

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on Japanese GAAP)

May 2, 2024

Company name: HOUSECOM CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 3275 URL <https://www.housecom.co.jp/>
 Representative: President & Representative Director Kei Tamura
 General Manager, Corporate Planning
 Inquiries: Division Naoki Kazama TEL 03-6717-6939
 Scheduled date of ordinary general meeting of shareholders: June 20, 2024
 Scheduled date to file Securities Report: June 24, 2024
 Scheduled date to commence dividend payments: June 21, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2024	13,529	(4.6)	502	27.5	685	10.5	410	25.5
Year ended March 31, 2023	14,179	(0.2)	394	(5.8)	620	0.9	327	(12.2)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/Operating revenue
	Yen	Yen	%	%	%
Year ended March 31, 2024	53.35	52.90	5.8	6.2	3.7
Year ended March 31, 2023	42.48	42.13	4.8	5.7	2.8

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	10,781	7,240	66.9	943.49
As of March 31, 2023	11,482	7,018	60.9	905.89

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	754	907	(1,253)	5,228
Year ended March 31, 2023	670	(1,279)	883	4,820

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	—	8.00	—	8.00	16.00	123	37.7	1.6
Year ended March 31, 2024	—	8.00	—	9.00	17.00	130	31.9	1.8
Year ending March 31, 2025 (Forecast)	—	10.00	—	10.00	20.00		30.7	

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	Operating revenue		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
Six months ending September 30, 2024	6,523	4.5	(114)	—	(102)	—	(51)	—	(6.78)
Full year	14,001	3.5	560	11.4	744	8.6	498	21.3	65.21

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2024	7,790,000 shares	As of March 31, 2023	7,790,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	148,938 shares	As of March 31, 2023	76,938 shares
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Average number of shares during the period

Year ended March 31, 2024	7,701,884 shares	Year ended March 31, 2023	7,706,650 shares
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Consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	4,820,551	5,228,911
Trade notes and accounts receivable	396,039	517,425
Inventories	88,949	102,808
Prepaid expenses	191,023	184,573
Other	314,294	458,997
Allowance for doubtful accounts	(2,765)	(12,353)
Total current assets	5,808,093	6,480,363
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,116,627	1,106,990
Accumulated depreciation	(761,532)	(810,592)
Buildings and structures, net	355,095	296,397
Tools, furniture and fixtures	227,338	223,508
Accumulated depreciation	(220,336)	(220,796)
Tools, furniture and fixtures, net	7,002	2,712
Leased assets	109,357	109,357
Accumulated depreciation	(69,189)	(77,469)
Leased assets, net	40,167	31,887
Construction in progress	770	–
Total property, plant and equipment	403,035	330,997
Intangible assets		
Goodwill	655,871	596,546
Customer-related assets	86,598	69,278
Trademark right	1,133	808
Software	1,060,028	844,805
Software in progress	1,334	792
Telephone subscription right	4,295	4,295
Other	1,329	1,291
Total intangible assets	1,810,592	1,517,818
Investments and other assets		
Investment securities	91,530	6,508
Business guarantee deposits	1,932,800	976,000
Guarantee deposits	664,819	645,103
Long-term prepaid expenses	28,863	14,539
Deferred tax assets	682,972	694,007
Other	59,825	115,671
Total investments and other assets	3,460,811	2,451,830
Total non-current assets	5,674,439	4,300,645
Total assets	11,482,533	10,781,008

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Trade accounts payable	297,806	341,051
Short-term borrowings	1,000,000	—
Lease liabilities	3,253	6,266
Accounts payable - other	257,731	316,632
Accrued expenses	417,328	421,621
Income taxes payable	310,752	136,964
Accrued consumption taxes	283,016	261,813
Contract liabilities	68,878	152,978
Deposits received	243,372	207,395
Deposits received from employees	121,232	116,134
Provision for bonuses	594,251	678,428
Total current liabilities	3,597,622	2,639,287
Non-current liabilities		
Long-term guarantee deposits	41,676	47,087
Lease liabilities	17,087	5,713
Deferred tax liabilities	29,080	23,264
Retirement benefit liability	710,609	765,767
Asset retirement obligations	67,997	59,335
Total non-current liabilities	866,451	901,167
Total liabilities	4,464,073	3,540,455
Net assets		
Shareholders' equity		
Share capital	424,630	424,630
Capital surplus	324,630	333,030
Retained earnings	6,320,204	6,607,584
Treasury shares	(79,973)	(140,525)
Total shareholders' equity	6,989,491	7,224,719
Accumulated other comprehensive income		
Remeasurements of defined benefit plans	(2,303)	(15,437)
Total accumulated other comprehensive income	(2,303)	(15,437)
Share acquisition rights	31,271	31,271
Total net assets	7,018,459	7,240,553
Total liabilities and net assets	11,482,533	10,781,008

