

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended February 29, 2024 (Based on Japanese GAAP)

April 11, 2024

Company name: OHBA CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 9765 URL <http://www.k-ohba.co.jp>
 Representative: Representative Director,President Shigeru Tsujimoto
 Inquiries: Managing Executive Officer Hirofumi Katayama TEL 03-5931-5888
 Scheduled date to file Quarterly Securities Report: April 11, 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 February 29, 2024 (from June 1, 2023 to February 29, 2024)

(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 February 29, 2024 | 10,759 | 10.1 | 1,046 | 20.1 | 1,112 | 19.1 | 718 | 140.5 |
| Nine months ended February 28, 2023 | 9,774 | (5.1) | 871 | (0.2) | 933 | 0.4 | 298 | (47.6) |

| | Earnings per share | | Diluted earnings per share | |
|-------------------------------------|--------------------|--|----------------------------|--|
| | Yen | | Yen | |
| Nine months ended February 29, 2024 | 44.91 | | 43.38 | |
| Nine months ended February 28, 2023 | 18.54 | | 17.95 | |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio |
|-------------------------|-----------------|-----------------|--------------|
| | Millions of yen | Millions of yen | % |
| As of February 29, 2024 | 18,089 | 11,397 | 60.7 |
| As of May 31, 2023 | 16,117 | 10,930 | 65.4 |

2. Cash dividends

| | Annual dividends per share | | | | |
|-------------------------------------|----------------------------|-----------------|-----------------|-----------------|-------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total |
| | Yen | | | | |
| Year ended May 31, 2023 | – | 11.00 | – | 13.00 | 24.00 |
| Year ending May 31, 2024 | – | 17.00 | – | | |
| Year ending May 31, 2024 (Forecast) | | | | 20.00 | 37.00 |

3. Forecast of consolidated financial results for the year ending May 31, 2024 (from June 1, 2023 to May 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 | 17,000 | 8.6 | 1,800 | 5.0 | 1,850 | 3.5 | 1,150 | 6.9 | 71.75 |

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended February 29, 2024
(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 February 29, 2024 | 17,250,000 shares | As of May 31, 2023 | 17,250,000 shares |
|-------------------------|-------------------|--------------------|-------------------|

Number of treasury shares at the end of the period

| | | | |
|-------------------------|------------------|--------------------|------------------|
| As of February 29, 2024 | 1,232,412 shares | As of May 31, 2023 | 1,222,012 shares |
|-------------------------|------------------|--------------------|------------------|

Average number of shares during the period (cumulative from the beginning of the fiscal year)

| | | | |
|-------------------------------------|-------------------|-------------------------------------|-------------------|
| Nine months ended February 29, 2024 | 16,002,327 shares | Nine months ended February 28, 2023 | 16,122,726 shares |
|-------------------------------------|-------------------|-------------------------------------|-------------------|

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

| | As of May 31, 2023 | As of February 29, 2024 |
|--|--------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 4,205,305 | 1,805,603 |
| Notes and accounts receivable - trade, and contract assets | 4,802,853 | 8,111,417 |
| Costs on service contracts in progress | 503,299 | 554,580 |
| Real estate for sale | 5,634 | 5,634 |
| Other | 170,458 | 620,192 |
| Allowance for doubtful accounts | (44,824) | (44,974) |
| Total current assets | 9,642,727 | 11,052,453 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 1,229,006 | 1,252,167 |
| Accumulated depreciation | (247,836) | (295,500) |
| Buildings and structures, net | 981,170 | 956,666 |
| Machinery, equipment and vehicles | 771,446 | 762,826 |
| Accumulated depreciation | (542,307) | (558,431) |
| Machinery, equipment and vehicles, net | 229,139 | 204,395 |
| Land | 1,961,889 | 1,961,889 |
| Other | 819,911 | 810,844 |
| Accumulated depreciation | (680,461) | (699,780) |
| Other, net | 139,450 | 111,064 |
| Total property, plant and equipment | 3,311,649 | 3,234,016 |
| Intangible assets | | |
| Software | 79,775 | 105,789 |
| Other | 1,885 | 1,793 |
| Total intangible assets | 81,660 | 107,582 |
| Investments and other assets | | |
| Investment securities | 1,208,021 | 1,553,772 |
| Retirement benefit asset | 1,373,352 | 1,636,734 |
| Deferred tax assets | 9,472 | 12,819 |
| Other | 490,379 | 492,342 |
| Total investments and other assets | 3,081,226 | 3,695,669 |
| Total non-current assets | 6,474,536 | 7,037,269 |
| Total assets | 16,117,264 | 18,089,722 |

