



Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending December 31, 2024 (Nine Months Ended September 30, 2024)

[Japanese GAAP]

November 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 payment of dividend: -

Preparation of supplementary materials for financial results: Yes

Holding of financial results meeting: None

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

1. Consolidated Financial Results for the First Nine Months of 2024 (January 1 to September 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	%
Nine months ended Sep. 30, 2024	10,150	14.7	991	16.6	608	15.0	593	9.9	295	6.5
Nine months ended Sep. 30, 2023	8,853	18.1	850	(30.4)	529	(50.0)	539	(50.6)	277	(53.7)

Note: Comprehensive income (millions of yen)

Nine months ended Sep. 30, 2024: 288 (up 10.0%)

Nine months ended Sep. 30, 2023: 262 (down 67.5%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended Sep. 30, 2024	30.12	30.03
Nine months ended Sep. 30, 2023	28.29	27.96

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 Sep. 30, 2024	12,844	6,177	44.7
As of Dec. 31, 2023	12,712	6,036	43.1

Reference: Shareholders' equity (millions of yen)

As of Sep. 30, 2024: 5,739

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: Yes

Newly added: 1 Name: Land Ho 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: 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 Sep. 30, 2024:	10,033,800 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 Sep. 30, 2024:	189,932 shares	As of Dec. 31, 2023:	97 shares
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3) Average number of shares during the period

Nine months ended Sep. 30, 2024:	9,825,524 shares	Nine months ended Sep. 30, 2023:	9,815,934 shares
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* Review of the attached quarterly consolidated financial statements by a certified public accountant or auditing firm: None

* 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)	
	2023 (As of Dec. 31, 2023)	Third quarter of 2024 (As of Sep. 30, 2024)
Assets		
Current assets		
Cash and deposits	3,239,909	3,126,550
Notes and accounts receivable-trade, and contract assets	3,181,225	3,360,203
Work in process	13,117	14,533
Deposits paid	347,201	334,855
Other	385,198	350,696
Allowance for doubtful accounts	(21,157)	(44)
Total current assets	7,145,495	7,186,795
Non-current assets		
Property, plant and equipment	528,641	261,590
Intangible assets		
Goodwill	3,566,706	3,914,911
Other	87,050	72,589
Total intangible assets	3,653,756	3,987,500
Investments and other assets		
Investment securities	943,495	885,464
Deferred tax assets	45,840	89,831
Other	404,163	441,312
Allowance for doubtful accounts	(8,411)	(8,411)
Total investments and other assets	1,385,087	1,408,196
Total non-current assets	5,567,486	5,657,288
Total assets	12,712,981	12,844,084

	(Thousands of yen)	
	2023 (As of Dec. 31, 2023)	Third quarter of 2024 (As of Sep. 30, 2024)
Liabilities		
Current liabilities		
Accounts payable-trade	2,081,407	2,166,554
Short-term borrowings	388,010	530,000
Current portion of long-term borrowings	516,293	539,568
Income taxes payable	240,380	222,271
Accrued consumption taxes	155,094	240,738
Provision for bonuses	-	12,814
Other	1,020,390	851,338
Total current liabilities	4,401,575	4,563,285
Non-current liabilities		
Long-term borrowings	2,104,458	1,962,813
Other	170,215	140,459
Total non-current liabilities	2,274,673	2,103,272
Total liabilities	6,676,248	6,666,558
Net assets		
Shareholders' equity		
Share capital	207,431	354,057
Capital surplus	1,691,443	1,838,068
Retained earnings	3,276,890	3,474,609
Treasury shares	(102)	(200,109)
Total shareholders' equity	5,175,662	5,466,626
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	310,853	275,067
Foreign currency translation adjustment	(1,576)	(1,813)
Total accumulated other comprehensive income	309,276	273,254
Share acquisition rights	144,577	1,505
Non-controlling interests	407,216	436,140
Total net assets	6,036,733	6,177,526
Total liabilities and net assets	12,712,981	12,844,084

(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 2023 (Jan. 1 – Sep. 30, 2023)	First nine months of 2024 (Jan. 1 – Sep. 30, 2024)
Net sales	8,853,151	10,150,312
Cost of sales	4,530,147	5,392,033
Gross profit	4,323,003	4,758,278
Selling, general and administrative expenses	3,793,624	4,149,554
Operating profit	529,379	608,723
Non-operating income		
Interest and dividend income	48	273
Subsidy income	2,559	-
Rental income from real estate	24,806	13,290
Cashback income	10,333	9,582
Other	2,918	4,066
Total non-operating income	40,666	27,212
Non-operating expenses		
Interest expenses	12,613	16,974
Commission expenses	10,254	19,693
Depreciation	4,829	2,601
Other	2,540	3,515
Total non-operating expenses	30,238	42,785
Ordinary profit	539,806	593,150
Extraordinary income		
Gain on sale of investment securities	209,925	4,980
Gain on sale of non-current assets	10,713	13,119
Gain on reversal of share acquisition rights	-	27,027
Total extraordinary income	220,639	45,128
Extraordinary losses		
Impairment losses	125,287	-
Loss on valuation of investment securities	8,099	-
Loss on retirement of non-current assets	4,151	-
Other	5,789	-
Total extraordinary losses	143,329	-
Profit before income taxes	617,117	638,278
Income taxes-current	298,571	345,503
Income taxes-deferred	36,832	(32,139)
Total income taxes	335,403	313,363
Profit	281,713	324,915
Profit attributable to non-controlling interests	3,973	29,018
Profit attributable to owners of parent	277,739	295,896

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

	(Thousands of yen)	
	First nine months of 2023 (Jan. 1 – Sep. 30, 2023)	First nine months of 2024 (Jan. 1 – Sep. 30, 2024)
Profit	281,713	324,915
Other comprehensive income		
Valuation difference on available-for-sale securities	(18,361)	(35,785)
Foreign currency translation adjustment	(801)	(331)
Total other comprehensive income	(19,162)	(36,117)
Comprehensive income	262,550	288,797
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	258,804	259,874
Comprehensive income attributable to non-controlling interests	3,745	28,923

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.