

The original disclosure in Japanese was released on September 15, 2021.

Translation

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**Non-consolidated Financial Results
for the Fiscal Year Ended July 31, 2021
[Japanese GAAP]**



September 15, 2021

Company name: PLANET, INC.

Stock exchange listing: Tokyo Stock Exchange (JASDAQ Standard)

Code number: 2391

URL: <https://www.planet-van.co.jp/english/>

Representative: Masakatsu Tagami, President and Chief Executive Officer

Contact: Wataru Kawamura, Executive Officer

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Scheduled date of Annual General Meeting of Shareholders: October 26, 2021

Scheduled date of filing annual securities report: October 26, 2021

Scheduled date of commencing dividend payments: October 27, 2021

Availability of supplementary briefing material on annual financial results: No

Schedule of annual financial results briefing session: Scheduled (for investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Financial Results for the Fiscal Year Ended July 31, 2021 (August 1, 2020 to July 31, 2021)

(1) Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
July 31, 2021	3,066	0.5	705	(3.3)	726	(2.9)	498	12.8
July 31, 2020	3,052	0.9	729	3.1	748	3.6	441	(10.0)

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended					
July 31, 2021	75.12	—	10.8	13.1	23.0
July 31, 2020	66.62	—	9.9	14.0	23.9

(Reference) Equity in earnings (losses) of affiliates: Fiscal year ended July 31, 2021: ¥(16) million
Fiscal year ended July 31, 2020: ¥(25) million

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of July 31, 2021	5,819	4,833	83.0	728.86
As of July 31, 2020	5,314	4,421	83.2	666.87

(Reference) Equity: As of July 31, 2021: ¥4,833 million
As of July 31, 2020: ¥4,421 million

(3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
As of July 31, 2021	779	(243)	(275)	2,496
As of July 31, 2020	721	(292)	(268)	2,235

2. Dividends

	Annual dividends					Total dividends	Payout ratio	Dividends to net assets
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended July 31, 2020	—	20.00	—	21.00	41.00	271	61.5	6.1
Fiscal year ended July 31, 2021	—	20.50	—	21.00	41.50	275	55.2	5.9
Fiscal year ending July 31, 2022 (Forecast)	—	21.00	—	21.00	42.00		—	

3. Financial Results Forecast for the Fiscal Year Ending July 31, 2022 (August 1, 2021 to July 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	1,530	0.6	340	(9.1)	347	(9.7)	237	(9.3)	35.74
Full year	3,090	0.8	675	(4.3)	690	(5.0)	470	(5.6)	70.88

* Notes:

(1) Changes in accounting policies, changes in accounting estimates and retrospective restatement

- 1) Changes in accounting policies due to revision of accounting standards: No
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

(2) Total number of issued shares (common shares)

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

July 31, 2021: 6,632,800 shares

July 31, 2020: 6,632,800 shares

- 2) Total number of treasury shares at the end of the period:

July 31, 2021: 1,912 shares

July 31, 2020: 1,912 shares

- 3) Average number of shares during the period:

Fiscal year ended July 31, 2021: 6,630,888 shares

Fiscal year ended July 31, 2020: 6,630,888 shares

* These financial results are outside the scope of audit by certified public accountants or an audit firm.

(Note on forward-looking statements)

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable, and are not intended to be construed as assurance that they will be accomplished in the future. Actual results may differ significantly from these forecasts due to a wide range of factors.

5. Financial Statements

(1) Balance Sheet

(Thousands of yen)

	Fiscal year ended July 31, 2020 (as of July 31, 2020)	Fiscal year ended July 31, 2021 (as of July 31, 2021)
Assets		
Current assets		
Cash and deposits	2,265,197	2,526,518
Accounts receivable - trade	480,826	488,670
Prepaid expenses	12,108	9,898
Other	19,093	14,332
Allowance for doubtful accounts	(100)	(100)
Total current assets	2,777,127	3,039,320
Non-current assets		
Property, plant and equipment		
Buildings	49,636	41,222
Accumulated depreciation	(39,455)	(36,369)
Buildings, net	10,181	4,853
Tools, furniture and fixtures	40,015	38,085
Accumulated depreciation	(24,690)	(25,726)
Tools, furniture and fixtures, net	15,325	12,359
Total property, plant and equipment	25,506	17,212
Intangible assets		
Software	481,583	371,965
Software in progress	26,482	99,522
Telephone subscription right	1,383	1,383
Total intangible assets	509,448	472,871
Investments and other assets		
Investment securities	928,336	1,144,694
Shares of subsidiaries and associates	768,099	872,494
Deferred tax assets	47,956	—
Leasehold and guarantee deposits	57,724	55,844
Insurance funds	160,255	177,837
Other	39,588	39,416
Allowance for doubtful accounts	—	(18)
Total investments and other assets	2,001,960	2,290,268
Total non-current assets	2,536,915	2,780,352
Total assets	5,314,042	5,819,673

