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May 15, 2024

Consolidated Financial Results for the Year Ended March 31, 2024 (Under Japanese GAAP)

Company name: Living Platform, Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 7091
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Scheduled date of ordinary general meeting of shareholders: June 27, 2024
 Scheduled date to file Securities Report: June 28, 2024
 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)

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

1. Consolidated financial results for the Year Ended March 31, 2024

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Year ended	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	16,662	21.7	△81	–	197	459.7	189	106.5
March 31, 2023	13,694	17.8	△234	–	35	△93.9	91	△77.5

Note: Comprehensive income

As of March 31, 2024: 195 millions of yen (91.5%)
 As of March 31, 2023: 101 millions of yen (△74.5%)

Year ended	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
March 31, 2024	42.56	42.39	12.2	1.7	△0.5
March 31, 2023	20.62	20.15	6.6	0.3	△1.7

(2) Consolidated financial position

As of	Total assets	Net assets (Total equity)	Equity ratio, Owner's equity to total assets	Net Assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2024	11,189	1,662	14.7	369.98
March 31, 2023	11,412	1,471	12.7	326.11

Reference: Total shareholders' equity

As of March 31, 2024: 1,646 millions of yen
 As of March 31, 2023: 1,450 millions of yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
As of	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2023	1,509	△1,262	△1,001	1,128
March 31, 2023	92	△15	53	1,882

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets 1st quarter (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2023	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ended March 31, 2024	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending March 31, 2025 (Forecast)	-	0.00	-	0.00	0.00		-	

3. Consolidated Financial Result Forecasts for the Fiscal Year Ending March 31, 2024

	Revenue		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	18,965	13.8	503	—	461	133.9	357	88.7	80.3

Notes

(1) Significant changes in scope of consolidation (changes in scope of consolidation of specified subsidiaries): None
 Newly consolidated: None
 Excluded from consolidation: None

(2) Changes in accounting policies and accounting estimates
 [1] Changes in accounting policies required: No
 [2] Changes in accounting policies other than those in [1]: No
 [3] Changes in accounting estimates: No
 [4] Restatement of prior period financial statements: No

(3) Number of issued shares (common stock)

[1] Number of shares issued (including treasury stock)	
As of March 31, 2024	4,492,200 shares
As of March 31, 2023	4,492,200 shares
[2] Number of shares of treasury stock	
As of March 31, 2024	43,158 shares
As of March 31, 2023	43,158 shares
[3] Average number of shares outstanding during the period	
Year ended March 31, 2024	4,449,042 shares
Year ended March 31, 2023	4,447,518 shares

(Reference)

Non-consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Non-consolidated operating results

Year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	849	△18.9	5	△71.7	11	△35.7	△100	—
March 31, 2023	1,047	△0.4	20	△65.6	18	△56.8	16	—

Year ended	Earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2024	△22.52	—
March 31, 2023	3.80	3.71

Note: Regarding the 'Net Income per Share after Dilution' for the fiscal year ending March 2024, although there are potential shares, it is not stated because it results in a net loss per share

(2) Non-consolidated financial position

Year ended	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	2,827	875	30.4	193.18
As of March 31, 2023	3,790	1,220	31.6	269.49

(Reference) Equity (millions of yen)

As of March 31, 2024: 859.

As of March 31, 2023: 1,199.

* This consolidated financial report is not subject to audit by certified public accountants or an audit firm.

* Explanation on the proper use of the forecast on financial results and other notes descriptions that refer to future events are estimated based on the information that the Company has obtained at the present point in time and assumptions which are deemed to be reasonable. However, actual results may significantly differ from these forecasts due to various factors.

We are planning to hold an online earnings briefing for institutional investors and analysts on May 23rd, 2024. The earnings briefing materials to be used on the day of the event will be available before the event date, and the proceedings of the briefing and the explanation content will be available on our website at a later date.

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousands of yen)

