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May 13, 2022

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (Under Japanese GAAP)

Company name: internet infinity INC.
 Listing: Tokyo Stock Exchange
 Securities code: 6545
 URL: https://iif.jp
 Representative: Keiichi Beck, Representative director
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 Scheduled date of annual general meeting of shareholders: June 24, 2022
 Scheduled date to commence dividend payments: -
 Scheduled date to file annual securities report: June 24, 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. Consolidated financial results for the fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Consolidated operating results

(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	%
Fiscal year ended								
March 31, 2022	4,168	—	156	—	289	—	186	—
March 31, 2021	—	—	—	—	—	—	—	—

Note: Comprehensive income For the fiscal year ended March 31, 2022: ¥ 186 million [—%]
 For the fiscal year ended March 31, 2021: ¥ — million [—%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2022	34.67	33.74	15.0	10.2	3.7
March 31, 2021	—	—	—	—	—

Note: As the Company started preparing consolidated financial statements from the fiscal year ended March 31, 2022, figures for the consolidated financial statements from the fiscal year ended March 31, 2021 and year-on-year changes are not presented.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2022	2,829	1,245	44.0	231.64
March 31, 2021	—	—	—	—

Reference: Equity As of March 31, 2022 : ¥1,245 million As of March 31, 2021: ¥ — million

Note: As the Company started preparing consolidated financial statements from the fiscal year ended March 31, 2022, figures for the consolidated financial statements from the fiscal year ended March 31, 2021 are not presented.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2022	271	(236)	250	1,130
March 31, 2021	—	—	—	—

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended March 31,2021	Yen —	Yen 0.00	Yen —	Yen 0.00	Yen 0.00	Millions of yen —	% —	% —
Fiscal year ending March 31,2022	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ending March31,2023 (Forecast)	—	0.00	—	0.00	0.00	—	—	—

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to Owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full year	4,421	6.1	315	102.4	313	8.2	203	9.4	37.88

* **Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly included: — companies

Excluded: — companies

(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: Yes

(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 March 31,2022	5,427,771 shares
As of March 31,2021	5,427,771 shares

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

As of March 31,2022	51,667 shares
As of March 31,2021	74,306 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31,2022	5,370,634 shares
Fiscal year ended March 31,2021	5,345,733 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2022 (from April 1, 2021 to March 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	%
March 31, 2022	3,513	1.3	147	(10.8)	281	12.5	187	24.7
March 31, 2021	3,468	(3.0)	165	(23.6)	249	15.5	150	22.7

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2022	34.85	33.91
March 31, 2021	28.08	27.29

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2022	2,713	1,249	46.0	232.38
March 31, 2021	2,346	1,017	43.4	190.07

Reference: Equity

As of March 31, 2022: ¥1,249 million

As of March 31, 2021: ¥1,017 million

* 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

Forward-looking statements such as the earnings forecasts included here are based on currently available information and on certain assumptions we believe to be reasonable, and we make no assurance that they will be met. Actual performance and other results may differ significantly due to a variety of factors.

4. Consolidated financial statements

(1) Consolidated balance sheet

(Unit: thousand yen)

As of March 31,2022

Assets	
Current assets	
Cash and deposits	1,130,550
Notes receivable - trade	958
Accounts receivable - trade	717,195
Supplies	15,611
Other	93,002
Allowance for doubtful accounts	(6,299)
Total current assets	1,951,020
Non-current assets	
Property, plant and equipment	
Buildings and structures	686,793
Accumulated depreciation and impairment loss	△379,879
Buildings and structures ,net	306,914
Leased assets	49,116
Accumulated depreciation and impairment loss	△34,894
Leased assets, net	14,222
Other	63,319
Accumulated depreciation and impairment loss	△44,155
Other, net	19,163
Total property, plant and equipment	340,300
Intangible assets	
Goodwill	200,945
Other	39,473
Total intangible assets	240,418
Investments and other assets	
Guarantee deposits	179,308
Deferred tax assets	80,951
Other	38,970
Allowance for doubtful accounts	(1,663)
Total investments and other assets	297,566
Total non-current assets	878,286
Total assets	2,829,307

(Unit: thousand yen)

As of March 31,2022

Liabilities	
Current liabilities	
Accounts payable - trade	70,058
Short-term borrowings	300,000
Current portion of long-term borrowings	107,964
Income taxes payable	23,708
Advances received	17,774
Unearned revenue	13,668
Deposits received	366,907
Provision for bonuses	48,790
Other	171,625
Total current liabilities	1,120,496
Non-current liabilities	
Long-term borrowings	343,782
Asset retirement obligations	48,898
Long-term unearned revenue	20,470
Other	50,361
Total non-current liabilities	463,513
Total liabilities	1,584,009
Net assets	
Shareholders' equity	
Capital	252,302
Capital surplus	237,302
Retained earnings	798,308
Treasury shares	(42,615)
Total shareholders' equity	1,245,297
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	—
Total accumulated other comprehensive income	—
Total net assets	1,245,297
Total liabilities and net assets	2,829,307

