

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 (Based on Japanese GAAP)

October 31, 2024

Company name: ICHINEN HOLDINGS CO., LTD  
 Stock exchange listing: Tokyo  
 Stock code: 9619 URL <https://www.ichinenhd.co.jp>  
 Representative: President Masashi Kuroda  
 Director  
 Managing Executive Officer  
 Inquiries: General Manager Hisako Imoto TEL 06-6309-7890  
 General Planning Dept.  
 Scheduled date to file Semi-annual Securities Report: November 14, 2024  
 Scheduled date to commence dividend payments: November 29, 2024  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

(1) Consolidated operating results (cumulative)

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	77,610	22.2	6,084	43.8	6,235	37.3	3,839	22.9
Six months ended September 30, 2023	63,525	2.8	4,231	(13.9)	4,540	(11.6)	3,123	(3.2)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2024	160.42		159.69	
Six months ended September 30, 2023	129.88		129.51	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2024	207,128	63,346	30.3	2,649.28
As of March 31, 2024	202,606	61,007	29.8	2,510.23

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	–	30.00	–	30.00	60.00
Year ending March 31, 2025	–	33.00	–	–	–
Year ending March 31, 2025 (Forecast)	–	–	–	30.00	63.00

3. Forecast of consolidated financial results for the 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	160,000	15.7	9,200	1.7	9,000	(4.9)	5,700	(53.5)	236.98

4. Notes

- (1) Significant changes in the scope of consolidation during the six months ended September 30, 2024: No
- (2) Application of special accounting methods for preparing semi-annual consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
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|--|-----|
| Changes in accounting policies due to revisions to accounting standards and other regulations: | Yes |
| Changes in accounting policies due to other reasons:   | No  |
| Changes in accounting estimates:   | No  |
| Restatement of prior period financial statements:  | No  |

(4) Number of issued shares (common shares)

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

As of September 30, 2024	24,262,227 shares	As of March 31, 2024	24,262,227 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	602,062 shares	As of March 31, 2024	209,641 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	23,934,975 shares	Six months ended September 30, 2023	24,052,761 shares
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**Semi-annual consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	8,374	16,565
Notes and accounts receivable - trade	21,637	18,189
Electronically recorded monetary claims - operating	3,523	2,153
Accounts receivable-leasing business and maintenance business	2,644	2,684
Investments in leases	28,913	31,286
Merchandise and finished goods	15,830	13,645
Work in process	1,597	1,384
Raw materials and supplies	6,006	6,792
Prepaid expenses	2,515	3,516
Other	3,965	3,854
Allowance for doubtful accounts	(12)	(7)
<b>Total current assets</b>	<b>94,997</b>	<b>100,064</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Assets for lease	147,080	149,146
Accumulated depreciation	(86,564)	(88,545)
Assets for lease, net	60,516	60,601
Land	17,673	17,680
Other	49,216	49,539
Accumulated depreciation	(33,166)	(33,664)
Other, net	16,050	15,874
<b>Total property, plant and equipment</b>	<b>94,240</b>	<b>94,155</b>
<b>Intangible assets</b>		
Goodwill	453	330
Other	881	1,010
<b>Total intangible assets</b>	<b>1,335</b>	<b>1,340</b>
<b>Investments and other assets</b>		
Investment securities	6,863	6,036
Long-term prepaid expenses	1,587	1,609
Deferred tax assets	1,346	1,591
Other	2,270	2,322
Allowance for doubtful accounts	(96)	(87)
<b>Total investments and other assets</b>	<b>11,971</b>	<b>11,472</b>
<b>Total non-current assets</b>	<b>107,547</b>	<b>106,968</b>
<b>Deferred assets</b>	<b>61</b>	<b>94</b>
<b>Total assets</b>	<b>202,606</b>	<b>207,128</b>

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	16,076	14,083
Electronically recorded obligations - operating	5,488	5,172
Short-term borrowings	4,400	4,400
Commercial papers	2,000	2,000
Current portion of bonds payable	5,230	200
Current portion of long-term borrowings	21,536	23,502
Lease liabilities	4	21
Income taxes payable	3,478	2,244
Advances received-leasing business and maintenance business	429	541
Provision for bonuses	1,274	1,509
Reserve for quality assurance	18	20
Other	3,622	3,187
<b>Total current liabilities</b>	<b>63,559</b>	<b>56,885</b>
<b>Non-current liabilities</b>		
Bonds payable	16,000	25,900
Long-term borrowings	58,381	57,288
Lease liabilities	7	77
Retirement benefit liability	1,867	1,868
Provision for retirement benefits for directors (and other officers)	247	261
Asset retirement obligations	598	603
Other	936	896
<b>Total non-current liabilities</b>	<b>78,038</b>	<b>86,896</b>
<b>Total liabilities</b>	<b>141,598</b>	<b>143,781</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	2,529	2,529
Capital surplus	1,805	1,805
Retained earnings	53,887	57,017
Treasury shares	(245)	(865)
<b>Total shareholders' equity</b>	<b>57,975</b>	<b>60,486</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	2,063	1,638
Deferred gains or losses on hedges	6	(16)
Foreign currency translation adjustment	58	314
Remeasurements of defined benefit plans	273	260
<b>Total accumulated other comprehensive income</b>	<b>2,401</b>	<b>2,196</b>
Share acquisition rights	86	109
Non-controlling interests	543	554
<b>Total net assets</b>	<b>61,007</b>	<b>63,346</b>
<b>Total liabilities and net assets</b>	<b>202,606</b>	<b>207,128</b>

## Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

### Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	63,525	77,610
Cost of sales	49,671	60,063
Gross profit	13,854	17,547
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	613	678
Salaries, allowances and bonuses	3,208	3,737
Provision for bonuses	694	1,039
Retirement benefit expenses	168	120
Provision for retirement benefits for directors (and other officers)	17	13
Provision of allowance for doubtful accounts	(3)	3
Provision for quality assurance	(2)	2
Amortization of goodwill	123	123
Other	4,803	5,744
Total selling, general and administrative expenses	9,622	11,462
Operating profit	4,231	6,084
Non-operating income		
Dividend income	67	90
Purchase discounts	23	24
Foreign exchange gains	122	–
Other	165	292
Total non-operating income	378	407
Non-operating expenses		
Interest expenses	33	119
Commission expenses	13	26
Foreign exchange losses	–	65
Other	22	45
Total non-operating expenses	69	256
Ordinary profit	4,540	6,235
Extraordinary income		
Gain on sale of non-current assets	1	2
Gain on sale of investment securities	0	71
Gain on sale of membership	–	2
Total extraordinary income	2	76
Extraordinary losses		
Loss on sale and retirement of non-current assets	34	81
Loss on sale of investment securities	–	0
Loss on valuation of investment securities	–	140
Loss on disaster	1	–
Loss on liquidation of business	70	6
Compensation for damage	–	56
Total extraordinary losses	106	283

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit before income taxes	4,436	6,028
Income taxes - current	1,674	2,257
Income taxes - deferred	(362)	(65)
Total income taxes	1,312	2,191
Profit	3,123	3,836
Loss attributable to non-controlling interests	–	(3)
Profit attributable to owners of parent	3,123	3,839

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	3,123	3,836
Other comprehensive income		
Valuation difference on available-for-sale securities	366	(413)
Deferred gains or losses on hedges	33	(22)
Foreign currency translation adjustment	(28)	272
Remeasurements of defined benefit plans, net of tax	6	(13)
Total other comprehensive income	377	(177)
Comprehensive income	3,501	3,659
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,501	3,648
Comprehensive income attributable to non-controlling interests	–	11

## Consolidated statements 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	4,436	6,028
Depreciation	8,715	9,208
Amortization of goodwill	123	123
Increase (decrease) in allowance for doubtful accounts	(3)	(11)
Interest and dividend income	(69)	(94)
Interest expenses	33	119
Loss (gain) on sale and retirement of non-current assets	32	78
Loss on liquidation of business	70	6
Decrease (increase) in trade receivables	4,034	4,866
Decrease (increase) in inventories	(972)	1,886
Net Decrease (increase) in lease investment assets	(4,378)	(2,684)
Decrease(Increase) in lease business assets	(6,994)	(7,966)
Increase (decrease) in trade payables	(1,098)	(2,363)
Interest and dividends received	69	94
Interest paid	(13)	(84)
Income taxes paid	(1,921)	(3,480)
Income taxes refund	669	316
Other, net	(1,666)	(1,315)
Net cash provided by (used in) operating activities	1,067	4,726
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(876)	(1,059)
Proceeds from sale of property, plant and equipment and intangible assets	1	2
Payments for retirement of non-current assets	(21)	(42)
Purchase of investment securities	(172)	(25)
Proceeds from sale of investment securities	1	201
Other, net	106	(20)
Net cash provided by (used in) investing activities	(960)	(944)
Cash flows from financing activities		
Proceeds from short-term borrowings	7,100	–
Net increase (decrease) in commercial papers	(1,500)	–
Proceeds from long-term borrowings	11,500	12,450
Repayments of long-term borrowings	(11,113)	(11,575)
Proceeds from issuance of bonds	–	9,952
Redemption of bonds	(130)	(5,130)
Repayments of lease liabilities	(2)	(8)
Dividends paid	(601)	(721)
Dividends paid to non-controlling interests	–	(1)
Expenditures for purchase of treasury stock	–	(619)
Other, net	(13)	(26)
Net cash provided by (used in) financing activities	5,239	4,318
Effect of exchange rate change on cash and cash equivalents	13	90
Net increase (decrease) in cash and cash equivalents	5,359	8,191
Cash and cash equivalents at beginning of period	9,984	8,374
Cash and cash equivalents at end of period	15,344	16,565