

November 4, 2022

Consolidated Financial Results for the Six-Month Period Ended September 30, 2022 (under Japanese GAAP)

Company name: Oricon Inc. Listing: Tokyo Stock Exchange
 Security code: 4800 URL: <https://www.oricon.jp/>
 Representative: Koh Koike, President and Representative Director
 Contact: Kosaku Yamaguchi, General Manager of IR
 Tel: +81-(0)3-3405-5252

Scheduled date to file Quarterly Securities Report: November 7, 2022
 Scheduled date to commence payment of dividends: –
 Preparation of supplementary briefing materials on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes (for institutional investors and securities analysts)

(Amounts less than a million yen are rounded down to the nearest million yen.)

1. Consolidated financial results for the six-month period ended September 30, 2022 (April 1, 2022–September 30, 2022)

(1) Results of operation (Percentages are shown as year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Net income attributable to owners of the parent | |
|---|-------------|------|------------------|------|-----------------|------|---|-------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Six-month period ended September 30, 2022 | 2,371 | 6.5 | 850 | 21.1 | 835 | 20.5 | 545 | 14.0 |
| September 30, 2021 | 2,227 | 13.7 | 702 | 44.3 | 693 | 45.7 | 478 | (2.2) |

Note: Comprehensive income Six-month period ended September 30, 2022: 549 million yen (up 21.4%)
 Six-month period ended September 30, 2021: 452 million yen (down 6.1%)

| | Basic earnings per share | Diluted earnings per share |
|---|--------------------------|----------------------------|
| | Yen | Yen |
| Six-month period ended September 30, 2022 | 40.30 | – |
| September 30, 2021 | 34.94 | – |

(2) Financial Position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|--------------------|--------------|-------------|--------------|----------------------|
| As of | Million yen | Million yen | % | Yen |
| September 30, 2022 | 4,930 | 4,150 | 84.2 | 310.66 |
| March 31, 2022 | 5,009 | 4,116 | 82.2 | 303.25 |

Reference: Equity (Shareholders' equity + Accumulated other comprehensive income)
 As of September 30, 2022: 4,150 million yen
 As of March 31, 2022: 4,116 million yen

2. Dividends

| | Annual dividends per share | | | | |
|--|----------------------------|--------|--------|----------|-------|
| | Q1-end | Q2-end | Q3-end | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2022 | – | 0.00 | – | 23.00 | 23.00 |
| Fiscal year ending March 31, 2023 | – | 0.00 | – | – | – |
| Fiscal year ending March 31, 2023 (forecasted) | – | – | – | 24.00 | 24.00 |

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

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

(Percentages are shown as year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Net income attributable to owners of the parent | | Basic earnings per share |
|-----------|-------------|-----|------------------|-----|-----------------|-----|---|-----|--------------------------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| Full year | 4,850 | 7.7 | 1,650 | 8.5 | 1,620 | 7.5 | 1,070 | 5.8 | 78.83 |

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

*** Notes**

(1) Significant changes in scope of consolidation (changes in scope of consolidation of specified subsidiaries): None

Newly consolidated: – Excluded from consolidation: –

(2) Application of accounting treatments specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, etc.: Yes

2) Changes in accounting policies other than those in 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(4) Number of shares issued (ordinary shares)

1) Number of shares issued (including treasury shares):

As of September 30, 2022 15,123,200 shares

As of March 31, 2022 15,123,200 shares

2) Number of treasury shares:

As of September 30, 2022 1,764,578 shares

As of March 31, 2022 1,549,878 shares

3) Average number of shares outstanding during the period:

Six-month period ended September 30, 2022 13,529,508 shares

Six-month period ended September 30, 2021 13,681,767 shares

The number of treasury shares as of September 30, 2022 includes 180,000 shares of the Company held by the Board Benefit Trust and Employee Benefit Trust.

* This interim consolidated financial report is not subject to interim review procedures by certified public accountants or an audit firm.

* Explanation of appropriate use of earnings forecasts, and other special notes

The forward-looking statements including the earnings forecasts contained in this report are based on information currently available to us and certain assumptions that we believe to be reasonable. Accordingly, please be advised that we do not guarantee the achievement of the forecasts, and the actual results may differ significantly from the forecasts due to a variety of factors.

