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February 14, 2024

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

Company name: Living Platform, Ltd.
 Listing exchange: Tokyo Stock Exchange
 Securities code: 7091
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Scheduled date for filing quarterly securities report: February 14, 2024
 Scheduled date for commencing dividend payment: –
 Supplementary materials on quarterly financial results: Yes
 Quarterly financial results briefing session: No (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen, unless otherwise noted)

1. Consolidated Financial Results for the Six Months Ended (April 1, 2023 – December 31, 2023)

(1) Consolidated operating results (cumulative)

(% figures show the rate of increase (decrease) compared with the same period of the previous fiscal year)

	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	12,293	20.6	△66	—	124	492.9	84	94.1
December 31, 2022	10,197	20.9	177	△56.7	20	△96.3	43	△87.3

Note: Comprehensive income

Nine months ended December 31, 2023: 88 million yen [(109.9%)]
 Nine months ended December 31, 2022: 42 million yen [(△87.7%)]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	19.03	18.96
December 31, 2022	9.81	9.58

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
December 31, 2023	11,599	1,550	13.3
March 31, 2023	11,402	1,471	12.7

Reference: Total shareholders' equity

As of December 31, 2023: 1,539 million yen
 As of March 31, 2023: 1,450 million yen

2. Dividends

	Annual dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	0.00	-	0.00	0.00
Fiscal year ending March 31, 2024	-	0.00			
Fiscal year ending March 31, 2024 (Forecast)			-	0.00	0.00

Note: Revisions to the most recently announced dividend forecast: No

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 - March 31, 2024)

(% figures show the rate of increase (decrease) compared with the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	16,609	21.3	△93	—	122	246.8	189	106.9	42.65

Note: Revisions to the most recently announced dividend forecast: Yes

Notes:

(1) Changes in significant subsidiaries during the quarter (changes in specified subsidiaries resulting in change in scope of consolidation): No
 Newly consolidated: No
 Excluded from consolidation: No

(2) Application of special accounting methods for preparing consolidated quarterly financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement
 [1] Changes in accounting policies due to revisions to accounting standards, etc.: No
 [2] Changes in accounting policies other than those in [1]: No
 [3] Changes in accounting estimates: No
 [4] Restatement: No

(4) Number of shares issued and outstanding (common shares)
 [1] Number of shares issued and outstanding (including treasury shares) at end of fiscal year
 As of December 31, 2023 4,492,200 shares
 As of March 31, 2023 4,492,200 shares
 [2] Number of treasury shares at end of fiscal year
 As of December 31, 2022 43,158 shares
 As of March 31, 2022 43,158 shares
 [3] Average number of shares outstanding during quarter
 Nine months ended December 31, 2023 4,449,042 shares
 Nine months ended December 31, 2022 4,447,021 shares

* This report on consolidated quarterly financial results is not subject to audit procedures by a public accountant or audit corporation

* Explanation regarding appropriate use of earnings forecasts, and other notes
 (Notes on forward-looking statements)

The earnings outlook and other forward-looking statements contained in this document are based on information currently available to and certain assumptions that are thought to be reasonable by the Company. Accordingly, such statements should not be construed as a guarantee of achieving the results by the Company. Actual operating results, etc. may differ materially due to various factors.

2. Consolidated Quarterly Financial Statements and Significant Notes Thereto

(1) Consolidated Balance Sheets

(Thousands of yen)

	Fiscal year ended March 2023 (As of March 31, 2023)	Nine months of fiscal year ending March 2024 (As of December 31, 2023)
Assets		
Current assets		
Cash and deposits	1,882,552	1,077,267
Notes and accounts receivable - trade	1,684,208	2,050,676
Merchandise and finished goods	4,541	5,853
Raw materials and supplies	28,441	32,695
Prepaid expenses	281,951	391,172
Other	540,440	157,323
Allowance for doubtful accounts	△8,493	△12,679
Total current assets	4,413,643	3,702,311
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,283,291	2,842,496
Vehicles, net	6,556	9,947
Tools, furniture and fixtures, net	112,984	116,543
Land	1,301,744	1,490,491
Leased assets, net	471,409	445,936
Construction in progress	335,821	124,123
Other, net	32,137	46,363
Total property, plant and equipment	4,543,945	5,075,901
Intangible assets		
Goodwill	1,009,929	1,357,702
Software	47,825	50,492
Other	58,656	52,618
Total intangible assets	1,116,412	1,460,814
Investments and other assets		
Investment securities	115,000	86,471
Long-term loans receivable	29,017	18,488
Long-term prepaid expenses	41,376	39,686
Deferred tax assets	100,325	112,913
Guarantee deposits	884,952	958,070
Other	184,854	167,324
Allowance for doubtful accounts	△26,754	△22,828
Total investments and other assets	1,328,772	1,360,125
Total non-current assets	6,989,130	7,896,840
Total assets	11,402,773	11,599,151

