

## Summary of Non-consolidated Financial Results for the Fiscal Year Ended January 31, 2022 (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  
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 Scheduled date of annual general meeting of shareholders: April 21, 2022  
 Scheduled date to commence dividend payments: April 22, 2022  
 Scheduled date to file annual securities report: April 21, 2022  
 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, 2022 (from February 1, 2021 to January 31, 2022)

#### (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, 2022	8,102	12.9	1,010	13.9	1,032	13.4	728	15.9
January 31, 2021	7,174	2.5	887	0.1	910	1.9	628	2.5

Fiscal year ended	Earnings per share	Diluted earnings per share	Return on equity	Return on assets	Operating margin
	Yen	Yen	%	%	%
January 31, 2022	68.59	—	21.7	21.7	12.5
January 31, 2021	59.16	—	21.5	22.1	12.4

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

For the fiscal year ended January 31, 2022: ¥ — million

For the fiscal year ended January 31, 2021: ¥ — 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, 2022	5,088	3,582	70.4	337.14
January 31, 2021	4,432	3,123	70.5	293.93

Reference: Equity As of January 31, 2022: ¥ 3,582 million

As of January 31, 2021: ¥ 3,123 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, 2022	770	33	△270	3,554
January 31, 2021	899	△30	△232	3,019

## 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, 2021	—	11.50	—	11.50	23.00	244	38.9	8.4
Fiscal year ended January 31, 2022	—	14.00	—	20.50	34.50	366	50.3	10.9
Fiscal year ending January 31, 2023 (Forecast)	—	19.00	—	19.00	38.00		50.7	

## 3. Forecast of non-consolidated financial results for the year ending January 31, 2023 (from February 1, 2022 to January 31, 2023)

	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	8,798	8.6	1,147	13.6	1,150	11.4	797	9.4	75.01

**\* Notes**

- (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, 2022	10,627,920 shares
As of January 31, 2021	10,627,920 shares

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

As of January 31, 2022	2,376 shares
As of January 31, 2021	2,376 shares

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

Fiscal year ended January 31, 2022	10,625,544 shares
Fiscal year ended January 31, 2021	10,625,544 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, 2021	As of January 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	3,019,657	3,554,199
Accounts receivable - trade	895,926	1,011,154
Work in process	992	950
Raw materials and supplies	4,383	3,637
Prepaid expenses	29,482	31,293
Accounts receivable - other	1,259	1,336
Other	16,252	19,081
Allowance for doubtful accounts	△5,300	△6,000
Total current assets	3,962,653	4,615,653
Non-current assets		
Property, plant and equipment		
Buildings	108,238	108,238
Accumulated depreciation	△64,611	△68,732
Buildings, net	43,626	39,505
Structures	1,172	1,172
Accumulated depreciation	△1,172	△1,172
Structures, net	0	0
Tools, furniture and fixtures	44,802	47,567
Accumulated depreciation	△25,496	△30,326
Tools, furniture and fixtures, net	19,306	17,240
Land	43,941	25,685
Total property, plant and equipment	106,873	82,431
Intangible assets		
Software	47,793	35,489
Telephone subscription right	1,654	1,654
Total intangible assets	49,447	37,143
Investments and other assets		
Investment securities	7,261	8,805
Investments in capital	1,250	1,250
Long-term prepaid expenses	1,381	1,150
Deferred tax assets	217,198	256,431
Leasehold and guarantee deposits	85,114	84,959
Other	1,132	1,159
Total investments and other assets	313,338	353,755
Total non-current assets	469,659	473,330
Total assets	4,432,313	5,088,983

(Thousands of yen)

	As of January 31, 2021	As of January 31, 2022
<b>Liabilities</b>		
Current liabilities		
Accounts payable - other	164,860	255,536
Accrued expenses	62,345	74,585
Income taxes payable	182,239	232,197
Accrued consumption taxes	183,571	203,266
Deposits received	90,113	15,255
Unearned revenue	66	37
Provision for bonuses	116,787	141,450
Other	5,105	4,875
<b>Total current liabilities</b>	<b>805,088</b>	<b>927,204</b>
Non-current liabilities		
Provision for retirement benefits	504,042	579,533
<b>Total non-current liabilities</b>	<b>504,042</b>	<b>579,533</b>
<b>Total liabilities</b>	<b>1,309,131</b>	<b>1,506,737</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	2,663,150	3,120,984
<b>Total retained earnings</b>	<b>2,713,610</b>	<b>3,171,444</b>
Treasury shares	△739	△739
<b>Total shareholders' equity</b>	<b>3,119,478</b>	<b>3,577,312</b>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,704	4,933
<b>Total valuation and translation adjustments</b>	<b>3,704</b>	<b>4,933</b>
<b>Total net assets</b>	<b>3,123,182</b>	<b>3,582,246</b>
<b>Total liabilities and net assets</b>	<b>4,432,313</b>	<b>5,088,983</b>

