

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



May 12, 2022

Company name: DAIICHI JITSUGYO CO., LTD.

Stock exchange listing: Tokyo Stock Exchange

Code number: 8059

URL: <https://www.djk.co.jp/>

Representative: Ichiro Uno, President & CEO

Contact: Yuzo Ueda, General Manager, Accounting Department

Phone: +81-3-6370-8697

Scheduled date of Annual General Meeting of Shareholders: June 23, 2022

Scheduled date of commencing dividend payments: June 24, 2022

Scheduled date of filing annual securities report: June 23, 2022

Availability of supplementary explanatory materials on annual financial results: Available

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

(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 to March 31, 2022)**

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2022	148,075	–	6,866	19.8	7,792	20.5	5,363	12.8
March 31, 2021	140,029	(13.3)	5,729	(18.1)	6,464	(13.0)	4,754	(2.5)

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥5,944 million [(12.1)%]

Fiscal year ended March 31, 2021: ¥6,764 million [73.9%]

	Basic earnings per share	Diluted earnings per share	Ratio of return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2022	501.02	498.97	9.6	6.2	4.6
March 31, 2021	444.70	442.70	9.3	5.6	4.1

(Reference) Equity in earnings (losses) of affiliates: Fiscal year ended March 31, 2022: ¥25 million

Fiscal year ended March 31, 2021: ¥38 million

\* The Company has adopted the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the fiscal year ended March 31, 2022. Since this adoption significantly affects net sales figures, the percentage change in net sales from the previous corresponding period for the fiscal year ended March 31, 2022, is not presented.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	132,235	58,722	44.3	5,470.86
As of March 31, 2021	119,958	53,845	44.8	5,023.70

(Reference) Equity: As of March 31, 2022: ¥58,587 million

As of March 31, 2021: ¥53,711 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	(3,426)	(409)	(1,742)	26,782
March 31, 2021	11,141	(1,545)	(1,535)	31,267

### 2. Dividends

	Annual dividends					Total dividends (annual)	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	—	60.00	—	70.00	130.00	1,389	29.2	2.7
Fiscal year ended	—	60.00	—	85.00	145.00	1,552	28.9	2.8
March 31, 2022								
Fiscal year ending	—	45.00	—	65.00	110.00		30.2	
March 31, 2023 (Forecast)								

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending	66,000	(3.8)	2,300	(24.4)	2,400	(26.2)	1,600	(29.0)	149.41
September 30, 2022									
Full year	140,000	(5.5)	5,500	(19.9)	5,800	(25.6)	3,900	(27.3)	364.18

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

March 31, 2022:	11,086,400 shares
March 31, 2021:	11,086,400 shares
  - 2) Total number of treasury shares at the end of the period:
 

March 31, 2022:	377,294 shares
March 31, 2021:	394,862 shares
  - 3) Average number of shares during the period:
 

Fiscal year ended March 31, 2022:	10,704,424 shares
Fiscal year ended March 31, 2021:	10,692,239 shares

**(Reference) Summary of Non-consolidated Financial Results**

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

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

	Net sales		Operating income		Ordinary income		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	121,701	(3.7)	4,003	(0.7)	4,879	7.8	3,610	8.4
March 31, 2021	126,439	(7.0)	4,031	(15.7)	4,527	(13.3)	3,329	(0.7)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2022	337.29	335.91
March 31, 2021	311.38	309.98

**(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	101,168	40,866	40.3	3,807.09
As of March 31, 2021	94,462	38,961	41.1	3,634.11

(Reference) Equity: As of March 31, 2022: ¥40,770 million  
As of March 31, 2021: ¥38,854 million

**2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)**

(% indicates changes from the previous corresponding period.)

	Net sales		Ordinary income		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending September 30, 2022	55,000	(6.6)	1,300	(38.5)	900	(40.6)	84.04
Full year	120,000	(1.4)	3,400	(30.3)	2,300	(36.3)	214.77

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

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

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable, and the Company does not promise the achievement of these forecasts. Actual results may differ significantly from these forecasts due to a wide range of factors.

