

Consolidated Financial Report for the First Three Months of the Fiscal Year Ending October 31, 2024 (Japanese GAAP)

March 14, 2024

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Scheduled day of submission of a financial report
 Scheduled day of commencing dividend payment
 Preparation of supplementary financial data
 Information meeting for financial results to be held

(Figures are rounded down to the nearest one million yen)

1. Overview of the First Three Months of Fiscal Year Ending October 31, 2024 (November 1, 2023 – January 31, 2024)

(1) Consolidated Operating Results (Figures in percentages denote the year-on-year change)

	Net sales		Operating profit		Recurring profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended January 31, 2024	86,731	9.8	8,622	2.4	7,975	100.3	5,086	61.5
January 31, 2023	79,022	13.0	8,416	80.9	3,981	6.5	3,148	564.3

(Note) Comprehensive income: Three months ended January 31, 2024: 4,456 million yen -28.3%
 Three months ended January 31, 2023: 6,212 million yen -%

	Net income per share	Net income per share after dilution
	Yen	Yen
Three months ended January 31, 2024	29.83	27.26
January 31, 2023	18.47	17.52

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of January 31, 2024	303,638	62,871	20.7
As of October 31, 2023	308,157	58,416	18.9

(Reference) Equity: As of January 31, 2024: 62,821 million yen
 As of October 31, 2023: 58,364 million yen

2. Dividend status

	Dividend per share				
	End of Q1	End of Q2	End of Q3	End of term	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended October 31, 2023	–	0.00	–	0.00	0.00
October 31, 2024	–				
Fiscal year ending October 31, 2024(Forecasts)		0.00	–	5.00	5.00

(Notes) Revisions to dividend projection published most recently: None

3. Consolidated Forecasts for the Fiscal Year ending October 31, 2024 (November 1, 2023 - October 31, 2024)

(The percentages indicate the rates of increase or decrease compared with the same period of the previous year)

	Net sales		Operating profit		Recurring profit		Profit attributable to owners of parent	Net income per share
	million yen	%	million yen	%	million yen	%	million yen	yen
Interim	170,000	8.2	15,500	2.7	13,500	17.5	8,500	6.5
Full year	357,000	8.1	35,000	9.4	31,000	12.0	20,000	14.0
								49.82
								117.23

(Notes) Revisions to consolidated results projection published most recently: None

(Notes)

(1) Changes in important subsidiaries during the term :No
New: -- company () Eliminated: -- company ()

(2) Adoption of special accounting methods for preparation of quarterly consolidated financial statement :No

(3) Changes in accounting policies and changes or restatement of accounting estimates

1) Changes in accounting policies caused by revision of accounting standards :No

2) Changes in accounting policies other than 1) :No

3) Changes in accounting estimates :No

4) Restatement :No

(4) Number of shares issued (common stock)

1) Number of shares issued at the end of the period (including treasury stock)	Three Months ended January 31, 2024	171,048,369 shares	Fiscal year ended October 31,2023	171,048,369 shares
2) Number of treasury stock at the end of the period	Three Months ended January 31, 2024	528,494 shares	Fiscal year ended October 31,2023	528,494 shares
3) Average number of shares during the term (consolidated cumulative period)	Three Months ended January 31, 2024	170,519,875 shares	Three Months ended January 31, 2023	170,519,914 shares

* This financial summary falls outside the scope of audit procedures of certified public accountant or audit corporation

* Explanations and other special notes concerning the appropriate use of business performance forecasts

The consolidated business performance forecasts given in this document are based on assumptions, prospects, and future business plans, currently available on the date this document was published. Actual results may differ from these forecasts for a variety of reasons. For other matters relating to the forecasts, please refer to "1. Qualitative Data, Financial Statements and Other Information (4) Information on the future outlook, including consolidated business performance forecasts".

