

ZENRIN

Securities Code: 9474

Results for the First Quarter of Fiscal 2023 (Year Ending March 31, 2023)

July 29, 2022

ZENRIN CO.,LTD.

Maps to the Future

Results for the First Quarter of Fiscal 2023

- 1) Overview of Results
- 2) Changes in Net Sales, Income and Profit
- 3) Causes for Change in Operating Income
- 4) Net Sales by Business
under Medium- to Long-Term Business Plan ZGP25
- 5) Amount of Capital Investment, Depreciation and R&D Costs

Note: This document contains forward-looking statements based on assumptions, forecasts and plans in light of information available to ZENRIN Co., Ltd. as of the preparation date of this document. Actual performance may vary significantly from the forecast figures due to various risks and uncertainties owing to global economic trends, market demand, status of competition, exchange fluctuations and other factors.

The information that appears in this document rounds down fractions to the nearest specified unit and rounds off decimals in the percentage of change to the first decimal place.

In addition, cases where the percentage of change exceeds 1000% and cases where one or both are negative are shown as “-.”

1) Overview of Results

Key Points of Results for the First Quarter of Fiscal 2023

【 Increase in sales / Decrease in income and profit 】 (Compared to 1Q of FY 2022)

- ✓ Net sales increased for 2 consecutive periods due to an increase in sales of IoT-related solution services, etc., despite a decrease in sales of data for in-car navigation systems in the automotive-related business
- ✓ In terms of costs, expenses for developing map databases following improvement in precision of location data increased, and personnel expenses also increased due partly to the recording of provision for bonuses. In addition, expenses for sales activities also increased amid the trend of economic and social activities returning to normal. As a result operating income and ordinary income decreased for the first time in two periods, and profit attributable to owners of the parent decreased for the first time in three periods.

(Amounts in million yen)

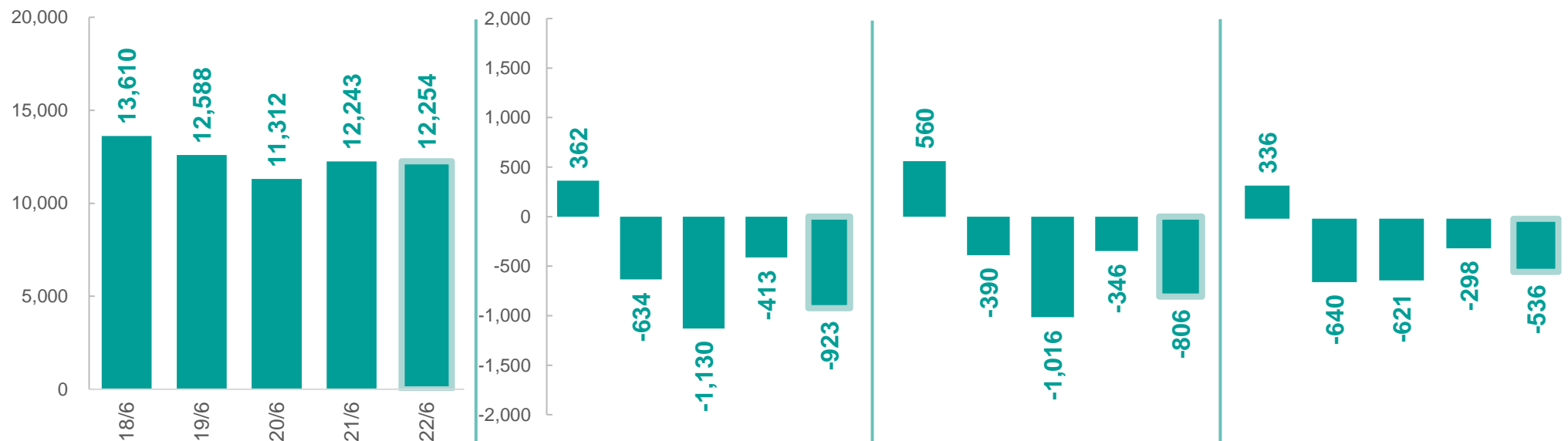
	1Q of FY2021 (Actual)	1Q of FY2022 (Actual)	1Q of FY2023 (Actual)	Compared to 1Q of FY2021		Compared to 1Q of FY2022	
					% of Change		% of Change
Net Sales	11,312	12,243	12,254	+941	+8.3%	+11	+0.1%
Operating Expenses	12,443	12,656	13,177	+734	+5.9%	+521	+4.1%
Operating Income	-1,130	-413	-923	+207	—	-510	—
Operating Margin	-10.0%	-3.4%	-7.5%	+2.5pt		-4.1pt	
Ordinary Income	-1,016	-346	-806	+210	—	-460	—
Profit Attributable to Owners of Parent	-621	-298	-536	+85	—	-237	—

