

Consolidated Financial Results for the Fiscal Year Ended June 30, 2024 [Japanese GAAP]



August 9, 2024

Company name: OLBA HEALTHCARE HOLDINGS, Inc.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 2689
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 Scheduled date of general meeting of shareholders: September 26, 2024
 Scheduled date of commencing dividend payments: September 27, 2024
 Scheduled date of filing securities report: September 27, 2024
 Availability of supplementary briefing material on financial results: Unavailable
 Schedule of financial results briefing session: Scheduled (for securities analysts)

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

1. Consolidated Financial Results for the Fiscal Year Ended June 30, 2024 (July 1, 2023 to June 30, 2024)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2024	118,564	7.3	2,226	3.5	2,244	4.0	1,500	6.1
June 30, 2023	110,472	2.3	2,151	3.8	2,158	1.8	1,414	(7.9)

(Note) Comprehensive income: Fiscal year ended June 30, 2024: ¥1,697 million [8.7%]

Fiscal year ended June 30, 2023: ¥1,561 million [9.0%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
June 30, 2024	251.68	—	13.8	5.3	1.9
June 30, 2023	234.90	—	14.6	5.3	1.9

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2024	43,237	11,373	26.3	1,922.58
As of June 30, 2023	40,878	10,327	25.3	1,712.19

(Reference) Equity: As of June 30, 2024: ¥11,373 million

As of June 30, 2023: ¥10,327 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
As of June 30, 2024	2,084	(673)	(1,089)	2,681
As of June 30, 2023	(659)	(306)	175	2,359

2 Dividends

	Annual dividends					Total annual dividends	Payout ratio	Ratio of dividends to shareholders' equity
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended June 30, 2023	—	0.00	—	70.00	70.00	436	29.8	4.3
Fiscal year ended June 30, 2024	—	0.00	—	80.00	80.00	488	31.8	4.4
Fiscal year ending June 30, 2025 (Forecast)	—	0.00	—	80.00	80.00		—	

3 Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2025 (July 1, 2024 to June 30, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	60,720	5.7	799	7.1	795	6.7	509	4.9	86.15
Full year	123,726	4.4	2,270	1.9	2,253	0.4	1,465	(2.4)	247.65

Notes:

(1) Significant changes in the scope of consolidation during the period: None
 Newly consolidated: None (Company Name); Removed from consolidation: None (Company Name)

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

- 1) Changes in accounting policies due to the revision of accounting standards: None
- 2) Changes in accounting policies other than 1) above: None
- 3) Changes in accounting estimates: None
- 4) Retrospective restatement: None

(3) Total number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury stock):

June 30, 2024: 6,250,000 shares

June 30, 2023: 6,250,000 shares

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

June 30, 2024: 334,145 shares

June 30, 2023: 218,150 shares

3) Average number of shares during the period:

Fiscal year ended June 30, 2024: 5,961,397 shares

Fiscal year ended June 30, 2023: 6,020,520 shares

As of June 30, 2024, 192,900 shares of the Company's stock held by the Board Benefit Trust were included in treasury stock.

(Reference) Summary of non-consolidated financial results

Non-consolidated Financial Results for the Fiscal Year Ended June 30, 2024 (July 1, 2023 to June 30, 2024)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2024	2,153	12.3	660	4.9	671	6.4	592	7.8
June 30, 2023	1,917	(12.2)	630	(38.3)	631	(38.1)	549	(45.0)

	Basic earnings per share	Diluted earnings
Fiscal year ended	Yen	Yen
June 30, 2024	99.31	—
June 30, 2023	91.25	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2024	8,454	4,821	57.0	815.07
As of June 30, 2023	8,127	4,880	60.1	809.18

(Reference) Equity: As of June 30, 2024: ¥4,821 million

As of June 30, 2023: ¥4,880 million

* These financial results are outside the scope of audit 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 were prepared based on information that is available as of the date of publication of this document. Actual results may differ from these forecast figures due to various factors in the future.

2. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Thousand yen)

	As of June 30, 2023	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	2,399,977	2,731,386
Notes and accounts receivable - trade, and contract assets	21,761,217	22,487,355
Electronically recorded monetary claims - operating	2,758,678	3,625,886
Merchandise	6,160,897	5,943,369
Other	671,080	812,879
Allowance for doubtful accounts	(11,119)	(14,821)
Total current assets	33,740,731	35,586,056
Non-current assets		
Property, plant and equipment		
Buildings and structures	2,971,656	3,026,887
Accumulated depreciation	(1,417,333)	(1,503,074)
Buildings and structures, net	1,554,323	1,523,812
Machinery, equipment and vehicles	108,483	108,483
Accumulated depreciation	(78,259)	(82,037)
Machinery, equipment and vehicles, net	30,223	26,445
Tools, furniture and fixtures	1,298,675	1,492,391
Accumulated depreciation	(1,081,873)	(1,175,981)
Tools, furniture and fixtures, net	216,802	316,409
Land	1,554,139	1,554,139
Leased assets	1,502,808	1,598,882
Accumulated depreciation	(610,170)	(659,632)
Leased assets, net	892,638	939,250
Total property, plant and equipment	4,248,127	4,360,058
Intangible assets		
Goodwill	15,331	7,665
Other	689,361	638,962
Total intangible assets	704,693	646,628
Investments and other assets		
Investment securities	285,227	358,472
Retirement benefit asset	1,198,360	1,478,751
Deferred tax assets	297,923	340,268
Other	422,079	486,034
Allowance for doubtful accounts	(18,960)	(19,077)
Total investments and other assets	2,184,629	2,644,451
Total non-current assets	7,137,450	7,651,137
Total assets	40,878,181	43,237,194

