

Translation

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

February 9, 2024

Company name: RESOL HOLDINGS CO., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 5261 URL <https://www.resol.jp>
 Representative: Representative Director, President Masaru Osawa
 Inquiries: Manager of the Accounting Department Tatsuo Saito TEL 03-3344-8861
 Scheduled date to file Quarterly Securities Report: February 14, 2024
 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 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	19,807	12.9	2,167	127.1	2,051	130.5	1,862	266.0
Nine months ended December 31, 2022	17,545	59.7	954	–	890	–	508	–

Note: Comprehensive income
 Nine months ended December 31, 2023 ¥1,866 million [269.4%]
 Nine months ended December 31, 2022 ¥505 million [–%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	335.24		–	
Nine months ended December 31, 2022	91.61		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2023	43,801	15,119	34.4	2,715.98
As of March 31, 2023	42,663	13,526	31.6	2,430.35

Reference: Equity
 As of December 31, 2023 ¥15,089 million
 As of March 31, 2023 ¥13,501 million

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	–	0.00	–	50.00	50.00
Year ending March 31, 2024	–	0.00	–	–	–
Year ending March 31, 2024 (Forecast)	–	–	–	80.00	80.00

Note: Revisions to the cash dividend forecasts most recently announced: None

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	25,500	15.6	2,100	547.7	1,950	937.7	1,500	107.5	270.00

Note: Revisions to the financial results forecasts most recently announced: Yes

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 2023	5,564,200 shares	As of March 31, 2023	5,564,200 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	8,531 shares	As of March 31, 2023	8,840 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	5,555,553 shares	Nine months ended December 31, 2022	5,555,159 shares
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* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of forecasts of financial results, and other special matters

(Caution concerning forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual performance and other results may differ materially due to various factors.

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	5,224,298	4,319,159
Operating accounts receivable	1,459,430	1,670,248
Merchandise	115,314	131,770
Real estate for sale	2,222,141	2,134,964
Supplies	97,022	131,544
Other	1,772,957	1,234,341
Total current assets	10,891,164	9,622,029
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,676,791	6,821,998
Land	16,510,546	18,885,575
Other, net	2,593,137	2,428,507
Total property, plant and equipment	25,780,475	28,136,081
Intangible assets		
Goodwill	364,497	324,669
Other	481,139	589,104
Total intangible assets	845,636	913,773
Investments and other assets		
Total investments and other assets	5,145,970	5,129,884
Total non-current assets	31,772,082	34,179,739
Total assets	42,663,246	43,801,769

(Thousands of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Trade accounts payable	326,723	393,974
Short-term borrowings	3,400,000	1,200,000
Current portion of long-term borrowings	3,721,384	3,519,368
Income taxes payable	229,946	142,471
Provision for bonuses	164,212	132,344
Provision for bonuses for directors (and other officers)	9,000	–
Other	3,997,755	4,027,903
Total current liabilities	11,849,021	9,416,062
Non-current liabilities		
Long-term borrowings	8,933,808	9,509,487
Retirement benefit liability	412,851	408,930
Provision for special compensations	9,850	92,100
Asset retirement obligations	202,417	194,415
Guarantee deposits received	6,165,188	7,716,307
Other	1,563,111	1,344,803
Total non-current liabilities	17,287,227	19,266,043
Total liabilities	29,136,249	28,682,105
Net assets		
Shareholders' equity		
Share capital	3,948,088	3,948,088
Capital surplus	2,242,908	2,244,531
Retained earnings	7,313,477	8,899,801
Treasury shares	(21,396)	(21,050)
Total shareholders' equity	13,483,077	15,071,371
Accumulated other comprehensive income		
Remeasurements of defined benefit plans	18,388	17,740
Total accumulated other comprehensive income	18,388	17,740
Non-controlling interests	25,531	30,551
Total net assets	13,526,997	15,119,663
Total liabilities and net assets	42,663,246	43,801,769

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	17,545,733	19,807,251
Cost of sales	7,398,101	5,986,672
Gross profit	10,147,632	13,820,579
Selling, general and administrative expenses	9,193,219	11,653,281
Operating profit	954,412	2,167,298
Non-operating income		
Interest income	20	19
Rental income	6,446	6,336
Insurance claim income	69,011	11,800
Refund income	6,035	7,814
Subsidies for employment adjustment	36,254	–
Other	57,278	49,989
Total non-operating income	175,045	75,959
Non-operating expenses		
Interest expenses	117,306	127,092
Commission expenses	70,393	42,045
Other	51,505	22,160
Total non-operating expenses	239,206	191,298
Ordinary profit	890,252	2,051,959
Extraordinary income		
Gain on sale of non-current assets	18,191	2,494
Gain on bargain purchase	–	148,677
Other	437	–
Total extraordinary income	18,629	151,171
Extraordinary losses		
Loss on sale of non-current assets	577	1,594
Loss on retirement of non-current assets	5,829	31,228
Provision for special compensations	–	94,000
Other	1,687	10,428
Total extraordinary losses	8,094	137,251
Profit before income taxes	900,786	2,065,880
Income taxes - current	408,566	173,333
Income taxes - deferred	(12,920)	25,472
Total income taxes	395,646	198,806
Profit	505,140	1,867,073
Profit (loss) attributable to non-controlling interests	(3,761)	4,646
Profit attributable to owners of parent	508,901	1,862,427

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	505,140	1,867,073
Other comprehensive income		
Remeasurements of defined benefit plans, net of tax	56	(648)
Total other comprehensive income	56	(648)
Comprehensive income	505,196	1,866,425
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	508,957	1,861,779
Comprehensive income attributable to non-controlling interests	(3,761)	4,646