

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended September 30, 2024 (Based on Japanese GAAP)

November 14, 2024

Company name: Aoyama Zaisan Networks Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 8929 URL <https://www.azn.co.jp/>
 Representative: President Masazumi Hasumi
 Corporate Finance Division
 Inquiries: Finance Department General Manager Seiichi Ishikawa TEL 03-6439-5800
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended September 30, 2024 (from January 1, 2024 to September 30, 2024)

(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	%
Nine months ended September 30, 2024	31,909	24.2	2,412	32.4	2,384	22.5	1,689	33.3
Nine months ended September 30, 2023	25,699	(8.3)	1,821	9.4	1,947	21.5	1,267	19.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended September 30, 2024	69.32		69.22	
Nine months ended September 30, 2023	52.13		52.11	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2024	20,997	10,294	48.8	419.43
As of December 31, 2023	23,491	9,584	40.4	390.42

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended December 31, 2023	–	15.00	–	26.00	41.00
Year ending December 31, 2024	–	18.00	–		
Year ending December 31, 2024 (Forecast)				28.00	46.00

3. Forecast of 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 attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	38,000	5.3	3,500	7.2	3,400	1.2	2,240	8.6	91.74

4. Notes

(1) Significant changes in the scope of consolidation during the nine months ended September 30, 2024: No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2024	24,582,659 shares	As of December 31, 2023	24,520,859 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	165,470 shares	As of December 31, 2023	189,246 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2024	24,367,717 shares	Nine months ended September 30, 2023	24,316,926 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of December 31, 2023	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	14,696	15,315
Accounts receivable - trade	910	596
Real estate for sale	1,677	558
Other inventories	12	8
Other	290	912
Allowance for doubtful accounts	(9)	(7)
Total current assets	17,578	17,383
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,205	239
Land	195	1
Other, net	93	87
Total property, plant and equipment	2,494	329
Intangible assets		
Goodwill	10	3
Software	255	175
Other	23	21
Total intangible assets	289	200
Investments and other assets		
Investment securities	2,514	2,468
Shares of subsidiaries and associates	38	39
Deferred tax assets	178	187
Other	395	387
Total investments and other assets	3,128	3,083
Total non-current assets	5,912	3,613
Total assets	23,491	20,997

(Millions of yen)

	As of December 31, 2023	As of September 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	308	288
Short-term borrowings	200	200
Current portion of long-term borrowings	2,160	1,834
Current portion of bonds payable	30	–
Income taxes payable	755	93
Accounts payable - other	1,070	540
Provision for bonuses	–	728
Other	935	896
Total current liabilities	5,460	4,581
Non-current liabilities		
Long-term borrowings	5,781	3,180
Long-term leasehold and guarantee deposits received	2,595	2,893
Long-term accounts payable - other	45	43
Other	23	3
Total non-current liabilities	8,445	6,121
Total liabilities	13,906	10,703
Net assets		
Shareholders' equity		
Share capital	1,210	1,247
Capital surplus	1,381	1,430
Retained earnings	6,756	7,374
Treasury shares	(144)	(126)
Total shareholders' equity	9,204	9,925
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	333	360
Foreign currency translation adjustment	(38)	(44)
Total accumulated other comprehensive income	294	315
Share acquisition rights	48	34
Non-controlling interests	37	18
Total net assets	9,584	10,294
Total liabilities and net assets	23,491	20,997

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Net sales	25,699	31,909
Cost of sales	21,603	27,050
Gross profit	4,096	4,859
Selling, general and administrative expenses	2,274	2,447
Operating profit	1,821	2,412
Non-operating income		
Gain on investments in silent partnerships	–	16
Foreign exchange gains	173	16
Other	28	22
Total non-operating income	201	54
Non-operating expenses		
Interest expenses	58	60
Commission expenses	16	18
Other	0	2
Total non-operating expenses	75	82
Ordinary profit	1,947	2,384
Profit before income taxes	1,947	2,384
Income taxes - current	621	715
Income taxes - deferred	53	(20)
Total income taxes	675	694
Profit	1,271	1,690
Profit attributable to non-controlling interests	4	0
Profit attributable to owners of parent	1,267	1,689

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Profit	1,271	1,690
Other comprehensive income		
Valuation difference on available-for-sale securities	152	26
Foreign currency translation adjustment	(89)	(5)
Total other comprehensive income	62	20
Comprehensive income	1,334	1,710
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,330	1,710
Comprehensive income attributable to non-controlling interests	4	0