



## 2Q FYE Sep-2022 Kessan Tanshin [J-GAAP] (Consolidated)

13 May 2022

Company name Internetworking and Broadband Consulting Co., Ltd. Listed TSE  
 Code 3920 URL https://www.ibc21.co.jp/  
 Representative (Title) CEO and President (Name) Kato, Hiroyuki  
 Contact (Title) Director, Corporate Service Div. (Name) Shimane, Naoto TEL 03-5117-2780  
 Scheduled submission date 13 May 2022 Scheduled dividend —  
 of quarterly report payment date  
 Supplementary materials : Japanese only  
 Explanatory meeting : Japanese only

(Fraction less than JPY mil)

### 1. 2Q of FYE Sep-2022 Consolidated Financial Results (1 Oct 2021 ~ 31 Mar 2022)

(1) Consolidated statement of income (Cumulative) (YoY %)

	Sales		Operating Income		Ordinary Income		Profit (loss) attributable to owners of parent	
	JPY mil	%	JPY mil	%	JPY mil	%	JPY mil	%
2Q of FYE Sep-2022	710	(29.1)	(33)	—	(17)	—	(11)	—
2Q of FYE Sep-2021	1,001	8.9	126	(321.5)	121	557.6	82	—
Comprehensive income	2Q of FYE Sep-2022	19	JPY mil	(78.8) %	2Q of FYE Sep-2021	93	JPY mil	—%

	EPS	EPS (diluted)
	JPY	JPY
2Q of FYE Sep-2022	(2.04)	—
2Q of FYE Sep-2021	14.89	14.76

(Note) 1. The “Accounting Standards for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. has been applied since the beginning of the first quarter of the current consolidated fiscal year.

2. The description of diluted EPS is omitted due to loss of 2Q, despite that there are dilutive shares.

(2) Consolidated balance sheet

	Total Assets	Net Assets	Capital-to-asset ratio
	JPY mil	JPY mil	%
2Q FYE Sep-2022	3,113	1,771	56.9
FYE Sep-2021	3,260	1,751	53.7

(Ref.) Net assets 2Q of FYE Sep-2022 1,771 JPY mil FYE Sep-2021 1,751 JPY mil

### 2. Dividend

	Dividend				
	1Q	2Q	3Q	4Q	Total
	JPY	JPY	JPY	JPY	JPY
FYE Sep-2021	—	0.00	—	0.00	0.00
FYE Sep-2022	—	0.00			
FYE Sep-2022 (Est.)			—	4.00	4.00

(Note) 1. Revisions to the forecasts of cash dividends most recently announced: No

3. Consolidated financial forecast (1 Oct 2021~30 Sep 2022)

(YoY % / QoQ %)

	Sales		Operating Income		Ordinary Income		Profit (loss) attributable to owners of parent		EPS
	JPY mil	%	JPY mil	%	JPY mil	%	JPY mil	%	JPY
FYE Sep-2022	—	—	—	—	—	—	—	—	—

(Note) Revisions to the consolidated earnings forecasts most recently announced: No

※ Note

(1) Transfer of material subsidiaries (subsidiaries resulting in change in scope of consolidation) : No  
Include — (Name) —, Exclude — (Name) —

(2) Application of a specific accounting procedure for preparing quarterly consolidated financial statements: Calculation of tax expense  
Tax expenses are calculated by estimating effective tax rate after tax effective accounting reasonably and multiplying income (losses) before income taxes by the estimated effective tax rate.

(3) Changes in Accounting policies, estimation and restatement

- ① Accounting policy changes in accordance with revision of Accounting Standard : Yes
- ② Accounting policy changes excluding ① : None
- ③ Accounting estimate changes : None
- ④ Restatement : None

(4) Number of outstanding shares (Ordinary share)

① Outstanding number of shares at FYE (Incl. treasury shares)	2Q of Sep- 2022	5,723,600	Sep-2021	5,721,600
② Number of treasury shares at FYE	2Q of Sep- 2022	194,159	Sep-2021	194,159
③ Average number of shares	2Q of Sep- 2022	5,528,222	2Q of Sep- 2021	5,524,321

※ This Tanshin is out of scope of audit by Auditors.

※ (Disclaimer)

The description regarding estimation or forecast in the future in this material is based on our information and assumptions that we have understood reasonably, we never commit, pledge or promise an achievement of the description. Actual achievement will suffer from various factors.

## 2. Consolidated financial statement

### (1) Consolidated balance sheet

(Unit : JPY thousand)

	Previous FYE (30 Sep 2021)	2Q of FYE Sep-2022 (31 Mar 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	1,305,110	1,237,645
Accounts receivable – trade	1,097,900	797,756
Inventories	16,379	35,046
Other	66,444	57,972
Current assets	2,485,834	2,128,421
Non-current assets		
Property, plant and equipment	39,763	43,112
Intangible assets		
Goodwill	56,382	46,432
Other	33,785	32,489
Intangible assets	90,167	78,921
Investments and other assets		
Investment securities	388,398	559,987
Other	280,282	326,714
Allowance for doubtful accounts	(24,391)	(23,279)
Investments and other assets	644,289	863,422
Non-current assets	774,219	985,456
Assets	3,260,054	3,113,877
<b>Liabilities</b>		
Current liabilities		
Accounts payable – trade-	122,869	69,950
Short-term loan payable	720,000	800,000
Current portion of long-term loans payable	122,396	120,596
Income taxes payable	108,616	5,867
Other	154,780	124,392
Current liabilities	1,228,662	1,120,806
Non-current liabilities		
Long-term loans payable	276,910	217,512
Provision for loss on business of subsidiaries and associates	3,331	4,092
Non-current liabilities	280,241	221,604
Liabilities	1,508,904	1,342,411
<b>Net assets</b>		
Shareholders' equity		
Capital stock	442,930	443,230
Capital surplus	420,874	421,174
Retained earnings	1,098,750	1,087,499
Treasury stock	(221,114)	(221,114)
Shareholders' equity	1,741,440	1,730,789
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,709	40,677
Accumulated other comprehensive income	9,709	40,677
Net assets	1,751,150	1,771,466
Liabilities and net assets	3,260,054	3,113,877

