



**Consolidated Financial Results**  
**for the Second Quarter of the Fiscal Year Ending December 31, 2024**  
**(Six Months Ended June 30, 2024)**

[Japanese GAAP]

August 14, 2024

Company name: Orchestra Holdings Inc.  
 Stock code: 6533  
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Listing: Tokyo Stock Exchange  
 URL: <https://orchestra-hd.co.jp/>

Scheduled date of filing of Semi-annual Report: August 14, 2024  
 Scheduled date of payment of dividend: -  
 Preparation of supplementary materials for financial results: Yes  
 Holding of financial results meeting: Yes (for analysts and institutional investors)  
 (All amounts are rounded down to the nearest million yen)

**1. Consolidated Financial Results for the First Six Months of 2024 (January 1 to June 30, 2024)**

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended Jun. 30, 2024	6,730	16.3	748	29.5	494	28.8	484	22.9	249	23.0
Six months ended Jun. 30, 2023	5,786	17.2	578	(39.2)	383	(54.9)	394	(55.2)	202	(58.6)

Note: Comprehensive income (millions of yen) Six months ended Jun. 30, 2024: 284 (down 13.5%)  
 Six months ended Jun. 30, 2023: 328 (down 45.0%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended Jun. 30, 2024	25.36	25.28
Six months ended Jun. 30, 2023	20.64	20.35

Note: EBITDA = Operating profit + Depreciation + Amortization of goodwill + Share-based payment expenses

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Jun. 30, 2024	12,550	6,172	45.8
As of Dec. 31, 2023	12,712	6,036	43.1

Reference: Shareholders' equity (millions of yen) As of Jun. 30, 2024: 5,745 As of Dec. 31, 2023: 5,484

**2. Dividends**

	Dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
2023	-	0.00	-	10.00	10.00
2024	-	0.00	-	-	-
2024 (forecast)	-	-	-	11.00	11.00

Note: Revisions to the most recently announced dividend forecast: None

**3. Consolidated Forecast for 2024 (January 1 to December 31, 2024)**

(Percentages represent year-on-year changes)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	14,000	15.6	1,500	23.7	1,000	30.6	1,000	28.8	550	16.0	56.02

Note: Revisions to the most recently announced consolidated forecast: None

**\* Notes**

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

Newly added: -

Excluded: -

(2) Application of special accounting methods for presenting consolidated Interim financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of shares issued (common stock)

1) Number of shares issued at the end of the period (including treasury shares)

As of Jun. 30, 2024:	10,022,200 shares	As of Dec. 31, 2023:	9,817,800 shares
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2) Number of treasury shares at the end of the period

As of Jun. 30, 2024:	189,932 shares	As of Dec. 31, 2023:	97 shares
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3) Average number of shares during the period

Six months ended Jun. 30, 2024:	9,820,203 shares	Six months ended Jun. 30, 2023:	9,815,034 shares
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\* The current financial report is not subject to quarterly (semi-annual) review by certified public accountants or auditing firms.

\* Cautionary statement with respect to forward-looking statements, and other special items

Forecasts of future performance in this document are based on assumption judged to be valid and information currently available to the Company's management, but are not promises by the Company regarding future performance. Actual results may differ materially from the forecasts for a number of reasons.

