

## Summary of Non-consolidated Financial Results for the Fiscal Year Ended January 31, 2021 (Under Japanese GAAP)

Company name: Artner Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 2163  
 URL: <https://www.artner.co.jp/>  
 Representative: SEKIGUCHI Sozo, President and CEO  
 Inquiries: HARIGAE Tomonori, Director; Head of the Management Division  
 Telephone: +81-6-6445-7551  
 Scheduled date of annual general meeting of shareholders: April 22, 2021  
 Scheduled date to commence dividend payments: April 23, 2021  
 Scheduled date to file annual securities report: April 22, 2021  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Non-consolidated financial results for the fiscal year ended January 31, 2021 (from February 1, 2020 to January 31, 2021)

#### (1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
January 31, 2021	7,174	2.5	887	0.1	910	1.9	628	2.5
January 31, 2020	7,002	10.6	886	12.8	893	12.5	613	13.4

Fiscal year ended	Earnings per share	Diluted earnings per share	Return on equity	Return on assets	Operating margin
	Yen	Yen	%	%	%
January 31, 2021	59.16	—	21.5	22.1	12.4
January 31, 2020	57.73	—	24.2	25.3	12.7

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended January 31, 2021: ¥ — million

For the fiscal year ended January 31, 2020: ¥ — million

#### (2) Non-consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
January 31, 2021	4,432	3,123	70.5	293.93
January 31, 2020	3,801	2,728	71.8	256.77

Reference: Equity As of January 31, 2021: ¥ 3,123 million

As of January 31, 2020: ¥ 2,728 million

#### (3) Non-consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
January 31, 2021	899	△30	△232	3,019
January 31, 2020	591	△42	△215	2,383

## 2. Cash dividends

	Annual dividends per share					Total cash dividends	Payout ratio	Dividend on equity
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended January 31, 2020	—	10.00	—	10.50	20.50	217	35.5	8.6
Fiscal year ended January 31, 2021	—	11.50	—	11.50	23.00	244	38.9	8.4
Fiscal year ending January 31, 2022 (Forecast)	—	11.50	—	11.50	23.00		43.4	

## 3. Forecast of non-consolidated financial results for the year ending January 31, 2022 (from February 1, 2021 to January 31, 2022)

### \* Notes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	7,671	6.9	809	△8.8	812	△10.7	563	△10.3	53.05

Note: Only the full-year forecast is shown because ARTNER manages performance on a fiscal year basis.

- (1) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None

(2) Number of issued shares (common shares)

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

As of January 31, 2021	10,627,920 shares
As of January 31, 2020	10,627,920 shares

- (ii) Number of treasury shares at the end of the period

As of January 31, 2021	2,376 shares
As of January 31, 2020	2,376 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended January 31, 2021	10,625,562 shares
Fiscal year ended January 31, 2020	10,625,562 shares

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters  
(Caution regarding forward-looking statements, etc.)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, the statements herein do not constitute assurances regarding the Company's actual results. Actual financial and other results may differ substantially from the statements herein due to various factors.

## Non-consolidated financial statements

### Non-consolidated balance sheets

(Thousands of yen)

	As of January 31, 2020	As of January 31, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	2,383,441	3,019,657
Accounts receivable - trade	932,112	895,926
Work in process	2,370	992
Raw materials and supplies	2,374	4,383
Prepaid expenses	24,010	29,482
Accounts receivable - other	989	1,259
Other	17,237	16,252
Allowance for doubtful accounts	△5,500	△5,300
Total current assets	3,357,036	3,962,653
Non-current assets		
Property, plant and equipment		
Buildings	90,606	108,238
Accumulated depreciation	△68,467	△64,611
Buildings, net	22,139	43,626
Structures	1,677	1,172
Accumulated depreciation	△1,672	△1,172
Structures, net	5	0
Tools, furniture and fixtures	41,255	44,802
Accumulated depreciation	△26,627	△25,496
Tools, furniture and fixtures, net	14,628	19,306
Land	59,159	43,941
Total property, plant and equipment	95,932	106,873
Intangible assets		
Software	57,487	47,793
Telephone subscription right	1,654	1,654
Total intangible assets	59,141	49,447
Investments and other assets		
Investment securities	7,133	7,261
Investments in capital	1,250	1,250
Long-term prepaid expenses	1,256	1,381
Deferred tax assets	195,361	217,198
Leasehold and guarantee deposits	82,920	85,114
Other	1,106	1,132
Total investments and other assets	289,028	313,338
Total non-current assets	444,102	469,659
Total assets	3,801,139	4,432,313

(Thousands of yen)

	As of January 31, 2020	As of January 31, 2021
<b>Liabilities</b>		
Current liabilities		
Accounts payable - other	91,785	164,860
Accrued expenses	66,539	62,345
Income taxes payable	180,764	182,239
Accrued consumption taxes	171,819	183,571
Deposits received	13,950	90,113
Unearned revenue	84	66
Provision for bonuses	132,420	116,787
Other	4,179	5,105
<b>Total current liabilities</b>	<b>661,544</b>	<b>805,088</b>
Non-current liabilities		
Provision for retirement benefits	411,214	504,042
<b>Total non-current liabilities</b>	<b>411,214</b>	<b>504,042</b>
<b>Total liabilities</b>	<b>1,072,759</b>	<b>1,309,131</b>
Net assets		
Shareholders' equity		
Share capital	238,284	238,284
Capital surplus		
Legal capital surplus	168,323	168,323
<b>Total capital surplus</b>	<b>168,323</b>	<b>168,323</b>
Retained earnings		
Legal retained earnings	10,460	10,460
Other retained earnings		
General reserve	40,000	40,000
Retained earnings brought forward	2,268,351	2,663,150
<b>Total retained earnings</b>	<b>2,318,811</b>	<b>2,713,610</b>
Treasury shares	△ 698	△ 739
<b>Total shareholders' equity</b>	<b>2,724,720</b>	<b>3,119,478</b>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,659	3,704
<b>Total valuation and translation adjustments</b>	<b>3,659</b>	<b>3,704</b>
<b>Total net assets</b>	<b>2,728,380</b>	<b>3,123,182</b>
<b>Total liabilities and net assets</b>	<b>3,801,139</b>	<b>4,432,313</b>

