Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2023 (Based on Japanese GAAP)

May 15, 2023

Company name:	Fabrica Communications Co., LTD.		
Stock exchange listing:	Tokyo, Nagoya		
Stock code:	4193 URL https://www.fabrica-com	.co.jp/	
Representative:	Representative Director & President	Masahito Taniguchi	
Inquiries:	Director & Head of Administration Division	Akira Watanabe	TEL 052-959-3460
Scheduled date of ordin	ary general meeting of shareholders:	June 29, 2023	
Scheduled date to file S	ecurities Report:	June 29, 2023	
Scheduled date to comm	nence dividend payments:	June 30, 2023	
Preparation of suppleme	entary material on financial results:	Yes	
Holding of financial res	sults meeting:	Yes (for institutional i	nvestors and analysts)

(Amounts less than one million yen are rounded down)

Percentages indicate year-on-year changes

1. Consolidated financial results for the year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2023	7,600	29.7	1,282	38.9	1,262	34.3	810	41.1
Year ended March 31, 2022	5,858	21.4	923	40.1	939	42.8	574	26.1

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2023	159.44	148.49	29.1	29.8	16.9
Year ended March 31, 2022	121.82	105.81	35.8	31.2	15.8

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share	
	Millions of yen	Millions of yen	%	Yen	
As of March 31, 2023	4,702	3,178	67.5	595.57	
As of March 31, 2022	3,762	2,395	63.7	481.00	

(3) Consolidated cash flows

	Cash flows from	Cash flows from		Cash and cash equivalents
	operating activities	investing activities	financing activities	at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2023	1,038	(753)	(240)	2,312
Year ended March 31, 2022	566	(100)	774	2,268

2. Cash dividends

		Annu	al dividends per	Total cash	Dividend payout	Ratio of dividends		
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total	dividends (Total)	ratio (Consolidated)	to net assets (Consolidated)
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2022	-	0.00	-	25.00	25.00	124	20.5	7.4
Year ended March 31, 2023	-	0.00	-	35.00	35.00	186	22.0	6.5
Year ending March 31, 2024 (Forecast)	-	0.00	-	36.00	36.00		21.5	

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

							Percentages inc	dicate ye	ar-on-year changes
	Net sales		Operating pr	ofit	Ordinary pro	ofit	Profit attributa owners of pa		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	8,967	18.0	1,418	10.6	1,424	12.9	893	10.3	167.75

No

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2023

(changes in specified subsidiaries resulting in the change in scope of consolidation):

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
Changes in accounting policies due to revisions to accounting standards and other regulations: No
Changes in accounting policies due to other reasons: No
Changes in accounting estimates: No
Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

_					
	As of March 31, 2023	5,327,800 shares	As of March 31, 2022	1	4,981,000 shares
N	umber of treasury shares at the end of the	period			
	As of March 31, 2023	78 shares	As of March 31, 2022		36 shares
А	verage number of shares during the perio	d			
Ī	Year ended March 31, 2023	5,081,004 shares	Year ended March 31, 2022	i	4,713,350 shares

Consolidated financial statements

Consolidated balance sheets

		(Thousands of yen)
	As of March 31, 2022	As of March 31, 2023
ssets		
Current assets		
Cash and deposits	2,296,105	2,265,070
Accounts receivable - trade	598,099	714,070
Merchandise and finished goods	37,262	91,600
Work in process	222	203
Raw materials and supplies	3,149	3,275
Other	188,143	238,198
Allowance for doubtful accounts	(3,047)	(3,186
Total current assets	3,119,935	3,309,231
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	89,733	59,404
Machinery, equipment and vehicles, net	6,080	4,528
Tools, furniture and fixtures, net	25,799	26,680
Land	158,429	158,429
Leased assets, net	27,035	67,23
Total property, plant and equipment	307,078	316,274
Intangible assets		
Goodwill	_	23,051
Software	83,075	117,277
Software in progress	48,958	103,762
Other	328	770
Total intangible assets	132,362	244,861
Investments and other assets		
Investment securities	25,691	196,378
Shares of subsidiaries and associates	-	389,419
Distressed receivables	1,169	1,319
Insurance funds	37,181	42,337
Deferred tax assets	59,092	78,445
Other	79,898	124,527
Allowance for doubtful accounts	(1,231)	(1,342
Total investments and other assets	201,801	831,085
Total non-current assets	641,242	1,392,220
Deferred assets	· · · · · · · · · · · · · · · · · · ·	
Bond issuance costs	1,789	822
Total deferred assets	1,789	822
Total assets	3,762,967	4,702,275
		1,702,275

