

Consolidated Financial Results for the Nine Months Ended October 31, 2021 [Japanese GAAP]



December 6, 2021

Company name: ACCESS CO., LTD.

Stock exchange listing: Tokyo Stock Exchange

Securities code: 4813

URL: <https://www.access-company.com>

Representative: Kiyoyasu Oishi, Representative Director, President & CEO

Contact: Yoshiyuki Morita, Executive Officer, VP of Corporate Administration Unit

Phone: +81-3-6853-9088

Scheduled date of filing quarterly securities report: December 7, 2021

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Not available

Schedule of quarterly financial results briefing session: Not scheduled

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

1. Consolidated Financial Results for the Nine Months Ended October 31, 2021 (February 1, 2021 to October 31, 2021)

(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 October 31, 2021	5,798	21.4	(2,819)	-	(2,305)	-	(2,380)	-
October 31, 2020	4,775	(6.4)	(2,541)	-	(2,457)	-	(2,504)	-

(Note) Comprehensive income: Nine months ended October 31, 2021: ¥(1,682) million [-%]

Nine months ended October 31, 2020: ¥(2,798) million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended October 31, 2021	(60.89)	-
October 31, 2020	(64.35)	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of October 31, 2021	27,794	25,795	92.6
As of January 31, 2021	29,262	27,321	93.2

(Reference) Equity: As of October 31, 2021: ¥25,742 million

As of January 31, 2021: ¥27,275 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended January 31, 2021	-	0.00	-	0.00	0.00
Fiscal year ending January 31, 2022	-	0.00	-	-	-
Fiscal year ending January 31, 2022 (Forecast)	-	-	-	-	-

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

Year-end cash dividend amount has yet to be determined for the fiscal year ending January 31, 2022.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending January 31, 2022 (February 1, 2021 to January 31, 2022)

(% 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	9,000	19.7	(3,400)	-	(2,900)	-	(3,050)	-	(77.98)	

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

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

Newly added: - (Name) - Excluded: One company (Name) ACCESS Works Co., Ltd.

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

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

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

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

3) Changes in accounting estimates: No

4) Retrospective restatement: No

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

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

October 31, 2021: 39,633,000 shares

January 31, 2021: 39,481,700 shares

2) Total number of treasury shares at the end of the period:

October 31, 2021: 466,421 shares

January 31, 2021: 508,480 shares

3) Average number of shares during the period:

Nine months ended October 31, 2021: 39,095,375 shares

Nine months ended October 31, 2020: 38,924,084 shares

* The number of treasury shares includes the number of the Company's shares held by the Employee Stock Ownership Plan (nine months ended October 31, 2021: 465,100 shares, fiscal year ended January 31, 2021: 507,200 shares).

* These quarterly financial results are outside the scope of quarterly review by certified public accountants or audit firms.

* Explanation of the proper use of financial results forecast and other notes

Financial results forecasts stated herein are determined based on information available to the Company and the Group as of the disclosure date of this document and contain various inherent risks and uncertainties. Please be advised that actual results may differ significantly from the financial results forecasts stated herein due to various factors including the economic conditions surrounding the Company and the Group's business, market trends, and exchange rates.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of January 31, 2021	As of October 31, 2021
Assets		
Current assets		
Cash and deposits	16,569,484	15,407,763
Notes and accounts receivable - trade	2,461,426	1,607,363
Securities	93,402	93,214
Merchandise and finished goods	44,131	51,136
Work in process	107,435	220,882
Other	603,934	637,098
Allowance for doubtful accounts	(85,651)	(97,095)
Total current assets	19,794,164	17,920,363
Non-current assets		
Property, plant and equipment		
Buildings and structures	421,060	343,196
Accumulated depreciation	(224,778)	(188,583)
Buildings and structures, net	196,282	154,613
Tools, furniture and fixtures	919,798	1,043,265
Accumulated depreciation	(731,363)	(777,844)
Tools, furniture and fixtures, net	188,435	265,420
Leased assets	45,332	3,602
Accumulated depreciation	(24,945)	(1,861)
Leased assets, net	20,386	1,741
Right of use assets	106,458	92,016
Accumulated depreciation	(59,861)	(56,335)
Right of use assets, net	46,597	35,681
Total property, plant and equipment	451,702	457,456
Intangible assets		
Software	5,792,611	5,926,173
Goodwill	960,750	855,515
Other	333,862	279,632
Total intangible assets	7,087,224	7,061,321
Investments and other assets		
Investment securities	644,529	799,665
Deferred tax assets	242,010	242,087
Other	1,059,445	1,330,236
Allowance for doubtful accounts	(16,495)	(16,509)
Total investments and other assets	1,929,489	2,355,480
Total non-current assets	9,468,415	9,874,258
Total assets	29,262,580	27,794,621

