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Consolidated Financial Results
for the first nine months of the fiscal year ending November 30, 2024
(Under Japanese GAAP)

October 10, 2024

Company name: Phil Company, Inc.
Listing: Tokyo Stock Exchange
Securities code: 3267
URL: <https://philcompany.jp>
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Scheduled date to commence dividend payments: —
Preparation of supplementary material on quarterly financial results: None
Holding of quarterly financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months of the fiscal year ending November 2024 (from December 1, 2023 to August 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	
		%		%		%		%
Nine months ended August 31, 2024	3,865	27.3	153	—	140	—	87	—
August 31, 2023	3,036	23.2	(151)	—	(224)	—	(184)	—

Note: Comprehensive income For the nine months ended August 31, 2024: ¥87 million (—%)
For the nine months ended August 31, 2023: ¥(184) million (—%)

	Basic earnings per share	Diluted earnings per share
Nine months ended August 31, 2024	Yen 16.20	Yen —
August 31, 2023	(34.93)	—

Note: Information on diluted earnings per share is omitted because there were no dilutive potential shares.

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
As of August 31, 2024	7,081	2,799	% 39.3
November 30, 2023	5,450	2,730	50.0

Reference: Equity
As of August 31, 2024: ¥2,786 million
As of November 30, 2023: ¥2,726 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Nov. 30, 2023	—	0.00	—	5.00	5.00
Fiscal year ending Nov. 30, 2024	—	0.00	—		
Fiscal year ending Nov. 30, 2024 (Forecast)				5.00	5.00

Note: Revisions from the last forecast released: None

3. Forecast for the fiscal year ending November 30, 2024 (from December 1, 2023 to November 30, 2024)

Preface to the consolidated earnings forecast

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending November 30, 2024	7,500	25.8	300	39.7	280	106.2	190	399.5	35.38

Note: Revisions from the last forecast released: None

Notes:

(1) Changes in significant in the Scope of Consolidation for the Current Quarter's Consolidated Cumulative Period : None

Newly included: None
Excluded: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

(ii) Number of treasury shares at the end of the period

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

As of August 31, 2024	5,778,000	As of November 30, 2023	5,778,000
As of August 31, 2024	408,217	As of November 30, 2023	408,180
Nine months ended August 31, 2024	5,369,812	Nine months ended August 31, 2023	5,289,175

Note: The number of treasury shares at the end of the period includes the Company's shares (35,500 shares as of August 31, 2024 and 35,500 shares as of November 30, 2023) held by Custody Bank of Japan, Ltd. as trust assets for the Stock Benefit Trust for Directors and Stock Benefit Trust for Employees. The Company's shares held by Custody Bank of Japan, Ltd. as trust assets of the Stock Benefit Trust for Directors and Stock Benefit Trust for Employees are included in the number of treasury shares deducted in calculating the average number of shares during the period (35,500 shares in the third quarter of the year ending November 30, 2024 and 35,500 shares in the third quarter of the year ended November 30, 2023).

Review of the accompanying consolidated interim financial statements by a certified public accountant or audit firm: None

Proper use of earnings forecasts, and other special matters

The forward-looking statements in this document are based on information currently available to the Company and certain assumptions that the Company considers reasonable, and are not intended to be a promise by the Company that they will be achieved. Actual operating results may differ significantly due to various factors. For more information on the assumptions used in forecasting business results and precautions regarding their use, please refer to this document, page 5, "1. Qualitative Information on the Nine-Month Consolidated Results, (3) Explanation of Forecast Data, including Consolidated Forecasts."

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1. Qualitative Information on the Nine-Month Consolidated Results

(1) Overview of Operating Results

The Japanese economy during the third quarter cumulative period (December 1, 2023 to August 31, 2024) showed a gradual recovery, driven by the expansion of inbound demand fueled by a weak yen and improvements in employment and income conditions due to wage increases. However, uncertainties remain regarding the future economic outlook due to unstable global conditions, rising raw material and energy prices, and the Bank of Japan's review of its monetary policy.

In such circumstances, our group has been pursuing the purpose of "Filling the "SUKIMA" in the town with "creation"" and has been engaged in business initiatives such as the "Phil Park aerial shop " and the rental housing with garages, "Premium Garage House," which are mutually beneficial for landowners, tenants, and the community. We provide solution services through two schemes: the "contracted orders scheme (for existing landowners)" where we propose land utilization products to landowners, and the "development and sales scheme (for real estate investors)" where we purchase land and handle everything from development to sales of land utilization product.

