

Consolidated Financial Results for the Three Months Ended June 30, 2024 [Japanese GAAP]



August 9, 2024

Listed company: FUKUICOMPUTER HOLDINGS, Inc.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 9790
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 Scheduled date to commencing dividend payments: -
 Availability of financial results briefing material: Available
 Schedule of financial results briefing: None

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (April 1, 2024 – June 30, 2024)

(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, 2024	3,481	(1.6)	1,400	(0.3)	1,424	(0.4)	968	0.0
June 30, 2023	3,537	11.8	1,403	26.6	1,429	26.9	968	27.4

(Note) Comprehensive income: Three months ended June 30, 2024: 975 million yen [(4.9)%]
 Three months ended June 30, 2023: 1,025 million yen [38.2%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	46.84	—
June 30, 2023	46.82	—

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of June 30, 2024	30,066	24,038	80.0
As of March 31, 2024	29,763	24,407	82.0

(Reference) Shareholders' equity: As of June 30, 2024: 24,038 million yen
 As of March 31, 2024: 24,407 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, 2024	—	0.00	—	65.00	65.00
Fiscal year ending March 31, 2025	—				
Fiscal year ending March 31, 2025 (forecast)		0.00	—	70.00	70.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(% 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)	6,875	(1.6)	2,698	(6.7)	2,718	(7.6)	1,792	(9.2)	86.67
Full year	13,837	0.1	5,390	(3.5)	5,430	(4.3)	3,572	(6.4)	172.77

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

* Notes:

(1) Significant changes in the scope of consolidation during the period under review: None

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.: None

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, 2024: 20,700,000 shares

As of March 31, 2024: 20,700,000 shares

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

As of June 30, 2024: 24,790 shares

As of March 31, 2024: 24,790 shares

3) Average number of shares during the period:

Three months ended June 30, 2024: 20,675,210 shares

Three months ended June 30, 2023: 20,675,210 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* 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. Overview of Operating Results, etc.

(1) Overview of Operating Results for April to June 2024

For the three months ended June 30, 2024, FUKUICOMPUTER HOLDINGS, Inc. (the “Company” and its consolidated subsidiaries (collectively, the “Group”) posted net sales of 3,481 million yen (a 1.6% decrease year-on-year), operating profit of 1,400 million yen (a 0.3% decrease year-on-year), ordinary profit of 1,424 million yen (a 0.4% decrease year-on-year), and profit attributable to owners of parent of 968 million yen (a 0.0% increase year-on-year).

Status by segment is as follows.

(Architecture System Business)

In the architecture system business, net sales were 1,650 million yen (an 11.5% increase year-on-year) and operating profit was 585 million yen (a 45.2% increase year-on-year). During the three months ended June 30, 2024, sales of products and maintenance service in the housing and building material businesses remained strong due to the growing demand for complying with the amendment of the Building Standards Act in 2025. In the BIM business, GLOOBE2024 was released in May 2024 under the theme of reforming working practices and improving productivity in the construction industry. By leveraging the strengths of the domestically-produced BIM system, the number of new users increased, and sales of products and maintenance service increased year-on-year. As a result, both sales and profit increased year-on-year.

(Surveying/Civil Engineering System Business)

In the surveying/civil engineering system business, net sales were 1,798 million yen (a 0.5% decrease year-on-year), and operating profit was 858 million yen (a 1.7% increase year-on-year). During the three months ended June 30, 2024, sales of 3D processing products for the civil engineering business use shifted strongly, due to the growing demand for 3D capabilities, thanks to the i-Construction 2.0 program promoted by the Ministry of Land, Infrastructure, Transport and Tourism as well as the governmental decision to adopt BIM/CIM for almost all public construction projects in principle. On the other hand, the surveying business showed a slight decrease in sales year-on-year, partly because our flagship products were not upgraded during the during the quarter, though the upgrading took place during the same period of the previous fiscal year. As a result, sales decreased while profit increased year-on-year.

(IT Solutions Business)

In the IT solutions business, net sales were 32 million yen (an 87.0% decrease year-on-year), and operating loss was 7 million yen (operating profit of 175 million yen for the corresponding period in the previous fiscal year), resulting in decreases in both sales and in profit year-on-year.

For the corresponding period in the previous fiscal year, the Company recorded sales related to the exit poll system for the nation-wide local elections held in April 2023, while during the three months ended June 30, 2024, as there were no local/governmental elections held, both sales and profit decreased.

(Investment Business)

Operating loss during the three months ended June 30, 2024 accounted for 0 million yen as operating cost. (During the same period of the previous fiscal year, no revenues, profits or losses were posted.)

