



**Consolidated Financial Results**  
**for the Third Quarter of the Fiscal Year Ending December 31, 2022**  
**(Nine Months Ended September 30, 2022)**

[Japanese GAAP]

November 14, 2022

Company name: Orchestra Holdings Inc. Listing: Tokyo Stock Exchange  
 Stock code: 6533 URL: <https://orchestra-hd.co.jp/>  
 Representative: Yoshiro Nakamura, President and Representative Director  
 Contact: Naomi Iyogi, Director and CFO  
 Tel: +81-3-6450-4307

Scheduled date of filing of Quarterly Report: November 14, 2022

Scheduled date of payment of dividend: -

Preparation of supplementary materials for quarterly financial results: Yes

Holding of quarterly financial results meeting: None

(All amounts are rounded down to the nearest million yen)

**1. Consolidated Financial Results for the First Nine Months of 2022 (January 1 to September 30, 2022)**

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended Sep. 30, 2022	7,499	-	1,058	16.7	1,092	18.9	600	15.6
Nine months ended Sep. 30, 2021	11,887	39.9	906	94.5	918	98.8	519	87.1

Note: Comprehensive income (millions of yen) Nine months ended Sep. 30, 2022: 807 (up 8.9%)

Nine months ended Sep. 30, 2021: 741 (up 81.8%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended Sep. 30, 2022	61.27	60.02
Nine months ended Sep. 30, 2021	53.06	52.90

Note: The Company has adopted "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the first quarter of the fiscal year ending December 31, 2022, and the figures for the nine months ended Sep. 30, 2022 are based on the application of the standard. The application of this standard has a significant impact on net sales, and it is not appropriate to compare it with the figures for the nine months ended Sep. 30, 2021. Accordingly, the year-on-year changes are not indicated.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Sep. 30, 2022	11,538	5,486	42.5
As of Dec. 31, 2021	10,560	4,945	40.9

Reference: Shareholders' equity (millions of yen) As of Sep. 30, 2022: 4,901 As of Dec. 31, 2021: 4,315

**2. Dividends**

	Dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
2021	-	0.00	-	8.00	8.00
2022	-	0.00	-	-	-
2022 (forecast)	-	-	-	9.00	9.00

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

**3. Consolidated Forecast for 2022 (January 1 to December 31, 2022)**

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	10,000	-	1,670	32.3	1,680	30.6	950	25.5	96.98

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

Note: The Company has adopted "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the fiscal year ending December 31, 2022, and the forecasts are based on the application of the standard. The application of this standard has a significant impact on net sales, and it is not appropriate to compare it with the actual figures for the fiscal year ended December 2021. Accordingly, the year-on-year changes in net sales are not indicated. In accordance with the previous standard, for the fiscal year ending December 31, 2022, net sales were 21,000 million yen (up 26.2% year-on-year).

**\* Notes**

(1) Changes in significant subsidiaries during the period (change in scope of consolidation): Yes

Newly added: 1 Name: DI Marketing Partners Co., Ltd. Excluded: -

(2) Application of special accounting methods for presenting quarterly consolidated 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: Yes

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 Sep. 30, 2022:	9,800,000 shares	As of Dec. 31, 2021:	9,796,000 shares
----------------------	------------------	----------------------	------------------

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

As of Sep. 30, 2022:	97 shares	As of Dec. 31, 2021:	97 shares
----------------------	-----------	----------------------	-----------

3) Average number of shares during the period

Nine months ended Sep. 30, 2022:	9,797,015 shares	Nine months ended Sep. 30, 2021:	9,791,745 shares
----------------------------------	------------------	----------------------------------	------------------

\* The current financial report is not subject to quarterly 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.

