

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Summary of Consolidated Financial Results for the Fiscal Year Ended August 31, 2022 (Japanese GAAP)

October 13, 2022

Company name: MEIKO NETWORK JAPAN CO., LTD.
 Listing: Tokyo
 Securities code: 4668 (URL: <https://www.meikonet.co.jp>)
 Representative: Kazuhito Yamashita, President & Representative Director
 Inquiries: Kouyuki Sakamoto, Executive Officer, General Manager of Corporate Planning Department
 Telephone: +81-3-5860-2111
 Scheduled date of annual general meeting of shareholders: November 18, 2022
 Scheduled date to file quarterly securities report: November 21, 2022
 Scheduled date to commencement dividend payment: November 21, 2022
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes (for analysts and institutional investor)

(Amounts are rounded down to the nearest million yen)

1. Consolidated financial results for the fiscal year ended August 31, 2022 (From September 1, 2021 to August 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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended August 31, 2022	19,674	3.3	1,168	20.6	1,289	15.8	974	(14.5)
August 31, 2021	19,039	4.5	969	351.2	1,113	146.5	1,140	-

(Note) Comprehensive income: For the fiscal year ended August 31, 2022: ¥1,125 million [(4.5) %]

For the fiscal year ended August 31, 2021: ¥1,179 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
	Yen	Yen	%	%	%
Fiscal year ended August 31, 2022	38.86	-	9.4	8.6	5.9
August 31, 2021	45.47	-	11.7	7.8	5.1

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended August 31, 2022: ¥36 million

For the fiscal year ended August 31, 2021: ¥8 million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	%
As of August 31, 2022	15,439	10,606	68.7	422.84
August 31, 2021	14,649	10,025	68.4	399.67

Reference: Equity As of August 31, 2022: ¥10,606 million

As of August 31, 2021: ¥10,025 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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended August 31, 2022	489	150	(653)	8,563
August 31, 2021	742	1,697	(628)	8,577

2. Cash Dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
August 31, 2021	-	10.00	-	10.00	20.00	504	44.0	5.1
August 31, 2022	-	11.00	-	11.00	22.00	557	56.6	5.3
Fiscal year ending August 31, 2023 (Forecast)	-	12.00	-	12.00	24.00		75.3	

3. Consolidated Financial Results Forecast for fiscal year ending August 31, 2023
(From September 1, 2022 to August 31, 2023)

(% indicates year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Second quarter (cumulative)	10,500	5.8	870	(31.3)	906	(31.7)	529	(56.9)	21.09
Full-year	21,000	6.7	1,300	11.2	1,350	4.7	800	(17.9)	31.89

Notes:

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in the scope of consolidation): None

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

- 1) Changes in accounting policies caused by revision of accounting standards: Yes
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of August 31, 2022	27,803,600 shares
As of August 31, 2021	27,803,600 shares

(ii) Number of treasury shares at the end of the period

As of August 31, 2022	2,720,058 shares
As of August 31, 2021	2,720,058 shares

(iii) Average number of shares outstanding during the period.

Fiscal year ended August 31, 2022	25,083,542 shares
Fiscal year ended August 31, 2021	25,084,293 shares

Notes: Treasury stock for the fiscal year ended August 31, 2022 includes the Company's shares held by the "Stock Granting Trust for Officers" and the "Stock Granting Trust for Employees" (141,000 and 121,000 shares of treasury stock at the end of the fiscal year) Treasury stock for the fiscal year ended August 31, 2021 includes the Company's shares held by the "Stock Granting Trust for Officers" and the "Stock Granting Trust for Employees" (141,000 and 121,000 shares of treasury stock at the end of the fiscal year)

(Reference) Overview of non-consolidated financial results

1. Non-consolidated financial results for fiscal year ended August 2022

(From September 1, 2021 to August 31, 2022)

(1) Non-consolidated operating results

(Percentages represent increases or decreases from the previous year)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
August 31, 2022	13,100	2.6	733	20.0	784	13.5	772	(16.3)
August 31, 2021	12,770	8.3	610	153.2	691	57.9	922	-

Fiscal year ended	Net income per share	Fully diluted net income per share
	yen	yen
August 31, 2022	30.78	-
August 31, 2021	36.76	-

(2) Non-consolidated financial situation

Fiscal year ended	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	yen
August 31, 2022	13,052	10,491	80.4	418.26
August 31, 2021	12,451	10,119	81.3	403.43

(Reference) Shareholders' equity: Fiscal year ended August 2022: ¥10,491 million
 Fiscal year ended August 2021: ¥10,119 million

* The financial statements are not subject to audit by a certified public accountant or auditing firm.