(2) Consolidated statement of income and comprehensive income
(Consolidated statement of income)

(Unit: thousand yen)

	Fiscal year ended March 31,2022
Net sales	4,168,077
Cost of sales	2,700,154
Gross profit	1,467,923
Selling, general and administrative expenses	1,311,867
Operating income	156,055
Non-operating income	
Gain on sale of businesses	32,246
Subsidy income	109,120
Other	7,095
Total non-operating income	148,462
Non-operating expenses	
Interest expenses	14,187
Other	655
Total non-operating expenses	14,843
Ordinary profit	289,674
Extraordinary losses	
Impairment loss	2,860
Total extraordinary losses	2,860
Profit before income taxes	286,814
Income taxes – current	66,793
Income taxes – deferred	33,803
Total income taxes	100,596
Profit	186,218
Profit attributable to owners of parent	186,218

(Consolidated statement of comprehensive income)

(Unit: thousand yen)

	Fiscal year ended March 31,2022
Profit	186,218
Other comprehensive income	
Valuation difference on available-for-sale securities	—
Total other comprehensive income	—
Comprehensive income	186,218
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	186,218

(3) Consolidated statement of changes in equity

Current fiscal year (April 1, 2021 to March 31, 2022)

(Unit: thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	252,302	237,302	592,010	(64,107)	1,017,507
Cumulative effects of changes in accounting policies			30,389		30,389
Restated balance	252,302	237,302	622,399	(64,107)	1,047,896
Changes during period					
Profit attributable to owners of parent			186,218		186,218
Increase in consolidated subsidiaries - Retained earnings			(3,017)		(3,017)
Disposal of treasury shares		(7,292)		21,491	14,199
Transfer of loss on disposal of treasury shares		7,292	(7,292)		—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	175,909	21,491	197,400
Balance at the end of period	252,302	237,302	798,308	(42,615)	1,245,297

(Unit: thousand yen)

	Accumulated other comprehensive income		Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of period	—	—	1,017,507
Cumulative effects of changes in accounting policies			30,389
Restated balance	—	—	1,047,896
Changes during period			
Profit attributable to owners of parent		150,110	186,218
Increase in consolidated subsidiaries - Retained earnings			(3,017)
Disposal of treasury shares			14,199
Transfer of loss on disposal of treasury shares			—
Net changes in items other than shareholders' equity			—
Total changes during period	—	—	197,400
Balance at the end of period	—	—	1,245,297

(4) Consolidated statement of cash flows

(Unit: thousand yen)

	Current fiscal year (April 1, 2021 to March 31, 2022)
Cash flows from operating activities	
Profit before income taxes	286,814
Depreciation	131,277
Amortization of goodwill	20,609
Impairment loss	2,860
Increase (decrease) in allowance for doubtful accounts	(48)
Increase (decrease) in provision for bonuses	(43,116)
Loss (gain) on sale of businesses	(32,246)
Subsidy income	(109,120)
Interest expenses	14,187
Decrease (increase) in trade receivables	36,543
Decrease (increase) in inventories	(3,230)
Increase (decrease) in trade payables	(1,294)
Increase (decrease) in deposits received	37,438
Increase (decrease) in accounts payable - other	(9,191)
Other	24,406
Sub-total	355,889
Interest paid	(13,714)
Proceeds from subsidy income	76,947
Income taxes paid	(147,598)
Net cash provided by (used in) operating activities	271,522
Cash flows from investing activities	
Proceeds from sale of businesses	52,286
Payments for acquisition of businesses	(10,235)
Purchase of property, plant and equipment	(36,559)
Proceeds from sales of property, plant and equipment	200
Purchase of intangible assets	(14,793)
Proceeds from sales of investment securities	10,738
Payments for guarantee deposits	(4,798)
Proceeds from refund of guarantee deposits	12,738
Payments for asset retirement obligations	(1,567)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(274,356)
Other	30,047
Net cash provided by (used in) investing activities	(236,298)

(Unit: thousand yen)

	Current fiscal year (April 1, 2021 to March 31, 2022)
Cash flows from financing activities	
Net increase (decrease) in short-term borrowings	190,000
Proceeds from long-term borrowings	200,000
Repayments of long-term borrowings	(130,762)
Other	(9,094)
Net cash provided by (used in) financing activities	250,143
Net increase (decrease) in cash and cash equivalents	285,143
Cash and cash equivalents at beginning of period	845,183
Cash and cash equivalents at end of period	1,130,550