



# Financial Summary for Fiscal 2023 [Japanese GAAP] [Consolidated]

April 28, 2023

Name of listed company: **ZENRIN Co., Ltd.** Stock exchange listings: Tokyo and Fukuoka  
 Securities code: 9474 URL: <https://www.zenrin.co.jp/>  
 Representative: [Title] President and CEO [Name] Zenshi Takayama  
 Contact: [Title] Executive Officer and Head of Corporate Management Division [Name] Yumiko Toshima TEL: +81-93-882-9050  
 Scheduled date of holding of ordinary general meeting of shareholders: June 16, 2023  
 Scheduled date of submission of annual securities report: June 19, 2023  
 Scheduled date of commencement of dividend payouts: June 19, 2023  
 Preparation of supplementary explanatory materials on financial results: Yes  
 Holding of briefing session on financial results: Yes (For institutional investors and analysts)

[Amounts are rounded down to the nearest million yen]

## 1. Consolidated Results of Operations in Fiscal 2023

*ZENRIN's fiscal 2023 is the period from April 1, 2022 to March 31, 2023.*

### (1) Consolidated Business Performance

[% figures represent the increase (decrease) compared to the previous fiscal year]

|             | Net sales   |       | Operating income |        | Ordinary income |        | Profit attributable to owners of parent |        |
|-------------|-------------|-------|------------------|--------|-----------------|--------|---|--------|
|             | million yen | %     | million yen      | %      | million yen     | %      | million yen                             | %      |
| Fiscal 2023 | 58,933      | (0.2) | 1,799            | (32.6) | 2,104           | (30.9) | 2,770                                   | (24.3) |
| Fiscal 2022 | 59,053      | —     | 2,670            | —      | 3,044           | —      | 3,658                                   | —      |

[Note] Comprehensive income Fiscal 2023: -483 million yen [—%] Fiscal 2022: 9,418 million yen [—%]

|             | Earnings per share | Diluted earnings per share | Return on equity | Ratio of ordinary income to total assets | Ratio of operating income to net sales |
|-------------|--------------------|----------------------------|------------------|--|--|
|             | yen                | yen                        | %                | %  | %                                      |
| Fiscal 2023 | 51.43              | —                          | 5.9              | 2.8                                      | 3.1                                    |
| Fiscal 2022 | 66.94              | 63.16                      | 8.1              | 4.0                                      | 4.5                                    |

[Reference] Share of profit (loss) of entities accounted for using equity method Fiscal 2023: — million yen  
 Fiscal 2022: — million yen

[Note] As the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. have been applied from the beginning of fiscal 2022, the amounts for fiscal 2022 reflect the application of the said accounting standard, etc., and the increase (decrease) compared to the same period of the previous fiscal year is not stated.

### (2) Consolidated Financial Position

|             | Total assets | Net assets  | Ratio of equity to total assets | Net assets per share |
|-------------|--------------|-------------|---------------------------------|----------------------|
|             | million yen  | million yen | %                               | yen                  |
| Fiscal 2023 | 70,130       | 45,962      | 65.4                            | 859.43               |
| Fiscal 2022 | 79,164       | 48,746      | 61.3                            | 894.73               |

[Reference] Equity Fiscal 2023: 45,871 million yen Fiscal 2022: 48,500 million yen

### (3) Consolidated Cash Flows

|             | Net cash provided by (used in) operating activities | Net cash provided by (used in) investing activities | Net cash provided by (used in) financing activities | Cash and cash equivalents at end of period |
|-------------|---|---|---|--|
|             | million yen   | million yen   | million yen   | million yen                                |
| Fiscal 2023 | 6,541   | (2,451)   | (6,744)   | 13,965                                     |
| Fiscal 2022 | 8,201   | (3,784)   | (4,629)   | 16,455                                     |

## 2. Dividends

|                        | Annual dividend   |                    |                   |          |       | Total dividends<br>million yen | Payout ratio<br>[Consolidated]<br>% | Ratio of dividends to net assets<br>[Consolidated]<br>% |
|------------------------|-------------------|--------------------|-------------------|----------|-------|--------------------------------|-------------------------------------|---|
|                        | First quarter-end | Second quarter-end | Third quarter-end | Year-end | Total |                                |                                     |   |
|                        | yen               | yen                | yen               | yen      | yen   |                                |                                     |   |
| Fiscal 2022            | —                 | 12.50              | —                 | 13.50    | 26.00 | 1,423                          | 38.8                                | 3.1   |
| Fiscal 2023            | —                 | 13.50              | —                 | 13.50    | 27.00 | 1,454                          | 52.5                                | 3.1   |
| Fiscal 2024 [forecast] | —                 | 13.50              | —                 | 13.50    | 27.00 |                                | —                                   |   |

## 3. Forecast for Consolidated Results of Operations in Fiscal 2024

*ZENRIN's fiscal 2024 is the period from April 1, 2023 to March 31, 2024*

[% figures for the fiscal year represent the increase (decrease) compared to the previous fiscal year]

|             | Net sales   |     | Operating income |      | Ordinary income |      | Profit attributable to owners of parent |        | Earnings per share |
|-------------|-------------|-----|------------------|------|-----------------|------|---|--------|--------------------|
|             | million yen | %   | million yen      | %    | million yen     | %    | million yen                             | %      | yen                |
| Fiscal 2024 | 62,000      | 5.2 | 2,500            | 39.0 | 2,700           | 28.3 | 1,800                                   | (35.0) | 33.41              |

\*Disclaimer: This document has been translated from the Japanese original for reference purposes only.

