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Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 [Japanese GAAP]



May 12, 2023

Company name: KOSAIDO Holdings Co., Ltd.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 7868
 URL: <https://www.kosaido.co.jp/>
 Representative: Hiroshi Kurosawa, President and Representative Director
 Contact: Makoto Tokiwa, Senior Executive Officer
 Phone: +81-3-3453-0557
 Scheduled date of annual general shareholders' meeting: June 29, 2023
 Scheduled date of commencing dividend payments: June 30, 2023
 Scheduled date of filing annual securities report: June 30, 2023
 Availability of supplementary briefing materials on annual financial results: Yes
 Schedule of annual financial results briefing session: Yes (for Analysts and Institutional investors)

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 - March 31, 2023)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2023	36,668	3.7	4,280	14.8	4,185	15.9	4,042	11.0
March 31, 2022	35,361	12.3	3,729	84.8	3,610	98.0	3,643	326.5

(Note) Comprehensive income: Fiscal year ended March 31, 2023: ¥4,035 million [19.2%]

Fiscal year ended March 31, 2022: ¥3,384 million [452.1%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2023	141.68	135.26	10.3	5.8	11.7
March 31, 2022	149.09	149.07	10.6	5.2	10.5

(Reference) Equity in earnings of affiliated companies: Fiscal year ended March 31, 2023: ¥– million

Fiscal year ended March 31, 2022: ¥– million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2023	71,134	41,434	58.0	1,445.68
As of March 31, 2022	73,736	37,520	50.7	1,311.60

(Reference) Equity: As of March 31, 2023: ¥41,247 million

As of March 31, 2022: ¥37,419 million

(3) Consolidated 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
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2023	6,293	(3,936)	(5,400)	18,635
March 31, 2022	3,660	(700)	5,540	21,597

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2022	–	0.00	–	0.00	0.00	–	–	–
March 31, 2023	–	7.75	–	13.50	21.25	606	15.0	1.5
March 31, 2024 (Forecast)	–	23.65	–	23.65	47.30		30.0	

(Note) The year-end dividend per share for the fiscal year ended March 31, 2023 has been changed from 12.5 yen to 13.5 yen. For details, please refer to the “Notice of Revision to Dividend Forecast” separately announced today.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 - March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First quarter	7,164	8.5	295	36.8	281	39.3	206	42.2	7.22
Second quarter	15,960	3.2	1,226	2.4	1,048	12.9	771	17.1	27.02
Third quarter	26,570	1.4	3,058	26.6	2,831	19.2	2,084	9.5	73.04
Full year	40,000	9.1	6,360	48.6	6,110	46.0	4,500	11.3	157.72

* Notes:

(1) Changes in significant subsidiaries during the period under review

(Changes in specified subsidiaries resulting in changes in scope of consolidation): None

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

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(3) Total number of issued and outstanding shares (common stock)

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

March 31, 2023: 28,537,769 shares

March 31, 2022: 28,537,769 shares

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

March 31, 2023: 5,911 shares

March 31, 2022: 8,126 shares

3) Average number of shares during the period:

Year ended March 31, 2023: 28,531,393 shares

Year ended March 31, 2022: 24,434,841 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 - March 31, 2023)

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

Year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2023	5,135	(45.6)	3,684	–	3,480	74.6	4,606	29.1
March 31, 2022	9,435	(51.6)	(368)	–	1,993	13.4	3,567	113.7

Year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2023	161.44	154.13
March 31, 2022	145.99	145.97

(Note) The Company has reorganized into a holding company structure through company split since October 1, 2021. Revenues (operating revenues) before the date has been presented by including them in net sales for the fiscal year ended March 31, 2022.

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2023	36,636	12,323	33.6	431.52
As of March 31, 2022	37,089	7,871	21.2	275.54

(Reference) Equity: As of March 31, 2023: ¥12,312 million

As of March 31, 2022: ¥7,861 million

<Reasons for differences in non-consolidated financial results between the fiscal years>

The Company has reorganized into a holding company structure since October 1, 2021. Thus, there are differences between the financial results for the fiscal year ended March 31, 2023 and the previous fiscal year.

