

Summary of Non-consolidated Financial Results for the Fiscal Year Ended January 31, 2024 (Under Japanese GAAP)

Company name: Artner Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 2163
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 Scheduled date of annual general meeting of shareholders: April 25, 2024
 Scheduled date to commence dividend payments: April 26, 2024
 Scheduled date to file annual securities report: April 25, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts; for individual investors)

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

1. Non-consolidated financial results for the fiscal year ended January 31, 2024 (from February 1, 2023 to January 31, 2024)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
January 31, 2024	10,110	9.4	1,522	27.5	1,532	27.4	1,051	17.5
January 31, 2023	9,242	14.1	1,194	18.2	1,203	16.5	895	22.8

Fiscal year ended	Earnings per share	Diluted earnings per share	Return on equity	Return on assets	Operating margin
	Yen	Yen	%	%	%
January 31, 2024	98.99	—	25.3	26.0	15.1
January 31, 2023	84.24	—	23.5	22.4	12.9

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended January 31, 2024: ¥ — million

For the fiscal year ended January 31, 2023: ¥ — million

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
January 31, 2024	6,114	4,271	69.9	401.97
January 31, 2023	5,673	4,047	71.4	380.96

Reference: Equity As of January 31, 2024: ¥ 4,271 million

As of January 31, 2023: ¥ 4,047 million

(3) Non-consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
January 31, 2024	1,126	△5	△818	4,277
January 31, 2023	872	△24	△426	3,975

2. Cash dividends

	Annual dividends per share					Total cash dividends	Payout ratio	Dividend on equity
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended January 31, 2023	—	20.00	—	40.00	60.00	637	71.2	16.7
Fiscal year ended January 31, 2024	—	37.50	—	37.50	75.00	796	75.8	19.2
Fiscal year ending January 31, 2025 (Forecast)	—	40.00	—	40.00	80.00		72.1	

Notes: Breakdown of year-end dividends for the fiscal year ended January 31, 2023

Ordinary dividends: ¥ 23.00

Commemorative dividends: ¥ 17.00

3. Forecast of non-consolidated financial results for the year ending January 31, 2025 (from February 1, 2024 to January 31, 2025)

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	10,656	5.4	1,696	11.4	1,700	10.9	1,178	12.1	110.92

*** Notes**

- (1) 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

- (2) Number of issued shares (common shares)

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

As of January 31, 2024	10,627,920 shares
As of January 31, 2023	10,627,920 shares

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

As of January 31, 2024	2,469 shares
As of January 31, 2023	2,376 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended January 31, 2024	10,625,474 shares
Fiscal year ended January 31, 2023	10,625,544 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters
(Caution regarding forward-looking statements, etc.)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, the statements herein do not constitute assurances regarding the Company's actual results. Actual financial and other results may differ substantially from the statements herein due to various factors.

Non-consolidated financial statements

Non-consolidated balance sheet

(Thousands of yen)

	As of January 31, 2023	As of January 31, 2024
Assets		
Current assets		
Cash and deposits	3,975,881	4,277,610
Accounts receivable - trade	1,129,522	1,240,516
Work in process	4,099	5,357
Raw materials and supplies	3,689	3,455
Prepaid expenses	30,788	45,848
Accounts receivable - other	365	573
Other	23,610	34,292
Allowance for doubtful accounts	△6,700	△7,400
Total current assets	5,161,256	5,600,255
Non-current assets		
Property, plant and equipment		
Buildings	109,981	92,265
Accumulated depreciation	△72,934	△59,506
Buildings, net	37,046	32,758
Structures	1,172	—
Accumulated depreciation	△1,172	—
Structures, net	0	—
Tools, furniture and fixtures	51,188	48,178
Accumulated depreciation	△33,494	△36,818
Tools, furniture and fixtures, net	17,693	11,360
Land	25,685	25,685
Total property, plant and equipment	80,424	69,803
Intangible assets		
Software	25,715	23,324
Telephone subscription right	1,654	1,654
Total intangible assets	27,370	24,979
Investments and other assets		
Investment securities	10,099	1,570
Investments in capital	1,250	1,200
Long-term prepaid expenses	563	671
Deferred tax assets	296,162	319,608
Leasehold and guarantee deposits	94,876	94,786
Other	1,185	1,211
Total investments and other assets	404,137	419,048
Total non-current assets	511,932	513,831
Total assets	5,673,188	6,114,087

(Thousands of yen)

	As of January 31, 2023	As of January 31, 2024
Liabilities		
Current liabilities		
Accounts payable - other	279,675	272,523
Accrued expenses	82,074	95,003
Income taxes payable	179,813	343,469
Accrued consumption taxes	221,798	210,039
Deposits received	17,700	20,245
Unearned revenue	37	—
Provision for bonuses	165,195	188,499
Other	7,290	21,491
Total current liabilities	953,585	1,151,271
Non-current liabilities		
Provision for retirement benefits	671,645	691,661
Total non-current liabilities	671,645	691,661
Total liabilities	1,625,230	1,842,933
Net assets		
Shareholders' equity		
Share capital	238,284	238,284
Capital surplus		
Legal capital surplus	168,323	168,323
Total capital surplus	168,323	168,323
Retained earnings		
Legal retained earnings	10,460	10,460
Other retained earnings		
General reserve	40,000	40,000
Retained earnings brought forward	3,585,798	3,814,139
Total retained earnings	3,636,258	3,864,599
Treasury shares	△739	△869
Total shareholders' equity	4,042,126	4,270,337
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	5,832	815
Total valuation and translation adjustments	5,832	815
Total net assets	4,047,958	4,271,153
Total liabilities and net assets	5,673,188	6,114,087