In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

## ATTACHMENT

### 1. Analysis of Business Performance

#### (1) Overview of Business Performance for Fiscal 2023

##### 1. Business Performance for Fiscal 2023

In fiscal 2023 (from April 1, 2022 to March 31, 2023), the Japanese economy saw a return to normal conditions due to the easing of COVID-19 restrictions on behavior, enabling moves toward normalization of socioeconomic activity. However, the future outlook continued to be uncertain as a result of the worldwide shortfalls in the supply of semiconductors and the rising cost of living caused by high energy and raw-material prices.

In such an environment, in the automotive-related business, sales of data for in-car navigation systems declined, impacted by adjustments in automobile production, despite the increase in orders received in the marketing solutions-related and IoT-related business.

In terms of costs, there was an increase in cost of sales due to changes in the composition of sales, as well as an increase in expenses for developing map databases to improve the precision of location data. Moreover, factors such as the normalization of socioeconomic activity and the rising cost of energy and raw materials caused operating expenses to grow.

As a result, the ZENRIN Group reported business performance in fiscal 2023 as follows: net sales of 58,933 million yen (decreased 119 million yen, or down 0.2% compared to the previous fiscal year), operating income of 1,799 million yen (decreased 871 million yen, or down 32.6% compared to the previous fiscal year), and ordinary income of 2,104 million yen (decreased 939 million yen, or down 30.9% compared to the previous fiscal year). Profit attributable to owners of parent was 2,770 million yen (decreased 887 million yen, or down 24.3% compared to the previous fiscal year). Contributing factors include the appropriation of extraordinary income from gain on sales of investment securities and gain on sales of non-current assets.

Reasons for the decline in profit attributable to owners of parent in comparison with the previous fiscal year include appropriation of extraordinary income from sale of investment securities in the previous fiscal year.

Furthermore, from fiscal 2022, information by business segment is omitted because the ZENRIN Group's reportable segments have been aggregated to a single segment.

##### 2. Forecast for Fiscal 2024

The forecast of consolidated results for fiscal 2024 expects net sales of 62,000 million yen (an increase of 3,066 million yen, or up 5.2% compared to the current fiscal year), operating income of 2,500 million yen (an increase of 700 million yen, or up 39.0% compared to the current fiscal year), ordinary income of 2,700 million yen (an increase of 595 million yen, or up 28.3% compared to the current fiscal year), and profit attributable to owners of parent of 1,800 million yen (a decrease of 970 million yen, or down 35.0% compared to the current fiscal year).

As for the outlook for fiscal 2024, while operating expenses will likely rise due to high energy and raw material prices and higher wages, the Group expects increased sales in the automotive-related business, in conjunction with the recovery trend in automobile production. Furthermore, the Group will make efforts to expand its stock-type services such as GIS packages and solutions services.

## (2) Overview of Financial Position for Fiscal 2023

### 1. Overview of Fiscal 2023

Total assets at the end of fiscal 2023 amounted to 70,130 million yen (decreased 9,033 million yen, or down 11.4% compared to the end of the previous fiscal year). Contributing factors include a decrease in investment securities due to declines in market valuation and sales, as well as declines in cash and deposits and net defined benefit asset.

Liabilities amounted to 24,167 million yen (decreased 6,249 million yen, or down 20.5% compared to the end of the previous fiscal year). This was mainly attributable to the redemption of bonds, despite an increase in loans payable.

Net assets amounted to 45,962 million yen (decreased 2,783 million yen, or down 5.7% compared to the end of the previous fiscal year). Although profit attributable to owners of parent was appropriated, dividends on earned surplus and loss on valuation of marketable securities from market valuation both declined.

As a result, the ratio of equity to total assets at the end of fiscal 2023 was 65.4% (up 4.1 points compared to at the end of the previous fiscal year).

The following outlines the status of cash flows in fiscal 2023.

Cash and cash equivalents at the end of fiscal 2023 stood at 13,965 million yen (decreased 2,489 million yen, or down 15.1%, compared to at the end of the previous fiscal year).

#### ***Cash Flows from Operating Activities***

Net cash provided operating activities amounted to 6,541 million yen (decreased 1,660 million yen compared to the same period of the previous fiscal year). This was attributable to profit before income taxes in the amount of 4,109 million yen, income taxes paid in the amount of 1,634 million yen, gain on sale of investment securities in the amount of 1,294 million yen, and other factors of decrease, being offset by depreciation and amortization in the amount of 5,153 million yen and a decrease in net defined benefit asset in the amount of 934 million yen and other factors for increase.

