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July 25, 2023

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2024 (Under Japanese GAAP)

Company name: OBIC Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 4684
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 Scheduled date to file quarterly securities report: August 4, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: None
 Holding of quarterly 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, 2023 (from April 1, 2023 to June 30, 2023)

(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, 2023	27,094	12.4	17,430	15.6	20,787	12.5	14,663	11.7
Three months ended June 30, 2022	24,106	14.3	15,072	18.4	18,485	29.6	13,130	21.7

Note: Comprehensive income Three months ended June 30, 2023: ¥33,302 million [228.5%]
 Three months ended June 30, 2022: ¥10,137 million [(23.0)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	165.35	–
Three months ended June 30, 2022	148.07	–

(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 June 30, 2023	390,616	348,751	89.3	3,932.70
As of March 31, 2023	366,708	327,864	89.4	3,697.16

Reference: Equity
 As of June 30, 2023: ¥348,751 million
 As of March 31, 2023: ¥327,864 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, 2023	Yen –	Yen 110.00	Yen –	Yen 140.00	Yen 250.00
Fiscal year ending March 31, 2024	–				
Fiscal year ending March 31, 2024 (Forecast)		130.00	–	130.00	260.00

Note: Revision to the most recently announced forecast of dividends: None

3. Consolidated earnings forecasts for the fiscal 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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2024	111,000	10.8	70,000	12.0	76,500	8.9	54,500	8.7	614.57

Note: Revision to the most recently announced earnings forecasts: None

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): 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, 2023	99,600,000 shares
As of March 31, 2023	99,600,000 shares

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

As of June 30, 2023	10,919,907 shares
As of March 31, 2023	10,919,907 shares

(iii) Average number of shares outstanding during the period

Three months ended June 30, 2023	88,680,093 shares
Three months ended June 30, 2022	88,677,952 shares

* Quarterly consolidated financial statements are exempt from audit conducted by certified public accountants or an audit corporation.

* 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 25, 2023. 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, 2023” on page 3 of [Attached Material] for details.

Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	156,321	152,965
Notes and accounts receivable - trade, and contract assets	13,855	13,876
Merchandise and finished goods	103	118
Work in process	263	170
Raw materials and supplies	–	0
Other	1,205	1,242
Allowance for doubtful accounts	(2)	(3)
Total current assets	171,746	168,370
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	24,765	24,474
Land	27,636	27,636
Other, net	2,876	2,604
Total property, plant and equipment	55,279	54,715
Intangible assets		
Other	144	137
Total intangible assets	144	137
Investments and other assets		
Investment securities	137,226	165,114
Other	2,317	2,280
Allowance for doubtful accounts	(5)	(3)
Total investments and other assets	139,538	167,392
Total non-current assets	194,962	222,245
Total assets	366,708	390,616

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	4,186	4,097
Income taxes payable	12,941	5,787
Unearned revenue	1,300	2,308
Provision for bonuses	2,402	3,412
Other	6,235	6,075
Total current liabilities	27,067	21,680
Non-current liabilities		
Retirement benefit liability	5,940	5,951
Asset retirement obligations	398	398
Deferred tax liabilities	3,389	11,735
Other	2,047	2,097
Total non-current liabilities	11,776	20,183
Total liabilities	38,843	41,864
Net assets		
Shareholders' equity		
Share capital	19,178	19,178
Capital surplus	19,567	19,567
Retained earnings	295,484	297,733
Treasury shares	(27,558)	(27,558)
Total shareholders' equity	306,671	308,920
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	21,567	40,232
Revaluation reserve for land	(481)	(481)
Remeasurements of defined benefit plans	106	80
Total accumulated other comprehensive income	21,192	39,831
Total net assets	327,864	348,751
Total liabilities and net assets	366,708	390,616

(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, 2022	Three months ended June 30, 2023
Net sales	24,106	27,094
Cost of sales	5,486	5,924
Gross profit	18,619	21,170
Selling, general and administrative expenses	3,547	3,739
Operating profit	15,072	17,430
Non-operating income		
Interest income	33	0
Dividend income	1,120	1,568
Share of profit of entities accounted for using equity method	935	918
Rental income	418	434
Gain on sale of investment securities	–	793
Foreign exchange gains	1,245	–
Other	36	10
Total non-operating income	3,788	3,727
Non-operating expenses		
Rental expenses	375	371
Total non-operating expenses	375	371
Ordinary profit	18,485	20,787
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Loss on valuation of investment securities	–	21
Loss on sale of shares of subsidiaries and associates	–	37
Total extraordinary losses	0	59
Profit before income taxes	18,485	20,728
Income taxes - current	5,300	5,801
Income taxes - deferred	54	263
Total income taxes	5,354	6,064
Profit	13,130	14,663
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	13,130	14,663

(Quarterly consolidated statement of comprehensive income)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	13,130	14,663
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,843)	18,383
Remeasurements of defined benefit plans, net of tax	(3)	(14)
Share of other comprehensive income of entities accounted for using equity method	(145)	269
Total other comprehensive income	(2,993)	18,638
Comprehensive income	10,137	33,302
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,137	33,302
Comprehensive income attributable to non-controlling interests	—	—

(3) Quarterly consolidated statement of cash flows

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Cash flows from operating activities		
Profit before income taxes	18,485	20,728
Depreciation	596	621
Share of loss (profit) of entities accounted for using equity method	(935)	(918)
Loss (gain) on sale of investment securities	–	(793)
Increase (decrease) in provision for bonuses	1,044	1,010
Increase (decrease) in provision for bonuses for directors (and other officers)	(129)	(182)
Increase (decrease) in allowance for doubtful accounts	(1)	(1)
Increase (decrease) in retirement benefit liability	22	(10)
Interest and dividend income	(1,153)	(1,569)
Loss on retirement of non-current assets	0	0
Decrease (increase) in trade receivables	(861)	(21)
Decrease (increase) in inventories	(19)	77
Increase (decrease) in trade payables	(202)	(89)
Other, net	(1)	1,125
Subtotal	16,844	19,975
Interest and dividends received	2,111	2,560
Income taxes paid	(8,330)	(12,580)
Net cash provided by (used in) operating activities	10,625	9,955
Cash flows from investing activities		
Purchase of property, plant and equipment	(355)	(492)
Purchase of intangible assets	(10)	(13)
Purchase of investment securities	(1)	(2,724)
Proceeds from sale of investment securities	–	2,044
Proceeds from sale of shares of subsidiaries and associates	–	220
Other, net	0	68
Net cash provided by (used in) investing activities	(367)	(896)
Cash flows from financing activities		
Dividends paid	(10,863)	(12,415)
Net cash provided by (used in) financing activities	(10,863)	(12,415)
Net increase (decrease) in cash and cash equivalents	(604)	(3,356)
Cash and cash equivalents at beginning of period	122,699	156,321
Cash and cash equivalents at end of period	122,094	152,965