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October 31, 2024

## Consolidated Financial Results for the Nine Months Ended September 30, 2024 (Under Japanese GAAP)



Company name: TOKYOTOKEIBA Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 9672  
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 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for analysts and institutional investors)

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

### 1. Consolidated Financial Results for the Nine Months Ended September 30, 2024 (from January 1, 2024 to September 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 September 30, 2024	30,216	8.1	10,855	3.6	10,836	3.3	7,594	19.0
September 30, 2023	27,962	5.0	10,481	(8.5)	10,486	(8.4)	6,379	(22.8)

Note: Comprehensive income For the nine months ended September 30, 2024: ¥7,761 million [17.8%]  
 For the nine months ended September 30, 2023: ¥6,591 million [(21.7)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
September 30, 2024	280.64	–
September 30, 2023	232.74	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	118,622	88,828	74.8
December 31, 2023	115,792	86,787	74.9

Reference: Equity As of September 30, 2024: ¥88,728 million  
 As of December 31, 2023: ¥86,716 million

## 2. 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 December 31, 2023	–	30.00	–	60.00	90.00
Fiscal year ending December 31, 2024	–	40.00	–		
Fiscal year ending December 31, 2024 (Forecast)				60.00	100.00

Notes: Revisions to the forecast of dividends most recently announced: Yes

## 3. Consolidated Financial Result Forecasts for the Fiscal Year Ending December 31, 2024 (from January 1, 2024 to December 31, 2024)

(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	40,047	6.7	12,349	(7.6)	12,341	(7.8)	8,674	2.6	316.46

Note: Revisions to the financial result forecast most recently announced: None

**\*Notes**

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

Newly included: – companies (Company name: –)

Excluded: – companies (Company name: –)

(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 other than (i) above: 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)

As of September 30, 2024	28,764,854 shares
As of December 31, 2023	28,764,854 shares

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

As of September 30, 2024	2,077,730 shares
As of December 31, 2023	1,357,026 shares

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

Nine months ended September 30, 2024	27,061,135 shares
Nine months ended September 30, 2023	27,410,169 shares

\* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

\*Proper use of financial result forecasts and other special matters

(Cautionary note on forward-looking statements, etc.)

Financial result forecasts and other forward-looking statements herein are based on the information currently in the Company's possession or the assumptions it deems reasonable, and are not intended as the Company's promise to achieve them. Actual financial results, etc. may differ significantly from these forecasts due to diverse factors. For underlying conditions and notes on the use of the financial result forecasts, please refer to "(3) Explanation of Consolidated Financial Result Forecast and Other Forward-looking Information" under "1. Overview of Business Performance" on page 3 of the attachments.

(How to obtain supplementary material on financial results)

The supplementary material on financial results is posted on the Company's website.

(Note on review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm)

The Company plans to release a quarterly financial results report attached with a review report after the review is completed.

Scheduled date of release: November 8, 2024

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## 1. Overview of Business Performance

### (1) Overview of Operating Results for the Period under Review

During the nine months ended September 30, 2024, the Japanese economy remained on a moderate recovery path due to the improved employment and income environment. Meanwhile, the outlook for the financial and capital markets remained unclear due to the global situation and rising prices.

Under these conditions, sales of the public competition business of TOKYOTOKEIBA Co., Ltd. (the “Company”) and its subsidiaries (collectively, the “Group”) continued to remain robust, centered on the online betting services of SPAT4 (the Four Minami-Kanto Racecourses Home Betting System). Furthermore, new facilities such as a new pool at Tokyo Summerland, a new warehouse in Narashino city, Chiba prefecture, and Wira Oi Annex a shopping mall facing Oi Racecourse started their operation in succession, leading to increases in sales and profit of each segment.

As a result, for the nine months ended September 30, 2024, the Group recorded net sales of ¥30,216 million (up 8.1% year on year), operating profit of ¥10,855 million (up 3.6% year on year), and ordinary profit of ¥10,836 million (up 3.3% year on year). The Group recorded profit attributable to owners of parent of ¥7,594 million (up 19.0% year on year) as expenditure on earthquake-resistance construction work at Tokyo Summerland, which had been posted in the previous year, was not incurred for the period under review.

Operating results by segment are as follows.

#### **Public competition business**

Oi Racecourse held horse races for 70 days. During this period, the Group worked on maintaining facilities and strengthening their functions such as strengthening the drainage function of the horse track at Oi Racecourse and renovating the horse track at Kobayashi Ranch.

