

Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]



November 8, 2024

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 to file semi-annual securities report: November 11, 2024

Scheduled date to commence dividend payments: –

Availability of financial results briefing material: Available

Schedule of financial results briefing: 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, 2024 (April 1, 2024 – September 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	%
Six months ended September 30, 2024	7,296	4.4	3,147	8.9	3,195	8.7	2,143	8.6
Six months ended September 30, 2023	6,988	1.4	2,891	0.5	2,940	0.9	1,974	0.7

(Note) Comprehensive income: For the six months ended September 30, 2024: 2,072 million yen [2.4%]

For the six months ended September 30, 2023: 2,024 million yen [(0.8)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	103.67	–
Six months ended September 30, 2023	95.50	–

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of September 30, 2024	30,589	25,135	82.2
As of March 31, 2024	29,763	24,407	82.0

(Reference) Shareholders' equity: As of September 30, 2024: 25,135 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	–	0.00			
Fiscal year ending March 31, 2025 (forecast)			–	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
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	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 semi-annual 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 September 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 September 30, 2024: 24,790 shares

As of March 31, 2024: 24,790 shares

3) Average number of shares during the period (cumulative from the beginning of the fiscal year):

Six months ended September 30, 2024: 20,675,210 shares

Six months ended September 30, 2023: 20,675,210 shares

* Semi-annual financial results reports are exempt from review conducted 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. Overview of Operating Results, etc.

(1) Overview in the Semi-annual Operating Results

For the six months ended September 30, 2024, FUKUICOMPUTER HOLDINGS, Inc. (the “Company” and its consolidated subsidiaries (collectively, the “Group”) posted net sales of 7,296 million yen (a 4.4% increase year-on-year), operating profit of 3,147 million yen (an 8.9% increase year-on-year), ordinary profit of 3,195 million yen (an 8.7% increase year-on-year), and profit attributable to owners of parent of 2,143 million yen (an 8.6% increase year-on-year).

Status by segment is as follows.

(Architecture System Business)

In the architecture system business, net sales were 3,396 million yen (a 9.7% increase year-on-year) and operating profit was 1,288 million yen (a 35.6% increase year-on-year). During the six months ended September 30, 2024, sales of products related to the program corresponding to the amendment of the act 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, the Group has successfully acquired new users by leveraging the strengths of the domestically-produced BIM system in the “GLOOBE2024” released in May 2024. In addition, all businesses benefited from the announcement of price revisions. 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 3,837 million yen (a 6.3% increase year-on-year), and operating profit was 2,000 million yen (a 14.6% increase year-on-year). During the six months ended September 30, 2024, demand for 3D processing products increased due 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, which greatly contributed to sales. In addition, product and stock sales increased as a result of proactively holding events such as exhibitions as well as the benefits of the announcement of price revisions. As a result, both sales and profit increased year-on-year.

(IT Solutions Business)

In the IT solutions business, net sales were 62 million yen (a 78.1% decrease year-on-year), and operating loss was 15 million yen (operating profit of 165 million yen for the corresponding period in the previous fiscal year), resulting in decreases in both sales and 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. However, during the six months ended September 30, 2024, as there were no local/governmental elections held, both sales and profit decreased.

(Investment Business)

Operating loss during the six months ended September 30, 2024 accounted for 1 million yen (operating loss of 0 million yen for the corresponding period in the previous fiscal year) due to operating cost.

(2) Overview in the Semi-annual Financial Position

Total assets as of the end of the first half of the fiscal year under review were 30,589 million yen, an increase of 826 million yen compared to the end of the previous fiscal year. This was mainly due to increases in cash and deposits, trade receivables, and investment securities as well as a decrease in accounts receivable-other.

Total liabilities increased by 98 million yen compared with the end of the previous fiscal year to 5,454 million yen. This was mainly due to an increase in advances received and a decrease in accounts payable-other.

Net assets increased by 728 million yen compared with the end of the previous fiscal year to 25,135 million yen. As a result, shareholders’ equity ratio stood at 82.2%.

During the six months ended September 30, 2024, cash and cash equivalents (hereinafter referred to as “funds”) increased by 876 million yen from the end of the previous fiscal year to 20,711 million yen.

The status of cash flows and its main factors for the six months ended September 30, 2024 are as follows.

(Cash flows from operating activities)

Funds provided by operating activities amounted to 2,857 million yen (compared to 2,844 million yen acquired for the corresponding period in the previous fiscal year). This was mainly due to profit before income taxes of 3,195 million yen, depreciation of 107 million yen, an increase in advances received of 249 million yen, and income taxes paid of 271 million yen.

(Cash flows from investing activities)

Funds used in investing activities amounted to 636 million yen (compared to 1,423 million yen used for the corresponding period in the previous fiscal year). This was mainly due to purchase of property, plant and equipment of 342 million yen, purchase of investment securities of 1,249 million yen, and proceeds from redemption of investment securities of 1,000 million yen.

(Cash flows from financing activities)

Funds used in financing activities amounted to 1,344 million yen (compared to 1,239 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

The consolidated financial results forecast remains unchanged from forecast shown in the Consolidated Financial Results disclosed on May 10, 2024.

