

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 9, 2023

Company name: MELCO HOLDINGS INC.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 6676 URL <https://melco-hd.jp/>
 Representative: President and CEO Hiroyuki Maki
 Inquiries: General Manager, IR Division Yasukazu Kouketsu TEL 03-4213-1122
 Scheduled date to file Quarterly Securities Report: August 10, 2023
 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 June 30, 2023 (from April 1, 2023 to June 30, 2023)

(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 June 30, 2023	34,735	1.2	761	(56.1)	734	(56.1)	550	(51.8)
Three months ended June 30, 2022	34,313	(4.9)	1,736	(47.6)	1,672	(51.0)	1,141	(54.0)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	32.69	–
Three months ended June 30, 2022	67.66	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2023	95,742	62,343	65.1	3,705.89
As of March 31, 2023	93,410	62,463	66.9	3,705.70

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 March 31, 2023	–	60.00	–	60.00	120.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		60.00	–	60.00	120.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 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	150,000	5.2	4,000	(11.5)	4,300	(8.9)	3,000	(1.9)	177.98

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023
 (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: No
- (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 June 30, 2023	16,937,873 shares	As of March 31, 2023	16,937,873 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	115,066 shares	As of March 31, 2023	81,726 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2023	16,846,187 shares	Three months ended June 30, 2022	16,873,514 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	20,506	17,201
Notes and accounts receivable - trade, and contract assets	16,693	18,080
Merchandise and finished goods	15,284	17,110
Raw materials and supplies	7,136	9,257
Other	6,405	6,428
Allowance for doubtful accounts	(7)	(10)
Total current assets	66,020	68,066
Non-current assets		
Property, plant and equipment	11,236	11,052
Intangible assets	3,394	4,218
Investments and other assets		
Investment securities	10,395	10,451
Other	2,487	2,078
Allowance for doubtful accounts	(124)	(124)
Total investments and other assets	12,757	12,405
Total non-current assets	27,389	27,675
Total assets	93,410	95,742
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,588	18,187
Electronically recorded obligations - operating	742	746
Current portion of long-term borrowings	99	–
Accounts payable - other	3,117	2,942
Accrued expenses	2,920	2,490
Income taxes payable	303	440
Contract liabilities	4,432	4,457
Provision for bonuses for directors (and other officers)	15	5
Provision for product warranties	74	76
Other	1,646	1,038
Total current liabilities	27,941	30,387
Non-current liabilities		
Retirement benefit liability	2,173	2,185
Provision for retirement benefits for directors (and other officers)	501	542
Provision for recycles	140	140
Other	189	143
Total non-current liabilities	3,005	3,011
Total liabilities	30,946	33,399

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Net assets		
Shareholders' equity		
Share capital	1,000	1,000
Capital surplus	250	250
Retained earnings	61,092	60,632
Treasury shares	(267)	(373)
Total shareholders' equity	62,075	61,508
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	611	731
Deferred gains or losses on hedges	31	270
Foreign currency translation adjustment	(31)	49
Remeasurements of defined benefit plans	(222)	(216)
Total accumulated other comprehensive income	388	835
Total net assets	62,463	62,343
Total liabilities and net assets	93,410	95,742

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	34,313	34,735
Cost of sales	25,010	25,724
Gross profit	9,303	9,010
Selling, general and administrative expenses	7,567	8,248
Operating profit	1,736	761
Non-operating income		
Interest income	0	0
Dividend income	87	53
Share of profit of entities accounted for using equity method	4	29
Other	29	25
Total non-operating income	121	108
Non-operating expenses		
Interest expenses	1	0
Foreign exchange losses	162	130
Commission expenses	2	1
Other	18	3
Total non-operating expenses	185	136
Ordinary profit	1,672	734
Extraordinary income		
Gain on sale of investment securities	–	76
Total extraordinary income	–	76
Extraordinary losses		
Loss on retirement of non-current assets	2	2
Total extraordinary losses	2	2
Profit before income taxes	1,669	808
Income taxes - current	345	76
Income taxes - deferred	181	181
Total income taxes	527	257
Profit	1,141	550
Profit attributable to owners of parent	1,141	550

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	1,141	550
Other comprehensive income		
Valuation difference on available-for-sale securities	(35)	120
Deferred gains or losses on hedges	(0)	239
Foreign currency translation adjustment	75	56
Remeasurements of defined benefit plans, net of tax	24	4
Share of other comprehensive income of entities accounted for using equity method	40	25
Total other comprehensive income	103	446
Comprehensive income	1,244	997
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,244	997