

# Consolidated Financial Results for the Three Months Ended June 30, 2021 [Japanese GAAP]



August 6, 2021

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: August 6, 2021  
 Scheduled date of commencing dividend payments: -  
 Availability of supplementary explanatory materials on quarterly financial results: Available  
 Schedule of quarterly financial results briefing session: None

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

## 1. Consolidated Financial Results for the Three Months Ended June 30, 2021 (April 1, 2021 - June 30, 2021)

### (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	%
Three months ended June 30, 2021	3,187	14.1	1,302	41.4	1,310	39.9	873	37.7
June 30, 2020	2,794	(8.8)	921	(13.8)	936	(13.4)	634	(15.5)

(Note) Comprehensive income: Three Months Ended June 30, 2021: 867 million yen [24.4%]

Three Months Ended June 30, 2020: 697 million yen [(3.1)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2021	42.25	-
June 30, 2020	30.69	-

### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of June 30, 2021	20,711	15,718	75.9
As of March 31, 2021	21,161	15,707	74.2

(Reference) Shareholders' equity: As of June 30, 2021: 15,718 million yen

As of March 31, 2021: 15,707 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, 2021	-	0.00	-	50.00	50.00
Fiscal year ending March 31, 2022	-				
Fiscal year ending March 31, 2022 (forecast)		0.00	-	50.00	50.00

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

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 – March 31, 2022)

(% 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
2nd quarter (Cumulative)	6,280	1.6	2,380	(5.5)	2,400	(5.7)	1,580	(6.9)	76.42
Full year	13,190	2.7	5,200	0.2	5,240	0.1	3,450	(2.2)	166.86

(Note) Revision to the financial results forecast announced most recently: None

#### \* 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 June 30, 2021: 20,700,000 shares  
As of March 31, 2021: 20,700,000 shares

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

As of June 30, 2021: 24,719 shares  
As of March 31, 2021: 24,596 shares

3) Average number of shares during the period:

Three months ended June 30, 2021: 20,675,322 shares  
Three months ended June 30, 2020: 20,675,452 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 three months ended June 30, 2021, the Group (the Company and its consolidated subsidiaries) posted net sales of 3,187 million yen (a 14.1% increase year-on-year), operating profit of 1,302 million yen (a 41.4% increase year-on-year), ordinary profit of 1,310 million yen (a 39.9% increase year-on-year), and profit attributable to the owners of the parent of 873 million yen (a 37.7% increase year-on-year).

Status by segment is as follows.

The reportable segments have been renamed from the first quarter of the fiscal year under review. This change is the renaming of the segments and does not affect segment information.

#### 1) Architecture System Business

In the architecture system business, net sales were 1,449 million yen (a 18.1% increase year-on-year) and operating profit was 487 million yen (a 74.1% increase year-on-year), achieving increases both in sales and in profit.

During the three months ended June 30, 2020, the performance of the segment had seen sluggish growth due to restrictions on operating activities, such as voluntary restraint in activities, due to the spread of the novel COVID-19. However, restrictions were imposed on limited operating activities in the three months ended June 30, 2021, and the housing business achieved increases both in sales and in profit year-on-year thanks to increases in optional sales in response to revisions to the Building Energy Efficiency Act and support by IT introduction subsidies. Also in the building materials business, whose main product is a 3D catalog site, the business performance remains firm with an increase in the number of corporate customers.

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

In the surveying/civil engineering system business, net sales were 1,682 million yen (a 9.2% increase year-on-year), and operating profit was 788 million yen (a 24.9% increase year-on-year). In the surveying/civil engineering system business, the performance of the segment achieved increases both in sales and in profit year-on-year as a result of the steady performance of the civil engineering and construction infrastructure businesses in particular, supported by the spread of i-Construction and the government measures related to BIM/CIM.

#### 3) IT Solutions Business

In the IT solutions business, net sales were 56 million yen (a 108.0% increase year-on-year), and operating profit was 1 million yen (operating loss of 22 million yen for the corresponding period in the previous fiscal year).

