

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2023 (Based on Japanese GAAP)

November 9, 2023

Company name: MATCHING SERVICE JAPAN CO.,LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 6539 URL <https://company.jmsc.co.jp/>  
 Representative: Representative Director, Chairman and CEO Takahiro Arimoto  
 Inquiries: Managing Director and CFO Taku Yamamoto TEL 03-3239-7373  
 Scheduled date to file Quarterly Securities Report: November 10, 2023  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2023	2,271	6.9	903	0.5	1,023	(0.6)	693	(0.6)
Six months ended September 30, 2022	2,124	14.6	899	15.8	1,029	26.1	696	25.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2023	27.72		27.72	
Six months ended September 30, 2022	27.89		27.88	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	10,765	9,995	92.7
As of March 31, 2023	11,274	10,507	93.0

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	0.00	–	49.00	49.00
Year ending March 31, 2024	–	0.00			
Year ending March 31, 2024 (Forecast)			–	56.00	56.00

3. Forecast of 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 attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	5,190	20.9	2,099	17.3	2,073	16.1	1,398	14.3	55.94

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2023  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) 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

(4) Number of issued shares (common shares)

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

As of September 30, 2023	24,996,600 shares	As of March 31, 2023	24,996,600 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	520 shares	As of March 31, 2023	495 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2023	24,996,094 shares	Six months ended September 30, 2022	24,985,351 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	8,728,240	6,579,277
Accounts receivable - trade	160,961	224,220
Securities	–	1,500,000
Other	67,139	98,398
Total current assets	8,956,340	8,401,897
Non-current assets		
Property, plant and equipment	41,009	39,769
Intangible assets	225,535	240,321
Investments and other assets		
Investment securities	1,892,735	1,936,659
Other	123,585	120,641
Deferred tax assets	35,640	25,768
Total investments and other assets	2,051,960	2,083,068
Total non-current assets	2,318,505	2,363,159
Total assets	11,274,846	10,765,056
<b>Liabilities</b>		
Current liabilities		
Income taxes payable	361,731	352,826
Provision for bonuses	101,446	102,923
Other	304,152	313,537
Total current liabilities	767,329	769,287
Total liabilities	767,329	769,287
<b>Net assets</b>		
Shareholders' equity		
Share capital	587,203	587,203
Capital surplus	1,233,141	1,233,141
Retained earnings	8,331,842	7,800,039
Treasury shares	(629)	(658)
Total shareholders' equity	10,151,558	9,619,726
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	338,025	358,254
Total accumulated other comprehensive income	338,025	358,254
Non-controlling interests	17,932	17,788
Total net assets	10,507,516	9,995,769
Total liabilities and net assets	11,274,846	10,765,056

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	2,124,109	2,271,334
Cost of sales	–	670
Gross profit	2,124,109	2,270,664
Selling, general and administrative expenses	1,224,823	1,366,784
Operating profit	899,286	903,880
Non-operating income		
Interest and dividend income	58,043	39,188
Gain on sale of securities	–	99,842
Gain on investments in investment partnerships	94,353	–
Other	350	2,111
Total non-operating income	152,747	141,141
Non-operating expenses		
Commission expenses	22,123	16,053
Loss on investments in investment partnerships	–	5,250
Other	3	–
Total non-operating expenses	22,126	21,304
Ordinary profit	1,029,907	1,023,717
Extraordinary losses		
Loss on retirement of non-current assets	4,530	2,381
Total extraordinary losses	4,530	2,381
Profit before income taxes	1,025,376	1,021,335
Income taxes - current	336,591	327,529
Income taxes - deferred	(7,880)	943
Total income taxes	328,710	328,473
Profit	696,665	692,861
Loss attributable to non-controlling interests	(219)	(144)
Profit attributable to owners of parent	696,885	693,006

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	696,665	692,861
Other comprehensive income		
Valuation difference on available-for-sale securities	28,384	20,228
Total other comprehensive income	28,384	20,228
Comprehensive income	725,050	713,090
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	725,270	713,235
Comprehensive income attributable to non-controlling interests	(219)	(144)

## Consolidated statements of cash flows

(Thousands of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	1,025,376	1,021,335
Depreciation	36,221	39,973
Increase (decrease) in provision for bonuses	12,909	1,476
Interest and dividend income	(58,043)	(39,188)
Loss (gain) on sale of securities	–	(99,842)
Loss (gain) on investments in investment partnerships	(94,353)	5,250
Loss on retirement of non-current assets	4,530	2,381
Decrease (increase) in trade receivables	(83,028)	(63,259)
Decrease (increase) in prepaid expenses	(23,370)	4,486
Increase (decrease) in accounts payable - other	12,628	(9,192)
Increase (decrease) in accrued expenses	12,416	29,552
Increase (decrease) in accrued consumption taxes	(10,874)	(11,383)
Other, net	11,534	14,548
Subtotal	845,947	896,139
Interest and dividends received	52,143	39
Income taxes paid	(257,571)	(335,690)
Net cash provided by (used in) operating activities	640,519	560,488
Cash flows from investing activities		
Purchase of investment securities	(648,310)	(1,561,643)
Proceeds from sale and redemption of investment securities	–	139,027
Purchase of property, plant and equipment	–	(7,072)
Purchase of intangible assets	(109,227)	(56,793)
Proceeds from distributions from investment partnerships	11,080	2,440
Payments of guarantee deposits	–	(572)
Net cash provided by (used in) investing activities	(746,457)	(1,484,612)
Cash flows from financing activities		
Dividends paid	(374,780)	(1,224,809)
Purchase of treasury shares	–	(28)
Net cash provided by (used in) financing activities	(374,780)	(1,224,837)
Net increase (decrease) in cash and cash equivalents	(480,718)	(2,148,962)
Cash and cash equivalents at beginning of period	7,424,926	8,728,240
Cash and cash equivalents at end of period	6,944,207	6,579,277