

ITmedia Inc.
Consolidated Financial Report
For the Nine-month period ended December 31, 2023 (IFRS)

Tokyo, January 31, 2024

1. Financial Highlights

(Millions of yen; amounts less than one million yen are omitted)

(1) Results of Operations

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

	Revenue		Operating income		Income before income tax		Net income		Net income attributable to owners of the parent		Total comprehensive income	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Nine-month period ended December 31, 2023	¥5,769	(10.1)	¥1,564	(28.0)	¥1,560	(27.8)	¥1,051	(28.4)	¥1,051	(28.4)	¥1,051	(28.4)
Nine-month period ended December 31, 2022	¥6,417	12.3	¥2,171	9.4	¥2,163	9.5	¥1,467	9.2	¥1,467	9.2	¥1,467	20.7

	Basic earnings per share (yen)	Diluted earnings per share (yen)
Nine-month period ended December 31, 2023	¥53.65	¥53.17
Nine-month period ended December 31, 2022	¥74.20	¥73.30

(2) Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets (%)
As of December 31, 2023	¥10,435	¥9,262	¥9,262	88.8
As of March 31, 2023	¥11,158	¥9,429	¥9,429	84.5

2. Dividends

	Dividends per share				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
	(yen)	(yen)	(yen)	(yen)	(yen)
Fiscal year ended March 31, 2023	—	14.00	—	14.00	28.00
Fiscal year ending March 31, 2024	—	15.00	—		
Fiscal year ending March 31, 2024 (Forecasted)				100.00	115.00

Note:

Revisions of the forecast from recently announced figures : Yes

3. Consolidated forecasts for the fiscal year ending March 31, 2024

(April 1, 2023 to March 31, 2024)

(Millions of yen)

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

	Revenue		Operating profit		Profit attributable to owners of parent		Basic earnings per share (yen)
	Amount	%	Amount	%	Amount	%	Amount
Fiscal year ending March 31, 2024	¥8,320	(4.9)	¥2,400	(18.1)	¥1,620	(18.0)	¥84.27

Note:

Revisions of the forecast from recently announced figures : None

*** Notes**

- (1) Significant changes in scope of consolidation (changes in scope of consolidation of specified subsidiaries): None
Newly consolidated : None
Excluded from consolidation : None
- (2) Changes in accounting policies and accounting estimates
 - [1] Changes in accounting policies required by IFRSs : None
 - [2] Changes in accounting policies other than those in [1] : None
 - [3] Changes in accounting estimates : None
- (3) Number of shares issued (common stock)
 - [1] Number of shares issued (including treasury stock):

As of December 31, 2023 :	20,877,500 shares
As of March 31, 2023 :	20,865,900 shares
 - [2] Number of treasury stock:

As of December 31, 2023 :	1,653,098 shares
As of March 31, 2023 :	1,072,098 shares
 - [2] Average number of shares outstanding during the period:

As of December 31, 2023 :	19,590,824 shares
As of December 31, 2022 :	19,778,396 shares

*** This interim consolidated financial report is not subject to interim review procedures.**

*** Notes to forecasts on the consolidated results of operations and other items**

The descriptions regarding the future are estimated based on the information that the Company is able to obtain at the present point and assumptions which are deemed to be reasonable. However, actual results may be different due to various factors.

This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Consolidated Financial Report

(1) Interim Condensed Consolidated Statement of Financial Position

(Thousands of yen)

	As of March 31, 2023	As of December 31, 2023
Asset		
Current assets		
Cash and cash equivalents	7,978,694	7,350,925
Trade and other receivables	1,339,026	1,141,868
Other financial assets	500,000	500,019
Inventories	17,813	13,215
Other current assets	161,357	127,692
Total current assets	<u>9,996,891</u>	<u>9,133,721</u>
Non-current assets		
Property and equipment	175,734	154,871
Right of use assets	—	165,770
Goodwill	443,471	443,471
Intangible assets	174,143	211,296
Other financial assets	146,919	97,918
Deferred tax assets	213,411	213,404
Other non-current assets	7,684	15,148
Total non-current assets	<u>1,161,364</u>	<u>1,301,882</u>
Total assets	<u><u>11,158,256</u></u>	<u><u>10,435,604</u></u>
Liabilities and equity		
Current liabilities		
Trade and other payables	431,256	316,093
Lease liabilities	1,302	118,387
Income taxes payable	472,466	42,841
Contract liabilities	238,046	236,831
Provisions	12,000	—
Other current liabilities	513,428	364,603
Total current liabilities	<u>1,668,499</u>	<u>1,078,756</u>
Non-current liabilities		
Lease liabilities	1,100	39,207
Provisions	19,300	19,300
Other non-current liabilities	40,149	35,818
Total non-current liabilities	<u>60,549</u>	<u>94,325</u>
Total liabilities	<u>1,729,049</u>	<u>1,173,081</u>
Equity		
Equity attributable to owners of parent		
Share capital	1,834,061	1,837,488
Capital surplus	2,135,830	2,134,981
Retained earnings	6,603,927	7,085,828
Treasury stock	(1,144,612)	(1,795,790)
Accumulated other comprehensive income	—	13
Total equity attributable to owners of parent	<u>9,429,206</u>	<u>9,262,522</u>
Total equity	<u>9,429,206</u>	<u>9,262,522</u>
Total liabilities and equity	<u><u>11,158,256</u></u>	<u><u>10,435,604</u></u>

Consolidated Financial Report

(2) Condensed Interim Consolidated Statement of Income

(Thousands of yen)