* Proper use of earnings forecasts, and other special matters

Forward-looking statements in the document, such as earnings forecasts, are based on the information currently available and certain assumptions that the company thinks reasonable. Actual results August differ remarkably from the statements due to variety of different factors.

The Company plans to hold a financial results briefing for institutional investors and analysts on October 13, 2022.

The presentation materials and audio will be posted on the Company's website promptly after the meeting.

(Reference) Trend of numbers of Meiko Gijuku schools and registered students and system-wide sales

Term	Fiscal year ended August 31, 2021		Fiscal year ended August 31, 2022	
	From Sep. 1, 2020 to Aug. 31, 2021		From Sep. 1, 2021 to Aug. 31, 2022	
	Operating results	YOY comparison	Operating results	YOY comparison
Number of Meiko Gijuku directly operated schools (MNJ)	205	(39)	220	15
Number of Meiko Gijuku directly operated schools (MAXIS)	93	(1)	95	2
Number of Meiko Gijuku directly operated schools (KLINE)	41	-	41	-
Number of Meiko Gijuku directly operated schools (TOMONI)*1	42	-	42	-
Number of Meiko Gijuku directly operated schools (One link)	20	20	22	2
Number of Meiko Gijuku directly operated schools (Cooth) *2	-	-	16	16
Subtotal number of Meiko Gijuku directly operated schools	401	(20)	436	35
Number of Meiko Gijuku franchised schools	1,366	(75)	1,339	(27)
Total number of Meiko Gijuku schools	1,767	(95)	1,775	8
Number of registered students of Meiko Gijuku directly operated schools (MNJ)	15,002	41	15,902	900
Number of registered students of Meiko Gijuku directly operated schools (MAXIS)	7,007	394	6,634	(373)
Number of registered students of Meiko Gijuku directly operated schools (KLINE)	2,952	295	2,879	(73)
Number of registered students of Meiko Gijuku directly operated schools (TOMONI)*1	2,228	142	2,265	37
Number of registered students of Meiko Gijuku directly operated schools (One link)	885	885	947	62
Number of registered students of Meiko Gijuku directly operated schools (Cooth) *2	-	-	1,168	1,168
Subtotal number of registered students of Meiko Gijuku directly operated schools	28,074	1,757	29,795	1,721
Number of registered students of Meiko Gijuku franchised Schools	74,377	(579)	69,236	(5,141)
Total number of registered students of Meiko Gijuku schools	102,451	1,178	99,031	(3,420)
Sales from Meiko Gijuku directly operated schools (Millions of yen)	11,557	1,260	12,186	629
Sales from Meiko Gijuku franchised schools *3 (Millions of yen)	4,505	155	4,525	20
Sales from Japanese language schools (Millions of yen)	840	(315)	815	(25)
Sales from others (Millions of yen)	2,135	(278)	2,147	11
Total Sales (Millions of yen)	19,039	821	19,674	635
Sales from Meiko Gijuku directly operated schools (Millions of yen)	11,557	1,260	12,186	629
System-wide sales from Meiko Gijuku franchised schools (Millions of yen)	25,976	(409)	24,332	(1,644)
Total system-wide sales from Meiko Gijuku schools*4 (Millions of yen)	37,534	850	36,519	(1,015)

* 1 K.M.G Corporation Co., Ltd has changed its name to TOMONI Co., Ltd. as of September 1, 2021.

2 Cooth CO., LTD. was included in the scope of consolidation on December 1, 2021 due to the acquisition of shares.

3 Sales from Meiko Gijuku franchised schools represent royalty revenues and sales of products.

4 Total system-wide sales from Meiko Gijuku schools represent the sum of total sales of Meiko Gijuku directly operated schools, including tuition, materials fees, and examination fees, and the total sales of Meiko Gijuku franchised schools, including tuition. Materials fees and examination fees of franchised schools are excluded.