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

* Explanation of the proper use of financial results forecast and other notes

Financial results forecasts and other forward-looking statements contained herein are based on information currently available to the Company and certain assumptions that are deemed reasonable, and the Company does not in any way guarantee the achievement of the forecasts. Actual results may differ significantly due to various factors.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	21,662	18,699
Notes and accounts receivable - trade	7,131	5,810
Merchandise and finished goods	100	90
Work in process	716	279
Raw materials and supplies	187	185
Other	1,630	3,016
Allowance for doubtful accounts	(79)	(82)
Total current assets	31,350	27,998
Non-current assets		
Property, plant and equipment		
Buildings and structures	39,943	40,091
Accumulated depreciation	(25,416)	(26,332)
Buildings and structures, net	14,527	13,758
Machinery, equipment and vehicles	13,586	13,709
Accumulated depreciation	(9,156)	(9,697)
Machinery, equipment and vehicles, net	4,430	4,012
Land	13,984	14,473
Leased assets	650	500
Accumulated depreciation	(419)	(305)
Leased assets, net	230	195
Tools, furniture and fixtures	4,635	4,680
Accumulated depreciation	(1,996)	(2,127)
Tools, furniture and fixtures, net	2,638	2,553
Construction in progress	8	813
Total property, plant and equipment	35,820	35,807
Intangible assets	916	886
Investments and other assets		
Investment securities	2,894	3,002
Long-term loans receivable	28	26
Deferred tax assets	635	1,036
Retirement benefit asset	387	313
Other	1,832	2,193
Allowance for doubtful accounts	(133)	(132)
Total investments and other assets	5,643	6,440
Total non-current assets	42,380	43,134
Deferred assets	5	1
Total assets	73,736	71,134

(Million yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable – trade	2,448	1,978
Short-term borrowings	5,500	1,400
Current portion of long-term borrowings	5,509	5,917
Current portion of bonds payable	230	90
Accounts payable - other	1,708	1,306
Income taxes payable	409	325
Provision for bonuses	283	387
Provision for bonuses for directors (and other officers)	–	24
Other	1,401	1,013
Total current liabilities	17,492	12,443
Non-current liabilities		
Bonds payable	90	–
Long-term borrowings	16,972	15,788
Lease liabilities	270	207
Deferred tax liabilities	178	141
Deferred tax liabilities for land revaluation	139	139
Retirement benefit liability	21	16
Other	1,051	963
Total non-current liabilities	18,723	17,256
Total liabilities	36,215	29,699
Net assets		
Shareholders' equity		
Share capital	2,478	100
Capital surplus	8,025	10,404
Retained earnings	26,742	30,561
Treasury shares	(8)	(6)
Total shareholders' equity	37,239	41,060
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	681	678
Revaluation reserve for land	(459)	(459)
Foreign currency translation adjustment	(41)	(31)
Total accumulated other comprehensive income	180	187
Share acquisition rights	9	11
Non-controlling interests	91	175
Total net assets	37,520	41,434
Total liabilities and net assets	73,736	71,134

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Net sales	35,361	36,668
Cost of sales	24,495	24,392
Gross profit	10,865	12,276
Selling, general and administrative expenses	7,136	7,996
Operating profit	3,729	4,280
Non-operating income		
Interest income	0	10
Dividend income	55	54
Rental income	95	87
Recoveries of written off receivables	–	75
Compensation income for damage	89	–
Gain on sale of scraps	29	48
Other	144	104
Total non-operating income	415	380
Non-operating expenses		
Interest expenses	277	247
Rental expenses	76	45
Commission expenses	109	148
Other	70	33
Total non-operating expenses	533	475
Ordinary profit	3,610	4,185
Extraordinary income		
Gain on sale of non-current assets	31	0
Gain on sale of investment securities	116	–
Total extraordinary income	148	0
Extraordinary losses		
Loss on sale of non-current assets	2	1
Loss on retirement of non-current assets	17	7
Loss on valuation of shares of subsidiaries and associates	–	71
Expenses related to litigation cases and other	65	25
Other	45	9
Total extraordinary losses	130	114
Profit before income taxes	3,627	4,071
Income taxes - current	377	484
Income taxes - deferred	(359)	(436)
Total income taxes	17	47
Profit	3,609	4,023
Loss attributable to non-controlling interests	(33)	(18)
Profit attributable to owners of parent	3,643	4,042

