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Consolidated Financial Results for the Nine Months Ended June 30, 2024 [Japanese GAAP]

August 9, 2024

Company name: PCI Holdings,INC.
Listing: Tokyo
Securities code: 3918
URL: https://www.pci-h.co.jp/
Representative: Kunio Yokoyama President
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Nine Months Ended June 30, 2024 (October 1, 2023 to June 30, 2024)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2024	18,519	(12.5)	697	(45.9)	702	(46.4)	356	(36.9)
June 30, 2023	21,169	14.4	1,289	16.7	1,311	11.8	565	(18.2)

(Note) Comprehensive income: Nine months ended June 30, 2024: ¥ 557 million [(25.0) %]
Nine months ended June 30, 2023: ¥ 743 million [(5.3) %]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
June 30, 2024	35.89	-
June 30, 2023	56.14	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2024	15,889	9,078	54.2	868.74
September 30, 2023	17,627	9,098	48.7	852.10

(Reference) Equity: As of June 30, 2024: ¥ 8,604 million
As of September 30, 2023: ¥ 8,587 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended September 30, 2023	-	16.00	-	17.00	33.00
Fiscal year ending September 30, 2024	-	17.00	-		
Fiscal year ending September 30, 2024 (Forecast)				28.00	45.00

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

(Note) Breakdown of year-end dividend for the fiscal year ending September 30, 2024 (forecast)

Ordinary dividend: 18.00 yen, Commemorative dividend: 10.00 yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending September 30, 2024(October 1, 2023 to September 30, 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
Full year	25,300	(11.2)	1,030	(39.8)	935	(47.3)	770	(23.6)	77.55

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

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - (Company name:)

Excluded: - (Company name:)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

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

June 30, 2024: 10,122,400 shares

September 30, 2023: 10,322,400 shares

2) Number of treasury shares at the end of the period:

June 30, 2024: 217,695 shares

September 30, 2023: 244,785 shares

3) Average number of shares outstanding during the period:

Nine months ended June 30, 2024: 9,938,584 shares

Nine months ended June 30, 2023: 10,071,145 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of September 30, 2023	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	4,108,259	3,086,984
Notes and accounts receivable - trade, and contract assets	4,751,694	4,041,505
Electronically recorded monetary claims - operating	1,698,818	1,583,432
Inventories	1,347,537	1,586,562
Other	599,358	778,580
Total current assets	12,505,669	11,077,064
Non-current assets		
Property, plant and equipment	854,696	857,381
Intangible assets		
Goodwill	1,779,769	1,643,738
Other	67,652	69,442
Total intangible assets	1,847,422	1,713,181
Investments and other assets	2,418,442	2,240,530
Total non-current assets	5,120,561	4,811,092
Deferred assets	1,322	1,009
Total assets	17,627,554	15,889,166
Liabilities		
Current liabilities		
Accounts payable - trade	2,057,500	1,784,497
Electronically recorded obligations - operating	927,572	779,049
Current portion of bonds payable	30,000	30,000
Current portion of long-term borrowings	803,570	456,226
Accounts payable - other	513,206	534,804
Income taxes payable	284,256	26,421
Provision for bonuses	546,178	141,462
Provision for bonuses for directors (and other officers)	15,030	5,250
Asset retirement obligations	12,632	-
Other	1,808,347	1,878,365
Total current liabilities	6,998,293	5,636,076
Non-current liabilities		
Bonds payable	75,000	45,000
Long-term borrowings	680,892	339,350
Provision for retirement benefits for directors (and other officers)	47,410	37,000
Retirement benefit liability	155,844	152,724
Asset retirement obligations	467,411	469,263
Other	104,050	131,027
Total non-current liabilities	1,530,609	1,174,365
Total liabilities	8,528,903	6,810,442

(Thousands of yen)

	As of September 30, 2023	As of June 30, 2024
Net assets		
Shareholders' equity		
Share capital	2,091,897	2,091,897
Capital surplus	3,667,601	3,516,644
Retained earnings	3,075,602	2,997,514
Treasury shares	(317,778)	(257,544)
Total shareholders' equity	8,517,322	8,348,512
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	139,846	357,965
Remeasurements of defined benefit plans	(70,060)	(101,821)
Total accumulated other comprehensive income	69,785	256,143
Share acquisition rights	40,677	41,939
Non-controlling interests	470,865	432,128
Total net assets	9,098,650	9,078,724
Total liabilities and net assets	17,627,554	15,889,166

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Thousands of yen)

	For the nine months ended June 30, 2023	For the nine months ended June 30, 2024
Net sales	21,169,292	18,519,626
Cost of sales	15,885,808	14,245,974
Gross profit	5,283,484	4,273,652
Selling, general and administrative expenses	3,994,160	3,576,626
Operating profit	1,289,323	697,025
Non-operating income		
Interest and dividend income	20,144	23,281
Gain on investments in investment partnerships	883	-
Subsidy income	6,344	10,421
Other	3,741	16,783
Total non-operating income	31,114	50,486
Non-operating expenses		
Interest expenses	6,049	4,547
Commission expenses	385	26,786
Loss on investments in investment partnerships	-	4,554
Other	2,744	8,979
Total non-operating expenses	9,180	44,867
Ordinary profit	1,311,258	702,644
Extraordinary income		
Gain on sale of investment securities	-	22,004
Total extraordinary income	-	22,004
Extraordinary losses		
Loss on retirement of non-current assets	3,783	13,494
Loss on valuation of investment securities	-	37,421
Total extraordinary losses	3,783	50,916
Profit before income taxes	1,307,475	673,733
Income taxes - current	363,724	125,455
Income taxes - deferred	311,028	177,034
Total income taxes	674,752	302,490
Profit	632,722	371,242
Profit attributable to non-controlling interests	67,347	14,582
Profit attributable to owners of parent	565,375	356,660

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Thousands of yen)

	For the nine months ended June 30, 2023	For the nine months ended June 30, 2024
Profit	632,722	371,242
Other comprehensive income		
Valuation difference on available-for-sale securities	145,404	218,119
Remeasurements of defined benefit plans, net of tax	(35,022)	(31,761)
Total other comprehensive income	110,382	186,358
Comprehensive income	743,105	557,601
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	675,757	543,018
Comprehensive income attributable to non-controlling interests	67,347	14,582