

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2023 (Based on Japanese GAAP)

May 12, 2023

Company name: JustSystems Corporation
 Stock exchange listing: Tokyo
 Stock code: 4686 URL <https://www.justsystems.com/en/>
 Representative: Kyotaro Sekinada, President & CEO
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 Scheduled date of ordinary general meeting of shareholders: June 27, 2023
 Scheduled date to file Securities Report: June 28, 2023
 Scheduled date to commence dividend payments: June 28, 2023
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(1) Consolidated operating results

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	%
Year ended March 31, 2023	41,950	0.7	19,034	10.9	19,217	11.0	13,401	10.2
Year ended March 31, 2022	41,676	–	17,166	–	17,316	–	12,165	–

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2023	208.67	–	17.3	20.7	45.4
Year ended March 31, 2022	189.42	–	18.4	21.4	41.2

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2023	99,458	83,677	84.1	1,302.90
As of March 31, 2022	86,224	71,300	82.7	1,110.18

(3) Consolidated cash flows

	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
Year ended March 31, 2023	16,805	(3,852)	(1,027)	70,469
Year ended March 31, 2022	14,081	(2,021)	(1,026)	58,541

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2022	–	8.00	–	8.00	16.00	1,027	8.4	1.6
Year ended March 31, 2023	–	8.00	–	10.00	18.00	1,156	8.6	1.5
Year ending March 31, 2024 (Forecast)	–	10.00	–	10.00	20.00		–	

3. Notes

- (1) Changes in significant subsidiaries during the year ended March 31, 2023
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2023	64,224,800 shares	As of March 31, 2022	64,224,800 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	882 shares	As of March 31, 2022	845 shares
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Average number of shares during the period

Year ended March 31, 2023	64,223,921 shares	Year ended March 31, 2022	64,223,994 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	62,151	73,137
Notes and accounts receivable - trade	2,537	2,720
Securities	5,000	7,000
Merchandise and finished goods	738	722
Raw materials and supplies	2,430	1,356
Prepaid expenses	2,768	2,334
Other	719	1,259
Allowance for doubtful accounts	(36)	(37)
Total current assets	76,308	88,491
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,450	9,447
Tools, furniture and fixtures	1,491	1,495
Land	3,569	3,569
Accumulated depreciation	(8,477)	(8,600)
Total property, plant and equipment	6,033	5,911
Intangible assets		
Software	2,705	3,321
Software in progress	308	257
Other	0	0
Total intangible assets	3,014	3,579
Investments and other assets		
Investment securities	25	28
Deferred tax assets	601	836
Other	431	801
Allowance for doubtful accounts	(190)	(190)
Total investments and other assets	868	1,475
Total non-current assets	9,916	10,966
Total assets	86,224	99,458

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	620	819
Accounts payable - other	1,748	1,623
Income taxes payable	2,843	3,605
Unearned revenue	8,319	7,814
Provision for bonuses	572	696
Other	694	1,078
Total current liabilities	14,797	15,637
Non-current liabilities		
Retirement benefit liability	104	123
Other	22	20
Total non-current liabilities	127	143
Total liabilities	14,924	15,780
Net assets		
Shareholders' equity		
Share capital	10,146	10,146
Capital surplus	12,293	12,293
Retained earnings	48,989	61,362
Treasury shares	(1)	(2)
Total shareholders' equity	71,427	83,801
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5	7
Foreign currency translation adjustment	(123)	(124)
Remeasurements of defined benefit plans	(9)	(6)
Total accumulated other comprehensive income	(127)	(123)
Total net assets	71,300	83,677
Total liabilities and net assets	86,224	99,458

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	41,676	41,950
Cost of sales	9,799	8,777
Gross profit	31,877	33,173
Selling, general and administrative expenses		
Advertising expenses	7,270	6,365
Employees' salaries and allowances	1,445	1,405
Provision for bonuses	287	351
Retirement benefit expenses	54	41
Research and development expenses	1,023	1,276
Other	4,629	4,698
Total selling, general and administrative expenses	14,711	14,138
Operating profit	17,166	19,034
Non-operating income		
Foreign exchange gains	80	69
Interest income	22	80
Rental income	45	33
Other	18	11
Total non-operating income	167	195
Non-operating expenses		
Rental expenses	3	1
Other	12	10
Total non-operating expenses	16	12
Ordinary profit	17,316	19,217
Extraordinary income		
Gain on sale of investment securities	2	1
Total extraordinary income	2	1
Profit before income taxes	17,319	19,218
Income taxes - current	4,720	6,053
Income taxes - deferred	433	(236)
Total income taxes	5,153	5,817
Profit	12,165	13,401
Profit attributable to owners of parent	12,165	13,401