For the third quarter cumulative period, our consolidated operating performance showed net sales of ¥3,865,540 thousand (an increase of 27.3% year-on-year), gross profit of ¥1,128,365 thousand (an increase of 57.9% year-on-year), and a gross profit margin of 29.2% (compared to 23.5% in the same period last year).

The increase in net sales and gross profit was driven by the contribution of sales from projects contracted in the previous fiscal year's second half, leading to an increase in sales from contract work, as well as the completion of sales deliveries for large-scale projects under the development and sales scheme.

While selling, general, and administrative expenses increased by approximately 10% year-on-year due to factors such as increased personnel expenses as a result of prior investments related to business expansion, increased outsourcing expenses associated with business process and organizational reform initiatives, and increased advertising expenses related to corporate logo renewal, operating profit reached ¥153,942 thousand (compared to an operating loss of ¥151,860 thousand in the same period last year) due to the increase in net sales and gross profit. Consequently, ordinary profit reached ¥140,667 thousand (compared to an ordinary loss of ¥224,501 thousand in the same period last year), and profit attributable to owners of the parent company for the quarter reached ¥87,003 thousand (compared to a loss attributable to owners of the parent company for the quarter of ¥184,768 thousand in the same period last year).

Sales, sales breakdown, cost of sales, gross profit and gross profit margin during the cumulative period of the third quarter are as follows.

(Unit: thousand yen)

		Fiscal Year Ending November 30, 2024			
		1Q	2Q	3Q	3H
Sales		606,083	720,625	2,538,831	3,865,540
Sales Break-down	Contracted Orders	488,212	597,533	1,073,171	2,158,917
	Development and Sales	—	—	1,340,550	1,340,550
	Others	117,871	123,091	125,109	366,073
Cost of sales		398,395	503,783	1,834,995	2,737,174
Gross profit		207,688	216,842	703,835	1,128,365
Gross profit margin		34.3%	30.1%	27.7%	29.2%

(Unit: thousand yen)

Fiscal Year Ended November 30, 2023					
		1Q	2Q	3Q	3H
Sales		733,051	1,122,189	1,181,225	3,036,466
Sales Break- down	Contracted Orders	623,800	770,911	693,519	2,088,232
	Development and Sales	—	209,902	361,997	571,899
	Others	109,250	141,374	125,708	376,334
Cost of sales		544,422	885,530	892,130	2,322,084
Gross profit		188,628	236,658	289,094	714,382
Gross profit margin		25.7%	21.1%	24.5%	23.5%

Contracted orders

During the third quarter cumulative period, the number of orders contracted under the contracted orders scheme reached 11, with a total amount of orders contracted of ¥1,915,389 thousand (compared to ¥1,117,648 thousand in the same period last year), marking a record high for the quarter in both the number of orders contracted and amount of orders contracted. This breakdown includes 5 contracts (compared to 3 in the same period last year) for Phil Park aerial shop with amount of orders contracted of ¥1,418,036 thousand (compared to ¥758,754 thousand in the same period last year), and 6 contracts (compared to 6 in the same period last year) for Premium Garage House with amount of orders contracted of ¥497,353 thousand (compared to ¥358,894 thousand in the same period last year).

As a result, the total number of orders contracted during the third quarter cumulative period reached 32 (compared to 16 in the same period last year), with amount of orders contracted of ¥3,878,822 thousand (compared to ¥2,161,520 thousand in the same period last year), setting a record pace for both the number of orders contracted and amount of orders contracted for the entire fiscal year. This breakdown includes 12 contracts (compared to 7 in the same period last year) for Phil Park aerial shop with amount of orders contracted of ¥2,503,186 thousand (compared to ¥1,621,689 thousand in the same period last year), and 20 contracts (compared to 9 in the same period last year) for Premium Garage House with amount of orders contracted of ¥1,375,635 thousand (compared to ¥539,830 thousand in the same period last year). The increase in number of orders contracted has also led to a record high balance of orders contracted of ¥4,553,214 thousand (compared to ¥1,830,054 thousand at the end of the same period last year), exceeding ¥4 billion for the first time, representing the future sales potential.

