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## Consolidated Financial Results for the Nine Months Ended December 31, 2022 [Japanese GAAP]

February 14, 2023

Company name OPTiM CORPORATION Stock exchange listing Tokyo  
Code number 3694 URL <https://www.optim.co.jp/>  
Representative (Job title) President (Name) Shunji Sugaya  
Contact (Job title) Board Director of Administration (Name) Akihiro Hayashi (TEL) 03-6435-8570  
Scheduled date of filing quarterly securities report February 14, 2023 Scheduled date of commencing dividend payments -  
Availability of supplementary briefing materials on quarterly financial results : Yes  
Schedule of quarterly financial results briefing session : No

(Amounts of less than one million yen are rounded down)

### 1. Consolidated Financial Results for the Nine Months Ended December 31, 2022 (April 1, 2022 to December 31, 2022)

#### (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2022	6,324	17.4	797	(3.3)	703	(4.3)	399	(8.5)
Nine months ended December 31, 2021	5,388	12.2	824	1.7	734	(28.2)	436	(31.4)

(Note) Comprehensive income Nine months ended December 31, 2022 399 million yen (-8.4%)  
Nine months ended December 31, 2021 435 million yen (-31.6%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2022	7.26	7.21
Nine months ended December 31, 2021	7.93	7.87

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
Nine months ended December 31, 2022	7,443	5,648	74.7
As of March 31, 2022	7,387	5,248	69.8

(Reference) Equity Nine months ended December 31, 2022 5,556 Million yen As of March 31, 2022 5,157 Million yen

### 2. Dividends

	Annual dividends				
	1st quarter end	2nd quarter end	3rd quarter end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
As of March 31, 2022	—	0.00	—	0.00	0.00
Fiscal year ending March 31, 2023	—	0.00	—		
Fiscal year ending March 31, 2023 (Forecast)				—	—

(Note) Revision to the forecast for dividends announced most recently : No

### 3. Consolidated Financial Results Forecasts for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	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	9,140	10.0	1,690	10.1	1,590	7.1	947	0.4	17.20

(Note) Revision to the financial results forecast announced most recently : No

\* Notes

(1) Changes in significant subsidiaries during the nine months ended December 31, 2022 : No  
 (Changes in specified subsidiaries resulting in changes in the scope of consolidation)

New: – (Company name:), Exclusion: – (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements : No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatements

1) Changes in accounting policies due to the revision of accounting standards : No

2) Changes in accounting policies other than due to 1) above : No

3) Changes in accounting estimates : No

4) Retrospective restatement : No

(4) Total number of issued shares (common shares)

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

December 31, 2022	55,143,680 shares	March 31, 2022	55,139,520 shares
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2) Total number of treasury shares at the end of the period

December 31, 2022	93,748 shares	March 31, 2022	89,348 shares
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3) Average number of shares during the period

December 31, 2022	55,050,565 shares	December 31, 2021	55,042,989 shares
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\* The quarterly financial statements are not subject to a quarterly review by a certified public accountant or audit firm.

\* Proper use of the financial results forecasts and other special notes

The forward-looking statements, including the financial results forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed reasonable by the Company, and they are not intended as a promise by the Company that they will be achieved. Actual results may differ materially due to a variety of factors.

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## 1. Qualitative Information on the Consolidated Quarterly Financial Results

### (1) Explanation of Operating Results

During the first nine months of the consolidated fiscal year, the Japanese economy recovered gradually, partly due to the effects of various policies, as the measures to combat the spread of the novel coronavirus infection (hereinafter referred to as COVID-19) progressed and society strived to live with COVID-19.

In this market environment, the Group is performing well as initially planned, mainly through license income of Optimal Biz and other products. In addition, the Group is focusing on the expansion of its existing businesses, launches of new services, improving its sales structure and license customization (\*1) in order to increase license income in the next fiscal year and beyond.

Below is a specific explanation of the progress made by the Group during the first nine months of the consolidated fiscal year.

