

Translation

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

November 6, 2023

Company name: CHARM CARE CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 6062 URL <https://www.charmcc.jp/>
 Representative: Chairman and President Takahiko Shimomura
 Inquiries: Director Managing Executive Officer Yoshihiko Maeda TEL 06-6445-3389
 Scheduled date to file Quarterly Securities Report: November 6, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 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 September 30, 2023 (from July 1, 2023 to September 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 September 30, 2023	10,011	36.2	693	41.2	715	27.8	460	26.9
Three months ended September 30, 2022	7,352	22.8	491	22.3	559	40.6	362	37.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended September 30, 2023	14.10		14.08	
Three months ended September 30, 2022	11.12		11.10	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	43,180	14,881	34.4
As of June 30, 2023	43,304	15,135	34.8

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 June 30, 2023	–	0.00	–	22.00	22.00
Year ending June 30, 2024	–				
Year ending June 30, 2024 (Forecast)		0.00	–	26.00	26.00

3. Forecast of consolidated financial results for the year ending June 30, 2024 (from July 1, 2023 to June 30, 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
Six months ending December 31, 2023	18,500	24.6	1,380	47.2	1,480	25.6	970	28.0	29.72
Full year	47,000	24.1	4,800	14.4	5,000	7.9	3,700	15.4	113.33

4. Notes

- (1) Changes in significant subsidiaries during the three months ended September 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: 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 September 30, 2023	32,712,000 shares	As of June 30, 2023	32,712,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	64,008 shares	As of June 30, 2023	82,628 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended September 30, 2023	32,629,777 shares	Three months ended September 30, 2022	32,616,672 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of June 30, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	6,813	5,928
Accounts receivable - trade	2,885	2,938
Real estate for sale	1,628	–
Real estate for development	4,171	6,401
Money held in trust	4,731	4,841
Other	1,225	1,256
Allowance for doubtful accounts	(7)	(7)
Total current assets	21,448	21,358
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,802	6,726
Land	1,822	1,822
Leased assets, net	212	189
Construction in progress	1,383	1,422
Other, net	817	826
Total property, plant and equipment	11,037	10,987
Intangible assets		
Goodwill	2,802	2,749
Other	71	96
Total intangible assets	2,873	2,845
Investments and other assets		
Investment securities	610	610
Guarantee deposits	5,298	5,310
Deferred tax assets	1,357	1,355
Other	679	711
Total investments and other assets	7,944	7,988
Total non-current assets	21,856	21,821
Total assets	43,304	43,180

(Millions of yen)

	As of June 30, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	300	309
Short-term borrowings	5,374	5,896
Current portion of long-term borrowings	955	945
Lease liabilities	87	79
Income taxes payable	1,272	305
Accounts payable - other	1,823	1,950
Contract liabilities	9,713	10,112
Provision for bonuses	135	485
Other	397	364
Total current liabilities	20,060	20,449
Non-current liabilities		
Long-term borrowings	6,597	6,350
Lease liabilities	146	128
Retirement benefit liability	664	681
Asset retirement obligations	214	215
Deferred tax liabilities	214	213
Other	271	259
Total non-current liabilities	8,108	7,849
Total liabilities	28,168	28,299
Net assets		
Shareholders' equity		
Share capital	2,759	2,759
Capital surplus	2,758	2,758
Retained earnings	9,646	9,389
Treasury shares	(66)	(51)
Total shareholders' equity	15,098	14,856
Accumulated other comprehensive income		
Deferred gains or losses on hedges	(0)	(0)
Remeasurements of defined benefit plans	(11)	(9)
Total accumulated other comprehensive income	(12)	(9)
Share acquisition rights	50	34
Total net assets	15,135	14,881
Total liabilities and net assets	43,304	43,180

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended September 30, 2022	Three months ended September 30, 2023
Net sales	7,352	10,011
Cost of sales	6,155	8,585
Gross profit	1,196	1,425
Selling, general and administrative expenses	705	732
Operating profit	491	693
Non-operating income		
Interest income	0	1
Subsidy income	69	26
Other	12	6
Total non-operating income	82	34
Non-operating expenses		
Interest expenses	11	11
Other	2	0
Total non-operating expenses	13	12
Ordinary profit	559	715
Extraordinary income		
Subsidy income	30	–
Total extraordinary income	30	–
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	29	–
Total extraordinary losses	29	–
Profit before income taxes	560	715
Income taxes	198	255
Profit	362	460
Profit attributable to owners of parent	362	460

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended September 30, 2022	Three months ended September 30, 2023
Profit	362	460
Other comprehensive income		
Deferred gains or losses on hedges, before tax	0	0
Remeasurements of defined benefit plans, before tax	2	2
Total other comprehensive income	2	2
Comprehensive income	365	463
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	365	463