During the three months ended June 30, 2021, the business achieved increases both in sales and in profit year-on-year because of a firm increase in the sales of the business related to elections for the heads of municipalities etc. in response to the increasing needs of the news media toward surveys in anticipation of a House of Representatives election that is expected to take place this year.

The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and other standards have been applied from the beginning of the first quarter of the fiscal year under review. For details, please refer to “(3) Notes to Quarterly Consolidated Financial Statements (Changes in accounting policies), (Segment information) of 2. Quarterly Consolidated Financial Statements and Principal Notes.”

(2) Explanation of Financial Position

Total assets as of the end of the first quarter of the fiscal year under review were 20,711 million yen, a decrease of 450 million yen from the end of the previous fiscal year. This was primarily due to decreases in cash and deposits and deferred tax assets and an increase in accounts receivable - other.

Total liabilities decreased by 460 million yen compared with the end of the previous fiscal year to 4,992 million yen. This was primarily due to an increase in deposits received and decreases in income taxes payable and the provision for bonuses.

Net assets increased by 10 million yen compared with the end of the previous fiscal year to 15,718 million yen. As a result, shareholders' equity ratio stood at 75.9%.

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

The consolidated financial results forecast remains unchanged from the cumulative second quarter forecast and the full year forecast, both of which were disclosed in the Consolidated Financial Results dated May 14, 2021.

## 2. Quarterly Consolidated Financial Statements and Principal Notes

### (1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2021	As of June 30, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	13,598	13,252
Notes and accounts receivable - trade	1,757	1,765
Merchandise and finished goods	42	20
Work in process	2	10
Raw materials and supplies	180	180
Other	680	806
Allowance for doubtful accounts	(3)	(2)
Total current assets	16,257	16,033
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,176	1,158
Land	1,153	1,153
Other, net	113	108
Total property, plant and equipment	2,442	2,419
Intangible assets	170	193
Investments and other assets		
Investment securities	1,516	1,500
Deferred tax assets	446	235
Other	332	333
Allowance for doubtful accounts	(4)	(4)
Total investments and other assets	2,290	2,064
Total non-current assets	4,903	4,677
Total assets	21,161	20,711

(Million yen)

	As of March 31, 2021	As of June 30, 2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	48	32
Income taxes payable	1,226	305
Advances received	2,308	2,270
Provision for bonuses	707	286
Provision for bonuses for directors (and other officers)	56	14
Other	918	1,887
Total current liabilities	5,265	4,797
Non-current liabilities		
Deferred tax liabilities	188	195
Total non-current liabilities	188	195
Total liabilities	5,453	4,992
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,631	1,631
Capital surplus	1,500	1,500
Retained earnings	12,040	12,057
Treasury shares	(59)	(59)
Total shareholders' equity	15,113	15,129
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	594	588
Total accumulated other comprehensive income	594	588
Total net assets	15,707	15,718
<b>Total liabilities and net assets</b>	<b>21,161</b>	<b>20,711</b>

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2020	For the three months ended June 30, 2021
Net sales	2,794	3,187
Cost of sales	693	675
Gross profit	2,100	2,512
Selling, general and administrative expenses	1,179	1,209
Operating profit	921	1,302
Non-operating income		
Dividend income	11	8
Insurance claim income	0	—
Commission income	1	1
Other	1	1
Total non-operating income	15	12
Non-operating expenses		
Loss on valuation of investment securities	—	5
Total non-operating expenses	—	5
Ordinary profit	936	1,310
Profit before income taxes	936	1,310
Income taxes – current	107	305
Income taxes – deferred	194	131
Total income taxes	302	436
Profit	634	873
Profit attributable to owners of parent	634	873



Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2020	For the three months ended June 30, 2021
Profit	634	873
Other comprehensive income		
Valuation difference on available-for-sale securities	63	(5)
Total other comprehensive income	63	(5)
Comprehensive income	697	867
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	697	867
Comprehensive income attributable to non- controlling interests	—	—

### (3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumptions)

Not applicable.

(Notes to significant changes in shareholders' equity)

Not applicable.

