



## Financial Summary for the First Quarter of Fiscal 2024 [Japanese GAAP] [Consolidated]

July 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 submission of quarterly securities report: July 31, 2023  
 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 2024

*ZENRIN's the first quarter of fiscal 2024 is the period from April 1, 2023 to June 30, 2023.*

#### (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 2024	12,793	4.4	(1,344)	—	(1,378)	—	(989)	—
The first quarter of fiscal 2023	12,254	0.1	(923)	—	(806)	—	(536)	—

[Note] Comprehensive income The first quarter of fiscal 2024: 48 million yen [ —%]  
 The first quarter of fiscal 2023: (608) million yen [ —%]

	Earnings per share	Diluted earnings per share
	yen	yen
The first quarter of fiscal 2024	(18.55)	—
The first quarter of fiscal 2023	(9.90)	—

#### (2) Consolidated Financial Position

	Total assets	Net assets	Ratio of equity to total assets
	million yen	million yen	%
The first quarter of fiscal 2024	65,751	45,286	68.8
Fiscal 2023	70,130	45,962	65.4

[Reference] Equity The first quarter of fiscal 2024: 45,219 million yen Fiscal 2023: 45,871 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 2023	—	13.50	—	13.50	27.00
Fiscal 2024	—				
Fiscal 2024 [forecast]		13.50	—	13.50	27.00

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

### 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]

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
	62,000	5.2	2,500	39.0	2,700	28.3	1,800	(35.0)	33.72

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

\*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.

## 1. Qualitative Information on Quarterly Results

### (1) Explanation of Business Performance

In the first quarter of fiscal 2024 (from April 1, 2023 to June 30, 2023), the Japanese economy showed signs of a moderate recovery as social and economic activities returned to normal including the downgrading of COVID-19 to a Class 5 infectious disease. Meanwhile, the future outlook continued to be uncertain, as a result of the rising cost of living caused by the soaring energy and raw-material prices and drastic fluctuations in the foreign exchange markets.

In such an environment, sales of data for in-car navigation systems in the automotive-related business increased thanks to the recovery in automobile production in conjunction with the alleviation of the semiconductor shortage. In addition, orders received from the national and local governments increased and there were more opportunities to provide residential map data, while orders received in the marketing solutions-related business also increased.

In terms of costs, there was an increase in cost of sales due to the increase in revenue, as well as an increase in expenses for developing map databases to improve the precision of location data. In addition, the effects of the rising cost of living and wage hikes from the first quarter of fiscal 2024 resulted in an increase in operating expenses compared to the same period of the previous fiscal year. Nevertheless, these increases in operating expenses have already been incorporated in the forecast for the consolidated results of operations for fiscal 2024. Moreover, it should be noted that while fixed costs such as the expenses for developing map databases are incurred throughout the year, expenses generally precede net sales due to drastic seasonal fluctuations in which net sales tend to be concentrated in the fourth quarter.

As a result, the ZENRIN Group in the first quarter of fiscal 2024 reported net sales of 12,793 million yen (increased 539 million yen, or up 4.4% compared to the same period of the previous fiscal year), operating loss of 1,344 million yen (downturn of 420 million yen compared to the same period of the previous fiscal year), ordinary loss of 1,378 million yen (downturn of 571 million yen compared to the same period of the previous fiscal year), and loss attributable to owners of parent of 989 million yen (downturn of 453 million yen compared to the same period of the previous fiscal year).

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 2024 amounted to 65,751 million yen (decreased 4,379 million yen, or down 6.2% compared to the end of the previous fiscal year). This was mainly attributable to the decrease in notes and accounts receivable – trade, and contract assets due to the effects of seasonal fluctuations.

Liabilities amounted to 20,464 million yen (decreased 3,703 million yen, or down 15.3% compared to the end of the previous fiscal year). This was mainly attributable to a decrease in accounts payable – trade due to the effects of seasonal fluctuations and decreases in short-term loans payable and income taxes payable, despite an increase in advances received.

Net assets amounted to 45,286 million yen (decreased 676 million yen, or down 1.5% compared to the end of the previous fiscal year). This was mainly due to the recording of loss attributable to owners of parent and dividends of surplus, despite an increase in valuation difference on available-for-sale securities from market valuation.

As a result, the ratio of equity to total assets at the end of the first quarter of fiscal 2024 was 68.8% (up 3.4 points compared to 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 2024 remains unchanged from the forecast announced on April 28, 2023.

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

[Unit: million yen]

	Fiscal 2023	The first quarter of fiscal 2024
	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	13,971	11,819
Notes and accounts receivable - trade, and contract assets	11,747	7,172
Electronically recorded monetary claims - operating	118	146
Securities	6	6
Merchandise and finished goods	897	961
Work in process	314	497
Raw materials and supplies	97	96
Other	1,404	1,847
Allowance for doubtful accounts	(3)	(2)
Total current assets	28,553	22,544
Non-current assets		
Property, plant and equipment	13,026	12,870
Intangible assets		
Goodwill	252	220
Software	10,928	11,918
Other	2,954	1,826
Total intangible assets	14,135	13,965
Investments and other assets		
Investment securities	8,592	10,331
Other	5,924	6,141
Allowance for doubtful accounts	(101)	(101)
Total investments and other assets	14,414	16,370
Total non-current assets	41,577	43,206
Total assets	70,130	65,751