Current liabilities Notes and accounts payable - trade 356,854 443,07 Current portion of bonds payable 65,000 50,000 Current portion of long-term borrowings 94,064 86,300 Accounts payable - other 164,873 216,18 Accrued expenses 81,082 92,58 Income taxes payable 204,694 310,000 Contract liabilities 29,092 36,555 Lase liabilities 7,025 18,52 Provision for bonuses 9,960 9,82 Provision for point card certificates 63,387 74,966 Other 11,997 15,007 Total current liabilities 1,088,632 1,353,100 Non-current liabilities 20,884 52,833 Bonds payable 80,000 30,000 Long-term borrowings 146,668 60,366 Lease liabilities 278,483 170,505 Other 4,564 4,144 Total liabilities 1,367,115 1,523,600 Net assets 556,462			(Thousands of yen)
Current liabilities Notes and accounts payable - trade 356,854 443,07 Current portion of bonds payable 65,000 50,000 Current portion of long-term borrowings 94,064 86,300 Accounts payable - other 164,873 216,18 Accrued expenses 81,082 92,58 Income taxes payable 204,694 310,000 Contract liabilities 29,092 36,555 Lase liabilities 7,025 18,52 Provision for bonuses 9,960 9,82 Provision for point card certificates 63,387 74,966 Other 11,997 15,007 Total current liabilities 1,088,632 1,353,100 Non-current liabilities 20,884 52,833 Bonds payable 80,000 30,000 Long-term borrowings 146,668 60,366 Lease liabilities 278,483 170,505 Other 4,564 4,144 Total liabilities 1,367,115 1,523,600 Net assets 556,462		As of March 31, 2022	As of March 31, 2023
Notes and accounts payable - trade 356,854 443,07 Current portion of long-term borrowings 94,064 86,30 Accounts payable - other 164,873 216,18 Account expenses 81,082 92,58 Income taxes payable 204,694 310,00 Contract liabilities 29,692 36,55 Lease liabilities 7,025 18,52 Provision for bonuses 9,960 9,82 Provision for point card certificates 63,387 7,496 Other 11,997 15,07 Total current liabilities 1,088,632 1,333,10 Non-current liabilities 20,884 52,83 Asset retirement obligations 26,366 23,15 Other 4,564 4,414 Total non-current liabilities 20,884 52,833 Asset retirement obligations 26,366 23,15 Other 4,367,115 1,323,60 Net assets 1,367,115 1,523,60 Share capital 617,442 645,10 Capit	Liabilities		
Current portion of bonds payable $65,000$ $50,000$ Current portion of long-term borrowings $94,064$ $86,500$ Accounts payable - other $164,873$ $216,18$ Accrued expenses $81,082$ $92,58$ Income taxes payable $204,694$ $310,000$ Contract liabilities $29,692$ $36,55$ Lease liabilities $7,025$ $18,822$ Provision for bonuses $9,960$ $9,822$ Provision for point card certificates $63,387$ $74,966$ Other $11,997$ $15,077$ Total current liabilities $1,088,632$ $1,353,100$ Bonds payable $80,000$ $30,000$ Long-term borrowings $146,668$ $60,366$ Lease liabilities $20,884$ $52,835$ Asset retirement obligations $26,366$ $23,15$ Other $1,972$ $15,523,600$ Net assets $556,642$ $584,123$ Share capital $617,4422$ $645,100$ Capital surplus $556,642$ $584,123$ Share capital $617,4422$ $645,100$ Capital surplus $556,642$ $584,123$ Share capital $617,4422$ $645,100$ Capital surplus $556,642$ $584,123$ Total liabilities $1,222,114$ $1,907,690$ Treasury shares (167) (311) Total shareholders' equity $2,395,851$ $3,136,600$ Accumulated other comprehensive income $-36,399$ Valuation difference on available-for-sale securities $-36,399$ </td <td>Current liabilities</td> <td></td> <td></td>	Current liabilities		
Current portion of long-term borrowings $94,064$ $86,30$ Accounts payable - other $164,873$ $216,18$ Accrued expenses $81,082$ $92,58$ Income taxes payable $204,694$ $310,000$ Contract liabilities $29,692$ $36,55$ Lease liabilities $7,025$ $18,52$ Provision for bonuses $9,960$ $9,822$ Provision for point card certificates $63,387$ $74,966$ Other $11,997$ $15,077$ Total current liabilities $1,088,632$ $1,353,100$ Non-current liabilities $20,884$ $52,833$ Asset retirement obligations $26,366$ $23,15$ Other $4,564$ $4,144$ Total non-current liabilities $278,483$ $170,500$ Net assets $556,462$ $584,12$ Share capital $617,442$ $645,100$ Capital surplus $556,462$ $584,12$ Retained earnings $1,222,114$ $1,907,690$ Total liabilities $-36,239$ $3,136,600$ Accurundated other comprehensive income $-36,399$ Valuation difference on available-for-sale securities $-$ Total accumulated other comprehensive income $-$ Valuation difference on available-for-sale securities $-$ Total accumulated other comprehensive income $-$ Valuation difference on available-for-sale securities $-$ Total accumulated other comprehensive income $-$ Valuation difference on available-for-sale securities $-$ Total accumulate	Notes and accounts payable - trade	356,854	443,076
