

INTERLIFE HOLDINGS (1418)

Consolidated Fiscal Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY02/2023		11,460	168	177	179	11.33	5.00	211.77
FY02/2024		12,626	270	245	384	24.82	8.00	234.45
FY02/2025CoE		13,500	400	390	300	19.34	8.00	-
FY02/2024	YoY	10.2%	60.4%	38.6%	114.6%	-	-	-
FY02/2025CoE	YoY	6.9%	47.9%	58.7%	(22.1%)	-	-	-
Consolidated Quarter (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 FY02/2024		2,993	69	74	51	-	-	-
Q2 FY02/2024		2,923	68	66	62	-	-	-
Q3 FY02/2024		2,985	(63)	(93)	99	-	-	-
Q4 FY02/2024		3,723	194	197	172	-	-	-
Q1 FY02/2025		4,257	385	389	314	-	-	-
Q1 FY02/2025	YoY	42.2%	455.3%	419.1%	515.1%	-	-	-

Source: Company Data, WRJ Calculation

1.0 Results Update (24 July 2024)


Storming

On 12 July 2024, INTERLIFE HOLDINGS, principally running operations of interior construction and those of installing sound & lighting facilities, released its Q1 FY02/2025 results. It has been revealed that the Company has achieved 96.5% of prospective operating profit, assumed in its full-year Company forecasts. According to the Company, it saw large-scale projects having been completed faster than expected as well as having made progress faster too, having resulted in an overshoot in sales, while having made steady progress in reducing expenses, mainly due to the success of measures to bring material transportation in-house and its focus on advanced procurement. The Company is strengthening sales activities at its Osaka Sales Office, in light of the potential for increased demand associated with EXPO 2025, the Osaka-Kansai Expo (13 April to 13 October 2025) and the Osaka Integrated Resort (IR), which Osaka-prefecture is advocating to hold in the fall of 2030. For FY02/2024, sales generated through the Osaka Sales Office accounted for some 10% of the Company's sales, while the trends since the beginning of FY02/2025 suggest that this ratio is on the rise. As well, the Company is to write off as many as 3,000,000 shares out of its treasury shares, equating to 14.99% of the number of shares outstanding prior to the deal, scheduled on 31 July 2024. We are to have an interview with the management for further information and initiate our Company Report to be followed by ongoing coverage by us.

IR Representative: Masanari Kato, Managing Director (81-(0)3-3547-3227 / kato-masanari@n-interlife.co.jp)