SPAT4 sold betting tickets for a cumulative total of 983 days and 11,399 local horse races across Japan. During this period, the Group implemented PR events and other activities at local racecourses across Japan. As a result, the number of members of SPAT4 and SPAT4 Premium Point steadily increased. Furthermore, the Group periodically updated the official SPAT4 App to add new functions, as part of its efforts to enhance users’ convenience.

Isesaki Auto Racetrack held auto races for 94 days and sold off-track tickets for other racecourses for a cumulative total of 228 days. Sales remained robust regarding Isesaki off-track betting facility, which sells tickets for local horse racing, and J-PLACE Isesaki, which sells tickets for central horse racing, both located at Isesaki Auto Racetrack.

As a result, the public competition business recorded net sales of ¥20,775 million (up 4.9% year on year), and segment profit of ¥8,176 million (down 0.3% year on year) due to an increase in expenses related SPAT4.

#### **Amusement park business**

At Tokyo Summerland, the new pool of MONSTER STREAM opened on June 29 was booming. The number of visitors and net sales significantly exceeded those of the same period of the previous year as the Group proactively ran advertisements such as launching television commercial campaigns for the first time in five years and enhancing operation of social network services as well as implemented a collaboration project with a popular video content creator, which was lively and successful. In addition, the weather played a positive factor.

As a result, the number of visitors to Tokyo Summerland and the other facilities amounted to 840 thousand (up 11.9% year on year), and the amusement park business recorded net sales of ¥3,536 million (up 19.5% year on year), and segment profit of ¥795 million (up 21.3% year on year).

#### **Warehouse leasing business**

In the warehouse leasing business, the Group maintained high occupancy rates despite a decrease in the number of tenants at part of the multi-tenant Katsushima Area warehouse due to the expiration of contracts with tenants and other reasons. Sales also remained steady due to the operation commencement of the new warehouse of Narashino Akanehama No. 2 warehouse, which was completed in March 2024. In addition, the Group started repainting the exterior walls of Heiwajima Area warehouses and waterproofing of the roof of Katsushima Area 3 warehouses, as part of its efforts to maintain its facilities.

As a result, the warehouse leasing business recorded net sales of ¥4,301 million (up 9.5% year on year)

and segment profit of ¥2,778 million (up 13.3% year on year).

### Service business

In the service business, the operation commencement of Wira Oi Annex, a shopping mall facing Oi Racecourse, which was completed in March 2024, contributed to sales. Furthermore, the Group held Wira Oi Summer Festa, its regular annual event, in July and the various workshops at the festa were well-received such as the exhibition of specialty products in Shinagawa-ku, the events in collaboration with the tenants, and the draw, among others. Also, as for air conditioning equipment related work of TAC Co., Ltd., the Group continued to strive to secure stable receiving orders and construction work as well.

As a result, the service business recorded net sales of ¥1,686 million (up 0.2% year on year), and segment profit of ¥135 million (down 19.4% year on year) as various expenses were incurred for the opening of Wira Oi Annex.

(Millions of yen)

Reportable segment	Net sales		Segment profit	
	Amount	Year-on-year change	Amount	Year-on-year change
Public competition business	20,775	4.9%	8,176	(0.3)%
Amusement park business	3,536	19.5%	795	21.3%
Warehouse leasing business	4,301	9.5%	2,778	13.3%
Service business	1,686	0.2%	135	(19.4)%
Elimination of inter-segment transactions, etc.	(83)	–	(1,030)	–
Total	30,216	8.1%	10,855	3.6%

### (2) Overview of Financial Position for the Period under Review

Total assets as of September 30, 2024 increased by ¥2,829 million from the end of the previous fiscal year to ¥118,622 million. This was mainly due to increases in property, plant and equipment of ¥3,604 million owing in part to the completion of Wira Oi Annex and the updates to the Nankan Keiba website and SPAT4 Premium Point and intangible assets of ¥1,068 million, despite a decrease in securities of ¥2,400 million.

Total liabilities as of September 30, 2024 increased by ¥789 million from the end of the previous fiscal year to ¥29,793 million. This was mainly due to increases in long-term borrowings of ¥625 million and leasehold and guarantee deposits received of ¥263 million.

Total net assets as of September 30, 2024 increased by ¥2,040 million from the end of the previous fiscal year to ¥88,828 million. This was mainly due to an increase in retained earnings of ¥4,874 million resulting from the recording of profit attributable to owners of parent of ¥7,594 million, despite an increase in treasury shares of ¥3,001 million and appropriation of surplus with the payment of year-end and interim dividends of ¥2,720 million.

As a result, the equity ratio was 74.8%, a decline from 74.9% at the end of the previous fiscal year.

