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## Consolidated Financial Results for the Nine Months Ended December 31, 2022 [Japanese GAAP]



February 10, 2023

Company name: NexTone Inc.  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 7094  
 URL: <https://www.nex-tone.co.jp/en/>  
 Representative: Masahiro Anan, President & CEO  
 Contact: Fumihiro Watanabe, Director  
 Phone: +81-3-5766-8086  
 Scheduled date of filing quarterly securities report: February 13, 2023  
 Scheduled date of commencing dividend payments: –  
 Availability of supplementary explanatory materials on quarterly financial results: Available  
 Schedule of quarterly financial results briefing session: None

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Nine Months Ended December 31, 2022 (April 1, 2022 - December 31, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

|                                     | Net sales   |      | Operating profit |      | Ordinary profit |      | Profit attributable to owners of parent |      |
|-------------------------------------|-------------|------|------------------|------|-----------------|------|---|------|
|                                     | Million yen | %    | Million yen      | %    | Million yen     | %    | Million yen                             | %    |
| Nine months ended December 31, 2022 | 6,412       | 15.3 | 527              | 15.5 | 529             | 14.9 | 360                                     | 13.8 |
| December 31, 2021                   | 5,560       | 23.3 | 456              | 13.7 | 461             | 14.8 | 316                                     | 15.5 |

(Note) Comprehensive income: Nine months ended December 31, 2022: ¥360 million [13.8%]  
 Nine months ended December 31, 2021: ¥316 million [15.5%]

|                   | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
| Nine months ended | Yen                      | Yen                        |
| December 31, 2022 | 37.25                    | 36.61                      |
| December 31, 2021 | 32.96                    | 31.56                      |

### (2) Consolidated Financial Position

|                         | Total assets | Net assets  | Equity ratio |
|-------------------------|--------------|-------------|--------------|
|                         | Million yen  | Million yen | %            |
| As of December 31, 2022 | 7,254        | 3,303       | 45.5         |
| As of March 31, 2022    | 6,549        | 2,919       | 44.6         |

(Reference) Equity: As of December 31, 2022: ¥3,303 million  
 As of March 31, 2022: ¥2,919 million

## 2. Dividends

|  | Annual dividends |                 |                 |          |       |
|--|------------------|-----------------|-----------------|----------|-------|
|  | 1st quarter-end  | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
|  | Yen              | Yen             | Yen             | Yen      | Yen   |
| Fiscal year ended<br>March 31, 2022                | —                | 0.00            | —               | 0.00     | 0.00  |
| Fiscal year ending<br>March 31, 2023               | —                | 0.00            | —               |          |       |
| Fiscal year ending<br>March 31, 2023<br>(forecast) |                  |                 |                 | 0.00     | 0.00  |

(Note) Revision to the forecast for dividends announced most recently: None

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 - March 31, 2023)

(% indicates changes from the previous corresponding period.)

|           | Net sales   |      | Operating profit |      | Ordinary profit |      | Profit attributable to owners of parent |      | Basic earnings per share |
|-----------|-------------|------|------------------|------|-----------------|------|---|------|--------------------------|
| Full year | Million yen | %    | Million yen      | %    | Million yen     | %    | Million yen                             | %    | Yen                      |
|           | 9,560       | 27.6 | 890              | 25.6 | 890             | 24.8 | 540                                     | 11.9 | 56.00                    |

(Note) Revision to the financial results forecast announced most recently: None

**\* Notes:**

- (1) Changes in significant subsidiaries during the period under review: None  
(Changes in specified subsidiaries resulting in changes in scope of consolidation)  
Newly included: – (    ), Excluded: – (    )
- (2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: Yes  
(Note): For details, please refer to “2. Quarterly Consolidated Financial Statements and Primary Notes (3) Notes to the Quarterly Consolidated Financial Statements (Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)” on page 8 of the Attachments (available in Japanese).
- (3) Changes in accounting policies, changes in accounting estimates and restatement  
1) Changes in accounting policies due to the revision of accounting standards: None  
2) Changes in accounting policies other than 1) above: None  
3) Changes in accounting estimates: None  
4) Restatement: None
- (4) Total number of issued shares (common shares)  
1) Total number of issued shares at the end of the period (including treasury shares):  
December 31, 2022: 9,807,600 shares  
March 31, 2022: 9,766,200 shares  
  
2) Total number of treasury shares at the end of the period:  
December 31, 2022: 96,537 shares  
March 31, 2022: 100,030 shares  
  
3) Average number of shares during the period:  
Nine months ended December 31, 2022: 9,687,508 shares  
Nine months ended December 31, 2021: 9,617,482 shares

\* These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

\* Explanation of the proper use of financial results forecast and other notes

(Cautionary notes on forward-looking statements)

Financial results forecast and other forward-looking statements contained herein are based on information currently available to the Group and certain assumptions that are deemed reasonable, and the Company does not in any way guarantee the achievement of the forecasts. Actual results may differ significantly due to various factors. For the assumptions underlying the forecasts herein and cautionary notes on the use of the financial results forecast, please refer to “1. Qualitative Information on Quarterly Financial Results (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the Attachments (available in Japanese).

(Obtaining supplementary explanatory materials for financial results and video of the briefing)

The supplementary explanatory materials (available in Japanese) will be disclosed on TDnet and the Company’s website on Friday, February 10, 2023.

