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November 9, 2023

**Summary of Consolidated Financial Results for the  
Third Quarter of the Fiscal Year Ending December 31, 2023  
(Nine Months Ended September 30, 2023)  
(Under Japanese GAAP)**

Company name: LA Holdings Co., Ltd.  
Listing: Tokyo Stock Exchange, Fukuoka Stock Exchange  
Securities code: 2986  
URL: <https://www.lahd.co.jp/>  
Representative: Eiichi Wakita, President and Representative Director  
Inquiries: Kazunari Kurihara, Board Director  
Telephone: +81-3-5405-7350  
Scheduled date to file quarterly securities report: November 9, 2023  
Scheduled date to commence dividend payments: -  
Preparation of supplementary material on quarterly financial results: Yes  
Holding of quarterly financial results briefing: None

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

**1. Consolidated financial results for the nine months ended September 30, 2023  
(from January 1, 2023 to September 30, 2023)**

**(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, 2023	22,678	114.5	3,705	151.4	3,254	184.0	2,086	149.8
September 30, 2022	10,571	(3.7)	1,474	(39.3)	1,145	(48.2)	835	(45.3)

Note: Comprehensive income For the nine months ended September 30, 2023: ¥2,096 million [134.6%]  
For the nine months ended September 30, 2022: ¥893 million [(41.9)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
September 30, 2023	352.28	345.26
September 30, 2022	157.79	154.04

**(2) Consolidated financial position**

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2023	58,113	13,274	22.6
December 31, 2022	50,669	11,417	22.3

Reference: Equity As of September 30, 2023: ¥13,132 million  
As of December 31, 2022: ¥11,286 million

Note: The provisional accounting treatment for a business combination has been finalized in the first quarter of 2023. All figures as of December 31, 2022 reflect the finalized figures.

## 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 December 31, 2022	-	0.00	-	200.00	200.00
Fiscal year ending December 31, 2023	-	0.00	-		
Fiscal year ending December 31, 2023 (Forecast)				210.00	210.00

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Consolidated Outlook for Fiscal Year 2023 (from January 1, 2023 to December 31, 2023)

(Percentages indicate year-on-year changes.)

	Net sales		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 2023	30,000	64.4	5,500	30.1	4,800	28.7	3,400	0.1	586.79

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

**\* Notes**

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

Newly included: -

Excluded: 1 company (FAN STYLE HD Co., Ltd.)

Note: Please refer to “2. Quarterly Consolidated Financial Statements and Notes, (3) Notes to Quarterly Consolidated Financial Statements (Changes in Significant Subsidiaries during the Period)” on page 8 for further information.

- (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: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

Note: Please refer to “2. Quarterly Consolidated Financial Statements and Notes, (3) Notes to Quarterly Consolidated Financial Statements (Changes in Accounting Policies)” on page 8 for further information.

- (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, 2023	6,089,775 shares
As of December 31, 2022	5,794,275 shares

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

As of September 30, 2023	39 shares
As of December 31, 2022	- shares

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

Nine months ended September 30, 2023	5,924,288 shares
Nine months ended September 30, 2022	5,294,581 shares

\* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

\* Cautionary statement with respect to forward-looking statements

The above projections are based on information available at the time of release of this report. Actual results could differ significantly from these projections due to a variety of factors. For further details regarding the projections, please refer to page 3, “1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Consolidated Forecasts and Other Forward-looking Statements.”

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## 1. Qualitative Information on Quarterly Consolidated Financial Performance

### (1) Explanation of Results of Operations

A provisional accounting treatment was used in the 2022 consolidated financial statements concerning the acquisition of FAN STYLE HD Co., Ltd. on December 30, 2022. The accounting treatment was finalized in the first quarter of 2023. As a result, comparisons in the financial statements for the first nine months reflect the reexamination of the allocation of the cost of this acquisition. Comparisons and analysis concerning the end of 2022 are based on monetary figures that reflect the reexamination of the initial allocation of the cost of the acquisition due to the finalization of the provisional accounting treatment.

