

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: RAKUS Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 3923 URL <https://www.rakus.co.jp>
 Representative: Representative Director and President Takanori Nakamura
 Director and Business Administration Takahiro Miyauchi TEL 03(6683)3857
 Headquarters
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(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	11,219	35.4	2,327	125.5	2,338	123.3	2,071	193.7
Three months ended June 30, 2023	8,288	34.4	1,031	260.5	1,047	256.7	705	285.5

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	11.43		–	
Three months ended June 30, 2023	3.89		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	21,553	14,968	69.4
As of March 31, 2024	21,234	13,347	62.9

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	–	0.00	–	2.35	2.35
Year ending March 31, 2025	–	–	–	–	–
Year ending March 31, 2025 (Forecast)	–	0.00	–	3.90	3.90

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
Full year	48,300	25.8	9,000	61.9	9,001	60.4	6,900	64.8	38.08

4. Notes

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: Yes

(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	181,216,000 shares	As of March 31, 2024	181,216,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	45,262 shares	As of March 31, 2024	1,966 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	181,191,640 shares	Three months ended June 30, 2023	181,214,390 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	7,010	6,575
Accounts receivable - trade	5,702	5,995
Other	450	650
Allowance for doubtful accounts	(18)	(19)
Total current assets	13,145	13,202
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	288	308
Tools, furniture and fixtures, net	1,173	1,436
Total property, plant and equipment	1,461	1,745
Intangible assets		
Goodwill	1,696	1,613
Customer-related intangible assets	2,067	2,030
Software	46	44
Total intangible assets	3,810	3,688
Investments and other assets		
Investment securities	429	369
Long-term loans receivable from subsidiaries and associates	28	27
Guarantee deposits	1,153	1,243
Deferred tax assets	1,180	1,262
Other	41	35
Allowance for doubtful accounts	(16)	(22)
Total investments and other assets	2,817	2,916
Total non-current assets	8,088	8,351
Total assets	21,234	21,553

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	3	4
Current portion of long-term borrowings	754	754
Accounts payable - other	1,828	2,101
Accrued expenses	1,341	214
Income taxes payable	1,221	514
Accrued consumption taxes	1,026	701
Contract liabilities	901	1,005
Provision for bonuses	35	626
Other	260	446
Total current liabilities	7,372	6,369
Non-current liabilities		
Long-term borrowings	216	27
Long-term accrued expenses	91	108
Guarantee deposits received	78	79
Deferred tax liabilities	128	–
Total non-current liabilities	513	215
Total liabilities	7,886	6,585
Net assets		
Shareholders' equity		
Share capital	378	378
Capital surplus	308	308
Retained earnings	12,681	14,326
Treasury shares	(1)	(2)
Total shareholders' equity	13,365	15,010
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(48)	(90)
Deferred gains or losses on hedges	1	9
Foreign currency translation adjustment	29	39
Total accumulated other comprehensive income	(18)	(42)
Total net assets	13,347	14,968
Total liabilities and net assets	21,234	21,553

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	8,288	11,219
Cost of sales	2,449	2,932
Gross profit	5,838	8,286
Selling, general and administrative expenses	4,807	5,959
Operating profit	1,031	2,327
Non-operating income		
Interest income	0	0
Foreign exchange gains	2	7
Compensation income	0	–
Subsidy income	1	3
Reversal of allowance for doubtful accounts	10	–
Other	0	0
Total non-operating income	15	11
Non-operating expenses		
Interest expenses	0	0
Other	0	0
Total non-operating expenses	0	0
Ordinary profit	1,047	2,338
Extraordinary income		
Settlement income	7	–
Total extraordinary income	7	–
Extraordinary losses		
Loss on retirement of non-current assets	–	0
Total extraordinary losses	–	0
Profit before income taxes	1,054	2,338
Income taxes - current	218	461
Income taxes - deferred	130	(194)
Total income taxes	349	267
Profit	705	2,071
Profit attributable to owners of parent	705	2,071

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	705	2,071
Other comprehensive income		
Valuation difference on available-for-sale securities	–	(41)
Deferred gains or losses on hedges	12	7
Foreign currency translation adjustment	12	9
Total other comprehensive income	25	(24)
Comprehensive income	730	2,047
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	730	2,047