

Translation

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

May 14, 2024

Company name: R&D COMPUTER CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 3924 URL <https://www.rand.co.jp/>
 Representative: President and Representative Director Yoshiaki Fukushima
 Director and General Manager, Fumitoshi Okuno
 Corporate Administration Division TEL 03-5232-3046
 Inquiries: Fumitoshi Okuno
 Scheduled date of ordinary general meeting of shareholders: June 25, 2024
 Scheduled date to file Securities Report: June 28, 2024
 Scheduled date to commence dividend payments: June 5, 2024
 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 year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

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	%
Year ended March 31, 2024	13,732	18.6	1,729	41.5	1,743	40.8	1,233	59.8
Year ended March 31, 2023	11,578	20.7	1,222	40.2	1,238	40.8	772	23.1

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2024	68.73	–	23.2	21.5	12.6
Year ended March 31, 2023	43.00	–	16.7	17.7	10.6

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	8,712	5,773	66.0	320.55
As of March 31, 2023	7,502	4,865	64.7	270.17

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	1,125	(122)	(369)	3,567
Year ended March 31, 2023	981	(644)	(286)	2,934

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	–	14.00	–	21.00	35.00	314	40.7	6.8
Year ended March 31, 2024	–	20.00	–	25.00	–	628	50.9	11.8
Year ending March 31, 2025 (Forecast)	–	18.00	–	18.00	36.00		51.1	

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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
Six months ending September 30, 2024	6,750	4.4	806	5.8	815	5.1	554	5.5	30.87
Full year	14,420	5.0	1,860	7.5	1,900	9.0	1,267	2.8	70.58

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) 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	17,967,900 shares	As of March 31, 2023	17,967,900 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	15,734 shares	As of March 31, 2023	13,534 shares
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Average number of shares during the period

Year ended March 31, 2024	17,952,735 shares	Year ended March 31, 2023	17,954,173 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	3,062,740	3,601,864
accounts receivable - trade, and contract assets	2,649,842	3,253,530
Securities	200,000	300,000
Work in process	72,465	58,772
Prepaid expenses	137,437	151,988
Other	17,354	732
Total current assets	6,139,840	7,366,889
Non-current assets		
Property, plant and equipment		
Buildings	64,464	57,520
Tools, furniture and fixtures	48,934	46,089
Total property, plant and equipment	113,399	103,610
Intangible assets		
Goodwill	345,167	273,353
Customer-related intangible assets	305,100	271,200
Software	51,359	73,056
Software in progress	19,305	21,602
Trademark right	6,354	5,204
Total intangible assets	727,286	644,417
Investments and other assets		
Investment securities	148,723	211,918
Guarantee deposits	75,903	74,361
Golf club membership	3,600	41,600
Deferred tax assets	294,674	275,771
Allowance for doubtful accounts	(650)	(5,700)
Total investments and other assets	522,250	597,950
Total non-current assets	1,362,936	1,345,977
Total assets	7,502,777	8,712,866

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	538,846	649,063
Accounts payable - other	69,678	88,747
Accrued expenses	129,899	159,194
Income taxes payable	346,043	331,939
Accrued consumption taxes	116,101	196,063
Contract liabilities	198,833	244,893
Deposits received	54,039	94,191
Provision for bonuses	465,146	393,504
Provision for bonuses for directors (and other officers)	67,900	84,500
Provision for shareholder benefit program	18,058	–
Provision for loss on orders received	9,000	75,000
Total current liabilities	2,013,548	2,317,097
Non-current liabilities		
Long-term accounts payable - other	100,000	100,000
Retirement benefit liability	436,862	451,111
Deferred tax liabilities	86,637	70,800
Total non-current liabilities	623,499	621,911
Total liabilities	2,637,048	2,939,009
Net assets		
Shareholders' equity		
Share capital	460,063	460,063
Capital surplus	316,333	316,333
Retained earnings	4,012,594	4,878,413
Treasury shares	(5,877)	(7,085)
Total shareholders' equity	4,783,114	5,647,724
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	73,158	114,439
Remeasurements of defined benefit plans	(5,575)	(7,640)
Total accumulated other comprehensive income	67,583	106,799
Non-controlling interests	15,031	19,333
Total net assets	4,865,729	5,773,857
Total liabilities and net assets	7,502,777	8,712,866

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	11,578,940	13,732,744
Cost of sales	9,073,132	10,679,286
Gross profit	2,505,808	3,053,457
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	129,090	143,494
Salaries and allowances	230,988	270,904
Bonuses	41,992	42,509
Provision for bonuses	41,108	34,283
Legal welfare expenses	56,158	64,491
Provision for bonuses for directors (and other officers)	67,900	84,500
Supplies expenses	40,257	37,248
Taxes and dues	76,647	85,252
Depreciation	71,520	58,378
Amortization of goodwill	71,814	71,814
Rent expenses on real estate	80,607	82,120
Commission expenses	133,643	76,902
Other	241,669	271,571
Total selling, general and administrative expenses	1,283,398	1,323,473
Operating profit	1,222,409	1,729,984
Non-operating income		
Interest income	102	132
Dividend income	1,886	2,096
Outsourcing service income	8,637	13,134
Subsidy income	9,526	1,000
Reversal of allowance for doubtful accounts	150	–
Other	793	3,475
Total non-operating income	21,097	19,838
Non-operating expenses		
Interest expenses	824	796
Loss on retirement of non-current assets	4,392	–
Provision of allowance for doubtful accounts	–	5,050
Other	88	9
Total non-operating expenses	5,305	5,855
Ordinary profit	1,238,200	1,743,967
Profit before income taxes	1,238,200	1,743,967
Income taxes - current	498,453	520,320
Income taxes - deferred	(34,305)	(14,517)
Total income taxes	464,148	505,802
Profit	774,052	1,238,164
Profit attributable to non-controlling interests	1,955	4,301
Profit attributable to owners of parent	772,096	1,233,862

