

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Non-Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Based on Japanese GAAP)

February 13, 2025

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

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

(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	%
Nine months ended December 31, 2024	9,772	7.8	1,830	37.0	1,841	36.7	1,368	53.3
Nine months ended December 31, 2023	9,067	(0.2)	1,335	(2.3)	1,346	(1.7)	892	(11.1)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2024	50.66		–	
Nine months ended December 31, 2023	32.13		–	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	14,697	12,719	86.5
As of March 31, 2024	14,279	12,506	87.6

[Reference] Equity As of December 31, 2024 12,719 million yen As of March 31, 2024 12,506 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, 2024	–	11.50	–	11.50	23.00
Year ending March 31, 2025	–	12.00	–		
Year ending March 31, 2025 (Forecast)				12.00	24.00

3. Forecast of non-consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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	12,900	5.6	2,300	17.0	2,300	15.8	1,610	24.8	59.69

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 December 31, 2024	32,000,000 shares	As of March 31, 2024	32,000,000 shares
-------------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of December 31, 2024	5,152,987 shares	As of March 31, 2024	4,266,987 shares
-------------------------	------------------	----------------------	------------------

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

Nine months ended December 31, 2024	27,011,413 shares	Nine months ended December 31, 2023	27,776,614 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	3,509	4,121
Accounts receivable - trade, and contract assets	2,087	2,132
Securities	2,000	1,000
Supplies	1,352	1,353
Other	321	368
Allowance for doubtful accounts	(16)	(15)
Total current assets	9,254	8,959
Non-current assets		
Property, plant and equipment		
Machinery and equipment, net	1,580	1,636
Other, net	658	395
Total property, plant and equipment	2,239	2,031
Intangible assets		
Software	827	1,626
Other	1,092	1,140
Total intangible assets	1,919	2,767
Investments and other assets	865	938
Total non-current assets	5,024	5,738
Total assets	14,279	14,697
Liabilities		
Current liabilities		
Accounts payable - trade	621	625
Accounts payable - other	660	786
Income taxes payable	295	321
Other	195	243
Total current liabilities	1,772	1,978
Non-current liabilities	0	0
Total liabilities	1,772	1,978
Net assets		
Shareholders' equity		
Share capital	630	630
Capital surplus	859	868
Retained earnings	12,989	13,716
Treasury shares	(2,165)	(2,737)
Total shareholders' equity	12,313	12,478
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	192	241
Total valuation and translation adjustments	192	241
Total net assets	12,506	12,719
Total liabilities and net assets	14,279	14,697

Non-consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	9,067	9,772
Cost of sales	6,369	6,400
Gross profit	2,697	3,372
Selling, general and administrative expenses	1,361	1,541
Operating profit	1,335	1,830
Non-operating income		
Dividend income	5	7
Gain on receipt of donated non-current assets	4	—
Gain on sale of goods	—	2
Other	1	1
Total non-operating income	11	11
Non-operating expenses		
Commission for purchase of treasury shares	0	0
Total non-operating expenses	0	0
Ordinary profit	1,346	1,841
Extraordinary income		
Gain on sale of investment securities	—	137
Total extraordinary income	—	137
Extraordinary losses		
Impairment losses	41	—
Loss on retirement of non-current assets	6	4
Loss on valuation of investment securities	0	—
Loss on retirement of communication equipment	10	—
Total extraordinary losses	59	4
Profit before income taxes	1,287	1,974
Income taxes	395	606
Profit	892	1,368