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



April 27, 2023

Company name: YONDENKO CORPORATION  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 1939  
 URL: <https://www.yondenko.co.jp/en/>  
 Representative: Yukio Sekiya, Representative Director & President  
 Contact: Tadakazu Takata, Managing Executive Officer, General Manager, Accounting & Finance Dept.  
 Phone: +81-87-840-0230  
 Scheduled date of annual general meeting of shareholders: June 29, 2023  
 Scheduled date of commencing dividend payments: June 30, 2023  
 Scheduled date of filing securities report: June 30, 2023  
 Availability of supplementary explanatory materials on annual financial results: Available  
 Schedule of annual financial results briefing session: Scheduled (Video streaming is scheduled.)

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

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

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

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2023	89,120	(3.8)	4,970	(8.2)	5,567	(9.4)	3,764	(0.4)
March 31, 2022	92,648	3.4	5,415	6.4	6,145	10.5	3,779	3.5

(Note) Comprehensive income: Fiscal year ended March 31, 2023: ¥3,287 million [(8.8)%]

Fiscal year ended March 31, 2022: ¥3,606 million [(36.8)%]

Fiscal year ended	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	%	%	%
March 31, 2023	239.24	—	6.8	5.8	5.6
March 31, 2022	240.53	—	7.2	6.3	5.8

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

Fiscal year ended March 31, 2022: ¥— million

(Note) The Company conducted a 2-for-1 share split of common shares on October 1, 2021. Basic earnings per share have been calculated assuming that the share split was conducted at the beginning of the fiscal year ended March 31, 2022.

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2023	97,069	55,908	57.5	3,547.30
As of March 31, 2022	96,517	54,175	56.1	3,443.05

(Reference) Equity: As of March 31, 2023: ¥55,851 million

As of March 31, 2022: ¥54,122 million

### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2023	3,809	148	(3,134)	19,917
March 31, 2022	9,918	(1,586)	(2,554)	19,095

### 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, 2022	–	70.00	–	55.00	–	1,414	37.4	2.7
March 31, 2023	–	45.00	–	45.00	90.00	1,417	37.6	2.6
March 31, 2024 (Forecast)	–	50.00	–	50.00	100.00		40.4	

(Note) The Company conducted a 2-for-1 share split of common shares on October 1, 2021. The figure for the second quarter of the fiscal year ended March 31, 2022 shows the actual dividend amount before conducting the share split. The annual dividend per share converted on a post-share-split basis is 90 yen for the fiscal year ended March 31, 2022.

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	97,000	8.8	5,500	10.6	6,000	7.8	3,900	3.6	247.70

#### \* Notes:

- (1) Changes in significant subsidiaries during the fiscal year under review: None  
(Changes in specified subsidiaries resulting in changes in scope of consolidation)
- (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 shares (common shares)
  - 1) Total number of issued shares at the end of the year (including treasury shares):  
March 31, 2023: 16,255,470 shares  
March 31, 2022: 16,255,470 shares
  - 2) Total number of treasury shares at the end of the year:  
March 31, 2023: 510,615 shares  
March 31, 2022: 536,121 shares
  - 3) Average number of shares outstanding during the year:  
Year ended March 31, 2023: 15,737,001 shares  
Year ended March 31, 2022: 15,712,040 shares

(Note) The Company conducted a 2-for-1 share split of common shares on October 1, 2021. The average number of shares outstanding during the period has been calculated assuming that the share split was conducted at the beginning of the fiscal year ended March 31, 2022.

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

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

Year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2023	74,399	(4.6)	3,128	(14.9)	4,049	(15.7)	3,055	(6.5)
March 31, 2022	77,965	2.0	3,675	22.6	4,802	28.0	3,268	21.3

Year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2023	194.17	—
March 31, 2022	208.05	—

(Note) The Company conducted a 2-for-1 share split of common shares on October 1, 2021. Basic earnings per share have been calculated assuming that the share split was conducted at the beginning of the fiscal year ended March 31, 2022.

**(2) Non-consolidated Financial Position**

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2023	79,108	48,611	61.4	3,087.44
As of March 31, 2022	77,642	47,475	61.1	3,020.19

(Reference) Equity: As of March 31, 2023: ¥48,611 million

As of March 31, 2022: ¥47,475 million

**2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 - March 31, 2024)**

(% indicates changes from the previous corresponding period.)

Full year	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	82,000	10.2	3,400	8.7	4,100	1.3	2,800	(8.4)	177.84

\* These consolidated 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

The above forecasts are prepared on the basis of the Company's current outlook and plans as of the date of publication of this document and do not represent a promise or commitment by the Company to achieve them. Actual results may be different from the forecast figures due to various factors in the future.

