

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Based on Japanese GAAP)

February 10, 2023

Company name: Riskmonster.com
 Stock exchange listing: Tokyo
 Stock code: 3768 URL <https://www.riskmonster.co.jp>
 Representative: President, CEO Taichi Fujimoto
 General Manager, Finance and Accounting
 Inquiries: Division Maki Yoshida TEL 03-6214-0331
 Scheduled date to file Quarterly Securities Report: February 14, 2023
 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 nine months ended December 31, 2022 (from April 1, 2022 to December 31, 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	%
Nine months ended December 31, 2022	2,826	1.1	454	(18.2)	446	(22.3)	294	(23.5)
Nine months ended December 31, 2021	2,797	5.3	555	(2.6)	574	(1.4)	384	(2.7)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2022	38.73	38.70
Nine months ended December 31, 2021	51.41	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2022	6,870	5,971	86.1	782.82
As of March 31, 2022	6,940	5,894	84.1	774.16

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2022	–	0.00	–	14.50	14.50
Year ending March 31, 2023	–	0.00	–		
Year ending March 31, 2023 (Forecast)				14.75	14.75

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 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	3,750	0.1	550	(17.9)	530	(23.6)	345	(24.8)	45.57

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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: 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: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: Yes
- 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 December 31, 2022	7,636,922 shares	As of March 31, 2022	7,546,922 shares
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Number of treasury shares at the end of the period

As of December 31, 2022	82,068 shares	As of March 31, 2022	6,468 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2022	7,593,418 shares	Nine months ended December 31, 2021	7,479,681 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	2,153,476	2,058,826
Notes and accounts receivable - trade, and contract assets	488,258	480,628
Raw materials and supplies	10,776	13,435
Other	82,247	127,680
Allowance for doubtful accounts	(678)	(578)
Total current assets	2,734,080	2,679,992
Non-current assets		
Property, plant and equipment		
Buildings and structures	586,364	586,349
Accumulated depreciation	(162,279)	(176,531)
Buildings and structures, net	424,084	409,818
Tools, furniture and fixtures	373,399	373,601
Accumulated depreciation	(298,805)	(305,804)
Tools, furniture and fixtures, net	74,593	67,797
Land	568,352	568,352
Leased assets	4,713	4,713
Accumulated depreciation	(2,029)	(2,618)
Leased assets, net	2,684	2,095
Total property, plant and equipment	1,069,714	1,048,063
Intangible assets		
Goodwill	52,375	48,240
Software	931,916	1,060,009
Other	420,663	533,786
Total intangible assets	1,404,955	1,642,036
Investments and other assets		
Investment securities	1,640,486	1,401,912
Other	91,154	99,148
Allowance for doubtful accounts	(338)	(433)
Total investments and other assets	1,731,303	1,500,627
Total non-current assets	4,205,973	4,190,728
Total assets	6,940,053	6,870,720

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Accounts payable - other	308,249	238,746
Current portion of long-term borrowings	60,160	60,160
Income taxes payable	79,048	64,703
Provision for bonuses	1,596	1,461
Other	130,369	153,169
Total current liabilities	579,424	518,239
Non-current liabilities		
Long-term borrowings	95,320	57,700
Retirement benefit liability	26,571	29,735
Other provisions	14,769	18,499
Other	329,140	275,068
Total non-current liabilities	465,800	381,003
Total liabilities	1,045,225	899,243
Net assets		
Shareholders' equity		
Share capital	1,155,993	1,188,168
Capital surplus	795,514	828,493
Retained earnings	3,054,963	3,239,683
Treasury shares	(4,494)	(56,715)
Total shareholders' equity	5,001,976	5,199,630
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	815,376	694,834
Foreign currency translation adjustment	20,172	19,589
Total accumulated other comprehensive income	835,548	714,423
Share acquisition rights	286	286
Non-controlling interests	57,016	57,137
Total net assets	5,894,827	5,971,477
Total liabilities and net assets	6,940,053	6,870,720

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	2,797,216	2,826,603
Cost of sales	1,277,208	1,319,302
Gross profit	1,520,007	1,507,300
Selling, general and administrative expenses	964,624	1,053,118
Operating profit	555,383	454,182
Non-operating income		
Interest income	513	73
Dividend income	16,741	12,626
Gain on investments in investment partnerships	18,803	596
Other	630	1,041
Total non-operating income	36,689	14,338
Non-operating expenses		
Interest expenses	1,743	1,132
Commitment fees	2,172	2,112
Commission expenses	7,000	16,176
Foreign exchange losses	2,467	2,143
Other	3,771	383
Total non-operating expenses	17,154	21,948
Ordinary profit	574,918	446,572
Extraordinary income		
Gain on sale of investment securities	1,217	107
Total extraordinary income	1,217	107
Extraordinary losses		
Loss on retirement of non-current assets	209	1,388
Loss on sale of investment securities	647	2,621
Loss on valuation of investment securities	—	0
Total extraordinary losses	856	4,009
Profit before income taxes	575,279	442,670
Income taxes - current	127,624	153,131
Income taxes - deferred	60,867	(5,547)
Total income taxes	188,492	147,584
Profit	386,786	295,086
Profit attributable to non-controlling interests	2,291	1,029
Profit attributable to owners of parent	384,494	294,056

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	386,786	295,086
Other comprehensive income		
Valuation difference on available-for-sale securities	(22,658)	(120,462)
Foreign currency translation adjustment	3,633	(767)
Total other comprehensive income	(19,024)	(121,229)
Comprehensive income	367,762	173,856
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	364,562	172,931
Comprehensive income attributable to non-controlling interests	3,200	925