### (3) Explanation of Consolidated Financial Result Forecast and Other Forward-looking Information

No revisions have been made to the consolidated financial result forecast for the full year for the fiscal year ending December 31, 2024, which was announced on February 14, 2024.

2. Quarterly Consolidated Financial Statements and Principal Notes  
(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of December 31, 2023	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	14,161,529	14,173,809
Trade notes, accounts receivable and contract assets	4,066,617	3,928,505
Securities	3,000,000	600,000
Inventories	136,807	111,468
Advances paid	340,536	334,852
Other	93,203	951,089
<b>Total current assets</b>	<b>21,798,694</b>	<b>20,099,724</b>
Non-current assets		
Property, plant and equipment		
Buildings, net	19,957,868	29,050,749
Facilities attached to buildings, net	5,502,173	8,646,457
Structures, net	6,407,661	8,523,789
Machinery, equipment and vehicles, net	1,455,211	1,154,178
Land	32,537,201	32,554,974
Construction in progress	10,784,652	149,284
Buildings in trust, net	1,238,170	1,191,554
Facilities attached to buildings in trust, net	126,546	113,030
Land in trust	2,174,126	2,174,126
Other, net	3,053,273	3,282,878
<b>Total property, plant and equipment</b>	<b>83,236,886</b>	<b>86,841,023</b>
Intangible assets		
Software	5,315,723	6,747,086
Software in progress	383,300	20,300
Right to use facilities	29	-
<b>Total intangible assets</b>	<b>5,699,053</b>	<b>6,767,386</b>
Investments and other assets		
Investment securities	1,808,280	2,009,360
Long-term prepaid expenses	27,799	17,728
Deferred tax assets	2,176,350	1,915,249
Long-term advances paid	957,340	886,695
Other	87,969	84,930
<b>Total investments and other assets</b>	<b>5,057,740</b>	<b>4,913,964</b>
<b>Total non-current assets</b>	<b>93,993,681</b>	<b>98,522,374</b>
<b>Total assets</b>	<b>115,792,376</b>	<b>118,622,099</b>

(Thousands of yen)

	As of December 31, 2023	As of September 30, 2024
<b>Liabilities</b>		
Current liabilities		
Trade accounts payable	1,497,047	1,034,529
Short-term borrowings	41,200	41,620
Current portion of long-term borrowings	1,500,000	1,700,000
Accounts payable - other	1,121,395	1,331,382
Income taxes payable	1,279,229	1,527,871
Accrued consumption taxes	553,368	95,608
Provision for bonuses	98,541	207,242
Provision for point card certificates	940,007	929,947
Provision for loss on disaster	–	48,034
Other	883,693	915,937
<b>Total current liabilities</b>	<b>7,914,483</b>	<b>7,832,173</b>
Non-current liabilities		
Bonds payable	10,000,000	10,000,000
Long-term borrowings	7,250,000	7,875,000
Leasehold and guarantee deposits received	2,163,915	2,427,681
Retirement benefit liability	1,262,297	1,230,792
Asset retirement obligations	390,927	395,314
Deferred tax liabilities	–	19,030
Other	22,753	13,891
<b>Total non-current liabilities</b>	<b>21,089,893</b>	<b>21,961,709</b>
<b>Total liabilities</b>	<b>29,004,377</b>	<b>29,793,882</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	10,586,297	10,586,297
Capital surplus	6,790,886	6,791,564
Retained earnings	74,541,753	79,415,801
Treasury shares	(5,516,008)	(8,517,617)
<b>Total shareholders' equity</b>	<b>86,402,930</b>	<b>88,276,046</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	313,382	452,890
<b>Total accumulated other comprehensive income</b>	<b>313,382</b>	<b>452,890</b>
Non-controlling interests	71,686	99,279
<b>Total net assets</b>	<b>86,787,998</b>	<b>88,828,216</b>
<b>Total liabilities and net assets</b>	<b>115,792,376</b>	<b>118,622,099</b>



## (2) Quarterly Consolidated Statements of Income and Comprehensive Income

## Quarterly Consolidated Statements of Income

Nine Months Ended September 30

(Thousands of yen)