*the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. have been applied from the beginning of the first quarter of fiscal 2022.

*Regarding figures for the previous fiscal year (fiscal 2021) and earlier, the increase (decrease) and rates (%) are reference values because the Accounting Standard for Revenue Recognition, etc. are not applied retrospectively (same as the next page and after).

2) Changes in Net Sales, Income and Profit

(Amounts in million yen)



	Net Sales	Operating Income	Ordinary Income	Profit Attributable to Owners of Parent
	12,254 million yen	-923 million yen	-806 million yen	-536 million yen
Compared to 1Q of FY2022	+11 million yen (+0.1%)	-510 million yen (-)	-460 million yen (-)	-237 million yen (-)

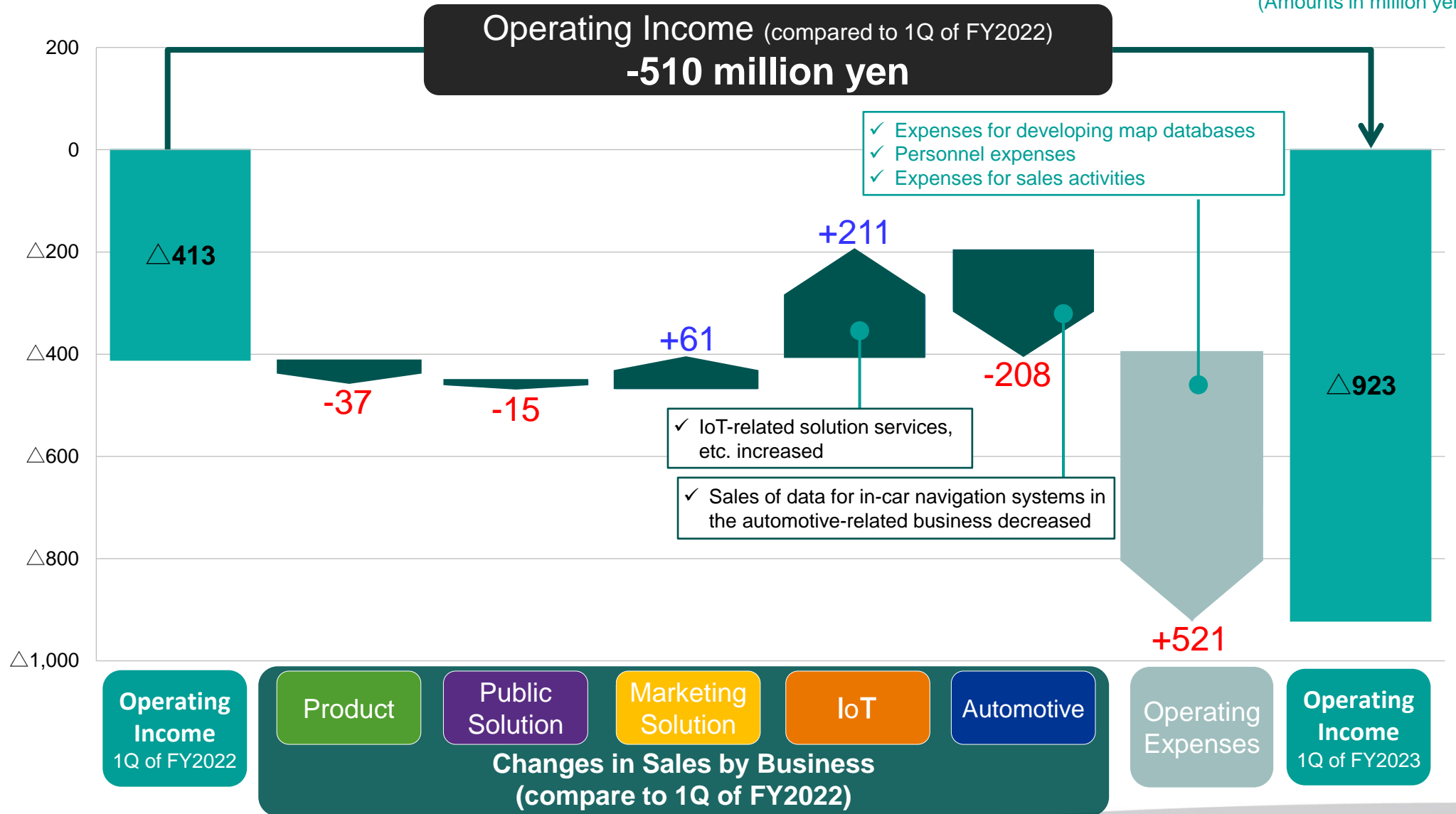
Increase in sales
for the 2 consecutive periods

