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Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2024 [Japanese GAAP]

July 31, 2023

Company name: INFOCOM CORPORATION

Stock exchange listing: Tokyo

Code number: 4348

URL: <https://www.infocom.co.jp/>

Representative: Jun Kuroda

President and CEO

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Scheduled date of filing quarterly securities report: August 9, 2023

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2023 (April 1, 2023 to June 30, 2023)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	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, 2023	18,821	21.5	1,815	16.6	1,861	15.6	1,232	15.1
June 30, 2022	15,490	(2.4)	1,557	(27.8)	1,609	(26.5)	1,070	(29.3)

(Note) Comprehensive income: Three months ended June 30, 2023: ¥ 1,355 million [145.7%]
Three months ended June 30, 2022: ¥ 551 million [(53.9)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2023	22.49	22.40
June 30, 2022	19.54	19.46

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
June 30, 2023	61,152	44,796	72.7
March 31, 2023	60,287	45,194	74.3

(Reference) Equity: As of June 30, 2023: ¥ 44,436 million
As of March 31, 2023: ¥ 44,816 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	18.00	-	32.00	50.00
Fiscal year ending March 31, 2024	-				
Fiscal year ending March 31, 2024 (Forecast)		18.00	-	27.00	45.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2023 :

Commemorative dividend	5.00 yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2023	39,000	18.1	4,200	13.2	4,200	10.9	2,800	63.9	51.10
Full year	82,500	17.3	10,000	17.3	10,000	16.3	6,700	87.6	122.28

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2023
(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New	-	(Company name:)
Exclusion:	-	(Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

- 1) Changes in accounting policies due to the revision of accounting standards: No
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

June 30, 2023:	57,600,000 shares
March 31, 2023:	57,600,000 shares

2) Number of treasury shares at the end of the period:

June 30, 2023:	2,808,062 shares
March 31, 2023:	2,809,562 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2023:	54,791,188 shares
Three months ended June 30, 2022:	54,781,714 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	35,575	34,655
Notes and accounts receivable - trade, and contract assets	11,757	10,059
Inventories	83	301
Other	1,695	2,524
Allowance for doubtful accounts	(0)	(3)
Total current assets	49,111	47,536
Non-current assets		
Property, plant and equipment	1,140	1,218
Intangible assets		
Software	2,198	2,339
Goodwill	419	1,046
Other	33	882
Total intangible assets	2,650	4,268
Investments and other assets		
Investments and other assets	7,386	8,130
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	7,385	8,128
Total non-current assets	11,176	13,615
Total assets	60,287	61,152
Liabilities		
Current liabilities		
Accounts payable - trade	5,212	5,597
Income taxes payable	1,437	701
Provision for bonuses	1,302	547
Other provisions	23	24
Other	6,642	8,605
Total current liabilities	14,619	15,475
Non-current liabilities		
Retirement benefit liability	67	79
Other provisions	52	52
Other	353	747
Total non-current liabilities	474	879
Total liabilities	15,093	16,355
Net assets		
Shareholders' equity		
Share capital	1,590	1,590
Capital surplus	1,485	1,487
Retained earnings	41,961	41,440
Treasury shares	(790)	(789)
Total shareholders' equity	44,246	43,727
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	390	485
Foreign currency translation adjustment	178	223
Total accumulated other comprehensive income	569	708
Share acquisition rights	213	212

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Non-controlling interests	164	148
Total net assets	45,194	44,796
Total liabilities and net assets	60,287	61,152

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the three months)

(Millions of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Net sales	15,490	18,821
Cost of sales	8,326	10,169
Gross profit	7,164	8,651
Selling, general and administrative expenses	5,606	6,835
Operating profit	1,557	1,815
Non-operating income		
Interest and dividend income	39	43
Partnership gain	13	2
Other	3	1
Total non-operating income	55	47
Non-operating expenses		
Interest expenses	0	0
Foreign exchange losses	3	1
Other	0	0
Total non-operating expenses	3	2
Ordinary profit	1,609	1,861
Extraordinary losses		
Loss on retirement of non-current assets	0	1
Total extraordinary losses	0	1
Profit before income taxes	1,609	1,859
Income taxes	542	643
Profit	1,066	1,216
Loss attributable to non-controlling interests	(3)	(15)
Profit attributable to owners of parent	1,070	1,232

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Millions of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Profit	1,066	1,216
Other comprehensive income		
Valuation difference on available-for-sale securities	(619)	94
Foreign currency translation adjustment	104	44
Total other comprehensive income	(515)	138
Comprehensive income	551	1,355
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	556	1,371
Comprehensive income attributable to non-controlling interests	(5)	(16)

Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Cash flows from operating activities		
Profit before income taxes	1,609	1,859
Depreciation	255	269
Share-based payment expenses	8	9
Amortization of goodwill	40	14
Increase (decrease) in provisions	(797)	(742)
Interest and dividend income	(39)	(43)
Interest expenses	0	0
Decrease (increase) in trade receivables and contract assets	1,790	2,199
Decrease (increase) in inventories	(84)	(167)
Increase (decrease) in trade payables	181	275
Increase (decrease) in deposits received	1,202	959
Other, net	341	159
Subtotal	4,509	4,794
Interest and dividends received	36	41
Interest paid	(0)	(0)
Income taxes paid	(2,049)	(1,978)
Net cash provided by (used in) operating activities	2,495	2,857
Cash flows from investing activities		
Purchase of property, plant and equipment	(30)	(28)
Purchase of intangible assets	(251)	(146)
Purchase of investment securities	-	(510)
Payments of guarantee deposits	(24)	(86)
Proceeds from refund of guarantee deposits	744	0
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(1,331)
Other, net	(1)	(1)
Net cash provided by (used in) investing activities	436	(2,104)
Cash flows from financing activities		
Repayments of lease liabilities	(7)	(6)
Dividends paid	(2,026)	(1,753)
Other, net	(9)	(8)
Net cash provided by (used in) financing activities	(2,044)	(1,767)
Effect of exchange rate change on cash and cash equivalents	34	21
Net increase (decrease) in cash and cash equivalents	922	(993)
Cash and cash equivalents at beginning of period	31,700	35,575
Cash and cash equivalents at end of period	32,623	34,581