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



May 13, 2022

Company name: NexTone Inc.  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 7094  
 URL: <https://www.nex-tone.co.jp/en/>  
 Representative: Masahiro Anan, President & CEO  
 Contact: Hiroyuki Momoeda, Corporate Officer  
 Phone: +81-3-5766-8086  
 Scheduled date of annual general meeting of shareholders: June 28, 2022  
 Scheduled date of commencing dividend payments: —  
 Scheduled date of filing annual securities report: June 29, 2022  
 Availability of supplementary explanatory materials on financial results: Available  
 Schedule of 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 - 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	7,489	22.3	708	31.3	713	32.1	482	28.0
March 31, 2021	6,122	40.9	539	76.5	540	82.9	376	96.9

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥482 million [28.0%]  
 Fiscal year ended March 31, 2021: ¥376 million [98.3%]

	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	50.04	48.45	17.6	11.8	9.5
March 31, 2021	40.71	38.00	16.0	11.0	8.8

(Note) The Company has carried out a 3-for-1 split of its common shares on February 1, 2021.

“Basic earnings per share” and “Diluted earnings per share” have been calculated assuming this stock split was carried out at the beginning of the previous fiscal year.

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	6,549	2,919	44.6	302.08
As of March 31, 2021	5,592	2,577	46.1	271.24

(Reference) Equity: As of March 31, 2022: ¥2,919 million  
 As of March 31, 2021: ¥2,577 million

(Note) The Company has carried out a 3-for-1 split of its common shares on February 1, 2021.

“Net assets per share” has been calculated assuming this stock split was carried out at the beginning of the previous fiscal year.

### (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	1,121	(228)	(140)	5,192
March 31, 2021	1,259	(213)	79	4,439

### 2. Dividends

	Annual dividends					Total cash dividends (total)	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)	—	0.00	—	0.00	0.00		—	

### 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
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	9,560	27.6	890	25.6	890	24.8	540	11.9	56.00



## Consolidated Financial Statements

### (1) Consolidated Balance Sheet

(Thousand yen)

	As of March 31, 2021	As of March 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	4,439,022	5,192,542
Notes and accounts receivable - trade	243,843	210,568
Other	162,695	278,647
Total current assets	4,845,561	5,681,758
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,719	1,552
Tools, furniture and fixtures, net	21,956	16,341
Total property, plant and equipment	24,676	17,894
Intangible assets		
Goodwill	77,879	61,766
Software	479,730	621,952
Other	4,811	445
Total intangible assets	562,420	684,164
Investments and other assets		
Deferred tax assets	82,696	91,248
Other	77,463	74,471
Total investments and other assets	160,160	165,720
Total non-current assets	747,257	867,779
Total assets	5,592,819	6,549,537
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	641,344	701,245
Accounts payable - other	1,835,595	2,352,226
Income taxes payable	158,935	153,056
Advances received	14,189	–
Provision for bonuses	65,666	86,686
Provision for bonuses for directors (and other officers)	17,000	25,663
Other	47,474	50,865
Total current liabilities	2,780,206	3,369,744
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	147,140	165,097
Retirement benefit liability	87,930	94,713
Total non-current liabilities	235,071	259,810
Total liabilities	3,015,277	3,629,555

(Thousand yen)

	As of March 31, 2021	As of March 31, 2022
Net assets		
Shareholders' equity		
Share capital	1,152,882	1,192,392
Capital surplus	689,421	728,931
Retained earnings	735,237	1,217,787
Treasury shares	–	(219,129)
Total shareholders' equity	2,577,541	2,919,982
Total net assets	2,577,541	2,919,982
Total liabilities and net assets	5,592,819	6,549,537

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

(Thousand yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Net sales	6,122,925	7,489,236
Cost of sales	4,486,005	5,444,740
Gross profit	1,636,919	2,044,496
Selling, general and administrative expenses	1,097,445	1,335,943
Operating profit	539,473	708,552
Non-operating income		
Interest income	117	68
Dividend income	–	325
Foreign exchange gains	–	522
Subsidy income	–	3,000
Other	678	943
Total non-operating income	796	4,861
Non-operating expenses		
Loss on retirement of non-current assets	150	–
Foreign exchange losses	91	–
Other	15	10
Total non-operating expenses	256	10
Ordinary profit	540,013	713,403
Profit before income taxes	540,013	713,403
Income taxes - current	204,570	239,404
Income taxes - deferred	(41,536)	(8,551)
Total income taxes	163,033	230,853
Profit	376,979	482,550
Profit attributable to owners of parent	376,979	482,550

