

Translation

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

August 9, 2024

Company name: CE Holdings Co.,Ltd.
 Stock exchange listing: Tokyo, Sapporo
 Stock code: 4320 URL <https://www.ce-hd.co.jp>
 Representative: Representative Director and President & CEO(Chief Executive Officer) Naokazu Saito
 Inquiries: Director & CFO(Chief Financial Officer) Tsunehito Taguchi TEL 011(861)1600
 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 June 30, 2024 (from October 1, 2023 to June 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 June 30, 2024	10,918	12.0	707	(20.1)	714	(20.2)	(168)	–
Nine months ended June 30, 2023	9,745	(4.3)	885	23.9	895	23.1	520	43.7

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended June 30, 2024	(11.17)	–
Nine months ended June 30, 2023	34.75	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	11,019	6,276	52.7
As of September 30, 2023	11,244	6,583	54.1

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 September 30, 2023	–	0.00	–	14.00	14.00
Year ending September 30, 2024	–	0.00	–		
Year ending September 30, 2024 (Forecast)				15.00	15.00

3. Forecast of consolidated financial results for the year ending September 30, 2024 (from 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	14,400	5.6	1,050	(16.3)	1,050	(16.5)	0	–	0.00

4. Notes

- (1) Significant changes in the scope of consolidation during the nine months ended June 30, 2024: No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (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 June 30, 2024	15,518,400 shares	As of September 30, 2023	15,347,600 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	398,163 shares	As of September 30, 2023	398,114 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended June 30, 2024	15,046,595 shares	Nine months ended June 30, 2023	14,983,900 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of September 30, 2023	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	3,138,112	3,629,736
Notes and accounts receivable - trade, and contract assets	3,379,750	3,181,035
Merchandise and finished goods	3,575	3,120
Work in process	230,817	280,555
Raw materials and supplies	1,437	2,597
Accounts receivable - other	2,782	2,979
Other	312,179	216,047
Allowance for doubtful accounts	(12,900)	(10,031)
Total current assets	7,055,754	7,306,040
Non-current assets		
Property, plant and equipment	1,891,370	1,703,132
Intangible assets		
Goodwill	305,119	17,241
Other	892,394	963,530
Total intangible assets	1,197,514	980,772
Investments and other assets		
Investment securities	439,809	445,386
Other	659,912	584,642
Allowance for doubtful accounts	(360)	(360)
Total investments and other assets	1,099,361	1,029,668
Total non-current assets	4,188,246	3,713,573
Total assets	11,244,000	11,019,613
Liabilities		
Current liabilities		
Accounts payable - trade	1,356,065	774,616
Short-term borrowings	200,000	–
Current portion of long-term borrowings	557,149	843,569
Accounts payable - other	300,975	189,239
Income taxes payable	262,036	93,583
Provision for bonuses	316,615	283,425
Contract liabilities	289,309	239,180
Other	338,470	361,065
Total current liabilities	3,620,622	2,784,681
Non-current liabilities		
Long-term borrowings	660,712	1,570,642
Retirement benefit liability	206,355	224,477
Other	173,209	163,592
Total non-current liabilities	1,040,277	1,958,712
Total liabilities	4,660,899	4,743,393
Net assets		
Shareholders' equity		
Share capital	1,218,077	1,269,825
Capital surplus	1,243,929	1,295,678
Retained earnings	3,798,845	3,421,546
Treasury shares	(200,373)	(200,404)
Total shareholders' equity	6,060,479	5,786,645
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,114	23,435
Total accumulated other comprehensive income	19,114	23,435
Share acquisition rights	–	3,585
Non-controlling interests	503,507	462,554
Total net assets	6,583,101	6,276,220
Total liabilities and net assets	11,244,000	11,019,613

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

(Thousands of yen)

	Nine months ended June 30, 2023	Nine months ended June 30, 2024
Net sales	9,745,959	10,918,095
Cost of sales	7,149,945	8,523,004
Gross profit	2,596,013	2,395,091
Selling, general and administrative expenses	1,710,323	1,687,356
Operating profit	885,690	707,734
Non-operating income		
Interest income	234	23
Dividend income	1,990	1,720
Gain on sale of investment securities	6,727	5,782
Foreign exchange gains	1,649	1,736
Subsidy income	3,755	5,026
Other	3,576	4,295
Total non-operating income	17,932	18,584
Non-operating expenses		
Interest expenses	5,232	8,760
Loss on investments in investment partnerships	1,537	1,650
Other	1,446	1,234
Total non-operating expenses	8,216	11,645
Ordinary profit	895,406	714,673
Extraordinary income		
Reversal of allowance for doubtful accounts	25,277	–
Gain on sale of non-current assets	–	13,758
Gain on redemption of investment securities	120	120
Total extraordinary income	25,397	13,878
Extraordinary losses		
Loss on retirement of non-current assets	1,582	–
Impairment losses	–	260,622
Amortization of goodwill	–	184,178
Total extraordinary losses	1,582	444,800
Profit before income taxes	919,222	283,751
Income taxes - current	350,719	322,569
Income taxes - deferred	19,981	100,071
Total income taxes	370,700	422,641
Profit (loss)	548,521	(138,889)
Profit attributable to		
Profit (loss) attributable to owners of parent	520,656	(168,006)
Profit attributable to non-controlling interests	27,865	29,116
Other comprehensive income		
Valuation difference on available-for-sale securities	12,643	4,320
Total other comprehensive income	12,643	4,320
Comprehensive income	561,165	(134,569)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	533,299	(163,686)
Comprehensive income attributable to non-controlling interests	27,865	29,116