The Group has been conducting businesses by promoting two types of DX (\*2), classified as Corporate DX for digitalization to improve and streamline internal operations and Industrial DX for digitalization to create businesses using digital technology, and by continuing to make aggressive investments for growth to develop new markets.

First, we would like to report on the status of Corporate DX during the first nine months of the consolidated fiscal year.

The number of licenses for Optimal Biz, which has maintained the top market share (\*3) for 12 consecutive years, has been steadily increasing as a result of the continued growth of the needs for the service as customers need to manage PCs and smartphones used for teleworking and take security measures for them.

The number of licenses for our AI-based contract management service OPTiM Contract has been steadily growing, supported by our acquisition of JIIMA Certification, collaborations with various electronic contract services and a significant increase in the number of our sales partners. In addition, as a related service, we started providing OPTiM denshichobohozon, our new service that utilizes AI to manage bills and other documents. The collaboration of these two services enables users to manage their contracts, related bills and other national tax-related documents in accordance with the Electronic Bookkeeping Act. We have been striving to increase the number of licenses not only by enhancing the functions of OPTiM Contract, but also by enriching related services.

Next, we would like to report on the status of Industrial DX during the first nine months of the consolidated fiscal year.

Firstly, in the construction field, the number of licenses for OPTiM Geo Scan, a smartphone 3D surveying application that enables anyone to perform accurate 3D surveying easily and quickly, is steadily increasing. It has been highly evaluated by customers because it complies with the finished shape management guidelines established by the Ministry of Land, Infrastructure, Transport and Tourism and can be used throughout the overall construction process. In addition, upgraded OPTiM Geo Design, a free option for OPTiM Geo Scan, now enables its users to easily create graphic data of 2D drawings from 3D point cloud data. We are aiming to further increase the number of licenses of OPTiM Geo Scan by meeting the demands of users working on site.

In the field of agriculture, we provide the Pinpoint Time Spraying service, which enables pest control at the right time by digitally analyzing each field, in a number of areas throughout Japan, and it has received favorable comments from producers and members of agricultural groups for its contribution to significantly reducing the workload faced by agricultural workers and to improving the quality of crops. Moreover, we expect the service to continue to grow steadily in the next fiscal year as we have already received inquiries from customers who use the Pinpoint Time Spraying service about applying for the continued use of the service for the next year and expanding the areas covered by the contract. This year again, we started selling to general consumers and wholesalers Smart Rice 2023, our new rice products produced in FY2022 in the Smart Rice series, which are safe and secure rice products grown using AI and drones with the reduced use of pesticides.

In the healthcare field, developments of large projects for which orders have been received are continuing, and sales of license customization are steadily increasing.

Furthermore, we have formed a capital and business alliance with Gurunavi, Inc., aiming at the realization of DX in the food service industry. We will develop services for the DX of restaurants and improve the Gurunavi PRO platform, a platform connecting Gurunavi, Inc. and restaurants, by taking full advantage of the synergies between us.

As a result, the consolidated operating results for the first nine months of the current fiscal year were as follows: net sales of 6,324,710,000 yen (up 17.4% year-on-year), operating profit of 797,468,000 yen (down 3.3% year-on-year), ordinary profit of 703,052,000 yen (down 4.3% year-on-year), and profit attributable to owners of parent of 399,513,000 yen (down 8.5% year-on-year).

The cost ratio increased due to a year-on-year increase in the ratio of flow-type income centered on license customization and in software amortization expenses. As a result, each of operating profit, ordinary profit and profit attributable to owners of parent decreased year on year, but we believe that this will have no impact on our full-year financial results.

On the other hand, if there is another spread of COVID-19, it is currently unclear how much of an impact this would have on the Group. In the unlikely event that COVID-19 continues to spread further, the impact this would have on the economy is unknown and may affect the Group.

In terms of the Group's sales structure, sales are heavily weighted toward the second half of the fiscal year primarily due to the fact that stock-type license income is mainly generated through sales on a monthly billing basis and that the acceptance period for flow-type customized sales tends to be concentrated in the second half of the fiscal year.