2.0 Company Profile

Work to Support the City and its People

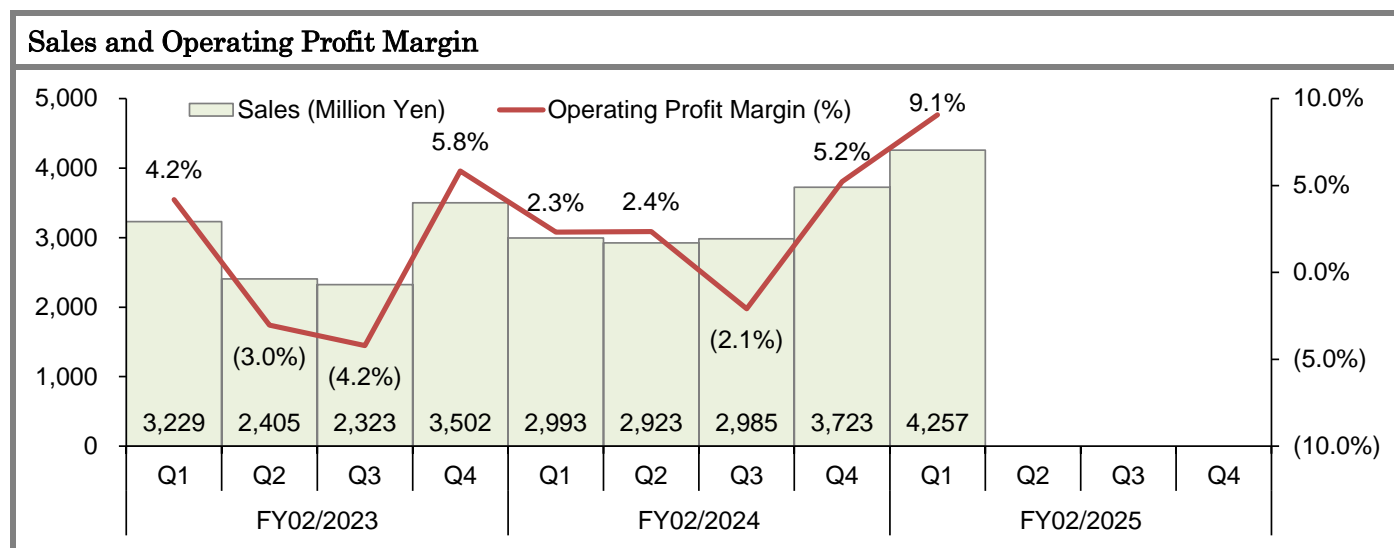
Company Name	<p>INTERLIFE HOLDINGS CO., LTD.</p> <p>Company Website</p> <p>IR Information</p> <p>Share Price (Japanese)</p> 
Established	5 October 2010
Listing	<p>4 April 2022: Tokyo Stock Exchange Standard Market (ticker: 1418)</p> <p>16 July 2013: Tokyo Stock Exchange JASDAQ (Standard)</p> <p>5 October 2010: Osaka Stock Exchange (JASDAQ Standard)</p>
Capital	¥2,979m (as of the end of May 2024)
No. of Shares	20,010,529 shares, including 4,495,180 treasury shares (as of the end of May 2024)
Main Features	<ul style="list-style-type: none"> ● Designing and construction of commercial & public facilities ● Provision of comprehensive services, including management and maintenance ● Business administration as a holding company for own subsidiaries
Segments	<p>I . Interior Construction</p> <p>II . Sound & Lighting Facilities</p> <p>III . Equipment & Maintenance</p>
Representatives	<p>Representative Director, Chairperson and CEO: Masahide Shoji</p> <p>President: Koji Kida</p>
Shareholders	Tatsumi 42.76%, Custody Bank of Japan, T. 4.77%, Client Share Ownership Plan 3.12%, NOMURA Co., Ltd. 2.73% (as of the end of February 2024, but for treasury shares)
Head Office	Chuo-ku, Tokyo, JAPAN
No. of Personnel	Consolidated: 250, Parent: 14 (as of the end of February 2024)

Source: Company Data

3.0 Recent Trading and Prospects

Q1 FY02/2025

For Q1 FY02/2025, sales came in at ¥4,257m (up 42.2% YoY), operating profit ¥385m (up 455.3%), recurring profit ¥389m (up 419.1%) and profit attributable to owners of parent ¥314m (up 515.1%), while operating profit margin 9.1% (up 6.7% points).