Development and sales

During the third quarter cumulative period, we entered into 1 new land acquisition agreement and completed the sale of 1 project. As a result, the number of remaining development projects at the end of the third quarter cumulative period is 9, and the balance of development projects, which is the expected future cost of sales, was ¥3,443,466 thousand (compared to ¥4,504,548 thousand at the end of the previous quarter).

Status of Business

Fiscal Year Ending November 30, 2024							
		Unit	1Q	2Q	3Q	4Q	Total
Contracted Orders	Amount of orders contracted ¹ (No. of orders contracted)	thousand yen (orders)	1,090,639 (10)	872,793 (11)	1,915,389 (11)	—	3,878,822 (32)
	Phil Park aerial shop	thousand yen (orders)	721,650 (5)	363,498 (2)	1,418,036 (5)	—	2,503,186 (12)
	Premium Garage House ²	thousand yen (orders)	368,988 (5)	509,294 (9)	497,353 (6)	—	1,375,635 (20)
	Balance of orders contracted as of the end of period ³ (No. of projects underway as of the end of period) ⁴	thousand yen (orders)	3,470,658 (28)	3,698,936 (37)	4,553,214 (44)	—	—
Development and Sales	No. of units sold and delivered	orders	0	0	1	—	1
	No. of contracts to acquire land for development ⁵	orders	3	2	1	—	6
	Balance of development projects ⁶ (Remaining no. of development projects)	thousand yen (orders)	3,916,753 (7)	4,475,951 (9)	3,443,466 (9)	—	—

Fiscal Year Ended November 30, 2023							
		Unit	1Q	2Q	3Q	4Q	Total
Contracted Orders	Amount of orders contracted ¹ (No. of orders contracted)	thousand yen (orders)	677,786 (3)	366,085 (4)	1,117,648 (9)	1,861,712 (13)	4,023,232 (29)
	Phil Park aerial shop	thousand yen (orders)	613,386 (2)	249,548 (2)	758,754 (3)	1,250,451 (4)	2,872,141 (11)
	Premium Garage House ²	thousand yen (orders)	64,400 (1)	116,536 (2)	358,894 (6)	611,260 (9)	1,151,091 (18)
	Balance of orders contracted as of the end of period ³ (No. of projects underway as of the end of period) ⁴	thousand yen (orders)	1,902,467 (19)	1,460,282 (15)	1,830,054 (19)	2,863,962 (26)	—
Development and Sales	No. of units sold and delivered	orders	0	1	1	5	7
	No. of contracts to acquire land for development ⁵	orders	1	1	2	1	5
	Balance of development projects ⁶ (Remaining no. of development projects)	thousand yen (orders)	1,953,496 (8)	3,139,478 (8)	4,504,548 (8)	2,903,515 (4)	—

1. The amount of orders contracted is the total amount of newly contracted projects and additional works.
2. The amount of orders contracted for the Premium Garage House business includes the number of orders contracted by partner companies.
3. The balance of orders contracted as of the end of period is the total balance of unrecorded amount of orders contracted at the end of the period (amount to be recognized as sales based on the progress of future projects).
4. The number of projects underway as of the end of period is the number of projects in contracted orders underway as of the end of the period.
5. The number of contracts to acquire land for development is counted as one when the contract for the acquisition of the relevant land has been concluded and the deposit has been paid.

6. The balance of development projects is total estimated cost of completion for land and buildings at the end of the period.

Number of employees					
	Unit	1Q	2Q	3Q	4Q
Fiscal year ending Nov. 30, 2024	employees	69	73	82	—
Fiscal year ended Nov. 30, 2023	employees	54	67	67	69

*This is the number of employees on the consolidated basis at the end of the period.

(2) Overview of Financial Position

Assets

Total assets at the end of the third quarter of cumulative period increased by ¥1,631,105 thousand compared to the end of the previous fiscal year, reaching ¥7,081,881 thousand. This increase was primarily driven by an increase of ¥1,392,443 thousand in cash and deposits and an increase of ¥381,912 thousand in real estate for sale in progress.