Contents of Attachments

| | |
|--|------|
| 1. Quarterly Consolidated Financial Statements and Major Notes | P. 2 |
| (1) Quarterly Consolidated Balance Sheet | P. 2 |
| (2) Quarterly Consolidated Statements of Income and Comprehensive Income | P. 4 |
| Quarterly Consolidated Statement of Income | |
| For the Six-month Period | P. 4 |
| Quarterly Consolidated Statement of Comprehensive Income | |
| For the Six-month Period | P. 5 |
| (3) Quarterly Consolidated Statement of Cash Flows | P. 6 |
| (4) Notes to Quarterly Consolidated Financial Statements | P. 7 |
| Segment Information | P. 7 |
| Revenue Recognition | P. 8 |

1. Quarterly Consolidated Financial Statements and Major Notes**(1) Quarterly Consolidated Balance Sheet**

| | (Thousands of yen) | |
|--|--|---|
| | Previous fiscal year (As of March 31, 2022) | Current quarter (As of September 30, 2022) |
| Assets | | |
| Current assets | | |
| Cash and deposits | 3,307,363 | 2,404,079 |
| Notes and accounts receivable–trade, and contract assets | 569,690 | 552,308 |
| Merchandise and finished goods | 5,038 | 4,147 |
| Work in process | 488 | 488 |
| Other | 192,959 | 712,774 |
| Allowance for doubtful accounts | (826) | (862) |
| Total current assets | 4,074,713 | 3,672,935 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 20,546 | 19,407 |
| Tools, furniture and fixtures, net | 96,953 | 87,125 |
| Land | 1,973 | 1,973 |
| Total property, plant and equipment | 119,474 | 108,506 |
| Intangible assets | | |
| Goodwill | 19,545 | 16,818 |
| Software | 138,481 | 129,023 |
| Other | 3,209 | 3,209 |
| Total intangible assets | 161,236 | 149,051 |
| Investments and other assets | | |
| Investment securities | 148,135 | 495,168 |
| Deferred tax assets | 59,181 | 52,521 |
| Other | 453,832 | 462,316 |
| Allowance for investment loss | (4,900) | (4,900) |
| Allowance for doubtful accounts | (1,920) | (4,956) |
| Total investments and other assets | 654,329 | 1,000,149 |
| Total non-current assets | 935,039 | 1,257,707 |
| Total assets | 5,009,753 | 4,930,643 |
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable–trade | 9,985 | 9,616 |
| Short-term borrowings | 100,000 | 100,000 |
| Income taxes payable | 336,737 | 253,614 |
| Other | 446,976 | 417,390 |
| Total current liabilities | 893,699 | 780,621 |
| Total liabilities | 893,699 | 780,621 |

| | (Thousands of yen) | |
|---|--|---|
| | Previous fiscal year (As of March 31, 2022) | Current quarter (As of September 30, 2022) |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 1,092,450 | 1,092,450 |
| Capital surplus | – | 57,960 |
| Retained earnings | 3,816,182 | 4,049,170 |
| Treasury shares | (832,094) | (1,092,911) |
| Total shareholders' equity | 4,076,538 | 4,106,668 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 39,515 | 43,353 |
| Total accumulated other comprehensive income | 39,515 | 43,353 |
| Total net assets | 4,116,053 | 4,150,021 |
| Total liabilities and net assets | 5,009,753 | 4,930,643 |

(2) Quarterly Consolidated Statements of Income and Comprehensive Income**Quarterly Consolidated Statement of Income
For the Six-month Period**

