

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

August 13, 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, Corporate Administration Division Fumitoshi Okuno
 Inquiries: Administration Division TEL 03-5232-3046
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 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	%
Three months ended June 30, 2024	3,097	8.9	109	(54.3)	124	(50.7)	80	(50.6)
Three months ended June 30, 2023	2,844	16.5	238	136.0	252	129.6	163	241.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	4.49		–	
Three months ended June 30, 2023	9.09		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2024	8,156	5,395	65.9	299.52
As of March 31, 2024	8,712	5,773	66.0	320.55

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2024	–	20.00	–	25.00	45.00
Year ending March 31, 2025	–				
Year ending March 31, 2025 (Forecast)		18.00	–	18.00	36.00

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	640	(20.6)	655	(19.6)	470	(15.2)	26.18
Full year	14,420	5.0	1,860	7.5	1,900	9.0	1,267	2.8	70.58

4. Notes

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (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 June 30, 2024	17,967,900 shares	As of March 31, 2024	17,967,900 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	15,734 shares	As of March 31, 2024	15,734 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	17,952,166 shares	Three months ended June 30, 2023	17,950,007 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	3,601,864	3,998,442
accounts receivable - trade, and contract assets	3,253,530	2,133,420
Securities	300,000	300,000
Work in process	58,772	269,394
Prepaid expenses	151,988	155,352
Other	732	3,570
Total current assets	7,366,889	6,860,180
Non-current assets		
Property, plant and equipment		
Buildings, net	57,520	56,869
Tools, furniture and fixtures, net	46,089	44,494
Total property, plant and equipment	103,610	101,363
Intangible assets		
Goodwill	273,353	255,399
Customer-related intangible assets	271,200	262,725
Software	73,056	120,596
Software in progress	21,602	–
Trademark right	5,204	4,916
Total intangible assets	644,417	643,637
Investments and other assets		
Investment securities	211,918	215,477
Guarantee deposits	74,361	73,806
Golf club membership	41,600	38,000
Deferred tax assets	275,771	228,651
Allowance for doubtful accounts	(5,700)	(5,000)
Total investments and other assets	597,950	550,935
Total non-current assets	1,345,977	1,295,936
Total assets	8,712,866	8,156,116

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	649,063	643,902
Short-term borrowings	–	150,000
Accounts payable - other	88,747	104,532
Accrued expenses	159,194	190,167
Income taxes payable	331,939	36,169
Accrued consumption taxes	196,063	112,501
Contract liabilities	244,893	279,594
Deposits received	94,191	246,834
Provision for bonuses	393,504	120,879
Provision for bonuses for directors (and other officers)	84,500	7,700
Provision for loss on orders received	75,000	250,000
Total current liabilities	2,317,097	2,142,281
Non-current liabilities		
Long-term accounts payable - other	100,000	100,000
Retirement benefit liability	451,111	447,581
Deferred tax liabilities	70,800	70,361
Total non-current liabilities	621,911	617,942
Total liabilities	2,939,009	2,760,223
Net assets		
Shareholders' equity		
Share capital	460,063	460,063
Capital surplus	316,333	316,333
Retained earnings	4,878,413	4,500,843
Treasury shares	(7,085)	(7,085)
Total shareholders' equity	5,647,724	5,270,155
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	114,439	108,376
Remeasurements of defined benefit plans	(7,640)	(1,447)
Total accumulated other comprehensive income	106,799	106,928
Non-controlling interests	19,333	18,808
Total net assets	5,773,857	5,395,893
Total liabilities and net assets	8,712,866	8,156,116

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	2,844,328	3,097,761
Cost of sales	2,240,893	2,598,654
Gross profit	603,434	499,106
Selling, general and administrative expenses	364,808	390,027
Operating profit	238,626	109,079
Non-operating income		
Interest income	15	65
Dividend income	420	1,106
Outsourcing service income	13,147	5,760
Subsidy income	–	8,381
Other	382	241
Total non-operating income	13,966	15,555
Non-operating expenses		
Interest expenses	200	386
Other	293	–
Total non-operating expenses	494	386
Ordinary profit	252,098	124,247
Profit before income taxes	252,098	124,247
Income taxes - current	15,032	18,001
Income taxes - deferred	73,293	26,155
Total income taxes	88,325	44,157
Profit	163,773	80,090
Profit (loss) attributable to non-controlling interests	604	(524)
Profit attributable to owners of parent	163,168	80,615

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	163,773	80,090
Other comprehensive income		
Valuation difference on available-for-sale securities	4,366	(6,063)
Remeasurements of defined benefit plans, net of tax	696	6,193
Total other comprehensive income	5,063	129
Comprehensive income	168,836	80,220
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	168,231	80,744
Comprehensive income attributable to non-controlling interests	604	(524)