Translation

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

November 14, 2024

Company name: Value HR Co.,Ltd.
Stock exchange listing: Tokyo
Stock code: 6078 URL https://www.valuehr.com/
Representative: President & CEO Michio Fujita
Inquiries: Executive Vice President Gentaro Fujita TEL 03-6380-1300
Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended September 30, 2024 (from January 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	%
Nine months ended September 30, 2024	6,082	18.4	755	(19.8)	741	(26.6)	480	(28.1)
Nine months ended September 30, 2023	5,135	14.9	941	18.7	1,010	15.6	668	15.4

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2024	17.98	17.95
Nine months ended September 30, 2023	25.51	25.50

(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	17,194	6,379	36.9	238.35
As of December 31, 2023	17,234	6,320	36.5	237.52

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 December 31, 2023	–	12.00	–	12.00	24.00
Year ending December 31, 2024	–	12.00	–		
Year ending December 31, 2024 (Forecast)				13.00	25.00

3. Forecast of consolidated financial results for the year ending December 31, 2024 (from January 1, 2024 to December 31, 2024)

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	8,165	15.0	1,435	3.6	1,500	2.8	1,000	3.1	36.52

4. Notes

(1) Significant changes in the scope of consolidation during the nine months ended September 30, 2024: No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations:	No
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	27,388,600 shares	As of December 31, 2023	27,383,200 shares

Number of treasury shares at the end of the period

As of September 30, 2024	737,035 shares	As of December 31, 2023	885,635 shares

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2024	26,744,954 shares	Nine months ended September 30, 2023	26,212,202 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of December 31, 2023	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	5,399,976	4,768,682
Accounts receivable - trade	707,743	719,887
Merchandise	578	666
Work in process	8,908	4,823
Supplies	56,964	65,026
Other	576,072	622,991
Total current assets	6,750,244	6,182,078
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,323,520	2,246,643
Machinery and equipment, net	17,909	15,222
Land	6,279,626	6,370,280
Other, net	141,688	152,465
Total property, plant and equipment	8,762,744	8,784,612
Intangible assets	582,700	712,099
Investments and other assets	1,138,765	1,516,115
Total non-current assets	10,484,210	11,012,827
Total assets	17,234,455	17,194,905
Liabilities		
Current liabilities		
Accounts payable - trade	147,139	161,548
Short-term borrowings	507,148	507,772
Income taxes payable	345,571	18,538
Deposits received	2,401,341	2,930,608
Provision for share awards	142,808	70,849
Other	1,617,885	1,740,588
Total current liabilities	5,161,894	5,429,905
Non-current liabilities		
Long-term borrowings	5,497,294	5,116,309
Other	254,986	269,457
Total non-current liabilities	5,752,280	5,385,766
Total liabilities	10,914,174	10,815,672
Net assets		
Shareholders' equity		
Share capital	2,029,184	2,032,061
Capital surplus	2,110,344	2,256,730
Retained earnings	3,270,530	3,107,761
Treasury shares	(1,088,124)	(1,069,500)
Total shareholders' equity	6,321,935	6,327,052
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(28,145)	25,581
Total accumulated other comprehensive income	(28,145)	25,581
Share acquisition rights	23,124	23,469
Non-controlling interests	3,365	3,129
Total net assets	6,320,280	6,379,233
Total liabilities and net assets	17,234,455	17,194,905

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Net sales	5,135,829	6,082,112
Cost of sales	3,027,985	3,952,789
Gross profit	2,107,844	2,129,323
Selling, general and administrative expenses	1,166,683	1,374,056
Operating profit	941,160	755,266
Non-operating income		
Interest income	26	203
Dividend income	35,824	17,838
Gain on sale of investment securities	62,947	9,142
Subsidy income	13,674	14,336
Other	5,894	1,850
Total non-operating income	118,367	43,371
Non-operating expenses		
Interest expenses	25,135	27,786
Office relocation expenses	20,146	21,760
Other	3,821	7,376
Total non-operating expenses	49,103	56,923
Ordinary profit	1,010,424	741,714
Extraordinary income		
Gain on reversal of share acquisition rights	102	–
Total extraordinary income	102	–
Profit before income taxes	1,010,526	741,714
Income taxes	342,020	260,998
Profit	668,505	480,716
Loss attributable to non-controlling interests	(391)	(236)
Profit attributable to owners of parent	668,897	480,952

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Profit	668,505	480,716
Other comprehensive income		
Valuation difference on available-for-sale securities	108,986	53,726
Total other comprehensive income	108,986	53,726
Comprehensive income	777,492	534,442
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	777,884	534,678
Comprehensive income attributable to non-controlling interests	(391)	(236)