

# Translation

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## Summary of Non-Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 4, 2023

Company name: Asahi Net, Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 3834 URL <https://asahi-net.jp/>  
 Representative: President Jiro Hijikata  
 Inquiries: Senior Corporate Officer Masaru Komatsu TEL 03-3541-8311  
 Scheduled date to file Quarterly Securities Report: August 10, 2023  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Non-consolidated financial results for the three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

#### (1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2023	3,029	0.0	378	(23.6)	387	(22.2)	264	(21.3)
Three months ended June 30, 2022	3,029	7.4	494	9.9	498	9.7	336	0.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	9.52		—	
Three months ended June 30, 2022	12.03		—	

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	13,331	11,695	87.7
As of March 31, 2023	13,660	11,961	87.6

[Reference]Equity As of March 31,2023:11,695 million yen As of March,2022:11,961 million yen

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2023	—	11.00	—	11.50	22.50
Year ending March 31, 2024	—				
Year ending March 31, 2024 (Forecast)		11.50	—	11.50	23.00

### 3. Forecast of non-consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	12,600	3.5	2,000	8.6	2,000	8.3	1,400	8.9	49.99

#### 4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: Yes

(2) 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

(3) Number of issued shares (common shares)

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

As of June 30, 2023	32,000,000 shares	As of March 31, 2023	32,000,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	4,322,986 shares	As of March 31, 2023	3,992,986 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2023	27,842,014 shares	Three months ended June 30, 2022	27,959,014 shares
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**Quarterly non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	3,647	3,251
Accounts receivable - trade and contract assets	2,025	1,940
Securities	2,000	2,000
Supplies	1,352	1,357
Other	332	438
Allowance for doubtful accounts	(21)	(18)
Total current assets	9,336	8,970
Non-current assets		
Property, plant and equipment		
Machinery and equipment, net	1,803	1,804
Other, net	464	371
Total property, plant and equipment	2,268	2,175
Intangible assets	1,272	1,423
Investments and other assets	783	760
Total non-current assets	4,324	4,360
Total assets	13,660	13,331
Liabilities		
Current liabilities		
Accounts payable - trade	435	418
Accounts payable - other	800	652
Income taxes payable	391	128
Other	72	434
Total current liabilities	1,698	1,635
Non-current liabilities	0	0
Total liabilities	1,699	1,635
Net assets		
Shareholders' equity		
Share capital	630	630
Capital surplus	852	852
Retained earnings	12,340	12,283
Treasury shares	(1,998)	(2,194)
Total shareholders' equity	11,824	11,571
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	137	123
Total valuation and translation adjustments	137	123
Total net assets	11,961	11,695
Total liabilities and net assets	13,660	13,331

**Non-consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	3,029	3,029
Cost of sales	2,097	2,194
Gross profit	931	834
Selling, general and administrative expenses	437	456
Operating profit	494	378
Non-operating income		
Dividend income	3	5
Gain on receipt of donated non-current assets	—	4
Other	0	0
Total non-operating income	4	10
Non-operating expenses		
Commission for purchase of treasury shares	—	0
Total non-operating expenses	—	0
Ordinary profit	498	387
Extraordinary losses		
Loss on retirement of non-current assets	13	0
Loss on valuation of investment securities	—	0
Loss on retirement of communication equipment	—	4
Total extraordinary losses	13	5
Profit before income taxes	484	382
Income taxes	148	117
Profit	336	264