

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended March 31, 2024 (Based on Japanese GAAP)

May 15, 2024

Company name: BASE CO.,LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 4481 URL <https://www.basenet.co.jp>  
 Representative: President Katsunari Nakayama  
 Senior Vice President Director,  
 Inquiries: General Manager of Finance Department Noriyuki Takano TEL 03(5207)5112  
 Scheduled date to file Quarterly Securities Report: May 15, 2024  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended March 31, 2024 (from January 1, 2024 to March 31, 2024)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended March 31, 2024	4,789	1.9	1,277	5.6	1,281	5.3	883	6.1
Three months ended March 31, 2023	4,700	19.7	1,209	30.9	1,216	30.5	832	30.3

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended March 31, 2024	47.06		46.61	
Three months ended March 31, 2023	45.81		43.98	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2024	14,869	12,477	81.7
As of December 31, 2023	16,323	12,457	74.4

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended December 31, 2023	–	40.00	–	52.00	92.00
Year ending December 31, 2024	–				
Year ending December 31, 2024 (Forecast)		50.00	–	52.00	102.00

3. Forecast of consolidated financial results for the year ending December 31, 2024 (from January 1, 2024 to December 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending June 30, 2024	10,705	16.8	2,626	19.1	2,626	18.2	1,805	18.6	96.16
Full year	22,359	19.5	5,642	20.0	5,642	20.2	3,877	12.9	206.57

4. Notes

- (1) Changes in significant subsidiaries during the three months ended March 31, 2024  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of March 31, 2024	18,775,200 shares	As of December 31, 2023	18,770,400 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	482 shares	As of December 31, 2023	482 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2024	18,771,487 shares	Three months ended March 31, 2023	18,176,504 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of December 31, 2023	As of March 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	10,551,014	9,216,430
Accounts receivable - trade and contract assets	2,680,325	2,809,442
Work in process	135,354	148,414
Short-term loans receivable	1,165,789	1,134,936
Other	112,778	102,745
Total current assets	14,645,262	13,411,968
Non-current assets		
Property, plant and equipment	82,849	87,453
Intangible assets		
Software	3,284	2,878
Other	289	289
Total intangible assets	3,574	3,168
Investments and other assets		
Investment securities	970,396	1,076,414
Other	621,254	290,943
Total investments and other assets	1,591,651	1,367,357
Total non-current assets	1,678,076	1,457,979
Total assets	16,323,338	14,869,948
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	926,726	925,621
Current portion of long-term borrowings	11,936	—
Income taxes payable	669,735	117,792
Accrued expenses	1,550,477	330,545
Provision for bonuses	—	334,876
Other	692,874	669,056
Total current liabilities	3,851,749	2,377,891
Non-current liabilities		
Long-term accounts payable - other	14,380	14,380
Total non-current liabilities	14,380	14,380
Total liabilities	3,866,129	2,392,271

(Thousands of yen)

	As of December 31, 2023	As of March 31, 2024
Net assets		
Shareholders' equity		
Share capital	1,119,178	1,119,583
Capital surplus	1,059,993	1,060,398
Retained earnings	9,702,366	9,609,690
Treasury shares	(1,310)	(1,310)
Total shareholders' equity	11,880,228	11,788,361
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	172,201	242,900
Foreign currency translation adjustment	95,770	118,197
Total accumulated other comprehensive income	267,971	361,097
Share acquisition rights	477	465
Non-controlling interests	308,531	327,752
Total net assets	12,457,208	12,477,676
Total liabilities and net assets	16,323,338	14,869,948

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

**Consolidated statements of income (cumulative)**

	(Thousands of yen)	
	Three months ended March 31, 2023	Three months ended March 31, 2024
Net sales	4,700,667	4,789,977
Cost of sales	3,283,068	3,263,227
Gross profit	1,417,598	1,526,750
Selling, general and administrative expenses	207,645	248,775
Operating profit	1,209,953	1,277,974
Non-operating income		
Interest income	1,803	6,269
Dividend income	490	490
Gain on sale of investment securities	1,353	–
Foreign exchange gains	2,920	–
Other	253	6
Total non-operating income	6,821	6,766
Non-operating expenses		
Interest expenses	107	3
Foreign exchange losses	–	3,480
Other	52	30
Total non-operating expenses	159	3,513
Ordinary profit	1,216,615	1,281,227
Profit before income taxes	1,216,615	1,281,227
Income taxes - current	96,902	68,846
Income taxes - deferred	272,624	323,825
Total income taxes	369,526	392,672
Profit	847,088	888,555
Profit attributable to non-controlling interests	14,407	5,195
Profit attributable to owners of parent	832,681	883,359

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

(Thousands of yen)

	Three months ended March 31, 2023	Three months ended March 31, 2024
Profit	847,088	888,555
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,642)	70,699
Foreign currency translation adjustment	13,423	36,452
Total other comprehensive income	9,781	107,151
Comprehensive income	856,870	995,707
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	837,066	976,486
Comprehensive income attributable to non-controlling interests	19,803	19,221