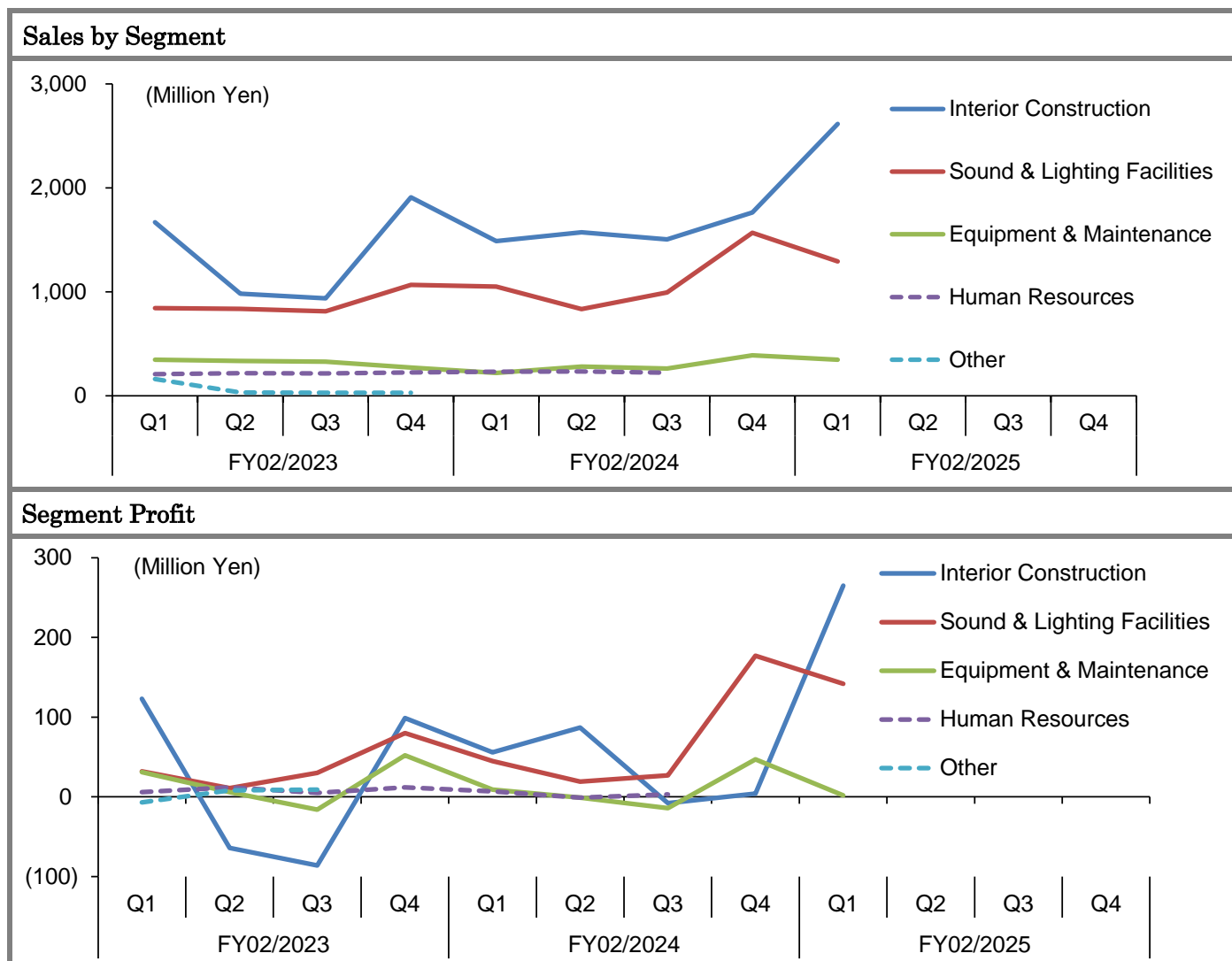


Source: Company Data, WRJ Calculation

Due to seasonal factors, the Company's sales tend to be concentrated for Q1 (March to May) and Q4 (December to February) and this is also true for earnings, as is taken for granted. Meanwhile, the Company's operating profit margin is inevitably under pressure for Q2 (June to August) and Q3 (September to November), when sales are in the phase of adjustments. In light of this, it appears that the Company has an idea that it is too early at the moment to determine the magnitude of upward revision for its full-year performance for immediate announcement. As far as we could see, the Company would like to confirm the state of order intake during the period of Q2 (June to August) at the very beginning.

By segment, on the mainstay Interior Construction side, which is in charge of by NISSHO INTERLIFE CO., LTD (a wholly owned subsidiary), sales came in at ¥2,615m (up 75.6%), segment profit ¥265m (up 372.8%) and segment profit margin of 10.1% (up 6.4% points), having seen contribution rate for the Company's performance by 89% in sales and 72% in segment profit. Sales were firm for those of being associated with contract work from general contractors as well as those of being associated with original contracts from eating and drinking establishments. Meanwhile, the Company suggests sales generated through the Osaka Sales Office have more than doubled over the same period of the previous year. Prior to the holding of EXPO 2025, the Osaka-Kansai Expo (13 April to 13 October 2025), the Company sees lots of redevelopments being underway in the surrounding areas, while steadily capturing demand, arising from all those redevelopments.

On the Sound & Lighting Facilities side, which is in charge of by System Engineering and Service, Inc. (wholly owned subsidiary) and SANKEN SYSTEM Co.,Ltd. (wholly owned subsidiary) consolidated since Q4 (December to February) of FY02/2024, the Company also saw a substantial increase in sales and earnings. As well, the Company is going for a trend of prospective performance for FY02/2025 that it will see sales intensively concentrated and thus segment profit for Q4, as it did for the actual results of FY02/2024, with respect to those of operations to plan, design and install sound & lighting facilities at hotels newly completed and so on.



Source: Company Data, WRJ Calculation (withdrawn from the Human Resources side and other to date)

FY02/2025 Company Forecasts

FY02/2025 Company forecasts, announced on 12 April 2024, have remained unchanged, going for prospective sales of ¥13,500m (up 6.9% YoY), operating profit of ¥400m (up 47.9%), recurring profit of ¥390m (up 58.7%) and profit attributable to owners of parent of ¥300m (down 22.1%), while operating profit margin of 3.0% (up 0.8% points). At the same time, Company forecasts are going for planned annual dividend of ¥8.00 per share, implying payout ratio of 41.4%. As well, Company forecasts assume ¥213m gain on sales of the shares in its subsidiary in charge of the operations on the Human Resources side, posted for Q3 FY02/2024, not to reappear and thus create a factor to lower the level of profit attributable to owners of parent to a corresponding extent.