The video of the financial results briefing (available in Japanese) is also scheduled to be posted at a later date on the Company’s website.

## Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance Sheet

(Thousand yen)

|                                       | As of March 31, 2022 | As of December 31, 2022 |
|---------------------------------------|----------------------|-------------------------|
| <b>Assets</b>                         |                      |                         |
| Current assets                        |                      |                         |
| Cash and deposits                     | 5,192,542            | 5,734,676               |
| Notes and accounts receivable - trade | 210,568              | 272,483                 |
| Work in process                       | –                    | 729                     |
| Other                                 | 278,647              | 307,594                 |
| Total current assets                  | 5,681,758            | 6,315,484               |
| Non-current assets                    |                      |                         |
| Property, plant and equipment         |                      |                         |
| Buildings and structures, net         | 1,552                | 983                     |
| Tools, furniture and fixtures, net    | 16,341               | 12,908                  |
| Total property, plant and equipment   | 17,894               | 13,891                  |
| Intangible assets                     |                      |                         |
| Goodwill                              | 61,766               | 49,681                  |
| Software                              | 621,952              | 705,364                 |
| Other                                 | 445                  | 623                     |
| Total intangible assets               | 684,164              | 755,670                 |
| Investments and other assets          |                      |                         |
| Deferred tax assets                   | 91,248               | 96,272                  |
| Other                                 | 74,471               | 72,821                  |
| Total investments and other assets    | 165,720              | 169,094                 |
| Total non-current assets              | 867,779              | 938,657                 |
| Total assets                          | 6,549,537            | 7,254,141               |

(Thousand yen)

|  | As of March 31, 2022 | As of December 31, 2022 |
|--|----------------------|-------------------------|
| <b>Liabilities</b>   |                      |                         |
| Current liabilities  |                      |                         |
| Notes and accounts payable - trade                                   | 701,245              | 912,086                 |
| Accounts payable - other   | 2,352,226            | 2,432,813               |
| Income taxes payable   | 153,056              | 64,299                  |
| Provision for bonuses  | 86,686               | 89,046                  |
| Provision for bonuses for directors (and other officers)             | 25,663               | 24,369                  |
| Other  | 50,865               | 61,106                  |
| <b>Total current liabilities</b>                                     | <b>3,369,744</b>     | <b>3,583,722</b>        |
| Non-current liabilities  |                      |                         |
| Provision for retirement benefits for directors (and other officers) | 165,097              | 259,756                 |
| Retirement benefit liability   | 94,713               | 107,082                 |
| <b>Total non-current liabilities</b>                                 | <b>259,810</b>       | <b>366,839</b>          |
| <b>Total liabilities</b>   | <b>3,629,555</b>     | <b>3,950,561</b>        |
| <b>Net assets</b>  |                      |                         |
| Shareholders' equity   |                      |                         |
| Share capital  | 1,192,392            | 1,198,602               |
| Capital surplus  | 728,931              | 737,968                 |
| Retained earnings  | 1,217,787            | 1,578,601               |
| Treasury shares  | (219,129)            | (211,591)               |
| <b>Total shareholders' equity</b>                                    | <b>2,919,982</b>     | <b>3,303,580</b>        |
| <b>Total net assets</b>  | <b>2,919,982</b>     | <b>3,303,580</b>        |
| <b>Total liabilities and net assets</b>                              | <b>6,549,537</b>     | <b>7,254,141</b>        |

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

Nine Months Ended December 31

(Thousand yen)

|  | For the nine months ended<br>December 31, 2021 | For the nine months ended<br>December 31, 2022 |
|--|--|--|
| Net sales                                    | 5,560,022                                      | 6,412,361                                      |
| Cost of sales                                | 4,106,090                                      | 4,671,990                                      |
| Gross profit                                 | 1,453,932                                      | 1,740,370                                      |
| Selling, general and administrative expenses | 997,527  | 1,213,273                                      |
| Operating profit                             | 456,405  | 527,096  |
| Non-operating income                         |  |  |
| Interest income                              | 42   | 27   |
| Dividend income                              | 325  | 339  |
| Foreign exchange gains                       | —  | 1,370  |
| Subsidy income                               | 3,000  | —  |
| Interest on tax refund                       | —  | 768  |
| Other  | 1,356  | 67   |
| Total non-operating income                   | 4,725  | 2,573  |
| Non-operating expenses                       |  |  |
| Loss on retirement of non-current assets     | —  | 0  |
| Total non-operating expenses                 | —  | 0  |
| Ordinary profit                              | 461,131  | 529,669  |
| Profit before income taxes                   | 461,131  | 529,669  |
| Income taxes                                 | 144,157  | 168,856  |
| Profit                                       | 316,973  | 360,813  |
| Profit attributable to owners of parent      | 316,973  | 360,813  |

Quarterly Consolidated Statement of Comprehensive Income  
Nine Months Ended December 31

(Thousand yen)

|   | For the nine months ended<br>December 31, 2021 | For the nine months ended<br>December 31, 2022 |
|---|--|--|
| Profit  | 316,973  | 360,813  |
| Comprehensive income                                  | 316,973  | 360,813  |
| Comprehensive income attributable to                  |  |  |
| Comprehensive income attributable to owners of parent | 316,973  | 360,813  |