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## Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

November 7, 2024

Company name: Ubicom Holdings, Inc.

Listing: Tokyo

Securities code: 3937

URL: <https://www.ubicom-hd.com/>

Representative: Masayuki Aoki

, CEO

Inquiries: Akisato Kitaoka

, Director, Executive General Manager of Corporate Division

Telephone: +81-3(5803) 7339

Scheduled date to file semi-annual securities report: November 7, 2024

Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

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

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

#### (1) Consolidated Operating Results

(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	%
Six months ended September 30, 2024	3,138	7.1	591	9.3	629	34.9	443	47.5
September 30, 2023	2,929	12.6	541	7.9	466	(5.7)	300	(10.9)

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 384 million [ (3.7)%]  
Six months ended September 30, 2023: ¥ 399 million [ (14.2)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	36.87	36.81
September 30, 2023	25.57	25.10

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	7,224	5,133	70.5
March 31, 2024	6,883	4,719	68.2

(Reference) Equity: As of September 30, 2024: ¥ 5,089 million  
As of March 31, 2024: ¥ 4,696 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	0.00	-	13.00	13.00
Fiscal year ending March 31, 2025	-	0.00			
Fiscal year ending March 31, 2025 (Forecast)			-	40.00	40.00

(Note) Revision to the forecast for dividends announced most recently: Yes

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending March 31, 2025 :

Commemorative dividend	- yen
Special dividend	- yen

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	6,700	12.7	1,500	39.9	1,518	62.2	1,000	90.1	82.97

(Note) Revision to the financial results forecast announced most recently: None

\* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included:	-	(Company name:	)
Excluded:	-	(Company name:	)

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

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

September 30, 2024:	12,229,200 shares
March 31, 2024:	11,991,120 shares

2) Number of treasury shares at the end of the period:

September 30, 2024:	126,679 shares
March 31, 2024:	126,638 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024:	12,019,300 shares
Six months ended September 30, 2023:	11,752,068 shares

\* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

Semi-annual Consolidated Financial Statements  
Semi-annual Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	4,026,101	4,562,851
Notes and accounts receivable - trade, and contract assets	1,417,558	1,356,890
Other	235,096	205,395
Allowance for doubtful accounts	(18,581)	(17,781)
Total current assets	5,660,175	6,107,355
Non-current assets		
Property, plant and equipment	140,347	121,463
Intangible assets		
Software	13,425	7,402
Software in progress	-	2,711
Right of use assets	199,795	124,338
Total intangible assets	213,221	134,452
Investments and other assets		
Investment securities	421,988	415,325
Investments in capital of subsidiaries and associates	62,939	61,483
Deferred tax assets	298,808	296,496
Other	86,334	87,719
Total investments and other assets	870,071	861,024
Total non-current assets	1,223,640	1,116,940
Total assets	6,883,815	7,224,296

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	121,618	139,187
Short-term borrowings	100,000	100,000
Lease liabilities	113,389	68,355
Income taxes payable	240,646	164,396
Contract liabilities	763,261	844,206
Provision for bonuses	56,313	137,835
Other	330,728	260,081
Total current liabilities	1,725,958	1,714,064
Non-current liabilities		
Lease liabilities	75,222	47,750
Deferred tax liabilities	180,364	180,100
Retirement benefit liability	163,360	130,639
Asset retirement obligations	19,115	18,317
Total non-current liabilities	438,063	376,808
<b>Total liabilities</b>	<b>2,164,021</b>	<b>2,090,872</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	840,104	921,521
Capital surplus	744,720	826,138
Retained earnings	3,134,605	3,423,551
Treasury shares	(295,612)	(295,669)
Total shareholders' equity	4,423,818	4,875,542
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	79,666	53,193
Foreign currency translation adjustment	278,878	232,094
Remeasurements of defined benefit plans	(86,104)	(71,247)
Total accumulated other comprehensive income	272,439	214,040
Share acquisition rights	23,535	43,840
<b>Total net assets</b>	<b>4,719,793</b>	<b>5,133,423</b>
<b>Total liabilities and net assets</b>	<b>6,883,815</b>	<b>7,224,296</b>

