

Consolidated Financial Results for the Nine Months Ended March 31, 2022 [Japanese GAAP]



April 28, 2022

Company name: OLBA HEALTHCARE HOLDINGS, Inc.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 2689
 URL: <https://www.olba.co.jp/>
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 Scheduled date of filing quarterly securities report: May 13, 2022
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on quarterly financial results: Unavailable
 Schedule of quarterly financial results briefing session: Not scheduled

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Nine Months Ended March 31, 2022 (July 1, 2021 to March 31, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended March 31, 2022	81,756	5.3	1,678	23.7	1,701	25.0	1,133	28.3
March 31, 2021	77,608	-	1,356	69.7	1,360	74.0	883	92.3

(Note) Comprehensive income: Nine months ended March 31, 2022: ¥1,092 million [25.2%]
 Nine months ended March 31, 2021: ¥872 million [121.2%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
March 31, 2022	186.29	-
March 31, 2021	145.30	-

(Note) Effective the beginning of the fiscal year ending June 30, 2022, the Company began applying the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) and other standards. In accordance with the principle-based treatment of the standards, the consolidated operating results for the fiscal year ended June 30, 2021 have been restated retroactively. The change in net sales for the nine months ended March 31, 2021 are, therefore, not presented.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of March 31, 2022	42,377	8,888	21.0
As of June 30, 2021	36,562	8,131	22.2

(Reference) Equity: As of March 31, 2022: ¥8,888 million
 As of June 30, 2021: ¥8,131 million

2 Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended June 30, 2021	Yen —	Yen 0.00	Yen —	Yen 50.00	Yen 50.00
Fiscal year ending June 30, 2022	—	0.00	—		
Fiscal year ending June 30, 2022 (Forecast)				60.00	60.00

(Note) Revision to the forecast for dividends announced most recently: Yes

3 Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2022 (July 1, 2021 to June 30, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	107,500	5.3	2,000	29.8	2,030	31.6	1,460	47.6	240.04

(Note) Revision to the financial results forecast announced most recently: Yes

(Note) Effective the beginning of the fiscal year ending June 30, 2022, the Company began applying the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) and other standards. Those standards have been reflected in the figures of the consolidated financial results forecast above. The changes in net sales from the previous corresponding periods have been calculated by retroactively applying those standards to the figures for the fiscal year ended June 30, 2021.

Notes:

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): None
Newly consolidated: None (Company Name); Removed from consolidation: None (Company Name)
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: Yes
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (4) Total number of issued shares (common stock)
 - 1) Total number of issued shares at the end of the period (including treasury stock):
March 31, 2022: 6,250,000 shares
June 30, 2021: 6,250,000 shares
 - 2) Total number of treasury stock at the end of the period:
March 31, 2022: 163,476 shares
June 30, 2021: 167,676 shares
 - 3) Average number of shares during the period:
Nine months ended March 31, 2022: 6,085,264 shares
Nine months ended March 31, 2021: 6,082,381 shares

As of March 31, 2022, 112,400 shares of the Company's stock held by the Board Benefit Trust were included in treasury stock.

* Quarterly financial results are outside the scope of the quarterly review procedures conducted by a certified public accountant or audit corporation.

* Explanation of the proper use of financial results forecast and other notes

The figures forecasted above are based on information that is available as of the date of publication of this document, and contain a wide range of uncertain factors. Actual results may differ significantly from these figures due to factors such as changes in the business environment.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of June 30, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	2,158,875	2,880,571
Notes and accounts receivable - trade	18,710,644	–
Notes and accounts receivable - trade, and contract assets	–	23,749,020
Electronically recorded monetary claims - operating	2,246,521	2,408,937
Merchandise	5,431,149	5,502,147
Other	557,800	473,995
Total current assets	29,104,992	35,014,673
Non-current assets		
Property, plant and equipment	4,653,580	4,619,466
Intangible assets		
Other	698,501	764,303
Total intangible assets	698,501	764,303
Investments and other assets	2,104,991	1,978,944
Total non-current assets	7,457,073	7,362,714
Total assets	36,562,066	42,377,387
Liabilities		
Current liabilities		
Notes and accounts payable - trade	16,304,571	20,719,220
Electronically recorded obligations - operating	6,824,412	6,052,806
Short-term borrowings	520,000	2,620,000
Income taxes payable	524,874	343,566
Provision for bonuses for directors (and other officers)	–	12,564
Provision for bonuses	35,290	70,629
Other	1,909,551	1,454,678
Total current liabilities	26,118,699	31,273,465
Non-current liabilities		
Long-term borrowings	275,000	110,000
Provision for share awards for directors (and other officers)	155,222	201,625
Retirement benefit liability	398,652	425,897
Long-term accounts payable - other	279,927	278,127
Other	1,203,040	1,199,310
Total non-current liabilities	2,311,843	2,214,961
Total liabilities	28,430,543	33,488,426
Net assets		
Shareholders' equity		
Share capital	607,750	607,750
Capital surplus	346,954	315,704
Retained earnings	7,143,982	7,967,686
Treasury shares	(246,635)	(240,155)
Total shareholders' equity	7,852,050	8,650,985
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	134,964	109,014
Remeasurements of defined benefit plans	144,507	128,960
Total accumulated other comprehensive income	279,472	237,975
Non-controlling interests	–	–
Total net assets	8,131,522	8,888,960
Total liabilities and net assets	36,562,066	42,377,387

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Nine Months Ended March 31

(Thousand yen)

	For the nine months ended March 31, 2021	For the nine months ended March 31, 2022
Net sales	77,608,405	81,756,761
Cost of sales	68,734,287	72,425,239
Gross profit	8,874,117	9,331,522
Selling, general and administrative expenses	7,517,478	7,653,139
Operating profit	1,356,639	1,678,383
Non-operating income		
Interest income	264	185
Dividend income	899	768
Insurance claim income	2,038	7,626
Commission income	24,005	15,483
Electricity sale income	6,636	5,981
Subsidy income	–	3,306
Share of profit of entities accounted for using equity method	–	12,519
Other	11,044	4,517
Total non-operating income	44,889	50,388
Non-operating expenses		
Interest expenses	17,880	16,621
Share of loss of entities accounted for using equity method	14,297	–
Electricity sale expenses	4,642	4,286
Other	3,740	6,161
Total non-operating expenses	40,561	27,069
Ordinary profit	1,360,967	1,701,702
Extraordinary income		
Gain on sale of property, plant and equipment	1,419	3,834
Total extraordinary income	1,419	3,834
Extraordinary losses		
Loss on retirement of property, plant and equipment	824	2,444
Loss on sale of property, plant and equipment	–	2,675
Impairment losses	–	18,770
Total extraordinary losses	824	23,890
Profit before income taxes	1,361,561	1,681,646
Income taxes - current	471,830	434,896
Income taxes - deferred	5,975	113,099
Total income taxes	477,805	547,996
Profit	883,756	1,133,650
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	883,756	1,133,650

Quarterly Consolidated Statements of Comprehensive Income
 Nine Months Ended March 31

(Thousand yen)

	For the nine months ended March 31, 2021	For the nine months ended March 31, 2022
Profit	883,756	1,133,650
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,735)	(25,950)
Remeasurements of defined benefit plans, net of tax	(8,730)	(15,546)
Total other comprehensive income	(11,466)	(41,497)
Comprehensive income	872,290	1,092,153
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	872,290	1,092,153
Comprehensive income attributable to non-controlling interests	–	–