

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended September 30, 2022 (Based on Japanese GAAP)

October 28, 2022

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: November 14, 2022  
 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 three months ended September 30, 2022 (from July 1, 2022 to September 30, 2022)

(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 September 30, 2022	5,448	6.9	401	39.2	405	35.9	264	27.1
Three months ended September 30, 2021	5,096	7.1	288	21.1	298	27.6	207	29.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended September 30, 2022	13.39		–	
Three months ended September 30, 2021	10.55		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2022	16,319	13,387	82.0
As of June 30, 2022	16,680	13,740	82.4

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, 2022	–	–	–	25.00	25.00
Year ending June 30, 2023	–	–	–	–	–
Year ending June 30, 2023 (Forecast)	–	–	–	25.00	25.00

3. Forecast of consolidated financial results for the year ending June 30, 2023 (from July 1, 2022 to June 30, 2023)

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	22,000	2.5	1,500	(4.5)	1,500	(6.1)	1,000	3.0	50.88

4. Notes

- (1) Changes in significant subsidiaries during the three months ended September 30, 2022  
(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: Yes
- 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 September 30, 2022	22,266,096 shares	As of June 30, 2022	22,266,096 shares
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Number of treasury shares at the end of the period

As of September 30, 2022	2,648,427 shares	As of June 30, 2022	2,493,188 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended September 30, 2022	19,732,931 shares	Three months ended September 30, 2021	19,715,896 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of June 30, 2022	As of September 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	6,450,841	6,286,207
Accounts receivable - trade	3,104,220	3,050,481
Contract assets	419,835	554,868
Securities	2,112,923	1,899,802
Merchandise and finished goods	1,656	1,206
Work in process	6,636	20,066
Other	235,021	222,670
Total current assets	12,331,136	12,035,304
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	371,132	364,530
Land	223,459	223,459
Construction in progress	5,000	246
Other, net	80,330	76,747
Total property, plant and equipment	679,922	664,982
Intangible assets		
Goodwill	451,976	429,712
Other	483,475	476,436
Total intangible assets	935,451	906,148
Investments and other assets		
Investment securities	1,664,609	1,651,247
Other	1,069,676	1,062,911
Allowance for doubtful accounts	(794)	(794)
Total investments and other assets	2,733,492	2,713,364
Total non-current assets	4,348,866	4,284,495
<b>Total assets</b>	<b>16,680,002</b>	<b>16,319,800</b>

(Thousands of yen)

	As of June 30, 2022	As of September 30, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	756,505	757,229
Short-term borrowings	280,015	225,055
Income taxes payable	263,163	123,721
Contract liabilities	93,310	68,932
Provision for bonuses	440,958	899,965
Provision for loss on orders received	–	8,653
Other	1,035,122	786,572
<b>Total current liabilities</b>	<b>2,869,075</b>	<b>2,870,128</b>
<b>Non-current liabilities</b>		
Retirement benefit liability	42,822	40,923
Other	27,234	21,687
<b>Total non-current liabilities</b>	<b>70,057</b>	<b>62,611</b>
<b>Total liabilities</b>	<b>2,939,133</b>	<b>2,932,739</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	2,270,228	2,270,228
Capital surplus	2,486,241	2,486,262
Retained earnings	10,136,358	9,906,233
Treasury shares	(1,200,049)	(1,314,089)
<b>Total shareholders' equity</b>	<b>13,692,778</b>	<b>13,348,634</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	42,516	33,446
Foreign currency translation adjustment	5,574	4,979
<b>Total accumulated other comprehensive income</b>	<b>48,091</b>	<b>38,425</b>
<b>Total net assets</b>	<b>13,740,869</b>	<b>13,387,060</b>
<b>Total liabilities and net assets</b>	<b>16,680,002</b>	<b>16,319,800</b>

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

### Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended September 30, 2021	Three months ended September 30, 2022
Net sales	5,096,066	5,448,044
Cost of sales	4,164,354	4,348,389
Gross profit	931,712	1,099,655
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	73,550	69,265
Salaries and allowances	165,806	181,562
Provision for bonuses	44,764	41,722
Welfare expenses	42,231	42,676
Rent expenses	54,336	65,986
Depreciation	32,730	42,328
Commission expenses	45,501	44,131
Recruitment expenses	4,396	5,618
Taxes and dues	38,952	29,336
Research and development expenses	26,019	41,308
Amortization of goodwill	22,263	22,263
Other	92,449	111,614
Total selling, general and administrative expenses	643,004	697,815
Operating profit	288,707	401,839
Non-operating income		
Interest income	2,989	3,727
Dividend income	1,815	1,526
Other	10,668	4,618
Total non-operating income	15,473	9,871
Non-operating expenses		
Interest expenses	785	272
Amortization of long-term prepaid expenses	3,650	3,427
Other	1,508	2,732
Total non-operating expenses	5,944	6,432
Ordinary profit	298,237	405,279
Extraordinary income		
Gain on sale of investment securities	17,228	–
Total extraordinary income	17,228	–
Profit before income taxes	315,465	405,279
Income taxes	107,559	141,081
Profit	207,906	264,197
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	207,906	264,197

## Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended September 30, 2021	Three months ended September 30, 2022
Profit	207,906	264,197
Other comprehensive income		
Valuation difference on available-for-sale securities	11,058	(9,070)
Foreign currency translation adjustment	(2,929)	(595)
Total other comprehensive income	8,128	(9,665)
Comprehensive income	216,035	254,532
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	216,035	254,532
Comprehensive income attributable to non-controlling interests	—	—