Quarterly Consolidated Financial Statements and Major Notes**(1) Quarterly consolidated statement of Balance Sheets**

	(Millions of yen)	
	Fiscal year ended August 31, 2021 (As of August 31,2021)	Fiscal year ended August 31, 2022 (As of August 31,2022)
Assets		
Current assets		
Cash and deposits	8,727	8,755
Accounts receivable - trade	767	977
Securities	200	-
Merchandise	114	95
Work in process	13	13
Supplies	7	7
Advance payments to suppliers	19	16
Prepaid expenses	303	329
Other	322	243
Allowance for doubtful accounts	(33)	(33)
Total current assets	10,441	10,405
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,145	1,290
Accumulated depreciation	(676)	(780)
Buildings and structures, net	469	509
Tools, furniture and fixtures	375	394
Accumulated depreciation	(322)	(340)
Tools, furniture and fixtures, net	52	53
Land	0	49
Leased assets	10	35
Accumulated depreciation	(1)	(23)
Leased assets, net	8	11
Total property, plant and equipment	531	624
Intangible assets		
Goodwill	203	422
Software	190	180
Software in progress	4	-
Telephone subscription right	4	4
Total intangible assets	402	607
Investments and other assets		
Investment securities	2,022	2,452
Long-term prepaid expenses	42	22
Deferred tax assets	226	233
Leasehold and guarantee deposits	942	949
Long-term time deposits	-	100
Other	40	44
Total investments and other assets	3,274	3,801
Total non-current assets	4,207	5,033
Total assets	14,649	15,439

	(Millions of yen)	
	Fiscal year ended August 31, 2021 (As of Aug. 31,2021)	Fiscal year ended August 31, 2022 (As of Aug. 31,2022)
Liabilities		
Current liabilities		
Accounts payable - trade	119	128
Accounts payable - other	102	231
Accrued expenses	1,139	1,179
Income taxes payable	427	570
Accrued consumption taxes	331	195
Advances received	1,242	-
Contract liabilities	-	1,148
Lease liabilities	1	1
Deposits received	54	85
Provision for bonuses	404	434
Other	51	44
Total current liabilities	<u>3,876</u>	<u>4,019</u>
Non-current liabilities		
Retirement benefit liability	111	121
Provision for share awards for directors (and other officers)	11	26
Provision for share awards	34	62
Long-term accounts payable-other to employees	104	84
Long-term accounts payable-other to officers	117	117
Deferred tax liabilities	18	9
Lease liabilities	7	10
Asset retirement obligations	339	380
Long-term guarantee deposits	1	1
Total non-current liabilities	<u>747</u>	<u>813</u>
Total liabilities	<u>4,624</u>	<u>4,833</u>
Net assets		
Shareholders' equity		
Share capital	972	972
Capital surplus	909	909
Retained earnings	10,529	10,959
Treasury shares	(2,779)	(2,779)
Total shareholders' equity	<u>9,632</u>	<u>10,062</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	377	521
Foreign currency translation adjustment	15	21
Total accumulated other comprehensive income	<u>392</u>	<u>543</u>
Total net assets	<u>10,025</u>	<u>10,606</u>
Total liabilities and net assets	<u>14,649</u>	<u>15,439</u>

(2) Quarterly Consolidated statements of profit or loss and comprehensive income
Quarterly Consolidated statements of profit or loss

	(Millions of yen)	
	Fiscal year ended August 31, 2021 (from Sep. 1, 2020 to Aug. 31, 2021)	Fiscal year ended August 31, 2022 (from Sep. 1, 2021 to Aug. 31, 2022)
Net sales	19,039	19,674
Cost of sales	13,912	14,627
Gross profit	5,126	5,047
Selling, general and administrative expenses		
Advertising expenses	473	524
Promotion expenses	1,505	1,049
Provision of allowance for doubtful accounts	7	10
Remuneration for directors (and other officers)	287	294
Salaries and allowances	377	384
Bonuses	25	67
Provision for bonuses	44	44
Retirement benefit expenses	7	10
Provision for share awards for directors (and other officers)	11	14
Provision for share awards	4	4
Commission expenses	320	340
Depreciation	29	33
Rent expenses	267	266
Amortization of goodwill	74	91
Other	721	742
Total selling, general and administrative expenses	4,157	3,878
Operating profit	969	1,168
Non-operating income		
Interest income	13	10
Dividend income	22	27
Share of profit of entities accounted for using equity method	8	36
Rental income	18	14
Reversal of allowance for doubtful accounts	17	3
Subsidy income	57	12
Other	19	27
Total non-operating income	157	132
Non-operating expenses		
Interest expenses	1	0
Commission expenses	-	6
Rental expenses	4	1
Loss on cancellation of leases	5	-
Other	0	3
Total non-operating expenses	12	11
Ordinary profit	1,113	1,289

