

Consolidated Financial Results for the Three Months Ended September 30, 2022 [Japanese GAAP]



October 31, 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: November 14, 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 Three Months Ended September 30, 2022 (July 1, 2022 to September 30, 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	%
Three months ended September 30, 2022	26,307	5.2	403	61.7	404	57.0	251	43.5
September 30, 2021	25,013	7.5	249	130.7	257	145.7	175	221.1

(Note) Comprehensive income: Three months ended September 30, 2022: ¥248 million [26.9%]

Three months ended September 30, 2021: ¥196 million [277.1%]

	Basic earnings per share	Diluted earnings per share
Three months ended September 30, 2022	Yen 41.84	Yen -
September 30, 2021	28.81	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2022	38,531	8,982	23.3
As of June 30, 2022	39,968	9,093	22.8

(Reference) Equity: As of September 30, 2022: ¥8,982 million

As of June 30, 2022: ¥ 9,093 million

2 Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended June 30, 2022	Yen –	Yen 0.00	Yen –	Yen 60.00	Yen 60.00
Fiscal year ending June 30, 2023	–				
Fiscal year ending June 30, 2023 (Forecast)		0.00	–	60.00	60.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2023 (July 1, 2022 to June 30, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	53,980	1.8	753	(4.2)	753	(6.2)	486	(8.7)	80.01
Full year	109,479	1.4	2,000	(3.5)	1,998	(5.7)	1,309	(14.7)	215.27

(Note) Revision to the financial results forecast announced most recently: None

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):
September 30, 2022: 6,250,000 shares
June 30, 2022: 6,250,000 shares

- 2) Total number of treasury stock at the end of the period:

September 30, 2022: 238,515 shares
June 30, 2022: 243,515 shares

- 3) Average number of shares during the period:

Three months ended September 30, 2022: 6,010,235 shares
Three months ended September 30, 2021: 6,083,374 shares

As of September 30, 2022, 217,400 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, 2022	As of September 30, 2022
Assets		
Current assets		
Cash and deposits	3,189,805	2,242,817
Notes and accounts receivable - trade, and contract assets	21,014,587	20,241,594
Electronically recorded monetary claims - operating	2,557,657	2,515,982
Merchandise	5,590,095	6,000,892
Other	556,063	611,975
Total current assets	32,908,208	31,613,263
Non-current assets		
Property, plant and equipment	4,304,433	4,262,340
Intangible assets		
Goodwill	22,997	21,080
Other	791,977	735,861
Total intangible assets	814,974	756,942
Investments and other assets	1,941,055	1,899,136
Total non-current assets	7,060,464	6,918,418
Total assets	39,968,672	38,531,682
Liabilities		
Current liabilities		
Notes and accounts payable - trade	18,170,804	17,486,979
Electronically recorded obligations - operating	7,856,732	6,283,505
Short-term borrowings	220,000	2,320,000
Income taxes payable	602,342	45,240
Provision for bonuses for directors (and other officers)	—	3,329
Provision for bonuses	35,391	71,643
Other	1,980,835	1,445,528
Total current liabilities	28,866,106	27,656,226
Non-current liabilities		
Long-term borrowings	55,000	—
Provision for share awards for directors (and other officers)	212,628	214,329
Retirement benefit liability	435,912	430,634
Long-term accounts payable - other	278,127	203,502
Other	1,027,590	1,044,127
Total non-current liabilities	2,009,258	1,892,594
Total liabilities	30,875,365	29,548,820
Net assets		
Shareholders' equity		
Share capital	607,750	607,750
Capital surplus	315,704	321,534
Retained earnings	8,369,369	8,253,695
Treasury shares	(375,903)	(374,018)
Total shareholders' equity	8,916,919	8,808,961
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	121,157	121,027
Remeasurements of defined benefit plans	55,229	52,873
Total accumulated other comprehensive income	176,387	173,900
Non-controlling interests	—	—
Total net assets	9,093,306	8,982,861
Total liabilities and net assets	39,968,672	38,531,682

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Three Months Ended September 30

(Thousand yen)

	For the three months ended September 30, 2021	For the three months ended September 30, 2022
Net sales	25,013,186	26,307,999
Cost of sales	22,199,192	23,272,437
Gross profit	2,813,993	3,035,561
Selling, general and administrative expenses	2,564,514	2,632,145
Operating profit	249,479	403,416
Non-operating income		
Interest income	107	8
Insurance claim income	6,830	6
Commission income	4,763	1,194
Electricity sale income	2,143	2,947
Subsidy income	1,422	1,995
Other	1,496	1,479
Total non-operating income	16,764	7,633
Non-operating expenses		
Interest expenses	5,108	4,466
Share of loss of entities accounted for using equity method	699	—
Electricity sale expenses	1,529	1,229
Other	1,452	1,196
Total non-operating expenses	8,790	6,893
Ordinary profit	257,453	404,156
Extraordinary income		
Gain on sale of property, plant and equipment	3,834	85
Total extraordinary income	3,834	85
Extraordinary losses		
Loss on retirement of property, plant and equipment	2,286	—
Loss on sale of property, plant and equipment	2,675	—
Loss on retirement of intangible	—	2,123
Impairment losses	14,000	—
Total extraordinary losses	18,962	2,123
Profit before income taxes	242,325	402,118
Income taxes - current	32,660	46,395
Income taxes - deferred	34,383	104,263
Total income taxes	67,044	150,659
Profit	175,280	251,459
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	175,280	251,459

Quarterly Consolidated Statements of Comprehensive Income
 Three Months Ended September 30

(Thousand yen)

	For the three months ended September 30, 2021	For the three months ended September 30, 2022
Profit	175,280	251,459
Other comprehensive income		
Valuation difference on available-for-sale securities	26,120	(130)
Remeasurements of defined benefit plans, net of tax	(5,182)	(2,356)
Total other comprehensive income	20,938	(2,486)
Comprehensive income	196,219	248,972
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	196,219	248,972
Comprehensive income attributable to non-controlling interests	—	—