[Unit: million yen]

	Fiscal 2023	The first quarter of fiscal 2024
	As of March 31, 2023	As of June 30, 2023
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	3,030	1,859
Short-term borrowings	4,476	1,263
Income taxes payable	369	140
Advances received	6,881	7,866
Provision for bonuses for directors (and other officers)	64	17
Asset retirement obligations	2	21
Other	6,651	6,623
Total current liabilities	21,476	17,792
Non-current liabilities		
Long-term borrowings	1,576	1,474
Provision for retirement benefits for directors (and other officers)	104	104
Provision for share awards for directors (and other officers)	51	51
Retirement benefit liability	257	262
Asset retirement obligations	64	45
Other	637	733
Total non-current liabilities	2,691	2,672
Total liabilities	24,167	20,464
<b>Net assets</b>		
Shareholders' equity		
Share capital	6,557	6,557
Capital surplus	12,451	12,451
Retained earnings	27,389	25,675
Treasury shares	(4,805)	(4,806)
Total shareholders' equity	41,592	39,878
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,567	4,651
Foreign currency translation adjustment	129	127
Remeasurements of defined benefit plans	582	562
Total accumulated other comprehensive income	4,278	5,341
Non-controlling interests	90	66
Total net assets	45,962	45,286
Total liabilities and net assets	70,130	65,751

**(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 2023 From: April 1, 2022 To: June 30, 2022	The first quarter of fiscal 2024 From: April 1, 2023 To: June 30, 2023
Net sales	12,254	12,793
Cost of sales	7,792	8,469
Gross profit	4,462	4,323
Selling, general and administrative expenses		
Personnel expenses	3,144	3,198
Provision for bonuses for directors (and other officers)	9	12
Retirement benefit expenses	65	77
Provision of allowance for doubtful accounts	0	—
Other	2,165	2,380
Total selling, general and administrative expenses	5,385	5,668
Operating loss	(923)	(1,344)
Non-operating income		
Interest income	1	1
Dividend income	46	49
Foreign exchange gains	34	—
Other	48	44
Total non-operating income	130	95
Non-operating expenses		
Interest expenses	1	4
Foreign exchange losses	—	94
Taxes and dues	—	28
Nondeductible consumption tax	4	—
Other	7	2
Total non-operating expenses	13	130
Ordinary loss	(806)	(1,378)
Extraordinary income		
Gain on sale of non-current assets	874	—
Other	10	—
Total extraordinary income	885	—
Extraordinary losses		
Loss on sale and retirement of non-current assets	4	4
Loss on valuation of investment securities	391	7
Loss on liquidation of subsidiaries	200	—
Total extraordinary losses	596	12
Loss before income taxes	(517)	(1,390)
Income taxes - current	397	95
Income taxes - deferred	(346)	(472)
Total income taxes	50	(376)
Loss	(568)	(1,013)
Loss attributable to non-controlling interests	(32)	(23)
Loss attributable to owners of parent	(536)	(989)

**Quarterly Consolidated Statement of Comprehensive Income [cumulative]**

[Unit: million yen]

	The first quarter of fiscal 2023 From: April 1, 2022 To: June 30, 2022	The first quarter of fiscal 2024 From: April 1, 2023 To: June 30, 2023
Loss	(568)	(1,013)
Other comprehensive income		
Valuation difference on available-for-sale securities	(89)	1,083
Foreign currency translation adjustment	76	(1)
Remeasurements of defined benefit plans, net of tax	(26)	(19)
Total other comprehensive income	(39)	1,062
Comprehensive income	(608)	48
[Comprehensive income attributable to]		
Comprehensive income attributable to owners of parent	(576)	72
Comprehensive income attributable to non-controlling interests	(32)	(23)

**(3) Notes to Quarterly Consolidated Financial Statements**

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

Not applicable.

***Notes in the Event of Material Change in the Amount of Shareholders' Equity***

Not applicable.

***Changes in Significant Subsidiaries in the First Quarter of Fiscal 2024***

Not applicable.

While not qualifying as a change in specified subsidiaries, ZENRIN and ZENRIN FUTURE PARTNERS CO., LTD., which is ZENRIN's consolidated subsidiary, established ZFP No. 2 Investment Limited Partnership on April 1, 2023. Consequently, ZFP No. 2 Investment Limited Partnership has been included in the scope of consolidation from the beginning of the first quarter of fiscal 2024.

### 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 2023	The first quarter of fiscal 2024	Amount of increase (decrease)	Rate of increase (decrease)	Main products
	million yen	million yen	million yen	%	
Product business	3,471	3,388	(82)	(2.4)	(for corporate customers and consumers) Printed residential maps, BLUE MAPS GIS Package products, Residential map data Special-purpose maps
Public Solution business	1,059	1,281	221	20.9	(for central government ministries/agencies and local governments) Printed residential maps, BLUE MAPS, Residential map databases
Marketing Solution business	1,453	1,629	176	12.2	Provision of Marketing Solution, General commercial printing
IoT business	3,221	3,092	(129)	(4.0)	Services for smartphones, Map data for internet services, Provision of location-based services and solutions, Products of map design brands
Automotive business	3,047	3,400	353	11.6	Data contents for in-car navigation systems, High-precision 3D data for AD/ADAS
Total	12,254	12,793	539	4.4	