(Thousands of yen)

| | As of May 31, 2023 | As of February 29, 2024 |
|---|--------------------|-------------------------|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 1,257,393 | 601,828 |
| Short-term borrowings | – | 3,100,000 |
| Income taxes payable | 92,537 | 215,858 |
| Advances received on service contracts in progress | 1,428,187 | 1,147,418 |
| Provision for bonuses | 551,675 | 142,686 |
| Provision for loss on orders received | 3,116 | 574 |
| Provision for shareholder benefit program | 19,061 | – |
| Other | 919,774 | 464,451 |
| Total current liabilities | 4,271,746 | 5,672,818 |
| Non-current liabilities | | |
| Retirement benefit liability | 33,200 | 27,670 |
| Asset retirement obligations | 280,572 | 281,553 |
| Deferred tax liabilities | 596,556 | 705,782 |
| Other | 4,381 | 4,381 |
| Total non-current liabilities | 914,710 | 1,019,386 |
| Total liabilities | 5,186,457 | 6,692,205 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 2,131,733 | 2,131,733 |
| Capital surplus | 532,933 | 532,933 |
| Retained earnings | 7,940,953 | 8,172,599 |
| Treasury shares | (746,407) | (771,709) |
| Total shareholders' equity | 9,859,212 | 10,065,556 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 448,410 | 707,464 |
| Remeasurements of defined benefit plans | 237,583 | 208,834 |
| Total accumulated other comprehensive income | 685,993 | 916,298 |
| Share acquisition rights | 385,600 | 415,662 |
| Total net assets | 10,930,806 | 11,397,516 |
| Total liabilities and net assets | 16,117,264 | 18,089,722 |

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

Consolidated statements of income (cumulative)

(Thousands of yen)

| | Nine months ended February 28, 2023 | Nine months ended February 29, 2024 |
|---|--|--|
| Net sales | 9,774,055 | 10,759,098 |
| Cost of sales | 6,714,847 | 7,288,484 |
| Gross profit | 3,059,208 | 3,470,613 |
| Selling, general and administrative expenses | 2,187,424 | 2,423,843 |
| Operating profit | 871,784 | 1,046,770 |
| Non-operating income | | |
| Interest income | 14 | 22 |
| Dividend income | 35,919 | 38,088 |
| Insurance claim and dividend income | 16,848 | 6,030 |
| Gain on sale of securities | 2,201 | 8,989 |
| Other | 19,116 | 15,524 |
| Total non-operating income | 74,100 | 68,654 |
| Non-operating expenses | | |
| Interest expenses | 3,119 | 2,096 |
| Guarantee commission | 1,111 | 1,152 |
| Delinquency charges | 8,360 | – |
| Other | 0 | 175 |
| Total non-operating expenses | 12,590 | 3,424 |
| Ordinary profit | 933,293 | 1,112,000 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 90 | – |
| Total extraordinary income | 90 | – |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 1,282 | 1,660 |
| Impairment losses | 432,040 | – |
| Loss on valuation of investment securities | 12,576 | – |
| Expenses related to the 100th anniversary of foundation | 37,229 | 27,234 |
| Total extraordinary losses | 483,128 | 28,895 |
| Profit before income taxes | 450,255 | 1,083,105 |
| Income taxes | 151,364 | 364,383 |
| Profit | 298,890 | 718,721 |
| Profit attributable to owners of parent | 298,890 | 718,721 |

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

| | Nine months ended February 28, 2023 | Nine months ended February 29, 2024 |
|--|--|--|
| Profit | 298,890 | 718,721 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 69,726 | 259,053 |
| Remeasurements of defined benefit plans, net of tax | (13,728) | (28,749) |
| Total other comprehensive income | 55,998 | 230,304 |
| Comprehensive income | 354,889 | 949,025 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 354,889 | 949,025 |
| Comprehensive income attributable to non-controlling interests | — | — |