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Profit	3,609	4,023
Other comprehensive income		
Valuation difference on available-for-sale securities	(269)	(3)
Foreign currency translation adjustment	43	14
Total other comprehensive income	(225)	11
Comprehensive income	3,384	4,035
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,403	4,049
Comprehensive income attributable to non-controlling interests	(19)	(14)

(3) Consolidated Statements of Changes in Equity

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

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,001	6,754	23,342	(6)	31,091
Changes during period					
Issuance of new shares	1,477	1,477			2,954
Profit attributable to owners of parent			3,643		3,643
Purchase of treasury shares				(2,497)	(2,497)
Disposal of treasury shares		(448)		2,496	2,047
Transfer of loss on disposal of treasury shares		242	(242)		–
Net changes in items other than shareholders' equity					
Total changes during period	1,477	1,271	3,400	(1)	6,147
Balance at end of period	2,478	8,025	26,742	(8)	37,239

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	950	(459)	(70)	420	–	110	31,622
Changes during period							
Issuance of new shares							2,954
Profit attributable to owners of parent							3,643
Purchase of treasury shares							(2,497)
Disposal of treasury shares							2,047
Transfer of loss on disposal of treasury shares							–
Net changes in items other than shareholders' equity	(269)	–	29	(239)	9	(19)	(249)
Total changes during period	(269)	–	29	(239)	9	(19)	5,898
Balance at end of period	681	(459)	(41)	180	9	91	37,520

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

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,478	8,025	26,742	(8)	37,239
Changes during period					
Transfer from share capital to other capital surplus	(2,378)	2,378			–
Dividends of surplus			(221)		(221)
Profit attributable to owners of parent			4,042		4,042
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		0		2	3
Change in scope of consolidation			(2)		(2)
Net changes in items other than shareholders' equity					
Total changes during period	(2,378)	2,379	3,819	1	3,821
Balance at end of period	100	10,404	30,561	(6)	41,060

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	681	(459)	(41)	180	9	91	37,520
Changes during period							
Transfer from share capital to other capital surplus							–
Dividends of surplus							(221)
Profit attributable to owners of parent							4,042
Purchase of treasury shares							(1)
Disposal of treasury shares							3
Change in scope of consolidation							(2)
Net changes in items other than shareholders' equity	(3)	–	10	7	1	83	92
Total changes during period	(3)	–	10	7	1	83	3,913
Balance at end of period	678	(459)	(31)	187	11	175	41,434

(4) Consolidated Statement of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	3,627	4,071
Depreciation	1,905	1,788
Amortization of goodwill	92	112
Amortization of long-term prepaid expenses	612	555
Increase (decrease) in provisions	27	125
Interest and dividend income	(56)	(65)
Interest expenses	277	247
Loss (gain) on sale of investment securities	(116)	–
Loss on valuation of shares of subsidiaries and associates	–	71
Decrease (increase) in trade receivables	(1,421)	1,327
Decrease (increase) in inventories	(313)	454
Increase (decrease) in trade payables	133	(475)
Other, net	(286)	(585)
Subtotal	4,481	7,627
Interest and dividends received	56	65
Interest paid	(316)	(244)
Income taxes paid	(560)	(1,154)
Net cash provided by (used in) operating activities	3,660	6,293
Cash flows from investing activities		
Decrease (increase) in time deposits	(1)	2
Proceeds from redemption of securities	1,000	–
Purchase of investment securities	(2)	(253)
Proceeds from sale of investment securities	235	–
Purchase of shares of subsidiaries and associates	(164)	–
Purchase of property, plant and equipment and intangible assets	(1,014)	(1,873)
Proceeds from sale of property, plant and equipment and intangible assets	34	9
Loan advances	(39)	(1,001)
Proceeds from collection of loans receivable	39	3
Purchase of long-term prepaid expenses	(428)	(291)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(346)	–
Other, net	(12)	(533)
Net cash provided by (used in) investing activities	(700)	(3,936)

