

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

February 13, 2024

Company name: MELCO HOLDINGS INC.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 6676 URL <https://melco-hd.jp/>
 Representative: President and CEO Hiroyuki Maki
 Inquiries: General Manager, IR Division Yasukazu Kouketsu TEL 03-4213-1122
 Scheduled date to file Quarterly Securities Report: February 14, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 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 December 31, 2023	109,069	1.8	3,157	(24.3)	3,010	(27.6)	2,033	(21.2)
Nine months ended December 31, 2022	107,179	(0.6)	4,170	(58.1)	4,156	(59.8)	2,581	(64.0)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	121.11		–	
Nine months ended December 31, 2022	153.01		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2023	95,788	62,173	64.9	3,721.98
As of March 31, 2023	93,410	62,463	66.9	3,705.70

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	60.00	–	60.00	120.00
Year ending March 31, 2024	–	60.00	–		
Year ending March 31, 2024 (Forecast)				60.00	120.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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	148,000	3.8	1,800	(60.2)	1,600	(66.1)	1,200	(60.8)	71.57

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) 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

(4) Number of issued shares (common shares)

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

As of December 31, 2023	16,937,873 shares	As of March 31, 2023	16,937,873 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	233,536 shares	As of March 31, 2023	81,726 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	16,787,784 shares	Nine months ended December 31, 2022	16,873,456 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	20,506	17,190
Notes and accounts receivable - trade, and contract assets	16,693	22,850
Merchandise and finished goods	15,284	15,565
Raw materials and supplies	7,136	8,570
Other	6,405	4,131
Allowance for doubtful accounts	(7)	(9)
Total current assets	66,020	68,298
Non-current assets		
Property, plant and equipment	11,236	11,013
Intangible assets	3,394	3,958
Investments and other assets		
Investment securities	10,395	10,397
Other	2,487	2,245
Allowance for doubtful accounts	(124)	(124)
Total investments and other assets	12,757	12,518
Total non-current assets	27,389	27,490
Total assets	93,410	95,788
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,588	17,009
Electronically recorded obligations - operating	742	943
Current portion of long-term borrowings	99	–
Accounts payable - other	3,117	3,046
Accrued expenses	2,920	2,891
Income taxes payable	303	488
Contract liabilities	4,432	4,591
Provision for bonuses for directors (and other officers)	15	22
Provision for product warranties	74	78
Other	1,646	1,415
Total current liabilities	27,941	30,487
Non-current liabilities		
Retirement benefit liability	2,173	2,182
Provision for retirement benefits for directors (and other officers)	501	664
Provision for recycles	140	139
Other	189	141
Total non-current liabilities	3,005	3,127
Total liabilities	30,946	33,615

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Net assets		
Shareholders' equity		
Share capital	1,000	1,000
Capital surplus	250	250
Retained earnings	61,092	61,108
Treasury shares	(267)	(756)
Total shareholders' equity	62,075	61,601
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	611	897
Deferred gains or losses on hedges	31	(194)
Foreign currency translation adjustment	(31)	32
Remeasurements of defined benefit plans	(222)	(165)
Total accumulated other comprehensive income	388	571
Total net assets	62,463	62,173
Total liabilities and net assets	93,410	95,788

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	107,179	109,069
Cost of sales	79,743	81,288
Gross profit	27,436	27,781
Selling, general and administrative expenses	23,265	24,624
Operating profit	4,170	3,157
Non-operating income		
Interest income	0	0
Royalty income	35	35
Dividend income	105	72
Share of profit of entities accounted for using equity method	96	–
Other	95	99
Total non-operating income	332	208
Non-operating expenses		
Interest expenses	2	0
Foreign exchange losses	284	193
Share of loss of entities accounted for using equity method	–	65
Commission expenses	4	4
Other	55	91
Total non-operating expenses	346	354
Ordinary profit	4,156	3,010
Extraordinary income		
Gain on sale of investment securities	–	76
Total extraordinary income	–	76
Extraordinary losses		
Loss on retirement of non-current assets	23	18
Loss on valuation of investment securities	166	–
Loss on litigation	415	–
Total extraordinary losses	604	18
Profit before income taxes	3,551	3,067
Income taxes - current	616	912
Income taxes - deferred	352	122
Total income taxes	969	1,034
Profit	2,581	2,033
Profit attributable to owners of parent	2,581	2,033

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	2,581	2,033
Other comprehensive income		
Valuation difference on available-for-sale securities	(29)	284
Deferred gains or losses on hedges	(529)	(225)
Foreign currency translation adjustment	40	44
Remeasurements of defined benefit plans, net of tax	72	54
Share of other comprehensive income of entities accounted for using equity method	33	23
Total other comprehensive income	(413)	182
Comprehensive income	2,168	2,216
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,168	2,216