#### ***Cash Flows from Investing Activities***

Net cash used in investing activities amounted to 2,451 million yen (decreased 1,333 million yen compared to the same period of the previous fiscal year). This was attributable to proceeds from sale of investment securities in the amount of 1,389 million yen, proceeds from sale of property, plant and equipment in the amount of 1,232 million yen and other factors of increase, being offset by purchase of property, plant and equipment, and intangible assets in the amount of 5,254 million yen and other factors of decrease.

#### ***Cash Flows from Financing Activities***

Net cash used in financing activities amounted to 6,744 million yen (increased 2,115 million yen compared to the same period of the previous fiscal year). This was mainly attributable to net increase in short-term borrowings in the amount of 2,556 million yen, proceeds from long-term borrowings in the amount of 2,000 million yen, and other factors of increase, being offset by redemption of bonds in the amount of 8,000 million yen, cash dividends paid in the amount of 1,463 million yen and other factors of decrease.

## 2. Changes in Cash Flow Indicators

|  | Fiscal<br>2019 | Fiscal<br>2020 | Fiscal<br>2021 | Fiscal<br>2022 | Fiscal<br>2023 |
|--|----------------|----------------|----------------|----------------|----------------|
| Ratio of equity to total assets [%]                                      | 56.7           | 57.1           | 60.5           | 61.3           | 65.4           |
| Ratio of equity to total assets [%]<br>(market value basis)              | 183.2          | 79.4           | 102.0          | 68.3           | 63.5           |
| Ratio of interest-bearing liabilities to<br>operating cash flows [years] | 1.2            | 1.3            | 1.7            | 1.2            | 0.9            |
| Interest coverage ratio [times]  | 425.5          | 513.0          | 382.6          | 939.4          | 589.0          |

- [Notes] Each indicator is calculated in accordance with the following formulas, using consolidated financial figures.
- Ratio of equity to total assets:  $\text{Equity} / \text{Total assets}$
  - Ratio of equity to total assets (market value basis):  $\text{Market capitalization} / \text{Total assets}$   
\*Market capitalization is calculated by multiplying the number of shares issued and outstanding at the end of the fiscal year (excluding treasury shares) by the closing price per share at the end of the fiscal year.
  - Ratio of interest-bearing liabilities to operating cash flows:  $\text{Interest-bearing liabilities} / \text{Operating cash flows}$   
\*Operating cash flows are the net cash provided by (used in) operating activities recorded on consolidated statement of cash flows.  
\*Interest-bearing liabilities include all liabilities recorded on consolidated balance sheets on which interest is paid.
  - Interest coverage ratio:  $\text{Operating cash flows} / \text{Interest paid}$   
\*Interest paid is the interest expenses paid recorded on consolidated statement of cash flows.

### (3) Basic Policy on Distribution of Income, and Payment of Dividends in Fiscal 2023 and 2024

Positioning the returning of income to shareholders as a top priority, ZENRIN adopts a basic policy of realizing stable, uninterrupted payments of dividends derived from income growth based on the medium- to long-term business plan on a consolidated basis. Under this policy, ZENRIN will aim for a dividend on equity (DOE) [Note] on a consolidated basis of 3% or higher while maintaining dividends at the current level.

In addition, by continuing to consider purchasing treasury shares and other undertakings with the aim of ensuring an agile capital policy and enhancing capital efficiency, ZENRIN will return income to shareholders in accordance with the level of income on a consolidated basis while taking into account the maintaining of an adequate amount of internal reserves.

The internal reserves will be used for capital investment, research and development investment and other expenditures that are indispensable for business development in the future in order to keep pace with the rapid market changes.

Based on the policy above, ZENRIN plans to 13.50 yen per share. As a result, including the interim dividend of 13.50 yen per share, which has already been implemented, the annual dividend is expected to be 27 yen per share.

Please note that this matter will be decided by resolution at ZENRIN's 63rd ordinary general meeting of shareholders that is scheduled to be held on June 16, 2023

ZENRIN expects 27 yen as the annual dividend per share for the next fiscal year with 13.50 yen as both the interim dividend per share and year-end dividend per share.

- [Note] Dividend on equity on a consolidated basis (DOE)  
= Total amount of dividends / Shareholders' equity  
Shareholders' equity is the amount arrived at when the amount of treasury shares is subtracted from the sum total of common stock, capital surplus and retained earnings.

## 2. Basic approach to the selection of accounting standards

As a basic policy, the ZENRIN Group will continue to prepare its consolidated financial statements under the Japanese standards, in consideration of the comparability of its consolidated financial statements between periods and corporations.

