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February 14, 2024

Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Under Japanese GAAP)

Company name: internet infinity INC.
 Listing: Tokyo Stock Exchange
 Securities code: 6545
 URL: https://iif.jp
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 Scheduled date to file quarterly securities report: February 14, 2024
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 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								
December 31, 2023	3,725	14.1	173	696.9	210	364.6	115	—
December 31, 2022	3,265	3.4	21	(83.1)	45	(81.7)	9	(94.3)

Note: Comprehensive income For the nine months ended December 31, 2023: \115 million [-%]
 For the nine months ended December 31, 2022: \ 9 million [(94.0)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	21.82	21.29
December 31, 2022	1.68	1.64

Note : The provisional accounting treatment for the business combination was finalized in the second quarter of the fiscal year ending March 31, 2024. The figures for the nine months ended December 31, 2023 reflect the finalized tentative accounting treatment.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2023	3,447	1,373	39.8
March 31, 2023	3,184	1,288	40.5

Reference: Equity As of December 31, 2023 : \ 1,373 million As of March 31, 2023: \ 1,288 million

Note : The provisional accounting treatment for the business combination was finalized in the second quarter of the fiscal year ending March 31, 2024. The figures for the nine months ended December 31, 2023 reflect the finalized tentative accounting treatment.

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	—	0.00	—	0.00	0.00
Fiscal year ending March 31,2024	—	0.00	—		
Fiscal year ending March31,2024 (Forecast)				4.00	4.00

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

3. Forecast of consolidated financial results 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
Full year	5,022		172	79.6	160	9.7	106	213.6	19.98

Note 1: Revisions to the forecast most recently announced: None

Note 2: During the second quarter of the current consolidated fiscal year, the Company finalized the accounting treatment related to business combinations that was provisional in the previous consolidated fiscal year. Operating income, ordinary income, and net income attributable to owners of the parent for the previous consolidated fiscal year were ¥96 million, ¥146 million, and ¥33 million, respectively, reflecting the finalized the accounting treatment. Accordingly, year-on-year percentage changes are also calculated based on the finalized figures.

*** Notes**

(1) Changes in significant subsidiaries during the period: None

(changes in specified subsidiaries resulting in the change in scope of consolidation)

Note : Although not a specified subsidiary, Record Book, Inc. was newly established on November 1,2023, and is included in the scope of consolidation from the third quarter of the current fiscal year.

Newly included: — companies

Excluded: — companies

(2) Adoption of accounting treatment specific to 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	5,427,771 shares
As of March 31,2023	5,427,771 shares

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

As of December 31,2023	123,743 shares
As of March 31,2023	28,108 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31,2023	5,314,434 shares
Nine months ended December 31,2022	5,390,839 shares

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

* Proper use of earnings forecasts, and other special matters

Forward-looking statements such as the earnings forecasts included here are based on currently available information and on certain assumptions we believe to be reasonable, and we make no assurance that they will be met. Actual performance and other results may differ significantly due to a variety of factors.

4. Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheet

(Unit: thousand yen)

	As of March 31,2023	As of December 31,2023
Assets		
Current assets		
Cash and deposits	1,107,371	1,328,215
Notes and accounts receivable - trade	813,000	874,669
Supplies	13,658	15,965
Other	118,919	175,615
Allowance for doubtful accounts	△4,441	△5,655
Total current assets	2,048,508	2,388,810
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	219,584	202,651
Other, net	60,798	56,441
Total property, plant and equipment	280,382	259,093
Intangible assets		
Goodwill	362,064	347,812
Other	110,345	89,385
Total intangible assets	472,410	437,198
Investments and other assets		
Guarantee deposits	190,709	148,576
Deferred tax assets	159,229	187,109
Other	33,098	27,084
Total investments and other assets	383,037	362,771
Total non-current assets	1,135,830	1,059,062
Total assets	3,184,338	3,447,873

(Unit: thousand yen)

	As of March 31,2023	As of December 31,2023
Liabilities		
Current liabilities		
Accounts payable - trade	74,836	76,714
Short-term borrowings	400,000	550,000
Current portion of long-term borrowings	114,116	121,987
Income taxes payable	84,626	58,633
Deposits received	440,665	559,373
Provision for bonuses	54,852	47,142
Other	287,745	348,960
Total current liabilities	1,456,842	1,762,811
Non-current liabilities		
Long-term borrowings	307,780	196,065
Asset retirement obligations	64,159	67,657
Other	67,424	47,681
Total non-current liabilities	439,364	311,404
Total liabilities	1,896,206	2,074,215
Net assets		
Shareholders' equity		
Capital	252,302	252,302
Capital surplus	237,302	239,822
Retained earnings	821,715	937,657
Treasury shares	△23,183	△56,130
Total shareholders' equity	1,288,136	1,373,652
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	△5	6
Total accumulated other comprehensive income	△5	6
Total net assets	1,288,131	1,373,658
Total liabilities and net assets	3,184,338	3,447,873

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

(Unit: thousand yen)

	Nine months ended December 31,2022	Nine months ended December 31,2023
Net sales	3,265,485	3,725,080
Cost of sales	2,081,635	2,338,851
Gross profit	1,183,850	1,386,228
Selling, general and administrative expenses	1,162,126	1,213,106
Operating income	21,723	173,122
Non-operating income		
Gain on sale of businesses	5,527	44,507
Subsidy income	27,077	26
Other	5,142	9,379
Total non-operating income	37,746	53,913
Non-operating expenses		
Interest expenses	12,027	14,943
Other	2,092	1,393
Total non-operating expenses	14,120	16,337
Ordinary profit	45,350	210,697
Extraordinary losses		
Impairment loss	7,314	—
Head office relocation expenses	—	17,637
Total extraordinary losses	7,314	17,637
Profit before income taxes	38,036	193,120
Income taxes	28,970	77,178
Profit	9,065	115,942
Profit attributable to owners of parent	9,065	115,942

(Quarterly consolidated statement of comprehensive income)

(Unit: thousand yen)

	Nine months ended December 31,2022	Nine months ended December 31,2023
Profit	9,065	115,942
Other comprehensive income		
Valuation difference on available-for-sale securities	△6	11
Total other comprehensive income	△6	11
Comprehensive income	9,059	115,953
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,059	115,953