4.0 Financial Statements

Income Statement (Cumulative / Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		Net Chg.
	02/2024	02/2024	02/2024	02/2024	02/2025	02/2025	02/2025	02/2025	02/2025	
Sales	2,993	5,916	8,902	12,626	4,257	-	-	-	-	+1,263
Cost of Sales	2,385	4,689	7,137	10,107	3,306	-	-	-	-	+921
Gross Profit	608	1,227	1,764	2,518	950	-	-	-	-	+342
SG&A Expenses	538	1,088	1,689	2,247	564	-	-	-	-	+25
Operating Profit	69	138	75	270	385	-	-	-	-	+316
Non-Operating Balance	5	3	(27)	(24)	3	-	-	-	-	(2)
Recurring Profit	74	141	48	245	389	-	-	-	-	+314
Extraordinary Balance	-	23	237	236	-	-	-	-	-	-
Profit before Income Taxes	74	165	285	482	389	-	-	-	-	+314
Total Income Taxes	23	52	73	97	75	-	-	-	-	+51
Profit Attributable to Owners of Parent	51	113	212	384	314	-	-	-	-	+263
Sales YoY	(7.3%)	+5.0%	+11.9%	+10.2%	+42.2%	-	-	-	-	-
Operating Profit YoY	(48.6%)	+122.5%	-	+60.4%	+455.3%	-	-	-	-	-
Recurring Profit YoY	(47.2%)	+101.0%	-	+38.6%	+419.1%	-	-	-	-	-
Profit Attributable to Owners of Parent YoY	(57.0%)	+133.9%	-	+114.6%	+515.1%	-	-	-	-	-
Gross Profit Margin	20.3%	20.7%	19.8%	19.9%	22.3%	-	-	-	-	+2.0%
SG&A Ratio	18.0%	18.4%	19.0%	17.8%	13.3%	-	-	-	-	(4.7%)
Operating Profit Margin	2.3%	2.3%	0.9%	2.1%	9.1%	-	-	-	-	+6.7%
Recurring Profit Margin	2.5%	2.4%	0.5%	1.9%	9.1%	-	-	-	-	+6.6%
Profit Attributable to Owners of Parent Margin	1.7%	1.9%	2.4%	3.0%	7.4%	-	-	-	-	+5.7%
Total Income Taxes / Profit before Income Taxes	31.9%	31.5%	25.6%	20.2%	19.3%	-	-	-	-	(12.6%)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Net Chg.
	02/2024	02/2024	02/2024	02/2024	02/2025	02/2025	02/2025	02/2025	02/2025	
Sales	2,993	2,923	2,985	3,723	4,257	-	-	-	-	+1,263
Cost of Sales	2,385	2,304	2,447	2,970	3,306	-	-	-	-	+921
Gross Profit	608	618	537	753	950	-	-	-	-	+342
SG&A Expenses	538	549	600	558	564	-	-	-	-	+25
Operating Profit	69	68	(62)	194	385	-	-	-	-	+316
Non-Operating Balance	5	(2)	(30)	2	3	-	-	-	-	(2)
Recurring Profit	74	66	(92)	197	389	-	-	-	-	+314
Extraordinary Balance	-	23	213	(0)	-	-	-	-	-	-
Profit before Income Taxes	74	90	120	196	389	-	-	-	-	+314
Total Income Taxes	23	28	21	23	75	-	-	-	-	+51
Profit Attributable to Owners of Parent	51	62	99	172	314	-	-	-	-	+263
Sales YoY	(7.3%)	+21.5%	+28.5%	+6.3%	+42.2%	-	-	-	-	-
Operating Profit YoY	(48.6%)	-	-	(4.7%)	+455.3%	-	-	-	-	-
Recurring Profit YoY	(47.2%)	-	-	(3.9%)	+419.1%	-	-	-	-	-
Profit Attributable to Owners of Parent YoY	(57.0%)	-	-	(23.0%)	+515.1%	-	-	-	-	-
Gross Profit Margin	20.3%	21.2%	18.0%	20.2%	22.3%	-	-	-	-	+2.0%
SG&A Ratio	18.0%	18.8%	20.1%	15.0%	13.3%	-	-	-	-	(4.7%)
Operating Profit Margin	2.3%	2.4%	(2.1%)	5.2%	9.1%	-	-	-	-	+6.7%
Recurring Profit Margin	2.5%	2.3%	(3.1%)	5.3%	9.1%	-	-	-	-	+6.6%
Profit Attributable to Owners of Parent Margin	1.7%	2.1%	3.3%	4.6%	7.4%	-	-	-	-	+5.7%
Total Income Taxes / Profit before Income Taxes	31.9%	31.2%	17.6%	12.2%	19.3%	-	-	-	-	(12.6%)

