

Translation

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Summary of Non-Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

July 31, 2024

Company name: ABHOTEL CO.,LTD.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 6565 URL <https://www.ab-hotel.jp/>
 Representative: President Kazuki Kutsuna
 Executive Officer, Accounting Department
 Inquiries: director Akiyoshi Oode TEL 0566(79)3013
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2024	2,522	6.1	899	4.4	887	4.8	561	4.5
Three months ended June 30, 2023	2,378	25.9	862	74.9	847	76.1	537	76.8

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	39.62		–	
Three months ended June 30, 2023	37.92		–	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	22,465	10,768	47.9
As of March 31, 2024	22,860	10,433	45.6

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	–	0.00	–	16.00	16.00
Year ending March 31, 2025	–	–	–	–	–
Year ending March 31, 2025 (Forecast)	–	0.00	–	17.00	17.00

3. Forecast of non-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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	4,947	2.0	1,743	(1.6)	1,708	(2.1)	1,078	(0.1)	77.46
Full year	10,300	3.5	3,690	2.1	3,620	1.6	2,320	0.3	163.66

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: No

(2) 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

(3) Number of issued shares (common shares)

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

As of June 30, 2024	14,176,000 shares	As of March 31, 2024	14,176,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	427 shares	As of March 31, 2024	427 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	14,175,573 shares	Three months ended June 30, 2023	14,175,600 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	5,586,025	5,192,046
Accounts receivable - trade	638,501	465,674
Supplies	19,817	20,465
Other	68,629	67,798
Total current assets	6,312,974	5,745,984
Non-current assets		
Property, plant and equipment		
Buildings	14,069,808	14,070,058
Accumulated depreciation	(3,390,271)	(3,494,395)
Buildings, net	10,679,537	10,575,662
Structures	759,873	760,153
Accumulated depreciation	(364,428)	(375,188)
Structures, net	395,444	384,964
Machinery and equipment	79,974	81,002
Accumulated depreciation	(54,377)	(55,737)
Machinery and equipment, net	25,596	25,265
Tools, furniture and fixtures	284,178	287,838
Accumulated depreciation	(246,453)	(250,277)
Tools, furniture and fixtures, net	37,725	37,561
Land	1,484,212	1,562,786
Leased assets	4,317,606	4,276,007
Accumulated depreciation	(1,578,536)	(1,609,970)
Leased assets, net	2,739,069	2,666,037
Construction in progress	336,943	648,691
Total property, plant and equipment	15,698,530	15,900,969
Intangible assets	30,467	29,486
Investments and other assets		
Leasehold and guarantee deposits	584,802	584,485
Deferred tax assets	218,111	191,024
Other	15,791	13,603
Total investments and other assets	818,705	789,113
Total non-current assets	16,547,702	16,719,569
Total assets	22,860,676	22,465,553

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Short-term borrowings	130,000	430,000
Current portion of long-term borrowings	1,621,626	1,605,366
Lease liabilities	387,701	341,015
Accounts payable - other	722,384	680,578
Income taxes payable	770,917	314,205
Contract liabilities	124,754	80,060
Other	299,295	272,895
Total current liabilities	4,056,679	3,724,122
Non-current liabilities		
Long-term borrowings	4,937,692	4,560,013
Lease liabilities	2,443,305	2,418,678
Provision for retirement benefits	3,949	4,287
Provision for retirement benefits for directors (and other officers)	49,380	51,340
Asset retirement obligations	899,102	901,604
Other	37,100	37,190
Total non-current liabilities	8,370,529	7,973,113
Total liabilities	12,427,209	11,697,235
Net assets		
Shareholders' equity		
Share capital	953,920	953,920
Capital surplus	1,387,438	1,387,438
Retained earnings	8,092,996	8,427,846
Treasury shares	(886)	(886)
Total shareholders' equity	10,433,467	10,768,318
Total net assets	10,433,467	10,768,318
Total liabilities and net assets	22,860,676	22,465,553

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	2,378,741	2,522,974
Cost of sales	1,381,093	1,470,868
Gross profit	997,648	1,052,105
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	19,680	20,090
Salaries and bonuses	27,510	33,472
Commission expenses	38,289	46,696
Other	50,007	52,098
Total selling, general and administrative expenses	135,487	152,357
Operating profit	862,160	899,747
Non-operating income		
Commission income	5,872	5,819
Miscellaneous income	1,253	1,725
Total non-operating income	7,125	7,545
Non-operating expenses		
Interest expenses	16,941	16,233
Miscellaneous losses	5,112	3,324
Total non-operating expenses	22,054	19,557
Ordinary profit	847,231	887,734
Profit before income taxes	847,231	887,734
Income taxes - current	276,545	298,987
Income taxes - deferred	33,142	27,087
Total income taxes	309,688	326,074
Profit	537,542	561,659