	Year ended March 31, 2023	Year ended March 31, 2024
ASSETS		
Current assets		
Cash and deposits	1,882,552	1,128,005
Notes and accounts receivable-trade	1,684,208	1,345,337
Inventories	4,541	5,524
Raw materials and supplies	28,441	34,492
Prepaid expenses	281,951	374,060
Other	540,440	375,636
Allowance for doubtful accounts	△8,493	△6,943
Total current assets	4,413,643	3,256,111
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,294,232	2,825,082
Vehicles, net	6,556	9,266
Tools, furniture and fixtures, net	112,984	102,215
Land	1,320,987	1,509,734
Lease assets, net	471,409	437,445
Construction in progress	335,821	124,123
Other, net	32,137	39,024
Total property, plant and equipment	4,574,129	5,046,893
Intangible assets		
Goodwill	989,932	1,284,534
Software	47,825	40,274
Other	58,656	52,049
Total intangible assets	1,096,415	1,376,858
Investments and other assets		
Investment securities	115,000	89,152
Long-term loans receivable	29,017	34,013
Long-term prepaid expenses	41,376	51,663
Deferred tax assets	100,325	203,613
Guarantee deposits	884,952	996,278
Other	184,854	163,327
Allowance for accounts receivable	△26,754	△28,564
Total investments and other assets	1,328,772	1,509,483
Total non-current assets	6,999,317	7,933,234
Total assets	11,412,960	11,189,346

(Thousands of yen)

	Year ended March 31, 2023	Year ended March 31, 2024
Liabilities		
Current liabilities		
Short-term borrowings	925,553	150,000
Current portion of long-term borrowings	1,296,657	753,979
Lease obligations	31,075	30,499
Accounts payable – other	443,129	648,236
Accrued expenses	650,723	778,141
Income taxes payable	29,219	105,669
Unearned revenue	288,141	278,289
Withholdings	97,004	98,344
Provision for bonuses	111,546	127,973
Other	116,265	49,021
Total current liabilities	3,989,316	3,020,155
Non-current liabilities		
Long-term borrowings	4,114,830	4,465,304
Long-term advance received	391,242	404,097
Lease obligations	611,498	582,797
Retirement benefit liability	258,867	329,324
Deferred tax liability	48,622	27,958
Other	526,588	697,119
Total non-current liabilities	5,951,649	6,506,602
Total liabilities	9,940,966	9,526,757
Net assets		
Shareholders' equity		
Share Capital	358,995	358,995
Capital surplus	905,241	905,241
Retained earnings	263,324	452,674
Treasury shares	△79,459	△79,459
Total shareholders' equity	1,448,102	1,637,452
Accumulated other comprehensive income		
Net unrealized gains on securities	2,760	8,606
Accumulated other comprehensive income total	2,760	8,606
Subscription rights to shares	21,131	16,529
Total net assets	1,471,994	1,662,588
Total liabilities and net assets	11,412,960	11,189,346

Consolidated Statements of Income and Consolidated Statements of Comprehensive Income Consolidated Statements of Income

(Thousands of yen)

	Year ended March 31, 2023	Year ended March 31, 2024
Net sales	13,694,420	13,694,420
Cost of sales	12,415,207	12,415,207
Gross profit	1,279,213	1,279,213
Selling, general and administrative expenses	1,513,608	1,513,608
Operating profit (loss)	△234,394	△234,394
Non-operating income		
Interest income	401	386
Loss(gain) on investments in investment partnerships	—	47,958
Subsidy income	383,127	293,251
Other	45,438	52,206
Total non-operating income	428,968	393,802
Non-operating expenses		
Interest expenses	114,251	108,719
Non-deductible consumption taxes	4,447	—
Loss from bad debts	3,925	—
Other	36,665	6,124
Total non-operating expenses	159,288	114,843
Ordinary profit (loss)	35,284	197,470
Extraordinary income		
Gain on sales of non-current assets	220,278	219
Gain on donation of cash	2,000	69,469
Income from reversal of subscription rights to shares	2,791	27,360
Total extraordinary income	225,069	97,050
Extraordinary losses		
Loss on disposal of property	40,265	—
Loss on tax purpose reduction entry of non-current assets	1,099	519
Loss on impairment	—	28,314
Loss on closing facility	—	7,560
Total extraordinary losses	41,364	36,394
Profit before income taxes	218,988	258,125
Income taxes - current	49,609	114,471
Income taxes – differed	77,677	△45,696
Total income taxes	127,286	68,775
Profit (loss)	91,701	189,350
Profit (loss) attributable to owners of parent	91,701	189,350

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Year ended March 31, 2023	Year ended March 31, 2024
Profit (loss)	91,701	91,701
Other		
Unrealized gain/loss on available-for-sale securities	10,230	5,846
Accumulated other comprehensive income total	10,230	5,846
Comprehensive income	101,932	195,196
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	101,932	195,196

Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	357,757	1,297,257	△221,630	△79,416	1,353,967
Balance at beginning of period reflecting the change in accounting policies					
Changes during period	1,237	1,237			2,475
Issuance of new shares				△42	△42
Purchase of treasury stock		△393,253	393,253		—
Profit attributable to owners of parent			91,701		91,701
Net change in items other than shareholder equity for the period					
Total changes during period	1,237	△392,015	484,955	△42	94,135
Balance at end of period	358,995	905,241	263,324	△79,459	1,448,102