Decrease in income
for the first time in 2 periods

Decrease in profit
for the first time in 3 periods

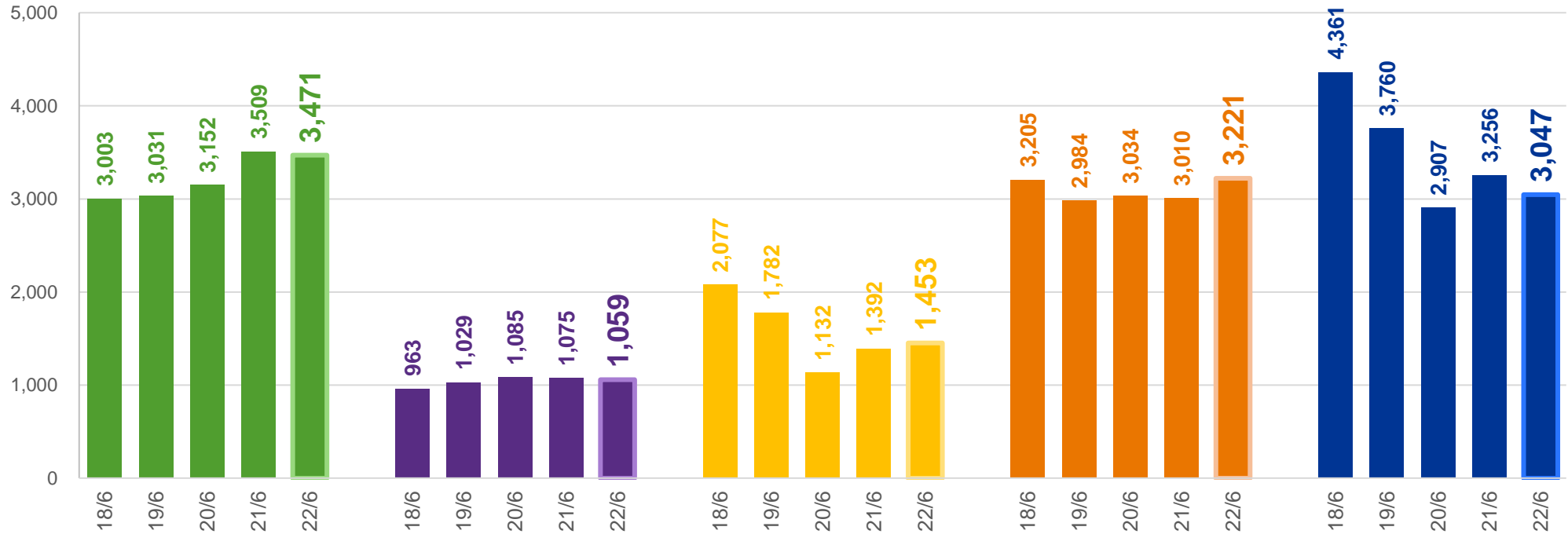
3) Causes for Change in Operating Income