(Thousands of yen)

	Fiscal year ended July 31, 2020 (as of July 31, 2020)	Fiscal year ended July 31, 2021 (as of July 31, 2021)
Liabilities		
Current liabilities		
Accounts payable - trade	150,682	151,781
Accounts payable - other	56,514	74,049
Accrued expenses	22,257	22,993
Income taxes payable	139,627	143,711
Accrued consumption taxes	44,672	27,475
Provision for bonuses	24,941	25,497
Provision for bonuses for directors (and other officers)	34,000	34,000
Other	10,199	22,708
Total current liabilities	482,895	502,216
Non-current liabilities		
Deferred tax liabilities	—	14,500
Provision for retirement benefits	199,478	240,112
Provision for retirement benefits for directors (and other officers)	197,600	219,325
Asset retirement obligations	12,142	10,497
Total non-current liabilities	409,221	484,435
Total liabilities	892,116	986,652
Net assets		
Shareholders' equity		
Share capital	436,100	436,100
Capital surplus		
Legal capital surplus	127,240	127,240
Total capital surplus	127,240	127,240
Retained earnings		
Legal retained earnings	18,700	18,700
Other retained earnings		
General reserve	910,000	950,000
Retained earnings brought forward	2,612,377	2,795,274
Total retained earnings	3,541,077	3,763,974
Treasury shares	(1,788)	(1,788)
Total shareholders' equity	4,102,629	4,325,526
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	319,296	507,494
Total valuation and translation adjustments	319,296	507,494
Total net assets	4,421,926	4,833,021
Total liabilities and net assets	5,314,042	5,819,673

(2) Statement of Income

(Thousands of yen)

	Fiscal year ended July 31, 2020 (August 1, 2019 to July 31, 2020)	Fiscal year ended July 31, 2021 (August 1, 2020 to July 31, 2021)
Net sales		
Sales on edi business	2,776,287	2,806,055
Sales on database business	263,952	250,324
Sales in other businesses	12,396	10,612
Total net sales	3,052,636	3,066,992
Cost of sales		
Cost of sales on edi business	889,414	921,134
Cost of sales on database business	137,373	127,661
Cost of sales in other businesses	21,614	14,262
Total cost of sales	1,048,403	1,063,059
Gross profit	2,004,233	2,003,933
Selling, general and administrative expenses		
Salaries, allowances and bonuses	417,301	423,157
Provision for bonuses	24,941	25,497
Retirement benefit expenses	26,467	44,314
Remuneration for directors (and other officers)	169,968	173,418
Provision for bonuses for directors (and other officers)	34,000	34,000
Provision for retirement benefits for directors (and other officers)	23,175	23,675
Legal welfare expenses	69,878	71,667
Administrative outsourcing expenses	19,432	20,968
Rent expenses on real estate	69,483	73,005
Rent expenses	6,980	6,999
Communication expenses	6,773	10,367
Travel and transportation expenses	17,986	2,822
Advertising expenses	44,883	45,692
Depreciation	33,156	31,190
Provision of allowance for doubtful accounts	—	18
Outsourcing expenses	60,573	75,110
Other	249,563	236,706
Total selling, general and administrative expenses	1,274,566	1,298,611
Operating income	729,666	705,321
Non-operating income		
Interest income	22	23
Dividend income	5,562	6,489
Interest on securities	9,657	10,612
Miscellaneous income	3,843	4,241
Total non-operating income	19,086	21,367

(Thousands of yen)

	Fiscal year ended July 31, 2020 (August 1, 2019 to July 31, 2020)	Fiscal year ended July 31, 2021 (August 1, 2020 to July 31, 2021)
Ordinary income	748,753	726,688
Extraordinary losses		
Loss on retirement of non-current assets	1,301	4,267
Loss on valuation of investment securities	100,000	—
Total extraordinary losses	101,302	4,267
Income before income taxes	647,451	722,421
Income taxes - current	252,176	244,865
Income taxes - deferred	(46,448)	(20,523)
Total income taxes	205,727	224,341
Net income	441,723	498,079

