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Aug 14, 2024

Consolidated Financial Results for the Three Months Ended June 30, 2024 (Under Japanese GAAP)

Company name: Living Platform, Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 7091
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Scheduled date for filing quarterly securities report: August 14, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

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

1. Consolidated financial results for the Three Months Ended June 30, 2024

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
June 30, 2024	4,564	15.3	42	54.5	65	△5.2	47	1.0
June 30, 2023	3,959	18.6	27	△76.6	69	30.2	46	△35.8

Note: Comprehensive income

As of June 30, 2024: 48 millions of yen (△4.8%)
 As of June 30, 2023: 46 millions of yen (△38.4%)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2024	10.57	10.55
June 30, 2023	10.46	10.32

Note: In the fiscal year ended 31 March 2024, the provisional accounting treatment for business combinations was finalized, and the respective figures for the first quarter of the year ended 31 March 2024 reflect the finalized provisional accounting. The figures for the first quarter of the year ended 31 March 2024 reflect the provisional accounting.

(2) Consolidated financial position

	Total assets	Net assets (Total equity)	Equity ratio, Owner's equity to total assets
As of	Millions of yen	Millions of yen	%
June 30, 2024	11,474	1,717	14.8
March 31, 2024	11,189	1,662	14.7

Reference: Total shareholders' equity

As of June 30, 2024: 1,695 millions of yen
 As of March 31, 2024: 1,646 millions of yen

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 March 31, 2024	—	0.00	—	0.00	0.00
Fiscal year ending March 31, 2025	—				
Fiscal year ending March 31, 2025 (Forecast)		0.00	—	0.00	0.00

(Note) Revisions to most recent dividend forecast: None

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

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Full year	18,965	13.8	503	—	461	133.9	357	88.7

(Note) Revisions to most recent dividend forecast: None

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) Application of special accounting methods for preparing quarterly consolidated financial statements: No

(3) Changes in accounting policies and accounting estimates

[1] Changes in accounting policies required: Yes

[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 June 30, 2024 4,492,200 shares

As of March 31, 2024 4,492,200 shares

[2] Number of shares of treasury stock

As of June 30, 2024 43,158 shares

As of March 31, 2024 43,158 shares

[3] Average number of shares outstanding during the period

Year ended June 30, 2024 4,449,042 shares

Year ended June 30, 2023 4,446,042 shares

* 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.

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
ASSETS		
Current assets		
Cash and deposits	1,128,005	1,374,910
Notes and accounts receivable-trade	1,345,337	1,356,828
Inventories	5,524	8,449
Raw materials and supplies	34,492	39,372
Prepaid expenses	374,060	370,252
Other	375,636	249,354
Allowance for doubtful accounts	△6,943	△6,943
Total current assets	3,256,111	3,392,223
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,825,082	3,087,145
Vehicles, net	9,266	9,348
Tools, furniture and fixtures, net	102,215	100,795
Land	1,509,734	1,509,734
Lease assets, net	437,445	428,954
Construction in progress	124,123	6,089
Other, net	39,024	37,242
Total property, plant and equipment	5,046,893	5,179,310
Intangible assets		
Goodwill	1,284,534	1,252,504
Software	40,274	45,707
Other	52,049	51,631
Total intangible assets	1,376,858	1,349,844
Investments and other assets		
Investment securities	89,152	78,415
Long-term loans receivable	34,013	33,806
Long-term prepaid expenses	51,663	50,416
Deferred tax assets	203,613	220,167
Guarantee deposits	996,278	1,039,685
Other	163,327	159,496
Allowance for accounts receivable	△28,564	△28,564
Total investments and other assets	1,509,483	1,553,422
Total non-current assets	7,933,234	8,082,577
Total assets	11,189,346	11,474,801

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Short-term borrowings	150,000	150,000
Current portion of long-term borrowings	753,979	799,231
Lease obligations	30,499	27,968
Accounts payable – other	648,236	820,953
Accrued expenses	778,141	826,340
Income taxes payable	105,669	62,351
Unearned revenue	278,289	295,602
Withholdings	98,344	254,133
Provision for bonuses	127,973	240,895
Other	49,021	39,208
Total current liabilities	3,020,155	3,516,685
Non-current liabilities		
Long-term borrowings	4,465,304	4,175,834
Long-term advance received	404,097	405,396
Lease obligations	582,797	577,440
Retirement benefit liability	329,324	348,500
Deferred tax liability	27,958	3,727
Other	697,119	729,916
Total non-current liabilities	6,506,602	6,240,815
Total liabilities	9,526,757	9,757,501
Net assets		
Shareholders' equity		
Share Capital	358,995	358,995
Capital surplus	905,241	905,241
Retained earnings	452,674	499,859
Treasury shares	△79,459	△79,459
Total shareholders' equity	1,637,452	1,684,637
Accumulated other comprehensive income		
Net unrealized gains on securities	8,606	10,369
Accumulated other comprehensive income total	8,606	10,369
Subscription rights to shares	16,529	22,292
Total net assets	1,662,588	1,717,299
Total liabilities and net assets	11,189,346	11,474,801

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

(Thousands of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	3,959,430	4,564,912
Cost of sales	3,517,524	4,146,622
Gross profit	441,905	418,290
Selling, general and administrative expenses	414,694	376,253
Operating profit (loss)	27,211	42,037
Non-operating income		
Interest income	277	94
Subsidy income	49,935	40,040
Other	21,769	12,251
Total non-operating income	71,982	52,387
Non-operating expenses		
Interest expenses	28,147	26,889
Other	1,519	1,646
Total non-operating expenses	29,667	28,535
Ordinary profit (loss)	69,527	65,888
Extraordinary income		
Gain on sales of non-current assets	219	—
Income from reversal of subscription rights to shares	27,360	—
Total extraordinary income	27,580	—
Profit before income taxes	97,107	65,888
Income taxes - current	60,100	60,609
Income taxes – differed	△9,543	△41,725
Total income taxes	50,557	18,883
Profit	46,550	47,004
Profit attributable to owners of parent	46,550	47,004

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit (loss)	46,550	47,004
Other		
Unrealized gain/loss on available-for-sale securities	—	1,762
Accumulated other comprehensive income total	—	1,762
Comprehensive income	46,550	48,767
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	46,550	48,767

Notes to Consolidated Quarterly Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes When There Are Significant Changes in Amounts of Equity)

Not applicable.

(Changes in Accounting policies)

Application of Accounting Standard for Current Income Taxes The Accounting Standard for Current Income Taxes (ASBJ Statement No. 27; October 28, 2022; hereinafter, "2022 Revised Accounting Standard") has been applied since the beginning of the first-quarter period. This change in accounting policy has no impact on the consolidated financial statements.

(Notes regarding segment information, etc.)

This information is omitted because the Company's life care business is its single segment.

(Notes on quarterly statements of cash flows)

Quarterly statements of cash flows for the three months ended June 30, 2024 are not prepared. Depreciation associated with the first three months of the previous and current fiscal years (including amortization of intangible assets) is as follows. (Millions of yen) Three months ended June 30, 2023 Three months ended June 30, 2024 Depreciation 159 270

	Three months ended June 30, 2023	Three months ended June 30, 2024
Depreciation	60,055 Thousands of yen	67,806 Thousands of yen
Amortization of goodwill	30,947 Thousands of yen	32,029 Thousands of yen

Note: At the end of the previous fiscal year, the provisional accounting for the business combination was finalized and the amortized amount of goodwill reflects the details of the provisional accounting finalized.