

# Consolidated Financial Results for the Nine Months Ended December 31, 2022 [Japanese GAAP]



February 10, 2023

Listed company: FUKUICOMPUTER HOLDINGS, Inc.

Stock exchange listing: Tokyo Stock Exchange

Code number: 9790

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

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Scheduled date of filing quarterly securities report: February 10, 2023

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 Nine Months Ended December 31, 2022 (April 1, 2022 - December 31, 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	%
Nine months ended December 31, 2022	10,144	(4.9)	4,188	(13.4)	4,235	(12.9)	2,868	(11.1)
December 31, 2021	10,670	11.6	4,834	18.7	4,864	18.4	3,227	17.0

(Note) Comprehensive income: Nine months ended December 31, 2022: 2,960 million yen [(6.6)%]

Nine months ended December 31, 2021: 3,169 million yen [6.4%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2022	138.76	—
December 31, 2021	156.13	—

### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of December 31, 2022	24,567	20,683	84.2
As of March 31, 2022	24,593	18,963	77.1

(Reference) Shareholders' equity: As of December 31, 2022: 20,683 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
	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
Full year	13,620	(5.0)	5,490	(13.1)	5,540	(12.9)	3,640 (13.8)	176.06

(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 December 31, 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 December 31, 2022: 24,790 shares

As of March 31, 2022: 24,719 shares

3) Average number of shares during the period:

Nine months ended December 31, 2022: 20,675,243 shares

Nine months ended December 31, 2021: 20,675,295 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 nine months ended December 31, 2022, the Group (the Company and its consolidated subsidiaries) posted net sales of 10,144 million yen (a 4.9% decrease year-on-year), operating profit of 4,188 million yen (a 13.4% decrease year-on-year), ordinary profit of 4,235 million yen (a 12.9% decrease year-on-year), and profit attributable to owners of parent of 2,868 million yen (an 11.1% decrease year-on-year).

Status by segment is as follows.

#### 1) Architecture System Business

In the architecture system business, net sales were 4,527 million yen (a 5.2% decrease year-on-year) and operating profit was 1,567 million yen (a 15.7% decrease year-on-year), resulting in decreases both in sales and profit. During the nine months ended December 31, 2022, in the said segment, the number of corporate customers mainly for maintenance service and 3D catalog site remained steady and the recurring revenue business grew, while in the housing business, which is the main business in the segment, sales were recently driven by IT introduction subsidies, but the contribution of such subsidies to sales was limited in the fiscal year under review as changes to the subsidy program for IT introduction led to a decrease in the number of cases adopted. As a result, product sales were sluggish and sales declined from the same period of the previous fiscal year.

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, resulting in a year-on-year decrease in profit.

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

In the surveying/civil engineering system business, net sales were 5,180 million yen (a 0.5% decrease year-on-year), and operating profit was 2,461 million yen (a 3.7% decrease year-on-year). The surveying/civil engineering system business saw IT introduction subsidies contribute to increased sales, with the transition to i-Construction, a government-backed measure, still underway. However, compared to the previous fiscal year, the number of IT introduction subsidies adopted in the fiscal year under review decreased due to changes to the subsidy program, and the consequent contribution to sales was limited, which resulted in sluggish product sales. Despite this situation, the recurring revenue business, mainly maintenance services, performed well. As a result, sales were generally at the same level as in the same period of the previous fiscal year.

In addition, travel and exhibition expenses and sales promotion related expenses, among other expenses, increased due to the resumption of sales activities after the easing of activity restrictions caused by the COVID-19 infection, leading to a year-on-year decrease in profit.

#### 3) IT Solutions Business

In the IT solutions business, net sales were 436 million yen (a 36.5% decrease year-on-year), and operating profit was 208 million yen (a 29.0% decrease year-on-year), resulting in decreases both in sales and in profit year-on-year. In the previous fiscal year, the Company recorded major sales related to the exit poll system for the House of Representatives election held in October 2021. In the fiscal year under review, despite the recording of sales related to the House of Councilors election held in July 2022, both sales and profit decreased, as the scale of sales from such election was smaller than that for the House of Representatives election.