Source: Company Data, WRJ Calculation

Segmented Information (Cumulative / Quarterly)

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		
	02/2024	02/2024	02/2024	02/2024	02/2025	02/2025	02/2025	02/2025		
Interior Construction	1,489	3,064	4,570	6,334	2,615	-	-	-	-	+1,126
Sound & Lighting Facilities	1,051	1,886	2,882	4,451	1,294	-	-	-	-	+242
Equipment & Maintenance	220	501	763	1,153	347	-	-	-	-	+126
Human Resources	231	464	686	686	-	-	-	-	-	(231)
Sales	2,993	5,916	8,902	12,626	4,257	-	-	-	-	+1,263
Interior Construction	56	143	135	139	265	-	-	-	-	+209
Sound & Lighting Facilities	45	64	91	269	142	-	-	-	-	+97
Equipment & Maintenance	9	7	(6)	41	2	-	-	-	-	(6)
Human Resources	7	6	10	10	-	-	-	-	-	(7)
Segment Profit	117	222	230	460	410	-	-	-	-	+292
Adjustments	(48)	(84)	(154)	(189)	(24)	-	-	-	-	+24
Operating Profit	69	138	75	270	385	-	-	-	-	+316
Interior Construction	3.8%	4.7%	3.0%	2.2%	10.1%	-	-	-	-	+6.4%
Sound & Lighting Facilities	4.3%	3.4%	3.2%	6.0%	11.0%	-	-	-	-	+6.7%
Equipment & Maintenance	4.1%	1.6%	(0.8%)	3.6%	0.8%	-	-	-	-	(3.3%)
Human Resources	3.3%	1.4%	1.5%	1.5%	-	-	-	-	-	-
Segment Profit Margin	3.9%	3.8%	2.6%	3.6%	9.6%	-	-	-	-	+5.7%
Adjustments	(1.6%)	(1.4%)	(1.7%)	(1.5%)	(0.6%)	-	-	-	-	+1.0%
Operating Profit Margin	2.3%	2.3%	0.9%	2.1%	9.1%	-	-	-	-	+6.7%

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
	02/2024	02/2024	02/2024	02/2024	02/2025	02/2025	02/2025	02/2025		
Interior Construction	1,489	1,574	1,505	1,764	2,615	-	-	-	-	+1,126
Sound & Lighting Facilities	1,051	834	995	1,568	1,294	-	-	-	-	+242
Equipment & Maintenance	220	280	262	390	347	-	-	-	-	+126
Human Resources	231	233	222	-	-	-	-	-	-	(231)
Sales	2,993	2,923	2,985	3,723	4,257	-	-	-	-	+1,263
Interior Construction	56	87	(8)	4	265	-	-	-	-	+209
Sound & Lighting Facilities	45	19	27	177	142	-	-	-	-	+97
Equipment & Maintenance	9	(1)	(14)	47	2	-	-	-	-	(6)
Human Resources	7	(1)	3	-	-	-	-	-	-	(7)
Segment Profit	117	104	8	229	410	-	-	-	-	+292
Adjustments	(48)	(35)	(70)	(35)	(24)	-	-	-	-	+24
Operating Profit	69	68	(63)	194	385	-	-	-	-	+316
Interior Construction	3.8%	5.5%	(0.5%)	0.3%	10.1%	-	-	-	-	+6.4%
Sound & Lighting Facilities	4.3%	2.3%	2.7%	11.3%	11.0%	-	-	-	-	+6.7%
Equipment & Maintenance	4.1%	(0.4%)	(5.4%)	12.2%	0.8%	-	-	-	-	(3.3%)
Human Resources	3.3%	(0.5%)	1.6%	-	-	-	-	-	-	-
Segment Profit Margin	3.9%	3.6%	0.3%	6.2%	9.6%	-	-	-	-	+5.7%
Adjustments	(1.6%)	(1.2%)	(2.4%)	(0.9%)	(0.6%)	-	-	-	-	+1.0%
Operating Profit Margin	2.3%	2.4%	(2.1%)	5.2%	9.1%	-	-	-	-	+6.7%