	Accumulated other comprehensive income		Subscription warrant	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	△7,470	△7,470	—	1,346,496
Balance at beginning of period reflecting the change in accounting policies				
Changes during period				2,475
Issuance of new shares				△42
Purchase of treasury stock				—
Net income attributable to owners of parent				91,701
Net change in items other than shareholder equity for the period	10,230	10,230	21,131	31,362
Total changes during period	10,230	10,230	21,131	125,497
Balance at end of period	2,760	2,760	21,131	1,471,994

Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital stock	Capital stock	Capital stock	Capital stock
Balance at beginning of period	358,995	905,241	263,324	△79,459	1,448,102
Changes during period					
Issuance of new shares					—
Purchase of treasury shares					—
Transfer from retained earnings					—
Net income attributable to owners of parent			189,350		189,350
Net changes of items other than shareholders equity					
Total changes during period	—	—	189,350	—	189,350
Balance at end of period	358,995	905,241	452,674	△79,459	1,637,452

	Accumulated other comprehensive income		Subscription warrant	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	2,760	2,760	21,131	1,471,994
Changes during period				
Issuance of new shares				—
Purchase of treasury shares				—
Transfer from retained earnings				—
Net income attributable to owners of parent				189,350
Net changes of items other than shareholders equity	5,846	5,846	△4,602	1,244
Total changes during period	5,846	5,846	△4,602	190,594
Balance at end of period	8,606	8,606	16,529	1,662,588

Consolidated Statements of Cash Flows

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Net income before income taxes	218,988	258,125
Depreciation	223,337	300,686
Impairment loss	100,615	123,550
Amortization of goodwill	—	△27,360
Increase (decrease) in allowance for doubtful accounts	12,418	4,185
Interest and dividend income	△401	△386
Accrued interest expenses	114,251	108,719
Loss on sales of property, plant and equipment	△180,012	△219
Loss on retirement of property, plant and equipment	1,099	519
Loss (gain) on devaluation of investment securities	—	28,314
Gain on investments in investment partnerships	—	△47,958
Decrease (increase) in trade receivable	△97,958	344,087
Decrease (increase) in inventories	△6,603	△7,034
Increase (decrease) in provision for bonuses	14,810	16,427
Increase (decrease) in retirement benefit liability	60,367	67,731
Increase (decrease) in unearned revenue	△9,868	△20,803
Increase (decrease) in accrued expenses	128,717	217,367
Increase (decrease) in accrued consumption taxes	39,977	△39,201
Other, net	△161,142	228,077
Subtotal	458,597	1,554,829
Interest and dividend income received	401	386
Interest expenses	△114,307	△108,719
Income taxes paid	△251,694	63,140
Net cash provided by (used in) operating activities	92,998	1,509,635
Cash flows from investing activities		
Purchase of property, plant and equipment	△822,952	△628,588
Proceeds from sales of property, plant and equipment	1,130,364	219
Purchase of intangible assets	△40,867	△2,713
Purchase of investment securities	△26,704	—
Collection of loans receivable	608	861
Purchase of shares of subsidiaries resulting in change in scope of consolidation	△128,427	—
Proceeds from distribution of investment in partnerships	—	56,829
Payments for leasehold and guarantee deposits	△160,118	△133,964
Proceeds from collection of leasehold and guarantee deposits	18,205	14,984
Purchase of long-term prepaid expenses	△12,942	△13,586
Collection of construction assistance fund receivables	14,577	15,407
Expenses from the absorption-type of merger	—	△500,000

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Payments for acquisition of business	—	△66,238
Others	12,709	△6,012
Net cash provided by (used in) investing activities	△15,548	△1,262,801

(Thousands of yen)

	Year ended March 31, 2023	Year ended March 31, 2024
Cash flows from financing activities		
Increase (decrease) in short-term loans payable	638,050	△779,914
Proceeds from long-term loans payable	1,190,597	634,465
Repayments of long-term loans payable	△1,743,612	△826,669
Purchase of treasury shares	2,475	—
Proceeds from issuance of common shares	—	14
Repayments of installment payables	△42	—
Repayments of finance lease obligations	△34,231	△29,276
Net cash provided by financing activities	53,236	△1,001,381
Net increase (decrease) in cash and cash equivalents	130,686	△754,547
Cash and cash equivalents at beginning of period	1,751,866	1,882,552
Cash and cash equivalents at end of period	1,882,552	1,128,005