Non-consolidated profit and loss statement

(Thousands of yen)

	Fiscal year ended January 31, 2023	Fiscal year ended January 31, 2024
Net sales	9,242,360	10,110,524
Cost of sales	6,168,503	6,571,185
Gross profit	3,073,856	3,539,339
Selling, general and administrative expenses	1,879,747	2,016,489
Operating profit	1,194,108	1,522,849
Non-operating income		
Interest income	1	1
Dividend income	284	179
Commission income	574	574
Sales income of training materials	593	518
Rental income from land and buildings	408	302
Dividend income of insurance	6,870	7,297
Subsidy income	594	783
Other	1,130	1,263
Total non-operating income	10,457	10,920
Non-operating expenses		
Interest expenses	130	98
Cancellation penalty	1,330	1,020
Other	49	35
Total non-operating expenses	1,511	1,153
Ordinary profit	1,203,054	1,532,616
Extraordinary income		
Gain on sale of investment securities	—	7,938
Total extraordinary income	—	7,938
Extraordinary losses		
Loss on retirement of non-current assets	0	13,197
Total extraordinary losses	0	13,197
Profit before income taxes	1,203,054	1,527,357
Income taxes - current	348,034	496,775
Income taxes - deferred	△40,127	△21,235
Total income taxes	307,906	475,540
Profit	895,148	1,051,817

Non-consolidated statements of changes in equity
Fiscal year ended January 31, 2023

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Retained earnings			
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
				General reserve	Retained earnings brought forward		
Balance at beginning of period	238,284	168,323	168,323	10,460	40,000	3,120,984	3,171,444
Changes during period							
Dividends of surplus						△430,334	△430,334
Profit						895,148	895,148
Net changes in items other than shareholders' equity							
Total changes during period	—	—	—	—	—	464,813	464,813
Balance at end of period	238,284	168,323	168,323	10,460	40,000	3,585,798	3,636,258

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	△739	3,577,312	4,933	4,933	3,582,246
Changes during period					
Dividends of surplus		△430,334			△430,334
Profit		895,148			895,148
Net changes in items other than shareholders' equity			898	898	898
Total changes during period	—	464,813	898	898	465,711
Balance at end of period	△739	4,042,126	5,832	5,832	4,047,958

Fiscal year ended January 31, 2024

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Retained earnings			Total retained earnings
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		
				General reserve	Retained earnings brought forward		
Balance at beginning of period	238,284	168,323	168,323	10,460	40,000	3,585,798	3,636,258
Changes during period							
Dividends of surplus						△823,476	△823,476
Profit						1,051,817	1,051,817
Purchase of treasury shares							
Net changes in items other than shareholders' equity							
Total changes during period	—	—	—	—	—	228,341	228,341
Balance at end of period	238,284	168,323	168,323	10,460	40,000	3,814,139	3,864,599

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	△739	4,042,126	5,832	5,832	4,047,958
Changes during period					
Dividends of surplus		△823,476			△823,476
Profit		1,051,817			1,051,817
Purchase of treasury shares	△129	△129			△129
Net changes in items other than shareholders' equity			△5,016	△5,016	△5,016
Total changes during period	△129	228,211	△5,016	△5,016	223,195
Balance at end of period	△869	4,270,337	815	815	4,271,153

Non-consolidated cash flow statement

(Thousands of yen)

	Fiscal year ended January 31, 2023	Fiscal year ended January 31, 2024
Cash flows from operating activities		
Profit before income taxes	1,203,054	1,527,357
Depreciation	25,922	24,717
Increase (decrease) in allowance for doubtful accounts	700	700
Increase (decrease) in provision for bonuses	23,745	23,304
Increase (decrease) in provision for retirement benefits	92,111	20,016
Interest and dividend income	△285	△181
Interest expenses	130	98
Loss on retirement of non-current assets	0	13,197
Loss (gain) on sale of investment securities	—	△7,938
Decrease (increase) in accounts receivable - other	970	△207
Decrease (increase) in trade receivables	△118,368	△110,993
Decrease (increase) in inventories	△3,200	△1,025
Increase (decrease) in accrued consumption taxes	18,531	△11,759
Increase (decrease) in accounts payable - other	24,139	△8,116
Other, net	4,945	△5,343
Subtotal	1,272,396	1,463,826
Interest and dividends received	285	181
Interest paid	△130	△98
Income taxes paid	△399,953	△337,660
Net cash provided by (used in) operating activities	872,598	1,126,248
Cash flows from investing activities		
Purchase of property, plant and equipment	△7,042	△2,398
Purchase of intangible assets	△7,099	△12,922
Payments of leasehold and guarantee deposits	△10,154	△54
Proceeds from refund of leasehold and guarantee deposits	238	144
Proceeds from sale of investment securities	—	9,231
Other, net	△26	23
Net cash provided by (used in) investing activities	△24,085	△5,975
Cash flows from financing activities		
Purchase of treasury shares	—	△129
Dividends paid	△426,831	△818,414
Net cash provided by (used in) financing activities	△426,831	△818,544
Net increase (decrease) in cash and cash equivalents	421,681	301,729
Cash and cash equivalents at beginning of period	3,554,199	3,975,881
Cash and cash equivalents at end of period	3,975,881	4,277,610