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Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 [Japanese GAAP]



May 16, 2022

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, 2022
 Scheduled date of commencing dividend payments: –
 Scheduled date of filing annual securities report: June 30, 2022
 Availability of supplementary briefing materials on annual financial results: Yes
 Schedule of annual financial results briefing session: Yes (for Private investors)

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 - March 31, 2022)

(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, 2022	35,361	12.3	3,729	84.8	3,610	98.0	3,643	326.5
March 31, 2021	31,497	(10.2)	2,017	(13.3)	1,823	(17.5)	854	–

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥3,384 million [452.1%]
 Fiscal year ended March 31, 2021: ¥612 million [–%]

	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, 2022	149.09	149.07	10.6	5.2	10.5
March 31, 2021	34.28	–	2.7	2.5	6.4

(Reference) Equity in earnings of affiliated companies: Fiscal year ended March 31, 2022: ¥– million
 Fiscal year ended March 31, 2021: ¥(77) million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	73,736	37,520	50.7	1,311.60
As of March 31, 2021	64,592	31,622	48.8	1,264.78

(Reference) Equity: As of March 31, 2022: ¥37,419 million
 As of March 31, 2021: ¥31,511 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, 2022	3,660	(700)	5,540	21,597
March 31, 2021	3,110	56	(15,838)	13,093

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, 2021	–	0.00	–	0.00	0.00	–	–	–
March 31, 2022	–	0.00	–	0.00	0.00	–	–	–
March 31, 2023 (Forecast)	–	7.75	–	7.75	15.50		15.0	

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

(% 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
Full year	37,800	6.9	3,800	1.9	3,700	2.5	2,950	(19.0)	103.40

* Notes:

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

(Changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

Newly included: 2 companies KOSAIDO NEXT Co., Ltd.

Excluded: KOSAIDO HR SOLUTIONS Co., Ltd.

(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, 2022: 28,537,769 shares

March 31, 2021: 24,925,300 shares

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

March 31, 2022: 8,126 shares

March 31, 2021: 10,656 shares

3) Average number of shares during the period:

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

Year ended March 31, 2021: 24,913,900 shares

(Reference) Summary of Non-consolidated Financial Results**1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 - March 31, 2022)**

(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, 2022	9,435	(51.6)	(368)	—	1,993	13.4	3,567	113.7
March 31, 2021	19,479	(12.5)	(241)	—	1,757	—	1,669	—

Year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2022	145.99	145.97
March 31, 2021	67.01	—

(Note) The Company has reorganized into a holding company structure through company split since October 1, 2021. Accordingly, revenues (operating revenues) after the date has been presented by including them in net sales.

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	37,089	7,871	21.2	275.54
As of March 31, 2021	32,343	2,088	6.5	83.84

(Reference) Equity: As of March 31, 2022: ¥7,861 million

As of March 31, 2021: ¥2,088 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, 2022 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. For the preconditions for the forecasts herein and cautionary notes on these financial results forecasts, please refer to “(5) Future Outlook” under “1. Overview of Operating Results, etc.” on page 4 of the Attachments.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	13,154	21,662
Notes and accounts receivable - trade	5,604	7,131
Securities	1,000	—
Merchandise and finished goods	99	100
Work in process	384	716
Raw materials and supplies	190	187
Other	1,004	1,630
Allowance for doubtful accounts	(75)	(79)
Total current assets	21,364	31,350
Non-current assets		
Property, plant and equipment		
Buildings and structures	39,766	39,943
Accumulated depreciation	(24,495)	(25,416)
Buildings and structures, net	15,270	14,527
Machinery, equipment and vehicles	13,758	13,586
Accumulated depreciation	(9,205)	(9,156)
Machinery, equipment and vehicles, net	4,553	4,430
Land	13,984	13,984
Leased assets	884	650
Accumulated depreciation	(586)	(419)
Leased assets, net	298	230
Tools, furniture and fixtures	4,513	4,635
Accumulated depreciation	(1,833)	(1,996)
Tools, furniture and fixtures, net	2,680	2,638
Other	7	8
Total property, plant and equipment	36,794	35,820
Intangible assets	657	916
Investments and other assets		
Investment securities	3,242	2,894
Long-term loans receivable	28	28
Deferred tax assets	208	635
Retirement benefit asset	407	387
Other	1,983	1,832
Allowance for doubtful accounts	(108)	(133)
Total investments and other assets	5,761	5,643
Total non-current assets	43,214	42,380
Deferred assets	14	5
Total assets	64,592	73,736