- \*1 License customization: Customized development based on a license of the part of the services that we have researched and developed. Development leading to the issuance of licenses in the future.
- \*2 DX: Digital transformation. The concept is that the penetration of IT will change people's lives for the better in all aspects, meaning that companies will use technology to fundamentally change the performance and scope of their business.
- \*3 Source: The following survey reports published by Deloitte Tohmatsu MIC Research Institute Co., Ltd.:
  - Cloud Services Market Status and Outlook FY2013 Edition, IT Asset Management (including MDM) Market Total Sales, FY2011 to FY2012 Results (Published in 2013);
  - Collaboration/Contents and Mobile Management Package Software Market Outlook FY2014 Edition, MDM Market Trends, Number of IDs of MDM Shipments (Including SaaS and ASP), FY2013 Results (Published in 2014);
  - Collaboration/Contents and Mobile Management Package Software Market Outlook, MDM Market Trends, Number of IDs of MDM Shipments (Including SaaS and ASP), FY2014 to FY2017 Results (Published in 2015 to 2018); and
  - Collaboration and Mobile Management Software Market Outlook, MDM Market Trends, Number of IDs of MDM Shipments (Including SaaS and ASP), FY2018 to FY2021 Results and FY2022 Forecast (Published in 2019 to 2022).

## (2) Explanation of Financial Position

Status of assets, liabilities and net assets

(Assets)

The balance of assets at the end of the third quarter of the current consolidated fiscal year was 7,443,202,000 yen, an increase of 55,725,000 yen from the end of the previous consolidated fiscal year. This was mainly due to increases of 370,017,000 yen in software and 390,480,000 yen in cash and deposits, whereas there was a decrease of 656,218,000 yen in notes and accounts receivable - trade, and contract assets.

(Liabilities)

The balance of total liabilities at the end of the third quarter of the current consolidated fiscal year was 1,794,942,000 yen, a decrease of 343,732,000 yen from the end of the previous consolidated fiscal year. This was mainly due to decreases of 204,006,000 yen in notes and accounts payable-trade and 60,059,000 yen in income taxes payable.

(Net assets)

The balance of net assets at the end of the third quarter of the current consolidated fiscal year was 5,648,260,000 yen, an increase of 399,457,000 yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 399,513,000 yen in retained earnings resulting from profit attributable to owners of parent.

## (3) Notes on the Consolidated Financial Results Forecast and Other Forward-looking Information

For the consolidated financial results forecast for the fiscal year ending March 31, 2023, there is no change from the figures of the consolidated financial results forecast announced in the Consolidated Financial Results for the Fiscal Year Ended March

31, 2022 dated May 13, 2022.

## 2. Quarterly Consolidated Financial Statements and Major Notes

### (1) Quarterly Consolidated Balance Sheets

(1,000 yen)