In the first nine months of 2023, net sales increased 114.5% year on year to 22,678 million yen, operating profit increased 151.4% to 3,705 million yen, ordinary profit increased 184.0% to 3,254 million yen and profit attributable to owners of parent increased 149.8% to 2,086 million yen.

Business segment performance was as follows.

#### Business Segment Sales

Segments	3Q 2022	3Q 2023	Composition	YoY
	(Jan. 1, 2022 – Sep. 30, 2022)	(Jan. 1, 2023 – Sep. 30, 2023)		
	Thousands of yen	Thousands of yen	%	%
Real Estate Sales	9,856,983	21,887,508	96.5	122.1
[New Real Estate Sales]	[5,893,505]	[10,138,981]	44.7	72.0
[Revitalized Real Estate Sales]	[3,963,478]	[11,748,527]	51.8	196.4
Real Estate Leasing	660,801	762,879	3.4	15.4
Others	54,030	28,407	0.1	(47.4)
Total	10,571,815	22,678,795	100.0	114.5

Note: Sales exclude intersegment sales.

#### 1) New Real Estate Sales

Sales in the first nine months in this segment increased by 72.0% year on year to 10,138 million yen, and segment profit increased by 120.4% to 2,666 million yen. This growth was mainly attributable to the successful completion of six land sales transactions and the sales of THE EDGE office building in Shibuya-ku, Tokyo and A\*G Nishi-Nakasu commercial building in Fukuoka City, Fukuoka Prefecture, which are properties under income-producing development projects. Additionally, the construction of new condominium buildings L'attrait RESIDENCE Meinohama located in Fukuoka City, Fukuoka Prefecture and un rêve GRANDIT YAESE located in Okinawa Prefecture was successfully completed and there is stable progress in delivery.

#### 2) Revitalized Real Estate Sales

Sales in the first nine months in this segment increased by 196.4% year on year to 11,748 million yen, and segment profit increased by 293.3% to 1,545 million yen. This growth was primarily driven by the strong sales of the Premium Renovation Series properties, which constitute the core business focused on selling individually refurbished condominiums. Additionally, the completion of sales involving land and buildings in Shibuya-ku, Tokyo and other properties within the investment project business further contributed to this positive performance.

#### 3) Real Estate Leasing

Sales in the first nine months in this segment increased by 15.4% year on year to 762 million yen, and segment profit increased by 37.3% to 342 million yen. This was mainly due to an increase in leasing income at a healthcare facility.

Note: Segment profit is the segment gross profit minus the segment selling expenses and non-operating expenses.

**(2) Explanation of Financial Position**

Assets totaled 58,113 million yen at the end of the third quarter of 2023, an increase of 7,444 million yen from the end of 2022. This change included increases of 1,516 million yen in cash and deposits, 4,469 million yen in real estate for sale due to purchases of real estate for business operations and land for real estate developments, and 2,164 million yen in real estate for sale in process.

Liabilities totaled 44,839 million yen at the end of the third quarter of 2023, an increase of 5,587 million yen from the end of 2022. This change included a decrease of 617 million yen in income taxes payable, and increases of 867 million yen in short-term borrowings, 2,678 million yen in current portion of long-term borrowings and 2,381 million yen in long-term borrowings due to the procurement of funds to purchase real estate for business operations and land for real estate developments.

Net assets totaled 13,274 million yen at the end of the third quarter of 2023, an increase of 1,856 million yen from the end of 2022. This change included a decrease of 1,158 million yen in capital surplus due to dividend payments, an increase of 454 million yen each in share capital and capital surplus due to exercise of share acquisition rights, and profit attributable to owners of parent of 2,086 million yen.

**(3) Explanation of Consolidated Forecasts and Other Forward-looking Statements**

There are no revisions to the 2023 forecast that was announced on February 14, 2023 with results of operations for 2022.