(Thousand yen)

	As of June 30, 2023	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	17,898,649	17,827,446
Electronically recorded obligations - operating	7,473,337	8,372,433
Short-term borrowings	900,000	600,000
Current portion of long-term borrowings	55,000	—
Lease liabilities	143,263	138,265
Income taxes payable	572,516	713,468
Provision for bonuses	36,594	37,801
Other	1,513,452	2,025,664
Total current liabilities	28,592,812	29,715,079
Non-current liabilities		
Lease liabilities	822,904	891,997
Deferred tax liabilities	228,481	327,081
Provision for share awards for directors (and other officers)	228,142	264,847
Retirement benefit liability	444,149	482,592
Long-term accounts payable - other	175,077	122,600
Other	58,969	59,303
Total non-current liabilities	1,957,725	2,148,422
Total liabilities	30,550,538	31,863,502
Net assets		
Shareholders' equity		
Share capital	607,750	607,750
Capital surplus	321,534	321,534
Retained earnings	9,416,474	10,480,812
Treasury shares	(342,042)	(557,173)
Total shareholders' equity	10,003,715	10,852,922
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	137,135	162,098
Remeasurements of defined benefit plans	186,792	358,670
Total accumulated other comprehensive income	323,927	520,769
Non-controlling interests	—	—
Total net assets	10,327,643	11,373,691
Total liabilities and net assets	40,878,181	43,237,194

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

	(Thousand yen)	
	For the year ended June 30, 2023	For the year ended June 30, 2024
Net sales	110,472,640	118,564,924
Cost of sales	97,518,100	104,964,120
Gross profit	12,954,540	13,600,803
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	366,370	329,118
Salaries and allowances	4,804,605	5,045,689
Bonuses	1,116,457	1,098,280
Retirement benefit expenses	245,061	254,392
Provision for share awards for directors (and other officers)	53,561	50,501
Provision of allowance for doubtful accounts	9,232	9,084
Other	4,208,070	4,587,027
Total selling, general and administrative expenses	10,803,358	11,374,093
Operating profit	2,151,181	2,226,710
Non-operating income		
Interest income	463	4,032
Dividend income	2,170	2,362
Foreign exchange gains	19	7,079
Insurance claim income	8,214	5,073
Commission income	1,491	1,066
Electricity sale income	10,190	10,235
Subsidy income	9,231	4,623
Other	9,425	20,195
Total non-operating income	41,186	54,668
Non-operating expenses		
Interest expenses	17,845	19,429
Provision of allowance for doubtful accounts	7,142	27
Loss on cancellation of leases	1,341	3,729
Electricity sale expenses	4,907	4,577
Other	3,090	9,194
Total non-operating expenses	34,326	36,958
Ordinary profit	2,158,041	2,244,420

(Thousand yen)

	For the year ended June 30, 2023	For the year ended June 30, 2024
Extraordinary income		
Gain on sale of property, plant and equipment	1,752	1,331
Total extraordinary income	1,752	1,331
Extraordinary losses		
Loss on valuation of investment securities	294	—
Loss on retirement of property, plant and equipment	335	2,491
Loss on retirement of intangible	2,621	—
Total extraordinary losses	3,251	2,491
Profit before income taxes	2,156,542	2,243,260
Income taxes - current	649,766	775,408
Income taxes - deferred	92,537	(32,504)
Total income taxes	742,304	742,903
Profit	1,414,238	1,500,356
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	1,414,238	1,500,356

Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the year ended June 30, 2023	For the year ended June 30, 2024
Profit	1,414,238	1,500,356
Other comprehensive income		
Valuation difference on available-for-sale securities	15,978	24,963
Remeasurements of defined benefit plans, net of tax	131,562	171,878
Total other comprehensive income	147,540	196,841
Comprehensive income	1,561,779	1,697,198
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,561,779	1,697,198
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Changes in Equity
Year ended June 30, 2023 (from July 1, 2022 to June 30, 2023)