(Thousands of yen)

| | Six-month period ended September 30, 2021 | Six-month period ended September 30, 2022 |
|---|--|--|
| Net sales | 2,227,761 | 2,371,509 |
| Cost of sales | 699,062 | 673,626 |
| Gross profit | 1,528,698 | 1,697,883 |
| Selling, general and administrative expenses | 826,492 | 847,247 |
| Operating profit | 702,205 | 850,636 |
| Non-operating income | | |
| Interest income | 60 | 1,050 |
| Gain on forfeiture of unclaimed dividends | 570 | 570 |
| Dividend income of insurance | 701 | – |
| Foreign exchange gains | – | 2,920 |
| Other | 305 | 489 |
| Total non-operating income | 1,638 | 5,029 |
| Non-operating expenses | | |
| Interest expenses | 374 | 384 |
| Share related expenses | 6,778 | 6,726 |
| Commission expenses | 3,335 | 3,042 |
| Share of loss of entities accounted for using the equity method | – | 9,753 |
| Other | 13 | 323 |
| Total non-operating expenses | 10,501 | 20,231 |
| Ordinary profit | 693,342 | 835,434 |
| Extraordinary income | | |
| Gain on sale of investment securities | 34,057 | – |
| Total extraordinary income | 34,057 | – |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 0 | 0 |
| Total extraordinary losses | 0 | 0 |
| Net income before income taxes | 727,399 | 835,434 |
| Income taxes-current | 257,131 | 285,294 |
| Income taxes-deferred | (7,811) | 4,966 |
| Total income taxes | 249,320 | 290,260 |
| Net income | 478,079 | 545,174 |
| Net income attributable to owners of the parent | 478,079 | 545,174 |

Quarterly Consolidated Statement of Comprehensive Income
For the Six-month Period

| | (Thousands of yen) | |
|---|--|--|
| | Six-month period ended September 30, 2021 | Six-month period ended September 30, 2022 |
| Net income | 478,079 | 545,174 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (25,981) | 3,837 |
| Total other comprehensive income | (25,981) | 3,837 |
| Comprehensive income | 452,098 | 549,012 |
| Comprehensive income attributable to | | |
| Owners of the parent | 452,098 | 549,012 |
| Non-controlling interests | - | - |

(3) Quarterly Consolidated Statement of Cash Flows

(Thousands of yen)

| | Six-month period ended September 30, 2021 | Six-month period ended September 30, 2022 |
|--|--|--|
| Cash flows from operating activities | | |
| Net income before income taxes | 727,399 | 835,434 |
| Depreciation | 55,194 | 48,036 |
| Amortization of goodwill | 2,727 | 2,727 |
| Increase (decrease) in allowance for doubtful accounts | 44 | 3,072 |
| Interest and dividend income | (60) | (1,050) |
| Interest expenses | 374 | 384 |
| Loss (gain) on sale of investment securities | (34,057) | – |
| Share of loss (profit) of entities accounted for using the equity method | – | 9,753 |
| Decrease (increase) in trade receivables | 620 | 18,578 |
| Decrease (increase) in inventories | 714 | 890 |
| Increase (decrease) in trade payables | (206) | (368) |
| Other | (22,950) | (69,148) |
| Subtotal | 729,801 | 848,310 |
| Interest and dividends received | 60 | 36 |
| Interest paid | (369) | (288) |
| Income taxes paid | (247,074) | (695,771) |
| Net cash provided by (used in) operating activities | 482,417 | 152,287 |
| Cash flows from investing activities | | |
| Payments into time deposits | – | (579,240) |
| Purchase of property, plant and equipment | (5,877) | (19,000) |
| Purchase of intangible assets | (38,326) | (19,226) |
| Purchase of investment securities | (25,000) | (351,254) |
| Proceeds from sale of investment securities | 34,211 | – |
| Other | 482 | 1,516 |
| Net cash provided by (used in) investing activities | (34,509) | (967,205) |
| Cash flows from financing activities | | |
| Purchase of treasury shares | (269,739) | (202,857) |
| Cash dividends paid | (234,346) | (310,748) |
| Net cash provided by (used in) financing activities | (504,086) | (513,606) |
| Effect of exchange rate changes on cash and cash equivalents | – | 2,920 |
| Increase (decrease) in cash and cash equivalents | (56,177) | (1,325,604) |
| Cash and cash equivalents at the beginning of the period | 2,784,188 | 3,307,363 |
| Cash and cash equivalents at the end of the period | 2,728,010 | 1,981,758 |