Accounts payable - other $164,873$ $216,18$ Accrued expenses $81,082$ $92,58$ Income taxes payable $204,694$ $310,00$ Contract liabilities $29,692$ $36,55$ Lease liabilities $7,025$ $18,52$ Provision for bonuses $9,960$ $9,82$ Provision for point card certificates $63,387$ $74,966$ Other $11,997$ $15,07$ Total current liabilities $1,088,632$ $1,353,10$ Non-current liabilities $20,884$ $52,833$ Bonds payable $80,000$ $30,000$ Long-term borrowings $146,668$ $60,366$ Lease liabilities $20,884$ $52,838$ Asset retirement obligations $26,366$ $23,15$ Other $4,564$ $4,144$ Total non-current liabilities $278,483$ $170,503$ Net assets $556,462$ $584,12$ Share capital $617,442$ $645,100$ Capital surplus $556,462$ $584,12$ Total liabilities $-36,399$ $3,136,600$ Accumulated other comprehensive income $-36,399$ <	Current portion of bonds payable	65,000	50,000
Accrued expenses $81,082$ $92,58$ Income taxes payable $204,694$ $310,000$ Contract liabilities $29,692$ $36,55$ Lease liabilities $7,025$ $18,522$ Provision for bonuses $9,960$ $9,822$ Provision for point card certificates $63,387$ $74,966$ Other $11,997$ $15,077$ Total current liabilities $1,088,632$ $1,353,100$ Non-current liabilities $20,884$ $52,833$ Asset retirement obligations $26,366$ $23,15$ Other $4,564$ $4,144$ Total non-current liabilities $278,483$ $170,500$ Net assets $556,462$ $584,122$ Share capital $617,442$ $645,100$ Capital surplus $556,462$ $584,122$ Retained carnings $1,222,114$ $1,907,692$ Total shareholders' equity $2,395,851$ $3,136,600$ Accumulated other comprehensive income $ 36,399$ Valuation difference on available-for-sale securities $ 36,599$ Total accumulated other comprehensive income $ 36,591$ Share acquisition rights $ 5,666$ Total net assets $ 5,666$ Total net assets $ 5,666$	Current portion of long-term borrowings	94,064	86,300
Income taxes payable 204,694 310,00 Contract liabilities 29,692 36,55 Lease liabilities 7,025 18,52 Provision for bonuses 9,960 9,82 Provision for point card certificates 63,387 74,960 Other 11,997 15,07 Total current liabilities 1088,632 1,353,10 Non-current liabilities 20,884 52,833 Asset retirement obligations 26,366 23,15 Other 4,564 4,144 Total non-current liabilities 278,483 170,500 Other 1,367,115 1,523,600 Net assets 556,462 584,122 Share capital 617,442 645,100 Capital surplus 556,462 584,122 Retained earnings 1,222,114 1,907,692 Total shareholders' equity 2,395,851 3,136,600 Accumulated other comprehensive income - 36,393 Valuation difference on available-for-sale securities - 36,393	Accounts payable - other	164,873	216,184
Contract liabilities $29,692$ $36,55$ Lease liabilities $7,025$ $18,52$ Provision for bonuses $9,960$ $9,822$ Provision for point card certificates $63,387$ $74,960$ Other $11,997$ $15,077$ Total current liabilities $1,088,632$ $1,353,100$ Non-current liabilities $80,000$ $30,000$ Long-term borrowings $146,668$ $60,366$ Lease liabilities $20,884$ $52,837$ Asset retirement obligations $26,366$ $23,15$ Other $4,564$ $4,144$ Total non-current liabilities $278,483$ $170,500$ Net assets $556,462$ $584,122$ Share capital $617,442$ $645,100$ Capital surplus $556,462$ $584,122$ Retained earnings $1,222,114$ $1,907,692$ Total shareholders' equity $2,395,851$ $3,136,600$ Accumulated other comprehensive income $ 36,399$ Valuation difference on available-for-sale securities $ 36,399$ Total accumulated other comprehensive income $ 36,391$ Share acquisition rights $ 5,660$ Total net assets $2,395,851$ $3,178,660$	Accrued expenses	81,082	92,587