Meanwhile, we intend to address the future application of IFRS appropriately upon taking into careful consideration various circumstances both in Japan and abroad surrounding the ZENRIN Group.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheet

[Unit: million yen]

|   | Fiscal 2022<br>As of March 31, 2022 | Fiscal 2023<br>As of March 31, 2023 |
|---|-------------------------------------|-------------------------------------|
| <b>Assets</b>                                       |                                     |                                     |
| Current assets                                      |                                     |                                     |
| Cash and deposits                                   | 16,857                              | 13,971                              |
| Notes receivable - trade                            | 45                                  | 39                                  |
| Electronically recorded monetary claims – operating | 106                                 | 118                                 |
| Accounts receivable - trade                         | 12,277                              | 11,652                              |
| Contract assets                                     | 269                                 | 55                                  |
| Securities  | 5                                   | 6                                   |
| Merchandise and finished goods                      | 962                                 | 897                                 |
| Work in process                                     | 272                                 | 314                                 |
| Raw materials and supplies                          | 109                                 | 97                                  |
| Other   | 1,363                               | 1,404                               |
| Allowance for doubtful accounts                     | (4)                                 | (3)                                 |
| Total current assets                                | 32,267                              | 28,553                              |
| Non-current assets                                  |                                     |                                     |
| Property, plant and equipment                       |                                     |                                     |
| Buildings and structures, net                       | 4,488                               | 5,217                               |
| Machinery, equipment and vehicles, net              | 70                                  | 58                                  |
| Land  | 5,533                               | 5,313                               |
| Leased assets, net                                  | 1,424                               | 1,494                               |
| Construction in progress                            | 923                                 | 2                                   |
| Other, net  | 754                                 | 941                                 |
| Total property, plant and equipment                 | 13,194                              | 13,026                              |
| Intangible assets                                   |                                     |                                     |
| Goodwill  | 278                                 | 252                                 |
| Software  | 9,958                               | 10,928                              |
| Leased assets                                       | 24                                  | 11                                  |
| Other   | 3,846                               | 2,943                               |
| Total intangible assets                             | 14,108                              | 14,135                              |
| Investments and other assets                        |                                     |                                     |
| Investment securities                               | 12,339                              | 8,592                               |
| Long-term loans receivable                          | 2                                   | 2                                   |
| Net defined benefit asset                           | 4,158                               | 2,387                               |
| Deferred tax assets                                 | 1,047                               | 1,139                               |
| Other   | 2,149                               | 2,395                               |
| Allowance for doubtful accounts                     | (105)                               | (101)                               |
| Total investments and other assets                  | 19,593                              | 14,414                              |
| Total non-current assets                            | 46,896                              | 41,577                              |
| Total assets  | 79,164                              | 70,130                              |

[Unit: million yen]

|  | Fiscal 2022         | Fiscal 2023         |
|--|---------------------|---------------------|
|  | As of March 31,2022 | As of March 31,2023 |
| <b>Liabilities</b>   |                     |                     |
| Current liabilities  |                     |                     |
| Accounts payable - trade   | 3,153               | 3,030               |
| Short-term loans payable   | 2,066               | 4,476               |
| Current portion of bonds payable                                     | 8,047               | —                   |
| Lease obligations  | 225                 | 234                 |
| Accrued expenses   | 4,708               | 4,359               |
| Income taxes payable   | 1,153               | 369                 |
| Advances received  | 6,662               | 6,881               |
| Provision for directors' bonuses                                     | 124                 | 64                  |
| Asset retirement obligations   | 10                  | 2                   |
| Other  | 2,184               | 2,058               |
| Total current liabilities  | 28,337              | 21,476              |
| Non-current liabilities  |                     |                     |
| Long-term loans payable  | 18                  | 1,576               |
| Lease obligations  | 357                 | 396                 |
| Deferred tax liabilities   | 1,145               | 155                 |
| Provision for retirement benefits for directors (and other officers) | 128                 | 104                 |
| Provision for share awards for directors (and other officers)        | 50                  | 51                  |
| Net defined benefit liability  | 281                 | 257                 |
| Asset retirement obligations   | 67                  | 64                  |
| Other  | 28                  | 84                  |
| Total non-current liabilities  | 2,079               | 2,691               |
| Total liabilities  | 30,417              | 24,167              |
| <b>Net assets</b>  |                     |                     |
| Shareholders' equity   |                     |                     |
| Capital stock  | 6,557               | 6,557               |
| Capital surplus  | 12,484              | 12,451              |
| Retained earnings  | 26,084              | 27,389              |
| Treasury shares  | (4,062)             | (4,805)             |
| Total shareholders' equity   | 41,064              | 41,592              |
| Accumulated other comprehensive income                               |                     |                     |
| Valuation difference on available-for-sale securities                | 6,306               | 3,567               |
| Foreign currency translation adjustment                              | 155                 | 129                 |
| Remeasurements of defined benefit plans                              | 973                 | 582                 |
| Total accumulated other comprehensive income                         | 7,435               | 4,278               |
| Non-controlling interests  | 246                 | 90                  |
| Total net assets   | 48,746              | 45,962              |
| <b>Total liabilities and net assets</b>                              | <b>79,164</b>       | <b>70,130</b>       |