Please refer to page 3 of the attached document (available only in Japanese) for the assumptions and other matters related to the above forecasts.

**Consolidated Financial Statements**  
**(1) Consolidated Balance Sheets**

(Million yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	8,323	7,603
Notes receivable, accounts receivable from completed construction contracts and other	20,639	22,378
Electronically recorded monetary claims - operating	1,463	1,671
Investments in leases	3,633	3,434
Costs on construction contracts in progress	2,047	2,022
Other inventories	1,495	1,845
Deposits paid to subsidiaries and associates	11,800	13,000
Other	1,013	1,776
Allowance for doubtful accounts	(72)	(87)
Total current assets	50,343	53,644
Non-current assets		
Property, plant and equipment		
Buildings and structures	19,986	19,154
Machinery, vehicles, tools, furniture and fixtures	21,724	21,807
Land	12,095	11,876
Accumulated depreciation	(25,807)	(26,425)
Total property, plant and equipment	28,000	26,413
Intangible assets		
Goodwill	1,633	1,235
Other	544	509
Total intangible assets	2,178	1,745
Investments and other assets		
Investment securities	10,088	9,360
Long-term loans receivable	624	270
Retirement benefit asset	2,572	2,625
Deferred tax assets	2,167	2,342
Other	774	741
Allowance for doubtful accounts	(232)	(72)
Total investments and other assets	15,995	15,267
Total non-current assets	46,173	43,425
Total assets	96,517	97,069

(Million yen)

	As of March 31, 2022	As of March 31, 2023
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	12,440	14,924
Short-term borrowings	360	400
Current portion of bonds payable	140	30
Current portion of long-term borrowings	3,013	2,761
Accounts payable - other	5,289	4,645
Income taxes payable	1,655	1,462
Advances received on construction contracts in progress	2,390	2,230
Provision for loss on construction contracts	6	163
Other	4,103	2,888
Total current liabilities	29,400	29,506
Non-current liabilities		
Bonds payable	111	81
Long-term borrowings	9,390	8,205
Provision for retirement benefits for directors (and other officers)	298	316
Retirement benefit liability	2,953	2,882
Other	186	168
Total non-current liabilities	12,941	11,654
Total liabilities	42,341	41,160
<b>Net assets</b>		
Shareholders' equity		
Share capital	3,451	3,451
Capital surplus	4,234	4,249
Retained earnings	46,627	48,819
Treasury shares	(622)	(592)
Total shareholders' equity	53,691	55,927
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	120	(261)
Remeasurements of defined benefit plans	310	186
Total accumulated other comprehensive income	431	(75)
Non-controlling interests	53	56
Total net assets	54,175	55,908
Total liabilities and net assets	96,517	97,069

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

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Net sales		
Net sales of completed construction contracts	86,524	83,835
Sales in other businesses	6,123	5,285
Total net sales	92,648	89,120
Cost of sales		
Cost of sales of completed construction contracts	73,591	71,360
Cost of sales in other businesses	4,436	3,771
Total cost of sales	78,027	75,132
Gross profit		
Gross profit on completed construction contracts	12,933	12,475
Gross profit - other business	1,687	1,513
Total gross profit	14,620	13,988
Selling, general and administrative expenses	9,204	9,017
Operating profit	5,415	4,970
Non-operating income		
Interest income	16	17
Dividend income	345	171
Gain on sale of securities	30	72
Gain on sale of goods	170	181
Dividend income of life insurance	66	60
Rental income from real estate	63	63
Other	106	96
Total non-operating income	799	663
Non-operating expenses		
Interest expenses	46	40
Condolence money	13	15
Other	9	10
Total non-operating expenses	69	66
Ordinary profit	6,145	5,567
Extraordinary income		
Gain on sale of non-current assets	0	5
Gain on sale of investment securities	–	268
Other	1	–
Total extraordinary income	2	274
Extraordinary losses		
Loss on sale of non-current assets	–	0
Impairment losses	93	24
Loss on retirement of non-current assets	22	155
Loss on valuation of investment securities	222	–
Other	2	–
Total extraordinary losses	341	180
Profit before income taxes	5,807	5,661
Income taxes - current	2,092	1,817
Income taxes - deferred	(92)	49
Total income taxes	2,000	1,867
Profit	3,807	3,794
Profit attributable to non-controlling interests	27	29
Profit attributable to owners of parent	3,779	3,764

## Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Profit	3,807	3,794
Other comprehensive income		
Valuation difference on available-for-sale securities	(462)	(382)
Remeasurements of defined benefit plans, net of tax	261	(124)
Total other comprehensive income	(200)	(507)
Comprehensive income	3,606	3,287
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,578	3,257
Comprehensive income attributable to non-controlling interests	27	29

