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September 8, 2023

## Summary of Non-consolidated Financial Results for the Six Months Ended July 31, 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: September 12, 2023  
 Scheduled date to commence dividend payments: October 6, 2023  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results briefing: Yes (for institutional investors and analysts; for individual investors)

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

### 1. Non-consolidated financial results for the six months ended July 31, 2023 (from February 1, 2023 to July 31, 2023)

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
July 31, 2023	5,006	10.7	882	27.7	882	27.6	617	28.8
July 31, 2022	4,522	13.6	690	21.9	691	19.2	479	14.2

	Earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
July 31, 2023	58.14	—
July 31, 2022	45.15	—

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

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
July 31, 2023	5,977	4,235	70.9
January 31, 2023	5,673	4,047	71.4

Reference: Equity As of July 31, 2023: ¥ 4,235 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	—	37.50			
Fiscal year ending January 31, 2024 (Forecast)			—	32.00	69.50

Note: Revisions to the forecast of cash dividends most recently announced: Yes

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

#### \* 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 July 31, 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 July 31, 2023	2,469 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)

Six months ended July 31, 2023	10,625,495 shares
Six months ended July 31, 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 July 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	3,975,881	4,031,846
Accounts receivable - trade	1,129,522	1,365,742
Work in process	4,099	5,101
Raw materials and supplies	3,689	2,892
Other	54,764	73,415
Allowance for doubtful accounts	△6,700	△8,100
<b>Total current assets</b>	<b>5,161,256</b>	<b>5,470,898</b>
Non-current assets		
Property, plant and equipment	80,424	78,511
Intangible assets	27,370	25,389
Investments and other assets		
Leasehold and guarantee deposits	94,876	94,812
Other	309,261	308,299
<b>Total investments and other assets</b>	<b>404,137</b>	<b>403,111</b>
<b>Total non-current assets</b>	<b>511,932</b>	<b>507,013</b>
<b>Total assets</b>	<b>5,673,188</b>	<b>5,977,912</b>
<b>Liabilities</b>		
Current liabilities		
Income taxes payable	179,813	297,848
Provision for bonuses	165,195	171,383
Other	608,576	580,154
<b>Total current liabilities</b>	<b>953,585</b>	<b>1,049,386</b>
Non-current liabilities		
Provision for retirement benefits	671,645	693,092
<b>Total non-current liabilities</b>	<b>671,645</b>	<b>693,092</b>
<b>Total liabilities</b>	<b>1,625,230</b>	<b>1,742,478</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	238,284	238,284
Capital surplus	168,323	168,323
Retained earnings	3,636,258	3,828,958
Treasury shares	△739	△869
<b>Total shareholders' equity</b>	<b>4,042,126</b>	<b>4,234,696</b>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	5,832	736
<b>Total valuation and translation adjustments</b>	<b>5,832</b>	<b>736</b>
<b>Total net assets</b>	<b>4,047,958</b>	<b>4,235,433</b>
<b>Total liabilities and net assets</b>	<b>5,673,188</b>	<b>5,977,912</b>

**Non-consolidated statements of income (cumulative)**

(Thousands of yen)

	Six months ended July 31, 2022	Six months ended July 31, 2023
Net sales	4,522,954	5,006,636
Cost of sales	2,890,578	3,115,704
Gross profit	1,632,375	1,890,932
Selling, general and administrative expenses	941,471	1,008,899
Operating profit	690,904	882,032
Non-operating income		
Interest income	0	0
Dividend income	141	151
Commission income	286	282
Sales income of training materials	519	441
Gain on forfeiture of unclaimed dividends	633	473
Other	235	246
Total non-operating income	1,817	1,597
Non-operating expenses		
Interest expenses	130	98
Cancellation penalty	727	690
Other	0	12
Total non-operating expenses	858	800
Ordinary profit	691,862	882,829
Extraordinary income		
Gain on sale of investment securities	—	7,938
Total extraordinary income	—	7,938
Profit before income taxes	691,862	890,768
Income taxes - current	225,249	278,358
Income taxes - deferred	△13,126	△5,311
Total income taxes	212,122	273,046
Profit	479,740	617,721

## Non-consolidated statements of cash flows

(Thousands of yen)

	Six months ended July 31, 2022	Six months ended July 31, 2023
<b>Cash flows from operating activities</b>		
Profit before income taxes	691,862	890,768
Depreciation	12,746	12,009
Increase (decrease) in allowance for doubtful accounts	1,300	1,400
Increase (decrease) in provision for bonuses	4,383	6,188
Increase (decrease) in provision for retirement benefits	52,300	21,447
Interest and dividend income	△141	△152
Interest expenses	130	98
Loss (gain) on sale of investment securities	—	△7,938
Decrease (increase) in accounts receivable - other	938	72
Decrease (increase) in trade receivables	△220,094	△236,219
Decrease (increase) in inventories	△6,675	△205
Increase (decrease) in accrued consumption taxes	△41,638	△51,204
Increase (decrease) in accounts payable - other	△34,358	△91,932
Other, net	156,063	96,895
Subtotal	616,817	641,226
Interest and dividends received	141	152
Interest paid	△130	△98
Income taxes paid	△215,568	△163,650
Net cash provided by (used in) operating activities	401,259	477,629
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	△7,042	△2,398
Purchase of intangible assets	△4,444	△5,718
Payments of leasehold and guarantee deposits	△10,089	—
Proceeds from refund of leasehold and guarantee deposits	122	64
Proceeds from sale of investment securities	—	9,231
Other, net	△13	△13
Net cash provided by (used in) investing activities	△21,467	1,166
<b>Cash flows from financing activities</b>		
Purchase of treasury shares	—	△129
Dividends paid	△215,921	△422,700
Net cash provided by (used in) financing activities	△215,921	△422,830
Net increase (decrease) in cash and cash equivalents	163,869	55,965
Cash and cash equivalents at beginning of period	3,554,199	3,975,881
Cash and cash equivalents at end of period	3,718,069	4,031,846