(Changes in accounting policies)

(Application of accounting standards concerning revenue and other standards)

The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020; hereinafter referred to as the "Revenue Recognition Accounting Standard") and other standards have been applied since the beginning of the first quarter of the fiscal year under review, and the Company recognizes revenue from the amount expected to be received in exchange for promised goods or services upon the transfer of control over the goods or services to customers. The Company previously recognized revenue in connection with the granting of licenses with a limited term of agreement from the terms of agreement thereof. However, as a result of the abovementioned recognition approach, the Company has changed the way of recognition: when the nature of the promise at the time of granting a customer a license is a right to access intellectual property, revenue is recognized for a specific period; or when the nature of the promise at the time of granting a customer a license is a right to use intellectual property, revenue is recognized at a specific point of time. Moreover, considerations to be paid to customers, such as sales rebates, were previously handled as selling, general and administrative expenses but are handled by reducing them from the total sales at present.

The application of the Revenue Recognition Accounting Standard and other standards is handled as a transitional treatment as stipulated in proviso of Paragraph 84 of the Revenue Recognition Accounting Standard. The Company applies new accounting policies from the balance at the beginning of the period under review after adding or deducting the cumulative effects to/from the retained earnings at the beginning of the first quarter of the fiscal year under review by applying the new accounting policies retrospectively before the beginning of the first quarter of the fiscal year under review.

As a result, net sales for the three months ended June 30, 2021 decreased by 43 million yen, and operating profit, ordinary profit, and profit before income taxes each decreased by 27 million yen.

The balance of the retained earnings at the beginning of the first quarter of the fiscal year under review increased by 177 million yen, as the cumulative effects were reflected in net assets at the beginning of the first quarter.

(Application of accounting standard for fair value measurement and other standards)

The "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30, July 4, 2019; hereinafter referred to as the "Fair Value Measurement Accounting Standard") and other standards have been applied from the beginning of the first quarter of the fiscal year under review, and the Company will continue to apply the new accounting policy stipulated in the Fair Value Measurement Accounting Standard and other standards in

the future in accordance with transitional treatment stipulated in Paragraph 19 of the Fair Value Measurement Accounting Standard and Paragraph 44-2 of the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019). 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 three months ended June 30, 2020 (from April 1, 2020 to June 30, 2020)

1. 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	1,226	1,540	27	2,794	—	2,794
Intersegment sales or transfers	—	—	—	—	—	—
Total	1,226	1,540	27	2,794	—	2,794
Segment profit (loss)	279	631	(22)	888	33	921

(Notes)

1. The adjustment of 33 million yen to segment profit (loss) is management fees and other fees received from group companies and expenses related to group management.
2. Segment profit (loss) is adjusted to align with the operating profit in the quarterly consolidated statements of income.

II. For the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

1. 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	1,449	1,682	56	3,187	—	3,187
Intersegment sales or transfers	—	—	—	—	—	—
Total	1,449	1,682	56	3,187	—	3,187
Segment profit	487	788	1	1,277	25	1,302

(Notes)

1. The adjustment of 25 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.

## 2. Change in reportable segments

### (Renaming of reportable segments)

From the first quarter of the fiscal year under review, the reportable segments of former “Architecture CAD Business” and “Surveying/Civil Engineering CAD Business” are renamed to “Architecture System Business” and “Surveying/Civil Engineering System Business” to indicate the contents of the businesses appropriately. This change is the renaming of the segments and does not affect segment information. The segment information for the three months ended June 30, 2020 is also provided with the new segment names.

### (Application of the Accounting Standard for Revenue Recognition and other standards)

As stated in Changes in accounting policies, the Revenue Recognition Accounting Standard and other standards have been applied since the beginning of the first quarter of the fiscal year under review, and the accounting treatment concerning revenue recognition has been changed. Thus, the method for calculating business segment profit or loss has also been changed.

As a result of these changes, net sales and segment profit of the “architecture system business” for the three months ended June 30, 2021 decreased by 14 million yen and 10 million yen, respectively, and those of the “surveying/civil engineering system business” for the same period decreased by 28 million yen and 16 million yen, respectively.