## (2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

### Consolidated Statement of Income

[Unit: million yen]

|   | Fiscal 2022                               | Fiscal 2023                               |
|---|---|---|
|   | From: April 1, 2021<br>To: March 31, 2022 | From: April 1, 2022<br>To: March 31, 2023 |
| Net sales   | 59,053                                    | 58,933                                    |
| Cost of sales   | 34,646                                    | 35,246                                    |
| Gross profit  | 24,406                                    | 23,687                                    |
| Selling, general and administrative expenses                  |   |   |
| Personnel expenses  | 12,567                                    | 12,517                                    |
| Provision for directors' bonuses                              | 127                                       | 65  |
| Provision for share awards for directors (and other officers) | —   | 11  |
| Retirement benefit expenses                                   | 304                                       | 272                                       |
| Provision of allowance for doubtful accounts                  | —   | 2   |
| Other   | 8,736                                     | 9,018                                     |
| Total selling, general and administrative expenses            | 21,736                                    | 21,888                                    |
| Operating profit  | 2,670                                     | 1,799                                     |
| Non-operating income  |   |   |
| Interest income   | 8   | 6   |
| Dividend income   | 73  | 85  |
| Rental income from real estate                                | 66  | 61  |
| Foreign exchange gains  | —   | 52  |
| Interest on securities  | 47  | 47  |
| Compensation income   | 54  | —   |
| Other   | 210                                       | 192                                       |
| Total non-operating income                                    | 460                                       | 445                                       |
| Non-operating expenses  |   |   |
| Interest expenses   | 8   | 11  |
| Non-deductible consumption taxes                              | 13  | 93  |
| Foreign exchange losses                                       | 38  | —   |
| Other   | 25  | 35  |
| Total non-operating expenses                                  | 86  | 139                                       |
| Ordinary profit   | 3,044                                     | 2,104                                     |
| Extraordinary income  |   |   |
| Gain on sale of non-current assets                            | 0   | 893                                       |
| Gain on sale of investment securities                         | 2,016                                     | 1,294                                     |
| Gain on sale of investments in capital of subsidiaries        | —   | 436                                       |
| Gain on sale of shares of subsidiaries and associates         | 478                                       | —   |
| Other   | —   | 299                                       |
| Total extraordinary income                                    | 2,495                                     | 2,924                                     |
| Extraordinary losses  |   |   |
| Loss on sales and retirement of non-current assets            | 426                                       | 38  |
| Impairment loss   | 37  | 107                                       |
| Loss on valuation of investment securities                    | 114                                       | 561                                       |
| Loss on liquidation of subsidiaries                           | —   | 212                                       |
| Total extraordinary losses                                    | 578                                       | 919                                       |
| Profit before income taxes                                    | 4,961                                     | 4,109                                     |
| Income taxes – current  | 1,440                                     | 1,141                                     |
| Income taxes – deferred                                       | (139)                                     | 293                                       |
| Total income taxes  | 1,301                                     | 1,435                                     |
| Profit  | 3,659                                     | 2,673                                     |
| Profit (loss) attributable to non-controlling interests       | 1   | (97)                                      |
| Profit attributable to owners of parent                       | 3,658                                     | 2,770                                     |



**Consolidated Statement of Comprehensive Income**

[Unit: million yen]

|  | Fiscal 2022                             | Fiscal 2023                             |
|--|---|---|
|  | From: April 1,2021<br>To: March 31,2022 | From: April 1,2022<br>To: March 31,2023 |
| Profit   | 3,659                                   | 2,673                                   |
| Other comprehensive income                                     |   |   |
| Valuation difference on available-for-sale securities          | 5,645                                   | (2,739)                                 |
| Foreign currency translation adjustment                        | 108                                     | (26)                                    |
| Remeasurements of defined benefit plans, net of tax            | 4                                       | (391)                                   |
| Total other comprehensive income                               | 5,758                                   | (3,157)                                 |
| Comprehensive income   | 9,418                                   | (483)                                   |
| [Comprehensive income attributable to]                         |   |   |
| Comprehensive income attributable to owners of parent          | 9,417                                   | (386)                                   |
| Comprehensive income attributable to non-controlling interests | 1                                       | (97)                                    |

### (3) Consolidated Statement of Changes in Equity

*Fiscal 2022 (from April 1, 2021 to March 31, 2022)*

[Unit: million yen]

