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July 24, 2024

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2025 (Under Japanese GAAP)

Company name: OBIC Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 4684
 URL: <https://www.obic.co.jp/>
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 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

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

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(1) Consolidated operating results

(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 June 30, 2024	28,781	6.2	18,648	7.0	23,075	11.0	16,775	14.4
Three months ended June 30, 2023	27,094	12.4	17,430	15.6	20,787	12.5	14,663	11.7

Note: Comprehensive income Three months ended June 30, 2024: ¥19,831 million [(40.4)%]
 Three months ended June 30, 2023: ¥33,302 million [228.5%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	190.69	–
Three months ended June 30, 2023	165.35	–

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
June 30, 2024	464,057	403,567	87.0	4,587.32
March 31, 2024	462,165	398,692	86.3	4,531.90

Reference: Equity

As of June 30, 2024: ¥403,567 million
 As of March 31, 2024: ¥398,692 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended March 31, 2024	Yen –	Yen 130.00	Yen –	Yen 170.00	Yen 300.00
Fiscal year ending March 31, 2025	–				
Fiscal year ending March 31, 2025 Forecast/after considering the stock split (Forecast/before considering the stock split)		160.00 (160.00)	– (–)	32.00 (160.00)	– (320.00)

Notes 1. Revision to the most recently announced forecast of dividends: Yes

2. At the Board of Directors meeting held on July 24, 2024, the Company resolved to conduct a 5-for-1 share split of its common shares with an effective date of October 1, 2024. For the fiscal year-end dividend per share for the fiscal year ending March 31, 2025 (forecast), the amount that takes into account the impact of the share split is shown, and for the total annual dividends, “–” is shown. Without taking into account the share split, the fiscal year-end dividend for the fiscal year ending March 31, 2025 (forecast) would be ¥160.00 and the annual dividends would be ¥320.00.

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	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
Fiscal year ending March 31, 2025	122,800	10.0	78,000	10.0	88,000	8.4	63,000	8.6	143.22

Notes 1. Revision to the most recently announced earnings forecasts: None

2. For the forecast of basic earnings per share for the fiscal year ending March 31, 2025, the amount that takes into account the share split described in the note in “2. Cash dividends” is shown. Without taking into account the share split, the forecast of basic earnings per share for the fiscal year ending March 31, 2025 would be ¥716.12.

* **Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: –

Excluded: –

(2) Application of special accounting treatments for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2024	99,600,000 shares
As of March 31, 2024	99,600,000 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2024	11,625,380 shares
As of March 31, 2024	11,625,336 shares

(iii) Average number of shares outstanding during the period

Three months ended June 30, 2024	87,974,659 shares
Three months ended June 30, 2023	88,680,093 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

There have been no revisions to the consolidated earnings forecasts for the full year that were announced on April 23, 2024. The above forecasts were prepared based on information currently available to the Company, and any statements herein do not constitute assurances regarding actual results by the Company. Moreover, actual business and other results may differ from the forecast due to various factors in the future. Please refer to the section of “(4) Explanation of consolidated earnings forecasts and other forward-looking statements” of “1. Qualitative information regarding financial results for the three months ended June 30, 2024” on page 3 of [Attached Material] for details.

Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	170,244	167,698
Notes and accounts receivable - trade, and contract assets	15,316	15,784
Merchandise and finished goods	99	86
Work in process	244	286
Raw materials and supplies	1	0
Other	1,229	1,307
Allowance for doubtful accounts	(3)	(3)
Total current assets	187,132	185,160
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	23,761	23,426
Land	29,700	29,700
Other, net	3,347	3,306
Total property, plant and equipment	56,809	56,433
Intangible assets		
Other	122	115
Total intangible assets	122	115
Investments and other assets		
Investment securities	215,787	220,059
Other	2,317	2,291
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	218,101	222,347
Total non-current assets	275,032	278,896
Total assets	462,165	464,057

