

Note: 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.



Financial Summary for the First Quarter of Fiscal 2025 [Japanese GAAP] [Consolidated]

July 29, 2024

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
 Representative [Title] Representative Director [Name] Zenshi Takayama
 Director of the Board
 Contact [Title] Executive Officer and Head of Corporate Management Division [Name] Yumiko Toshima TEL +81-93-882-9050
 Scheduled date of commencement of dividend payments: —
 Preparation of supplementary explanatory materials on quarterly results: Yes
 Holding of briefing session on quarterly results: No

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results of Operations in the First Quarter of Fiscal 2025

ZENRIN's the first quarter of fiscal 2025 is the period from April 1, 2024 to June 30, 2024.

(1) Consolidated Business Performance [cumulative]

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
The first quarter of fiscal 2025	14,130	10.4	(274)	—	(255)	—	9	—
The first quarter of fiscal 2024	12,793	4.4	(1,344)	—	(1,378)	—	(989)	—

[Note] Comprehensive income The first quarter of fiscal 2025: 1,320 million yen [—%]
 The first quarter of fiscal 2024: 48 million yen [—%]

	Earnings per share	Diluted earnings per share
	yen	yen
The first quarter of fiscal 2025	0.19	—
The first quarter of fiscal 2024	(18.55)	—

(2) Consolidated Financial Position

	Total assets	Net assets	Ratio of equity to total assets
	million yen	million yen	%
The first quarter of fiscal 2025	73,765	49,884	67.6
Fiscal 2024	75,402	49,321	65.3

[Reference] Equity The first quarter of fiscal 2025: 49,876 million yen Fiscal 2024: 49,220 million yen

2. Dividends

	Annual dividend				
	End of the first quarter	End of the second quarter	End of the third quarter	Year-end	Total
	yen	yen	yen	yen	yen
Fiscal 2024	—	13.50	—	15.00	28.50
Fiscal 2025	—				
Fiscal 2025 [forecast]		15.00	—	15.00	30.00

[Note] Revision from most recently announced forecast for dividends: None

3. Forecast for Consolidated Results of Operations in Fiscal 2025

ZENRIN's fiscal 2025 is the period from April 1, 2024 to March 31, 2025.

[% 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 year	64,300	4.8	3,600	81.7	3,700	79.6	2,500	20.3	46.84

[Note] Revision from most recently announced forecast for results of operations: None

1. Qualitative Information on Quarterly Results

(1) Explanation of Business Performance

During the first quarter of fiscal 2025 (from April 1, 2024 to June 30, 2024), the Japanese economy, while showing some signs of stagnation, continued its moderate recovery trend as the employment and income environment improved. However, the outlook remains uncertain due to factors such as rising prices, the continued depreciation of the yen and the situation in the Middle East.

In such an environment, net sales in the automotive-related business increased as sales of data for in-car navigation systems grew. In the IoT-related business, API services also performed steadily.

In terms of profit and loss, while personnel expenses increased due to the impact of base salary increases and other factors, each profit measure improved due to changes in the composition of sales in the first quarter of fiscal 2025.

As a result, the ZENRIN Group in the first quarter of fiscal 2025 reported net sales of 14,130 million yen (an increase of 1,336 million yen, or up 10.4% compared to the same period of the previous fiscal year), operating loss of 274 million yen (improvement of 1,069 million yen compared to the same period of the previous fiscal year), ordinary loss of 255 million yen (improvement of 1,123 million yen compared to the same period of the previous fiscal year), and profit attributable to owners of parent of 9 million yen (improvement of 999 million yen compared to the same period of the previous fiscal year), due in part to the recording of gain on sale of shares of subsidiaries as extraordinary income.

It should be noted that while fixed costs, such as map database development expenses, are incurred throughout the year, expenses generally precede net sales due to the strong seasonal nature of net sales, which tend to be concentrated in the fourth quarter.

Information by business segment is omitted because the ZENRIN Group's reportable segment is a single segment.

(2) Explanation of Financial Position

Total assets at the end of the first quarter of fiscal 2025 amounted to 73,765 million yen (decreased 1,637 million yen, or down 2.2%, compared to the end of the previous fiscal year). While investment securities increased due to market valuation, notes and accounts receivable - trade, and contract assets decreased due to seasonal fluctuations and other factors.