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	774,052	1,238,164
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,284)	41,281
Remeasurements of defined benefit plans, net of tax	1,787	(2,065)
Total other comprehensive income	(1,497)	39,216
Comprehensive income	772,555	1,277,381
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	770,599	1,273,079
Comprehensive income attributable to non-controlling interests	1,955	4,301

Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	458,499	314,769	3,527,761	(3,459)	4,297,571
Changes during period					
Issuance of new shares	1,564	1,564			3,128
Dividends of surplus			(287,263)		(287,263)
Profit attributable to owners of parent			772,096		772,096
Purchase of treasury shares				(2,418)	(2,418)
Net changes in items other than shareholders' equity					
Total changes during period	1,564	1,564	484,833	(2,418)	485,543
Balance at end of period	460,063	316,333	4,012,594	(5,877)	4,783,114

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	76,442	(7,362)	69,079	–	4,366,651
Changes during period					
Issuance of new shares					3,128
Dividends of surplus					(287,263)
Profit attributable to owners of parent					772,096
Purchase of treasury shares					(2,418)
Net changes in items other than shareholders' equity	(3,284)	1,787	(1,496)	15,031	13,534
Total changes during period	(3,284)	1,787	(1,496)	15,031	499,077
Balance at end of period	73,158	(5,575)	67,583	15,031	4,865,729

Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	460,063	316,333	4,012,594	(5,877)	4,783,114
Changes during period					
Dividends of surplus			(368,044)		(368,044)
Profit attributable to owners of parent			1,233,862		1,233,862
Purchase of treasury shares				(1,208)	(1,208)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	865,818	(1,208)	864,610
Balance at end of period	460,063	316,333	4,878,413	(7,085)	5,647,724

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	73,158	(5,575)	67,583	15,031	4,865,729
Changes during period					
Dividends of surplus					(368,044)
Profit attributable to owners of parent					1,233,862
Purchase of treasury shares					(1,208)
Net changes in items other than shareholders' equity	41,281	(2,065)	39,216	4,301	43,518
Total changes during period	41,281	(2,065)	39,216	4,301	908,128
Balance at end of period	114,439	(7,640)	106,799	19,333	5,773,857

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	1,238,200	1,743,967
Depreciation	112,146	106,450
Amortization of goodwill	71,814	71,814
Increase (decrease) in allowance for doubtful accounts	(150)	5,050
Increase (decrease) in provision for bonuses	86,795	(71,642)
Increase (decrease) in provision for bonuses for directors (and other officers)	22,400	16,600
Increase (decrease) in retirement benefit liability	13,639	11,269
Increase (decrease) in provision for loss on orders received	(59,000)	66,000
Increase (decrease) in provision for shareholder benefit program	983	(18,058)
Interest and dividend income	(1,989)	(2,229)
Fiduciary obligation fee	(8,637)	(13,134)
Subsidy income	(9,526)	(1,000)
Interest expenses	824	796
Loss on retirement of property, plant and equipment	4,392	–
Decrease (increase) in trade receivables	(141,794)	(603,687)
Decrease (increase) in inventories	27,089	13,692
Increase (decrease) in trade payables	58,355	110,217
Increase (decrease) in accrued consumption taxes	(6,568)	79,962
Increase (decrease) in contract liabilities	(21,729)	46,059
Decrease (increase) in other current assets	(10,251)	2,390
Increase (decrease) in other current liabilities	29,194	83,426
Subtotal	1,406,187	1,647,944
Interest and dividends received	1,989	2,229
Proceeds from fiduciary obligation fee	8,637	13,134
Subsidies received	9,526	1,000
Interest paid	(824)	(796)
Income taxes paid	(443,891)	(538,449)
Net cash provided by (used in) operating activities	981,624	1,125,062
Cash flows from investing activities		
Payments into time deposits	(5,402)	(5,403)
Purchase of investment securities	(3,318)	(3,415)
Purchase of property, plant and equipment and intangible assets	(149,956)	(75,242)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(790,825)	–
Payments of guarantee deposits	(24,971)	(200)
Proceeds from refund of guarantee deposits	90	172
Proceeds from collection of short-term loans receivable	330,016	–
Purchase of golf club membership	–	(38,000)
Net cash provided by (used in) investing activities	(644,367)	(122,089)

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from financing activities		
Proceeds from issuance of shares	3,128	–
Dividends paid	(287,263)	(368,044)
Purchase of treasury shares	(2,418)	(1,208)
Net cash provided by (used in) financing activities	(286,553)	(369,252)
Net increase (decrease) in cash and cash equivalents	50,702	633,721
Cash and cash equivalents at beginning of period	2,883,562	2,934,265
Cash and cash equivalents at end of period	2,934,265	3,567,986