|   | Shareholders' equity |                 |                   |                 |                            |
|---|----------------------|-----------------|-------------------|-----------------|----------------------------|
|   | Capital stock        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of fiscal 2022   | 6,557                | 12,925          | 25,299            | (3,311)         | 41,471                     |
| Cumulative effects of changes in accounting policies                                      |                      |                 | (1,495)           |                 | (1,495)                    |
| Restated balance  | 6,557                | 12,925          | 23,804            | (3,311)         | 39,976                     |
| Changes of items during period  |                      |                 |                   |                 |                            |
| Dividends of surplus  |                      |                 | (1,377)           |                 | (1,377)                    |
| Profit attributable to owners of parent   |                      |                 | 3,658             |                 | 3,658                      |
| Purchase of treasury shares   |                      |                 |                   | (769)           | (769)                      |
| Disposal of treasury shares   |                      |                 | (0)               | 17              | 17                         |
| Change in ownership interest of parent due to transactions with non-controlling interests |                      | (441)           |                   |                 | (441)                      |
| Net changes in items other than shareholders' equity                                      |                      |                 |                   |                 |                            |
| Total changes of items during period  | —                    | (441)           | 2,280             | (751)           | 1,088                      |
| Balance at end of fiscal 2022   | 6,557                | 12,484          | 26,084            | (4,062)         | 41,064                     |

|   | Accumulated other comprehensive income                |   |   |  | Non-controlling interests | Total net assets |
|---|---|---|---|--|---------------------------|------------------|
|   | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                           |                  |
| Balance at beginning of fiscal 2022   | 661   | 46                                      | 969                                     | 1,677  | 1,574                     | 44,723           |
| Cumulative effects of changes in accounting policies                                      |   |   |   |  |                           | (1,495)          |
| Restated balance  | 661   | 46                                      | 969                                     | 1,677  | 1,574                     | 43,228           |
| Changes of items during period  |   |   |   |  |                           |                  |
| Dividends of surplus  |   |   |   |  |                           | (1,377)          |
| Profit attributable to owners of parent   |   |   |   |  |                           | 3,658            |
| Purchase of treasury shares   |   |   |   |  |                           | (769)            |
| Disposal of treasury shares   |   |   |   |  |                           | 17               |
| Change in ownership interest of parent due to transactions with non-controlling interests |   |   |   |  |                           | (441)            |
| Net changes in items other than shareholders' equity                                      | 5,645   | 108                                     | 4                                       | 5,758  | (1,328)                   | 4,430            |
| Total changes of items during period  | 5,645   | 108                                     | 4                                       | 5,758  | (1,328)                   | 5,518            |
| Balance at end of fiscal 2022   | 6,306   | 155                                     | 973                                     | 7,435  | 246                       | 48,746           |

**Fiscal 2023 (from April 1, 2022 to March 31, 2023)**

[Unit: million yen]

|   | Shareholders' equity |                 |                   |                 | Total shareholders' equity |
|---|----------------------|-----------------|-------------------|-----------------|----------------------------|
|   | Capital stock        | Capital surplus | Retained earnings | Treasury shares |                            |
| Balance at beginning of fiscal 2023   | 6,557                | 12,484          | 26,084            | (4,062)         | 41,064                     |
| Cumulative effects of changes in accounting policies                                      |                      |                 |                   |                 | —                          |
| Restated balance  | 6,557                | 12,484          | 26,084            | (4,062)         | 41,064                     |
| Changes of items during period  |                      |                 |                   |                 |                            |
| Dividends of surplus  |                      |                 | (1,465)           |                 | (1,465)                    |
| Profit attributable to owners of parent   |                      |                 | 2,770             |                 | 2,770                      |
| Purchase of treasury shares   |                      |                 |                   | (761)           | (761)                      |
| Disposal of treasury shares   |                      |                 | (0)               | 18              | 18                         |
| Change in ownership interest of parent due to transactions with non-controlling interests |                      | (32)            |                   |                 | (32)                       |
| Net changes in items other than shareholders' equity                                      |                      |                 |                   |                 |                            |
| Total changes of items during period  | —                    | (32)            | 1,304             | (743)           | 528                        |
| Balance at end of fiscal 2023   | 6,557                | 12,451          | 27,389            | (4,805)         | 41,592                     |

|   | Accumulated other comprehensive income                |   |   |  | Non-controlling interests | Total net assets |
|---|---|---|---|--|---------------------------|------------------|
|   | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                           |                  |
| Balance at beginning of fiscal 2023   | 6,306   | 155                                     | 973                                     | 7,435  | 246                       | 48,746           |
| Cumulative effects of changes in accounting policies                                      |   |   |   |  |                           | —                |
| Restated balance  | 6,306   | 155                                     | 973                                     | 7,435  | 246                       | 48,746           |
| Changes of items during period  |   |   |   |  |                           |                  |
| Dividends of surplus  |   |   |   |  |                           | (1,465)          |
| Profit attributable to owners of parent   |   |   |   |  |                           | 2,770            |
| Purchase of treasury shares   |   |   |   |  |                           | (761)            |
| Disposal of treasury shares   |   |   |   |  |                           | 18               |
| Change in ownership interest of parent due to transactions with non-controlling interests |   |   |   |  |                           | (32)             |
| Net changes in items other than shareholders' equity                                      | (2,739)   | (26)                                    | (391)                                   | (3,157)                                      | (155)                     | (3,312)          |
| Total changes of items during period  | (2,739)   | (26)                                    | (391)                                   | (3,157)                                      | (155)                     | (2,783)          |
| Balance at end of fiscal 2023   | 3,567   | 129                                     | 582                                     | 4,278  | 90                        | 45,962           |