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1. Qualitative Data, Financial Statements and Other Information

(1) Qualitative data on the consolidated financial results

To achieve its medium-term business growth strategy; “expansion and seamless connection of our four networks (people, cars, communities and parking facilities)”, the Group is focusing on "accelerating network expansion" and "facilitating the evolution of services" in the fiscal year ending October 31, 2024. To expand the networks, the Group aims to expand its revenue base by developing new sites in the Parking Business. In the Mobility Business, the Group aims to increase the number of vehicles, Times CAR rental sites, and Times CAR members. Evolution of services is our effort to achieve further growth by pursuing convenience so that we continue to be the choice of customers, and by implementing digitalization to build robust infrastructure enabling the creation and provision of new services.

During the first three months of the consolidated fiscal year under review, Parking Business Japan and Mobility Business performed well. In Parking Business International, parking operation remained robust except for certain areas where parking operation was weaker than expected. The Group's operating results in the first three months under review are as shown below.

(Unit: million yen)

	Three months ended January 31, 2023	Three months ended January 31, 2024	YoY change	
			Amount	%
Net sales	79,022	86,731	7,709	9.8%
Operating profit	8,416	8,622	205	2.4%
Recurring profit	3,981	7,975	3,994	100.3%
Profit attributable to owners of parent	3,148	5,086	1,937	61.5%

Results by business segment (including intersegment sales) are as follows.

Parking Business Japan

Parking operation performed well. The Group expanded its operations while maintaining profitability by leveraging the expertise it accumulated in selective development. In the first three months under review, the Group developed 269 parking facilities. As part of its efforts to facilitate the evolution of services, it is working to expand car number recognition camera-assisted parking sites, and in doing so build next-generation parking services that enable easier entry, exit and settlement. Results in the first three months under review reflecting these initiatives are as shown below.

- Results

(Unit: million yen)

	Three months ended January 31, 2023	Three months ended January 31, 2024	YoY change	
			Amount	%
Net sales	41,068	43,616	2,548	6.2%
Operating profit	9,210	9,734	523	5.7%

- Expansion of the networks

	As of October 31, 2023	As of January 31, 2024	Vs. the previous fiscal year	
			Number	%
Number of Times PARKING facilities (Sites)	17,639	17,768	129	0.7%
Number of Times PARKING spaces (Spaces)	576,262	584,158	7,896	1.4%

Total number of parking sites* (Sites)	25,379	25,375	-4	-0.0%
Total number of parking spaces* (Spaces)	761,654	768,618	6,964	0.9%

*The number of sites/spaces in the monthly parking and facility management services is included.

Parking Business International

In the United Kingdom, among the regions in which the Group operates, parking operation progressed steadily. In Australia, parking operation was weaker than expected especially in urban areas. In other regions, parking operation performed well.

The Group promoted the development of short-term contract parking facilities (localized Times PARKING) suited for demand for parking facilities in each region, based on the strategy of "small, dispersed and dominant" used in the Parking Business Japan. Through this, it has optimized the business portfolio which concentrated heavily on large and long-term contract parking facilities, aiming to reduce business risk. Also, the Group took steps to improve the profitability of existing parking sites by instituting measures according to regional characteristics and utilizing the parking site operation management system. Additionally, the Group is working to improve customer convenience and satisfaction by evolving services including measures to facilitate cashless payments. Results in the first three months under review are as shown below.

* The results for the three months of the fiscal year ended October 31, 2023, and the three months of the fiscal year ending October 31, 2024, are the results of overseas subsidiaries for the period from October 1 to December 31, 2022, and the period from October 1 to December 31, 2023, respectively.

- Results

(Unit: million yen)

	Three months ended January 31, 2023	Three months ended January 31, 2024	YoY change	
			Amount	%
Net sales	17,053	19,256	2,203	12.9%
Operating loss*	-283	-317	-34	—

*Amortization of goodwill includes minus 322 million yen for the three months ended October 31, 2023 and minus 345 million yen for the three months ended October 31, 2024.