Liabilities

Liabilities at the end of the third quarter cumulative period increased by ¥1,561,711 thousand compared to the end of the previous fiscal year, reaching ¥4,282,020 thousand. This increase was primarily driven by an increase of ¥1,003,670 thousand in advances received, an increase of ¥268,241 thousand in long-term borrowings, and an increase of ¥145,000 thousand in short-term borrowings.

Net assets

Net assets at the end of the third quarter cumulative period increased by ¥69,394 thousand compared to the end of the previous fiscal year, reaching ¥2,799,860 thousand. This increase was primarily driven by a decrease of ¥27,026 thousand in retained earnings due to dividend payments and an increase of ¥87,003 thousand in retained earnings due to profit attributable to owners of the parent company for the quarter.

(3) Explanation of Forecast Data, including Consolidated Forecasts

Regarding the full-year consolidated earnings forecast for fiscal year 2024, there are no changes to the figures announced on January 12, 2024. We will continue to carefully monitor the order status of the contracted orders scheme, the progress of ongoing projects, and the procurement and sales status of the development and sales scheme. If necessary, we will promptly disclose any revisions to the earnings forecast.

2. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

(Unit: thousand yen)

	As of November 30, 2023	As of August 31, 2024
Assets		
Current assets		
Cash and deposits	2,456,383	3,848,827
Accounts receivable - trade	65,461	83,780
Real estate for sale	836,026	830,777
Real estate for sale in process	925,864	1,307,777
Costs on service contracts in progress	20,612	38,180
Short-term loans receivable	58,500	52,000
Income taxes refund receivable	49,269	635
Other	82,458	81,304
Allowance for doubtful accounts	(60,900)	(54,275)
Total current assets	4,433,676	6,189,006
Non-current assets		
Total property, plant and equipment	504,647	493,336
Intangible assets		
Goodwill	109,070	89,437
Other	32,811	26,168
Total intangible assets	141,881	115,605
Investments and other assets		
Investment securities	105,869	1,391
Deferred tax assets	103,577	80,495
Other	189,824	207,087
Allowance for doubtful accounts	(28,701)	(5,042)
Total investments and other assets	370,569	283,932
Total non-current assets	1,017,098	892,874
Total assets	5,450,775	7,081,881
Liabilities		
Current liabilities		
Accounts payable - trade	389,720	521,476
Short-term borrowings	437,500	582,500
Current portion of long-term borrowings	83,092	106,444
Income taxes payable	29,758	22,931
Advances received	483,003	1,486,674
Bonus reserve	—	13,206
Deposits received	21,104	35,375
Other	176,884	152,315
Total current liabilities	1,621,062	2,920,923
Non-current liabilities		
Long-term borrowings	683,986	952,227
Lease liabilities	111,209	106,499
Asset retirement obligations	112,330	105,126
Long-term guarantee deposits	163,722	171,509
Other	27,998	25,734
Total non-current liabilities	1,099,247	1,361,097
Total liabilities	2,720,309	4,282,020
Net assets		
Shareholders' equity		
Share capital	789,647	789,647
Capital surplus	789,647	789,647
Retained earnings	1,848,148	1,908,125
Treasury shares	(700,951)	(700,976)
Total shareholders' equity	2,726,491	2,786,443
Share acquisition rights	3,974	13,416
Total net assets	2,730,465	2,799,860
Total liabilities and net assets	5,450,775	7,081,881

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
Consolidated Statement of Income
For the Nine Months

(Unit: thousand yen)

	Nine months ended August 31, 2023	Nine months ended August 31, 2024
Net sales	3,036,466	3,865,540
Cost of sales	2,322,084	2,737,174
Gross profit	714,382	1,128,365
Selling, general and administrative expenses	866,243	974,423
Operating profit (loss)	(151,860)	153,942
Non-operating income		
Interest income	2,665	1,282
Dividend income	90	90
Interest on tax refund	678	280
Reversal of allowance for loan losses	—	23,705
Gain on sale of non-current assets	—	1,999
Other	177	2,112
Total non-operating income	3,610	29,471
Non-operating expenses		
Interest paid	7,395	19,116
Commission expenses	5,238	1,716
Share of loss of entities accounted for using equity method	5,094	2,277
Provision of allowance for doubtful accounts	58,500	17,080
Other	22	2,556
Total non-operating expenses	76,251	42,746
Ordinary profit (loss)	(224,501)	140,667
Profit (loss) before income taxes	(224,501)	140,667
Income taxes - current	1,278	30,582
Income taxes - deferred	(40,919)	23,082
Total income taxes	(39,640)	53,664
Profit (loss)	(184,861)	87,003
Loss attributable to non-controlling interests	(93)	—
Profit (loss) attributable to owners of parent	(184,768)	87,003