The Company plans to hold a financial results briefing for institutional investors and analysts on Tuesday, May 24, 2022. The presentation materials to be distributed at the meeting will be posted on the Company's corporate website immediately after the meeting.

### 3. Consolidated Financial Statements and Primary Notes

#### (1) Consolidated Balance Sheet

(Million yen)

	As of March 31, 2021	As of March 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	33,295	28,422
Notes and accounts receivable - trade	32,572	35,184
Electronically recorded monetary claims	2,081	9,486
Merchandise and finished goods	13,314	19,402
Work in process	1,256	1,392
Raw materials and supplies	437	550
Accounts prepaid	13,935	15,938
Other	6,023	4,752
Allowance for doubtful accounts	(76)	(109)
Total current assets	102,839	115,021
Fixed assets		
Tangible fixed assets		
Buildings	2,242	2,195
Accumulated depreciation	(1,270)	(1,297)
Buildings, net	972	898
Machinery, equipment and vehicles	702	607
Accumulated depreciation	(467)	(351)
Machinery, equipment and vehicles, net	234	256
Tools, furniture and fixtures	1,326	1,454
Accumulated depreciation	(943)	(1,051)
Tools, furniture and fixtures, net	383	402
Land	527	527
ESCO business assets	132	132
Accumulated depreciation	(112)	(116)
ESCO business assets, net	19	16
Solar photovoltaics business assets	763	763
Accumulated depreciation	(290)	(328)
Solar photovoltaics business assets, net	473	435
Assets leased to others	816	909
Accumulated depreciation	(355)	(461)
Assets leased to others, net	461	448
Construction in progress	65	88
Total Tangible fixed assets	3,137	3,073
Intangible fixed assets		
Manufacturing and sales right	68	45
Software	142	111
Software in progress	1,105	1,491
Other	3	2
Total intangible fixed assets	1,320	1,651

(Million yen)

	As of March 31, 2021	As of March 31, 2022
<b>Investment and other assets</b>		
Investment securities	9,932	9,858
Long-term loans receivable	3	3
Retirement benefit asset	1,283	1,270
Deferred tax assets	513	484
Other	1,089	1,014
Allowance for doubtful accounts	(163)	(142)
<b>Total investment and other assets</b>	<b>12,661</b>	<b>12,488</b>
<b>Total fixed assets</b>	<b>17,118</b>	<b>17,213</b>
<b>Total assets</b>	<b>119,958</b>	<b>132,235</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable	30,678	28,682
Short-term bank loans	6,918	6,962
Current portion of long-term borrowings	195	120
Income taxes payable	1,096	1,375
Advances received	21,347	27,362
Provision for product warranties	25	241
Provision for bonuses	947	964
Provision for bonuses for directors (and other officers)	150	152
Provision for loss on orders received	10	66
Provision for after-service	542	—
Other	1,977	5,364
<b>Total current liabilities</b>	<b>63,889</b>	<b>71,292</b>
<b>Long-term liabilities</b>		
Long-term loans	480	360
Deferred tax liabilities	994	974
Provision for retirement benefits for directors (and other officers)	32	20
Retirement benefit liability	420	463
Other	296	402
<b>Total long-term liabilities</b>	<b>2,224</b>	<b>2,220</b>
<b>Total liabilities</b>	<b>66,113</b>	<b>73,512</b>
<b>Equity</b>		
<b>Shareholders' equity</b>		
Common stock	5,105	5,105
Capital surplus	3,788	3,812
Retained earnings	42,436	46,683
Treasury stock	(895)	(858)
<b>Total shareholders' equity</b>	<b>50,434</b>	<b>54,742</b>
<b>Accumulated other comprehensive income</b>		
Unrealized gain on available-for-sale securities	3,099	2,737
Deferred gain or loss on derivatives under hedge accounting	(141)	(414)
Foreign currency translation adjustments	81	1,274
Remeasurements of defined benefit plans	237	248
<b>Total accumulated other comprehensive income</b>	<b>3,276</b>	<b>3,845</b>
Stock acquisition rights	107	96
Non-controlling interests	26	38
<b>Total equity</b>	<b>53,845</b>	<b>58,722</b>
<b>Total liabilities and equity</b>	<b>119,958</b>	<b>132,235</b>