### (2) Explanation of Financial Position

Total assets as of the end of the third quarter of the fiscal year under review were 24,567 million yen, a decrease of 25 million yen from the end of the previous fiscal year. This was primarily due to decreases in cash and deposits and trade receivables and an increase in investment securities.

Total liabilities decreased by 1,745 million yen compared with the end of the previous fiscal year to 3,884 million yen. This was primarily due to decreases in income taxes payable and the provision for bonuses.

Net assets increased by 1,719 million yen compared with the end of the previous fiscal year to 20,683 million yen. As a result, shareholders' equity ratio stood at 84.2%.

- (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information  
There is no change to the consolidated financial results forecast announced on November 11, 2022.

## 2. Quarterly Consolidated Financial Statements and Principal Notes

### (1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2022	As of December 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	17,027	16,700
Notes receivable - trade	447	358
Accounts receivable - trade	1,529	1,277
Merchandise and finished goods	46	43
Work in process	4	24
Raw materials and supplies	5	5
Other	730	1,061
Allowance for doubtful accounts	(3)	(2)
Total current assets	19,787	19,468
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,127	1,085
Land	1,153	1,153
Other, net	111	79
Total property, plant and equipment	2,392	2,318
Intangible assets	228	188
Investments and other assets		
Investment securities	1,350	1,983
Deferred tax assets	508	234
Other	330	379
Allowance for doubtful accounts	(4)	(6)
Total investments and other assets	2,184	2,591
Total non-current assets	4,805	5,099
Total assets	24,593	24,567

(Million yen)

	As of March 31, 2022	As of December 31, 2022
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	61	48
Income taxes payable	1,366	45
Advances received	2,273	2,385
Provision for bonuses	759	297
Provision for bonuses for directors (and other officers)	46	48
Other	981	878
Total current liabilities	5,489	3,704
Non-current liabilities		
Deferred tax liabilities	140	180
Total non-current liabilities	140	180
Total liabilities	5,629	3,884
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,631	1,631
Capital surplus	1,500	1,500
Retained earnings	15,406	17,035
Treasury shares	(59)	(59)
Total shareholders' equity	18,478	20,107
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	484	576
Total accumulated other comprehensive income	484	576
Total net assets	18,963	20,683
<b>Total liabilities and net assets</b>	<b>24,593</b>	<b>24,567</b>

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2021	For the nine months ended December 31, 2022
Net sales	10,670	10,144
Cost of sales	2,350	2,141
Gross profit	8,320	8,003
Selling, general and administrative expenses	3,485	3,815
Operating profit	4,834	4,188
Non-operating income		
Dividend income	24	37
Commission income	5	6
Other	5	4
Total non-operating income	35	47
Non-operating expenses		
Loss on valuation of investment securities	5	—
Total non-operating expenses	5	—
Ordinary profit	4,864	4,235
Profit before income taxes	4,864	4,235
Income taxes - current	1,531	1,094
Income taxes - deferred	105	271
Total income taxes	1,636	1,366
Profit	3,227	2,868
Profit attributable to owners of parent	3,227	2,868



Quarterly Consolidated Statements of Comprehensive Income

Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2021	For the nine months ended December 31, 2022
Profit	3,227	2,868
Other comprehensive income		
Valuation difference on available-for-sale securities	(58)	91
Total other comprehensive income	(58)	91
Comprehensive income	3,169	2,960
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,169	2,960
Comprehensive income attributable to non-controlling interests	—	—

(3) 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 nine months ended December 31, 2021 (from April 1, 2021 to December 31, 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	4,775	5,208	687	10,670	—	10,670
Intersegment sales or transfers	—	—	—	—	—	—
Total	4,775	5,208	687	10,670	—	10,670
Segment profit	1,859	2,557	293	4,710	123	4,834

(Notes)

1. The adjustment of 123 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 nine months ended December 31, 2022 (from April 1, 2022 to December 31, 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	4,527	5,180	436	10,144	—	10,144
Intersegment sales or transfers	—	—	—	—	—	—
Total	4,527	5,180	436	10,144	—	10,144
Segment profit	1,567	2,461	208	4,237	(49)	4,188

(Notes)

1. The adjustment of negative 49 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.