- Expansion of the networks

	As of October 31, 2023	As of January 31, 2024	Vs. the previous fiscal year	
			Number	%
Number of localized Times PARKING sites (Sites)	1,348	1,397	49	3.6%
Number of localized Times PARKING spaces (Spaces)	52,598	52,972	374	0.7%
Total number of parking sites* (Sites)	2,586	2,634	48	1.9%
Total number of parking spaces* (Spaces)	538,161	537,161	-1,000	-0.2%

*The number of sites/spaces in the monthly parking and facility management services is included.

Mobility Business

The number of Times CAR members and the use of cars grew steadily due to the increase in the recognition of Times

CAR through the continuous implementation of promotions, increased convenience as a result of improved member programs and the enhanced user interface of applications, and the implementation of campaigns and other programs aimed at facilitating use. During the first three months under review, the Group increased 1,674 vehicles and 966 Times CAR rental sites. Usage fees per vehicle rose, as did the number of vehicles, as the Group expanded its fleet and rental sites based on demand and regional characteristics. Results in the first three months under review are as shown below.

- Results

(Unit: million yen)

	Three months ended January 31, 2023	Three months ended January 31, 2024	YoY change	
			Amount	%
Net sales	22,170	25,244	3,073	13.9%
Operating profit	3,044	3,406	362	11.9%

- Expansion of the networks

	As of October 31, 2023	As of January 31, 2024	Vs. the previous fiscal year	
			Number	%
Number of vehicles (Units)	60,047	61,721	1,674	2.8%
Number of Times CAR rental sites (Sites)	16,017	16,983	966	6.0%
Number of members (Thousand people)	2,423	2,564	140	5.8%

(2) Overview of financial position

The Group's financial position at the end of the first three months under review is as shown below.

	As of October 31, 2023	As of January 31, 2024	Change
Total assets (Million yen)	308,157	303,638	-4,518
Interest-bearing liabilities (Million yen)	170,724	171,706	982
Total shareholders' equity (Million yen)	70,301	75,387	5,086
Shareholders' equity ratio (%) (%)	22.8	24.8	2.0
Net D/E ratio* (Times)	1.38	1.34	-0.04

*(Interest-bearing liabilities - Cash and deposits)/Total shareholders' equity

(3) Cash flow situation

The cash flow situation by category for the first three months under review was as follows.

(Unit: million yen)

	Three months ended January 31, 2023	Three months ended January 31, 2024	Change
Cash flows from operating activities	4,545	6,330	1,784
Cash flows from investing activities	-2,535	-6,190	-3,654
Free cash flow	2,009	140	-1,869
Cash flows from financing activities	-3,288	-3,107	180
Cash and cash equivalents at end of period	83,487	70,179	-13,307

(4) Information on the future outlook, including consolidated business performance forecasts

The consolidated earnings forecasts for the fiscal year ending October 31, 2024 have not been changed from the figures announced on December 14, 2023 in the Consolidated Financial Report for the Fiscal Year Ended October 31, 2023.

2. Consolidated Financial Statements and Notes

(1) Consolidated balance sheet

(Unit: million yen)

	As of October 31,2023	As of January 31,2024
Asset		
Current assets		
Cash and deposits	73,957	70,830
Notes and accounts receivable -trade	23,624	21,826
Inventories	2,044	2,108
Other	34,454	34,395
Allowance for doubtful accounts	-745	-632
Total current assets	133,335	128,528
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	28,608	28,347
Machinery, equipment and vehicles, net	32,548	33,519
Land	24,899	24,899
Leased assets, net	7,592	7,693
Right of use assets, net	20,049	20,181
Other, net	7,467	8,053
Total property, plant and equipment	121,167	122,694
Intangible assets		
Goodwill	18,117	17,634
Contract-based intangible assets	6,545	6,377
Other	7,392	7,579
Total intangible assets	32,055	31,591
Investments and other assets	21,425	20,679
Total non-current assets	174,647	174,966
Deferred assets	174	143
Total assets	308,157	303,638
Liabilities		
Current liabilities		
Short-term borrowings	3,154	3,168
Current portion of long-term borrowings	28,257	28,139
Lease liabilities	10,742	10,671
Income taxes payable	6,119	1,752
Provision for bonuses	3,390	1,314
Other	52,258	49,913
Total current liabilities	103,922	94,959
Current liabilities		
Bonds with share acquisition rights	42,310	42,310
Long-term borrowings	68,204	68,101
Lease liabilities	18,055	19,316
Deferred tax liabilities	1,709	1,674
Asset retirement obligations	9,722	9,726
Other	5,817	4,678
Total non-current liabilities	145,818	145,807
Total liabilities	249,741	240,767