(Amounts in million yen)



1-4) Net Sales by Business under the ZGP25

(Amounts in million yen)



Compared to
1Q of
FY2022

Product

-37 million yen
(-1.1%)

Public Solution

-15 million yen
(-1.4%)

Marketing Solution

+61 million yen
(+4.4%)

IoT

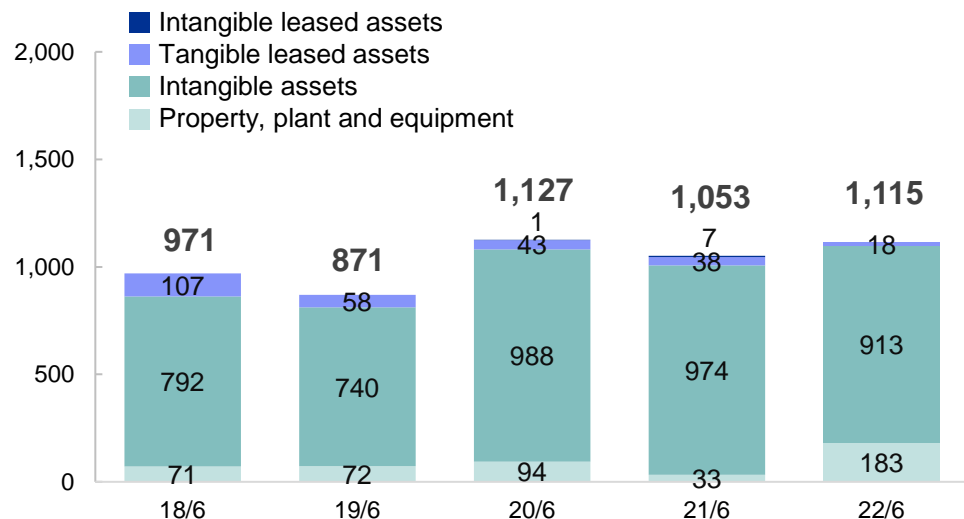
+211 million yen
(+7.0%)

Automotive

-208 million yen
(-6.4%)

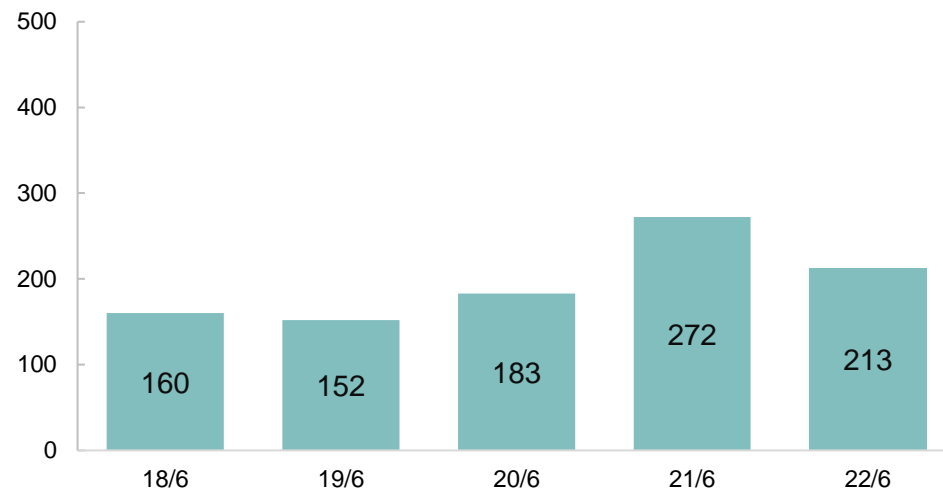
5) Amount of Capital Investment, Depreciation and R&D Costs

