

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended March 31, 2024 (Based on Japanese GAAP)

April 25, 2024

Company name: Computer Institute of Japan, Ltd.
 Stock exchange listing: Tokyo
 Stock code: 4826 URL <https://www.cij.co.jp/>
 Representative: President and Chief Executive Officer Akihiko Sakamoto
 Executive Officer Management Planning
 Inquiries: Dept. Manager Takashi Morita TEL 045-222-0555
 Scheduled date to file Quarterly Securities Report: May 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 March 31, 2024 (from July 1, 2023 to March 31, 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	%
Nine months ended March 31, 2024	19,161	12.2	1,568	(0.3)	1,589	0.3	1,018	1.7
Nine months ended March 31, 2023	17,083	7.2	1,573	23.8	1,585	22.3	1,001	40.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended March 31, 2024	17.54		–	
Nine months ended March 31, 2023	17.06		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2024	18,321	14,532	79.3
As of June 30, 2023	17,775	14,139	79.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended June 30, 2023	–	–	–	14.00	14.00
Year ending June 30, 2024	–	–	–		
Year ending June 30, 2024 (Forecast)				11.00	11.00

3. Forecast of consolidated financial results for the year ending June 30, 2024 (from July 1, 2023 to June 30, 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	25,300	10.7	1,880	2.7	1,880	2.2	1,180	3.2	20.35

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended March 31, 2024
(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: Yes
- (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 March 31, 2024	66,798,288 shares	As of June 30, 2023	66,798,288 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	9,026,643 shares	As of June 30, 2023	8,646,525 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended March 31, 2024	58,060,024 shares	Nine months ended March 31, 2023	58,700,412 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of June 30, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	10,085,490	9,147,252
Accounts receivable - trade	3,029,467	4,065,345
Contract assets	511,409	399,194
Securities	570,122	–
Merchandise and finished goods	9,874	2,998
Work in process	31,748	4,981
Other	226,479	279,182
Allowance for doubtful accounts	–	(22,723)
Total current assets	14,464,592	13,876,232
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	333,389	325,255
Other, net	57,929	48,241
Total property, plant and equipment	391,319	373,496
Intangible assets		
Goodwill	362,922	764,368
Other	404,285	370,007
Total intangible assets	767,207	1,134,375
Investments and other assets		
Investment securities	1,129,797	1,845,246
Other	1,025,769	1,094,944
Allowance for doubtful accounts	(2,722)	(2,722)
Total investments and other assets	2,152,844	2,937,467
Total non-current assets	3,311,371	4,445,340
Total assets	17,775,963	18,321,573

(Thousands of yen)

	As of June 30, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	839,476	999,503
Short-term borrowings	530,006	520,006
Income taxes payable	472,975	271,277
Contract liabilities	84,506	27,217
Provision for bonuses	434,904	915,267
Other	1,208,796	986,192
Total current liabilities	3,570,665	3,719,464
Non-current liabilities		
Retirement benefit liability	45,758	46,287
Other	19,774	23,143
Total non-current liabilities	65,532	69,431
Total liabilities	3,636,197	3,788,895
Net assets		
Shareholders' equity		
Share capital	2,270,228	2,270,228
Capital surplus	2,486,327	2,538,316
Retained earnings	10,784,976	11,260,793
Treasury shares	(1,494,070)	(1,723,818)
Total shareholders' equity	14,047,462	14,345,519
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	84,168	177,982
Foreign currency translation adjustment	8,134	9,175
Total accumulated other comprehensive income	92,302	187,157
Total net assets	14,139,765	14,532,677
Total liabilities and net assets	17,775,963	18,321,573

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended March 31, 2023	Nine months ended March 31, 2024
Net sales	17,083,920	19,161,323
Cost of sales	13,351,866	15,189,218
Gross profit	3,732,053	3,972,105
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	213,823	263,712
Salaries and allowances	578,770	629,402
Provision for bonuses	88,768	90,216
Welfare expenses	146,963	153,525
Rent expenses	189,110	217,127
Depreciation	127,022	128,707
Commission expenses	109,327	129,136
Recruitment expenses	49,889	52,169
Taxes and dues	86,797	87,189
Research and development expenses	132,111	84,408
Amortization of goodwill	66,790	117,854
Other	369,143	449,872
Total selling, general and administrative expenses	2,158,519	2,403,323
Operating profit	1,573,534	1,568,781
Non-operating income		
Interest income	10,725	19,712
Dividend income	11,936	10,121
Subsidy income	1,420	6,082
Other	7,606	9,363
Total non-operating income	31,687	45,280
Non-operating expenses		
Interest expenses	899	1,849
Amortization of long-term prepaid expenses	14,790	19,701
Other	4,469	3,103
Total non-operating expenses	20,159	24,654
Ordinary profit	1,585,063	1,589,407
Extraordinary income		
Surrender value of insurance policies	–	3,768
Gain on sale of investment securities	17,330	1,212
Other	–	113
Total extraordinary income	17,330	5,094
Extraordinary losses		
Loss on sale of investment securities	–	4,225
Loss on valuation of investment securities	–	3,960
Impairment losses	42,166	–
Loss on valuation of investments in capital	15,988	1,164
Total extraordinary losses	58,154	9,349
Profit before income taxes	1,544,238	1,585,152
Income taxes	542,736	566,586
Profit	1,001,501	1,018,566
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	1,001,501	1,018,566

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended March 31, 2023	Nine months ended March 31, 2024
Profit	1,001,501	1,018,566
Other comprehensive income		
Valuation difference on available-for-sale securities	7,419	93,814
Foreign currency translation adjustment	(862)	1,040
Total other comprehensive income	6,556	94,854
Comprehensive income	1,008,058	1,113,420
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,008,058	1,113,420
Comprehensive income attributable to non-controlling interests	—	—