

Translation

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

October 12, 2023

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: October 12, 2023
 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 three months ended August 31, 2023 (from June 1, 2023 to August 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	%
Three months ended August 31, 2023	2,727	10.8	28	–	33	135.8	22	91.8
Three months ended August 31, 2022	2,462	(4.1)	0	(98.0)	14	34.7	11	74.5

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended August 31, 2023	1.43		1.41	
Three months ended August 31, 2022	0.74		0.73	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of August 31, 2023	14,717	10,744	70.5
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	–				
Year ending May 31, 2024 (Forecast)		17.00	–	17.00	34.00

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 three months ended August 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: 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 August 31, 2023	17,250,000 shares	As of May 31, 2023	17,250,000 shares
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Number of treasury shares at the end of the period

As of August 31, 2023	1,316,412 shares	As of May 31, 2023	1,222,012 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended August 31, 2023	15,972,138 shares	Three months ended August 31, 2022	16,039,652 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of May 31, 2023	As of August 31, 2023
Assets		
Current assets		
Cash and deposits	4,205,305	2,161,245
Notes and accounts receivable - trade, and contract assets	4,802,853	5,246,498
Costs on service contracts in progress	503,299	477,626
Real estate for sale	5,634	5,634
Other	170,458	214,442
Allowance for doubtful accounts	(44,824)	(44,824)
Total current assets	9,642,727	8,060,623
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,229,006	1,229,006
Accumulated depreciation	(247,836)	(263,652)
Buildings and structures, net	981,170	965,354
Machinery, equipment and vehicles	771,446	754,865
Accumulated depreciation	(542,307)	(535,202)
Machinery, equipment and vehicles, net	229,139	219,663
Land	1,961,889	1,961,889
Other	819,911	799,937
Accumulated depreciation	(680,461)	(675,437)
Other, net	139,450	124,500
Total property, plant and equipment	3,311,649	3,271,407
Intangible assets		
Software	79,775	74,429
Other	1,885	1,854
Total intangible assets	81,660	76,283
Investments and other assets		
Investment securities	1,208,021	1,350,817
Retirement benefit asset	1,373,352	1,461,345
Deferred tax assets	9,472	12,858
Other	490,379	483,780
Total investments and other assets	3,081,226	3,308,802
Total non-current assets	6,474,536	6,656,493
Total assets	16,117,264	14,717,117

(Thousands of yen)

	As of May 31, 2023	As of August 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	1,257,393	286,995
Short-term borrowings	–	400,000
Income taxes payable	92,537	32,910
Advances received on service contracts in progress	1,428,187	1,649,382
Provision for bonuses	551,675	87,161
Provision for loss on orders received	3,116	955
Provision for shareholder benefit program	19,061	–
Other	919,774	562,322
Total current liabilities	4,271,746	3,019,728
Non-current liabilities		
Retirement benefit liability	33,200	35,012
Asset retirement obligations	280,572	280,899
Deferred tax liabilities	596,556	632,901
Other	4,381	4,381
Total non-current liabilities	914,710	953,194
Total liabilities	5,186,457	3,972,922
Net assets		
Shareholders' equity		
Share capital	2,131,733	2,131,733
Capital surplus	532,933	533,454
Retained earnings	7,940,953	7,752,363
Treasury shares	(746,407)	(824,308)
Total shareholders' equity	9,859,212	9,593,242
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	448,410	549,049
Remeasurements of defined benefit plans	237,583	228,000
Total accumulated other comprehensive income	685,993	777,049
Share acquisition rights	385,600	373,903
Total net assets	10,930,806	10,744,195
Total liabilities and net assets	16,117,264	14,717,117

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended August 31, 2022	Three months ended August 31, 2023
Net sales	2,462,593	2,727,415
Cost of sales	1,734,359	1,864,198
Gross profit	728,233	863,217
Selling, general and administrative expenses	728,058	834,613
Operating profit	175	28,603
Non-operating income		
Interest income	7	12
Dividend income	753	557
Insurance claim and dividend income	15,591	500
Other	6,774	4,921
Total non-operating income	23,127	5,992
Non-operating expenses		
Interest expenses	86	7
Guarantee commission	499	616
Restoration expenses on facilities	8,360	–
Other	–	118
Total non-operating expenses	8,946	743
Ordinary profit	14,356	33,852
Extraordinary losses		
Loss on retirement of non-current assets	0	433
Total extraordinary losses	0	433
Profit before income taxes	14,356	33,419
Income taxes	2,452	10,585
Profit	11,904	22,833
Profit attributable to owners of parent	11,904	22,833

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended August 31, 2022	Three months ended August 31, 2023
Profit	11,904	22,833
Other comprehensive income		
Valuation difference on available-for-sale securities	36,633	100,638
Remeasurements of defined benefit plans, net of tax	11,149	(9,583)
Total other comprehensive income	47,782	91,055
Comprehensive income	59,686	113,889
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	59,686	113,889
Comprehensive income attributable to non-controlling interests	—	—