Amount of Capital Investment

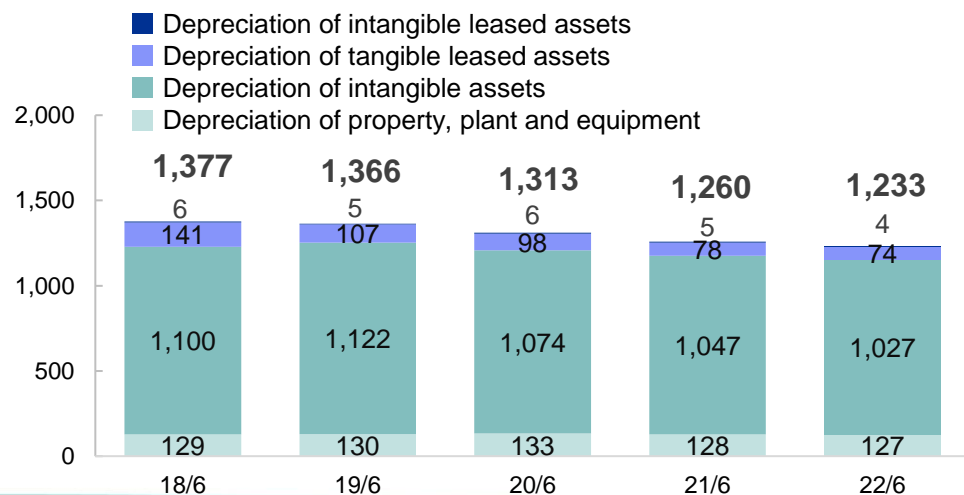


(Amounts in million yen)

R & D Cost



Depreciation



Appendix

- 1) Earnings Forecast
- 2) Changes in Net Sales, Income and Profit
- 3) Changes in Net Sales by business
- 4) Shareholder Returns
- 5) Changes in Composition of Net Sales by Quarter

1) Earnings Forecast

➤ No change from the forecast announced on April 28, 2022

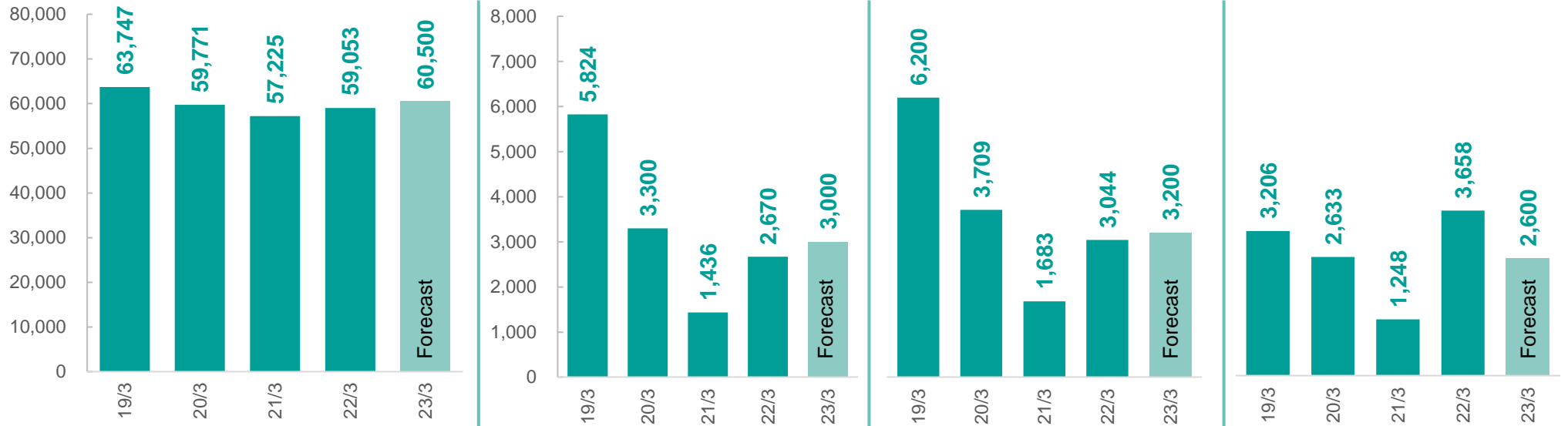
*Please note that past net sales of the ZENRIN Group have shown trends of large seasonal fluctuations and both sales and profits concentrating in the fourth quarter.

