

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended September 30, 2023 (Based on Japanese GAAP)

November 14, 2023

Company name: Cyber Security Cloud, Inc.
 Stock exchange listing: Tokyo
 Stock code: 4493 URL <https://www.cscloud.co.jp/>
 Representative: Representative Director, President and CEO Toshihiro Koike
 Inquiries: Director, CFO Masafumi Kurata TEL 03(6416)9996
 Scheduled date to file Quarterly Securities Report: November 14, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended September 30, 2023 (from January 1, 2023 to September 30, 2023)

(1) Consolidated operating results (cumulative)

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	%
Nine months ended September 30, 2023	2,220	–	468	–	497	–	341	–
Nine months ended September 30, 2022	–	–	–	–	–	–	–	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended September 30, 2023	36.17		35.61	
Nine months ended September 30, 2022	–		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	2,574	1,732	66.4
As of December 31, 2022	–	–	–

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended December 31, 2022	–	0.00	–	0.00	0.00
Year ending December 31, 2023	–	0.00	–	–	–
Year ending December 31, 2023 (Forecast)	–	–	–	0.00	0.00

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

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	3,025	–	520	–	535	–	371	–	39.34

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended September 30, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2023	9,446,644 shares	As of December 31, 2022	9,416,244 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	24 shares	As of December 31, 2022	– shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2023	9,430,445 shares	Nine months ended September 30, 2022	9,389,735 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

As of September 30, 2023

Assets	
Current assets	
Cash and deposits	1,647,932
Accounts receivable - trade	255,108
Other	96,346
Allowance for doubtful accounts	△1,940
Total current assets	1,997,445
Non-current assets	
Property, plant and equipment	53,388
Intangible assets	
Goodwill	183,607
Other	138,036
Total intangible assets	321,644
Investments and other assets	202,278
Total non-current assets	577,311
Total assets	2,574,757
Liabilities	
Current liabilities	
Accounts payable - trade	71,852
Current portion of long-term borrowings	95,208
Income taxes payable	95,401
Contract liabilities	207,489
Provision for bonuses	20,231
Other	239,172
Total current liabilities	729,356
Non-current liabilities	
Long-term borrowings	112,792
Total non-current liabilities	112,792
Total liabilities	842,148
Net assets	
Shareholders' equity	
Share capital	443,128
Capital surplus	434,128
Retained earnings	829,346
Treasury shares	△55
Total shareholders' equity	1,706,547
Accumulated other comprehensive income	
Foreign currency translation adjustment	3,354
Total accumulated other comprehensive income	3,354
Share acquisition rights	22,707
Total net assets	1,732,609
Total liabilities and net assets	2,574,757

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**Consolidated statements of income (cumulative)**

(Thousands of yen)

Nine months ended
September 30, 2023

Net sales	2,220,043
Cost of sales	679,961
Gross profit	1,540,082
Selling, general and administrative expenses	1,071,185
Operating profit	468,896
Non-operating income	
Interest income	1,304
Foreign exchange gains	28,653
Other	69
Total non-operating income	30,026
Non-operating expenses	
Interest expenses	1,037
Other	133
Total non-operating expenses	1,170
Ordinary profit	497,753
Profit before income taxes	497,753
Income taxes	156,634
Profit	341,118
Profit attributable to owners of parent	341,118

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended September 30, 2023
Profit	341,118
Other comprehensive income	
Foreign currency translation adjustment	1,453
Total other comprehensive income	1,453
Comprehensive income	342,571
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	342,571
Comprehensive income attributable to non-controlling interests	—