## Consolidated Statement of Comprehensive Income

(Thousand yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Profit	376,979	482,550
Comprehensive income	376,979	482,550
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	376,979	482,550

(3) Consolidated Statements of Changes in Equity

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

(Thousand yen)

	Shareholders' equity		
	Share capital	Capital surplus	Retained earnings
Balance at beginning of period	1,113,012	649,551	358,257
Changes during period			
Issuance of new shares	39,870	39,870	
Profit attributable to owners of parent			376,979
Total changes during period	39,870	39,870	376,979
Balance at end of period	1,152,882	689,421	735,237

	Shareholders' equity	Accumulated other comprehensive income		Non-controlling interests	Total net assets
	Total shareholders' equity	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	2,120,821	–	–	–	2,120,821
Changes during period					
Issuance of new shares	79,740				79,740
Profit attributable to owners of parent	376,979				376,979
Total changes during period	456,719	–	–	–	456,719
Balance at end of period	2,577,541	–	–	–	2,577,541



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

(Thousand yen)

	Shareholders' equity			
	Share capital	Capital surplus	Retained earnings	Treasury shares
Balance at beginning of period	1,152,882	689,421	735,237	–
Changes during period				
Issuance of new shares	39,510	39,510		
Profit attributable to owners of parent			482,550	
Purchase of treasury shares				(219,129)
Total changes during period	39,510	39,510	482,550	(219,129)
Balance at end of period	1,192,392	728,931	1,217,787	(219,129)

	Shareholders' equity	Accumulated other comprehensive income		Non-controlling interests	Total net assets
	Total shareholders' equity	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	2,577,541	–	–	–	2,577,541
Changes during period					
Issuance of new shares	79,020				79,020
Profit attributable to owners of parent	482,550				482,550
Purchase of treasury shares	(219,129)				(219,129)
Total changes during period	342,440	–	–	–	342,440
Balance at end of period	2,919,982	–	–	–	2,919,982

## (4) Consolidated Statement of Cash Flows

(Thousand 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	540,013	713,403
Depreciation	99,009	121,533
Amortization of goodwill	16,113	16,113
Interest and dividend income	(117)	(394)
Subsidy income	–	(3,000)
Loss (gain) on sale and retirement of non-current assets	150	–
Decrease (increase) in trade receivables	(68,155)	33,274
Increase (decrease) in trade payables	135,834	59,901
Increase (decrease) in provision for bonuses	6,874	21,020
Increase (decrease) in provision for bonuses for directors (and other officers)	17,000	8,663
Increase (decrease) in provision for retirement benefits for directors (and other officers)	22,541	17,956
Increase (decrease) in retirement benefit liability	16,504	6,782
Increase (decrease) in advances received	(85,139)	(14,189)
Decrease (increase) in advance payments to suppliers	69,365	13,021
Increase (decrease) in accounts payable - other	722,500	492,047
Other, net	(66,301)	(121,003)
Subtotal	1,426,193	1,365,129
Interest and dividends received	111	351
Subsidies received	–	3,000
Income taxes paid	(166,916)	(246,827)
Net cash provided by (used in) operating activities	1,259,388	1,121,653
Cash flows from investing activities		
Purchase of property, plant and equipment	(22,965)	(1,882)
Purchase of intangible assets	(181,806)	(226,142)
Payments of leasehold and guarantee deposits	(8,446)	–
Net cash provided by (used in) investing activities	(213,218)	(228,024)
Cash flows from financing activities		
Proceeds from issuance of shares	79,740	79,020
Purchase of treasury shares	–	(219,129)
Net cash provided by (used in) financing activities	79,740	(140,109)
Net increase (decrease) in cash and cash equivalents	1,125,909	753,519
Cash and cash equivalents at beginning of period	3,313,113	4,439,022
Cash and cash equivalents at end of period	4,439,022	5,192,542