares
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Number of treasury shares at the end of the period

As of August 31, 2022	1,496,347 shares	As of May 31, 2022	1,378,147 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended August 31, 2022	16,039,652 shares	Three months ended August 31, 2021	16,244,908 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of May 31, 2022	As of August 31, 2022
Assets		
Current assets		
Cash and deposits	1,955,831	1,144,991
Notes and accounts receivable - trade, and contract assets	4,833,386	4,897,513
Costs on service contracts in progress	252,424	259,957
Real estate for sale	5,634	5,634
Other	575,523	210,589
Total current assets	7,622,800	6,518,687
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,990,384	1,994,212
Accumulated depreciation	(826,709)	(843,614)
Buildings and structures, net	1,163,675	1,150,598
Machinery, equipment and vehicles	770,888	770,888
Accumulated depreciation	(500,470)	(511,028)
Machinery, equipment and vehicles, net	270,417	259,859
Land	2,659,018	2,659,018
Other	900,370	888,479
Accumulated depreciation	(727,714)	(729,573)
Other, net	172,655	158,905
Total property, plant and equipment	4,265,766	4,228,381
Intangible assets		
Software	111,784	102,354
Other	1,658	1,977
Total intangible assets	113,443	104,331
Investments and other assets		
Investment securities	1,120,223	1,172,833
Retirement benefit asset	945,759	1,038,302
Deferred tax assets	10,771	18,811
Other	386,252	391,287
Allowance for doubtful accounts	(38,168)	(38,168)
Total investments and other assets	2,424,838	2,583,066
Total non-current assets	6,804,047	6,915,779
Total assets	14,426,848	13,434,466

(Thousands of yen)

	As of May 31, 2022	As of August 31, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	1,026,721	249,158
Short-term borrowings	–	800,000
Income taxes payable	330,154	30,938
Advances received on service contracts in progress	1,116,404	1,135,891
Provision for bonuses	501,080	70,583
Provision for loss on orders received	30	–
Provision for shareholder benefit program	17,349	–
Other	497,601	482,343
Total current liabilities	3,489,341	2,768,915
Non-current liabilities		
Retirement benefit liability	14,536	14,738
Asset retirement obligations	251,647	251,727
Deferred tax liabilities	435,804	449,835
Other	5,712	5,712
Total non-current liabilities	707,701	722,014
Total liabilities	4,197,043	3,490,929
Net assets		
Shareholders' equity		
Share capital	2,131,733	2,131,733
Capital surplus	532,933	532,933
Retained earnings	7,448,995	7,219,072
Treasury shares	(798,125)	(886,526)
Total shareholders' equity	9,315,536	8,997,212
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	349,041	385,675
Remeasurements of defined benefit plans	174,600	170,024
Total accumulated other comprehensive income	523,642	555,699
Share acquisition rights	390,626	390,626
Total net assets	10,229,804	9,943,537
Total liabilities and net assets	14,426,848	13,434,466

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended August 31, 2021	Three months ended August 31, 2022
Net sales	2,568,707	2,462,593
Cost of sales	1,862,046	1,734,359
Gross profit	706,660	728,233
Selling, general and administrative expenses	697,792	728,058
Operating profit	8,867	175
Non-operating income		
Interest income	11	7
Dividend income	1,216	753
Insurance claim and dividend income	197	15,591
Gain on sale of securities	1,027	–
Other	3,546	6,774
Total non-operating income	5,998	23,127
Non-operating expenses		
Interest expenses	73	86
Delinquency charges	3,227	–
Restoration expenses on facilities	–	8,360
Other	907	499
Total non-operating expenses	4,207	8,946
Ordinary profit	10,659	14,356
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	10,659	14,356
Income taxes	3,836	2,452
Profit	6,822	11,904
Profit attributable to owners of parent	6,822	11,904

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended August 31, 2021	Three months ended August 31, 2022
Profit	6,822	11,904
Other comprehensive income		
Valuation difference on available-for-sale securities	19,494	36,633
Remeasurements of defined benefit plans, net of tax	(4,157)	11,149
Total other comprehensive income	15,336	47,782
Comprehensive income	22,159	59,686
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	22,159	59,686
Comprehensive income attributable to non-controlling interests	—	—