Lease liabilities $7,025$ $18,52$ Provision for bonuses $9,960$ $9,82$ Provision for point card certificates $63,387$ $74,960$ Other $11,997$ $15,071$ Total current liabilities $1,088,632$ $1,353,100$ Non-current liabilities $10,088,632$ $1,353,100$ Bonds payable $80,000$ $30,000$ Long-term borrowings $146,668$ $60,360$ Lease liabilities $20,884$ $52,833$ Asset retirement obligations $26,366$ $23,15$ Other $4,564$ $4,144$ Total non-current liabilities $278,483$ $170,500$ Total inon-current liabilities $2,78,483$ $170,500$ Net assets $556,462$ $584,120$ Share capital $617,442$ $645,100$ Capital surplus $556,462$ $584,120$ Total shareholders' equity $2,395,851$ $3,136,600$ Accumulated other comprehensive income $ 36,390$ Valuation difference on available-for-sale securities $ 36,390$ Total accumulated other comprehensive income $ 36,390$ Nare acquisition rights $ 5,660$ Total net assets $ 5,660$ Total net assets $ 5,660$	Income taxes payable	204,694	310,006
Provision for bonuses9,9609,82Provision for point card certificates $63,387$ $74,960$ Other $11,997$ $15,070$ Total current liabilities $1,088,632$ $1,353,100$ Non-current liabilities $10,088,632$ $1,353,100$ Bonds payable $80,000$ $30,000$ Long-term borrowings $146,668$ $60,366$ Lease liabilities $20,884$ $52,833$ Asset retirement obligations $26,366$ $23,15$ Other $4,564$ $4,144$ Total non-current liabilities $278,483$ $170,500$ Total liabilities $278,483$ $170,500$ Net assets $556,462$ $584,120$ Share capital $617,442$ $645,100$ Capital surplus $556,462$ $584,120$ Retained earnings $1,222,114$ $1,907,690$ Treasury shares (167) (311) Total shareholders' equity $2,395,851$ $3,136,600$ Accumulated other comprehensive income $ 36,399$ Valuation difference on available-for-sale securities $ 36,399$ Total accumulated other comprehensive income $ 36,399$ Share acquisition rights $ 56,660$ Total net assets $2,395,851$ $3,178,660$	Contract liabilities	29,692	36,553
Provision for point card certificates $63,387$ $74,966$ Other $11,997$ $15,077$ Total current liabilities $1,088,632$ $1,353,10$ Non-current liabilities $80,000$ $30,000$ Long-term borrowings $146,668$ $60,366$ Lease liabilities $20,884$ $52,833$ Asset retirement obligations $26,366$ $23,15$ Other $4,564$ $4,144$ Total non-current liabilities $278,483$ $170,500$ Total liabilities $1,367,115$ $1,523,600$ Net assets $556,462$ $584,122$ Share capital $617,442$ $645,100$ Capital surplus $556,462$ $584,122$ Total shareholders' equity $2,395,851$ $3,136,600$ Accumulated other comprehensive income $ 36,390$ Valuation difference on available-for-sale securities $ 36,390$ Total accumulated other comprehensive income $ 36,390$ Share acquisition rights $ 5,660$ Total net assets $ 5,660$ Share acquisition rights $ 5,660$ Total net assets $ 5,660$	Lease liabilities	7,025	18,522
Other 11,997 15,077 Total current liabilities 1,088,632 1,353,10 Non-current liabilities 80,000 30,000 Long-term borrowings 146,668 60,366 Lease liabilities 20,884 52,837 Asset retirement obligations 26,366 23,15 Other 4,564 4,144 Total non-current liabilities 278,483 170,500 Total liabilities 1,367,115 1,523,600 Net assets 514,662 584,122 Share capital 617,442 645,100 Capital surplus 556,462 584,122 Retained earnings 1,222,114 1,907,692 Treasury shares (167) (314 Total shareholders' equity 2,395,851 3,136,600 Accumulated other comprehensive income	Provision for bonuses	9,960	9,825
Total current liabilities1,088,6321,353,10Non-current liabilities80,00030,000Long-term borrowings146,66860,366Lease liabilities20,88452,833Asset retirement obligations26,36623,15Other4,5644,144Total non-current liabilities278,483170,500Total liabilities1,367,1151,523,600Net assets1,367,1151,523,600Share capital617,442645,100Capital surplus556,462584,120Retained earnings1,222,1141,907,690Treasury shares(167)(310Total shareholders' equity2,395,8513,136,600Accumulated other comprehensive income-36,390Valuation difference on available-for-sale securities-36,390Total accumulated other comprehensive income-36,391Share acquisition rights-5,666Total net assets2,395,8513,178,666	Provision for point card certificates	63,387	74,969