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	607,750	315,704	8,369,369	(375,903)	8,916,919
Changes during period					
Dividends of surplus			(367,133)		(367,133)
Profit attributable to owners of parent			1,414,238		1,414,238
Purchase of treasury shares				(175,728)	(175,728)
Disposal of treasury shares		5,830		169,840	175,670
Disposal of treasury stock by ownership plan trust				39,749	39,749
Net changes in items other than shareholders' equity					
Total changes during period	—	5,830	1,047,105	33,860	1,086,796
Balance at end of period	607,750	321,534	9,416,474	(342,042)	10,003,715

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	121,157	55,229	176,387	—	9,093,306
Changes during period					
Dividends of surplus					(367,133)
Profit attributable to owners of parent					1,414,238
Purchase of treasury shares					(175,728)
Disposal of treasury shares					175,670
Disposal of treasury stock by ownership plan trust					39,749
Net changes in items other than shareholders' equity	15,978	131,562	147,540	—	147,540
Total changes during period	15,978	131,562	147,540	—	1,234,336
Balance at end of period	137,135	186,792	323,927	—	10,327,643

Year ended June 30, 2024 (from July 1, 2023 to June 30, 2024)

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	607,750	321,534	9,416,474	(342,042)	10,003,715
Changes during period					
Dividends of surplus			(436,019)		(436,019)
Profit attributable to owners of parent			1,500,356		1,500,356
Purchase of treasury shares				(221,569)	(221,569)
Disposal of treasury stock by ownership plan trust				6,438	6,438
Net changes in items other than shareholders' equity					
Total changes during period	—	—	1,064,337	(215,130)	849,206
Balance at end of period	607,750	321,534	10,480,812	(557,173)	10,852,922

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	137,135	186,792	323,927	—	10,327,643
Changes during period					
Dividends of surplus					(436,019)
Profit attributable to owners of parent					1,500,356
Purchase of treasury shares					(221,569)
Disposal of treasury stock by ownership plan trust					6,438
Net changes in items other than shareholders' equity	24,963	171,878	196,841	—	196,841
Total changes during period	24,963	171,878	196,841	—	1,046,048
Balance at end of period	162,098	358,670	520,769	—	11,373,691

(4) Consolidated Statements of Cash Flows

(Thousand yen)

	For the year ended June 30, 2023	For the year ended June 30, 2024
Cash flows from operating activities		
Profit before income taxes	2,156,542	2,243,260
Depreciation	502,452	557,201
Amortization of goodwill	7,665	7,665
Increase (decrease) in allowance for doubtful accounts	16,369	3,818
Increase (decrease) in provision for bonuses	1,202	1,207
Decrease (increase) in retirement benefit asset	(14,838)	(30,709)
Increase (decrease) in retirement benefit liability	8,237	38,443
Increase (decrease) in provision for share awards for directors (and other officers)	15,514	36,705
Interest and dividend income	(2,633)	(6,394)
Interest expenses	17,845	19,429
Foreign exchange losses (gains)	—	(7,062)
Loss (gain) on valuation of investment securities	294	—
Gain on sales of property, plant and equipment	(1,752)	(1,331)
Loss on retirement of property, plant and equipment	335	2,491
Loss on retirement of intangible assets	2,621	—
Decrease (increase) in trade receivables	(937,753)	(1,593,363)
Decrease (increase) in inventories	(570,802)	217,527
Increase (decrease) in trade payables	(655,549)	827,892
Increase (decrease) in long-term accounts payable - other	(103,050)	(52,477)
Other, net	(496,996)	423,159
Subtotal	(54,296)	2,687,464
Interest and dividends received	2,510	3,400
Interest paid	(17,861)	(19,366)
Income taxes paid	(727,496)	(634,559)
Income taxes refund	137,624	47,277
Net cash provided by (used in) operating activities	(659,519)	2,084,216
Cash flows from investing activities		
Payments into time deposits	—	(10,000)
Purchase of property, plant and equipment	(161,139)	(351,301)
Proceeds from sale of property, plant and equipment	5,522	15,588
Purchase of intangible assets	(89,863)	(125,758)
Purchase of investment securities	(37,065)	(40,589)
Loan advances to subsidiaries and associates	(19,800)	(160,972)
Purchase of shares of subsidiaries and associates	(3,900)	—
Net cash provided by (used in) investing activities	(306,247)	(673,033)

(Thousand yen)

	For the year ended June 30, 2023	For the year ended June 30, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	900,000	(300,000)
Repayments of long-term borrowings	(220,000)	(55,000)
Repayments of lease liabilities	(163,492)	(164,858)
Proceeds from sale and leaseback transactions	—	85,674
Purchase of treasury shares	(175,728)	(221,569)
Proceeds from disposal of treasury shares	202,357	1,884
Dividends paid	(367,198)	(435,914)
Net cash provided by (used in) financing activities	175,938	(1,089,783)
Effect of exchange rate change on cash and cash equivalents	—	—
Net increase (decrease) in cash and cash equivalents	(789,827)	321,408
Cash and cash equivalents at beginning of period	3,149,605	2,359,777
Cash and cash equivalents at end of period	2,359,777	2,681,186