	For the nine months ended September 30, 2023	For the nine months ended September 30, 2024
Net sales	27,962,063	30,216,542
Cost of sales	16,055,682	17,800,849
Gross profit	11,906,380	12,415,693
Selling, general and administrative expenses	1,425,154	1,560,616
Operating profit	10,481,225	10,855,076
Non-operating income		
Interest income	2,860	2,263
Dividend income	13,695	17,690
Subsidies for employment adjustment, etc.	5,520	3,800
Other	17,929	22,328
Total non-operating income	40,005	46,082
Non-operating expenses		
Interest expenses	33,681	34,180
Commission expenses	–	29,850
Other	846	1,031
Total non-operating expenses	34,528	65,062
Ordinary profit	10,486,703	10,836,096
Extraordinary income		
Contribution received for construction	–	14,405
Subsidy income	114,171	206,161
Total extraordinary income	114,171	220,566
Extraordinary losses		
Loss on disaster	–	48,034
Expenditure on earthquake-resistance construction work	1,233,500	–
Total extraordinary losses	1,233,500	48,034
Profit before income taxes	9,367,374	11,008,628
Income taxes – current	2,704,832	3,167,905
Income taxes – deferred	199,579	218,560
Total income taxes	2,904,411	3,386,465
Profit	6,462,962	7,622,163
Profit attributable to non-controlling interests	83,426	27,592
Profit attributable to owners of parent	6,379,536	7,594,570

Quarterly Consolidated Statements of Comprehensive Income  
 Nine Months Ended September 30

(Thousands of yen)

	For the nine months ended September 30, 2023	For the nine months ended September 30, 2024
Profit	6,462,962	7,622,163
Other comprehensive income		
Valuation difference on available-for-sale securities	128,392	139,508
Total other comprehensive income	128,392	139,508
Comprehensive income	6,591,355	7,761,672
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,507,929	7,734,079
Comprehensive income attributable to non-controlling interests	83,426	27,592

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Notes to segment information, etc.)

[Segment information]

I. For the nine months ended September 30, 2023 (from January 1, 2023 to September 30, 2023)

Information on net sales and profit or loss by reportable segment

(Thousands of yen)

	Reportable segment					Adjustment (Note 1)	Amount recorded in Quarterly Consolidated Statements of Income (Note 2)
	Public Competition Business	Amusement Park Business	Warehouse Leasing Business	Service Business	Total		
Net sales							
Net sales to outside customers	19,803,125	2,953,076	3,929,695	1,276,166	27,962,063	–	27,962,063
Inter-segment net sales or transfers	2,850	7,188	–	406,256	416,295	(416,295)	–
Total	19,805,975	2,960,265	3,929,695	1,682,422	28,378,359	(416,295)	27,962,063
Segment profit	8,201,142	655,653	2,452,487	167,468	11,476,751	(995,525)	10,481,225

(Notes) 1. The adjustment to segment profit of ¥(995,525) thousand includes ¥(53,417) thousand in elimination of intersegment transactions and ¥(942,108) thousand in company-wide expenses that have not been allocated to each reportable segment. Company-wide expenses are primarily selling, general and administrative expenses that are not attributable to the reportable segments.

2. Segment profit is adjusted with the operating profit under the quarterly consolidated statements of income.

II. For the nine months ended September 30, 2024 (from January 1, 2024 to September 30, 2024)

Information on net sales and profit or loss by reportable segment

(Thousands of yen)

	Reportable segment					Adjustment (Note 1)	Amount recorded in Quarterly Consolidated Statements of Income (Note 2)
	Public Competition Business	Amusement Park Business	Warehouse Leasing Business	Service Business	Total		
Net sales							
Net sales to outside customers	20,773,361	3,528,051	4,301,118	1,614,010	30,216,542	–	30,216,542
Inter-segment net sales or transfers	1,947	8,897	–	72,255	83,099	(83,099)	–
Total	20,775,309	3,536,948	4,301,118	1,686,266	30,299,641	(83,099)	30,216,542
Segment profit	8,176,173	795,288	2,778,629	135,054	11,885,146	(1,030,069)	10,855,076

(Notes) 1. The adjustment to segment profit of ¥(1,030,069) thousand includes ¥11,179 thousand in elimination of intersegment transactions and ¥(1,041,248) thousand in company-wide expenses that have not been allocated to each reportable segment. Company-wide expenses are primarily selling, general and administrative expenses that are not attributable to the reportable segments.

2. Segment profit is adjusted with the operating profit under the quarterly consolidated statements of income.

(Notes to quarterly consolidated statements of income)

(Seasonal variation of net sales, etc.)

As the amusement park business of the Group attracts most of the annual visitors when outdoor pools are open during the summer period, net sales and cost of sales for the nine month ended September 30 tend to account for a significantly high share of those of the whole year.

(Notes to quarterly consolidated statements of cash flows)

Quarterly consolidated statements of cash flows for the nine months ended September 30, 2024 are not prepared. Depreciation for the nine months ended September 30, which includes amortization of intangible assets, is as follows:

	(Thousands of yen)	
	For the nine months ended September 30, 2023	For the nine months ended September 30, 2024
Depreciation	4,189,485	4,699,108