2. Semi-annual Consolidated Financial Statements and Principal Notes

(1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	19,834	20,711
Notes receivable - trade	354	415
Accounts receivable - trade	1,390	1,493
Merchandise and finished goods	38	26
Work in process	33	14
Raw materials and supplies	4	4
Other	896	273
Allowance for doubtful accounts	(0)	(0)
Total current assets	22,551	22,936
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,003	1,041
Land	1,153	1,153
Other, net	237	498
Total property, plant and equipment	2,394	2,693
Intangible assets	135	154
Investments and other assets		
Investment securities	3,879	4,027
Deferred tax assets	468	491
Other	337	289
Allowance for doubtful accounts	(4)	(4)
Total investments and other assets	4,681	4,804
Total non-current assets	7,211	7,653
Total assets	29,763	30,589

(Million yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	52	44
Income taxes payable	1,037	1,067
Advances received	2,394	2,644
Provision for bonuses	611	571
Provision for bonuses for directors (and other officers)	61	1
Provision for loss on disaster	–	82
Other	916	781
Total current liabilities	5,071	5,192
Non-current liabilities		
Deferred tax liabilities	284	262
Total non-current liabilities	284	262
Total liabilities	5,356	5,454
Net assets		
Shareholders' equity		
Share capital	1,631	1,631
Capital surplus	1,500	1,500
Retained earnings	20,552	21,351
Treasury shares	(59)	(59)
Total shareholders' equity	23,624	24,423
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	782	711
Total accumulated other comprehensive income	782	711
Total net assets	24,407	25,135
Total liabilities and net assets	29,763	30,589

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income

Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	6,988	7,296
Cost of sales	1,524	1,528
Gross profit	5,463	5,767
Selling, general and administrative expenses	2,572	2,620
Operating profit	2,891	3,147
Non-operating income		
Interest income	11	17
Dividend income	30	29
Insurance fee income	1	78
Commission income	4	4
Other	1	0
Total non-operating income	49	130
Non-operating expenses		
Provision for loss on disaster	–	82
Total non-operating expenses	–	82
Ordinary profit	2,940	3,195
Profit before income taxes	2,940	3,195
Income taxes - current	987	1,066
Income taxes - deferred	(21)	(14)
Total income taxes	965	1,052
Profit	1,974	2,143
Profit attributable to owners of parent	1,974	2,143

Semi-annual Consolidated Statements of Comprehensive Income

(Million yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	1,974	2,143
Other comprehensive income		
Valuation difference on available-for-sale securities	49	(71)
Total other comprehensive income	49	(71)
Comprehensive income	2,024	2,072
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,024	2,072
Comprehensive income attributable to non-controlling interests	—	—

(3) Semi-annual Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	2,940	3,195
Depreciation	97	107
Increase (decrease) in provision for bonuses	4	(39)
Increase (decrease) in provision for bonuses for directors (and other officers)	(34)	(59)
Provision for loss on disaster	–	82
Interest and dividend income	(42)	(46)
Insurance claim income	(1)	(78)
Decrease (increase) in trade receivables	26	(165)
Decrease (increase) in inventories	(2)	32
Increase (decrease) in advances received	217	249
Other, net	122	(266)
Subtotal	3,328	3,012
Interest and dividends received	40	38
Proceeds from insurance income	1	78
Income taxes paid	(525)	(271)
Net cash provided by (used in) operating activities	2,844	2,857
Cash flows from investing activities		
Purchase of property, plant and equipment	(23)	(342)
Purchase of intangible assets	(28)	(84)
Purchase of investment securities	(2,438)	(1,249)
Proceeds from redemption of investment securities	1,000	1,000
Other, net	66	40
Net cash provided by (used in) investing activities	(1,423)	(636)
Cash flows from financing activities		
Dividends paid	(1,239)	(1,344)
Net cash provided by (used in) financing activities	(1,239)	(1,344)
Effect of exchange rate change on cash and cash equivalents	–	–
Net increase (decrease) in cash and cash equivalents	181	876
Cash and cash equivalents at beginning of period	18,053	19,834
Cash and cash equivalents at end of period	18,235	20,711

(4) Notes to Semi-annual 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 six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)

1. Information on net sales and profit or loss by reportable segment

(Million yen)

	Reportable segment					Adjustments *1	Amount recorded in Semi-annual 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	3,095	3,608	284	—	6,988	—	6,988
Intersegment sales or transfers	—	—	—	—	—	—	—
Total	3,095	3,608	284	—	6,988	—	6,988
Segment profit (loss)	949	1,745	165	(0)	2,860	30	2,891

(Notes)

1. The adjustment of 30 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 semi-annual 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 six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

1. Information on net sales and profit or loss by reportable segment

(Million yen)

	Reportable segment					Adjustments *1	Amount recorded in Semi-annual 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	3,396	3,837	62	—	7,296	—	7,296
Intersegment sales or transfers	—	—	—	—	—	—	—
Total	3,396	3,837	62	—	7,296	—	7,296
Segment profit (loss)	1,288	2,000	(15)	(1)	3,271	(123)	3,147

(Notes)

1. The adjustment of negative 123 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 semi-annual consolidated statements of income.