## (3) Consolidated Statements of Changes in Equity

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

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,451	4,222	43,869	(649)	50,894
Changes during period					
Dividends of surplus			(1,021)		(1,021)
Profit attributable to owners of parent			3,779		3,779
Purchase of treasury shares				(3)	(3)
Disposal of treasury shares		11		30	41
Net changes in items other than shareholders' equity					
Total changes during period	—	11	2,758	27	2,796
Balance at end of period	3,451	4,234	46,627	(622)	53,691

	Accumulated other comprehensive income		Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans		
Balance at beginning of period	582	49	41	51,567
Changes during period				
Dividends of surplus			(16)	(1,037)
Profit attributable to owners of parent				3,779
Purchase of treasury shares				(3)
Disposal of treasury shares				41
Net changes in items other than shareholders' equity	(462)	261	27	(173)
Total changes during period	(462)	261	11	2,607
Balance at end of period	120	310	53	54,175



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

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,451	4,234	46,627	(622)	53,691
Changes during period					
Dividends of surplus			(1,573)		(1,573)
Profit attributable to owners of parent			3,764		3,764
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		15		30	45
Net changes in items other than shareholders' equity					
Total changes during period	—	15	2,191	29	2,236
Balance at end of period	3,451	4,249	48,819	(592)	55,927

	Accumulated other comprehensive income		Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans		
Balance at beginning of period	120	310	53	54,175
Changes during period				
Dividends of surplus			(25)	(1,598)
Profit attributable to owners of parent				3,764
Purchase of treasury shares				(0)
Disposal of treasury shares				45
Net changes in items other than shareholders' equity	(382)	(124)	29	(477)
Total changes during period	(382)	(124)	3	1,732
Balance at end of period	(261)	186	56	55,908

## (4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
<b>Cash flows from operating activities</b>		
Profit before income taxes	5,807	5,661
Depreciation	2,003	2,020
Impairment losses	93	24
Amortization of goodwill	584	398
Increase (decrease) in retirement benefit liability	110	(86)
Increase (decrease) in allowance for doubtful accounts	(18)	(145)
Increase (decrease) in provision for loss on construction contracts	(25)	157
Loss (gain) on valuation of investment securities	222	–
Decrease (increase) in retirement benefit asset	(161)	(216)
Interest and dividend income	(362)	(189)
Loss (gain) on sale of securities	(30)	(72)
Decrease (increase) in trade receivables	1,919	(1,922)
Decrease (increase) in investments in leases	(58)	129
Decrease (increase) in costs on construction contracts in progress	4,091	49
Decrease (increase) in other inventories	700	(349)
Increase (decrease) in trade payables	(2,573)	2,483
Decrease (increase) in accounts receivable - other	1,576	(562)
Increase (decrease) in accounts payable - other	(44)	(580)
Increase (decrease) in advances received on construction contracts in progress	(2,322)	(160)
Increase (decrease) in accrued consumption taxes	508	(714)
Other, net	(137)	(250)
Subtotal	11,883	5,674
Interest and dividends received	358	237
Interest paid	(62)	(57)
Income taxes paid	(2,260)	(2,045)
Net cash provided by (used in) operating activities	9,918	3,809
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,350)	(1,302)
Proceeds from sale of property, plant and equipment	19	279
Purchase of investment securities	(2,032)	(772)
Proceeds from sale and redemption of investment securities	2,169	1,388
Purchase of shares of subsidiaries and associates	(5)	(96)
Purchase of intangible assets	(57)	(58)
Loan advances	(56)	(21)
Proceeds from collection of loans receivable	186	384
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	22	–
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(305)	–
Other, net	(175)	346
Net cash provided by (used in) investing activities	(1,586)	148

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	–	40
Proceeds from long-term borrowings	1,860	1,760
Repayments of long-term borrowings	(3,251)	(3,197)
Redemption of bonds	(119)	(140)
Purchase of treasury shares	(3)	(0)
Dividends paid	(1,019)	(1,567)
Dividends paid to non-controlling interests	(16)	(25)
Other, net	(6)	(3)
Net cash provided by (used in) financing activities	(2,554)	(3,134)
Net increase (decrease) in cash and cash equivalents	5,776	822
Cash and cash equivalents at beginning of period	13,318	19,095
Cash and cash equivalents at end of period	19,095	19,917

