

# Consolidated Financial Results for the Six Months Ended September 30, 2022 [Japanese GAAP]



November 11, 2022

Listed company: FUKUICOMPUTER HOLDINGS, Inc.

Stock exchange listing: Tokyo Stock Exchange

Code number: 9790

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Scheduled date of filing quarterly securities report: November 11, 2022

Scheduled date of commencing dividend payments: -

Availability of supplementary explanatory materials on quarterly financial results: Available

Schedule of quarterly financial results briefing session: Scheduled (For institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

## 1. Consolidated Financial Results for the Six Months Ended September 30, 2022 (April 1, 2022 - September 30, 2022)

### (1) Consolidated Operating Results (Cumulative)

(% 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	%
Six months ended September 30, 2022	6,891	2.6	2,876	(4.5)	2,912	(3.9)	1,960	(2.9)
Six months ended September 30, 2021	6,716	8.7	3,012	19.7	3,032	19.1	2,017	18.9

(Note) Comprehensive income: Six months ended September 30, 2022: 2,040 million yen [(1.8)%]

Six months ended September 30, 2021: 2,078 million yen [11.3%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2022	94.81	-
Six months ended September 30, 2021	97.59	-

### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of September 30, 2022	25,072	19,763	78.8
As of March 31, 2022	24,593	18,963	77.1

(Reference) Shareholders' equity: As of September 30, 2022: 19,763 million yen

As of March 31, 2022: 18,963 million yen

## 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	-	0.00	-	60.00	60.00
Fiscal year ending March 31, 2023	-	0.00			
Fiscal year ending March 31, 2023 (forecast)			-	60.00	60.00

(Note) Revision to the forecast for dividends announced most recently: None

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 – 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
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	13,620	(5.0)	5,490	(13.1)	5,540	(12.9)	3,640	(13.8)	176.06

(Notes) 1. Revision to the financial results forecast announced most recently: Yes

2. As for the revision of the consolidated financial results forecast, please refer to the “Notice of Revision to Financial Results Forecast” announced today.

#### \* Notes:

(1) Changes in significant subsidiaries during the period under review: None

(Changes in specified subsidiaries resulting in changes in scope of consolidation)

Newly included: – (Company name:)

Excluded: – (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies in accordance with changes in accounting standards, etc.: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Total number of issued and outstanding shares (ordinary shares)

1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

As of September 30, 2022: 20,700,000 shares

As of March 31, 2022: 20,700,000 shares

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

As of September 30, 2022: 24,790 shares

As of March 31, 2022: 24,719 shares

3) Average number of shares during the period:

Six months ended September 30, 2022: 20,675,259 shares

Six months ended September 30, 2021: 20,675,301 shares

\* These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

\* Explanation of the proper use of financial results forecast and other notes

The performance outlook and other forward-looking statements herein are based on information currently available to the Company and certain assumptions that the Company has deemed reasonable, and actual results may differ significantly from the forecasts due to various factors.

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## 1. Qualitative Information on Quarterly Financial Results

### (1) Explanation of Operating Results

For the six months ended September 30, 2022, the Group (the Company and its consolidated subsidiaries) posted net sales of 6,891 million yen (a 2.6% increase year-on-year), operating profit of 2,876 million yen (a 4.5% decrease year-on-year), ordinary profit of 2,912 million yen (a 3.9% decrease year-on-year), and profit attributable to the owners of parent of 1,960 million yen (a 2.9% decrease year-on-year).

Status by segment is as follows.

#### 1) Architecture System Business

In the architecture system business, net sales were 2,984 million yen (a 3.8% decrease year-on-year) and operating profit was 1,035 million yen (an 11.8% decrease year-on-year), resulting in decreases both in sales and in profit. During the six months ended September 30, 2022, in the said segment, the number of corporate customers mainly for maintenance service and 3D catalog site remained steady and the stock business grew, while in the housing business, which is the main business in the segment, the adoption rate declined due to the addition of the digitalization base introduction category limit of IT introduction subsidies, resulting in sluggish product sales and a year-on-year decline both in sales and profit.

#### 2) Surveying/Civil Engineering System Business

In the surveying/civil engineering system business, net sales were 3,510 million yen (a 1.0% increase year-on-year), and operating profit was 1,701 million yen (a 2.5% decrease year-on-year). The surveying/civil engineering system business was also affected by a decline in the adoption rate due to the addition of the digitalization base introduction category limit of IT introduction subsidies, but the spread of i-Construction led to strong sales in the construction infrastructure business, whose main product is point cloud processing software, and contributed to sales growth.

