

Translation

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

October 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 file Semi-annual Securities Report: November 8, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 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	%
Six months ended September 30, 2024	5,185	6.9	1,929	8.9	1,903	9.1	1,185	8.9
Six months ended September 30, 2023	4,849	21.2	1,771	49.1	1,744	50.1	1,088	56.6

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2024	83.66		–	
Six months ended September 30, 2023	76.81		–	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	25,290	11,392	45.0
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	–	0.00	–	–	–
Year ending March 31, 2025 (Forecast)	–	–	–	20.00	20.00

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
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 Semi-annual 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 September 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 September 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)

Six months ended September 30, 2024	14,175,573 shares	Six months ended September 30, 2023	14,175,587 shares
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Semi-annual non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	5,586,025	5,253,530
Accounts receivable - trade	638,501	562,015
Inventories	19,817	21,569
Other	68,629	289,431
Total current assets	6,312,974	6,126,547
Non-current assets		
Property, plant and equipment		
Buildings	14,069,808	15,737,172
Accumulated depreciation	(3,390,271)	(3,614,254)
Buildings, net	10,679,537	12,122,917
Structures	759,873	808,013
Accumulated depreciation	(364,428)	(386,880)
Structures, net	395,444	421,132
Machinery and equipment	79,974	87,692
Accumulated depreciation	(54,377)	(57,515)
Machinery and equipment, net	25,596	30,176
Tools, furniture and fixtures	284,178	305,767
Accumulated depreciation	(246,453)	(255,241)
Tools, furniture and fixtures, net	37,725	50,526
Land	1,484,212	2,439,967
Leased assets	4,317,606	4,440,763
Accumulated depreciation	(1,578,536)	(1,683,722)
Leased assets, net	2,739,069	2,757,041
Construction in progress	336,943	528,001
Total property, plant and equipment	15,698,530	18,349,763
Intangible assets	30,467	29,888
Investments and other assets		
Leasehold and guarantee deposits	584,802	553,508
Deferred tax assets	218,111	218,595
Other	15,791	12,553
Total investments and other assets	818,705	784,657
Total non-current assets	16,547,702	19,164,309
Total assets	22,860,676	25,290,857

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Short-term borrowings	130,000	819,000
Current portion of long-term borrowings	1,621,626	1,718,646
Lease liabilities	387,701	350,630
Accounts payable - other	722,384	734,612
Income taxes payable	770,917	753,487
Contract liabilities	124,754	102,857
Other	299,295	122,347
Total current liabilities	4,056,679	4,601,580
Non-current liabilities		
Long-term borrowings	4,937,692	5,798,984
Lease liabilities	2,443,305	2,502,508
Provision for retirement benefits	3,949	4,639
Provision for retirement benefits for directors (and other officers)	49,380	53,590
Asset retirement obligations	899,102	904,106
Other	37,100	32,850
Total non-current liabilities	8,370,529	9,296,678
Total liabilities	12,427,209	13,898,259
Net assets		
Shareholders' equity		
Share capital	953,920	953,920
Capital surplus	1,387,438	1,387,438
Retained earnings	8,092,996	9,052,126
Treasury shares	(886)	(886)
Total shareholders' equity	10,433,467	11,392,597
Total net assets	10,433,467	11,392,597
Total liabilities and net assets	22,860,676	25,290,857

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	4,849,797	5,185,872
Cost of sales	2,799,183	2,925,585
Gross profit	2,050,614	2,260,287
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	39,720	42,050
Salaries and bonuses	55,732	68,084
Commission expenses	82,564	94,316
Other	101,284	126,563
Total selling, general and administrative expenses	279,300	331,015
Operating profit	1,771,314	1,929,271
Non-operating income		
Commission income	12,869	12,374
Miscellaneous income	3,832	3,885
Total non-operating income	16,702	16,260
Non-operating expenses		
Interest expenses	33,934	34,295
Miscellaneous losses	9,710	7,452
Total non-operating expenses	43,644	41,748
Ordinary profit	1,744,371	1,903,783
Profit before income taxes	1,744,371	1,903,783
Income taxes - current	646,390	718,328
Income taxes - deferred	9,084	(483)
Total income taxes	655,474	717,844
Profit	1,088,897	1,185,939