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October 29, 2024

Consolidated Financial Results for the Six Months Ended September 30, 2024 (Under Japanese GAAP)

Company name: OBIC Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 4684
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 Scheduled date to file semi-annual securities report: November 8, 2024
 Scheduled date to commence dividend payments: November 22, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

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

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 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	%
Six months ended September 30, 2024	59,173	6.9	38,629	9.2	44,530	11.2	32,059	12.9
Six months ended September 30, 2023	55,334	12.8	35,381	15.2	40,062	14.3	28,397	14.0

Note: Comprehensive income Six months ended September 30, 2024: ¥28,768 million [(44.6)%]
 Six months ended September 30, 2023: ¥51,914 million [155.4%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	72.88	–
Six months ended September 30, 2023	64.04	–

Note: On October 1, 2024, the Company conducted a 5-for-1 share split of its common shares. “Basic earnings per share” is calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2024	472,212	412,594	87.4	937.94
March 31, 2024	462,165	398,692	86.3	906.38

Reference: Equity
 As of September 30, 2024: ¥412,594 million
 As of March 31, 2024: ¥398,692 million

Note: On October 1, 2024, the Company conducted a 5-for-1 share split of its common shares. “Net assets per share” is calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

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	–	160.00			
Fiscal year ending March 31, 2025 Forecast/after considering the share split (Forecast/before considering the share split)			– (–)	32.00 (160.00)	– (320.00)

Notes: 1. Revision to the most recently announced forecast of dividends: None

2. On October 1, 2024, the Company conducted a 5-for-1 share split of its common shares. The actual amount of dividends paid before the share split is provided for the periods up to the second quarter of the fiscal year ending March 31, 2025. 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 semi-annual 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 September 30, 2024	498,000,000 shares
As of March 31, 2024	498,000,000 shares

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

As of September 30, 2024	58,105,360 shares
As of March 31, 2024	58,126,680 shares

(iii) Average number of shares outstanding during the period

Six months ended September 30, 2024	439,881,074 shares
Six months ended September 30, 2023	443,408,279 shares

Note: On October 1, 2024, the Company conducted a 5-for-1 share split of its common shares. “Total number of issued shares at the end of the period,” “Number of treasury shares at the end of the period” and “Average number of shares outstanding during the period” are calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* 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 six months ended September 30, 2024” on page 3 of [Attached Material] for details.

Semi-annual consolidated financial statements

(1) Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	170,244	180,134
Notes and accounts receivable - trade, and contract assets	15,316	16,330
Merchandise and finished goods	99	80
Work in process	244	265
Raw materials and supplies	1	5
Other	1,229	1,391
Allowance for doubtful accounts	(3)	(3)
Total current assets	187,132	198,203
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	23,761	23,748
Land	29,700	29,700
Other, net	3,347	2,721
Total property, plant and equipment	56,809	56,170
Intangible assets		
Other	122	104
Total intangible assets	122	104
Investments and other assets		
Investment securities	215,787	215,354
Other	2,317	2,380
Allowance for doubtful accounts	(3)	(0)
Total investments and other assets	218,101	217,734
Total non-current assets	275,032	274,009
Total assets	462,165	472,212

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	4,662	4,679
Income taxes payable	12,996	12,994
Unearned revenue	1,338	1,971
Provision for bonuses	2,452	2,472
Other	7,085	3,944
Total current liabilities	28,534	26,061
Non-current liabilities		
Retirement benefit liability	5,995	6,104
Asset retirement obligations	398	398
Deferred tax liabilities	26,500	25,064
Other	2,043	1,988
Total non-current liabilities	34,938	33,556
Total liabilities	63,473	59,618
Net assets		
Shareholders' equity		
Share capital	19,178	19,178
Capital surplus	19,656	19,732
Retained earnings	329,547	346,651
Treasury shares	(43,305)	(43,292)
Total shareholders' equity	325,077	342,270
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	74,011	70,763
Revaluation reserve for land	(481)	(481)
Remeasurements of defined benefit plans	84	42
Total accumulated other comprehensive income	73,614	70,324
Total net assets	398,692	412,594
Total liabilities and net assets	462,165	472,212

(2) Semi-annual consolidated statement of income and consolidated statement of comprehensive income
(Semi-annual consolidated statement of income)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	55,334	59,173
Cost of sales	12,258	12,668
Gross profit	43,076	46,504
Selling, general and administrative expenses	7,694	7,874
Operating profit	35,381	38,629
Non-operating income		
Interest income	1	3
Dividend income	1,572	1,821
Share of profit of entities accounted for using equity method	2,151	2,771
Rental income	889	1,020
Gain on sale of investment securities	793	997
Other	16	51
Total non-operating income	5,425	6,665
Non-operating expenses		
Rental expenses	745	764
Other	0	–
Total non-operating expenses	745	764
Ordinary profit	40,062	44,530
Extraordinary income		
Gain on sale of investment securities	–	321
Total extraordinary income	–	321
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Loss on sale of investment securities	11	–
Loss on valuation of investment securities	21	–
Loss on sale of shares of subsidiaries and associates	37	–
Total extraordinary losses	71	0
Profit before income taxes	39,990	44,851
Income taxes - current	11,316	12,531
Income taxes - deferred	277	261
Total income taxes	11,593	12,792
Profit	28,397	32,059
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	28,397	32,059

(Semi-annual consolidated statement of comprehensive income)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	28,397	32,059
Other comprehensive income		
Valuation difference on available-for-sale securities	23,315	(3,787)
Remeasurements of defined benefit plans, net of tax	(29)	(11)
Share of other comprehensive income of entities accounted for using equity method	230	509
Total other comprehensive income	23,516	(3,290)
Comprehensive income	51,914	28,768
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	51,914	28,768
Comprehensive income attributable to non-controlling interests	—	—

(3) Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	39,990	44,851
Depreciation	1,246	1,198
Share of loss (profit) of entities accounted for using equity method	(2,151)	(2,771)
Loss (gain) on sale of investment securities	(782)	(1,319)
Increase (decrease) in provision for bonuses for directors (and other officers)	(182)	(216)
Increase (decrease) in allowance for doubtful accounts	(1)	(2)
Increase (decrease) in retirement benefit liability	(35)	91
Interest and dividend income	(1,574)	(1,824)
Decrease (increase) in trade receivables	(625)	(1,014)
Decrease (increase) in inventories	51	(5)
Increase (decrease) in trade payables	(60)	16
Other, net	1,038	(979)
Subtotal	36,912	38,026
Interest and dividends received	2,565	3,072
Income taxes paid	(12,581)	(12,544)
Net cash provided by (used in) operating activities	26,896	28,555
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,217)	(1,914)
Purchase of intangible assets	(22)	(13)
Purchase of investment securities	(2,724)	(2)
Proceeds from sale of investment securities	2,050	1,734
Purchase of shares of subsidiaries and associates	–	(3,408)
Proceeds from sale of shares of subsidiaries and associates	220	–
Other, net	69	(102)
Net cash provided by (used in) investing activities	(1,624)	(3,706)
Cash flows from financing activities		
Purchase of treasury shares	–	(2)
Dividends paid	(12,415)	(14,955)
Net cash provided by (used in) financing activities	(12,415)	(14,958)
Net increase (decrease) in cash and cash equivalents	12,856	9,889
Cash and cash equivalents at beginning of period	156,321	170,244
Cash and cash equivalents at end of period	169,178	180,134