**(4) Consolidated Statement of Cash Flows**

[Unit: million yen]

|   | Fiscal 2022                               | Fiscal 2023                               |
|---|---|---|
|   | From: April 1, 2021<br>To: March 31, 2022 | From: April 1, 2022<br>To: March 31, 2023 |
| <b>Cash flows from operating activities</b>   |   |   |
| Profit before income taxes  | 4,961                                     | 4,109                                     |
| Depreciation  | 4,969                                     | 5,153                                     |
| Impairment loss   | 37  | 107                                       |
| Amortization of goodwill  | 136                                       | 121                                       |
| Decrease (increase) in net defined benefit asset  | (83)                                      | 934                                       |
| Increase (decrease) in net defined benefit liability  | (24)                                      | (24)                                      |
| Loss (gain) on valuation of investment securities   | 114                                       | 561                                       |
| Interest and dividend income  | (81)                                      | (92)                                      |
| Interest expenses   | 8   | 11  |
| Loss (gain) on sales and retirement of non-current assets   | 425                                       | (855)                                     |
| Loss (gain) on sales of investment securities   | (2,016)                                   | (1,294)                                   |
| Loss (gain) on sale of shares of subsidiaries and associates  | (478)                                     | —   |
| Loss (gain) on sales of investments in subsidiaries   | —   | (436)                                     |
| Decrease (increase) in notes and accounts receivable – trade  | 561                                       | 691                                       |
| Decrease (increase) in inventories  | 181                                       | 36  |
| Increase (decrease) in trade payables   | (318)                                     | (152)                                     |
| Increase (decrease) in accrued expenses   | 1,052                                     | (365)                                     |
| Increase (decrease) in advances received  | (440)                                     | 125                                       |
| Increase (decrease) in accrued consumption taxes  | 89  | (118)                                     |
| Other   | (249)                                     | (426)                                     |
| Subtotal  | 8,846                                     | 8,086                                     |
| Interest and dividend income received   | 80  | 100                                       |
| Interest expenses paid  | (8)                                       | (11)                                      |
| Income taxes paid   | (716)                                     | (1,634)                                   |
| Net cash provided by (used in) operating activities   | 8,201                                     | 6,541                                     |
| <b>Cash flows from investing activities</b>   |   |   |
| Net decrease (increase) in time deposits  | (31)                                      | 425                                       |
| Proceeds from sale of property, plant and equipment   | 24  | 1,232                                     |
| Purchase of property, plant and equipment and intangible assets   | (5,608)                                   | (5,254)                                   |
| Purchase of investment securities   | (656)                                     | (516)                                     |
| Proceeds from sales of investment securities  | 2,097                                     | 1,389                                     |
| Proceeds from sale of shares of subsidiaries and associates   | 686                                       | —   |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation                                    | (97)                                      | —   |
| Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation                    | —   | 275                                       |
| Other   | (198)                                     | (4)                                       |
| Net cash provided by (used in) investing activities   | (3,784)                                   | (2,451)                                   |
| <b>Cash flows from financing activities</b>   |   |   |
| Net increase (decrease) in short-term borrowings  | 130                                       | 2,556                                     |
| Proceeds from long-term borrowings  | —   | 2,000                                     |
| Repayments of long-term loans payable   | (505)                                     | (608)                                     |
| Redemption of bonds   | —   | (8,000)                                   |
| Repayments of lease obligations   | (332)                                     | (376)                                     |
| Purchase of treasury shares   | (769)                                     | (761)                                     |
| Cash dividends paid   | (1,376)                                   | (1,463)                                   |
| Dividends paid to non-controlling interests   | (2)                                       | —   |
| Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation | (1,768)                                   | —   |
| Other   | (4)                                       | (90)                                      |
| Net cash provided by (used in) financing activities   | (4,629)                                   | (6,744)                                   |
| Effect of exchange rate change on cash and cash equivalents   | 137                                       | 165                                       |
| Net increase (decrease) in cash and cash equivalents  | (74)                                      | (2,489)                                   |
| Cash and cash equivalents at beginning of period  | 16,529                                    | 16,455                                    |
| Cash and cash equivalents at end of period  | 16,455                                    | 13,965                                    |

## **(5) Notes to Consolidated Financial Statements**

### ***Notes on the Going Concern Assumption***

Not applicable.

### ***Changes in Accounting Policies***

#### ***Application of the Implementation Guidance on Accounting Standard for Fair Value Measurement***

The “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, June 17, 2021), have been applied from the beginning of fiscal 2023. The Group has decided to apply new accounting policies prospectively provided in the Implementation Guidance on Accounting Standard for Fair Value Measurement, in accordance with the transitional treatment stipulated in 27-2 of the Implementation Guidance on Accounting Standard for Fair Value Measurement.

This will have no impact on the consolidated financial statements.