Consolidated Statement of Comprehensive Income
For the Nine Months

(Unit: thousand yen)

	Nine months ended August 31, 2023	Nine months ended August 31, 2024
Profit (loss)	(184,861)	87,003
Comprehensive income	(184,861)	87,003
(Breakdown)		
Comprehensive income attributable to owners of parent	(184,768)	87,003
Comprehensive income attributable to non-controlling interests	(93)	—

(3) Notes to Consolidated Financial Statements

Going Concern Assumption

Not applicable

Substantial Changes in the Amount of Shareholders' Equity

Nine months ended August 31, 2023

1 .Dividend payment amount

Not applicable

2 .The ex-dividend date falls after the last day of the third quarter consolidated accounting period, which is the effective date for dividends that belong to the third quarter cumulative period.

Not applicable

3 .Substantial Changes in Shareholders' Equity

In accordance with the resolution of the Board of Directors meeting held on February 14, 2023, the Company disposed of 227,800 shares of treasury shares through third-party allotment to ONGAESHI Capital Investment Limited Liability Partnership 1 and Kayac Inc., effective March 7, 2023. As a result, in the first half of this fiscal year, retained earnings and treasury shares decreased by ¥125,495 thousand and ¥375,391 thousand respectively. At the end of the first half of this fiscal year, retained earnings and treasury stock amounted to ¥1,625,813 thousand and ¥701,110 thousand respectively mainly due to the impact of these decreases.

Nine months ended August 31, 2024

1 .Dividend payment amount

Resolution	Types of shares	Source of dividends	Total amount of dividends (Unit: thousand yen)	Dividend per share (Unit: yen)	Ex-dividend date	Effective date
Board of Directors on January 12, 2024	Common stock	Retained earnings	27,026	5.00	November 30, 2023	February 22, 2024

(Note) The total amount of dividends approved by the Board of Directors on January 12, 2024, includes 177,000 yen in dividends for the company's own shares held in trust.

2 .The ex-dividend date falls after the last day of the third quarter consolidated accounting period, which is the effective date for dividends that belong to the third quarter cumulative period.

Not applicable

3 .Substantial Changes in Shareholders' Equity

Not applicable

Additional Information

(Performance-Based Stock Compensation Plan for Directors)

Our company has implemented a performance-based stock compensation plan (hereinafter referred to as "this Plan") to clarify the linkage between the compensation of directors (excluding directors who are audit and supervisory committee members and outside directors) and executive officers (hereinafter collectively referred to as "directors, etc.") and the company's performance and stock value, and to enhance the motivation of directors, etc. to contribute to long-term performance improvement and company value growth by not only allowing them to benefit from stock price increases but also sharing the risk of price declines with shareholders.

Regarding the accounting treatment related to the trust agreement, we apply the full accrual method, in accordance with "Practical Treatment Regarding Transactions in Which a Company Delivers its Own Shares to Employees, etc. Through a Trust" (Practical Response Report No. 30, March 26, 2015), which recognizes the assets and liabilities of the trust as assets and liabilities of the company.

(1) Overview of the Transaction

This Plan is a stock compensation plan in which the company contributes funds to a designated trust (hereinafter referred to as "this Trust") to acquire shares of the company, and the Trust, based on the Director Stock Grant Regulations established by the company's Board of Directors, grants each director, etc. shares of the company and cash equivalent to the fair market value of those shares (hereinafter collectively referred to as "Company Shares, etc.") through the Trust, corresponding to the number of points awarded to each director, etc. The timing of the grant of Company Shares, etc. to directors, etc. is generally after the determination of performance for each fiscal year.

(2) Company Shares Remaining in the Trust

Company Shares remaining in the Trust are recognized in the equity section as treasury stock at their book value (excluding incidental expenses) in the trust. The book value and number of these treasury shares were ¥40,432 thousand and 16,400 shares as of the end of the previous fiscal year, and ¥40,432 thousand and 16,400 shares as of the end of the third quarter cumulative period.