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable – trade	2,293	2,448
Short-term borrowings	1,300	5,500
Current portion of long-term borrowings	5,334	5,509
Current portion of bonds payable	500	230
Accounts payable - other	1,638	1,708
Income taxes payable	521	409
Provision for bonuses	289	283
Other	1,233	1,401
Total current liabilities	13,109	17,492
Non-current liabilities		
Bonds payable	320	90
Long-term borrowings	17,528	16,972
Lease liabilities	387	270
Deferred tax liabilities	229	178
Deferred tax liabilities for land revaluation	139	139
Retirement benefit liability	16	21
Other	1,238	1,051
Total non-current liabilities	19,860	18,723
Total liabilities	32,970	36,215
Net assets		
Shareholders' equity		
Share capital	1,001	2,478
Capital surplus	6,754	8,025
Retained earnings	23,342	26,742
Treasury shares	(6)	(8)
Total shareholders' equity	31,091	37,239
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	950	681
Revaluation reserve for land	(459)	(459)
Foreign currency translation adjustment	(70)	(41)
Total accumulated other comprehensive income	420	180
Share acquisition rights	–	9
Non-controlling interests	110	91
Total net assets	31,622	37,520
Total liabilities and net assets	64,592	73,736

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

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Net sales	31,497	35,361
Cost of sales	22,641	24,495
Gross profit	8,856	10,865
Selling, general and administrative expenses	6,839	7,136
Operating profit	2,017	3,729
Non-operating income		
Interest income	4	0
Dividend income	74	55
Rental income	90	95
Insurance claim income	55	–
Subsidies for employment adjustment	24	43
Compensation income for damage	–	89
Other	196	130
Total non-operating income	445	415
Non-operating expenses		
Interest expenses	277	277
Rental expenses	88	76
Share of loss of entities accounted for using equity method	77	–
Foreign exchange losses	73	–
Commission expenses	42	109
Other	80	70
Total non-operating expenses	638	533
Ordinary profit	1,823	3,610
Extraordinary income		
Gain on sale of non-current assets	169	31
Gain on sale of investment securities	164	116
Profit for business structure improvement	203	–
Total extraordinary income	537	148
Extraordinary losses		
Loss on sale of non-current assets	130	2
Loss on retirement of non-current assets	44	17
Loss on sale of shares of subsidiaries and associates	481	–
Loss on liquidation of subsidiaries and associates	897	–
Cost of the infection control under COVID19	57	35
Expenses related to litigation cases and other	–	65
Other	400	10
Total extraordinary losses	2,011	130
Profit before income taxes	349	3,627
Income taxes - current	783	377
Income taxes - deferred	(1,269)	(359)
Total income taxes	(486)	17
Profit	836	3,609
Profit attributable to non-controlling interests	(17)	(33)
Profit attributable to owners of parent	854	3,643

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Profit	836	3,609
Other comprehensive income		
Valuation difference on available-for-sale securities	(235)	(269)
Foreign currency translation adjustment	3	43
Share of other comprehensive income of entities accounted for using equity method	8	–
Total other comprehensive income	(223)	(225)
Comprehensive income	612	3,384
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	629	3,403
Comprehensive income attributable to non-controlling interests	(16)	(19)

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,000	6,753	22,651	(6)	30,399
Changes during period					
Issuance of new shares	1	1			2
Profit attributable to owners of parent			854		854
Purchase of treasury shares				(0)	(0)
Reversal of revaluation reserve for land			(163)		(163)
Net changes in items other than shareholders' equity					
Total changes during period	1	1	690	(0)	692
Balance at end of period	1,001	6,754	23,342	(6)	31,091

	Accumulated other comprehensive income				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	1,177	(623)	(72)	481	120	31,001
Changes during period						
Issuance of new shares						2
Profit attributable to owners of parent						854
Purchase of treasury shares						(0)
Reversal of revaluation reserve for land						(163)
Net changes in items other than shareholders' equity	(226)	163	1	(61)	(9)	(71)
Total changes during period	(226)	163	1	(61)	(9)	621
Balance at end of period	950	(459)	(70)	420	110	31,622