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	4,662	4,575
Income taxes payable	12,996	6,476
Unearned revenue	1,338	2,399
Provision for bonuses	2,452	3,593
Other	7,085	6,845
Total current liabilities	28,534	23,890
Non-current liabilities		
Retirement benefit liability	5,995	6,025
Asset retirement obligations	398	398
Deferred tax liabilities	26,500	28,189
Other	2,043	1,985
Total non-current liabilities	34,938	36,599
Total liabilities	63,473	60,489
Net assets		
Shareholders' equity		
Share capital	19,178	19,178
Capital surplus	19,656	19,656
Retained earnings	329,547	331,367
Treasury shares	(43,305)	(43,306)
Total shareholders' equity	325,077	326,896
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	74,011	77,088
Revaluation reserve for land	(481)	(481)
Remeasurements of defined benefit plans	84	63
Total accumulated other comprehensive income	73,614	76,670
Total net assets	398,692	403,567
Total liabilities and net assets	462,165	464,057

(2) Quarterly consolidated statement of income and consolidated statement of comprehensive income
(Quarterly consolidated statement of income)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	27,094	28,781
Cost of sales	5,924	6,223
Gross profit	21,170	22,557
Selling, general and administrative expenses	3,739	3,909
Operating profit	17,430	18,648
Non-operating income		
Interest income	0	0
Dividend income	1,568	1,817
Share of profit of entities accounted for using equity method	918	1,430
Rental income	434	506
Gain on sale of investment securities	793	997
Other	10	45
Total non-operating income	3,727	4,798
Non-operating expenses		
Rental expenses	371	371
Total non-operating expenses	371	371
Ordinary profit	20,787	23,075
Extraordinary income		
Gain on sale of investment securities	-	321
Total extraordinary income	-	321
Extraordinary losses		
Loss on retirement of non-current assets	0	-
Loss on valuation of investment securities	21	-
Loss on sale of shares of subsidiaries and associates	37	-
Total extraordinary losses	59	-
Profit before income taxes	20,728	23,396
Income taxes - current	5,801	6,362
Income taxes - deferred	263	259
Total income taxes	6,064	6,621
Profit	14,663	16,775
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	14,663	16,775

(Quarterly consolidated statement of comprehensive income)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	14,663	16,775
Other comprehensive income		
Valuation difference on available-for-sale securities	18,383	3,268
Remeasurements of defined benefit plans, net of tax	(14)	(5)
Share of other comprehensive income of entities accounted for using equity method	269	(206)
Total other comprehensive income	18,638	3,056
Comprehensive income	33,302	19,831
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	33,302	19,831
Comprehensive income attributable to non-controlling interests	–	–

(3) Quarterly consolidated statement of cash flows

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Cash flows from operating activities		
Profit before income taxes	20,728	23,396
Depreciation	621	593
Share of loss (profit) of entities accounted for using equity method	(918)	(1,430)
Loss (gain) on sale of investment securities	(793)	(1,319)
Increase (decrease) in provision for bonuses	1,010	1,141
Increase (decrease) in provision for bonuses for directors (and other officers)	(182)	(216)
Increase (decrease) in allowance for doubtful accounts	(1)	(0)
Increase (decrease) in retirement benefit liability	(10)	21
Interest and dividend income	(1,569)	(1,817)
Loss on retirement of non-current assets	0	–
Decrease (increase) in trade receivables	(21)	(468)
Decrease (increase) in inventories	77	(27)
Increase (decrease) in trade payables	(89)	(86)
Other, net	1,125	1,114
Subtotal	19,975	20,901
Interest and dividends received	2,560	3,067
Income taxes paid	(12,580)	(12,543)
Net cash provided by (used in) operating activities	9,955	11,425
Cash flows from investing activities		
Purchase of property, plant and equipment	(492)	(749)
Purchase of intangible assets	(13)	(9)
Purchase of investment securities	(2,724)	(1)
Proceeds from sale of investment securities	2,044	1,734
Proceeds from sale of shares of subsidiaries and associates	220	–
Other, net	68	11
Net cash provided by (used in) investing activities	(896)	985
Cash flows from financing activities		
Purchase of treasury shares	–	(0)
Dividends paid	(12,415)	(14,955)
Net cash provided by (used in) financing activities	(12,415)	(14,956)
Net increase (decrease) in cash and cash equivalents	(3,356)	(2,545)
Cash and cash equivalents at beginning of period	156,321	170,244
Cash and cash equivalents at end of period	152,965	167,698