(Amounts in million yen)

Earnings Forecast (Announced on April 28, 2022)	2Q of FY2023				FY2023			
	2Q of FY2022 Actual	2Q of FY2023 Forecast	Compared to 2Q of FY2022		FY2022 Actual	FY2023 Forecast	Compared to FY2022	
				% of Change				% of Change
Net Sales	25,880	26,200	+319	+1.2%	59,053	60,500	+1,446	+2.4%
Operating Expenses	26,336	26,600	+263	+1.0%	56,382	57,500	+1,117	+2.0%
Operating Income	-456	-400	+56	—	2,670	3,000	+329	+12.3%
Operating Margin	-1.8%	-1.5%	+0.3pt		4.5%	5.0%	+0.5pt	
Ordinary Income	-322	-300	+22	—	3,044	3,200	+155	+5.1%
Profit Attributable to Owners of Parent	-80	0	+80	—	3,658	2,600	-1,058	-28.9%

2) Changes in Net Sales, Income and Profit

(Amounts in million yen)



Net Sales

60,500 million yen

+1,446 million yen
(+2.4%)

Increase in sales for the
2 consecutive fiscal year

Operating Income

3,000 million yen

+329 million yen
(+12.3%)

Increase in income for the
2 consecutive fiscal year

Ordinary Income

3,200 million yen

+155 million yen
(+5.1%)

Profit Attributable to Owners of Parent

2,600 million yen

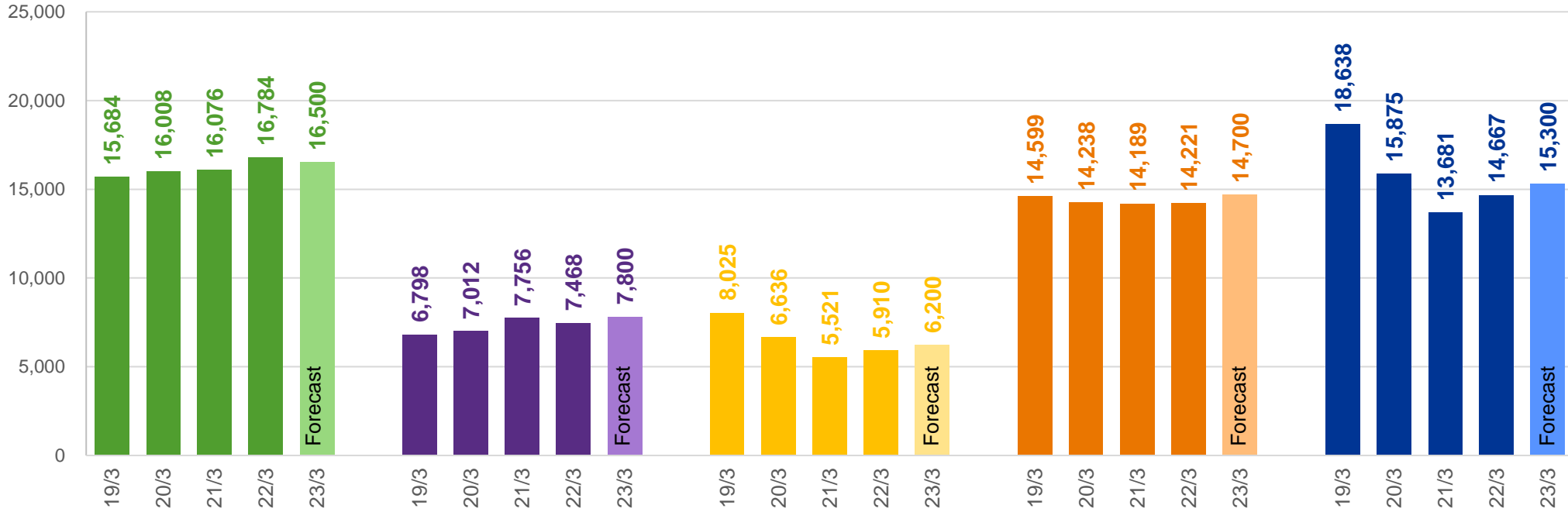
-1,058 million yen
(-28.9%)