Liabilities amounted to 23,880 million yen (decreased 2,200 million yen, or down 8.4%, compared to the end of the previous fiscal year). While advances received increased, accounts payable - trade decreased due to seasonal fluctuations and other factors, and short-term loans payable also decreased.

Net assets amounted to 49,884 million yen (increased 563 million yen, or up 1.1%, compared to the end of the previous fiscal year). While retained earnings decreased due to dividends of surplus and other factors, valuation difference on available-for-sale securities increased as a result of market valuation of investment securities

As a result, the ratio of equity to total assets at the end of the first quarter of fiscal 2025 was 67.6% (up 2.3 points compared to at the end of the previous fiscal year).

(3) Explanation of Forecast for Consolidated Results of Operations and Other Forward-Looking Statements

The full-year forecast for the results of operations for fiscal 2025 remains unchanged from the forecast announced on April 26, 2024.

2. Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheet

[Unit: million yen]

	Fiscal 2024 As of March 31, 2024	The first quarter of fiscal 2025 As of June 30, 2024
Assets		
Current assets		
Cash and deposits	13,218	13,981
Notes and accounts receivable - trade, and contract assets	12,653	7,489
Electronically recorded monetary claims - operating	80	70
Securities	7	7
Merchandise and finished goods	827	930
Work in process	245	524
Raw materials and supplies	106	87
Other	2,266	2,433
Allowance for doubtful accounts	(3)	(2)
Total current assets	29,403	25,522
Non-current assets		
Property, plant and equipment	12,638	12,559
Intangible assets		
Goodwill	124	496
Software	11,110	11,891
Other	2,895	1,825
Total intangible assets	14,130	14,214
Investments and other assets		
Investment securities	12,925	15,078
Other	6,402	6,490
Allowance for doubtful accounts	(98)	(99)
Total investments and other assets	19,230	21,469
Total non-current assets	45,999	48,243
Total assets	75,402	73,765

[Unit: million yen]

	Fiscal 2024	The first quarter of fiscal 2025
	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	2,958	1,773
Short-term borrowings	3,460	909
Income taxes payable	723	128
Advances received	7,409	9,473
Provision for bonuses for directors (and other officers)	84	18
Asset retirement obligations	44	40
Other	7,714	7,564
Total current liabilities	22,395	19,909
Non-current liabilities		
Long-term borrowings	1,166	1,094
Provision for retirement benefits for directors (and other officers)	104	104
Provision for share awards for directors (and other officers)	53	48
Retirement benefit liability	246	251
Asset retirement obligations	62	62
Other	2,051	2,409
Total non-current liabilities	3,685	3,970
Total liabilities	26,081	23,880
Net assets		
Shareholders' equity		
Share capital	6,557	6,557
Capital surplus	12,447	12,585
Retained earnings	28,018	27,223
Treasury shares	(4,806)	(4,803)
Total shareholders' equity	42,217	41,562
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,099	7,436
Foreign currency translation adjustment	195	196
Remeasurements of defined benefit plans	708	681
Total accumulated other comprehensive income	7,003	8,314
Share acquisition rights	0	—
Non-controlling interests	99	7
Total net assets	49,321	49,884
Total liabilities and net assets	75,402	73,765

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income
Quarterly Consolidated Statement of Income [cumulative]

[Unit: million yen]

	The first quarter of fiscal 2024 From: April 1, 2023 To: June 30, 2023	The first quarter of fiscal 2025 From: April 1, 2024 To: June 30, 2024
Net sales	12,793	14,130
Cost of sales	8,469	8,617
Gross profit	4,323	5,512
Selling, general and administrative expenses		
Personnel expenses	3,198	3,314
Provision for bonuses for directors (and other officers)	12	10
Retirement benefit expenses	77	77
Provision of allowance for doubtful accounts	—	0
Other	2,380	2,384
Total selling, general and administrative expenses	5,668	5,786
Operating loss	(1,344)	(274)
Non-operating income		
Interest income	1	3
Dividend income	49	154
Other	44	33
Total non-operating income	95	191
Non-operating expenses		
Interest expenses	4	4
Share of loss of entities accounted for using equity method	—	56
Foreign exchange losses	94	108
Taxes and dues	28	—
Other	2	2
Total non-operating expenses	130	173
Ordinary loss	(1,378)	(255)
Extraordinary income		
Gain on sale of non-current assets	—	0
Gain on sale of shares of subsidiaries	—	219
Other	—	2
Total extraordinary income	—	221
Extraordinary losses		
Loss on sale and retirement of non-current assets	4	4
Loss on valuation of investment securities	7	—
Total extraordinary losses	12	4
Loss before income taxes	(1,390)	(37)
Income taxes - current	95	171
Income taxes - deferred	(472)	(219)
Total income taxes	(376)	(47)
Profit (loss)	(1,013)	9
Loss attributable to non-controlling interests	(23)	—
Profit (loss) attributable to owners of parent	(989)	9