	Nine-month period ended December 31, 2022	Nine-month period ended December 31, 2023
Revenue	6,417,450	5,769,668
Cost of sales	<u>(2,245,424)</u>	<u>(2,162,633)</u>
Gross profit	4,172,025	3,607,035
Selling, general and administrative expenses	<u>(2,000,587)</u>	<u>(2,042,158)</u>
Other income and expenses, net	489	(844)
Operating profit	2,171,927	1,564,032
Other non-operating income and expenses	<u>(8,900)</u>	<u>(3,361)</u>
Profit before tax	2,163,026	1,560,670
Income tax expense	<u>(695,463)</u>	<u>(509,624)</u>
Profit	<u>1,467,562</u>	<u>1,051,045</u>
Profit attributable to		
Owners of parent	1,467,562	1,051,045
Non-controlling interests	—	—
	<u>1,467,562</u>	<u>1,051,045</u>
Earning per share attributable to owners of parent		
Basic earning per share (yen)	74.20	53.65
Diluted earning per share (yen)	73.30	53.17

(3) Condensed Interim Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Nine-month period ended December 31, 2022	Nine-month period ended December 31, 2023
Profit	<u>1,467,562</u>	<u>1,051,045</u>
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Debt financial assets at FVTOCI	<u>—</u>	<u>13</u>
Total items that may be reclassified subsequently to profit or loss	<u>—</u>	<u>13</u>
Total other comprehensive income	<u>—</u>	<u>13</u>
Total comprehensive income	<u><u>1,467,562</u></u>	<u><u>1,051,058</u></u>
Total comprehensive income attributable to		
Owners of parent	<u>1,467,562</u>	<u>1,051,058</u>
Non-controlling interests	<u>—</u>	<u>—</u>
	<u><u>1,467,562</u></u>	<u><u>1,051,058</u></u>

(4) Condensed Interim Consolidated Statement of Changes in Equity

For the Nine-month period ended December 31, 2022

(Thousands of yen)

	Equity attributable to owners of parent					Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total	
As of April 1, 2022	1,825,609	2,108,276	5,143,378	(1,144,612)	7,932,652	7,932,652
Comprehensive income						
Profit(loss)	—	—	1,467,562	—	1,467,562	1,467,562
Other comprehensive income	—	—	—	—	—	—
Total comprehensive income	—	—	1,467,562	—	1,467,562	1,467,562
Transactions with owners and other transactions						
Issuance of new shares	7,860	7,695	—	—	15,555	15,555
Dividends	—	—	(514,120)	—	(514,120)	(514,120)
Share-based payment transactions	—	(6,099)	—	—	(6,099)	(6,099)
Total transactions with owners and other transactions	7,860	1,596	(514,120)	—	(504,664)	(504,664)
As of December 31, 2022	<u>1,833,470</u>	<u>2,109,872</u>	<u>6,096,820</u>	<u>(1,144,612)</u>	<u>8,895,550</u>	<u>8,895,550</u>

For the Nine-month period ended December 31, 2023

	Equity attributable to owners of parent					Total	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Accumulated other comprehensive income		
As of April 1, 2023	1,834,061	2,135,830	6,603,927	(1,144,612)	—	9,429,206	9,429,206
Comprehensive income							
Profit(loss)	—	—	1,051,045	—	—	1,051,045	1,051,045
Other comprehensive income(loss)	—	—	—	—	13	13	13
Total comprehensive income	—	—	1,051,045	—	13	1,051,058	1,051,058
Transactions with owners and other transactions							
Issuance of new shares	3,427	3,358	—	—	—	6,786	6,786
Dividends	—	—	(569,143)	—	—	(569,143)	(569,143)
Purchase of treasury shares	—	(3,989)	—	(651,177)	—	(655,167)	(655,167)
Share-based payment transactions	—	(217)	—	—	—	(217)	(217)
Total transactions with owners and other transactions	3,427	(848)	(569,143)	(651,177)	—	(1,217,742)	(1,217,742)
As of December 31, 2023	<u>1,837,488</u>	<u>2,134,981</u>	<u>7,085,828</u>	<u>(1,795,790)</u>	<u>13</u>	<u>9,262,522</u>	<u>9,262,522</u>

(5) Interim Condensed Consolidated Statement of Cash Flows

(Thousands of yen)

	Nine-month period ended December 31, 2022	Nine-month period ended December 31, 2023
Cash flows from operating activities		
Profit before tax	2,163,026	1,560,670
Depreciation and amortization	215,811	166,029
Increase/decrease in trade and other receivables	73,143	197,157
Increase/decrease in trade and other payables	(109,513)	(42,404)
Increase/decrease in trade and contract liabilities	(80,232)	(1,215)
Other	(165,211)	(132,066)
Subtotal	2,097,023	1,748,172
Interest and dividends received	219	229
Interest paid	(121)	(519)
Income taxes paid	(1,057,111)	(939,249)
Net cash provided by operating activities	1,040,010	808,632
Cash flows from investing activities		
Payment into time deposits	(400,000)	(400,000)
Proceeds from withdrawal of time deposits	400,000	400,000
Purchase of property, equipment, and intangible assets	(32,986)	(159,639)
Proceeds from refund of leasehold and guarantee deposits	—	49,000
Other	—	(12,000)
Net cash provided by (used in) investing activities	(32,986)	(122,638)
Cash flows from financing activities		
Proceeds from issuance of shares	15,561	6,855
Purchase of treasury shares	—	(651,177)
Dividends paid	(514,120)	(567,084)
Repayments of lease liabilities	(132,996)	(98,297)
Other	—	(4,058)
Net cash used in financing activities	(631,556)	(1,313,763)
Increase/decrease in cash and cash equivalents	375,467	(627,768)
Cash and cash equivalents at the beginning of the period	6,815,771	7,978,694
Cash and cash equivalents at the end of the period	7,191,238	7,350,925