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Operating revenue		
Intermediation commission income	5,701,088	5,496,573
Service revenue	6,804,855	6,357,353
Completed service contracts	1,638,522	1,577,880
Other revenue	34,851	97,244
Total operating revenue	14,179,318	13,529,052
Operating expenses		
Cost of completed service contracts	1,139,718	1,063,406
Cost of goods sold	92,887	102,475
Promotion expenses	6,009	14,509
Advertising expenses	1,327,104	1,149,939
Remuneration for directors (and other officers)	149,445	144,944
Employees' salaries	4,752,254	4,472,929
Employees' bonuses	609,229	563,159
Provision for bonuses	602,295	678,546
Retirement benefit expenses	78,112	100,470
Legal welfare expenses	756,550	698,492
Amortization of goodwill	59,324	59,324
Rent expenses on land and buildings	1,443,743	1,377,348
Depreciation	325,924	321,814
Rent expenses	183,120	167,965
Communication expenses	315,833	285,849
Taxes and dues	99,855	82,836
Commission expenses	354,051	281,364
Other	1,489,534	1,461,102
Total operating expenses	13,784,994	13,026,481
Operating profit	394,323	502,571
Non-operating income		
Interest income	38	377
Dividend income	168,300	166,437
Compensation income	50,516	10,500
Miscellaneous income	15,602	7,675
Total non-operating income	234,458	184,990
Non-operating expenses		
Interest expenses	1,580	1,269
Commission expenses	5,517	—
Miscellaneous losses	1,010	608
Total non-operating expenses	8,108	1,878
Ordinary profit	620,673	685,683

	(Thousands of yen)	
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Extraordinary income		
Gain on sale of investment securities	—	6,299
Gain on bargain purchase	—	7,385
Total extraordinary income	—	13,685
Extraordinary losses		
Loss on valuation of investment securities	—	85,039
Impairment losses	38,368	45,478
Total extraordinary losses	38,368	130,518
Profit before income taxes	582,304	568,851
Income taxes - current	315,963	160,103
Income taxes - deferred	(61,009)	(2,196)
Total income taxes	254,953	157,906
Profit	327,351	410,944
Profit attributable to non-controlling interests	—	87
Profit attributable to owners of parent	327,351	410,857

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	327,351	410,944
Other comprehensive income		
Remeasurements of defined benefit plans, net of tax	(6,675)	(13,133)
Total other comprehensive income	(6,675)	(13,133)
Comprehensive income	320,675	397,810
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	320,675	397,723
Comprehensive income attributable to non-controlling interests	—	87

Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	424,630	324,630	6,108,989	(104,837)	6,753,411
Changes during period					
Change in ownership interest of parent due to transactions with non-controlling interests					
Dividends of surplus			(107,913)		(107,913)
Profit attributable to owners of parent			327,351		327,351
Purchase of treasury shares				(374)	(374)
Stock compensation costs			(8,223)	25,238	17,015
Net changes in items other than shareholders' equity					
Total changes during period	—	—	211,214	24,864	236,079
Balance at end of period	424,630	324,630	6,320,204	(79,973)	6,989,491

	Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	4,371	4,371	31,271	6,789,055
Changes during period				
Change in ownership interest of parent due to transactions with non-controlling interests				
Dividends of surplus				(107,913)
Profit attributable to owners of parent				327,351
Purchase of treasury shares				(374)
Stock compensation costs				17,015
Net changes in items other than shareholders' equity	(6,675)	(6,675)	–	(6,675)
Total changes during period	(6,675)	(6,675)	–	229,403
Balance at end of period	(2,303)	(2,303)	31,271	7,018,459

Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	424,630	324,630	6,320,204	(79,973)	6,989,491
Changes during period					
Change in ownership interest of parent due to transactions with non-controlling interests		909			909
Dividends of surplus			(123,477)		(123,477)
Profit attributable to owners of parent			410,857		410,857
Purchase of treasury shares				(73,577)	(73,577)
Stock compensation costs		7,490		13,025	20,516
Net changes in items other than shareholders' equity					
Total changes during period	—	8,400	287,379	(60,551)	235,227
Balance at end of period	424,630	333,030	6,607,584	(140,525)	7,224,719

	Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	(2,303)	(2,303)	31,271	7,018,459
Changes during period				
Change in ownership interest of parent due to transactions with non-controlling interests				909
Dividends of surplus				(123,477)
Profit attributable to owners of parent				410,857
Purchase of treasury shares				(73,577)
Stock compensation costs				20,516
Net changes in items other than shareholders' equity	(13,133)	(13,133)	–	(13,133)
Total changes during period	(13,133)	(13,133)	–	222,094
Balance at end of period	(15,437)	(15,437)	31,271	7,240,553

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	582,304	568,851
Depreciation	325,924	321,814
Impairment losses	38,368	45,478
Loss on valuation of investment securities	—	85,039
Loss (gain) on sale of investment securities	—	(6,299)
Amortization of goodwill	59,324	59,324
Gain on bargain purchase	—	(7,385)
Share-based payment expenses	28,562	23,495
Increase (decrease) in allowance for doubtful accounts	(496)	656
Increase (decrease) in provision for bonuses	(146,565)	84,176
Increase (decrease) in retirement benefit liability	19,073	40,273
Interest income	(38)	(377)
Dividend income	(168,300)	(166,437)
Compensation income	(50,516)	(10,500)
Interest expenses	1,580	1,269
Decrease (increase) in trade receivables	90,088	(98,733)
Decrease (increase) in prepaid expenses	(9,258)	15,903
Decrease (increase) in other assets	(185,755)	(155,533)
Increase (decrease) in trade payables	(10,965)	43,245
Increase (decrease) in accounts payable - other	8,442	59,262
Increase (decrease) in accrued expenses	(29,856)	(1,265)
Increase (decrease) in accrued consumption taxes	147,002	(23,646)
Increase (decrease) in deposits received	11,809	(37,681)
Increase (decrease) in deposits received from employees	4,074	(5,097)
Increase (decrease) in guarantee deposits received	3,719	(3,289)
Increase (decrease) in other liabilities	(57,229)	56,210
Subtotal	661,294	888,753
Interest and dividends received	168,338	166,814
Proceeds from compensation	50,516	10,500
Interest paid	(1,580)	(1,269)
Income taxes paid	(207,869)	(310,065)
Net cash provided by (used in) operating activities	670,698	754,733
Cash flows from investing activities		
Payments into time deposits	(6,001)	(100,000)
Proceeds from withdrawal of time deposits	—	46,011
Purchase of property, plant and equipment	(68,071)	(23,299)
Purchase of intangible assets	(209,305)	(18,330)
Proceeds from sale of investment securities	—	6,282
Proceeds from collection of operating deposits	45,000	961,800
Payments for operating deposits	(1,000,000)	(5,000)
Proceeds from refund of guarantee deposits	17,185	35,858
Payments of guarantee deposits	(34,889)	(21,213)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	—	35,108
Other payments	(22,943)	(9,674)
Net cash provided by (used in) investing activities	(1,279,026)	907,543

	(Thousands of yen)	
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from financing activities		
Proceeds from short-term borrowings	1,000,000	—
Repayments of short-term borrowings	—	(1,000,000)
Repayments of long-term borrowings	—	(40,000)
Repayments of lease liabilities	(7,976)	(8,360)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	(7,550)
Purchase of treasury shares	—	(74,165)
Dividends paid	(108,363)	(123,839)
Net cash provided by (used in) financing activities	883,660	(1,253,916)
Net increase (decrease) in cash and cash equivalents	275,333	408,359
Cash and cash equivalents at beginning of period	4,545,218	4,820,551
Cash and cash equivalents at end of period	4,820,551	5,228,911