In addition, travel and exhibition expenses increased due to the resumption of sales activities after the easing of activity restrictions caused by the COVID-19 infection, achieving increases both in sales and profit.

#### 3) IT Solutions Business

In the IT solutions business, net sales were 395 million yen (a 187.7% increase year-on-year), and operating profit was 226 million yen (a 971.6% increase year-on-year), achieving increases both in sales and in profit year-on-year. During the six months ended September 30, 2022, both sales and profit significantly increased year-on-year, mainly due to the recording of sales related to the exit poll system for the House of Councilors election held in July 2022.

### (2) Explanation of Financial Position

Total assets as of the end of the second quarter of the fiscal year under review were 25,072 million yen, an increase of 479 million yen from the end of the previous fiscal year. This was mainly due to decreases in trade receivables and deferred tax assets, and increases in investment securities and accounts receivable-other.

Total liabilities decreased by 320 million yen compared with the end of the previous fiscal year to 5,308 million yen. This was mainly due to decreases in income taxes payable and provision for bonuses, and an increase in accounts payable-other.

Net assets increased by 800 million yen compared with the end of the previous fiscal year to 19,763 million yen. As a result, shareholders' equity ratio stood at 78.8%.

During the six months ended September 30, 2022, cash and cash equivalents (hereinafter referred to as "funds") decreased by 16 million yen from the end of the previous fiscal year to 17,010 million yen.

The status of cash flows and its main factors for the six months ended September 30, 2022 are as follows.  
(Cash flows from operating activities)

Funds provided by operating activities amounted to 1,295 million yen (compared to 1,408 million yen

acquired for the corresponding period in the previous fiscal year). This was mainly due to profit before income taxes of 2,912 million yen, depreciation of 118 million yen, a decrease in trade receivables of 215 million yen, and income taxes paid of 1,597 million yen.

(Cash flows from investing activities)

Funds used in investing activities amounted to 72 million yen (compared to 90 million yen used for the corresponding period in the previous fiscal year). This was mainly due to purchase of property, plant and equipment of 39 million yen and purchase of intangible assets of 20 million yen.

(Cash flows from financing activities)

Funds used in financing activities amounted to 1,239 million yen (compared to 1,033 million yen used for the corresponding period in the previous fiscal year). This was mainly due to dividends paid.

### (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

As for the consolidated financial results forecast, please refer to the "Notice of Revision to Financial Results Forecast" announced today.

## 2. Quarterly Consolidated Financial Statements and Principal Notes

### (1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2022	As of September 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	17,027	17,010
Notes receivable - trade	447	377
Accounts receivable - trade	1,529	1,383
Merchandise and finished goods	46	45
Work in process	4	6
Raw materials and supplies	5	4
Other	730	994
Allowance for doubtful accounts	(3)	(1)
Total current assets	19,787	19,821
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,127	1,101
Land	1,153	1,153
Other, net	111	82
Total property, plant and equipment	2,392	2,337
Intangible assets	228	217
Investments and other assets		
Investment securities	1,350	1,968
Deferred tax assets	508	390
Other	330	341
Allowance for doubtful accounts	(4)	(4)
Total investments and other assets	2,184	2,695
Total non-current assets	4,805	5,250
Total assets	24,593	25,072

(Million yen)

	As of March 31, 2022	As of September 30, 2022
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	61	56
Income taxes payable	1,366	864
Advances received	2,273	2,455
Provision for bonuses	759	562
Provision for bonuses for directors (and other officers)	46	32
Other	981	1,178
Total current liabilities	5,489	5,149
Non-current liabilities		
Deferred tax liabilities	140	159
Total non-current liabilities	140	159
Total liabilities	5,629	5,308
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,631	1,631
Capital surplus	1,500	1,500
Retained earnings	15,406	16,126
Treasury shares	(59)	(59)
Total shareholders' equity	18,478	19,198
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	484	565
Total accumulated other comprehensive income	484	565
Total net assets	18,963	19,763
<b>Total liabilities and net assets</b>	<b>24,593</b>	<b>25,072</b>

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2021	For the six months ended September 30, 2022
Net sales	6,716	6,891
Cost of sales	1,392	1,452
Gross profit	5,323	5,438
Selling, general and administrative expenses	2,311	2,562
Operating profit	3,012	2,876
Non-operating income		
Dividend income	17	29
Commission income	3	4
Other	3	3
Total non-operating income	25	36
Non-operating expenses		
Loss on valuation of investment securities	5	—
Total non-operating expenses	5	—
Ordinary profit	3,032	2,912
Profit before income taxes	3,032	2,912
Income taxes - current	1,035	852
Income taxes - deferred	(20)	99
Total income taxes	1,014	952
Profit	2,017	1,960
Profit attributable to owners of parent	2,017	1,960