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

	(Thousands of yen)	
	2021 (As of Dec. 31, 2021)	Third quarter of 2022 (As of Sep. 30, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	4,958,380	3,272,421
Notes and accounts receivable-trade, and contract assets	-	3,169,706
Notes and accounts receivable-trade	2,528,114	-
Work in process	26,445	27,712
Deposits paid	185,049	258,844
Other	158,625	624,555
Total current assets	<u>7,856,615</u>	<u>7,353,240</u>
Non-current assets		
Property, plant and equipment	619,624	651,913
Intangible assets		
Goodwill	1,139,962	2,083,918
Other	8,412	51,310
Total intangible assets	<u>1,148,375</u>	<u>2,135,229</u>
Investments and other assets		
Investment securities	583,687	996,889
Other	352,675	401,670
Total investments and other assets	<u>936,362</u>	<u>1,398,559</u>
Total non-current assets	<u>2,704,362</u>	<u>4,185,702</u>
Total assets	<u>10,560,977</u>	<u>11,538,943</u>
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	1,876,559	2,499,267
Short-term borrowings	-	670,000
Current portion of long-term borrowings	309,239	290,855
Income taxes payable	1,149,647	197,860
Accrued consumption taxes	279,957	158,934
Provision for bonuses	58,986	63,037
Other	586,403	797,714
Total current liabilities	<u>4,260,793</u>	<u>4,677,669</u>
Non-current liabilities		
Long-term borrowings	1,224,915	1,095,711
Other	129,413	279,340
Total non-current liabilities	<u>1,354,328</u>	<u>1,375,051</u>
Total liabilities	<u>5,615,122</u>	<u>6,052,720</u>
<b>Net assets</b>		
Shareholders' equity		
Share capital	194,637	195,521
Capital surplus	1,790,404	1,678,259
Retained earnings	2,115,627	2,637,571
Treasury shares	(102)	(102)
Total shareholders' equity	<u>4,100,567</u>	<u>4,511,249</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	214,892	391,897
Foreign currency translation adjustment	(332)	(1,684)
Total accumulated other comprehensive income	<u>214,560</u>	<u>390,213</u>
Share acquisition rights	154,486	154,001
Non-controlling interests	476,240	430,758
Total net assets	<u>4,945,855</u>	<u>5,486,222</u>
Total liabilities and net assets	<u>10,560,977</u>	<u>11,538,943</u>

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

(Thousands of yen)

	First nine months of 2021 (Jan. 1 – Sep. 30, 2021)	First nine months of 2022 (Jan. 1 – Sep. 30, 2022)
Net sales	11,887,555	7,499,036
Cost of sales	9,137,627	3,824,701
Gross profit	2,749,927	3,674,334
Selling, general and administrative expenses	1,843,224	2,616,240
Operating profit	906,703	1,058,094
Non-operating income		
Interest and dividend income	35	281
Subsidy income	7,118	17,528
Rental income from real estate	-	26,402
Gain on adjustment of account payable	6,665	-
Other	2,272	4,104
Total non-operating income	16,091	48,316
Non-operating expenses		
Interest expenses	1,967	2,870
Commission expenses	1,808	6,040
Depreciation	-	5,140
Other	94	200
Total non-operating expenses	3,870	14,252
Ordinary profit	918,924	1,092,158
Extraordinary losses		
Loss on retirement of non-current assets	-	3,710
Total extraordinary losses	-	3,710
Profit before income taxes	918,924	1,088,447
Income taxes-current	382,251	435,032
Income taxes-deferred	(6,355)	21,098
Total income taxes	375,895	456,131
Profit	543,028	632,316
Profit attributable to non-controlling interests	23,522	32,005
Profit attributable to owners of parent	519,506	600,310

**(Quarterly Consolidated Statement of Comprehensive Income)**  
**(For the Nine-month Period)**

(Thousands of yen)

	First nine months of 2021 (Jan. 1 – Sep. 30, 2021)	First nine months of 2022 (Jan. 1 – Sep. 30, 2022)
Profit	543,028	632,316
Other comprehensive income		
Valuation difference on available-for-sale securities	199,360	177,005
Foreign currency translation adjustment	(723)	(1,865)
Total other comprehensive income	198,637	175,139
Comprehensive income	741,666	807,456
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	718,265	775,984
Comprehensive income attributable to non-controlling interests	23,400	31,471

*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.*