## Non-consolidated statements of income

(Thousands of yen)

	Fiscal year ended January 31, 2020	Fiscal year ended January 31, 2021
Net sales	7,002,175	7,174,725
Cost of sales	4,461,849	4,442,856
Gross profit	2,540,326	2,731,868
Selling, general and administrative expenses	1,654,318	1,844,793
Operating profit	886,007	887,075
Non-operating income		
Interest income	6	3
Dividend income	230	248
Commission income	556	604
Sales income of training materials	857	556
Rental income from land and buildings	949	925
Dividend income of insurance	4,445	2,931
Subsidy income	1,762	17,256
Other	602	2,582
Total non-operating income	9,410	25,109
Non-operating expenses		
Cancellation penalty	1,761	1,554
Other	0	172
Total non-operating expenses	1,761	1,727
Ordinary profit	893,656	910,457
Extraordinary income		
Gain on sale of non-current assets	—	3,926
Total extraordinary income	—	3,926
Extraordinary losses		
Loss on retirement of non-current assets	—	1,270
Total extraordinary losses	—	1,270
Profit before income taxes	893,656	913,113
Income taxes - current	308,856	306,409
Income taxes - deferred	△28,576	△21,856
Total income taxes	280,279	284,552
Profit	613,377	628,561

**Non-consolidated statements of changes in equity**  
**Fiscal year ended January 31, 2020**

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Retained earnings			
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
				General reserve	Retained earnings brought forward		
Balance at beginning of period	238,284	168,323	168,323	10,460	40,000	1,872,798	1,923,258
Changes during period							
Dividends of surplus						△217,824	△217,824
Profit						613,377	613,377
Net changes in items other than shareholders' equity							
Total changes during period	—	—	—	—	—	395,552	395,552
Balance at end of period	238,284	168,323	168,323	10,460	40,000	2,268,351	2,318,811

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	△698	2,329,167	4,139	4,139	2,333,306
Changes during period					
Dividends of surplus		△217,824			△217,824
Profit		613,377			613,377
Net changes in items other than shareholders' equity			△479	△479	△479
Total changes during period	—	395,552	△479	△479	395,073
Balance at end of period	△698	2,724,720	3,659	3,659	2,728,380

Fiscal year ended January 31, 2021

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Legal retained earnings	Retained earnings		Total retained earnings
		Legal capital surplus	Total capital surplus		General reserve	Retained earnings brought forward	
Balance at beginning of period	238,284	168,323	168,323	10,460	40,000	2,268,351	2,318,811
Changes during period							
Dividends of surplus						△233,762	△233,762
Profit						628,561	628,561
Acquisition of treasury shares							
Net changes in items other than shareholders' equity							
Total changes during period	—	—	—	—	—	394,799	394,799
Balance at end of period	238,284	168,323	168,323	10,460	40,000	2,663,150	2,713,610

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	△698	2,724,720	3,659	3,659	2,728,380
Changes during period					
Dividends of surplus		△233,762			△233,762
Profit		628,561			628,561
Acquisition of treasury shares	△41	△41			△41
Net changes in items other than shareholders' equity			44	44	44
Total changes during period	△41	394,758	44	44	394,802
Balance at end of period	△739	3,119,478	3,704	3,704	3,123,182



## Non-consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended January 31, 2020	Fiscal year ended January 31, 2021
<b>Cash flows from operating activities</b>		
Profit before income taxes	893,656	913,113
Depreciation	26,923	30,103
Increase (decrease) in allowance for doubtful accounts	1,000	△200
Increase (decrease) in provision for bonuses	19,499	△15,633
Increase (decrease) in provision for retirement benefits	80,588	92,828
Interest and dividend income	△236	△251
Gain on sale of non-current assets	—	△3,926
Loss on retirement of non-current assets	—	1,270
Decrease (increase) in accounts receivable – other	△427	△269
Decrease (increase) in trade receivables	△167,476	36,185
Decrease (increase) in inventories	77	△629
Increase (decrease) in accrued consumption taxes	66,910	11,751
Increase (decrease) in accounts payable – other	△32,201	73,075
Other, net	6,959	67,575
Subtotal	895,272	1,204,993
Interest and dividends received	236	251
Income taxes paid	△304,355	△305,960
Net cash provided by (used in) operating activities	591,153	899,285
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	△15,507	△36,767
Proceeds from sale of property, plant and equipment	—	19,234
Purchase of intangible assets	△13,958	△11,162
Payments of leasehold and guarantee deposits	△13,401	△2,534
Proceeds from refund of leasehold and guarantee deposits	379	340
Payments for the acquisition of investment securities	△208	△64
Other, net	△26	△26
Net cash provided by (used in) investing activities	△42,723	△30,979
<b>Cash flows from financing activities</b>		
Payments for the acquisition of treasury shares	—	△41
Dividends paid	△215,920	△232,048
Net cash provided by (used in) financing activities	△215,920	△232,089
Net increase (decrease) in cash and cash equivalents	332,508	636,216
Cash and cash equivalents at beginning of period	2,050,932	2,383,441
Cash and cash equivalents at end of period	2,383,441	3,019,657