	(Millions of yen)	
	Fiscal year ended August 31, 2021 (from Sep. 1, 2020 to Aug. 31, 2021)	Fiscal year ended August 31, 2022 (from Sep. 1, 2021 to Aug. 31, 2022)
Extraordinary income		
Gain on sale of property, plant and equipment	531	-
Gain on sale of investment securities	164	-
Gain on sale of shares of subsidiaries and associates	-	623
Total extraordinary income	<u>696</u>	<u>623</u>
Extraordinary losses		
Loss on change in equity	1	-
Loss on retirement of property, plant and equipment	11	0
Loss on withdrawal from business	41	-
Extra retirement payments	-	24
Loss on store closings	-	15
Impairment losses	11	99
Other	-	3
Total extraordinary losses	<u>65</u>	<u>143</u>
Profit before income taxes	<u>1,744</u>	<u>1,769</u>
Income taxes - current	660	858
Income taxes - deferred	(56)	(63)
Total income taxes	<u>604</u>	<u>794</u>
Profit	<u>1,140</u>	<u>974</u>
Profit attributable to owners of parent	<u>1,140</u>	<u>974</u>

Quarterly consolidated statements of comprehensive income

	(Millions of yen)	
	Fiscal year ended August 31, 2021 (from Sep. 1, 2020 to Aug. 31, 2021)	Fiscal year ended August 31, 2022 (from Sep. 1, 2021 to Aug. 31, 2022)
Profit	1,140	974
Other comprehensive income		
Valuation difference on available-for-sale securities	34	144
Share of other comprehensive income of entities accounted for using equity method	3	6
Total other comprehensive income	38	151
Comprehensive income	1,179	1,125
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,179	1,125

(3) Consolidated statement of change in shareholder's equity
 Previous consolidated fiscal year (From September 1, 2020 to August 31, 2021)

(Millions of yen)

	Shareholder's equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	972	909	10,140	(2,903)	9,119
Cumulative effects of changes in accounting policies					-
Restated balance	972	909	10,140	(2,903)	9,119
Changes during period					
Dividends of surplus			(627)		(627)
Profit attributable to owners of parent			1,140		1,140
Purchase of treasury shares				(155)	(155)
Disposal of treasury shares			(124)	279	155
Net changes in items other than shareholders' equity					
Total changes during period	-	-	389	124	513
Balance at end of period	972	909	10,529	(2,779)	9,632

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	342	11	354	-	9,473
Cumulative effects of changes in accounting policies					-
Restated balance	342	11	354	-	9,473
Changes during period					
Dividends of surplus					(627)
Profit attributable to owners of parent					1,140
Purchase of treasury shares					(155)
Disposal of treasury shares					155
Net changes in items other than shareholders' equity	34	3	38	-	38
Total changes during period	34	3	38	-	552
Balance at end of period	377	15	392	-	10,025

Current consolidated fiscal year (From September 1, 2021 to August 31, 2022)

(Millions of yen)

	Shareholder's equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	972	909	10,529	(2,779)	9,632
Cumulative effects of changes in accounting policies			(12)		(12)
Restated balance	972	909	10,517	(2,779)	9,620
Changes during period					
Dividends of surplus			(532)		(532)
Profit attributable to owners of parent			974		974
Purchase of treasury shares					-
Disposal of treasury shares					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	442	-	442
Balance at end of period	972	909	10,959	(2,779)	10,062

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	377	15	392	-	10,025
Cumulative effects of changes in accounting policies					(12)
Restated balance	377	15	392	-	10,012
Changes during period					
Dividends of surplus					(532)
Profit attributable to owners of parent					974
Purchase of treasury shares					-
Disposal of treasury shares					-
Net changes in items other than shareholders' equity	144	6	151	-	151
Total changes during period	144	6	151	-	593
Balance at end of period	521	21	543	-	10,606