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	12,165	13,401
Other comprehensive income		
Valuation difference on available-for-sale securities	(2)	1
Foreign currency translation adjustment	(21)	(1)
Remeasurements of defined benefit plans, net of tax	(2)	2
Total other comprehensive income	(27)	3
Comprehensive income	12,138	13,405
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,138	13,405
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of changes in equity

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,146	12,293	38,736	(1)	61,175
Cumulative effects of changes in accounting policies			(885)		(885)
Restated balance	10,146	12,293	37,851	(1)	60,290
Changes during period					
Dividends of surplus			(1,027)		(1,027)
Profit attributable to owners of parent			12,165		12,165
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	11,137	(0)	11,137
Balance at end of period	10,146	12,293	48,989	(1)	71,427

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	8	(102)	(6)	(100)	61,074
Cumulative effects of changes in accounting policies					(885)
Restated balance	8	(102)	(6)	(100)	60,189
Changes during period					
Dividends of surplus					(1,027)
Profit attributable to owners of parent					12,165
Purchase of treasury shares					(0)
Net changes in items other than shareholders' equity	(2)	(21)	(2)	(27)	(27)
Total changes during period	(2)	(21)	(2)	(27)	11,110
Balance at end of period	5	(123)	(9)	(127)	71,300

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,146	12,293	48,989	(1)	71,427
Cumulative effects of changes in accounting policies					
Restated balance	10,146	12,293	48,989	(1)	71,427
Changes during period					
Dividends of surplus			(1,027)		(1,027)
Profit attributable to owners of parent			13,401		13,401
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	12,373	(0)	12,373
Balance at end of period	10,146	12,293	61,362	(2)	83,801

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	5	(123)	(9)	(127)	71,300
Cumulative effects of changes in accounting policies					
Restated balance	5	(123)	(9)	(127)	71,300
Changes during period					
Dividends of surplus					(1,027)
Profit attributable to owners of parent					13,401
Purchase of treasury shares					(0)
Net changes in items other than shareholders' equity	1	(1)	2	3	3
Total changes during period	1	(1)	2	3	12,376
Balance at end of period	7	(124)	(6)	(123)	83,677

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	17,319	19,218
Depreciation	1,870	2,050
Increase (decrease) in provision for bonuses	(3)	123
Interest and dividend income	(23)	(81)
Foreign exchange losses (gains)	(80)	(69)
Decrease (increase) in trade receivables	522	(182)
Decrease (increase) in inventories	(1,064)	1,090
Increase (decrease) in trade payables	(612)	199
Increase (decrease) in accounts payable - other	(83)	(124)
Increase (decrease) in unearned revenue	(96)	(504)
Decrease (increase) in prepaid expenses	845	434
Increase (decrease) in retirement benefit liability	4	21
Other, net	(26)	(89)
Subtotal	18,572	22,087
Interest and dividends received	12	61
Income taxes paid	(4,503)	(5,343)
Net cash provided by (used in) operating activities	14,081	16,805
Cash flows from investing activities		
Net decrease (increase) in time deposits	4,954	(4,002)
Purchase of securities	(7,000)	(2,000)
Proceeds from redemption of securities	2,000	5,000
Purchase of property, plant and equipment	(16)	(4)
Purchase of intangible assets	(1,946)	(2,489)
Proceeds from sale of investment securities	–	1
Other, net	(13)	(358)
Net cash provided by (used in) investing activities	(2,021)	(3,852)
Cash flows from financing activities		
Purchase of treasury shares	(0)	(0)
Dividends paid	(1,026)	(1,027)
Net cash provided by (used in) financing activities	(1,026)	(1,027)
Effect of exchange rate change on cash and cash equivalents	14	2
Net increase (decrease) in cash and cash equivalents	11,046	11,928
Cash and cash equivalents at beginning of period	47,494	58,541
Cash and cash equivalents at end of period	58,541	70,469