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August 12, 2022

Consolidated Financial Results for the Three Months Ended June 30, 2022 (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: August 12, 2022
 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 three months ended June 30, 2022 (from April 1, 2022 to June 30, 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	%
Three months ended								
June 30, 2022	1,052	0.8	40	32.7	48	(46.8)	26	(56.0)
June 30, 2021	1,043	—	30	—	91	—	60	—

Note: Comprehensive income For the three months ended June 30, 2022: ¥26 million [(56.0)%]
 For the three months ended June 30, 2021: ¥60 million [—%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
June 30, 2022	4.97	4.86
June 30, 2021	11.35	11.03

Note: As the Company started preparing quarterly consolidated financial statements from the three months ended June 30, 2021, year-on-year changes for financial statements from the three months ended June 30, 2021 are not presented.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
June 30, 2022	2,816	1,273	45.2
March 31, 2022	2,829	1,245	44.0

Reference: Equity As of June 30, 2022 : ¥1,273 million As of March 31, 2022: ¥ 1,245 million

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 31,2022	—	0.00	—	0.00	0.00
Fiscal year ending March 31,2023	—				
Fiscal year ending March31,2023 (Forecast)		0.00	—	0.00	0.00

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, 2023 (from April 1, 2022 to March 31, 2023)

(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	4,421	6.1	315	102.4	313	8.2	203	9.4	37.88

Note: Revisions to the forecast most recently announced: None

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

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 June 30,2022	5,427,771 shares
As of March 31,2022	5,427,771 shares

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

As of June 30,2022	51,667 shares
As of March 31,2022	51,667 shares

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

Three months ended June 30,2022	5,376,104 shares
Three months ended June 30,2021	5,353,465 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 31,2022	As of June 30,2022
Assets		
Current assets		
Cash and deposits	1,130,550	1,142,617
Notes and accounts receivable - trade	718,154	751,486
Supplies	15,611	15,721
Other	93,002	85,043
Allowance for doubtful accounts	(6,299)	(9,442)
Total current assets	1,951,020	1,985,426
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	306,914	265,396
Other, net	33,386	30,831
Total property, plant and equipment	340,300	296,228
Intangible assets		
Goodwill	200,945	195,766
Other	39,473	36,216
Total intangible assets	240,418	231,983
Investments and other assets		
Guarantee deposits	179,308	178,031
Deferred tax assets	80,951	90,327
Other	38,970	36,031
Allowance for doubtful accounts	(1,663)	(1,663)
Total investments and other assets	297,566	302,727
Total non-current assets	878,286	830,939
Total assets	2,829,307	2,816,366

(Unit: thousand yen)

	As of March 31,2022	As of June 30,2022
Liabilities		
Current liabilities		
Accounts payable - trade	70,058	70,206
Short-term borrowings	300,000	200,000
Current portion of long-term borrowings	107,964	107,964
Income taxes payable	23,708	26,644
Deposits received	366,907	429,517
Provision for bonuses	48,790	25,776
Other	203,068	247,953
Total current liabilities	1,120,496	1,108,062
Non-current liabilities		
Long-term borrowings	343,782	316,791
Asset retirement obligations	48,898	49,010
Other	70,832	69,323
Total non-current liabilities	463,513	435,125
Total liabilities	1,584,009	1,543,187
Net assets		
Shareholders' equity		
Capital	252,302	252,302
Capital surplus	237,302	237,302
Retained earnings	798,308	826,188
Treasury shares	(42,615)	(42,615)
Total shareholders' equity	1,245,297	1,273,178
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	—	—
Total accumulated other comprehensive income	—	—
Total net assets	1,245,297	1,273,178
Total liabilities and net assets	2,829,307	2,816,366

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

(Unit: thousand yen)

	Three months ended June 30,2021	Three months ended June 30,2022
Net sales	1,043,770	1,052,270
Cost of sales	672,884	669,607
Gross profit	370,886	382,663
Selling, general and administrative expenses	340,042	341,725
Operating income	30,843	40,938
Non-operating income		
Gain on sale of businesses	8,514	930
Subsidy income	55,502	9,666
Other	686	2,345
Total non-operating income	64,703	12,942
Non-operating expenses		
Interest expenses	3,699	3,927
Business acquisition related expenses	—	1,244
Other	367	1
Total non-operating expenses	4,067	5,173
Ordinary profit	91,479	48,707
Extraordinary losses		
Impairment loss	—	7,314
Total extraordinary losses	—	7,314
Profit before income taxes	91,479	41,393
Income taxes	30,705	14,662
Profit	60,773	26,731
Profit attributable to owners of parent	60,773	26,731

(Quarterly consolidated statement of comprehensive income)

(Unit: thousand yen)

	Three months ended June 30,2021	Three months ended June 30,2022
Profit	60,773	26,731
Other comprehensive income		
Valuation difference on available-for-sale securities	—	—
Total other comprehensive income	—	—
Comprehensive income	60,773	26,731
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	60,773	26,731