### ***Reportable Segment Information***

As the ZENRIN Group has a single segment named “Map and Location Data Services business” the segment information has been omitted.

**Per Share Information**

|                                  | Fiscal 2022<br>From: April 1, 2021<br>To: March 31, 2022 | Fiscal 2023<br>From: April 1, 2022<br>To: March 31, 2023 |
|----------------------------------|--|--|
| Net assets per share (yen)       | 894.73   | 859.43   |
| Net income per share (yen)       | 66.94  | 51.43  |
| Diluted earnings per share (yen) | 63.16  | —  |

[Note 1] Diluted earnings per share for fiscal 2023 are not shown because there were no common with dilutive effects.

[Note 2] The Company's shares held by Custody Bank of Japan, Ltd. (Trust E account) as trust assets under the Board Benefit Trust (BBT) and Employee Stock Ownership Plan (J-ESOP) are included in the number of treasury shares that are deducted from the total number of shares outstanding at the end of the fiscal year for reason of calculation of net assets per share (317 thousand shares for the previous consolidated fiscal year, 304 thousand shares for the consolidated fiscal year under review).

They are also included in the number of treasury shares that are deducted from the average number of shares outstanding in the fiscal year for reason of calculation of diluted earnings per share (322 thousand shares for the previous consolidated fiscal year, 309 thousand shares for the consolidated fiscal year under review).

[Note 3] Earnings per share and diluted earnings per share are calculated under the following calculation basis

|  | Fiscal 2022<br>From: April 1, 2021<br>To: March 31, 2022 | Fiscal 2023<br>From: April 1, 2022<br>To: March 31, 2023 |
|--|--|--|
| Net Income Per Share   |  |  |
| Profit attributable to owners of parent (million yen)  | 3,658  | 2,770  |
| Amount not attributable to common stock (million yen)  | —  | —  |
| Profit attributable to owners of parent on common stock (million yen)  | 3,658  | 2,770  |
| Average number of common shares outstanding in the fiscal year (thousand shares)   | 54,651   | 53,876   |
| Diluted earnings per share   |  |  |
| Adjustment of profit attributable to owners of parent (million yen)  | (32)   | —  |
| Write-off in the fiscal year (after deduction of tax equivalent) (million yen)   | (33)   | —  |
| Fees (after deduction of tax equivalent) (million yen)   | 0  | —  |
| Increase in the number of common shares (thousand shares)  | 2,761  | —  |
| Convertible bond-type bonds with subscription rights to shares (thousand shares)   | 2,761  | —  |
| Summary of diluted shares that were not included in the calculation of diluted earnings per share because they did not have dilutive effect. | —  | —  |

[Note 4] Net assets per share are calculated under the following calculation basis.

|   | Fiscal 2022<br>As of March 31, 2022 | Fiscal 2023<br>As of March 31, 2023 |
|---|-------------------------------------|-------------------------------------|
| Total amount in net assets (million yen)  | 48,746                              | 45,962                              |
| Amount deducted from the total amount in net assets (million yen)   | 246                                 | 90                                  |
| Non-controlling interests (million yen)   | 246                                 | 90                                  |
| Net assets at the end of the fiscal year on common stock (million yen)  | 48,500                              | 45,871                              |
| Number of common shares at the end of the fiscal year used in the calculation of net assets per share (thousand shares) | 54,206                              | 53,374                              |

**Significant Subsequent Events**

Not applicable.

#### 4. Other

##### **Sales Turnover based on Business Composition under Medium- to Long-Term Business Plan ZGP25**

| Business composition        | Fiscal 2022 | Fiscal 2023 | Amount of increase (decrease) | Rate of increase (decrease) | Main products   |
|-----------------------------|-------------|-------------|-------------------------------|-----------------------------|---|
|                             | million yen | million yen | million yen                   | %                           |   |
| Product business            | 16,784      | 16,428      | (355)                         | (2.1)                       | (for corporate customers)<br>Printed residential maps, BLUE MAPS<br>GIS Package products, Residential map data<br>Special-purpose maps, Products of map design brands |
| Public Solution business    | 7,468       | 7,479       | 10                            | 0.1                         | (for central government ministries/agencies and local governments)<br>Printed residential maps, BLUE MAPS,<br>Residential map databases                               |
| Marketing Solution business | 5,910       | 6,516       | 606                           | 10.3                        | Provision of Marketing Solution,<br>General commercial printing   |
| IoT business                | 14,221      | 14,563      | 341                           | 2.4                         | Services for smartphones,<br>Map data for internet services,<br>Provision of location based services and solutions  |
| Automotive business         | 14,667      | 13,945      | (722)                         | (4.9)                       | Data contents for Japanese in-car navigation systems,<br>High-precision 3D data for AD/ADAS   |
| Total                       | 59,053      | 58,933      | (119)                         | (0.2)                       |   |

[Note]

The business composition under the Medium- to Long-Term Business Plan ZGP25 has been reclassified starting from the fiscal year under review, and the figures for the Map Design business for fiscal 2022 is included in those for the Product business.