Non-current liabilitiesBonds payable80,00030,000Long-term borrowings146,66860,366Lease liabilities20,88452,833Asset retirement obligations26,36623,15Other4,5644,144Total non-current liabilities278,483170,500Total liabilities1,367,1151,523,600Net assets1,367,1151,523,600Share capital617,442645,100Capital surplus556,462584,120Retained earnings1,222,1141,907,690Treasury shares(167)(310Total shareholders' equity2,395,8513,136,600Accumulated other comprehensive income-36,390Valuation difference on available-for-sale securities-36,390Total accumulated other comprehensive income-36,390Share acquisition rights-5,666Total net assets2,395,8513,178,666	Other	11,997	15,076
Bonds payable 80,000 30,000 Long-term borrowings 146,668 60,366 Lease liabilities 20,884 52,833 Asset retirement obligations 26,366 23,15 Other 4,564 4,144 Total non-current liabilities 278,483 170,500 Total inon-current liabilities 278,483 170,500 Total inon-current liabilities 1,367,115 1,523,600 Net assets 1,367,115 1,523,600 Share capital 617,442 645,100 Capital surplus 556,462 584,120 Retained earnings 1,222,114 1,907,692 Treasury shares (167) (310 Total shareholders' equity 2,395,851 3,136,600 Accumulated other comprehensive income - 36,399 Valuation difference on available-for-sale securities - 36,399 Total accumulated other comprehensive income - 36,399 Share acquisition rights - 5,666 Total net assets 2,395,851 <td< td=""><td>Total current liabilities</td><td>1,088,632</td><td>1,353,103</td></td<>	Total current liabilities	1,088,632	1,353,103
Long-term borrowings 146,668 60,366 Lease liabilities 20,884 52,833 Asset retirement obligations 26,366 23,15 Other 4,564 4,144 Total non-current liabilities 278,483 170,500 Total liabilities 1,367,115 1,523,600 Net assets 1,367,115 1,523,600 Share capital 617,442 645,100 Capital surplus 556,462 584,120 Retained earnings 1,222,114 1,907,692 Treasury shares (167) (310) Total shareholders' equity 2,395,851 3,136,600 Accumulated other comprehensive income - 36,390 Valuation difference on available-for-sale securities - 36,390 Total accumulated other comprehensive income - 36,390 Share acquisition rights - 36,390 Total net assets 2,395,851 3,178,666	Non-current liabilities		
Lease liabilities $20,884$ $52,834$ Asset retirement obligations $26,366$ $23,15$ Other $4,564$ $4,144$ Total non-current liabilities $278,483$ $170,502$ Total liabilities $1,367,115$ $1,523,602$ Net assets $1,367,115$ $1,523,602$ Share capital $617,442$ $645,100$ Capital surplus $556,462$ $584,120$ Retained earnings $1,222,114$ $1,907,692$ Treasury shares (167) (310) Total shareholders' equity $2,395,851$ $3,136,600$ Accumulated other comprehensive income $ 36,390$ Valuation difference on available-for-sale securities $ 36,390$ Total accumulated other comprehensive income $ 36,390$ Share acquisition rights $ 5,666$ Total net assets $2,395,851$ $3,178,666$	Bonds payable	80,000	30,000
Asset retirement obligations26,36623,15Other4,5644,14Total non-current liabilities278,483170,50Total liabilities1,367,1151,523,60Net assets1,367,1151,523,60Share capital617,442645,10Capital surplus556,462584,12Retained earnings1,222,1141,907,69Treasury shares(167)(310Total shareholders' equity2,395,8513,136,60Accumulated other comprehensive income-36,39Valuation difference on available-for-sale securities-36,39Total accumulated other comprehensive income-36,39Share acquisition rights-5,66Total net assets2,395,8513,178,66	Long-term borrowings	146,668	60,368
Other4,5644,144Total non-current liabilities278,483170,502Total liabilities1,367,1151,523,602Net assets1,367,1151,523,602Share capital617,442645,100Capital surplus556,462584,122Retained earnings1,222,1141,907,692Treasury shares(167)(310)Total shareholders' equity2,395,8513,136,600Accumulated other comprehensive income-36,390Valuation difference on available-for-sale securities-36,390Total accumulated other comprehensive income-36,390Share acquisition rights-5,660Total net assets2,395,8513,178,660	Lease liabilities	20,884	52,830
Total non-current liabilities278,483170,503Total liabilities1,367,1151,523,603Net assets1,367,1151,523,603Shareholders' equity617,442645,100Capital surplus556,462584,122Retained earnings1,222,1141,907,692Treasury shares(167)(310Total shareholders' equity2,395,8513,136,600Accumulated other comprehensive income-36,390Valuation difference on available-for-sale securities-36,390Total accumulated other comprehensive income-36,390Share acquisition rights-5,660Total net assets2,395,8513,178,660	Asset retirement obligations	26,366	23,151
