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Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2023 [Japanese GAAP]

July 28, 2022

Company name: INFOCOM CORPORATION

Stock exchange listing: Tokyo

Code number: 4348

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

Representative: Norihiro Takehara

President and CEO

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Head of Corporate Communications Office

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Scheduled date of filing quarterly securities report: August 09, 2022

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, 2022 (April 01, 2022 to June 30, 2022)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2022	15,490	(2.4)	1,557	(27.8)	1,609	(26.5)	1,070	(29.3)
June 30, 2021	15,873	1.8	2,157	3.2	2,191	3.1	1,514	5.1

(Note) Comprehensive income: Three months ended June 30, 2022: ¥ 551 million [(53.9) %]
Three months ended June 30, 2021: ¥ 1,196 million [(40.4) %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2022	19.54	19.46
June 30, 2021	27.65	27.52

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
June 30, 2022	56,333	43,104	75.8
March 31, 2022	57,531	44,579	76.8

(Reference) Equity: As of June 30, 2022: ¥ 42,717 million
As of March 31, 2022: ¥ 44,185 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, 2022	-	13.00	-	37.00	50.00
Fiscal year ending March 31, 2023	-				
Fiscal year ending March 31, 2023 (Forecast)		18.00	-	27.00	45.00

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

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending March 31, 2023 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ended September 30, 2022	33,000	1.7	4,000	(20.0)	4,000	(20.9)	2,700	(21.6)	49.29
Full year	70,000	8.4	10,500	4.0	10,500	3.0	7,000	1.3	127.80

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2022
(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: Yes
- 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, 2022:	57,600,000 shares
March 31, 2022:	57,600,000 shares

2) Total number of treasury shares at the end of the period:

June 30, 2022:	2,816,792 shares
March 31, 2022:	2,819,167 shares

3) Average number of shares during the period:

Three months ended June 30, 2022:	54,781,714 shares
Three months ended June 30, 2021:	54,771,769 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2022	As of June 30,2022
Assets		
Current assets		
Cash and deposits	31,700	32,623
Notes and accounts receivable - trade, and contract assets	10,914	9,127
Inventories	86	170
Other	2,472	2,733
Allowance for doubtful accounts	(7)	(3)
Total current assets	45,166	44,651
Non-current assets		
Property, plant and equipment	1,259	1,205
Intangible assets		
Software	1,894	1,983
Goodwill	1,169	1,128
Other	34	33
Total intangible assets	3,097	3,146
Investments and other assets		
Investments and other assets	8,008	7,332
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	8,007	7,331
Total non-current assets	12,364	11,682
Total assets	57,531	56,333
Liabilities		
Current liabilities		
Accounts payable - trade	4,377	4,558
Income taxes payable	1,298	418
Provision for bonuses	1,336	538
Other provisions	23	20
Other	5,396	7,177
Total current liabilities	12,432	12,713
Non-current liabilities		
Retirement benefit liability	48	57
Other provisions	52	52
Other	418	405
Total non-current liabilities	519	516
Total liabilities	12,951	13,229
Net assets		
Shareholders' equity		
Share capital	1,590	1,590
Capital surplus	1,480	1,482
Retained earnings	41,402	40,445
Treasury shares	(792)	(792)
Total shareholders' equity	43,680	42,725
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	512	(108)
Foreign currency translation adjustment	(6)	99

(Million yen)

	As of March 31,2022	As of June 30,2022
Total accumulated other comprehensive income	505	(8)
Share acquisition rights	220	218
Non-controlling interests	173	168
Total net assets	44,579	43,104
Total liabilities and net assets	57,531	56,333

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

(Million yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Net sales	15,873	15,490
Cost of sales	8,344	8,326
Gross profit	7,528	7,164
Selling, general and administrative expenses	5,371	5,606
Operating profit	2,157	1,557
Non-operating income		
Interest and dividend income	36	39
Share of profit of entities accounted for using equity method	2	-
Partnership gain	-	13
Other	0	3
Total non-operating income	39	55
Non-operating expenses		
Interest expenses	0	0
Foreign exchange losses	0	3
Partnership loss	1	-
Loss on extinguishment share-based compensation expenses	3	-
Other	0	0
Total non-operating expenses	5	3
Ordinary profit	2,191	1,609
Extraordinary income		
Gain on sale of non-current assets	0	-
Total extraordinary income	0	-
Extraordinary losses		
Loss on retirement of non-current assets	-	0
Total extraordinary losses	-	0
Profit before income taxes	2,191	1,609
Income taxes	702	542
Profit	1,488	1,066
Loss attributable to non-controlling interests	(25)	(3)
Profit attributable to owners of parent	1,514	1,070

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

(Million yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Profit	1,488	1,066
Other comprehensive income		
Valuation difference on available-for-sale securities	(365)	(619)
Foreign currency translation adjustment	72	104
Total other comprehensive income	(292)	(515)
Comprehensive income	1,196	551
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,218	556
Comprehensive income attributable to non-controlling interests	(22)	(5)

Quarterly Consolidated Statements of Cash Flows

(Million yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Cash flows from operating activities		
Profit before income taxes	2,191	1,609
Depreciation	352	255
Share-based payment expenses	9	8
Amortization of goodwill	-	40
Increase (decrease) in provisions	(886)	(797)
Interest and dividend income	(36)	(39)
Interest expenses	0	0
Decrease (increase) in trade receivables and contract assets	3,099	1,790
Decrease (increase) in inventories	(57)	(84)
Increase (decrease) in trade payables	(262)	181
Increase (decrease) in deposits received	1,046	1,202
Other, net	(554)	341
Subtotal	4,902	4,509
Interest and dividends received	40	36
Interest paid	(0)	(0)
Income taxes paid	(3,170)	(2,049)
Net cash provided by (used in) operating activities	1,773	2,495
Cash flows from investing activities		
Purchase of property, plant and equipment	(78)	(30)
Purchase of intangible assets	(158)	(251)
Purchase of investment securities	(163)	-
Proceeds from refund of guarantee deposits	0	744
Other, net	(0)	(25)
Net cash provided by (used in) investing activities	(399)	436
Cash flows from financing activities		
Repayments of lease liabilities	(11)	(7)
Dividends paid	(1,478)	(2,026)
Other, net	(2)	(9)
Net cash provided by (used in) financing activities	(1,493)	(2,044)
Effect of exchange rate change on cash and cash equivalents	10	34
Net increase (decrease) in cash and cash equivalents	(108)	922
Cash and cash equivalents at beginning of period	29,956	31,700
Cash and cash equivalents at end of period	29,847	32,623