Quarterly Consolidated Statements of Comprehensive Income

Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2021	For the six months ended September 30, 2022
Profit	2,017	1,960
Other comprehensive income		
Valuation difference on available-for-sale securities	60	80
Total other comprehensive income	60	80
Comprehensive income	2,078	2,040
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,078	2,040
Comprehensive income attributable to non-controlling interests	—	—

## (3) Quarterly Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended September 30, 2021	For the six months ended September 30, 2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	3,032	2,912
Depreciation	92	118
Increase (decrease) in provision for bonuses	(145)	(197)
Increase (decrease) in provision for bonuses for directors (and other officers)	(27)	(13)
Loss (gain) on valuation of investment securities	5	–
Decrease (increase) in trade receivables	(313)	215
Decrease (increase) in inventories	14	(0)
Increase (decrease) in advances received	(25)	181
Other, net	79	(353)
Subtotal	2,713	2,863
Interest and dividends received	17	29
Income taxes paid	(1,322)	(1,597)
Net cash provided by (used in) operating activities	1,408	1,295
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(17)	(39)
Purchase of intangible assets	(70)	(20)
Other, net	(1)	(12)
Net cash provided by (used in) investing activities	(90)	(72)
<b>Cash flows from financing activities</b>		
Purchase of treasury shares	(0)	(0)
Dividends paid	(1,032)	(1,239)
Net cash provided by (used in) financing activities	(1,033)	(1,239)
Effect of exchange rate change on cash and cash equivalents	–	–
Net increase (decrease) in cash and cash equivalents	285	(16)
Cash and cash equivalents at beginning of period	13,598	17,027
Cash and cash equivalents at end of period	13,883	17,010

(4) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumptions)

Not applicable.

(Notes on significant changes in shareholders' equity)

Not applicable.

(Changes in accounting policies)

(Application of Implementation Guidance on Accounting Standard for Fair Value Measurement)

The Company has applied the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021; hereinafter "Fair Value Measurement Guidance") from the beginning of the first quarter of the fiscal year under review, and will prospectively apply the new accounting policies stipulated by the Fair Value Measurement Guidance in accordance with the transitional treatment provided in Paragraph 27-2 of the Fair Value Measurement Guidance. The application of these standards has no impact on quarterly consolidated financial statements.

(Additional information)

There is no significant change to the accounting estimates in association with the spread of COVID-19 stated in (Additional information) on the Annual Securities Report for the previous fiscal year.

(Segment information)

[Segment information]

I. For the six months ended September 30, 2021 (from April 1, 2021 to September 30, 2021)

Information on net sales and profit or loss by reportable segment

(Million yen)

	Reportable segment				Adjustments *1	Amount recorded in Quarterly Consolidated Statements of Income *2
	Architecture System Business	Surveying/Civil Engineering System Business	IT Solutions Business	Total		
Net sales						
Sales to external customers	3,101	3,477	137	6,716	—	6,716
Intersegment sales or transfers	—	—	—	—	—	—
Total	3,101	3,477	137	6,716	—	6,716
Segment profit	1,174	1,744	21	2,940	71	3,012

(Notes)

1. The adjustment of 71 million yen to segment profit is management fees and other fees received from group companies and expenses related to group management.
2. Segment profit is adjusted to align with the operating profit in the quarterly consolidated statements of income.

II. For the six months ended September 30, 2022 (from April 1, 2022 to September 30, 2022)

Information on net sales and profit or loss by reportable segment

(Million yen)

	Reportable segment				Adjustments *1	Amount recorded in Quarterly Consolidated Statements of Income *2
	Architecture System Business	Surveying/Civil Engineering System Business	IT Solutions Business	Total		
Net sales						
Sales to external customers	2,984	3,510	395	6,891	—	6,891
Intersegment sales or transfers	—	—	—	—	—	—
Total	2,984	3,510	395	6,891	—	6,891
Segment profit	1,035	1,701	226	2,963	(87)	2,876

(Notes)

1. The adjustment of negative 87 million yen to segment profit is management fees and other fees received from group companies and expenses related to group management.
2. Segment profit is adjusted to align with the operating profit in the quarterly consolidated statements of income.