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January 29, 2024

Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Japanese GAAP)

Company name: Prestige International Inc.
 Listing: Tokyo Stock Exchange Prime Market
 Securities code: 4290
 URL: <http://www.prestigein.com/>
 Representative: Shinichi Tamagami, Representative Director, President and Group CEO
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 Scheduled date to file quarterly securities report: February 13, 2024
 Scheduled date to commence dividend payments: -

Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: No

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the Nine months ended December 31, 2023 (from April 1, 2023 to December 31, 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	%
Nine months ended								
December 31, 2023	43,744	8.1	5,854	△ 3.1	6,226	△ 1.8	3,854	2.5
December 31, 2022	40,452	18.1	6,040	22.7	6,342	22.8	3,761	20.3

(Note) Comprehensive income For the Nine months ended December 31, 2023: ¥5,092 million [10.5%]
 For the Nine months ended December 31, 2022: ¥4,608 million [27.0%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended		
December 31, 2023	30.14	30.05
December 31, 2022	29.45	29.32

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
December 31, 2023	64,621	44,800	64.6
March 31, 2023	60,273	41,817	64.8

Reference: Equity

As of December 31, 2023 : ¥41,773 million
 As of March 31, 2023 : ¥39,079 million



2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	–	5.00	–	6.00	11.00
Fiscal year ended March 31, 2024	–	6.00			
Fiscal year ended March 31, 2024 (Forecast)			–	6.00	12.00

(Note) Revisions to the forecast of cash dividends most recently announced: No

3. Forecast of consolidated financial results for the year ending March 31, 2024

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen
Full year	56,500	3.6	8,200	4.6	8,700	3.8	5,200	△ 2.2	40.70

(Note) Revision to the financial results forecast announced most recently: No

Note:

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|---|------|
| (1) Changes in significant subsidiaries during the Nine months ended December 31, 2023 : | None |
| (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: | None |
| (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement | |
| 1) Changes in accounting policies due to the revision of accounting standards: | None |
| 2) Changes in accounting policies due to other reasons: | None |
| 3) Changes in accounting estimates: | None |
| 4) Restatement of prior period financial statements: | None |

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2023	128,676,300 shares	As of March 31, 2023	128,560,700 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	1,347,308 shares	As of March 31, 2023	580,708 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

As of December 31, 2023	127,878,748 shares	As of December 31, 2022	127,723,069 shares
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*Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

*Explanation for appropriate use of financial forecasts and other special notes

The forecasts given in this document are based on the current available information in the company and certain reasonable assumptions to the company. And we don't commit to achieve these forecasting numbers. Actual results may differ from these forecasts by a variety of reasons.

Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	21,671,467	19,871,535
Accounts receivable - trade	5,304,236	6,491,479
Advances paid	6,549,144	9,409,056
Merchandise and finished goods	69,380	82,736
Work in process	173,593	272,274
Raw materials and supplies	63,840	88,857
Other	3,354,858	3,308,312
Allowance for doubtful accounts	△1,293,676	△1,812,819
Total current assets	35,892,843	37,711,431
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,085,438	11,084,582
Other, net	2,611,611	3,741,038
Total property, plant and equipment	13,697,049	14,825,621
Intangible assets		
Goodwill	135,000	112,500
Other	1,890,878	1,978,467
Total intangible assets	2,025,878	2,090,967
Investments and other assets		
Investment securities	7,655,097	9,087,669
Other	1,069,841	973,553
Allowance for doubtful accounts	△67,619	△67,863
Total investments and other assets	8,657,318	9,993,359
Total non-current assets	24,380,246	26,909,948
Total assets	60,273,090	64,621,380

(Thousands of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,349,742	1,528,728
Short-term borrowings	125,000	125,000
Income taxes payable	1,365,018	778,041
Contract liabilities	5,907,561	6,229,811
Provision for bonuses	748,606	462,748
Reserve for fulfillment of guarantees	252,391	354,129
Other	5,953,414	7,622,879
Total current liabilities	15,701,735	17,101,337
Non-current liabilities		
Long-term borrowings	250,000	187,500
Retirement benefit liability	13,545	14,253
Asset retirement obligations	1,885,046	1,934,135
Other	604,924	583,713
Total non-current liabilities	2,753,516	2,719,603
Total liabilities	18,455,251	19,820,940
Net assets		
Shareholders' equity		
Share capital	1,570,641	1,601,210
Capital surplus	2,840,271	2,870,840
Retained earnings	32,788,867	35,107,102
Treasury shares	△418,158	△918,155
Total shareholders' equity	36,781,620	38,660,997
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	591,133	931,667
Foreign currency translation adjustment	1,706,346	2,180,623
Total accumulated other comprehensive income	2,297,480	3,112,290
Share acquisition rights	249,802	274,832
Non-controlling interests	2,488,934	2,752,319
Total net assets	41,817,838	44,800,439
Total liabilities and net assets	60,273,090	64,621,380

(2) Consolidated Statement of Income and Comprehensive Income
(Consolidated Statement of Income)

(Thousands of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	40,452,003	43,744,951
Cost of sales	30,485,792	33,577,544
Gross profit	9,966,211	10,167,406
Selling, general and administrative expenses	3,925,277	4,312,533
Operating profit	6,040,934	5,854,873
Non-operating income		
Interest income	5,036	8,813
Interest on securities	166,771	213,964
Dividend income	29,324	29,535
Share of profit of entities accounted for using equity method	252,226	317,633
Other	46,671	26,290
Total non-operating income	500,031	596,236
Non-operating expenses		
Interest expenses	4,452	3,723
Foreign exchange losses	169,804	155,990
Other	24,617	64,452
Total non-operating expenses	198,875	224,166
Ordinary profit	6,342,090	6,226,943
Extraordinary income		
Gain on sale of non-current assets	1,006	2,775
Subsidy income	15,148	12,211
Gain on sale of investment securities	1,130	43,294
Other	474	—
Total extraordinary income	17,759	58,280
Extraordinary losses		
Loss on sale of non-current assets	38	—
Loss on retirement of non-current assets	—	24,997
Loss on tax purpose reduction entry of non- current assets	15,148	12,211
Impairment losses	840	—
Loss on sale of investment securities	—	18,972
Other	3,860	—
Total extraordinary losses	19,888	56,181
Profit before income taxes	6,339,962	6,229,043
Income taxes - current	2,147,465	2,056,569
Income taxes - deferred	99,405	△110,372
Total income taxes	2,246,871	1,946,197
Profit	4,093,091	4,282,845
Profit attributable to non-controlling interests	331,611	428,156
Profit attributable to owners of parent	3,761,479	3,854,688

(Consolidated Statement of Comprehensive Income)

(Thousands of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	4,093,091	4,282,845
Other comprehensive income		
Valuation difference on available-for-sale securities	△5,679	335,717
Foreign currency translation adjustment	521,063	474,276
Total other comprehensive income	515,384	809,993
Comprehensive income	4,608,475	5,092,839
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,280,607	4,669,499
Comprehensive income attributable to non-controlling interests	327,868	423,339