## (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	140,029	148,075
Cost of sales	118,572	123,936
Gross profit	21,457	24,138
Selling, general and administrative expenses		
Remuneration, salaries and allowances for directors (and other officers)	6,324	6,841
Bonuses	1,463	1,882
Provision for bonuses	776	776
Provision for bonuses for directors (and other officers)	150	149
Provision for retirement benefits for directors (and other officers)	7	6
Retirement benefit expenses	382	378
Welfare expenses	1,347	1,464
Travel expenses	405	564
Communication expenses	174	179
Rent expenses	1,250	1,369
Entertainment expenses	113	149
Business taxes and establishment taxes	194	207
Depreciation	571	474
Automobile expenses	248	284
Other	2,316	2,543
Total selling, general and administrative expenses	15,727	17,271
Operating income	5,729	6,866
Non-operating income		
Interest received	104	94
Dividend income	209	233
Purchase discounts	216	273
Foreign exchange gains	39	222
Share of profit of entities accounted for using equity method	38	25
Subsidy income	181	173
Other	142	116
Total non-operating income	931	1,138
Non-operating expenses		
Loss on retirement of fixed assets	32	6
Loss on investments in silent partnerships	—	29
Interest expenses	38	30
Commission expenses	76	80
Commitment fees	32	14
Accident related loss	—	21
Other	17	29
Total non-operating expenses	197	212
Ordinary income	6,464	7,792

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Extraordinary profit		
Gain on sale of investment securities	332	243
Other	5	—
Total extraordinary profit	337	243
Extraordinary loss		
Loss on sale of investment securities	62	5
Loss on valuation of investment securities	9	—
Total extraordinary loss	72	5
Income before income taxes	6,729	8,030
Income taxes	1,986	2,440
Deferred taxes	(15)	215
Total income taxes	1,971	2,656
Profit	4,757	5,374
Profit attributable to non-controlling interests	3	11
Profit attributable to owners of parent	4,754	5,363



Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Profit	4,757	5,374
Other comprehensive income		
Unrealized gain on available-for-sale securities	1,782	(361)
Deferred gain or loss on derivatives under hedge accounting	(56)	(273)
Foreign currency translation adjustments	144	1,193
Remeasurements of defined benefit plans	135	11
Total other comprehensive income	2,006	570
Comprehensive income	6,764	5,944
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,760	5,932
Comprehensive income attributable to non-controlling interests	3	12

(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				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	5,105	3,788	39,071	(890)	47,074
Cumulative effects of changes in accounting policies					—
Restated balance	5,105	3,788	39,071	(890)	47,074
Changes during period					
Dividends of surplus			(1,390)		(1,390)
Profit attributable to owners of parent			4,754		4,754
Purchase of treasury stock				(5)	(5)
Disposal of treasury stock		0		0	0
Net changes in items other than shareholders' equity					
Total changes during period	—	0	3,364	(5)	3,359
Balance at end of period	5,105	3,788	42,436	(895)	50,434

	Accumulated other comprehensive income					Stock acquisition rights	Non-controlling interests	Total equity
	Unrealized gain on available-for-sale securities	Deferred gain or loss on derivatives under hedge accounting	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	1,316	(85)	(61)	101	1,270	78	22	48,446
Cumulative effects of changes in accounting policies								—
Restated balance	1,316	(85)	(61)	101	1,270	78	22	48,446
Changes during period								
Dividends of surplus								(1,390)
Profit attributable to owners of parent								4,754
Purchase of treasury stock								(5)
Disposal of treasury stock								0
Net changes in items other than shareholders' equity	1,782	(56)	143	135	2,005	28	3	2,038
Total changes during period	1,782	(56)	143	135	2,005	28	3	5,398
Balance at end of period	3,099	(141)	81	237	3,276	107	26	53,845

