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Consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]

January 29, 2024

Company name: Entrust Inc.

Stock exchange listing: Tokyo

Code number: 7191

URL: <https://www.entrust-inc.jp/>

Representative: Yutaka Kuwabara

President and Representative Director

Contact: Hiroyuki Ota

Director, operating officer

Phone: +81-3(5213)0250

Scheduled date of filing quarterly securities report: February 13, 2024

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 Nine Months Ended December 31, 2023 (April 1, 2023 to December 31, 2023)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	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 December 31, 2023	6,577	-	1,535	-	1,531	-	877	-
December 31, 2022	-	-	-	-	-	-	-	-

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥ 866 million [-%]

Nine months ended December 31, 2022: ¥ - million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	39.23	39.19
December 31, 2022	-	-

(Note) The Company has prepared quarterly consolidated financial statements since the three months ended June 30, 2023. Therefore, figures for the nine months ended December 31, 2022 and year-on-year changes are omitted.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	8,880	5,725	64.3
March 31, 2023	-	-	-

(Reference) Equity: As of December 31, 2023: ¥ 5,707 million

As of March 31, 2023: ¥ - million

(Note) The Company has prepared quarterly consolidated financial statements since the three months ended June 30, 2023. Therefore, figures for the fiscal year ended March 31, 2023 are omitted.

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, 2023	-	7.00	-	7.00	14.00
Fiscal year ending March 31, 2024	-	9.00			
Fiscal year ending March 31, 2024 (Forecast)				9.00	18.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	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	8,500	-	2,100	-	2,100	-	1,280	-	57.25

(Note) 1. Revision to the financial results forecast announced most recently: No

2. The Company has prepared quarterly consolidated financial statements since the three months ended June 30, 2023. Therefore, year-on-year changes are omitted.

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2023 :No

(changes in specified subsidiaries resulting in changes in scope of consolidation):

New - (Company name:)
 Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

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

- 1) Changes in accounting policies due to the revision of accounting standards: No
 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):

December 31, 2023: 22,360,122 shares
 March 31, 2023: 22,360,122 shares

2) Number of treasury shares at the end of the period:

December 31, 2023: 158 shares
 March 31, 2023: 158 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023: 22,359,964 shares
 Nine months ended December 31, 2022: 22,359,386 shares

*Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

*Explanation for appropriate use of financial forecasts and other special notes

The forecasts given in this document are based on the current available information in the company and certain reasonable assumptions to the company.

And we don't commit to achieve these forecasting numbers. Actual results may differ from these forecasts by a variety of reasons.

*Briefing material on quarterly financial results will be posted on the Company's website on January 29, 2024.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousands of yen)

As of December 31, 2023

Assets	
Current assets	
Cash and deposits	5,183,706
Accounts receivable - trade	209,566
Advances paid	3,538,351
Other	466,256
Allowance for doubtful accounts	(1,675,058)
Total current assets	7,722,822
Non-current assets	
Property, plant and equipment	167,734
Intangible assets	
Other	239,687
Total intangible assets	239,687
Investments and other assets	750,478
Total non-current assets	1,157,900
Total assets	8,880,722

(Thousands of yen)

As of December 31, 2023

Liabilities	
Current liabilities	
Accounts payable - trade	51,266
Income taxes payable	346,106
Contract liabilities	1,949,728
Provision for bonuses	33,603
Reserve for fulfillment of guarantees	354,129
Other	263,661
Total current liabilities	2,998,496
Non-current liabilities	
Asset retirement obligations	71,868
Other	84,443
Total non-current liabilities	156,312
Total liabilities	3,154,808
Net assets	
Shareholders' equity	
Share capital	1,045,155
Capital surplus	831,723
Retained earnings	3,817,153
Treasury shares	(127)
Total shareholders' equity	5,693,905
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	13,800
Total accumulated other comprehensive income	13,800
Share acquisition rights	18,208
Total net assets	5,725,914
Total liabilities and net assets	8,880,722

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Thousands of yen)

	For the nine months ended December 31, 2023
Net sales	6,577,918
Cost of sales	3,368,390
Gross profit	3,209,528
Selling, general and administrative expenses	1,673,651
Operating profit	1,535,877
Non-operating income	
Interest income	28
Interest on securities	2,301
Dividend income	1,225
Miscellaneous income	449
Total non-operating income	4,005
Non-operating expenses	
Loss on investments in investment partnerships	4,195
Loss on retirement of non-current assets	4,146
Miscellaneous losses	474
Total non-operating expenses	8,816
Ordinary profit	1,531,065
Extraordinary income	
Gain on sale of non-current assets	131
Total extraordinary income	131
Profit before income taxes	1,531,197
Income taxes - current	645,300
Income taxes - deferred	8,660
Total income taxes	653,961
Profit	877,236
Profit attributable to non-controlling interests	-
Profit attributable to owners of parent	877,236

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

(Thousands of yen)

For the nine months
ended December 31, 2023

Profit	877,236
Other comprehensive income	
Valuation difference on available-for-sale securities	(11,157)
Total other comprehensive income	(11,157)
Comprehensive income	866,078
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	866,078
Comprehensive income attributable to non-controlling interests	-