

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 March 31, 2023	–	110.00	–	140.00	250.00
Fiscal year ending March 31, 2024	–	130.00	–		
Fiscal year ending March 31, 2024 (Forecast)				170.00	300.00

Notes: 1. Revision to the most recently announced forecast of dividends: Yes

2. For details regarding the revision to the forecast of dividends, please refer to the “Notice Regarding Revision to Forecast of Year-End Dividends for the Fiscal Year Ending March 31, 2024 (Dividend Increase)” announced today (January 24, 2024).

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(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
Fiscal year ending March 31, 2024	111,000	10.8	70,000	12.0	76,500	8.9	54,500	8.7	614.57

Note: Revision to the most recently announced earnings forecasts: None

*** Notes**

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

Newly included: –

Excluded: –

(2) Application of special accounting treatments for the preparation of quarterly consolidated financial statements: None

(3) 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

(4) Number of issued shares (common shares)

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

As of December 31, 2023	99,600,000 shares
As of March 31, 2023	99,600,000 shares

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

As of December 31, 2023	10,915,536 shares
As of March 31, 2023	10,919,907 shares

(iii) Average number of shares outstanding during the period

Nine months ended December 31, 2023	88,682,599 shares
Nine months ended December 31, 2022	88,679,204 shares

* Quarterly consolidated financial statements are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

There have been no revisions to the consolidated earnings forecasts for the full year that were announced on April 25, 2023. The above forecasts were prepared based on information currently available to the Company, and any statements herein do not constitute assurances regarding actual results by the Company. Moreover, actual business and other results may differ from the forecast due to various factors in the future. Please refer to the section of “(4) Explanation of consolidated earnings forecasts and other forward-looking statements” of “1. Qualitative information regarding financial results for the nine months ended December 31, 2023” on page 3 of [Attached Material] for details.

Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	156,321	165,895
Notes and accounts receivable - trade, and contract assets	13,855	14,412
Merchandise and finished goods	103	89
Work in process	263	180
Raw materials and supplies	–	1
Other	1,205	1,244
Allowance for doubtful accounts	(2)	(3)
Total current assets	171,746	181,821
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	24,765	24,020
Land	27,636	29,700
Other, net	2,876	2,142
Total property, plant and equipment	55,279	55,863
Intangible assets		
Other	144	127
Total intangible assets	144	127
Investments and other assets		
Investment securities	137,226	170,894
Other	2,317	2,191
Allowance for doubtful accounts	(5)	(3)
Total investments and other assets	139,538	173,082
Total non-current assets	194,962	229,073
Total assets	366,708	410,894

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	4,186	5,002
Income taxes payable	12,941	6,478
Unearned revenue	1,300	1,792
Provision for bonuses	2,402	1,336
Other	6,235	5,125
Total current liabilities	27,067	19,734
Non-current liabilities		
Retirement benefit liability	5,940	5,968
Asset retirement obligations	398	398
Deferred tax liabilities	3,389	13,599
Other	2,047	2,061
Total non-current liabilities	11,776	22,028
Total liabilities	38,843	41,763
Net assets		
Shareholders' equity		
Share capital	19,178	19,178
Capital surplus	19,567	19,656
Retained earnings	295,484	315,088
Treasury shares	(27,558)	(27,548)
Total shareholders' equity	306,671	326,376
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	21,567	43,209
Revaluation reserve for land	(481)	(481)
Remeasurements of defined benefit plans	106	26
Total accumulated other comprehensive income	21,192	42,754
Total net assets	327,864	369,130
Total liabilities and net assets	366,708	410,894

(2) Quarterly consolidated statement of income and consolidated statement of comprehensive income
(Quarterly consolidated statement of income)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	74,521	83,585
Cost of sales	16,921	18,698
Gross profit	57,600	64,886
Selling, general and administrative expenses	10,773	11,387
Operating profit	46,826	53,498
Non-operating income		
Interest income	69	2
Dividend income	2,258	3,264
Gain on sale of investment securities	–	793
Share of profit of entities accounted for using equity method	2,668	3,426
Rental income	1,270	1,341
Foreign exchange gains	1,906	–
Other	64	22
Total non-operating income	8,238	8,851
Non-operating expenses		
Rental expenses	1,129	1,117
Cancellation fee	696	–
Other	3	0
Total non-operating expenses	1,829	1,118
Ordinary profit	53,235	61,231
Extraordinary losses		
Loss on retirement of non-current assets	0	1
Loss on sale of investment securities	–	11
Loss on valuation of investment securities	–	21
Loss on sale of shares of subsidiaries and associates	–	37
Total extraordinary losses	0	71
Profit before income taxes	53,235	61,160
Income taxes - current	14,898	16,735
Income taxes - deferred	512	876
Total income taxes	15,410	17,612
Profit	37,824	43,548
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	37,824	43,548

(Quarterly consolidated statement of comprehensive income)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	37,824	43,548
Other comprehensive income		
Valuation difference on available-for-sale securities	3,510	21,343
Remeasurements of defined benefit plans, net of tax	(11)	(43)
Share of other comprehensive income of entities accounted for using equity method	(723)	262
Total other comprehensive income	2,775	21,561
Comprehensive income	40,599	65,109
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	40,599	65,109
Comprehensive income attributable to non-controlling interests	—	—

(3) Quarterly consolidated statement of cash flows

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Cash flows from operating activities		
Profit before income taxes	53,235	61,160
Depreciation	1,837	1,879
Share of loss (profit) of entities accounted for using equity method	(2,668)	(3,426)
Loss (gain) on sale of investment securities	–	(782)
Increase (decrease) in provision for bonuses	(1,036)	(1,066)
Increase (decrease) in provision for bonuses for directors (and other officers)	(129)	(182)
Increase (decrease) in allowance for doubtful accounts	(1)	(1)
Increase (decrease) in retirement benefit liability	78	(35)
Interest and dividend income	(2,327)	(3,266)
Decrease (increase) in trade receivables	(2,186)	(557)
Decrease (increase) in inventories	12	94
Increase (decrease) in trade payables	425	815
Other, net	195	480
Subtotal	47,433	55,112
Interest and dividends received	4,280	5,229
Income taxes paid	(16,275)	(22,886)
Net cash provided by (used in) operating activities	35,438	37,454
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	11,865	–
Purchase of property, plant and equipment	(846)	(3,516)
Purchase of intangible assets	(29)	(34)
Purchase of investment securities	(2)	(2,725)
Proceeds from sale of investment securities	–	2,050
Proceeds from sale of shares of subsidiaries and associates	–	220
Other, net	110	69
Net cash provided by (used in) investing activities	11,097	(3,935)
Cash flows from financing activities		
Dividends paid	(20,617)	(23,944)
Purchase of treasury shares	(0)	(0)
Net cash provided by (used in) financing activities	(20,618)	(23,944)
Effect of exchange rate change on cash and cash equivalents	2	–
Net increase (decrease) in cash and cash equivalents	25,920	9,574
Cash and cash equivalents at beginning of period	122,699	156,321
Cash and cash equivalents at end of period	148,619	165,895