Decrease in profit for
the first time in 2 periods

Compared
to FY2022

3) Changes in Net Sales by business

(Amounts in million yen)



Compared to FY2022

Product

-284 million yen
(-1.7%)

Public Solution

+331 million yen
(+4.4%)

Marketing Solution

+289 million yen
(+4.9%)

IoT

+478 million yen
(+3.4%)

Automotive

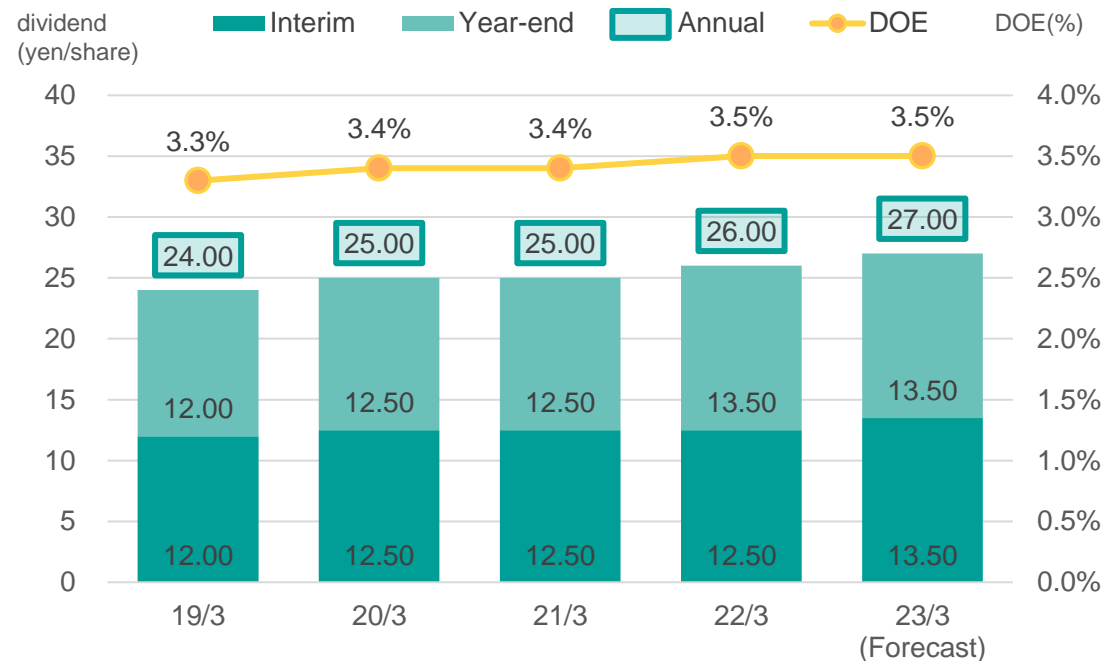
+632 million yen
(+4.3%)

4) Shareholder Returns

Dividend

Return income to shareholders derived from income growth based on the medium- to long-term business plan, while taking into account maintaining an adequate amount of internal reserves