## Non-consolidated statements of income

(Thousands of yen)

	Fiscal year ended January 31, 2021	Fiscal year ended January 31, 2022
Net sales	7,174,725	8,102,991
Cost of sales	4,442,856	5,302,936
Gross profit	2,731,868	2,800,055
Selling, general and administrative expenses	1,844,793	1,789,646
Operating profit	887,075	1,010,409
Non-operating income		
Interest income	3	1
Dividend income	248	281
Commission income	604	593
Sales income of training materials	556	625
Rental income from land and buildings	925	650
Dividend income of insurance	2,931	6,048
Subsidy income	17,256	14,794
Other	2,582	1,287
Total non-operating income	25,109	24,283
Non-operating expenses		
Interest expenses	—	98
Cancellation penalty	1,554	2,025
Other	172	227
Total non-operating expenses	1,727	2,351
Ordinary profit	910,457	1,032,341
Extraordinary income		
Gain on sale of non-current assets	3,926	25,523
Total extraordinary income	3,926	25,523
Extraordinary losses		
Loss on retirement of non-current assets	1,270	78
Total extraordinary losses	1,270	78
Profit before income taxes	913,113	1,057,786
Income taxes - current	306,409	368,774
Income taxes - deferred	△21,856	△39,773
Total income taxes	284,552	329,000
Profit	628,561	728,785

**Non-consolidated statements of changes in equity**  
**Fiscal year ended January 31, 2021**

(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	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

Fiscal year ended January 31, 2022

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Retained earnings			Total retained earnings
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		
					General reserve	Retained earnings brought forward	
Balance at beginning of period	238,284	168,323	168,323	10,460	40,000	2,663,150	2,713,610
Changes during period							
Dividends of surplus						△270,951	△270,951
Profit						728,785	728,785
Net changes in items other than shareholders' equity							
Total changes during period	—	—	—	—	—	457,834	457,834
Balance at end of period	238,284	168,323	168,323	10,460	40,000	3,120,984	3,171,444

	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	△739	3,119,478	3,704	3,704	3,123,182
Changes during period					
Dividends of surplus		△270,951			△270,951
Profit		728,785			728,785
Net changes in items other than shareholders' equity			1,229	1,229	1,229
Total changes during period	—	457,834	1,229	1,229	459,063
Balance at end of period	△739	3,577,312	4,933	4,933	3,582,246



## Non-consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended January 31, 2021	Fiscal year ended January 31, 2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	913,113	1,057,786
Depreciation	30,103	28,675
Increase (decrease) in allowance for doubtful accounts	△200	700
Increase (decrease) in provision for bonuses	△15,633	24,663
Increase (decrease) in provision for retirement benefits	92,828	75,490
Interest and dividend income	△251	△282
Interest expenses	—	98
Gain on sale of non-current assets	△3,926	△25,523
Loss on retirement of non-current assets	1,270	78
Decrease (increase) in accounts receivable – other	△269	△76
Decrease (increase) in trade receivables	36,185	△115,227
Decrease (increase) in inventories	△629	787
Increase (decrease) in accrued consumption taxes	11,751	19,695
Increase (decrease) in accounts payable – other	73,075	90,675
Other, net	67,575	△65,967
<b>Subtotal</b>	<b>1,204,993</b>	<b>1,091,572</b>
Interest and dividends received	251	282
Interest paid	—	△98
Income taxes paid	△305,960	△320,821
<b>Net cash provided by (used in) operating activities</b>	<b>899,285</b>	<b>770,935</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	△36,767	△4,015
Proceeds from sale of property, plant and equipment	19,234	43,779
Purchase of intangible assets	△11,162	△6,248
Payments of leasehold and guarantee deposits	△2,534	△144
Proceeds from refund of leasehold and guarantee deposits	340	298
Payments for the acquisition of investment securities	△64	—
Other, net	△26	△26
<b>Net cash provided by (used in) investing activities</b>	<b>△30,979</b>	<b>33,643</b>
<b>Cash flows from financing activities</b>		
Payments for the acquisition of treasury shares	△41	—
Dividends paid	△232,048	△270,037
<b>Net cash provided by (used in) financing activities</b>	<b>△232,089</b>	<b>△270,037</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>636,216</b>	<b>534,541</b>
Cash and cash equivalents at beginning of period	2,383,441	3,019,657
<b>Cash and cash equivalents at end of period</b>	<b>3,019,657</b>	<b>3,554,199</b>