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

(Thousands of yen)

	Fiscal Year 2022 (As of Dec. 31, 2022)	3Q 2023 (As of Sep. 30, 2023)
Assets		
Current assets		
Cash and deposits	9,482,711	10,999,148
Accounts receivable-trade	4,730	2,602
Real estate for sale	12,495,968	16,965,321
Real estate for sale in process	16,343,214	18,507,830
Other	991,851	791,772
Allowance for doubtful accounts	(1,507)	(900)
Total current assets	39,316,970	47,265,776
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,651,472	5,570,075
Land	4,622,908	4,534,416
Other, net	94,179	103,156
Total property, plant and equipment	10,368,560	10,207,648
Intangible assets	39,913	39,238
Investments and other assets	935,212	594,102
Total non-current assets	11,343,686	10,840,989
Deferred assets	8,580	6,686
Total assets	50,669,236	58,113,452

	(Thousands of yen)	
	Fiscal Year 2022 (As of Dec. 31, 2022)	3Q 2023 (As of Sep. 30, 2023)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	547,830	1,272,590
Short-term borrowings	4,197,600	5,065,100
Current portion of bonds payable	10,000	810,000
Current portion of long-term borrowings	8,948,282	11,626,830
Income taxes payable	1,082,636	465,329
Provision for bonuses	54,650	-
Provision for bonuses for directors (and other officers)	22,200	-
Other	1,205,329	820,078
<b>Total current liabilities</b>	<b>16,068,527</b>	<b>20,059,928</b>
<b>Non-current liabilities</b>		
Bonds payable	920,000	230,000
Long-term borrowings	21,321,997	23,703,671
Asset retirement obligations	112,909	113,363
Other	828,152	732,442
<b>Total non-current liabilities</b>	<b>23,183,060</b>	<b>24,779,477</b>
<b>Total liabilities</b>	<b>39,251,588</b>	<b>44,839,406</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	613,926	1,068,157
Capital surplus	1,645,001	1,329,055
Retained earnings	9,043,265	10,741,572
Treasury shares	-	(146)
<b>Total shareholders' equity</b>	<b>11,302,193</b>	<b>13,138,638</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	(27,064)	(288)
Deferred gains or losses on hedges	(6,955)	(5,737)
Foreign currency translation adjustment	18,148	-
<b>Total accumulated other comprehensive income</b>	<b>(15,870)</b>	<b>(6,025)</b>
Share acquisition rights	131,324	141,433
<b>Total net assets</b>	<b>11,417,648</b>	<b>13,274,045</b>
<b>Total liabilities and net assets</b>	<b>50,669,236</b>	<b>58,113,452</b>



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

	(Thousands of yen)	
	3Q 2022 (Jan. 1, 2022 – Sep. 30, 2022)	3Q 2023 (Jan. 1, 2023 – Sep. 30, 2023)
Net sales	10,571,815	22,678,795
Cost of sales	7,931,079	16,806,740
Gross profit	2,640,735	5,872,054
Selling, general and administrative expenses	1,166,479	2,166,222
Operating profit	1,474,256	3,705,832
Non-operating income		
Interest income	1,334	673
Dividend income	3,028	9,439
Foreign exchange gains	156,676	25,651
Insurance return	2,648	116,684
Other	34,521	41,660
Total non-operating income	198,208	194,108
Non-operating expenses		
Interest expenses	298,725	405,684
Commission expenses	125,952	157,881
Amortization of bond issuance expenses	3,403	3,954
Other	98,493	77,840
Total non-operating expenses	526,575	645,360
Ordinary profit	1,145,888	3,254,581
Extraordinary income		
Gain on sale of non-current assets	2,989	-
Gain on sale of investment securities	-	10,303
Total extraordinary income	2,989	10,303
Extraordinary losses		
Loss on sale of investment securities	-	24,124
Loss on sale of shares of subsidiaries and associates	-	60,243
Total extraordinary losses	-	84,367
Profit before income taxes	1,148,878	3,180,516
Income taxes-current	258,579	1,049,069
Income taxes-deferred	54,889	44,462
Total income taxes	313,469	1,093,532
Profit	835,408	2,086,984
Profit attributable to owners of parent	835,408	2,086,984