Total liabilities1,367,1151,523,601Net assetsShareholders' equityShare capital617,442Capital surplus556,462Retained earnings1,222,114Treasury shares(167)(167)(314)Accumulated other comprehensive income-Valuation difference on available-for-sale securities-Total accumulated other comprehensive income-Share acquisition rights-Total net assets2,395,8513,178,660	Other	4,564	4,149
Net assetsShareholders' equityShare capitalCapital surplusRetained earningsTreasury shares(167)Total shareholders' equityAccumulated other comprehensive incomeValuation difference on available-for-sale securitiesTotal accumulated other comprehensive incomeShare acquisition rightsTotal net assets2,395,8513,178,660	Total non-current liabilities	278,483	170,505
Shareholders' equityShare capital617,442645,100Capital surplus556,462584,120Retained earnings1,222,1141,907,690Treasury shares(167)(310Total shareholders' equity2,395,8513,136,600Accumulated other comprehensive income–36,390Valuation difference on available-for-sale securities–36,390Total accumulated other comprehensive income–36,390Share acquisition rights–5,660Total net assets2,395,8513,178,660	Total liabilities	1,367,115	1,523,608
Share capital617,442645,100Capital surplus556,462584,120Retained earnings1,222,1141,907,692Treasury shares(167)(310Total shareholders' equity2,395,8513,136,600Accumulated other comprehensive income-36,390Valuation difference on available-for-sale securities-36,390Total accumulated other comprehensive income-36,390Share acquisition rights-5,660Total net assets2,395,8513,178,660	Net assets		
Share capital617,442645,100Capital surplus556,462584,120Retained earnings1,222,1141,907,692Treasury shares(167)(310Total shareholders' equity2,395,8513,136,600Accumulated other comprehensive income-36,390Valuation difference on available-for-sale securities-36,390Total accumulated other comprehensive income-36,390Share acquisition rights-5,660Total net assets2,395,8513,178,660	Shareholders' equity		
Capital surplus556,462584,120Retained earnings1,222,1141,907,692Treasury shares(167)(310Total shareholders' equity2,395,8513,136,602Accumulated other comprehensive income-36,394Valuation difference on available-for-sale securities-36,394Total accumulated other comprehensive income-36,394Share acquisition rights-5,666Total net assets2,395,8513,178,666		617,442	645,106
Retained earnings1,222,1141,907,692Treasury shares(167)(314Total shareholders' equity2,395,8513,136,602Accumulated other comprehensive income-36,394Valuation difference on available-for-sale securities-36,394Total accumulated other comprehensive income-36,394Share acquisition rights-5,666Total net assets2,395,8513,178,666	-	556,462	584,126
Total shareholders' equity2,395,8513,136,60Accumulated other comprehensive income-36,39Valuation difference on available-for-sale securities-36,39Total accumulated other comprehensive income-36,39Share acquisition rights-5,66Total net assets2,395,8513,178,66	Retained earnings	1,222,114	1,907,692
Accumulated other comprehensive income - 36,390 Valuation difference on available-for-sale securities - 36,390 Total accumulated other comprehensive income - 36,390 Share acquisition rights - 5,660 Total net assets 2,395,851 3,178,660	Treasury shares	(167)	(316
Accumulated other comprehensive income-36,39Valuation difference on available-for-sale securities-36,39Total accumulated other comprehensive income-36,39Share acquisition rights-5,66Total net assets2,395,8513,178,66	Total shareholders' equity	2,395,851	3,136,609
Valuation difference on available-for-sale securities-36,39Total accumulated other comprehensive income-36,39Share acquisition rights-5,66Total net assets2,395,8513,178,66			
Share acquisition rights-5,660Total net assets2,395,8513,178,660	-	_	36,390
Share acquisition rights-5,660Total net assets2,395,8513,178,660	Total accumulated other comprehensive income		36.396
Total net assets 2,395,851 3,178,660	*		5,660
		2,395,851	
	Total liabilities and net assets	3,762,967	4,702,275