(2) Consolidated statement of income and comprehensive income  
(Consolidated statement of income)  
(2Q)

(Unit : JPY thousand)

	Previous 2Q of FYE (from 1 Oct 2020 to 31 Mar 2021)	Latest 2Q of FYE (from 1 Oct 2021 to 31 Mar 2022)
Sales	1,001,756	710,218
COGS	407,155	243,363
Gross profit	594,600	466,854
Selling, general and administrative expenses	468,288	499,883
Operating income (loss)	126,312	(33,028)
Non-operating income		
Commission fee	627	994
Subsidy	2,474	—
Reversal of allowance for doubtful accounts	—	6,111
Insurance premiums refunded cancellation	1,684	—
Share of profit of entities accounted for using equity method	—	9,890
Other	490	100
Non-operating income	5,275	17,097
Non-operating expenses		
Interest expenses	2,067	1,951
Share issuance cost	60	30
Share of loss of entities accounted for using equity method	7,922	—
Other	19	45
Non-operating expenses	10,070	2,026
Ordinary income (loss)	121,518	(17,957)
Extraordinary income		
Gain on reversal of subscription rights to shares	585	—
Extraordinary income	585	—
Extraordinary losses		
Provision of allowance for investment loss of subsidiaries and associates	—	760
Provision of allowance for doubtful accounts for subsidiaries and associates	—	5,000
Extraordinary losses	—	5,760
Income (loss) before income taxes	122,103	(23,718)
Income taxes	39,830	(12,467)
Income (loss)	82,272	(11,251)
Income (loss) attributable to owners of parent	82,272	(11,251)

(Statement of consolidated comprehensive income)  
(2Q)

(Unit : JPY thousand)

	Previous 2Q of FYE (from 1 Oct 2020 to 31 Mar 2021)	Latest 2Q of FYE (from 1 Oct 2021 to 31 Mar 2022)
Net income (loss)	82,272	(11,251)
Other comprehensive income		
Valuation difference on available-for-sale securities	10,767	30,967
Other comprehensive income	10,767	30,967
Comprehensive income	93,040	19,716
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	93,040	19,716
Comprehensive income attributable to non-controlling interests	—	—

## (3) Consolidated statement of cash flows

(2Q)

(Unit : JPY thousand)

	Previous 2Q of FYE (from 1 Oct 2020 to 31 Mar 2021)	Latest 2Q of FYE (from 1 Oct 2021 to 31 Mar 2022)
<b>Cash flows from operating activities</b>		
Income (loss) before income taxes	122,103	(23,718)
Depreciation	22,640	15,050
Amortization of goodwill	9,949	9,949
Increase (decrease) in provision for loss on investment of subsidiaries and associates	—	760
Increase (decrease) in allowance for doubtful accounts	—	(1,111)
Insurance premiums refunded cancellation	(1,684)	—
Share of (profit) loss of entities accounted for using equity method	7,922	(9,890)
Interest expenses	2,067	1,951
Share issuance cost	60	30
Decrease (increase) in notes and accounts receivable - trade	89,268	300,143
Decrease (increase) in inventories	7,523	(18,666)
Increase (decrease) in notes and accounts payable - trade	(11,906)	(52,919)
Decrease (increase) in advances received	1,764	11,661
Increase (decrease) in advance payable	4,840	(6,064)
Increase (decrease) in accounts payable - other	(11,106)	(32,593)
Increase (decrease) in deposits paid	—	7,632
Increase (decrease) in accrued consumption taxes	(42,383)	(11,161)
Increase (decrease) in income taxes payable - factor based tax	3,761	(3,883)
Other, net	(13,147)	11,558
<b>Subtotal</b>	<b>191,674</b>	<b>198,731</b>
Interest income received	122	89
Interest expenses paid	(2,103)	(1,957)
Income taxes paid	(615)	(99,410)
Income taxes received	37,031	—
<b>Net cash provided by (used in) operating activities</b>	<b>226,110</b>	<b>97,453</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(600)	(7,888)
Purchase of intangible assets	(12,987)	(9,216)
Purchase of investment securities	(231,189)	(117,064)
Purchase of insurance funds	(45,559)	(51,300)
Payments of long-term loans receivable	—	(5,000)
Collection of long-term loans receivable	—	6,111
Purchase of shares of subsidiaries and associates	(8,072)	—
Proceeds from cancellation of insurance funds	4,375	66
<b>Net cash provided by (used in) investing activities</b>	<b>(294,032)</b>	<b>(184,290)</b>

	(Unit : JPY thousand)	
	Previous 2Q of FYE (from 1 Oct 2020 to 31 Mar 2021)	Latest 2Q of FYE (from 1 Oct 2021 to 31 Mar 2022)
Increase (decrease) in short-term loans payable	70,000	80,000
Repayments of long-term loans payable	(61,198)	(61,198)
Proceeds from issuance of common shares	1,800	600
Other, net	(60)	(30)
Net cash provided by (used in) financing activities	10,542	19,372
Net increase (decrease) in cash and cash equivalents	(57,380)	(67,465)
Cash and cash equivalents at beginning of period	1,229,058	1,305,110
Cash and cash equivalents at end of period	1,171,678	1,237,645