

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Based on Japanese GAAP)

February 14, 2025

Company name: VALTES HOLDINGS CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 4442 URL <https://www.valtes-hd.co.jp/>
 Representative: Representative Director, Chairman, President Shinji Tanaka
 Inquiries: Director Yuichi Nishimura TEL 06(6534)6570
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 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 December 31, 2024 | 7,876 | 2.7 | 554 | 6.5 | 554 | 6.5 | 350 | 15.7 |
| Nine months ended December 31, 2023 | 7,669 | 17.1 | 520 | (36.2) | 520 | (37.0) | 303 | (46.4) |

| | Earnings per share | Diluted earnings per share |
|-------------------------------------|--------------------|----------------------------|
| | Yen | Yen |
| Nine months ended December 31, 2024 | 17.40 | 17.40 |
| Nine months ended December 31, 2023 | 14.80 | 14.79 |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio |
|-------------------------|-----------------|-----------------|--------------|
| | Millions of yen | Millions of yen | % |
| As of December 31, 2024 | 6,159 | 3,057 | 49.5 |
| As of March 31, 2024 | 5,394 | 2,824 | 52.3 |

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 | – | – | – | 4.00 | 4.00 |
| Year ending March 31, 2025 | – | 0.00 | – | | |
| Year ending March 31, 2025 (Forecast) | | | | 4.00 | 4.00 |

3. Forecast of 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 attributable to owners of parent | | Earnings per share |
|-----------|-----------------|-----|------------------|-----|-----------------|-----|---|-----|--------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Full year | 10,700 | 3.3 | 850 | 1.4 | 850 | 0.3 | 523 | 1.4 | 26.03 |

4. Notes

- (1) Significant changes in the scope of consolidation during the nine months ended December 31, 2024: Yes
- (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, 2024 | 21,450,000 shares | As of March 31, 2024 | 21,450,000 shares |
|-------------------------|-------------------|----------------------|-------------------|

Number of treasury shares at the end of the period

| | | | |
|-------------------------|------------------|----------------------|------------------|
| As of December 31, 2024 | 1,275,411 shares | As of March 31, 2024 | 1,194,206 shares |
|-------------------------|------------------|----------------------|------------------|

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

| | | | |
|-------------------------------------|-------------------|-------------------------------------|-------------------|
| Nine months ended December 31, 2024 | 20,157,768 shares | Nine months ended December 31, 2023 | 20,472,422 shares |
|-------------------------------------|-------------------|-------------------------------------|-------------------|

Quarterly consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

| | As of March 31, 2024 | As of December 31, 2024 |
|--|----------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 1,760,719 | 1,803,260 |
| Notes and accounts receivable - trade, and contract assets | 1,344,479 | 1,529,564 |
| Other | 421,104 | 304,012 |
| Total current assets | 3,526,302 | 3,636,837 |
| Non-current assets | | |
| Property, plant and equipment | 197,882 | 254,869 |
| Intangible assets | | |
| Goodwill | 839,043 | 1,403,336 |
| Other | 156,745 | 190,741 |
| Total intangible assets | 995,788 | 1,594,077 |
| Investments and other assets | | |
| Deferred tax assets | 168,949 | 157,904 |
| Other | 505,732 | 515,665 |
| Total investments and other assets | 674,682 | 673,569 |
| Total non-current assets | 1,868,352 | 2,522,516 |
| Total assets | 5,394,655 | 6,159,354 |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 261,149 | 232,548 |
| Short-term borrowings | 115,000 | 815,000 |
| Current portion of long-term borrowings | 113,772 | 113,457 |
| Accounts payable - other | 542,816 | 578,056 |
| Income taxes payable | 164,733 | 83,264 |
| Provision for bonuses | 207,192 | 123,682 |
| Other | 394,504 | 446,574 |
| Total current liabilities | 1,799,168 | 2,392,584 |
| Non-current liabilities | | |
| Long-term borrowings | 768,358 | 708,221 |
| Retirement benefit liability | 48 | 57 |
| Other | 2,363 | 816 |
| Total non-current liabilities | 770,769 | 709,095 |
| Total liabilities | 2,569,938 | 3,101,679 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 90,000 | 90,000 |
| Capital surplus | 801,203 | 810,940 |
| Retained earnings | 2,236,125 | 2,505,836 |
| Treasury shares | (304,197) | (356,344) |
| Total shareholders' equity | 2,823,131 | 3,050,432 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | — | 338 |
| Foreign currency translation adjustment | (3,728) | (4,313) |
| Total accumulated other comprehensive income | (3,728) | (3,974) |
| Share acquisition rights | 5,313 | 11,217 |
| Total net assets | 2,824,716 | 3,057,675 |
| Total liabilities and net assets | 5,394,655 | 6,159,354 |

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

Consolidated statements of income (cumulative)

(Thousands of yen)

| | Nine months ended December 31, 2023 | Nine months ended December 31, 2024 |
|--|--|--|
| Net sales | 7,669,776 | 7,876,301 |
| Cost of sales | 5,485,722 | 5,603,334 |
| Gross profit | 2,184,053 | 2,272,967 |
| Selling, general and administrative expenses | 1,663,319 | 1,718,257 |
| Operating profit | 520,733 | 554,709 |
| Non-operating income | | |
| Interest income | 16 | 128 |
| Commission income | — | 2,799 |
| Subsidy income | 2,528 | 2,604 |
| Foreign exchange gains | 1,831 | 1,777 |
| Other | 1,004 | 3,238 |
| Total non-operating income | 5,381 | 10,548 |
| Non-operating expenses | | |
| Interest expenses | 4,873 | 8,732 |
| Guarantee commission | 308 | 307 |
| Commission for purchase of treasury shares | — | 334 |
| Other | — | 1,244 |
| Total non-operating expenses | 5,181 | 10,619 |
| Ordinary profit | 520,933 | 554,639 |
| Extraordinary losses | | |
| Loss on valuation of investment securities | 30,000 | — |
| Total extraordinary losses | 30,000 | — |
| Profit before income taxes | 490,933 | 554,639 |
| Income taxes - current | 152,279 | 192,810 |
| Income taxes - deferred | 35,582 | 11,094 |
| Total income taxes | 187,862 | 203,904 |
| Profit | 303,071 | 350,734 |
| Profit attributable to owners of parent | 303,071 | 350,734 |

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

| | Nine months ended December 31, 2023 | Nine months ended December 31, 2024 |
|--|--|--|
| Profit | 303,071 | 350,734 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | — | 338 |
| Foreign currency translation adjustment | (626) | (584) |
| Total other comprehensive income | (626) | (245) |
| Comprehensive income | 302,444 | 350,488 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 302,444 | 350,488 |
| Comprehensive income attributable to non-controlling interests | — | — |