

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

February 9, 2024

Company name: XEBIO HOLDINGS CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 8281 URL <http://www.xebio.co.jp>
 Representative: President & CEO Tomoyoshi Morohashi
 Inquiries: CFO Kazuhiko Nakamura TEL 03-6870-6008
 Scheduled date to file Quarterly Securities Report: February 9, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(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 December 31, 2023	182,146	1.0	4,659	(37.5)	5,369	(32.5)	3,246	(37.8)
Nine months ended December 31, 2022	180,364	8.0	7,459	36.4	7,956	7.9	5,220	13.6

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	73.42	73.03
Nine months ended December 31, 2022	118.07	117.58

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2023	219,203	124,873	56.6	2,808.59
As of March 31, 2023	211,300	122,567	57.7	2,760.04

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, 2023	–	15.00	–	15.00	30.00
Year ending March 31, 2024	–	15.00	–		
Year ending March 31, 2024 (Forecast)				15.00	30.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 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	245,171	2.5	7,280	(12.6)	7,792	(15.7)	3,445	(36.2)	77.92

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): 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 December 31, 2023	47,911,023 shares	As of March 31, 2023	47,911,023 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	3,700,367 shares	As of March 31, 2023	3,700,307 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	44,210,665 shares	Nine months ended December 31, 2022	44,210,919 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	32,890	24,133
Notes and accounts receivable - trade	23,414	26,778
Operating loans	878	822
Merchandise	80,714	88,906
Income taxes refund receivable	157	447
Other	8,188	9,839
Allowance for doubtful accounts	(438)	(428)
Total current assets	145,805	150,500
Non-current assets		
Property, plant and equipment		
Buildings and structures	52,445	53,394
Accumulated depreciation	(38,560)	(38,467)
Buildings and structures, net	13,885	14,927
Land	13,984	14,066
Leased assets	6,091	6,072
Accumulated depreciation	(1,853)	(2,193)
Leased assets, net	4,238	3,879
Construction in progress	291	66
Other	22,463	24,310
Accumulated depreciation	(19,477)	(20,143)
Other, net	2,985	4,167
Total property, plant and equipment	35,385	37,107
Intangible assets		
Goodwill	330	50
Software	3,831	5,367
Other	2,622	2,606
Total intangible assets	6,784	8,023
Investments and other assets		
Investment securities	953	1,614
Long-term loans receivable	12	8
Deferred tax assets	4,574	4,180
Guarantee deposits	1,465	1,345
Leasehold deposits	14,013	14,055
Investment property	3,120	3,120
Accumulated depreciation	(1,289)	(1,301)
Investment property, net	1,831	1,818
Retirement benefit asset	103	143
Other	539	713
Allowance for doubtful accounts	(168)	(307)
Total investments and other assets	23,325	23,571
Total non-current assets	65,494	68,702
Total assets	211,300	219,203

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	23,429	21,968
Electronically recorded obligations - operating	29,032	37,495
Short-term borrowings	800	700
Current portion of long-term borrowings	1,840	1,859
Income taxes payable	1,521	846
Provision for bonuses	1,299	741
Provision for bonuses for directors (and other officers)	15	11
Provision for point card certificates	78	65
Other	14,160	15,929
Total current liabilities	72,177	79,617
Non-current liabilities		
Long-term borrowings	4,772	3,399
Lease liabilities	5,222	4,601
Retirement benefit liability	862	836
Provision for retirement benefits for directors (and other officers)	59	59
Asset retirement obligations	4,768	4,910
Other	870	904
Total non-current liabilities	16,555	14,712
Total liabilities	88,732	94,329
Net assets		
Shareholders' equity		
Share capital	15,935	15,935
Capital surplus	16,119	16,119
Retained earnings	96,499	98,419
Treasury shares	(6,498)	(6,498)
Total shareholders' equity	122,056	123,975
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	185	254
Foreign currency translation adjustment	197	254
Remeasurements of defined benefit plans	(415)	(315)
Total accumulated other comprehensive income	(32)	194
Share acquisition rights	341	375
Non-controlling interests	202	327
Total net assets	122,567	124,873
Total liabilities and net assets	211,300	219,203

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	180,364	182,146
Cost of sales	109,976	111,656
Gross profit	70,387	70,489
Selling, general and administrative expenses	62,928	65,830
Operating profit	7,459	4,659
Non-operating income		
Interest income	29	40
Dividend income	11	14
Rental income from real estate	503	570
Foreign exchange gains	30	218
Outsourcing service income	235	273
Subsidy income	93	–
Other	289	352
Total non-operating income	1,194	1,469
Non-operating expenses		
Interest expenses	54	55
Rental expenses on real estate	342	351
Commission expenses	232	260
Other	67	91
Total non-operating expenses	697	759
Ordinary profit	7,956	5,369
Extraordinary income		
Gain on sale of non-current assets	6	2
Gain on sale of investment securities	–	4
Insurance claim income	173	38
Settlement income	72	–
Compensation income relating store relocation	143	45
Gain on reversal of share acquisition rights	102	0
Margin deposit cancellation gain	9	–
Total extraordinary income	506	90
Extraordinary losses		
Loss on retirement of non-current assets	110	16
Loss on sale of non-current assets	0	0
Loss on cancellation of rental contracts	21	–
Impairment losses	2	2
Loss on store closings	–	10
Loss on disaster	–	22
Total extraordinary losses	135	50
Profit before income taxes	8,327	5,410
Income taxes - current	2,593	1,732
Income taxes - deferred	370	322
Total income taxes	2,964	2,055
Profit	5,363	3,354
Profit attributable to non-controlling interests	143	108
Profit attributable to owners of parent	5,220	3,246

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	5,363	3,354
Other comprehensive income		
Valuation difference on available-for-sale securities	84	68
Foreign currency translation adjustment	(109)	74
Remeasurements of defined benefit plans, net of tax	57	100
Total other comprehensive income	32	243
Comprehensive income	5,395	3,598
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,252	3,472
Comprehensive income attributable to non-controlling interests	143	125