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May 9, 2024

Non-consolidated Financial Results for the Three Months Ended March 31, 2024 (Under Japanese GAAP)

Company name: AXIS CO.,LTD.
Listing: Tokyo Stock Exchange
Securities code: 4012
URL: https://www.axis-net.co.jp/
Representative: Hirofumi Ogura, CEO Chairman
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Telephone: +81-3-5501-1277
Scheduled date to file quarterly securities report: May 9, 2024
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. Non-consolidated financial results for the three months ended March 31, 2024 (from January 1, 2024 to March 31, 2024)

(1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	1,806	16.8	219	11.4	226	12.0	145	10.6
March 31, 2023	1,547	—	196	—	202	—	131	—

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
March 31, 2024	34.95	33.59
March 31, 2023	32.44	30.66

The Company has been reporting its financial results on a non-consolidated basis since the first quarter of the fiscal year ended December 2023. Therefore, year-on-year changes for the first quarter of the fiscal year ended December 2023 are not presented.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
March 31, 2024	4,232	3,107	73.4
December 31, 2023	4,064	3,003	73.9

Reference: Equity
As of March 31, 2024: ¥3,107 million
As of December 31, 2023: ¥3,003 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 December 31, 2023	—	0.00	—	18.00	18.00
Fiscal year ending December 31, 2024	—				
Fiscal year ending December 31, 2024 (Forecast)		0.00	—	25.00	25.00

Note: Revisions to the forecast of cash dividends most recently announced: None

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	7,504	14.0	752	15.2	765	14.8	526	13.7	125.11

Note: Revisions to the forecast of cash dividends most recently announced: None

*** Notes**

(1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: None

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2024	4,320,600 shares
As of December 31, 2023	4,238,200 shares

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

As of March 31, 2024	100,000 shares
As of December 31, 2023	100,000 shares

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

Three months ended March 31, 2024	4,172,095 shares
Three months ended March 31, 2023	4,062,611 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

The forward-looking statements regarding future performance in this material are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable at the time this report was prepared. Therefore, the Company does not make promises about the achievements. Actual results may differ significantly from the forecasts due to various factors.

Quarterly consolidated financial statements
(1) Quarterly consolidated balance sheets

Thousands of yen	December 31, 2023	March 31, 2024
Assets		
Current assets		
Cash and deposits	2,466,643	2,481,851
Accounts receivable - trade and contract assets	941,352	1,048,163
Merchandise	4,771	7,993
Supplies	22,740	13,954
Other	48,752	72,414
Allowance for doubtful accounts	△1,656	△1,711
Current assets	3,482,603	3,622,665
Non-current assets		
Property, plant and equipment	77,888	74,825
Intangible assets		
Goodwill	215,300	207,876
Other	886	748
Intangible assets	216,187	208,625
Investments and other assets		
Other	288,845	327,728
Allowance for doubtful accounts	△900	△900
Investments and other assets	287,945	326,828
Non-current assets	582,021	610,279
Assets	4,064,625	4,232,944
Liabilities		
Current liabilities		
Accounts payable - trade	269,647	273,320
Income taxes payable	119,961	116,911
Provision for bonuses	—	91,935
Other	411,194	376,892
Current liabilities	800,803	859,060
Non-current liabilities		
Provision for retirement benefits	260,493	266,367
Non-current liabilities	260,493	266,367
Liabilities	1,061,296	1,125,427
Net assets		
Shareholders' equity		
Share capital	45,521	61,959
Capital surplus	145,196	161,635
Retained earnings	2,822,986	2,894,296
Treasury shares	△10,375	△10,375
Shareholders' equity	3,003,329	3,107,517
Net assets	3,003,329	3,107,517
Liabilities and net assets	4,064,625	4,232,944

(2) Quarterly consolidated statements of income and comprehensive income

Quarterly consolidated statements of income for the Three months ended March 31, 2023 and 2024

Thousands of yen	Three months ended March 31, 2023	Three months ended March 31, 2024
Net sales	1,547,197	1,806,414
Cost of sales	1,124,652	1,343,768
Gross profit (loss)	422,545	462,645
Selling, general and administrative expenses	225,983	243,627
Operating profit (loss)	196,562	219,018
Non-operating income		
Interest income	10	12
Subsidy income	5,385	6,315
Other	111	1,070
Non-operating income	5,508	7,398
Ordinary profit (loss)	202,070	226,417
Extraordinary losses		
Loss on extinguishment of tie-in shares	668	—
Extraordinary losses	668	—
Profit (loss) before income taxes	201,401	226,417
Income taxes - current	102,697	116,913
Income taxes - deferred	△33,106	△36,294
Income taxes	69,591	80,619
Profit (loss)	131,810	145,797

(3) Notes to quarterly consolidated financial statements

(Notes for assumption of going concern)

None

(Notes for significant changes in the amount of shareholders' equity)

None