(Unit: million yen)

	As of October 31,2023	As of January 31,2024
Net assets		
Shareholders' equity		
Share capital	32,739	32,739
Capital surplus	28,326	28,326
Retained earnings	10,491	15,577
Treasury shares	-1,255	-1,255
Total shareholders' equity	70,301	75,387
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	118	125
Deferred gains or losses on hedges	23	-5
Revaluation reserve for land	-1,035	-1,035
Foreign currency translation adjustment	-8,099	-8,736
Remeasurements of defined benefit plans	-2,943	-2,914
Total accumulated other comprehensive income	-11,936	-12,565
Share acquisition rights	51	50
Total net assets	58,416	62,871
Total liabilities and net assets	308,157	303,638

(2) Consolidated statements of profit and loss, and comprehensive income

(Consolidated statement of profit and loss of the first three months of fiscal 2024)

(Unit: million yen)

	Three months ended January 31, 2023 (November 1, 2022- January 31, 2023)	Three months ended January 31, 2024 (November 1, 2023- January 31, 2024)
Net sales	79,022	86,731
Cost of sales	57,419	63,718
Gross profit	21,602	23,013
Selling, general and administrative expenses	13,185	14,390
Operating profit	8,416	8,622
Non-operating income		
Foreign exchange gains	-	227
Void ticket	42	42
Other	66	65
Total non-operating income	109	334
Non-operating expenses		
Interest expenses	992	872
Foreign exchange losses	3,391	-
Expense incurred for evacuation of parking facilities	57	45
Other	103	64
Total non-operating expenses	4,544	982
Recurring profit	3,981	7,975
Extraordinary income		
Gain on sale of investment securities	979	-
Total extraordinary income	979	-
Extraordinary losses		
Loss on retirement of non-current assets	41	46
Other	0	1
Total extraordinary losses	41	47
Profit before income taxes	4,919	7,927
Income taxes - current	2,021	1,489
Income taxes - deferred	-250	1,351
Total income taxes	1,770	2,841
Profit	3,148	5,086
Profit attributable to owners of parent	3,148	5,086

(Consolidated statement of profit and loss of the first three months of fiscal 2024)

(Unit: million yen)

	Three months ended January 31, 2023 (November 1, 2022- January 31, 2023)	Three months ended January 31, 2024 (November 1, 2023- January 31, 2024)
Profit	3,148	5,086
Other comprehensive income		
Valuation difference on available-for-sale securities	1	7
Deferred gains or losses on hedges	39	-29
Foreign currency translation adjustment	2,984	-637
Remeasurements of defined benefit plans, net of tax	37	29
Total other comprehensive income	3,063	-629
Comprehensive income	6,212	4,456
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,212	4,456

(3) Consolidated statement of cash flows

(Unit: million yen)