**Non-consolidated Financial Statements**  
**(1) Non-consolidated Balance Sheets**

(Million yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	3,102	2,942
Notes receivable - trade	2,338	2,010
Accounts receivable from completed construction contracts	15,711	17,258
Costs on construction contracts in progress	1,618	1,455
Raw materials and supplies	1,477	1,815
Prepaid expenses	57	84
Short-term loans receivable from subsidiaries and associates	47	147
Accounts receivable - other	666	1,020
Deposits paid to subsidiaries and associates	11,800	13,000
Other	129	236
Allowance for doubtful accounts	(4)	(13)
Total current assets	36,944	39,957
Non-current assets		
Property, plant and equipment		
Buildings	16,070	15,281
Accumulated depreciation	(10,369)	(10,068)
Buildings, net	5,701	5,212
Structures	2,272	2,217
Accumulated depreciation	(1,628)	(1,659)
Structures, net	644	557
Machinery and vehicles	758	756
Accumulated depreciation	(501)	(529)
Machinery and vehicles, net	256	226
Tools, furniture and fixtures	1,077	1,058
Accumulated depreciation	(960)	(963)
Tools, furniture and fixtures, net	116	95
Land	11,345	11,137
Leased assets	3,866	3,786
Accumulated depreciation	(2,098)	(2,117)
Leased assets, net	1,768	1,669
Total property, plant and equipment	19,832	18,898

(Million yen)

	As of March 31, 2022	As of March 31, 2023
<b>Intangible assets</b>		
Leasehold interests in land	7	7
Software	103	93
Other	35	34
<b>Total intangible assets</b>	<b>146</b>	<b>135</b>
<b>Investments and other assets</b>		
Investment securities	7,350	6,578
Shares of subsidiaries and associates	8,704	8,736
Long-term loans receivable from subsidiaries and associates	600	250
Long-term loans receivable from employees	23	19
Distressed receivables	0	0
Long-term prepaid expenses	0	1
Prepaid pension costs	2,189	2,405
Deferred tax assets	1,709	1,833
Other	312	328
Allowance for doubtful accounts	(171)	(36)
<b>Total investments and other assets</b>	<b>20,718</b>	<b>20,117</b>
<b>Total non-current assets</b>	<b>40,697</b>	<b>39,151</b>
<b>Total assets</b>	<b>77,642</b>	<b>79,108</b>

(Million yen)

	As of March 31, 2022	As of March 31, 2023
<b>Liabilities</b>		
Current liabilities		
Notes payable - trade	2,121	2,998
Accounts payable for construction contracts	9,487	10,752
Lease liabilities	671	624
Accounts payable - other	5,002	4,361
Accrued expenses	1,442	1,327
Income taxes payable	1,183	1,025
Accrued consumption taxes	1,111	908
Advances received on construction contracts in progress	1,702	1,557
Deposits received	2,398	2,436
Provision for loss on construction contracts	6	163
Other	572	36
Total current liabilities	25,700	26,194
Non-current liabilities		
Lease liabilities	1,417	1,349
Provision for retirement benefits	2,968	2,873
Other	80	80
Total non-current liabilities	4,466	4,302
Total liabilities	30,166	30,497
<b>Net assets</b>		
Shareholders' equity		
Share capital	3,451	3,451
Capital surplus		
Legal capital surplus	4,209	4,209
Other capital surplus	25	40
Total capital surplus	4,234	4,249
Retained earnings		
Legal retained earnings	862	862
Other retained earnings		
Reserve for tax purpose reduction entry of non- current assets	703	689
General reserve	29,700	29,700
Retained earnings brought forward	9,013	10,510
Total retained earnings	40,279	41,762
Treasury shares	(622)	(592)
Total shareholders' equity	47,343	48,870
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	132	(258)
Total valuation and translation adjustments	132	(258)
Total net assets	47,475	48,611
Total liabilities and net assets	77,642	79,108

## (2) Non-consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
<b>Net sales</b>		
Net sales of completed construction contracts	75,828	73,263
Net sales in sideline businesses	2,136	1,136
<b>Total net sales</b>	<b>77,965</b>	<b>74,399</b>
<b>Cost of sales</b>		
Cost of sales of completed construction contracts	65,200	63,185
Cost of sales in sideline businesses	1,768	918
<b>Total cost of sales</b>	<b>66,969</b>	<b>64,104</b>
<b>Gross profit</b>		
Gross profit on completed construction contracts	10,627	10,078
Gross profit on sideline business	368	217
<b>Total gross profit</b>	<b>10,996</b>	<b>10,295</b>
<b>Selling, general and administrative expenses</b>		
Remuneration for directors (and other officers)	241	235
Employees' salaries and allowances	3,460	3,537
Retirement benefit expenses	208	153
Legal welfare expenses	580	600
Welfare expenses	329	292
Repair and maintenance expenses	28	35
Stationery expenses	236	96
Communication and transportation expenses	154	178
Power utilities expenses	70	90
Research study expenses	74	67
Education and training expenses	369	433
Advertising expenses	69	61
Provision of allowance for doubtful accounts	(6)	(120)
Entertainment expenses	35	57
Donations	12	21
Rent expenses on land and buildings	121	139
Depreciation	431	394
Taxes and dues	370	372
Insurance expenses	9	9
Administrative outsourcing expenses	8	8
Miscellaneous expenses	514	503
<b>Total selling, general and administrative expenses</b>	<b>7,320</b>	<b>7,166</b>
<b>Operating profit</b>	<b>3,675</b>	<b>3,128</b>