	Fiscal year ended March 31, 2022 (As of March 31, 2022)	Third quarter of the current consolidated accounting period (As of December 31, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	979,399	1,369,879
Notes and accounts receivable - trade, and contract assets	2,277,485	1,621,267
Inventories	94,002	192,970
Other	181,199	205,187
<b>Total current assets</b>	<b>3,532,087</b>	<b>3,389,305</b>
Non-current assets		
Property, plant and equipment	404,754	458,751
Intangible assets		
Software	1,537,909	1,907,926
Software in progress	112,437	279,978
Other	10,578	5,644
<b>Total intangible assets</b>	<b>1,660,924</b>	<b>2,193,549</b>
Investments and other assets		
Leasehold and guarantee deposits	560,888	346,207
Deferred tax assets	512,688	454,728
Other	716,133	600,660
<b>Total investments and other assets</b>	<b>1,789,710</b>	<b>1,401,597</b>
<b>Total non-current assets</b>	<b>3,855,390</b>	<b>4,053,897</b>
<b>Total assets</b>	<b>7,387,477</b>	<b>7,443,202</b>
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	599,575	395,568
Short-term borrowings	514,550	514,550
Income taxes payable	88,783	28,724
Provision for bonuses	140,957	169,742
Other provisions	23,552	37,977
Other	632,773	509,495
<b>Total current liabilities</b>	<b>2,000,191</b>	<b>1,656,057</b>
Non-current liabilities		
Asset retirement obligations	138,482	138,884
<b>Total non-current liabilities</b>	<b>138,482</b>	<b>138,884</b>
<b>Total liabilities</b>	<b>2,138,674</b>	<b>1,794,942</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	444,018	444,118
Capital surplus	728,150	728,249
Retained earnings	4,054,056	4,453,569
Treasury shares	(75,272)	(75,401)
<b>Total shareholders' equity</b>	<b>5,150,952</b>	<b>5,550,536</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,184	6,184
<b>Total accumulated other comprehensive income</b>	<b>6,184</b>	<b>6,184</b>
Non-controlling interests	91,665	91,538
<b>Total net assets</b>	<b>5,248,802</b>	<b>5,648,260</b>
<b>Total liabilities and net assets</b>	<b>7,387,477</b>	<b>7,443,202</b>

## (2) Quarterly Consolidated Statements of Income and Comprehensive Income

(Quarterly Consolidated Statements of Income)

(For the nine months)

(1,000 yen)

	For the nine months ended December 31, 2021 (From April 1, 2021 to December 31, 2021)	For the nine months ended December 31, 2022 (From April 1, 2022 to December 31, 2022)
Net sales	5,388,904	6,324,710
Cost of sales	2,349,013	3,334,048
Gross profit	3,039,890	2,990,661
Selling, general and administrative expenses	2,215,498	2,193,192
Operating profit	824,392	797,468
Non-operating income		
Interest income	3	3
Insurance claim income	6,913	402
Subsidy income	269	3,296
Consumption tax gain	14,410	273
Miscellaneous income	4,058	9,204
Total non-operating income	25,656	13,180
Non-operating expenses		
Interest expenses	141	670
Foreign exchange losses	45	82
Share of loss of entities accounted for using equity method	112,008	101,465
Loss on investments in investment partnerships	164	4,105
Loss on retirement of non-current assets	2,802	900
Miscellaneous losses	-	372
Total non-operating expenses	115,162	107,597
Ordinary profit	734,885	703,052
Extraordinary losses		
Loss on valuation of investment securities	-	11,303
Total extraordinary losses	-	11,303
Profit before income taxes	734,885	691,749
Income taxes - current	264,852	220,011
Income taxes - deferred	34,173	57,959
Income taxes for prior periods	-	14,390
Total income taxes	299,025	292,362
Profit	435,859	399,386
Loss attributable to non-controlling interests	(637)	(126)
Profit attributable to owners of parent	436,497	399,513



(Quarterly Consolidated Statements of Comprehensive Income)

(For the nine months)

(1,000 yen)

	For the nine months ended December 31, 2021 (From April 1, 2021 to December 31, 2021)	For the nine months ended December 31, 2022 (From April 1, 2022 to December 31, 2022)
Profit	435,859	399,386
Comprehensive income	435,859	399,386
(Breakdown)		
Comprehensive income attributable to owners of parent	436,497	399,513
Comprehensive income attributable to non-controlling interests	(637)	(126)

(3) Notes on Quarterly Consolidated Financial Statements

(Notes on going concern assumptions)

Not applicable.

(Note in the event of a significant change in the amount of shareholders' equity)

Not applicable.

(Segment information, etc.)

[Segment information]

I For the nine months ended December 31, 2021 (From April 1, 2021 to December 31, 2021)

Since the Group's only business is the license sales and maintenance support service (Optimal) business, this information is omitted.

II For the nine months ended December 31, 2022 (From April 1, 2022 to December 31, 2022)

Since the Group's only business is the license sales and maintenance support service (Optimal) business, this information is omitted.