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	4,200	(4,100)
Proceeds from long-term borrowings	5,400	4,900
Repayments of long-term borrowings	(5,857)	(5,712)
Redemption of bonds	(500)	(230)
Proceeds from issuance of shares	2,954	–
Purchase of treasury shares	(2,497)	(1)
Proceeds from disposal of treasury shares	2,045	3
Proceeds from issuance of share acquisition rights	9	1
Dividends paid	(0)	(221)
Proceeds from share issuance to non-controlling shareholders	–	98
Dividends paid to non-controlling interests	(1)	(2)
Other, net	(212)	(136)
Net cash provided by (used in) financing activities	5,540	(5,400)
Effect of exchange rate change on cash and cash equivalents	3	2
Net increase (decrease) in cash and cash equivalents	8,504	(3,041)
Cash and cash equivalents at beginning of period	13,093	21,597
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	–	79
Cash and cash equivalents at end of period	21,597	18,635

4. Non-consolidated Financial Statements and Primary Notes

(1) Balance Sheets

(Million yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	6,721	1,325
Electronically recorded monetary claims - operating	316	0
Supplies	0	0
Advance payments to suppliers	1	–
Prepaid expenses	66	62
Short-term loans receivable	–	1,000
Short-term loans receivable from subsidiaries and associates	100	1,910
Other	3,255	4,657
Allowance for doubtful accounts	(1)	(1)
Total current assets	10,460	8,954
Non-current assets		
Property, plant and equipment		
Buildings	9,685	9,688
Accumulated depreciation	(7,559)	(7,706)
Buildings, net	2,125	1,981
Structures	351	351
Accumulated depreciation	(323)	(326)
Structures, net	27	24
Machinery and equipment	601	601
Accumulated depreciation	(601)	(601)
Machinery and equipment, net	0	0
Vehicles	4	4
Accumulated depreciation	(4)	(4)
Vehicles, net	0	0
Tools, furniture and fixtures	277	277
Accumulated depreciation	(236)	(242)
Tools, furniture and fixtures, net	40	35
Land	4,676	4,701
Leased assets	542	399
Accumulated depreciation	(328)	(222)
Leased assets, net	214	177
Other	–	52
Total property, plant and equipment	7,085	6,972
Intangible assets		
Leasehold interests in land	10	10
Software	42	18
Leased assets	121	78
Other	48	48
Total intangible assets	222	155

(Million yen)

	As of March 31, 2022	As of March 31, 2023
Investments and other assets		
Investment securities	1,815	2,152
Shares of subsidiaries and associates	15,403	15,455
Long-term loans receivable	8	8
Long-term loans receivable from subsidiaries and associates	215	215
Long-term prepaid expenses	60	46
Deferred tax assets	1,605	1,905
Other	216	778
Allowance for doubtful accounts	(8)	(8)
Total investments and other assets	19,315	20,552
Total non-current assets	26,623	27,680
Deferred assets		
Bond issuance costs	5	1
Total deferred assets	5	1
Total assets	37,089	36,636
Liabilities		
Current liabilities		
Short-term borrowings	5,500	1,400
Current portion of long-term borrowings	5,496	5,903
Current portion of bonds payable	230	90
Lease liabilities	118	92
Accounts payable - other	74	524
Accrued expenses	15	6
Income taxes payable	27	4
Accrued consumption taxes	36	41
Deposits received	10	6
Unearned revenue	5	9
Provision for bonuses	14	20
Other	136	19
Total current liabilities	11,665	8,120
Non-current liabilities		
Bonds payable	90	–
Long-term borrowings	16,937	15,738
Lease liabilities	257	185
Long-term accounts payable - other	13	13
Deferred tax liabilities for land revaluation	139	139
Asset retirement obligations	107	107
Other	7	7
Total non-current liabilities	17,552	16,192
Total liabilities	29,217	24,312

(Million yen)

	As of March 31, 2022	As of March 31, 2023
Net assets		
Shareholders' equity		
Share capital	2,478	100
Capital surplus		
Legal capital surplus	1,478	1,478
Other capital surplus	–	2,379
Total capital surplus	1,478	3,857
Retained earnings		
Legal retained earnings	7	7
Other retained earnings		
Retained earnings brought forward	3,730	8,115
Total retained earnings	3,738	8,123
Treasury shares	(8)	(6)
Total shareholders' equity	7,687	12,074
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	633	697
Revaluation reserve for land	(459)	(459)
Total valuation and translation adjustments	173	237
Share acquisition rights	9	11
Total net assets	7,871	12,323
Total liabilities and net assets	37,089	36,636

