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Consolidated Financial Results for the Three Months Ended June 30, 2022 [Japanese GAAP]

August 10, 2022

Company name: Ubicom Holdings, Inc.

Stock exchange listing: Tokyo

Code number: 3937

URL: <https://www.ubicom-hd.com/>

Representative: Masayuki Aoki, CEO

Contact: Masashi Hatta, Executive Officer, Director of Corporate Planning Division

Phone: 03 (5803) 7339

Scheduled date of filing quarterly securities report: August 10, 2022

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Three Months Ended June 30, 2022 (April 01, 2022 to June 30, 2022)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2022	1,312	17.5	291	41.9	266	20.4	192	18.0
June 30, 2021	1,117	10.1	205	13.3	221	25.9	163	39.2

(Note) Comprehensive income: Three months ended June 30, 2022: ¥ 308 million [82.3%]
Three months ended June 30, 2021: ¥ 169 million [26.2%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2022	16.34	15.92
June 30, 2021	13.84	13.44

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
June 30, 2022	5,663	3,920	69.2
March 31, 2022	5,624	3,812	67.8

(Reference) Equity: As of June 30, 2022: ¥ 3,920 million
As of March 31, 2022: ¥ 3,812 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	-	0.00	-	9.00	9.00
Fiscal year ending March 31, 2023	-				
Fiscal year ending March 31, 2023 (Forecast)		-	-	-	-

(Note) Revision to the forecast for dividends announced most recently: No

Dividend forecast for the fiscal year ending March 31, 2023 is undecided. We will promptly disclose dividend forecast when it becomes possible to disclose.

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending March 31, 2023 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	5,446	15.2	1,254	21.4	1,271	20.5	925	11.2	78.42

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

June 30, 2022: 11,836,320 shares

March 31, 2022: 11,834,000 shares

2) Total number of treasury shares at the end of the period:

June 30, 2022: 46,590 shares

March 31, 2022: 10,690 shares

3) Average number of shares during the period:

Three months ended June 30, 2022: 11,791,238 shares

Three months ended June 30, 2021: 11,803,286 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2022	As of June 30,2022
Assets		
Current assets		
Cash and deposits	3,377,526	3,404,600
Notes and accounts receivable - trade, and contract assets	938,780	914,656
Other	207,529	237,350
Allowance for doubtful accounts	(13,996)	(14,187)
Total current assets	4,509,839	4,542,419
Non-current assets		
Property, plant and equipment	53,037	67,328
Intangible assets		
Software	2,554	21,403
Software in progress	19,989	-
Right of use assets	238,437	226,215
Total intangible assets	260,981	247,618
Investments and other assets		
Retirement benefit asset	221	-
Deferred tax assets	375,233	368,982
Other	424,853	437,602
Total investments and other assets	800,308	806,585
Total non-current assets	1,114,327	1,121,531
Total assets	5,624,167	5,663,951

(Thousand yen)

	As of March 31,2022	As of June 30,2022
Liabilities		
Current liabilities		
Accounts payable - trade	74,297	61,400
Short-term borrowings	100,007	100,000
Lease liabilities	90,409	92,220
Income taxes payable	129,174	97,595
Contract liabilities	691,984	749,401
Provision for bonuses	50,791	45,526
Other	327,866	242,357
Total current liabilities	1,464,532	1,388,502
Non-current liabilities		
Lease liabilities	137,566	125,362
Deferred tax liabilities	169,847	188,131
Retirement benefit liability	32,173	34,111
Asset retirement obligations	7,522	7,542
Total non-current liabilities	347,110	355,147
Total liabilities	1,811,642	1,743,650
Net assets		
Shareholders' equity		
Share capital	788,949	789,094
Capital surplus	693,565	693,710
Retained earnings	2,270,297	2,356,585
Treasury shares	(25,588)	(120,229)
Total shareholders' equity	3,727,224	3,719,160
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,936	35,446
Foreign currency translation adjustment	62,731	159,143
Remeasurements of defined benefit plans	9,451	6,366
Total accumulated other comprehensive income	85,118	200,957
Share acquisition rights	182	182
Total net assets	3,812,525	3,920,300
Total liabilities and net assets	5,624,167	5,663,951

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the three months)

(Thousand yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Net sales	1,117,525	1,312,922
Cost of sales	664,662	761,337
Gross profit	452,862	551,584
Selling, general and administrative expenses	247,180	259,680
Operating profit	205,682	291,904
Non-operating income		
Interest income	88	67
Share of profit of entities accounted for using equity method	1,893	2,408
Surrender value of insurance policies	3,833	21,837
Contract termination gains	10,000	-
Foreign exchange gains	143	-
Other	1,395	2,078
Total non-operating income	17,353	26,392
Non-operating expenses		
Interest expenses	932	395
Interest expenses of rental payments	784	3,564
Foreign exchange losses	-	44,589
Other	13	3,272
Total non-operating expenses	1,730	51,821
Ordinary profit	221,305	266,474
Profit before income taxes	221,305	266,474
Income taxes	57,972	73,777
Profit	163,332	192,697
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	163,332	192,697

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Thousand yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Profit	163,332	192,697
Other comprehensive income		
Valuation difference on available-for-sale securities	(816)	22,510
Foreign currency translation adjustment	6,437	96,412
Remeasurements of defined benefit plans, net of tax	265	(3,084)
Total other comprehensive income	5,885	115,838
Comprehensive income	169,218	308,535
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	169,218	308,535
Comprehensive income attributable to non-controlling interests	-	-