

3. Consolidated financial results forecast for the fiscal year ending December 31, 2023 (January 1, 2023 to December 31, 2023)
(% indicates year-over-year change)

	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	11,000	17.9	3,000	5.2	3,000	3.7	2,000	8.3	44.88

(Note) Revision to the most recently announced financial results forecast: None

* Notes

- (1) Changes in significant subsidiaries during the current period (changes in specified subsidiaries resulting in the changes in the scope of consolidation): None
- (2) Accounting treatments adopted specially for the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and retrospective restatements
- 1) Changes in accounting policies due to application of new or revised accounting standards: Yes
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatements: None

(Note) For details, please see “2. Consolidated financial statements and principal notes (3) Notes to consolidated financial statements (Changes in accounting policies)” on page 7 of the Japanese version of this attachment.

(4) Number of shares of common stock issued

- 1) Number of shares issued at the end of the period (including treasury stock)
- 2) Number of shares of treasury stock at the end of the period
- 3) Average number of shares of common stock during the period

As of September 30, 2023	46,872,000 shares	As of December 31, 2022	46,872,000 shares
As of September 30, 2023	2,312,002 shares	As of December 31, 2022	2,307,702 shares
Nine months ended September 30, 2023	44,563,810 shares	Nine months ended September 30, 2022	44,274,425 shares

(Note) The Company’s shares held by the “Board Benefit Trust (BBT)” and the “Board Benefit Trust (J-ESOP)” are included in the treasury stock deducted in the calculation of the average number of shares of common stock during the period.

* These quarterly financial results are not subject to quarterly review procedures to be performed by certified public accountants or an audit firm.

* Explanation on appropriate use of financial results forecasts and other matters of note

Financial results forecasts and other forward-looking statements provided in these materials are estimated based on information available to the Company as of the date of publication. Actual financial results may differ from these forecasts owing to changes in future economic conditions and other factors.

2. Quarterly consolidated financial statements and major notes

(1) Quarterly consolidated balance sheets

(Thousand yen)

	Previous fiscal year (As of December 31, 2022)	Nine months under review (As of September 30, 2023)
Assets		
Current assets		
Cash and deposits	7,845,831	8,684,726
Notes and accounts receivable - trade, and contract assets	2,442,641	1,611,490
Electronically recorded monetary claims - operating	196,647	150,568
Inventories	27,053	37,592
Prepaid expenses	237,163	208,848
Other	91,737	88,966
Total current assets	10,841,074	10,782,193
Non-current assets		
Property, plant and equipment	215,608	218,168
Intangible assets		
Goodwill	1,006,104	878,991
Other	52,282	42,143
Total intangible assets	1,058,386	921,134
Investments and other assets	956,326	889,597
Total non-current assets	2,230,322	2,028,900
Total assets	13,071,397	12,811,093

(Thousand yen)

	Previous fiscal year (As of December 31, 2022)	Nine months under review (As of September 30, 2023)
Liabilities		
Current liabilities		
Accounts payable – trade	157,634	94,770
Current portion of long-term borrowings	23,431	30,470
Income taxes payable	569,423	112,441
Advances received	35,830	33,250
Provision for bonuses	8,072	12,851
Provision for bonuses for directors (and other officers)	135,871	–
Provision for point card certificates	910,711	937,952
Asset retirement obligations	–	1,642
Other	981,354	488,022
Total current liabilities	2,822,329	1,711,402
Non-current liabilities		
Long-term borrowings	107,051	93,001
Retirement benefit liability	7,943	14,471
Asset retirement obligations	50,128	48,521
Provision for share awards for directors (and other officers)	37,926	54,180
Provision for share awards for employees	11,020	9,367
Provision for retirement benefits for directors (and other officers)	5,250	8,625
Other	9,705	9,902
Total non-current liabilities	229,023	238,068
Total liabilities	3,051,353	1,949,470
Net assets		
Shareholders' equity		
Share capital	2,405,636	2,405,636
Capital surplus	3,072,443	3,073,619
Retained earnings	5,245,727	6,082,226
Treasury shares	(700,753)	(700,753)
Total shareholders' equity	10,023,053	10,860,727
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(35,904)	(29,891)
Total accumulated other comprehensive income	(35,904)	(29,891)
Share acquisition rights	0	0
Non-controlling interests	32,894	39,785
Total net assets	10,020,043	10,861,622
Total liabilities and net assets	13,071,397	12,811,093

(2) Quarterly consolidated statements of income and comprehensive income
(Quarterly consolidated statements of income)
(For the nine months ended September 30)

(Thousand yen)

	Previous nine month period (January 1, 2022 to September 30, 2022)	Nine months under review (January 1, 2023 to September 30, 2023)
Net sales	6,445,420	7,271,166
Cost of sales	1,991,049	2,714,025
Gross profit	4,454,370	4,557,141
Selling, general and administrative expenses	2,165,972	2,820,919
Operating profit	2,288,398	1,736,221
Non-operating income		
Interest income	565	2,325
Dividend income	8,178	5,969
Share of profit of entities accounted for using equity method	–	16,464
Dividend income of insurance	–	2,255
Foreign exchange gains	25,880	11,636
Miscellaneous income	1,006	4,152
Total non-operating income	35,631	42,804
Non-operating expenses		
Interest expenses	508	527
Share issuance costs	2,845	0
Loss on investments in investment partnerships	2,415	49
Loss on retirement of non-current assets	9,571	97
Loss on elimination of share-based compensation expenses	–	4,396
Miscellaneous loss	–	1,024
Total non-operating expenses	15,340	6,095
Ordinary profit	2,308,688	1,772,930
Extraordinary income		
Gain on sale of shares of subsidiaries	–	12,876
Total extraordinary income	–	12,876
Extraordinary losses		
Loss on valuation of investment securities	–	35,000
Total extraordinary losses	–	35,000
Profit before income taxes	2,308,688	1,750,806
Income taxes – current	752,015	616,438
Income taxes – deferred	13,072	27,112
Total income taxes	765,088	643,550
Profit	1,543,600	1,107,255
Profit attributable to non-controlling interests	6,334	1,067
Profit attributable to owners of parent	1,537,266	1,106,188

(Quarterly consolidated statements of comprehensive income)
(For the nine months ended September 30)

(Thousand yen)

	Previous nine month period (January 1, 2022 to September 30, 2022)	Nine months under review (January 1, 2023 to September 30, 2023)
Profit	1,543,600	1,107,255
Other comprehensive income		
Valuation difference on available-for-sale securities	2,996	6,012
Total other comprehensive income	2,996	6,012
Comprehensive income	1,546,597	1,113,268
Comprehensive income attributable to:		
Owners of parent	1,540,263	1,112,201
Non-controlling interests	6,334	1,067