(4) Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended August 31, 2021 (from Sep. 1, 2020 to Aug. 31, 2021)	Fiscal year ended August 31, 2022 (from Sep. 1, 2021 to Aug. 31, 2022)
Cash flows from operating activities		
Profit before income taxes	1,744	1,769
Depreciation	162	160
Impairment losses	11	99
Amortization of intangible assets	5	3
Amortization of goodwill	74	91
Increase (decrease) in allowance for doubtful accounts	(12)	(0)
Increase (decrease) in provision for bonuses	(19)	28
Increase (decrease) in retirement benefit liability	6	6
Increase (decrease) in provision for share awards for directors (and other officers)	11	14
Increase (decrease) in provision for share awards	34	27
Loss (gain) on sale of investment securities	(164)	-
Loss (gain) on sale of shares of subsidiaries and associates	-	(623)
Interest and dividend income	(36)	(38)
Subsidy income	(57)	(12)
Interest expenses	1	0
Share of loss (profit) of entities accounted for using equity method	(8)	(36)
Loss (gain) on change in equity	1	-
Rental income	(18)	(14)
Rent expenses	4	1
Loss (gain) on sale of property, plant and equipment	(531)	-
Loss on retirement of property, plant and equipment	11	0
Extra retirement payments	-	24
Loss on store closings	-	15
Decrease (increase) in trade receivables	78	(193)
Decrease (increase) in inventories	21	13
Increase (decrease) in trade payables	0	10
Increase (decrease) in accrued consumption taxes	133	(147)
Increase (decrease) in accrued expenses	86	17
Decrease (increase) in other assets	(91)	81
Increase (decrease) in other liabilities	(325)	(144)
Subtotal	1,126	1,156
Interest and dividends received	38	37
Interest paid	(1)	(0)
Income taxes paid	(477)	(716)
Subsidies received	57	12
Net cash provided by (used in) operating activities	742	489

	(Millions of yen)	
	Fiscal year ended August 31, 2021 (from Sep. 1, 2020 to Aug. 31, 2021)	Fiscal year ended August 31, 2022 (from Sep. 1, 2021 to Aug. 31, 2022)
Cash flows from investing activities		
Purchase of securities	(100)	-
Proceeds from redemption of securities	100	100
Purchase of property, plant and equipment	(165)	(112)
Proceeds from sale of property, plant and equipment	1,235	-
Purchase of intangible assets	(24)	(92)
Purchase of investment securities	-	(158)
Proceeds from sale of investment securities	221	727
Proceeds from redemption of investment securities	200	100
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(233)
Payments of guarantee deposits	(36)	(37)
Proceeds from refund of guarantee deposits	52	4
Decrease (increase) in time deposits	200	(105)
Other, net	15	(42)
Net cash provided by (used in) investing activities	1,697	150
Cash flows from financing activities		
Proceeds from borrowings	1,000	-
Repayments of borrowings	(1,000)	(116)
Dividends paid	(626)	(532)
Repayments of lease liabilities	(1)	(4)
Net cash provided by (used in) financing activities	(628)	(653)
Net increase (decrease) in cash and cash equivalents	1,811	(13)
Cash and cash equivalents at beginning of period	6,765	8,577
Cash and cash equivalents at end of period	8,577	8,563

Segment Information

1. Information related to net sales, profit or loss for each reportable segment.

Previous consolidated fiscal year (From September 1, 2020 to August 31, 2021)

(Millions of yen)

	Reportable segment				Others*	Total
	Meiko Gijuku directly operated schools	Meiko Gijuku franchised schools	Japanese language schools	Total		
Net sales						
external sales	11,557	4,505	840	16,903	2,135	19,039
Inter-segment sales and transfers	-	892	3	895	28	924
Total	11,557	5,397	844	17,799	2,164	19,963
Segment profit (loss)	1,338	1,367	(176)	2,529	(269)	2,259
Other items						
Depreciation	40	59	15	115	37	153
Amortization of goodwill	-	-	-	-	74	74

(Note) 1. "Others" consists of the operating segments not included in reportable segments. It includes Kids Business (Afterschool), Waseda Academy Kobetsu Schools, Jiritsugausyu RED, MEIKO Kids e business and other businesses of consolidated subsidiaries Koto & Company and Tokyo Ishin Gakuin.

2. Information on assets and liabilities are not disclosed because the Company does not treat such information as central to the allocation of management resources and the evaluation of business performance.

