

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

August 2, 2024

Company name: Dream Incubator Inc.
 Stock exchange listing: Tokyo
 Stock code: 4310 URL <https://www.dreamincubator.co.jp>
 Representative: Representative Director & President Takayuki Miyake
 Inquiries: Executive Officer, Corporate Toshihiro Uemura TEL 03-5532-3200
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(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	%
Three months ended June 30, 2024	1,626	38.5	48	–	56	–	(75)	–
Three months ended June 30, 2023	1,174	(86.9)	(182)	–	(190)	–	(187)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	(8.60)		–	
Three months ended June 30, 2023	(19.45)		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	16,671	14,175	83.7
As of March 31, 2024	17,454	15,208	86.2

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	0.00	0.00	0.00	128.00	128.00
Year ending March 31, 2025	0.00				
Year ending March 31, 2025 (Forecast)		106.00	–	–	–

3. Notes

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: 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: Yes
- 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 June 30, 2024	9,534,316 shares	As of March 31, 2024	10,465,100 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	756,936 shares	As of March 31, 2024	1,705,656 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	8,772,730 shares	Three months ended June 30, 2023	9,656,402 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	6,428	4,681
Notes and accounts receivable - trade, and contract assets	1,407	1,115
Operational investment securities	3,589	3,676
Securities	5,300	6,300
Allowance for investment loss	(103)	(103)
Other	342	519
Total current assets	16,965	16,190
Non-current assets		
Property, plant and equipment	259	246
Intangible assets		
Other	6	6
Total intangible assets	6	6
Investments and other assets		
Investment securities	65	65
Deferred tax assets	3	3
Other	154	159
Total investments and other assets	223	228
Total non-current assets	489	481
Total assets	17,454	16,671

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Income taxes payable	39	46
Provision for shareholder benefit program	19	7
Provision for bonuses	1	1
Provision for bonuses for directors (and other officers)	29	29
Other	776	1,001
Total current liabilities	866	1,085
Non-current liabilities		
Deferred tax liabilities	285	324
Provision for share awards	1,094	1,085
Total non-current liabilities	1,379	1,410
Total liabilities	2,246	2,496
Net assets		
Shareholders' equity		
Share capital	5,019	5,019
Capital surplus	4,548	2,009
Retained earnings	8,826	7,495
Treasury shares	(4,155)	(1,537)
Total shareholders' equity	14,239	12,987
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	804	938
Foreign currency translation adjustment	(1)	36
Total accumulated other comprehensive income	803	974
Non-controlling interests	165	213
Total net assets	15,208	14,175
Total liabilities and net assets	17,454	16,671

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	1,174	1,626
Cost of sales	740	859
Gross profit	433	766
Selling, general and administrative expenses	615	718
Operating profit (loss)	(182)	48
Non-operating income		
Interest income	7	6
Other	1	2
Total non-operating income	8	9
Non-operating expenses		
Interest expenses	0	-
Commission expenses	4	-
Foreign exchange losses	11	0
Other	0	0
Total non-operating expenses	16	0
Ordinary profit (loss)	(190)	56
Profit (loss) before income taxes	(190)	56
Income taxes - current	15	9
Income taxes - deferred	1	(1)
Total income taxes	17	8
Profit (loss)	(208)	48
Profit (loss) attributable to non-controlling interests	(20)	124
Loss attributable to owners of parent	(187)	(75)

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit (loss)	(208)	48
Other comprehensive income		
Valuation difference on available-for-sale securities	319	137
Foreign currency translation adjustment	38	38
Total other comprehensive income	357	175
Comprehensive income	149	224
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	132	95
Comprehensive income attributable to non-controlling interests	16	128