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

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	5,105	3,788	42,436	(895)	50,434
Cumulative effects of changes in accounting policies			274		274
Restated balance	5,105	3,788	42,711	(895)	50,709
Changes during period					
Dividends of surplus			(1,390)		(1,390)
Profit attributable to owners of parent			5,363		5,363
Purchase of treasury stock				(5)	(5)
Disposal of treasury stock		23		42	66
Net changes in items other than shareholders' equity					
Total changes during period	—	23	3,972	37	4,032
Balance at end of period	5,105	3,812	46,683	(858)	54,742

	Accumulated other comprehensive income					Stock acquisition rights	Non-controlling interests	Total equity
	Unrealized gain on available-for-sale securities	Deferred gain or loss on derivatives under hedge accounting	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	3,099	(141)	81	237	3,276	107	26	53,845
Cumulative effects of changes in accounting policies								274
Restated balance	3,099	(141)	81	237	3,276	107	26	54,120
Changes during period								
Dividends of surplus								(1,390)
Profit attributable to owners of parent								5,363
Purchase of treasury stock								(5)
Disposal of treasury stock								66
Net changes in items other than shareholders' equity	(361)	(273)	1,192	11	569	(11)	12	569
Total changes during period	(361)	(273)	1,192	11	569	(11)	12	4,602
Balance at end of period	2,737	(414)	1,274	248	3,845	96	38	58,722

## (4) Consolidated Statements 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		
Income before income taxes	6,729	8,030
Depreciation and amortization	883	774
Share-based payment expenses	28	42
Increase (decrease) in allowance for doubtful accounts	(73)	10
Increase (decrease) in provision for bonuses	(27)	11
Increase (decrease) in provision for bonuses for directors (and other officers)	10	1
Increase (decrease) in provision for loss on orders received	(17)	56
Increase (decrease) in provision for product warranties	(21)	216
Increase (decrease) in provision for after-service	(125)	(542)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	6	(12)
Decrease (increase) in retirement benefit asset	(153)	13
Increase (decrease) in retirement benefit liability	44	43
Interest and dividend income	(313)	(327)
Interest expenses	38	30
Foreign exchange losses (gains)	40	34
Share of loss (profit) of entities accounted for using equity method	(38)	(25)
Loss (gain) on sale and retirement of fixed assets	28	5
Loss (gain) on sale of investment securities	(269)	(237)
Loss on valuation of investment securities	9	—
Loss (gain) on investments in silent partnerships	—	29
Decrease (increase) in notes and accounts receivable-trade	8,239	(9,303)
Decrease (increase) in advance payments to suppliers	(1,746)	(1,477)
Decrease (increase) in inventories	(1,794)	(6,009)
Decrease (increase) in other current assets	(803)	1,400
Increase (decrease) in notes and accounts payable-trade	(3,465)	(2,573)
Increase (decrease) in advances from customers	5,294	5,087
Increase (decrease) in other current liabilities	248	2,753
Purchase of assets for lease	(79)	(145)
Other, net	380	563
Subtotal	13,054	(1,547)
Interest and dividends received	331	343
Interest paid	(37)	(32)
Income-taxes paid	(2,206)	(2,190)
Net cash (used in) provided by operating activities	11,141	(3,426)