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

(4) Consolidated Statement of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	349	3,627
Depreciation	1,963	1,905
Impairment losses	121	–
Amortization of goodwill	35	92
Amortization of long-term prepaid expenses	639	612
Increase (decrease) in provisions	(1,019)	27
Interest and dividend income	(78)	(56)
Interest expenses	277	277
Loss (gain) on sale of investment securities	(164)	(116)
Loss (gain) on sale of shares of subsidiaries and associates	481	–
Loss on liquidation of subsidiaries and associates	897	–
Decrease (increase) in trade receivables	13	(1,421)
Decrease (increase) in inventories	(33)	(313)
Increase (decrease) in trade payables	597	133
Other, net	(236)	(286)
Subtotal	3,844	4,481
Interest and dividends received	78	56
Interest paid	(278)	(316)
Income taxes paid	(533)	(560)
Net cash provided by (used in) operating activities	3,110	3,660
Cash flows from investing activities		
Decrease (increase) in time deposits	(19)	(1)
Proceeds from redemption of securities	–	1,000
Purchase of investment securities	(2)	(2)
Proceeds from sale of investment securities	321	235
Purchase of shares of subsidiaries and associates	–	(164)
Proceeds from sale of shares of subsidiaries and associates	698	–
Purchase of property, plant and equipment and intangible assets	(1,103)	(1,014)
Proceeds from sale of property, plant and equipment and intangible assets	540	34
Loan advances	(9)	(39)
Proceeds from collection of loans receivable	190	39
Purchase of long-term prepaid expenses	(581)	(428)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(346)
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	(75)	–
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	24	–
Other, net	73	(12)
Net cash provided by (used in) investing activities	56	(700)

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,800)	4,200
Proceeds from long-term borrowings	6,520	5,400
Repayments of long-term borrowings	(7,025)	(5,857)
Redemption of bonds	(650)	(500)
Proceeds from issuance of shares	2	2,954
Purchase of treasury shares	(0)	(2,497)
Proceeds from sale of treasury shares	–	2,045
Purchase of treasury shares of subsidiaries	(12,623)	–
Proceeds from issuance of share acquisition rights	–	9
Dividends paid	(0)	(0)
Dividends paid to non-controlling interests	(1)	(1)
Other, net	(260)	(212)
Net cash provided by (used in) financing activities	(15,838)	5,540
Effect of exchange rate change on cash and cash equivalents	(0)	3
Net increase (decrease) in cash and cash equivalents	(12,672)	8,504
Cash and cash equivalents at beginning of period	25,727	13,093
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	38	–
Cash and cash equivalents at end of period	13,093	21,597

4. Non-consolidated Financial Statements and Primary Notes

(1) Balance Sheets

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	4,740	6,721
Notes receivable - trade	120	–
Electronically recorded monetary claims - operating	458	316
Accounts receivable - trade	4,442	–
Merchandise and finished goods	23	–
Work in process	375	–
Raw materials and supplies	40	0
Advance payments to suppliers	77	1
Prepaid expenses	99	66
Other	761	3,355
Allowance for doubtful accounts	(135)	(1)
Total current assets	11,004	10,460
Non-current assets		
Property, plant and equipment		
Buildings	9,612	9,685
Accumulated depreciation	(7,430)	(7,559)
Buildings, net	2,182	2,125
Structures	351	351
Accumulated depreciation	(319)	(323)
Structures, net	31	27
Machinery and equipment	4,249	601
Accumulated depreciation	(3,952)	(601)
Machinery and equipment, net	297	0
Vehicles	35	4
Accumulated depreciation	(35)	(4)
Vehicles, net	0	0
Tools, furniture and fixtures	969	277
Accumulated depreciation	(738)	(236)
Tools, furniture and fixtures, net	230	40
Land	4,676	4,676
Leased assets	760	542
Accumulated depreciation	(485)	(328)
Leased assets, net	274	214
Total property, plant and equipment	7,693	7,085
Intangible assets		
Leasehold interests in land	10	10
Software	304	42
Leased assets	164	121
Other	48	48
Total intangible assets	527	222

