

Translation

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Summary of Consolidated Financial Results for the Three Months Ended September 30, 2024 (Based on Japanese GAAP)

October 30, 2024

Company name: Computer Institute of Japan, Ltd.
 Stock exchange listing: Tokyo
 Stock code: 4826 URL <https://www.cij.co.jp/>
 Representative: President and Chief Executive Officer Akihiko Sakamoto
 Executive Officer Management Planning
 Inquiries: Takashi Morita TEL 045-222-0555
 Dept. Manager
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended September 30, 2024 (from July 1, 2024 to September 30, 2024)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended September 30, 2024	6,555	5.6	447	0.2	455	(1.0)	299	(1.1)
Three months ended September 30, 2023	6,209	14.0	446	11.2	460	13.6	302	14.5

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended September 30, 2024	5.19		–	
Three months ended September 30, 2023	5.21		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	17,917	14,199	79.2
As of June 30, 2024	18,497	14,509	78.4

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended June 30, 2024	–	–	–	11.00	11.00
Year ending June 30, 2025	–	–	–	–	–
Year ending June 30, 2025 (Forecast)	–	–	–	12.00	12.00

3. Forecast of consolidated financial results for the year ending June 30, 2025 (from July 1, 2024 to June 30, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	27,000	4.9	2,050	4.3	2,060	3.3	1,280	35.0	22.19

4. Notes

- (1) Significant changes in the scope of consolidation during the three months ended September 30, 2024: No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2024	66,798,288 shares	As of June 30, 2024	66,798,288 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	9,117,054 shares	As of June 30, 2024	9,072,592 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended September 30, 2024	57,702,901 shares	Three months ended September 30, 2023	58,136,130 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of June 30, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	9,460,290	9,031,192
Accounts receivable - trade	3,491,160	3,633,958
Contract assets	607,869	795,053
Securities	399,980	46,909
Merchandise and finished goods	1,515	1,442
Work in process	27,118	40,952
Other	277,092	238,249
Total current assets	14,265,027	13,787,759
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	299,981	294,083
Other, net	43,759	40,372
Total property, plant and equipment	343,740	334,456
Intangible assets		
Goodwill	445,114	426,568
Other	360,728	341,134
Total intangible assets	805,843	767,702
Investments and other assets		
Investment securities	2,000,841	1,974,501
Other	1,086,731	1,058,458
Allowance for doubtful accounts	(5,073)	(5,138)
Total investments and other assets	3,082,499	3,027,822
Total non-current assets	4,232,083	4,129,981
Total assets	18,497,111	17,917,740

(Thousands of yen)

	As of June 30, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	982,583	966,751
Short-term borrowings	520,003	520,003
Income taxes payable	488,186	186,271
Contract liabilities	81,680	82,385
Provision for bonuses	456,949	978,983
Provision for loss on orders received	–	7,199
Other	1,390,909	914,744
Total current liabilities	3,920,312	3,656,337
Non-current liabilities		
Retirement benefit liability	45,371	44,502
Other	22,405	17,400
Total non-current liabilities	67,777	61,903
Total liabilities	3,988,089	3,718,240
Net assets		
Shareholders' equity		
Share capital	2,270,228	2,270,228
Capital surplus	2,550,925	2,563,502
Retained earnings	11,190,556	10,854,993
Treasury shares	(1,725,939)	(1,726,246)
Total shareholders' equity	14,285,770	13,962,478
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	213,642	228,737
Foreign currency translation adjustment	9,609	8,284
Total accumulated other comprehensive income	223,251	237,021
Total net assets	14,509,022	14,199,499
Total liabilities and net assets	18,497,111	17,917,740

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended September 30, 2023	Three months ended September 30, 2024
Net sales	6,209,968	6,555,827
Cost of sales	4,985,118	5,287,002
Gross profit	1,224,850	1,268,825
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	74,409	95,811
Salaries and allowances	198,268	222,499
Provision for bonuses	47,614	58,271
Welfare expenses	45,783	51,897
Rent expenses	70,015	72,032
Depreciation	44,447	21,521
Commission expenses	51,197	62,996
Recruitment expenses	5,576	11,899
Taxes and dues	28,900	31,181
Research and development expenses	23,018	39,389
Amortization of goodwill	40,809	18,546
Other	147,986	135,147
Total selling, general and administrative expenses	778,029	821,194
Operating profit	446,821	447,630
Non-operating income		
Interest income	7,372	5,380
Dividend income	1,390	1,429
Subsidy income	5,602	330
Other	5,408	6,826
Total non-operating income	19,772	13,967
Non-operating expenses		
Interest expenses	664	815
Amortization of long-term prepaid expenses	5,419	3,517
Other	299	1,878
Total non-operating expenses	6,383	6,211
Ordinary profit	460,209	455,386
Extraordinary income		
Surrender value of insurance policies	3,768	–
Other	113	–
Total extraordinary income	3,881	–
Extraordinary losses		
Loss on valuation of investments in capital	1,164	–
Total extraordinary losses	1,164	–
Profit before income taxes	462,927	455,386
Income taxes	160,320	155,966
Profit	302,606	299,419
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	302,606	299,419

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended September 30, 2023	Three months ended September 30, 2024
Profit	302,606	299,419
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,057)	15,094
Foreign currency translation adjustment	470	(1,324)
Total other comprehensive income	(586)	13,770
Comprehensive income	302,020	313,189
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	302,020	313,189
Comprehensive income attributable to non-controlling interests	—	—