(2) Overview of Financial Position for April to June 2024

Total assets as of the end of the first quarter of the fiscal year under review were 30,066 million yen, an increase of 303 million yen from the end of the previous fiscal year. This was mainly due to increases in cash and deposits, and investment securities and a decrease in deferred tax assets.

Total liabilities increased by 671 million yen compared with the end of the previous fiscal year to 6,028 million yen. This was mainly due to an increase in advances received and accounts payable-other, and a decrease in income taxes payable.

Net assets decreased by 368 million yen compared with the end of the previous fiscal year to 24,038 million yen. As a result, shareholders' equity ratio stood at 80.0%.

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

The consolidated financial results forecast remains unchanged from the forecast for the fiscal year ending March 31, 2025 that was shown in the Consolidated Financial Results disclosed on May 10, 2024.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	19,834	20,021
Notes receivable - trade	354	395
Accounts receivable - trade	1,390	1,309
Merchandise and finished goods	38	41
Work in process	33	16
Raw materials and supplies	4	4
Other	896	986
Allowance for doubtful accounts	(0)	(0)
Total current assets	22,551	22,774
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,003	989
Land	1,153	1,153
Other, net	237	234
Total property, plant and equipment	2,394	2,377
Intangible assets	135	153
Investments and other assets		
Investment securities	3,879	4,139
Deferred tax assets	468	319
Other	337	306
Allowance for doubtful accounts	(4)	(4)
Total investments and other assets	4,681	4,761
Total non-current assets	7,211	7,292
Total assets	29,763	30,066

(Million yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	52	45
Income taxes payable	1,037	293
Advances received	2,394	2,610
Provision for bonuses	611	286
Provision for bonuses for directors (and other officers)	61	0
Other	916	2,486
Total current liabilities	5,071	5,723
Non-current liabilities		
Deferred tax liabilities	284	304
Total non-current liabilities	284	304
Total liabilities	5,356	6,028
Net assets		
Shareholders' equity		
Share capital	1,631	1,631
Capital surplus	1,500	1,500
Retained earnings	20,552	20,176
Treasury shares	(59)	(59)
Total shareholders' equity	23,624	23,248
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	782	789
Total accumulated other comprehensive income	782	789
Total net assets	24,407	24,038
Total liabilities and net assets	29,763	30,066

(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, 2023	For the three months ended June 30, 2024
Net sales	3,537	3,481
Cost of sales	777	773
Gross profit	2,759	2,708
Selling, general and administrative expenses	1,356	1,307
Operating profit	1,403	1,400
Non-operating income		
Interest income	8	7
Dividend income	14	12
Insurance claim income	—	0
Commission income	2	2
Other	0	0
Total non-operating income	25	23
Ordinary profit	1,429	1,424
Profit before income taxes	1,429	1,424
Income taxes - current	315	289
Income taxes - deferred	145	165
Total income taxes	461	455
Profit	968	968
Profit attributable to owners of parent	968	968

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Profit	968	968
Other comprehensive income		
Valuation difference on available-for-sale securities	57	7
Total other comprehensive income	57	7
Comprehensive income	1,025	975
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,025	975
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.

(Notes on Segment information)

I. For the three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

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	1,480	1,806	251	3,537	—	3,537
Intersegment sales or transfers	—	—	—	—	—	—
Total	1,480	1,806	251	3,537	—	3,537
Segment profit	403	844	175	1,423	(19)	1,403

(Notes)

1. The adjustment of negative 19 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. Changes, etc. in reportable segment

“IFAC, LLC” and “IFAC Investment Limited Liability Partnership” were newly established for the purpose of investing in construction-tech start-ups in and outside Japan. Accordingly, a new reportable segment, “Investment Business” has been added to the conventional three reportable segments of “Architecture System Business,” “Surveying/Civil Engineering System Business” and “IT Solutions Business” from the first quarter under review, resulting in four reportable segments.

In the first quarter under review, no revenues, profits or losses from “Investment Business” were generated, they are omitted in the table.

II. For the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

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	Investment Business	Total		
Net sales							
Sales to external customers	1,650	1,798	32	—	3,481	—	3,481
Intersegment sales or transfers	—	—	—	—	—	—	—
Total	1,650	1,798	32	—	3,481	—	3,481
Segment profit (loss)	585	858	(7)	(0)	1,435	(35)	1,400

(Notes)

1. The adjustment of negative 35 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.

(Notes on Statements of Cash Flows)

No quarterly consolidated statements of cash flows were prepared for the three months ended June 30, 2024.

The following table shows depreciation (including amortization of intangible assets) related to the period.

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Depreciation	48 million yen	35 million yen