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Cash flows from investing activities		
Net decrease (increase) in time deposits	(1,075)	475
Purchase of property, plant and equipment	(268)	(215)
Proceeds from sale of property, plant and equipment	7	0
Purchase of intangible assets	(703)	(359)
Purchase of investment securities	(29)	(779)
Proceeds from sale of investment securities	515	536
Payments for investments in capital	—	(52)
Loan advances	(4)	(1)
Proceeds from collection of loans receivable	3	5
Payments of guarantee deposits	(24)	(38)
Other, net	32	20
Net cash (used in) provided by investing activities	(1,545)	(409)
Cash flows from financing activities		
Net increase (decrease) in short-term bank loans	(126)	35
Proceeds from long-term borrowings	600	—
Repayments of long-term borrowings	(395)	(195)
Repayments of finance lease liabilities	(219)	(186)
Purchase of treasury stock	(5)	(5)
Dividends paid	(1,389)	(1,391)
Other, net	0	0
Net cash (used in) provided by financing activities	(1,535)	(1,742)
Foreign currency translation adjustments on cash and cash equivalents	69	1,093
Net increase (decrease) in cash and cash equivalents	8,129	(4,484)
Cash and cash equivalents at beginning of year	23,137	31,267
Cash and cash equivalents at end of period	31,267	26,782

#### 4. Non-Consolidated Financial Statements and Primary Notes

##### (1) Non-Consolidated Balance Sheet

(Million yen)

	As of March 31, 2021	As of March 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	16,468	9,686
Notes receivable - trade	2,023	1,626
Electronically recorded monetary claims	1,988	9,371
Accounts receivable - trade	27,534	30,075
Merchandise and finished goods	11,375	15,125
Advance payments to suppliers	11,466	12,869
Prepaid expenses	206	240
Short-term loans receivable	300	300
Accounts receivable - other	2,925	2,624
Other	2,398	1,251
Allowance for doubtful accounts	(14)	(10)
Total current assets	76,673	83,160
Fixed assets		
Tangible fixed assets		
Buildings	1,377	1,386
Accumulated depreciation	(845)	(891)
Buildings, net	532	495
Machinery, equipment and vehicles	53	62
Accumulated depreciation	(29)	(37)
Machinery, equipment and vehicles, net	24	24
Tools, furniture and fixtures	880	973
Accumulated depreciation	(618)	(696)
Tools, furniture and fixtures, net	262	277
Land	527	527
ESCO business assets	132	132
Accumulated depreciation	(112)	(116)
ESCO business assets, net	19	16
Solar photovoltaics business assets	763	763
Accumulated depreciation	(290)	(328)
Solar photovoltaics business assets, net	473	435
Assets leased to others	735	827
Accumulated depreciation	(344)	(418)
Assets leased to others, net	391	409
Construction in progress	38	48
Total Tangible fixed assets	2,269	2,234

(Million yen)

	As of March 31, 2021	As of March 31, 2022
<b>Intangible fixed assets</b>		
Manufacturing and sales right	68	45
Software	53	48
Software in progress	1,095	1,487
<b>Total intangible fixed assets</b>	<b>1,217</b>	<b>1,581</b>
<b>Investment and other assets</b>		
Investment securities	7,830	7,742
Shares of subsidiaries and associates	5,050	5,050
Long-term loans receivable from employees	3	3
Bad debts	30	12
Long-term prepaid expenses	1	1
Guarantee deposits	590	602
Prepaid pension costs	761	723
Other	195	197
Allowance for doubtful accounts	(162)	(141)
<b>Total investment and other assets</b>	<b>14,302</b>	<b>14,192</b>
<b>Total fixed assets</b>	<b>17,789</b>	<b>18,008</b>
<b>Total assets</b>	<b>94,462</b>	<b>101,168</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	29,097	26,344
Short-term bank loans	6,100	6,900
Current portion of long-term loans	195	120
Accrued expenses	472	515
Income taxes payable	808	870
Advances received	15,596	19,745
Deposits received	257	164
Provision for bonuses	670	670
Provision for bonuses for directors (and other officers)	112	114
Provision for loss on orders received	10	66
Provision for after-service	542	—
Provision for product warranties	—	213
Other	381	3,479
<b>Total current liabilities</b>	<b>54,243</b>	<b>59,205</b>
<b>Long-term liabilities</b>		
Long-term borrowings	480	360
Deferred tax liabilities	580	442
Other	196	293
<b>Total long-term liabilities</b>	<b>1,257</b>	<b>1,096</b>
<b>Total liabilities</b>	<b>55,500</b>	<b>60,301</b>