Source: Company Data, WRJ Calculation

Balance Sheet (Quarterly)

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
	02/2024	02/2024	02/2024	02/2024	02/2025	02/2025	02/2025	02/2025		
Cash and Deposit	2,323	2,503	2,121	1,419	2,471	-	-	-	-	+147
Notes Receivable -Trade	2,080	1,817	2,249	3,363	2,759	-	-	-	-	+679
Inventory	4	4	13	14	13	-	-	-	-	+8
Costs on Construction Contracts in Progress	560	579	955	833	656	-	-	-	-	+96
Other	140	114	140	176	162	-	-	-	-	+21
Current Assets	5,109	5,018	5,482	5,808	6,063	-	-	-	-	+954
Tangible Assets	1,149	1,120	1,139	1,111	1,114	-	-	-	-	(35)
Intangible Assets	278	270	553	543	543	-	-	-	-	+264
Investments and Other Assets	643	644	678	672	695	-	-	-	-	+51
Fixed Assets	2,072	2,035	2,371	2,326	2,353	-	-	-	-	+281
Total Assets	7,181	7,054	7,853	8,135	8,417	-	-	-	-	+1,235
Accounts Payables	1,467	1,411	1,481	1,653	1,364	-	-	-	-	(103)
Short-Term Debt	529	489	450	450	580	-	-	-	-	+51
Current Portion of Long-term Debt	353	361	459	472	433	-	-	-	-	+79
Other	858	658	665	714	971	-	-	-	-	+112
Current Liabilities	3,208	2,921	3,056	3,290	3,349	-	-	-	-	+140
Long-Term Debt	423	511	1,013	867	901	-	-	-	-	+477
Other	271	277	329	340	343	-	-	-	-	+72
Fixed Liabilities	694	788	1,343	1,207	1,244	-	-	-	-	+550
Total Liabilities	3,902	3,710	4,399	4,497	4,593	-	-	-	-	+691
Shareholders' Equity	3,313	3,375	3,477	3,652	3,835	-	-	-	-	+522
Other	(35)	(32)	(24)	(15)	(13)	-	-	-	-	+22
Net Assets	3,278	3,344	3,453	3,637	3,823	-	-	-	-	+544
Total Liabilities & Net Assets	7,181	7,054	7,853	8,135	8,417	-	-	-	-	+1,235
Equity Capital	3,278	3,344	3,453	3,637	3,823	-	-	-	-	+545
Interest Bearing Debt	1,305	1,363	1,923	1,789	1,914	-	-	-	-	+608
Net Debt	(1,018)	(1,140)	(199)	370	(557)	-	-	-	-	+460
Equity Ratio	45.7%	47.4%	44.0%	44.7%	45.4%	-	-	-	-	-
Net Debt Equity Ratio	(31.1%)	(34.1%)	(5.7%)	10.2%	(14.6%)	-	-	-	-	-
ROE (12 months)	3.4%	7.5%	13.3%	11.1%	18.2%	-	-	-	-	-
ROA (12 months)	1.5%	3.5%	3.5%	3.2%	7.2%	-	-	-	-	-
Days for Inventory Turnover	21	23	36	26	18	-	-	-	-	-
Quick Ratio	137%	148%	143%	145%	156%	-	-	-	-	-
Current Ratio	159%	172%	179%	177%	181%	-	-	-	-	-

Source: Company Data, WRJ Calculation

Cash Flow Statement (Cumulative)

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		
	02/2024	02/2024	02/2024	02/2024	02/2025	02/2025	02/2025	02/2025		
Operating Cash Flow	-	791	-	(623)	-	-	-	-	-	-
Investing Cash Flow	-	(28)	-	(58)	-	-	-	-	-	-
Operating Cash Flow and Investing Cash Flow	-	764	-	(681)	-	-	-	-	-	-
Financing Cash Flow	-	(51)	-	261	-	-	-	-	-	-

Source: Company Data, WRJ Calculation

Disclaimer

Information here is a summary of “IR Information” of the Company, compiled by Walden Research Japan, from a neutral and professional standing point, in the form of a report. “IR Information” of the Company comprises a) contents of our interview with the Company, b) contents of presentations for institutional investors, c) contents of timely disclosed information and d) contents of the homepage, etc.

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