(2) Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Net sales	9,435	5,135
Cost of sales		
Beginning finished goods inventory	23	–
Cost of products manufactured	6,726	–
Total	6,750	–
Cost of finished goods sold	6,750	–
Gross profit	2,684	5,135
Selling, general and administrative expenses		
Salaries and bonuses	1,065	373
Transportation costs	211	2
Depreciation	173	203
Commission expenses	407	112
Rent expenses on land and buildings	222	225
Other	973	533
Total selling, general and administrative expenses	3,053	1,451
Operating profit	(368)	3,684
Non-operating income		
Interest income	3	7
Dividend income	2,568	42
Rental income	103	67
Recoveries of written off receivables	–	75
Other	105	34
Total non-operating income	2,781	226
Non-operating expenses		
Interest expenses	266	229
Interest expenses on bonds	1	0
Commission expenses	64	142
Rental expenses	74	43
Other	12	14
Total non-operating expenses	419	430
Ordinary profit	1,993	3,480
Extraordinary income		
Gain on sale of non-current assets	30	–
Gain on sale of investment securities	115	–
Total extraordinary income	146	–
Extraordinary losses		
Loss on sale of non-current assets	2	1
Loss on retirement of non-current assets	10	2
Loss on valuation of shares of subsidiaries and associates	–	71
Other	–	0
Total extraordinary losses	12	75
Profit before income taxes	2,127	3,404
Income taxes - current	(1,105)	(873)
Income taxes - deferred	(334)	(327)
Total income taxes	(1,439)	(1,201)
Profit	3,567	4,606

(3) Statements of Changes in Equity

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

(Million yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at beginning of period	1,001	1	206	207	7	406	413	(6)	1,615
Changes during period									
Issuance of new shares	1,477	1,477		1,477					2,954
Profit						3,567	3,567		3,567
Purchase of treasury shares								(2,497)	(2,497)
Disposal of treasury shares			(448)	(448)				2,496	2,047
Transfer of loss on disposal of treasury shares			242	242		(242)	(242)		–
Net changes in items other than shareholders' equity									
Total changes during period	1,477	1,477	(206)	1,271	–	3,324	3,324	(1)	6,071
Balance at end of period	2,478	1,478	–	1,478	7	3,730	3,738	(8)	7,687

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments		
Balance at beginning of period	933	(459)	473	–	2,088
Changes during period					
Issuance of new shares					2,954
Profit					3,567
Purchase of treasury shares					(2,497)
Disposal of treasury shares					2,047
Transfer of loss on disposal of treasury shares					–
Net changes in items other than shareholders' equity	(299)	–	(299)	9	(289)
Total changes during period	(299)	–	(299)	9	5,782
Balance at end of period	633	(459)	173	9	7,871

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

(Million yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at beginning of period	2,478	1,478	–	1,478	7	3,730	3,738	(8)	7,687
Changes during period									
Transfer from share capital to other capital surplus	(2,378)		2,378	2,378					–
Dividends of surplus						(221)	(221)		(221)
Profit						4,606	4,606		4,606
Purchase of treasury shares								(1)	(1)
Disposal of treasury shares			0	0				2	3
Net changes in items other than shareholders' equity									
Total changes during period	(2,378)	–	2,379	2,379	–	4,384	4,384	1	4,386
Balance at end of period	100	1,478	2,379	3,857	7	8,115	8,123	(6)	12,074

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments		
Balance at beginning of period	633	(459)	173	9	7,871
Changes during period					
Transfer from share capital to other capital surplus					–
Dividends of surplus					(221)
Profit					4,606
Purchase of treasury shares					(1)
Disposal of treasury shares					3
Net changes in items other than shareholders' equity	64	–	64	1	65
Total changes during period	64	–	64	1	4,452
Balance at end of period	697	(459)	237	11	12,323