## Semi-annual Consolidated Statements of Income and Comprehensive Income

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	2,929,925	3,138,502
Cost of sales	1,812,528	1,939,475
Gross profit	1,117,396	1,199,026
Selling, general and administrative expenses	576,233	607,668
Operating profit	541,162	591,357
Non-operating income		
Interest income	1,535	5,546
Foreign exchange gains	-	40,626
Share of profit of entities accounted for using equity method	2,856	1,897
Other	935	481
Total non-operating income	5,327	48,552
Non-operating expenses		
Interest expenses	3,401	4,982
Interest expenses of rental payments	4,340	5,417
Foreign exchange losses	65,310	-
Other	6,811	230
Total non-operating expenses	79,863	10,630
Ordinary profit	466,626	629,279
Extraordinary income		
Gain on sale of non-current assets	9	-
Total extraordinary income	9	-
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	466,636	629,279
Income taxes	166,123	186,095
Profit	300,512	443,184
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	300,512	443,184

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	300,512	443,184
Other comprehensive income		
Valuation difference on available-for-sale securities	(12,855)	(26,473)
Foreign currency translation adjustment	121,163	(46,783)
Remeasurements of defined benefit plans, net of tax	(9,423)	14,857
Total other comprehensive income	98,885	(58,399)
Comprehensive income	399,398	384,784
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	399,398	384,784
Comprehensive income attributable to non-controlling interests	-	-

## Semi-annual Consolidated Statements of Cash Flows

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	466,636	629,279
Depreciation	84,687	100,655
Retirement benefit expenses	9,612	8,055
Increase (decrease) in allowance for doubtful accounts	(5,116)	(769)
Increase (decrease) in provision for bonuses	90,753	86,351
Increase (decrease) in retirement benefit liability	5,763	(26,175)
Interest income	(1,535)	(5,546)
Interest expenses	7,741	10,399
Share of loss (profit) of entities accounted for using equity method	(2,856)	(1,897)
Share-based payment expenses	-	20,417
Decrease (increase) in accounts receivable - trade, and contract assets	(269,568)	44,023
Decrease (increase) in inventories	(287)	(2,352)
Increase (decrease) in trade payables	57,379	19,222
Increase (decrease) in contract liabilities	46,282	80,945
Decrease (increase) in other current assets	12,469	36,927
Decrease (increase) in other non-current assets	(4,110)	(2,991)
Increase (decrease) in other current liabilities	31,012	(67,460)
Foreign exchange losses (gains)	-	(10,425)
Other, net	(10,400)	(16,921)
Subtotal	518,464	901,736
Interest and dividends received	1,998	4,650
Interest paid	(7,335)	(9,155)
Income taxes paid	(88,085)	(247,767)
Income taxes refund	78,630	1,602
Net cash provided by (used in) operating activities	503,671	651,067
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(116,472)	(26,257)
Purchase of property, plant and equipment	(104,015)	(8,624)
Purchase of intangible assets	(164)	(3,765)
Other, net	(1)	(20)
Net cash provided by (used in) investing activities	(220,653)	(38,667)

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from financing activities		
Proceeds from short-term borrowings	100,000	100,000
Repayments of short-term borrowings	(100,000)	(100,000)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	9,752	162,722
Purchase of treasury shares	-	(56)
Repayments of lease liabilities	(49,121)	(65,481)
Dividends paid	(129,167)	(153,862)
Net cash provided by (used in) financing activities	(168,537)	(56,678)
Effect of exchange rate change on cash and cash equivalents	78,966	(18,971)
Net increase (decrease) in cash and cash equivalents	193,447	536,750
Cash and cash equivalents at beginning of period	3,636,780	4,026,101
Cash and cash equivalents at end of period	3,830,227	4,562,851