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

	(Thousands of yen)	
	3Q 2022 (Jan. 1, 2022 – Sep. 30, 2022)	3Q 2023 (Jan. 1, 2023 – Sep. 30, 2023)
Profit	835,408	2,086,984
Other comprehensive income		
Valuation difference on available-for-sale securities	4,431	26,776
Deferred gains or losses on hedges	1,374	1,217
Foreign currency translation adjustment	52,659	(18,148)
Total other comprehensive income	58,465	9,844
Comprehensive income	893,873	2,096,828
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	893,873	2,096,828
Comprehensive income attributable to non-controlling interests	-	-

**(3) Notes to Quarterly Consolidated Financial Statements****(Going Concern Assumption)**

Not applicable.

**(Significant Changes in Shareholders' Equity)**

Not applicable.

**(Changes in Significant Subsidiaries during the Period)**

In the first quarter of 2023, consolidated subsidiary FAN STYLE HD Co., Ltd. was dissolved and removed from the scope of consolidation following its merger with consolidated subsidiary FAN STYLE Co., Ltd., which is the surviving company of this absorption-type merger.

**(Changes in Accounting Policies)**

(Application of the Implementation Guidance on the Accounting Standard for Fair Value Measurement)

The Company has applied the Implementation Guidance on the Accounting Standard for Fair Value Measurement (Accounting Standards Board of Japan (ASBJ) Guidance No. 31, June 17, 2021) from the beginning of the first quarter of the current fiscal year, and has applied the new accounting policies set forth by the Implementation Guidance on the Accounting Standard for Fair Value Measurement prospectively in accordance with the transitional measures in Paragraph 27-2 of the Implementation Guidance on the Accounting Standard for Fair Value Measurement. There is no effect of the application of this guidance on the quarterly consolidated financial statements.

**(Segment Information)**

I 3Q 2022 (Jan. 1, 2022 – Sep. 30, 2022)

1. Information related to sales and profit or loss for each reportable segment (Thousands of yen)

	Reportable segment				Others (Note)	Total
	New Real Estate Sales	Revitalized Real Estate Sales	Real Estate Leasing	Sub-total		
Net sales						
Sales to customers	5,893,505	3,963,478	660,801	10,517,785	54,030	10,571,815
Inter-segment sales or transfers	-	-	-	-	117,280	117,280
Total	5,893,505	3,963,478	660,801	10,517,785	171,310	10,689,095
Segment profit	1,210,138	392,857	249,521	1,852,517	171,310	2,023,827

Note: Others represent the businesses which are not included in any of the reportable segments and consist of the brokerage business.

2. Difference between total amounts for reportable segments and amounts recorded in the quarterly consolidated financial statements, and primary items of such difference (items related to the difference adjustments)

(Thousands of yen)

Profit	Amount
Total for reportable segments	1,852,517
Profit classified as "Others"	171,310
Eliminations for inter-segment transactions	(117,280)
Corporate expenses (Note)	(760,658)
Ordinary profit on the quarterly consolidated statement of income	1,145,888

Note: Corporate expenses consist mainly of general and administrative expenses, and non-operating expenses that cannot be attributed to any of the reportable segments.

3. Information related to impairment of non-current assets, goodwill, etc. for each reportable segment

Not applicable.

II 3Q 2023 (Jan. 1, 2023 – Sep. 30, 2023)

## 1. Information related to sales and profit or loss for each reportable segment (Thousands of yen)

	Reportable segment				Others (Note)	Total
	New Real Estate Sales	Revitalized Real Estate Sales	Real Estate Leasing	Sub-total		
Net sales						
Sales to customers	10,138,981	11,748,527	762,879	22,650,388	28,407	22,678,795
Inter-segment sales or transfers	-	-	-	-	265,117	265,117
Total	10,138,981	11,748,527	762,879	22,650,388	293,524	22,943,912
Segment profit	2,666,985	1,545,229	342,601	4,554,816	290,955	4,845,771

Note: Others represent the businesses which are not included in any of the reportable segments and consist of the brokerage business.