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Investments and other assets		
Investment securities	2,365	1,815
Shares of subsidiaries and associates	7,578	15,403
Long-term loans receivable	8	8
Long-term loans receivable from subsidiaries and associates	215	215
Distressed receivables	18	–
Long-term prepaid expenses	1,572	60
Deferred tax assets	1,139	1,605
Other	236	216
Allowance for doubtful accounts	(29)	(8)
Total investments and other assets	13,103	19,315
Total non-current assets	21,324	26,623
Deferred assets		
Bond issuance costs	14	5
Total deferred assets	14	5
Total assets	32,343	37,089
Liabilities		
Current liabilities		
Notes payable - trade	79	–
Accounts payable - trade	2,029	–
Short-term borrowings	1,300	5,500
Current portion of long-term borrowings	4,884	5,496
Current portion of bonds payable	500	230
Lease liabilities	206	118
Accounts payable - other	1,227	74
Accrued expenses	121	15
Income taxes payable	–	27
Accrued consumption taxes	–	36
Advances received	43	–
Deposits received	43	10
Unearned revenue	17	5
Provision for bonuses	150	14
Other	94	136
Total current liabilities	10,699	11,665
Non-current liabilities		
Bonds payable	320	90
Long-term borrowings	17,528	16,937
Lease liabilities	366	257
Long-term accounts payable - other	952	13
Deferred tax liabilities for land revaluation	139	139
Asset retirement obligations	106	107
Other	142	7
Total non-current liabilities	19,555	17,552
Total liabilities	30,254	29,217

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Net assets		
Shareholders' equity		
Share capital	1,001	2,478
Capital surplus		
Legal capital surplus	1	1,478
Other capital surplus	206	–
Total capital surplus	207	1,478
Retained earnings		
Legal retained earnings	7	7
Other retained earnings		
Retained earnings brought forward	406	3,730
Total retained earnings	413	3,738
Treasury shares	(6)	(8)
Total shareholders' equity	1,615	7,687
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	933	633
Revaluation reserve for land	(459)	(459)
Total valuation and translation adjustments	473	173
Share acquisition rights	–	9
Total net assets	2,088	7,871
Total liabilities and net assets	32,343	37,089

(2) Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Net sales	19,479	9,435
Cost of sales		
Beginning finished goods inventory	32	23
Cost of products manufactured	15,462	6,726
Total	15,495	6,750
Ending finished goods inventory	23	–
Cost of finished goods sold	15,471	6,750
Gross profit	4,008	2,684
Selling, general and administrative expenses		
Salaries and bonuses	1,651	1,065
Transportation costs	461	211
Depreciation	146	173
Commission expenses	501	407
Other	1,487	1,195
Total selling, general and administrative expenses	4,249	3,053
Operating profit	(241)	(368)
Non-operating income		
Interest income	12	3
Dividend income	2,182	2,568
Other	301	209
Total non-operating income	2,496	2,781
Non-operating expenses		
Interest expenses	268	266
Interest on bonds	3	1
Commission expenses	42	64
Rental expenses	87	74
Provision of allowance for doubtful accounts	61	–
Other	33	12
Total non-operating expenses	497	419
Ordinary profit	1,757	1,993
Extraordinary income		
Gain on sale of non-current assets	169	30
Gain on sale of investment securities	164	115
Profit for business structure improvement	203	–
Other	8	–
Total extraordinary income	546	146
Extraordinary losses		
Loss on sale of non-current assets	130	2
Loss on retirement of non-current assets	33	10
Loss on valuation of shares of subsidiaries and associates	221	–
Loss on liquidation of subsidiaries and associates	1,355	–
Other	424	–
Total extraordinary losses	2,165	12
Profit before income taxes	139	2,127
Income taxes - current	20	(1,105)
Income taxes - deferred	(1,551)	(334)
Total income taxes	(1,530)	(1,439)
Profit	1,669	3,567

(3) Statements of Changes in Equity

Fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(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	1,000	–	206	206	7	(1,099)	(1,091)	(6)	108
Changes during period									
Issuance of new shares	1	1		1					2
Profit						1,669	1,669		1,669
Purchase of treasury shares								(0)	(0)
Reversal of revaluation reserve for land						(163)	(163)		(163)
Net changes in items other than shareholders' equity									
Total changes during period	1	1	–	1	–	1,505	1,505	(0)	1,507
Balance at end of period	1,001	1	206	207	7	406	413	(6)	1,615

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	1,188	(623)	564	672
Changes during period				
Issuance of new shares				2
Profit				1,669
Purchase of treasury shares				(0)
Reversal of revaluation reserve for land				(163)
Net changes in items other than shareholders' equity	(254)	163	(90)	(90)
Total changes during period	(254)	163	(90)	1,416
Balance at end of period	933	(459)	473	2,088

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