Quarterly Consolidated Statement of Comprehensive Income [cumulative]

[Unit: million yen]

	The first quarter of fiscal 2024 From: April 1, 2023 To: June 30, 2023	The first quarter of fiscal 2025 From: April 1, 2024 To: June 30, 2024
Profit (loss)	(1,013)	9
Other comprehensive income		
Valuation difference on available-for-sale securities	1,083	1,337
Foreign currency translation adjustment	(1)	0
Remeasurements of defined benefit plans, net of tax	(19)	(26)
Total other comprehensive income	1,062	1,310
Comprehensive income	48	1,320
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	72	1,320
Comprehensive income attributable to non-controlling interests	(23)	—

(3) Notes to Quarterly Consolidated Financial Statements

Notes on Changes in Accounting Policies

(Application of Accounting Standard for Income Taxes, etc.)

The “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022) and related guidance have been applied from the beginning of the first quarter of fiscal 2025.

Previously, income taxes, inhabitant taxes and business taxes, etc. (hereinafter “income taxes, etc.”) were recorded in profit or loss at the amount calculated in accordance with laws and regulations. Under the new standard, income taxes, etc. on income are allocated to profit or loss, shareholders’ equity and other comprehensive income according to the transactions that gave rise to them. Regarding income taxes, etc. recorded in accumulated other comprehensive income, the corresponding tax amount is recorded in profit or loss at the point when the transactions that gave rise to these taxes are recorded in profit or loss. In addition, for temporary differences specific to consolidated financial statements arising from changes in a parent’s ownership interest, where deferred tax assets or deferred tax liabilities were previously recorded with capital surplus as the corresponding account, when such temporary differences are reversed due to the sale of investments in subsidiaries, etc., the reversal of deferred tax assets or deferred tax liabilities, which was previously recorded in income taxes - deferred, is now recorded with capital surplus as the corresponding account.

The impact of this change on the quarterly consolidated financial statements for the first quarter of fiscal 2025 is immaterial.

Notes on Segment Information, etc.

As the ZENRIN Group has a single segment “Map and Location Data Services Business”, segment information is omitted.

Notes in the Event of Material Change in the Amount of Shareholders’ Equity

Not applicable.

Notes on the Going Concern Assumption

Not applicable.

Notes on Quarterly Consolidated Statement of Cash Flows

A quarterly consolidated statement of cash flows for the first quarter of fiscal 2025 has not been prepared. Depreciation (including amortization of intangible assets other than goodwill) and amortization of goodwill for the first quarter of the consolidated fiscal year are as follows:

	First quarter of fiscal 2024 From: April 1, 2023 To: June 30, 2023	First quarter of fiscal 2025 From: April 1, 2024 To: June 30, 2024
Depreciation	1,323 million yen	1,357 million yen
Amortization of goodwill	32 million yen	27 million yen

3. Supplementary Information

Sales Turnover based on Business Categories under the Medium- to Long-Term Business Plan ZGP25

Business category	The first quarter of fiscal 2024	The first quarter of fiscal 2025	Amount of increase (decrease)	Rate of increase (decrease)	Main products
	million yen	million yen	million yen	%	
Product business	3,388	3,481	92	2.7	(for corporate customers and consumers) Printed residential maps, BLUE MAPS GIS Package products, Residential map data Special-purpose maps
Public Solution business	1,281	1,268	(13)	(1.0)	(for central government ministries/agencies and local governments) Printed residential maps, BLUE MAPS, Residential map databases
Marketing Solution business	1,629	1,650	20	1.2	Provision of Marketing Solution, General commercial printing
IoT business	3,092	3,388	296	9.6	Services for smartphones, Map data for internet services, Provision of location-based services and solutions, Products of map design brands
Automotive business	3,400	4,342	941	27.7	Data contents for in-car navigation systems, High-precision 3D data for AD/ADAS
Total	12,793	14,130	1,336	10.4	