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Equity		
Shareholders' equity		
Common stock	5,105	5,105
Capital surplus		
Legal capital surplus	3,786	3,786
Other capital surplus	2	26
Total capital surplus	3,788	3,812
Retained earnings		
Legal retained earnings	970	970
Other retained earnings		
Reserve for tax purpose reduction entry of buildings	24	23
General reserve	4,442	4,442
Retained earnings brought forward	22,456	24,952
Total retained earnings	27,894	30,388
Treasury stock	(895)	(858)
Total shareholders' equity	35,892	38,447
Valuation and translation adjustments		
Unrealized gain on available-for-sale securities	3,107	2,740
Deferred gain or loss on derivatives under hedge accounting	(145)	(417)
Total valuation and translation adjustments	2,962	2,323
Stock acquisition rights	107	96
Total equity	38,961	40,866
Total liabilities and equity	94,462	101,168



## (2) Non-Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Net sales	126,439	121,701
Cost of sales		
Beginning merchandise inventory	9,233	11,375
Cost of purchased goods	115,115	110,908
Total	124,348	122,283
Ending merchandise inventory	11,375	15,125
Cost of goods sold	112,973	107,158
Total cost of sales	112,973	107,158
Gross profit	13,466	14,542
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	274	284
Salaries	3,051	3,346
Bonuses	1,146	1,433
Provision for bonuses	670	670
Provision for bonuses for directors (and other officers)	112	114
Retirement benefit expenses	301	298
Welfare expenses	983	1,076
Travel expenses	248	335
Communication expenses	89	90
Office supplies expenses	8	6
Book and printing expenses	27	29
Rent expenses	851	924
Entertainment expenses	75	102
Advertising expenses	58	116
Insurance expenses	36	42
Taxes and dues	20	19
Business taxes and establishment taxes	176	186
Depreciation	201	166
Utilities expenses	13	14
Investigation expenses	12	20
Automobile expenses	112	121
Miscellaneous expenses	963	1,137
Total selling, general and administrative expenses	9,435	10,538
Operating income	4,031	4,003

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Non-operating income		
Interest received	5	5
Interest on securities	0	0
Dividend income	331	705
Purchase discounts	216	273
Commission income	30	26
Foreign exchange gains	16	—
Reversal of allowance for doubtful accounts	43	24
Other	10	11
Total non-operating income	653	1,047
Non-operating expenses		
Interest expenses	20	16
Commission expenses	53	55
Commitment fees	32	14
Foreign exchange losses	—	34
Loss on investments in silent partnerships	—	29
Other	50	21
Total non-operating expenses	157	171
Ordinary income	4,527	4,879
Extraordinary profit		
Gain on sale of investment securities	332	243
Other	5	—
Total extraordinary profit	337	243
Extraordinary loss		
Loss on sale of investment securities	62	5
Loss on valuation of investment securities	9	—
Total extraordinary loss	72	5
Income before income taxes	4,792	5,117
Income taxes	1,405	1,445
Deferred taxes	57	62
Total income taxes	1,462	1,507
Profit	3,329	3,610

## (3) Non-Consolidated Statements of Changes in Equity

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

(Million yen)

	Shareholders' equity			
	Common stock	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of period	5,105	3,786	2	3,788
Cumulative effects of changes in accounting policies				
Restated balance	5,105	3,786	2	3,788
Changes during period				
Dividends of surplus				
Reversal of reserve for tax purpose reduction entry of buildings				
Profit				
Purchase of treasury stock				
Disposal of treasury stock			0	0
Net changes in items other than shareholders' equity				
Total changes during period	—	—	0	0
Balance at end of period	5,105	3,786	2	3,788