Target dividend on equity (DOE) on a consolidated basis of 3% or higher



Purchase of treasury shares

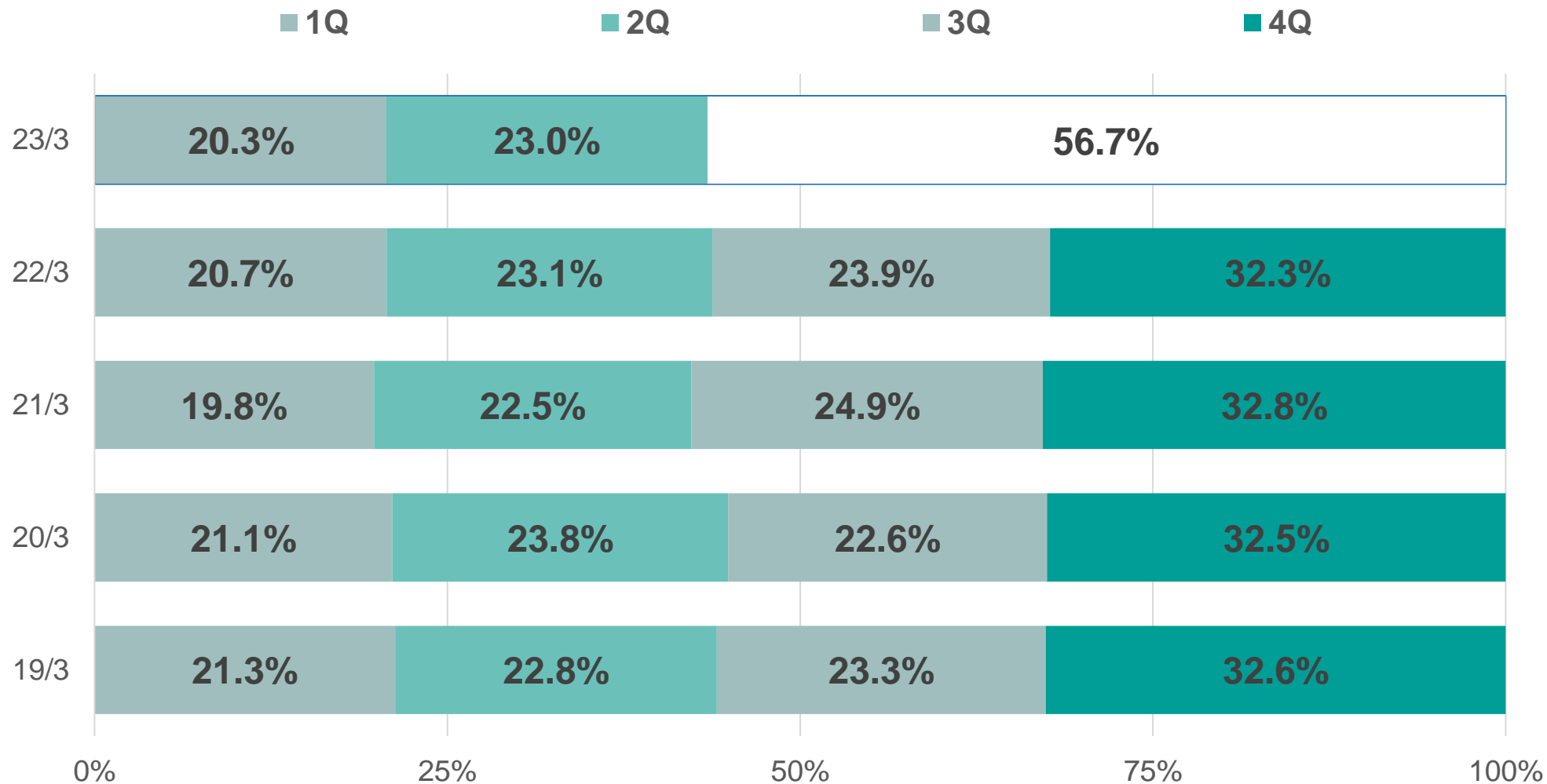
To be carried out flexibly as a measure of shareholder returns that also contributes to the maintenance and improvement of capital efficiency

Make a decision by taking into account capital conditions, stock prices, market environments, and opportunities for growth investments and other related factors

Details of the resolution at the board meeting on April 28, 2022

Period of purchase	August 1, 2022 - August 31, 2022
Number of shares purchased	Up to 500,000 shares
Purchase price	Up to 500 million yen

5) Changes in Composition of Net Sales by Quarter



*Please note that past net sales of the ZENRIN Group have shown trends of large seasonal fluctuations and sales concentrating in the fourth quarter.

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Maps to the Future

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