

Translation

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**Summary of Consolidated Financial Results
for the Nine Months Ended March 31, 2022
(Based on Japanese GAAP)**

April 27, 2022

Company name: Computer Institute of Japan, Ltd.
 Stock exchange listing: Tokyo
 Stock code: 4826 URL <https://www.cij.co.jp/>
 Representative: President and Chief Executive Officer Akihiko Sakamoto
 Executive Officer Management Planning
 Inquiries: Dept. Manager Takashi Morita TEL 045-222-0555
 Scheduled date to file Quarterly Securities Report: May 12, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended March 31, 2022 (from July 1, 2021 to March 31, 2022)

(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 March 31, 2022	15,937	3.9	1,270	5.0	1,294	7.6	715	(12.9)
Nine months ended March 31, 2021	15,338	(2.3)	1,210	(13.5)	1,203	(12.3)	821	(11.0)

Note: Comprehensive income: FY2022 Q3 701 million yen (18.4%) FY2021 Q3 860 million yen (1.6%)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended March 31, 2022	36.21	–
Nine months ended March 31, 2021	41.28	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2022	16,325	13,493	82.7
As of June 30, 2021	16,251	13,104	80.6

Note: Equity: FY2022 Q3 13,493 million yen FY2021 13,104 million yen

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended June 30, 2021	–	–	–	23.00	23.00
Year ending June 30, 2022	–	–	–	–	–
Year ending June 30, 2022 (Forecast)	–	–	–	24.00	24.00

Note: Revisions to the forecasts of dividends: No

3. Forecast of consolidated financial results for the year ending June 30, 2022 (from July 1, 2021 to June 30, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	21,300	4.5	1,300	(6.2)	1,300	(6.9)	750	(18.6)	37.95

Note: Revisions to the forecasts of consolidated financial results: Yes

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended March 31, 2022
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) 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: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of March 31, 2022	22,266,096 shares	As of June 30, 2021	22,266,096 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	2,478,712 shares	As of June 30, 2021	2,546,196 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended March 31, 2022	19,753,543 shares	Nine months ended March 31, 2021	19,888,412 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of June 30, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	7,132,053	6,287,513
Accounts receivable - trade	3,762,447	–
Notes and accounts receivable - trade, and contract assets	–	3,803,608
Securities	1,900,030	1,612,224
Merchandise and finished goods	1,400	828
Work in process	25,404	18,385
Other	262,547	308,948
Total current assets	13,083,883	12,031,509
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	115,816	373,916
Land	38,576	223,459
Construction in progress	78,224	3,900
Other, net	41,573	83,569
Total property, plant and equipment	274,191	684,845
Intangible assets		
Goodwill	45,747	474,239
Other	463,157	476,331
Total intangible assets	508,905	950,570
Investments and other assets		
Investment securities	1,439,790	1,581,024
Other	945,660	1,078,023
Allowance for doubtful accounts	(766)	(794)
Total investments and other assets	2,384,685	2,658,253
Total non-current assets	3,167,782	4,293,670
Total assets	16,251,666	16,325,179

(Thousands of yen)

	As of June 30, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	707,913	790,168
Short-term borrowings	560,000	224,930
Income taxes payable	271,643	187,153
Provision for bonuses	433,419	880,398
Provision for loss on order received	424	–
Other	1,115,205	687,158
Total current liabilities	3,088,606	2,769,809
Non-current liabilities		
Retirement benefit liability	52,671	50,135
Other	6,245	12,127
Total non-current liabilities	58,916	62,262
Total liabilities	3,147,522	2,832,071
Net assets		
Shareholders' equity		
Share capital	2,270,228	2,270,228
Capital surplus	2,463,693	2,486,227
Retained earnings	9,543,037	9,880,322
Treasury shares	(1,241,655)	(1,198,918)
Total shareholders' equity	13,035,303	13,437,860
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	68,840	53,255
Foreign currency translation adjustment	–	1,991
Total accumulated other comprehensive income	68,840	55,247
Total net assets	13,104,143	13,493,107
Total liabilities and net assets	16,251,666	16,325,179

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended March 31, 2021	Nine months ended March 31, 2022
Net sales	15,338,721	15,937,038
Cost of sales	12,353,101	12,675,213
Gross profit	2,985,620	3,261,825
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	221,437	209,257
Salaries and allowances	491,108	539,740
Provision for bonuses	82,838	93,475
Welfare expenses	123,422	138,449
Rent expenses	158,347	175,827
Depreciation	90,239	100,304
Commission expenses	109,822	106,092
Offering expenses	42,981	41,170
Taxes and dues	105,955	118,528
Research and development expenses	93,911	122,459
Amortization of goodwill	13,724	66,790
Other	241,474	279,108
Total selling, general and administrative expenses	1,775,263	1,991,203
Operating profit	1,210,356	1,270,621
Non-operating income		
Interest income	10,815	8,523
Dividend income	3,414	9,729
Rental income from buildings	–	10,322
Subsidy income	702	1,003
Other	3,153	9,077
Total non-operating income	18,086	38,655
Non-operating expenses		
Interest expenses	732	1,441
Commission for purchase of treasury shares	1,992	–
Amortization of long-term prepaid expenses	15,293	10,627
Other	7,160	2,219
Total non-operating expenses	25,179	14,288
Ordinary profit	1,203,263	1,294,988
Extraordinary income		
Gain on sale of investment securities	293	17,228
Gain on liquidation of investment securities	6,724	–
Total extraordinary income	7,017	17,228
Extraordinary losses		
Office relocation expenses	–	180,204
Loss on sale of non-current assets	–	23,504
Total extraordinary losses	–	203,709
Profit before income taxes	1,210,280	1,108,508
Income taxes	389,080	393,257
Profit	821,200	715,250
Profit attributable to non-controlling interests	171	–
Profit attributable to owners of parent	821,029	715,250

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended March 31, 2021	Nine months ended March 31, 2022
Profit	821,200	715,250
Other comprehensive income		
Valuation difference on available-for-sale securities	39,061	(15,584)
Foreign currency translation adjustment	–	1,991
Total other comprehensive income	39,061	(13,592)
Comprehensive income	860,262	701,657
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	860,090	701,657
Comprehensive income attributable to non-controlling interests	171	–