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
<b>Non-operating income</b>		
Interest income	12	17
Interest on securities	3	–
Dividend income	846	588
Gain on sale of securities	30	72
Gain on sale of goods	168	177
Dividend income of life insurance	66	60
Rental income from real estate	77	77
Other	50	54
Total non-operating income	1,255	1,048
<b>Non-operating expenses</b>		
Interest expenses	110	105
Condolence money	9	15
Other	7	7
Total non-operating expenses	128	128
Ordinary profit	4,802	4,049
<b>Extraordinary income</b>		
Gain on sale of non-current assets	–	5
Gain on sale of investment securities	–	268
Total extraordinary income	–	274
<b>Extraordinary losses</b>		
Loss on sale of non-current assets	–	0
Impairment losses	105	24
Loss on retirement of non-current assets	19	155
Loss on valuation of investment securities	222	–
Total extraordinary losses	347	180
Profit before income taxes	4,455	4,142
Income taxes - current	1,254	1,039
Income taxes - deferred	(68)	47
Total income taxes	1,186	1,087
Profit	3,268	3,055



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

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

(Million yen)

	Shareholders' equity			
	Share capital	Capital surplus		Retained earnings
		Legal capital surplus	Other capital surplus	Legal retained earnings
Balance at beginning of period	3,451	4,209	13	862
Changes during period				
Reversal of reserve for tax purpose reduction entry of non-current assets				
Dividends of surplus				
Profit				
Purchase of treasury shares				
Disposal of treasury shares			11	
Net changes in items other than shareholders' equity				
Total changes during period	—	—	11	—
Balance at end of period	3,451	4,209	25	862

	Shareholders' equity					Valuation and translation adjustments	Total net assets
	Retained earnings			Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	
	Other retained earnings						
	Reserve for tax purpose reduction entry of non-current assets	General reserve	Retained earnings brought forward				
Balance at beginning of period	706	29,700	6,762	(649)	45,056	598	45,655
Changes during period							
Reversal of reserve for tax purpose reduction entry of non-current assets	(3)		3		—		—
Dividends of surplus			(1,021)		(1,021)		(1,021)
Profit			3,268		3,268		3,268
Purchase of treasury shares				(3)	(3)		(3)
Disposal of treasury shares				30	41		41
Net changes in items other than shareholders' equity						(466)	(466)
Total changes during period	(3)	—	2,251	27	2,286	(466)	1,820
Balance at end of period	703	29,700	9,013	(622)	47,343	132	47,475

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

(Million yen)

	Shareholders' equity			
	Share capital	Capital surplus		Retained earnings
		Legal capital surplus	Other capital surplus	Legal retained earnings
Balance at beginning of period	3,451	4,209	25	862
Changes during period				
Reversal of reserve for tax purpose reduction entry of non-current assets				
Dividends of surplus				
Profit				
Purchase of treasury shares				
Disposal of treasury shares			15	
Net changes in items other than shareholders' equity				
Total changes during period	—	—	15	—
Balance at end of period	3,451	4,209	40	862

	Shareholders' equity					Valuation and translation adjustments	Total net assets
	Retained earnings			Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	
	Other retained earnings		Retained earnings brought forward				
	Reserve for tax purpose reduction entry of non-current assets	General reserve					
Balance at beginning of period	703	29,700	9,013	(622)	47,343	132	47,475
Changes during period							
Reversal of reserve for tax purpose reduction entry of non-current assets	(14)		14		—		—
Dividends of surplus			(1,573)		(1,573)		(1,573)
Profit			3,055		3,055		3,055
Purchase of treasury shares				(0)	(0)		(0)
Disposal of treasury shares				30	45		45
Net changes in items other than shareholders' equity						(391)	(391)
Total changes during period	(14)	—	1,496	29	1,526	(391)	1,135
Balance at end of period	689	29,700	10,510	(592)	48,870	(258)	48,611