	Shareholders' equity					
	Capital surplus					Treasury stock
	Legal retained earnings	Other capital surplus			Total retained earnings	
		Reserve for tax purpose reduction entry of buildings	General reserve	Retained earnings brought forward		
Balance at beginning of period	970	25	4,442	20,516	25,954	(890)
Cumulative effects of changes in accounting policies						
Restated balance	970	25	4,442	20,516	25,954	(890)
Changes during period						
Dividends of surplus				(1,390)	(1,390)	
Reversal of reserve for tax purpose reduction entry of buildings		(1)		1		
Profit				3,329	3,329	
Purchase of treasury stock						(5)
Disposal of treasury stock						0
Net changes in items other than shareholders' equity						
Total changes during period	—	(1)	—	1,940	1,939	(5)
Balance at end of period	970	24	4,442	22,456	27,894	(895)

	Shareholders' equity	Valuation and translation adjustments			Stock acquisition rights	Total equity
	Total shareholders' equity	Unrealized gain on available-for-sale securities	Deferred gain or loss on derivatives under hedge accounting	Total valuation and translation adjustments		
Balance at beginning of period	33,957	1,315	(86)	1,229	78	35,265
Cumulative effects of changes in accounting policies	—					—
Restated balance	33,957	1,315	(86)	1,229	78	35,265
Changes during period						
Dividends of surplus	(1,390)					(1,390)
Reversal of reserve for tax purpose reduction entry of buildings	—					—
Profit	3,329					3,329
Purchase of treasury stock	(5)					(5)
Disposal of treasury stock	0					0
Net changes in items other than shareholders' equity		1,792	(59)	1,732	28	1,761
Total changes during period	1,934	1,792	(59)	1,732	28	3,696
Balance at end of period	35,892	3,107	(145)	2,962	107	38,961

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

(Million yen)

	Shareholders' equity			
	Common stock	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of period	5,105	3,786	2	3,788
Cumulative effects of changes in accounting policies				
Restated balance	5,105	3,786	2	3,788
Changes during period				
Dividends of surplus				
Reversal of reserve for tax purpose reduction entry of buildings				
Profit				
Purchase of treasury stock				
Disposal of treasury stock			23	23
Net changes in items other than shareholders' equity				
Total changes during period	—	—	23	23
Balance at end of period	5,105	3,786	26	3,812

	Shareholders' equity						
	Legal retained earnings	Capital surplus				Total retained earnings	Treasury stock
		Other capital surplus			Retained earnings brought forward		
	Reserve for tax purpose reduction entry of buildings	General reserve					
Balance at beginning of period	970	24	4,442	22,456	27,894	(895)	
Cumulative effects of changes in accounting policies				274	274		
Restated balance	970	24	4,442	22,731	28,168	(895)	
Changes during period							
Dividends of surplus				(1,390)	(1,390)		
Reversal of reserve for tax purpose reduction entry of buildings		(1)		1			
Profit				3,610	3,610		
Purchase of treasury stock						(5)	
Disposal of treasury stock						42	
Net changes in items other than shareholders' equity							
Total changes during period	—	(1)	—	2,220	2,219	37	
Balance at end of period	970	23	4,442	24,952	30,388	(858)	

	Shareholders' equity	Valuation and translation adjustments			Stock acquisition rights	Total equity
	Total shareholders' equity	Unrealized gain on available-for-sale securities	Deferred gain or loss on derivatives under hedge accounting	Total valuation and translation adjustments		
Balance at beginning of period	35,892	3,107	(145)	2,962	107	38,961
Cumulative effects of changes in accounting policies	274					274
Restated balance	36,167	3,107	(145)	2,962	107	39,236
Changes during period						
Dividends of surplus	(1,390)					(1,390)
Reversal of reserve for tax purpose reduction entry of buildings	—					—
Profit	3,610					3,610
Purchase of treasury stock	(5)					(5)
Disposal of treasury stock	66					66
Net changes in items other than shareholders' equity		(367)	(271)	(638)	(11)	(650)
Total changes during period	2,280	(367)	(271)	(638)	(11)	1,629
Balance at end of period	38,447	2,740	(417)	2,323	96	40,866