(Thousand yen)

	As of January 31, 2021	As of October 31, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	190,017	116,510
Income taxes payable	11,741	19,751
Provision for bonuses	124,448	148,576
Provision for loss on order received	–	5,266
Provision for share-based remuneration	24,711	37,764
Asset retirement obligations	43,177	–
Provision for loss on litigation	4,216	4,313
Other	1,064,793	1,192,911
Total current liabilities	1,463,107	1,525,093
Non-current liabilities		
Deferred tax liabilities	12,680	4,964
Retirement benefit liability	174,744	173,539
Asset retirement obligations	94,881	95,058
Long-term accounts payable - other	65,071	32,158
Other	130,380	168,401
Total non-current liabilities	477,758	474,122
Total liabilities	1,940,866	1,999,216
Net assets		
Shareholders' equity		
Share capital	29,472,663	29,538,781
Capital surplus	87,742	153,860
Retained earnings	864,971	(1,515,713)
Treasury shares	(302,513)	(278,758)
Total shareholders' equity	30,122,863	27,898,169
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22,031	33,795
Foreign currency translation adjustment	(2,869,875)	(2,189,065)
Total accumulated other comprehensive income	(2,847,843)	(2,155,269)
Share acquisition rights	39,312	39,312
Non-controlling interests	7,381	13,193
Total net assets	27,321,714	25,795,405
Total liabilities and net assets	29,262,580	27,794,621

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Nine Months Ended October 31

(Thousand yen)

	For the nine months ended October 31, 2020	For the nine months ended October 31, 2021
Net sales	4,775,276	5,798,770
Cost of sales	4,451,237	5,610,007
Gross profit	324,039	188,763
Selling, general and administrative expenses	2,865,900	3,008,231
Operating loss	(2,541,861)	(2,819,468)
Non-operating income		
Interest income	8,050	5,449
Gain on investments in investment partnerships	–	459,694
Share of profit of entities accounted for using equity method	45,698	34,740
Foreign exchange gains	–	8,755
Consumption taxes refund	4,568	548
Fair value adjustment of contingent consideration	90,363	–
Other	899	6,622
Total non-operating income	149,579	515,812
Non-operating expenses		
Interest expenses	2,442	775
Loss on investments in investment partnerships	687	–
Foreign exchange losses	60,743	–
Other	1,247	858
Total non-operating expenses	65,120	1,633
Ordinary loss	(2,457,401)	(2,305,290)
Extraordinary income		
Gain on sales of non-current assets	133	83
Gain on sales of investment securities	–	45
Total extraordinary income	133	129
Extraordinary losses		
Loss on retirement of non-current assets	–	6,242
Total extraordinary losses	–	6,242
Loss before income taxes	(2,457,268)	(2,311,403)
Income taxes - current	54,199	74,884
Income taxes - deferred	(8,103)	(11,017)
Total income taxes	46,096	63,866
Loss	(2,503,364)	(2,375,270)
Profit attributable to non-controlling interests	1,450	5,415
Loss attributable to owners of parent	(2,504,815)	(2,380,685)

Quarterly Consolidated Statements of Comprehensive Income

Nine Months Ended October 31

(Thousand yen)

	For the nine months ended October 31, 2020	For the nine months Ended October 31, 2021
Loss	(2,503,364)	(2,375,270)
Other comprehensive income		
Valuation difference on available-for-sale securities	(10,076)	11,763
Foreign currency translation adjustment	(285,162)	681,206
Total other comprehensive income	(295,238)	692,970
Comprehensive income	(2,798,603)	(1,682,299)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(2,799,968)	(1,688,111)
Comprehensive income attributable to non-controlling interests	1,364	5,811