(Transactions involving the delivery of company shares to employees through a trust)

Our company has implemented an employee stock grant trust (hereinafter referred to as "this Plan") as part of our incentive plan for employees of our company and our group companies (hereinafter collectively referred to as "our group employees"). The purpose of this Plan is to enhance the motivation and morale of our group employees to contribute to the long-term performance improvement and company value growth of our group.

(1) Overview of the Transaction

This Plan is a mechanism in which a trust established by our company's contribution of funds (hereinafter referred to as "this Trust") acquires shares of our company and, based on the Employee Stock Grant Regulations established by our company's Board of Directors, grants shares of our company to our group employees who meet certain requirements.

Our company awards points to our group employees based on performance achievement, etc., in accordance with the Employee Stock Grant Regulations. When certain conditions are met, and the requirements for receipt are fulfilled, the company grants shares of our company and cash equivalent to the fair market value of those shares, corresponding to the number of points awarded. It should be noted that the funds for the establishment of this Trust are entirely contributed by our company, so there is no burden on our group employees.

(2) Company Shares Remaining in the Trust

Company Shares remaining in the Trust are recognized in the equity section as treasury stock at their book value (excluding incidental expenses) in the trust. The book value and number of these treasury shares were ¥46,104 thousand and 19,100 shares as of the end of the previous fiscal year, and ¥46,104 thousand and 19,100 shares as of the end of the third quarter cumulative period.

Notes on the Statement of Cash Flows

A statement of cash flows for the third quarter cumulative period has not been prepared. The depreciation expense (including amortization expense for intangible fixed assets excluding goodwill) and amortization of goodwill for the third quarter cumulative period are as follows:

(Unit: thousand yen)

	Nine months ended August 31, 2023	Nine months ended August 31, 2024
Depreciation	33,641	35,210
Amortization of goodwill	19,632	19,632

Segment Information

(Segment Information)

Our group's business segment is a single segment consisting only of space solutions business, such as "Phil Park aerial shop." As the significance of this segment is limited, we have omitted the segment information.

Revenue Recognition

Information on revenue breakdown arising from contracts with customers

Our group is a single segment that provides space solutions businesses, such as "Phil Park aerial shop," and therefore we have omitted the segment information. However, the information on revenue breakdown arising from contracts with customers is as follows:

(Unit: thousand yen)

	Nine months ended August 31, 2023	Nine months ended August 31, 2024
Planning and design	163,469	258,292
Design and supervision	151,991	238,138
Construction subcontracting	1,772,770	1,662,486
Development and sales	571,899	1,340,550
Other	117,242	68,733
Revenue arising from contracts with customers	2,777,374	3,568,201
Other Revenue	259,092	297,339
Revenue to external customers	3,036,466	3,865,540

(Note) Other revenue includes lease revenue recognized under Accounting Standard for Lease Transactions No. 13.

Per Share Information

Earnings per share (EPS) or loss per share for the quarter and the basis of calculation are as follows:

	Nine months ended August 31, 2023	Nine months ended August 31, 2024
Earnings per share (EPS) or loss per share for the quarter (yen)	(34.93)	16.20
(Basis of Calculation)		
Profit or loss attributable to owners of the parent company for the quarter (thousand yen)	(184,768)	87,003
Amount not attributable to common shareholders (thousand yen)	—	—
Profit or loss attributable to owners of the parent company for the quarter for common stock (thousand yen)	(184,768)	87,003
Weighted-average number of common shares outstanding during the period (shares)	5,289,175	5,369,812
Explanation of potential shares that were not included in the calculation of diluted EPS because they did not have a dilutive effect, and which had significant changes from the end of the previous fiscal year	—	—

(Note)

1. Diluted earnings per share for the quarter is not presented because there are no potential shares that have a dilutive effect.
2. The company's own shares remaining in the employee stock grant trust and the director stock grant trust, which are recognized as treasury stock in equity, are included in the treasury stock deducted in the calculation of the weighted-average number of shares outstanding for the purpose of calculating earnings per share and loss per share for the quarter. The weighted-average number of treasury shares deducted in the calculation of earnings per share and loss per share for the quarter was 35,500 shares for the previous third quarter cumulative period and 35,500 shares for the current third quarter cumulative period.