(4) Notes to Quarterly Consolidated Financial Statements**Segment Information**

I. For the six-month period ended September 30, 2021

1. Disclosure of net sales and profit (loss) for each reportable segment

(Thousands of yen)

| | Reportable segments | | | | Total |
|---------------------------------|------------------------|-------------------------|-----------------|-----------|-----------|
| | Communication Business | Data Providing Business | Mobile Business | Subtotal | |
| Net sales | | | | | |
| Sales to external customers | 1,660,892 | 332,397 | 234,471 | 2,227,761 | 2,227,761 |
| Intersegment sales or transfers | 42,000 | – | – | 42,000 | 42,000 |
| Total | 1,702,892 | 332,397 | 234,471 | 2,269,761 | 2,269,761 |
| Segment profit | 1,041,967 | 118,583 | 103,808 | 1,264,359 | 1,264,359 |

2. Reconciliation of total segment profit of reportable segments with operating profit on the quarterly consolidated statement of income

(Thousands of yen)

| Profit | Amount |
|--|-----------|
| Total segment profit of reportable segments | 1,264,359 |
| Amortization of goodwill | (2,727) |
| Corporate expenses (Note) | (559,426) |
| Operating profit on the quarterly consolidated statement of income | 702,205 |

Note: Corporate expenses are mainly general and administrative expenses that are not attributable to any reportable segments.

II. For the six-month period ended September 30, 2022

1. Disclosure of net sales and profit or loss for each reportable segment

(Thousands of yen)

| | Reportable segments | | | | Total |
|---------------------------------|------------------------|-------------------------|-----------------|-----------|-----------|
| | Communication Business | Data Providing Business | Mobile Business | Subtotal | |
| Net sales | | | | | |
| Sales to external customers | 1,841,031 | 334,490 | 195,987 | 2,371,509 | 2,371,509 |
| Intersegment sales or transfers | 42,000 | – | – | 42,000 | 42,000 |
| Total | 1,883,031 | 334,490 | 195,987 | 2,413,509 | 2,413,509 |
| Segment profit | 1,235,900 | 120,810 | 72,172 | 1,428,883 | 1,428,883 |

2. Reconciliation of total segment profit of reportable segments with operating profit on the quarterly consolidated statement of income

(Thousands of yen)

| Profit | Amount |
|--|-----------|
| Total segment profit of reportable segments | 1,428,883 |
| Amortization of goodwill | (2,727) |
| Corporate expenses (Note) | (575,519) |
| Operating profit on the quarterly consolidated statement of income | 850,636 |

Note: Corporate expenses are mainly general and administrative expenses that are not attributable to any reportable segments.

Revenue Recognition

Disaggregation of revenue from contracts with customers

For the six-month period ended September 30, 2021

(Thousands of yen)

| | Reportable segments | | | | Total |
|---------------------------------------|------------------------|-------------------------|-----------------|-----------|-----------|
| | Communication Business | Data Providing Business | Mobile Business | Subtotal | |
| Customer Satisfaction Research | 884,228 | – | – | 884,228 | 884,228 |
| News & Media | 776,664 | – | – | 776,664 | 776,664 |
| Data Providing | – | 332,397 | – | 332,397 | 332,397 |
| Mobile Content Subscription Services | – | – | 234,471 | 234,471 | 234,471 |
| Revenue from contracts with customers | 1,660,892 | 332,397 | 234,471 | 2,227,761 | 2,227,761 |
| Other revenue | – | – | – | – | – |
| Sales to external customers | 1,660,892 | 332,397 | 234,471 | 2,227,761 | 2,227,761 |

For the six-month period ended September 30, 2022

(Thousands of yen)

| | Reportable segments | | | | Total |
|---------------------------------------|------------------------|-------------------------|-----------------|-----------|-----------|
| | Communication Business | Data Providing Business | Mobile Business | Subtotal | |
| Customer Satisfaction Research | 1,042,833 | – | – | 1,042,833 | 1,042,833 |
| News & Media | 798,197 | – | – | 798,197 | 798,197 |
| Data Providing | – | 334,490 | – | 334,490 | 334,490 |
| Mobile Content Subscription Services | – | – | 195,987 | 195,987 | 195,987 |
| Revenue from contracts with customers | 1,841,031 | 334,490 | 195,987 | 2,371,509 | 2,371,509 |
| Other revenue | – | – | – | – | – |
| Sales to external customers | 1,841,031 | 334,490 | 195,987 | 2,371,509 | 2,371,509 |