**Consolidated Interim Financial Statements and Notes****(1) Consolidated Interim Balance Sheet**

	2023 (As of Dec. 31, 2023)	(Thousands of yen) Second quarter of 2024 (As of Jun. 30, 2024)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	3,239,909	3,691,672
Notes and accounts receivable-trade, and contract assets	3,181,225	3,032,052
Work in process	13,117	9,373
Deposits paid	347,201	301,601
Other	385,198	274,888
Allowance for doubtful accounts	(21,157)	(44)
<b>Total current assets</b>	<b>7,145,495</b>	<b>7,309,544</b>
<b>Non-current assets</b>		
Property, plant and equipment	528,641	265,772
<b>Intangible assets</b>		
Goodwill	3,566,706	3,487,960
Other	87,050	77,776
<b>Total intangible assets</b>	<b>3,653,756</b>	<b>3,565,737</b>
<b>Investments and other assets</b>		
Investment securities	943,495	966,115
Deferred tax assets	45,840	50,510
Other	404,163	400,764
Allowance for doubtful accounts	(8,411)	(8,411)
<b>Total investments and other assets</b>	<b>1,385,087</b>	<b>1,408,978</b>
<b>Total non-current assets</b>	<b>5,567,486</b>	<b>5,240,488</b>
<b>Total assets</b>	<b>12,712,981</b>	<b>12,550,033</b>

	(Thousands of yen)	
	2023 (As of Dec. 31, 2023)	Second quarter of 2024 (As of Jun. 30, 2024)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	2,081,407	1,962,441
Short-term borrowings	388,010	388,000
Current portion of long-term borrowings	516,293	477,261
Income taxes payable	240,380	299,724
Accrued consumption taxes	155,094	249,435
Provision for bonuses	-	2,941
Other	1,020,390	1,033,897
<b>Total current liabilities</b>	<b>4,401,575</b>	<b>4,413,702</b>
<b>Non-current liabilities</b>		
Long-term borrowings	2,104,458	1,787,037
Other	170,215	176,709
<b>Total non-current liabilities</b>	<b>2,274,673</b>	<b>1,963,746</b>
<b>Total liabilities</b>	<b>6,676,248</b>	<b>6,377,448</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	207,431	353,958
Capital surplus	1,691,443	1,837,970
Retained earnings	3,276,890	3,427,790
Treasury shares	(102)	(200,109)
<b>Total shareholders' equity</b>	<b>5,175,662</b>	<b>5,419,609</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	310,853	327,638
Foreign currency translation adjustment	(1,576)	(1,535)
<b>Total accumulated other comprehensive income</b>	<b>309,276</b>	<b>326,103</b>
Share acquisition rights	144,577	1,505
Non-controlling interests	407,216	425,368
<b>Total net assets</b>	<b>6,036,733</b>	<b>6,172,585</b>
<b>Total liabilities and net assets</b>	<b>12,712,981</b>	<b>12,550,033</b>

**(2) Consolidated Interim Statements of Income and Comprehensive Income****Consolidated Interim Statement of Income  
(For the Six-month Period)**

	(Thousands of yen)	
	First six months of 2023 (Jan. 1 – Jun. 30, 2023)	First six months of 2024 (Jan. 1 – Jun. 30, 2024)
Net sales	5,786,218	6,730,686
Cost of sales	2,915,611	3,500,568
Gross profit	2,870,607	3,230,117
Selling, general and administrative expenses	2,486,879	2,735,855
Operating profit	383,727	494,261
Non-operating income		
Interest and dividend income	28	28
Subsidy income	1,539	-
Rental income from real estate	17,202	10,754
Cashback income	3,879	6,863
Other	5,260	3,731
Total non-operating income	27,910	21,379
Non-operating expenses		
Interest expenses	4,854	10,528
Commission expenses	7,335	17,210
Depreciation	3,446	2,207
Other	1,907	1,318
Total non-operating expenses	17,543	31,264
Ordinary profit	394,094	484,376
Extraordinary income		
Gain on sale of investment securities	-	4,980
Gain on sale of non-current assets	-	13,119
Gain on reversal of share acquisition rights	-	27,027
Total extraordinary income	-	45,128
Extraordinary losses		
Loss on valuation of investment securities	8,099	-
Loss on retirement of non-current assets	2,008	-
Total extraordinary losses	10,108	-
Profit before income taxes	383,985	529,504
Income taxes-current	154,562	268,162
Income taxes-deferred	31,350	(5,869)
Total income taxes	185,912	262,292
Profit	198,072	267,211
Profit (loss) attributable to non-controlling interests	(4,471)	18,134
Profit attributable to owners of parent	202,544	249,076