(Thousands of yen)

	Fiscal year ended March 2023 (As of March 31, 2023)	Nine months of fiscal year ending March 2024 (As of December 30, 2023)
Liabilities		
Current liabilities		
Short-term borrowings	925,553	659,975
Current portion of long-term borrowings	1,296,657	811,451
Lease liabilities	31,075	32,887
Accounts payable - other	443,129	521,927
Accrued expenses	650,723	675,697
Income taxes payable	29,219	54,745
Advances received	288,141	354,808
Deposits received	97,004	254,992
Provision for bonuses	111,546	28,836
Other	116,265	87,558
Total current liabilities	3,989,316	3,482,880
Non-current liabilities		
Long-term borrowings	4,114,830	4,579,865
Long-term advances received	391,242	386,810
Lease liabilities	611,498	588,065
Retirement benefit liability	258,867	303,872
Deferred tax liabilities	38,435	31,553
Other	526,588	675,636
Total non-current liabilities	5,941,462	6,565,803
Total liabilities	9,930,779	10,048,684
Net assets		
Shareholders' equity		
Share capital	358,995	358,995
Capital surplus	905,241	905,241
Retained earnings	263,324	348,008
Treasury shares	△79,459	△79,459
Total shareholders' equity	1,448,102	1,532,786
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,760	6,914
Total accumulated other comprehensive income	2,760	6,914
Share acquisition rights	21,131	10,766
Total net assets	1,471,994	1,550,467
Total liabilities and net assets	11,402,773	11,599,151

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

Consolidated Quarterly Statement of Income
 First three quarters of fiscal year ending March 2024

(Thousands of yen)

	Nine months of fiscal year Ended March 31, 2023 (April 1, 2022 to December 31, 2022)	Nine months of fiscal year Ending March 31, 2024 (April 1, 2023 to December 31, 2023)
Net sales	10,197,186	12,293,536
Cost of sales	9,149,673	11,182,766
Gross profit	1,047,513	1,110,770
Selling, general and administrative expenses	870,269	1,177,129
Operating profit	177,244	△66,359
Non-operating income		
Interest and dividend income	234	3,097
Subsidy income	118,401	191,253
Other	—	48,984
Total non-operating income	157,265	279,830
Non-operating expenses		
Interest expenses	84,956	85,560
Non-deductible consumption taxes	222,894	—
Bad debts written off	3,437	—
Other	2,258	3,631
Total non-operating expenses	313,547	89,191
Ordinary profit	20,962	124,278
Extraordinary income		
Gain on sale of non-current assets	65,558	219
income from the return of stock subscription rights	2,791	27,360
Total extraordinary income	68,349	27,580
Extraordinary loss		
Impairment loss on fixed assets	—	57
Impairment loss on investment securities	—	28,314
Total extraordinary loss	—	28,372
Profit before income taxes	89,312	123,487
Income taxes - current	38,314	60,307
Income taxes - deferred	7,358	△21,504
Total income taxes	45,672	38,803
Profit	43,639	84,684
Profit attributable to owners of parent	43,639	84,684

Consolidated Statement of Comprehensive Income
 First three quarters of fiscal year ending March 2024

(Thousands of yen)

	Nine months of fiscal year ended March 31, 2022 (April 1, 2022 to December 31, 2022)	Nine months of fiscal year ending March 31, 2023 (April 1, 2023 to December 31, 2023)
Profit	43,639	84,684
Other comprehensive income		
Valuation difference on available-for-sale securities	△1,316	4,154
Total other comprehensive income	△1,316	4,154
Comprehensive income	42,323	88,838
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	42,323	88,838

(3) Notes to Consolidated Quarterly Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes When There Are Significant Changes in Amounts of Equity)

Consolidated cumulative period for the previous third quarter (from April 1, 2022 to December 31, 2022):

Significant fluctuation in shareholder's equity

In order to ensure the soundness of our financial position and enhance flexibility in future capital policies, we filled the deficit in retained earnings through the appropriation of capital reserve funds. As a result, out of the total capital reserve funds of 909,007 thousand yen, 393,253 thousand yen was reduced, leaving the balance at 515,753 thousand yen, and the entire amount of the decreased capital reserve funds was transferred to retained earnings.

Consolidated cumulative period for the previous third quarter (from April 1, 2022 to December 31, 2022):

Not applicable.