	F ' 1 1 1	(Thousands of yen)
	Fiscal year ended	Fiscal year ended
N7 / 1	March 31, 2022	March 31, 2023
Net sales	5,858,127	7,600,296
Cost of sales	2,703,304	3,736,658
Gross profit	3,154,822	3,863,637
Selling, general and administrative expenses	2,231,484	2,581,049
Operating profit	923,338	1,282,587
Non-operating income		
Interest income	11	15
Dividend income	307	5
Rental income from buildings	7,221	7,221
Gain on sale of non-current assets	2,226	6,104
Gain on sale of investment securities	100	2,500
Insurance claim income	1,596	3,777
Surrender value of insurance policies	30,934	-
Compensation income	462	800
Other	1,410	1,600
Total non-operating income	44,272	22,026
– Non-operating expenses		
Interest expenses	3,018	1,855
Share of loss of entities accounted for using equity method	_	32,713
Share issuance costs	6,342	-
Rental expenses	2,251	2,251
Loss on retirement of non-current assets	10,645	0
Other	5,772	5,769
– Total non-operating expenses	28,031	42,589
– Ordinary profit	939,579	1,262,024
Extraordinary losses		
Impairment losses	24,044	39,322
Loss on valuation of investment securities	37,779	_
Total extraordinary losses	61,824	39,322
Profit before income taxes	877,755	1,222,701
Income taxes - current	308,632	449,014
Income taxes - deferred	(5,040)	(36,415
Total income taxes	303,592	412,598
Profit –	574,163	810,102
Profit attributable to owners of parent	574,163	810,102