## 2. Difference between total amounts for reportable segments and amounts recorded in the quarterly consolidated financial statements, and primary items of such difference (items related to the difference adjustments)

(Thousands of yen)

Profit	Amount
Total for reportable segments	4,554,816
Profit classified as "Others"	290,955
Eliminations for inter-segment transactions	(265,117)
Corporate expenses (Note)	(1,326,072)
Ordinary profit on the quarterly consolidated statement of income	3,254,581

Note: Corporate expenses consist mainly of general and administrative expenses, and non-operating expenses that cannot be attributed to any of the reportable segments.

## 3. Information related to impairment of non-current assets, goodwill, etc. for each reportable segment

Not applicable.

## Subsequent Events

Macquarie Bank Limited exercised share acquisition rights as follows between October 1 and 17, 2023. The rights exercised are the 12th share acquisition rights (with exercise price adjustment provision) that were sold to Macquarie Bank on August 26, 2022 using a third-party allotment.

On September 25, 2023, the LA Holdings Board of Directors approved a resolution to acquire all remaining 12th share acquisition rights and immediately cancel these rights. In accordance with this resolution, these rights were acquired and canceled on October 18, 2023.

### 1. Exercise of large number of 12th share acquisition rights

(1) Rights exercised	1,570
(2) Shares issued	157,000 shares of common stock
(3) Payment for exercise of rights	706,500 thousand yen
(4) Increase in share capital	354,596 thousand yen
(5) Increase in capital reserve	354,596 thousand yen

### 2. Reason for acquisition and cancelation of rights

LA Holdings has the goal of sustained growth accompanied by the steady growth of sales and earnings and the scale of business operations. Achieving this growth will require strengthening core businesses as well as using M&A and starting new businesses for adding more opportunities to generate earnings. Consequently, LA Holdings plans to make substantial investments for M&A deals and strategic alliances for expanding the scale of operations and growing consistently. These investments will target companies that have significant potential synergies with the LA Group and companies where business growth can contribute to the economic vitality of the regions where they operate. Furthermore, the LA Group has stated that the use of funds procured from the 12th share acquisition rights is “investments for growth by using M&A and strategic alliances.”

The price of LA Holdings stock has been above the 4,500 yen exercise price of the 12th share acquisition rights since July 24, 2023. Due to the relatively strong performance of the stock, it is possible to wait for the completion of the exercise of these rights by Macquarie Bank.

LA Holdings expects to have many opportunities for investments in companies with excellent prospects for synergies with the LA Group and the ability to contribute to the economic vitality of the regions where they operate. Currently, studies and negotiations are under way concerning several investments. As a result, there is a need for LA Holdings to restructure its financial and capital strategies. Based on current market conditions and other considerations, LA Holdings reached the decision to stop procuring funds from the exercise of the 12th share acquisition rights in order to place priority on determining fund procurement methods that are better suited to supporting the LA Group’s growth strategy. LA Holdings believes that this decision is also in the best interests of current shareholders.

For these reasons, a cause for the acquisition of the 12th share acquisition rights as stipulated in the terms for issuing these rights occurred on September 25, 2023. Consequently, LA Holdings acquired and canceled all remaining rights today as provided for in Article 273-1 and Article 274-1 of the Companies Act and in the terms for these rights (Paragraph 14 of the issuing terms).

### 3. Share acquisition rights acquired and canceled

(1) Share acquisition rights	LA Holdings No. 12 Share Acquisition Rights (Share acquisition rights with adjustable exercise price)
(2) Allotment date of share acquisition rights	August 26, 2022
(3) Share acquisition rights issued	2,000
(4) Rights exercised as of today	1,890
(5) Exercise period	August 29, 2022 to August 28, 2024
(6) Rights acquired and canceled	110
(7) Acquisition price and total cost	1,715 yen per share acquisition right Total of 188,650 yen
(8) Share acquisition rights remaining after cancelation	0

\* This financial report is solely a translation of summary 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.