(3) Statement of Changes in Equity

Fiscal year ended July 31, 2020 (August 1, 2019 to July 31, 2020)

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Legal retained earnings	Retained earnings		Total retained earnings
		Legal capital surplus	Total capital surplus		General reserve	Retained earnings brought forward	
Balance at beginning of period	436,100	127,240	127,240	18,700	870,000	2,479,205	3,367,905
Changes during period							
Dividends of surplus						(268,551)	(268,551)
Provision of general reserve					40,000	(40,000)	—
Net income						441,723	441,723
Net changes in items other than shareholders' equity							
Total changes during period	—	—	—	—	40,000	133,172	173,172
Balance at end of period	436,100	127,240	127,240	18,700	910,000	2,612,377	3,541,077

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(1,788)	3,929,457	530,023	530,023	4,459,481
Changes during period					
Dividends of surplus		(268,551)			(268,551)
Provision of general reserve					
Net income		441,723			441,723
Net changes in items other than shareholders' equity			(210,727)	(210,727)	(210,727)
Total changes during period	—	173,172	(210,727)	(210,727)	(37,554)
Balance at end of period	(1,788)	4,102,629	319,296	319,296	4,421,926

Fiscal year ended July 31, 2021 (August 1, 2020 to July 31, 2021)

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Legal retained earnings	Retained earnings		Total retained earnings
		Legal capital surplus	Total capital surplus		Other retained earnings	Retained earnings brought forward	
				General reserve			
Balance at beginning of period	436,100	127,240	127,240	18,700	910,000	2,612,377	3,541,077
Changes during period							
Dividends of surplus						(275,182)	(275,182)
Provision of general reserve					40,000	(40,000)	—
Net income						498,079	498,079
Net changes in items other than shareholders' equity							
Total changes during period	—	—	—	—	40,000	182,896	222,896
Balance at end of period	436,100	127,240	127,240	18,700	950,000	2,795,274	3,763,974

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(1,788)	4,102,629	319,296	319,296	4,421,926
Changes during period					
Dividends of surplus		(275,182)			(275,182)
Provision of general reserve					
Net income		498,079			498,079
Net changes in items other than shareholders' equity			188,198	188,198	188,198
Total changes during period	—	222,896	188,198	188,198	411,094
Balance at end of period	(1,788)	4,325,526	507,494	507,494	4,833,021

(4) Statements of Cash Flows

(Thousands of yen)

	Fiscal year ended July 31, 2020 (August 1, 2019 to July 31, 2020)	Fiscal year ended July 31, 2021 (August 1, 2020 to July 31, 2021)
Cash flows from operating activities		
Income before income taxes	647,451	722,421
Depreciation	225,304	224,824
Increase (decrease) in allowance for doubtful accounts	—	18
Loss (gain) on valuation of investment securities	100,000	—
Interest and dividend income	(5,585)	(6,512)
Decrease (increase) in trade receivables	(33,752)	(7,843)
Increase (decrease) in trade payables	(19,329)	1,099
Increase (decrease) in provision for bonuses	65	556
Increase (decrease) in provision for retirement benefits	22,748	40,633
Increase (decrease) in provision for retirement benefits for directors (and other officers)	22,000	21,725
Increase (decrease) in accounts payable - other	1,250	13,561
Increase (decrease) in accrued consumption taxes	(2,775)	(17,196)
Other, net	(15,948)	9,280
Subtotal	941,429	1,002,565
Interest and dividends received	15,309	17,395
Income taxes paid	(234,939)	(240,013)
Net cash provided by (used in) operating activities	721,800	779,947
Cash flows from investing activities		
Purchase of investment securities	(150,000)	(100,000)
Proceeds from redemption of investment securities	28,000	50,000
Purchase of software	(148,834)	(179,538)
Purchase of property, plant and equipment	—	(709)
Payments of guarantee deposits	(5,940)	—
Other, net	(15,274)	(13,180)
Net cash provided by (used in) investing activities	(292,049)	(243,428)
Cash flows from financing activities		
Dividends paid	(268,683)	(275,199)
Net cash provided by (used in) financing activities	(268,683)	(275,199)
Net increase (decrease) in cash and cash equivalents	161,067	261,320
Cash and cash equivalents at beginning of period	2,074,130	2,235,197
Cash and cash equivalents at end of period	2,235,197	2,496,518