**Consolidated Interim Statement of Comprehensive Income**  
**(For the Six-month Period)**

	(Thousands of yen)	
	First six months of 2023 (Jan. 1 – Jun. 30, 2023)	First six months of 2024 (Jan. 1 – Jun. 30, 2024)
Profit	198,072	267,211
Other comprehensive income		
Valuation difference on available-for-sale securities	131,412	16,785
Foreign currency translation adjustment	(1,136)	57
Total other comprehensive income	130,276	16,842
Comprehensive income	328,349	284,054
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	333,144	265,902
Comprehensive income attributable to non-controlling interests	(4,795)	18,151

**(3) Consolidated Interim Statement of Cash Flows**

(Thousands of yen)

	First six months of 2023 (Jan. 1 – Jun. 30, 2023)	First six months of 2024 (Jan. 1 – Jun. 30, 2024)
Cash flows from operating activities		
Profit before income taxes	383,985	529,504
Depreciation	29,692	34,931
Amortization of goodwill	168,151	221,641
Loss (gain) on sale of non-current assets	-	(13,119)
Loss on retirement of non-current assets	2,008	-
Loss (gain) on sale of investment securities	-	(4,980)
Loss (gain) on valuation of investment securities	8,099	-
Gain on reversal of subscription rights to shares	-	(27,027)
Increase (decrease) in provision for bonuses	(23,132)	3,069
Increase (decrease) in allowance for doubtful accounts	-	(21,113)
Interest and dividend income	(28)	(28)
Interest expenses	4,854	10,528
Decrease (increase) in trade receivables, and contract assets	308,609	149,193
Decrease (increase) in inventories	962	3,903
Decrease (increase) in deposits paid	(28,823)	8,114
Decrease (increase) in other current assets	278,904	81,388
Increase (decrease) in trade payables	16,239	(118,965)
Increase (decrease) in accrued consumption taxes	(79,812)	99,845
Increase (decrease) in other current liabilities	(83,023)	(42,430)
Other, net	(8,717)	(1,835)
Subtotal	977,972	912,619
Interest and dividends received	28	28
Interest paid	(5,808)	(11,055)
Income taxes refund	399,207	28,990
Income taxes paid	(317,843)	(204,331)
Net cash provided by (used in) operating activities	1,053,555	726,252
Cash flows from investing activities		
Purchase of investment securities	(158,560)	(17,500)
Proceeds from sale of investment securities	-	24,974
Purchase of property, plant and equipment	(21,933)	(2,376)
Proceeds from sale of property, plant and equipment	-	244,486
Payments of leasehold and guarantee deposits	(27,984)	(260)
Proceeds from refund of leasehold and guarantee deposits	25,675	1,374
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(2,039,476)	-
Payments for acquisition of businesses	-	(85,000)
Other, net	(2,361)	(1,279)
Net cash provided by (used in) investing activities	(2,224,641)	164,419

	(Thousands of yen)	
	First six months of 2023 (Jan. 1 – Jun. 30, 2023)	First six months of 2024 (Jan. 1 – Jun. 30, 2024)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	215,000	(10)
Proceeds from long-term borrowings	2,200,000	-
Repayments of long-term borrowings	(399,897)	(356,453)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	5,542	177,010
Purchase of treasury shares	-	(200,607)
Dividends paid	(88,183)	(98,095)
Other, net	1,150	-
Net cash provided by (used in) financing activities	1,933,611	(478,155)
Effect of exchange rate change on cash and cash equivalents	580	1,733
Net increase (decrease) in cash and cash equivalents	763,106	414,249
Cash and cash equivalents at beginning of period	3,067,509	3,277,073
Cash and cash equivalents at end of period	3,830,616	3,691,323

*This financial report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*