3. Tokyo Ishin Gakuin Co., Ltd. was excluded from the scope of consolidation due to liquidation on June 30, 2021. In this consolidated fiscal year, only the statement of income up to the completion of liquidation was consolidated.

Current consolidated fiscal year (From September 1, 2021 to August 31, 2022)

(Million yen)

	Reportable segment				Others*	Total
	Meiko Gijuku directly operated schools	Meiko Gijuku franchised schools	Japanese language schools	Total		
Net sales						
Goods or services transferred at a point in time	731	1,743	-	2,474	1,232	3,706
Goods or services transferred over a period of time	11,455	2,782	815	15,053	914	15,967
Revenue from contracts with customers	12,186	4,525	815	17,527	2,147	19,674
Other income	-	-	-	-	-	-
Sales to external customers	12,186	4,525	815	17,527	2,147	19,674
Intersegment sales and transfers	-	947	-	947	4	951
Total	12,186	5,472	815	18,475	2,151	20,626
Segment income(loss)	1,296	1,703	(187)	2,811	(306)	2,505
Other items						
Depreciation	55	57	16	129	23	152
Amortization of goodwill	5	-	-	5	85	91

(Note) 1. "Others" consists of the operating segments not included in reportable segments. It includes Kids Business (Afterschool), Waseda Academy Kobetsu Schools, Jiritsugausyu RED, MEIKO Kids e business, HR solution business and other businesses of consolidated subsidiaries Koto & Company and Simple Inc.

2. Information on assets and liabilities are not disclosed because the Company does not treat such information as central to the allocation of management resources and the evaluation of business performance.

2. Difference between the Total of the Reportable Segments' Measures of Profit or Loss and Income according to Consolidated Quarterly Statements of Income, and the Main Components of the Difference (Matters related to Adjustment of Difference)

(Millions of yen)

Net sales	Fiscal year ended August 31, 2021	Fiscal year ended August 31, 2022
Reportable segment total	17,799	18,475
Profit (Loss) for "Others" category	2,164	2,151
Intersegment eliminations	(924)	(951)
Net sales in consolidated financial statements	19,039	19,674

(Millions of yen)

Profit (Loss)	Fiscal year ended August 31, 2021	Fiscal year ended August 31, 2022
Reportable segment total	2,529	2,811
Profit (Loss) for "Others" category	(269)	(306)
Corporate expenses	(1,290)	(1,336)
Operating income in consolidated financial statements	969	1,168

(Note)* Corporate expenses are mainly expenses that relate to the General Affairs section of the parent company that are not attributable to the reportable segment.

(Millions of yen)

Other items	Reportable segment total		Others		Adjustment*		Amount recorded in consolidated statements of operations	
	FY2021	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021	FY2022
Depreciation	115	129	37	23	9	8	162	160

(Note)* Adjustment of depreciation and amortization mainly represents depreciation and amortization of assets related to the General Affairs section of the parent company, which are not attributable to any reportable segment.

Per share information

Fiscal year ended August 31, 2021 (from Sep. 1, 2020 to Aug. 31, 2021)		Fiscal year ended August 31, 2022 (from Sep. 1, 2021 to Aug. 31, 2022)	
Net assets per share	399.67 yen	Net assets per share	422.84 yen
Net income (loss) per share	45.47 yen	Earnings per share	38.86 yen

- Note:
1. Diluted net income per share is not shown in the above table, as there are no residual shares.
 2. The number of treasury stock held by the Trust at the end of the previous fiscal year was 141,000 and 121,000 shares, and the average number of shares during the fiscal year was 70,693 and 60,666 shares. The number of treasury stock held by the Trust at the end of the fiscal year under review was 141,000 and 121,000 shares, and the average number of shares during the fiscal year was 141,000 and 121,000 shares.
 3. Basis for calculation of net income per share

	Fiscal year ended August 31, 2021 (from Sep. 1, 2020 to Aug. 31, 2021)	Fiscal year ended August 31, 2022 (from Sep. 1, 2021 to Aug. 31, 2022)
Net income per share		
Profit attributable to owners of parent	1,140	974
Amount not attributable to ordinary shareholders	-	-
Profit attributable to owners of parent of ordinary shareholders	1,140	974
Average number of shares during the period	25,084,293	25,083,542

(Significant Subsequent Events)
Not applicable