

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

June 8, 2023

Summary of Non-consolidated Financial Results for the Three Months Ended April 30, 2023 (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 to file quarterly securities report: June 12, 2023
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes (for individual investors)

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

1. Non-consolidated financial results for the three months ended April 30, 2023 (from February 1, 2023 to April 30, 2023)

(1) Non-consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

Three months ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
April 30, 2023	2,493	11.7	477	26.4	479	26.4	333	26.5
April 30, 2022	2,232	11.4	378	16.0	379	15.0	263	15.1

Three months ended	Earnings per share	Diluted earnings per share
	Yen	Yen
April 30, 2023	31.36	—
April 30, 2022	24.78	—

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
April 30, 2023	5,986	3,956	66.1
January 31, 2023	5,673	4,047	71.4

Reference: Equity As of April 30, 2023: ¥ 3,956 million
 As of January 31, 2023: ¥ 4,047 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended January 31, 2023	—	20.00	—	40.00	60.00
Fiscal year ending January 31, 2024	—				
Fiscal year ending January 31, 2024 (Forecast)		32.00	—	32.00	64.00

Note: Revisions to the forecast of cash dividends most recently announced: None

Note: Breakdown of year-end dividends for the fiscal year ended January 31, 2023

Ordinary dividends: ¥ 23.00
 Commemorative dividends: ¥ 17.00

3. Forecast of non-consolidated financial results for the year ending January 31, 2024 (from February 1, 2023 to January 31, 2024)

(Percentages indicate year-on-year changes.)

	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	9,797	6.0	1,325	11.0	1,328	10.4	920	2.8	86.65

Note: Revisions to the forecast of non-consolidated financial results most recently announced: None

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

* Notes

(1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: None

(2) 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

(3) Number of issued shares (common shares)

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

As of April 30, 2023	10,627,920 shares
As of January 31, 2023	10,627,920 shares

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

As of April 30, 2023	2,437 shares
As of January 31, 2023	2,376 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended April 30, 2023	10,625,524 shares
Three months ended April 30, 2022	10,625,544 shares

* Quarterly financial results reports are exempt from quarterly review 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.

Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of January 31, 2023	As of April 30, 2023
Assets		
Current assets		
Cash and deposits	3,975,881	4,025,095
Accounts receivable - trade	1,129,522	1,288,974
Work in process	4,099	5,718
Raw materials and supplies	3,689	3,207
Other	54,764	86,583
Allowance for doubtful accounts	△6,700	△7,700
Total current assets	5,161,256	5,401,880
Non-current assets		
Property, plant and equipment	80,424	80,356
Intangible assets	27,370	28,721
Investments and other assets		
Leasehold and guarantee deposits	94,876	94,812
Other	309,261	380,994
Total investments and other assets	404,137	475,806
Total non-current assets	511,932	584,884
Total assets	5,673,188	5,986,764
Liabilities		
Current liabilities		
Income taxes payable	179,813	229,584
Provision for bonuses	165,195	367,958
Other	608,576	750,637
Total current liabilities	953,585	1,348,179
Non-current liabilities		
Provision for retirement benefits	671,645	682,368
Total non-current liabilities	671,645	682,368
Total liabilities	1,625,230	2,030,548
Net assets		
Shareholders' equity		
Share capital	238,284	238,284
Capital surplus	168,323	168,323
Retained earnings	3,636,258	3,544,423
Treasury shares	△739	△815
Total shareholders' equity	4,042,126	3,950,215
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	5,832	6,000
Total valuation and translation adjustments	5,832	6,000
Total net assets	4,047,958	3,956,216
Total liabilities and net assets	5,673,188	5,986,764

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended April 30, 2022	Three months ended April 30, 2023
Net sales	2,232,489	2,493,648
Cost of sales	1,387,242	1,528,482
Gross profit	845,247	965,166
Selling, general and administrative expenses	467,134	487,233
Operating profit	378,112	477,933
Non-operating income		
Interest income	0	0
Dividend income	55	58
Commission income	145	140
Sales income of training materials	486	384
Gain on forfeiture of unclaimed dividends	633	473
Other	131	110
Total non-operating income	1,452	1,167
Non-operating expenses		
Interest expenses	130	—
Other	353	—
Total non-operating expenses	484	—
Ordinary profit	379,081	479,100
Profit before income taxes	379,081	479,100
Income taxes - current	178,334	217,254
Income taxes - deferred	△62,562	△71,340
Total income taxes	115,772	145,914
Profit	263,308	333,186

Non-consolidated statements of cash flows

(Thousands of yen)

	Three months ended April 30, 2022	Three months ended April 30, 2023
Cash flows from operating activities		
Profit before income taxes	379,081	479,100
Depreciation	6,197	5,910
Increase (decrease) in allowance for doubtful accounts	900	1,000
Increase (decrease) in provision for bonuses	170,057	202,763
Increase (decrease) in provision for retirement benefits	26,150	10,723
Interest and dividend income	△55	△58
Interest expenses	130	—
Decrease (increase) in accounts receivable - other	463	△482
Decrease (increase) in trade receivables	△146,968	△159,452
Decrease (increase) in inventories	△3,860	△1,138
Increase (decrease) in accrued consumption taxes	△2,889	1,946
Increase (decrease) in accounts payable - other	△67,173	△58,716
Other, net	103,541	130,316
Subtotal	465,574	611,912
Interest and dividends received	55	58
Interest paid	△130	—
Income taxes paid	△215,553	△163,634
Net cash provided by (used in) operating activities	249,945	448,336
Cash flows from investing activities		
Purchase of property, plant and equipment	△1,863	△2,050
Purchase of intangible assets	△4,444	△5,143
Payments of leasehold and guarantee deposits	△9,826	—
Proceeds from refund of leasehold and guarantee deposits	60	64
Other, net	△6	△6
Net cash provided by (used in) investing activities	△16,080	△7,135
Cash flows from financing activities		
Purchase of treasury shares	—	△75
Dividends paid	△202,699	△391,910
Net cash provided by (used in) financing activities	△202,699	△391,986
Net increase (decrease) in cash and cash equivalents	31,165	49,214
Cash and cash equivalents at beginning of period	3,554,199	3,975,881
Cash and cash equivalents at end of period	3,585,365	4,025,095