	Three months ended January 31, 2023 (November 1, 2022- January 31, 2023)	Three months ended January 31, 2024 (November 1, 2023- January 31, 2024)
Cash flows from operating activities		
Profit before income taxes	4,919	7,927
Depreciation	7,517	7,653
Amortization of goodwill	322	345
Interest expenses	992	872
Loss on retirement of non-current assets	41	46
Loss (gain) on sale of investment securities	-979	-
Decrease (increase) in trade receivables	1,912	1,778
Decrease (increase) in inventories	953	758
Increase (decrease) in trade payables	-93	-6
Increase (decrease) in provision for bonuses	-1,216	-2,074
Other, net	-1,298	-3,760
Subtotal	13,071	13,541
Interest and dividends received	4	27
Interest paid	-1,462	-1,345
Income taxes paid	-7,068	-5,893
Net cash provided by (used in) operating activities	4,545	6,330
Cash flows from investing activities		
Purchase of property, plant and equipment	-2,683	-4,127
Proceeds from sale of property, plant and equipment	1	-
Purchase of intangible assets	-405	-899
Proceeds from sale of investment securities	1,063	3
Payments for asset retirement obligations	-52	-59
Other, net	-459	-1,107
Net cash provided by (used in) investing activities	-2,535	-6,190
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-0	-0
Repayments of long-term borrowings	-269	-219
Repayments of lease liabilities	-3,016	-2,888
Purchase of treasury shares	-0	-
Dividends paid	-1	-
Net cash provided by (used in) financing activities	-3,288	-3,107
Effect of exchange rate change on cash and cash equivalents	-299	-152
Net increase (decrease) in cash and cash equivalents	-1,578	-3,120
Cash and cash equivalents at beginning of period	85,065	73,299
Cash and cash equivalents at end of period	83,487	70,179

(4) Matters Related to Summary Information (Notes)

[Note on going concern assumptions]

Not applicable.

[Note when there is a considerable change in the amount of shareholders' equity]

Not applicable.

[Additional Information]

The Company and its domestic consolidated subsidiaries have shifted from a consolidated taxation system to a group tax sharing system from the first quarter of the current fiscal year. Accordingly, the accounting treatment and disclosures of the corporation income tax and the local corporation income tax as well as tax effect will be prescribed in accordance with the "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" ASBJ PITF No. 42 (August 12, 2021).

[Segment information]

I. First three months of fiscal 2023 (from November 1, 2022 to January 31, 2023)

Information on sales and profits or losses by reported segment

(Unit: million yen)

	Reported segment				Adjustment (Note) 2	Amount on consolidated profit and loss statement (Note) 3
	Parking Business Japan	Parking Business International (Note) 1	Mobility Business	Total		
Sales						
Sales from contracts with customers	36,741	16,549	21,580	74,871	—	74,871
Other sales	3,093	503	553	4,150	—	4,150
Sales to external customers	39,835	17,053	22,133	79,022	—	79,022
Internal sales or amount of transfer between segments	1,233	—	37	1,270	-1,270	—
Total	41,068	17,053	22,170	80,292	-1,270	79,022
Segment profit (loss)	9,210	-283	3,044	11,971	-3,554	8,416

(Notes)

1. The segment profit (loss) of minus 283 million yen in Parking Business International includes an amortization of goodwill of minus 322 million yen.
2. An adjustment in segment profit (loss) is a company-wide expenses that are not allocated to each reported segment. Those expenses are relating to the administration division, including the general affairs department.
3. Segment profit is adjusted in accordance with operating profit in the consolidated profit and loss statement.
4. Other sales is rental income based on accounting standards for lease transactions, etc.

II. First three months of fiscal 2024 (from November 1, 2023 to January 31, 2024)

Information on sales and profit or loss by reported segment

(Unit: million yen)

	Reported segments				Adjustment (Note) 2	Amount on consolidated profit and loss statement (Note) 3
	Parking Business Japan	Parking Business International (Note)1	Mobility Business	Total		
Sales						
Sales from contracts with customers	39,090	18,636	24,538	82,265	—	82,265
Other sales	3,194	620	651	4,466	—	4,466
Sales to external customers	42,285	19,256	25,189	86,731	—	86,731
Internal sales or amount of transfer between segments	1,331	—	54	1,385	-1,385	—
Total	43,616	19,256	25,244	88,117	-1,385	86,731
Segment profit (loss)	9,734	-317	3,406	12,824	-4,201	8,622

(Notes)

1. The segment profit (loss) of minus 317 million yen in Parking Business International includes an amortization of goodwill of minus 345 million yen.
2. An adjustment in segment profit (loss) is a company-wide expenses that are not allocated to each reported segment. Those expenses are relating to the administration division, including the general affairs department.
3. Segment profit is adjusted in accordance with operating profit in the consolidated profit and loss statement.
4. Other sales is rental income based on accounting standards for lease transactions, etc.