Consolidated statements of income and consolidated statements of comprehensive income Consolidated statements of income

Consolidated statements of comprehensive income

Unsolidated statements of comprehensive medine		
		(Thousands of yen)
	Fiscal year ended	Fiscal year ended
	March 31, 2022	March 31, 2023
Profit	574,163	810,102
Other comprehensive income		
Valuation difference on available-for-sale securities	38	36,396
Total other comprehensive income	38	36,396
Comprehensive income	574,202	846,499
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	574,202	846,499

Consolidated statements of changes in equity Fiscal year ended March 31, 2022

								(Thousar	ids of yen)
	Shareholders' equity			Accumulated other comprehensive income					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available- for-sale securities	Total accumulated other comprehensive income	Share acquisition rights	Total net assets
Balance at beginning of period	100,000	39,020	668,469	_	807,489	(38)	(38)	_	807,451
Cumulative effects of changes in accounting policies			(20,519)		(20,519)		_		(20,519)
Restated balance	100,000	39,020	647,950	_	786,970	(38)	(38)	-	786,932
Changes during period									
Issuance of new shares	517,442	517,442			1,034,884		_		1,034,884
Profit attributable to owners of parent			574,163		574,163		_		574,163
Purchase of treasury shares				(167)	(167)		_		(167)
Net changes in items other than shareholders' equity					_	38	38	_	38
Total changes during period	517,442	517,442	574,163	(167)	1,608,880	38	38	_	1,608,919
Balance at end of period	617,442	556,462	1,222,114	(167)	2,395,851	_	_	_	2,395,851

Fiscal year ended March 31, 2023

(Thousands of yen)

								(1110 4044	ids of yen)
	Shareholders' equity				Accumulated other comprehensive income				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available- for-sale securities	Total accumulated other comprehensive income	Share acquisition rights	Total net assets
Balance at beginning of period	617,442	556,462	1,222,114	(167)	2,395,851	-	_	_	2,395,851
Changes during period									
Issuance of new shares - exercise of share acquisition rights	27,664	27,664			55,328		_		55,328
Dividends of surplus			(124,524)		(124,524)		_		(124,524)
Profit attributable to owners of parent			810,102		810,102		_		810,102
Purchase of treasury shares				(149)	(149)		_		(149)
Net changes in items other than shareholders' equity					_	36,396	36,396	5,660	42,057
Total changes during period	27,664	27,664	685,578	(149)	740,757	36,396	36,396	5,660	782,815
Balance at end of period	645,106	584,126	1,907,692	(316)	3,136,609	36,396	36,396	5,660	3,178,666

Consolidated statements of cash flows

		(Thousands of yen)
	Fiscal year ended	Fiscal year ended
	March 31, 2022	March 31, 2023
Cash flows from operating activities	077 755	1 222 70
Profit before income taxes	877,755	1,222,70
Depreciation	87,020	68,14
Amortization of goodwill	-	39
Increase (decrease) in allowance for doubtful accounts	(480)	25
Increase (decrease) in provision for bonuses	(494)	(13
Increase (decrease) in provision for point card certificates	9,694	11,58
Interest and dividend income	(319)	(2
Insurance claim income	(1,596)	(3,77
Surrender value of insurance policies	(30,934)	
Interest expenses	3,018	1,85
Share issuance costs	6,342	
Share of loss (profit) of entities accounted for using equity method	_	32,71
Loss (gain) on sale of non-current assets	(2,226)	(6,10
Loss on retirement of non-current assets	10,645	
Impairment losses	24,044	39,32
Loss (gain) on sale of investment securities	(100)	(2,50
Loss (gain) on valuation of investment securities	37,779	(_,_ ,
Decrease (increase) in trade receivables	(122,179)	(115,97
Decrease (increase) in inventories	(8,552)	(54,44
Increase (decrease) in trade payables	123,195	86,22
Increase (decrease) in accrued expenses	4,327	11,50
Increase (decrease) in accounts payable - other	(37,205)	47,36
Other, net	(6,667)	18,08
Subtotal	973,068	1,357,19
Interest and dividends received	319	2
Interest paid	(2,895)	(1,83
Income taxes paid	(405,037)	(320,62
Proceeds from insurance income	1,462	3,27
Net cash provided by (used in) operating activities	566,917	1,038,03
Cash flows from investing activities	200,917	1,000,00
Purchase of property, plant and equipment	(100,137)	(90,80
Proceeds from sale of property, plant and equipment	64,203	78,78
Purchase of intangible assets	(66,498)	(100,35
Payments for acquisition of businesses	(00,498)	(47,91
Purchase of investment securities	(53,470)	(127,22
Proceeds from sale of investment securities	(53;470)	12,50
Purchase of shares of subsidiaries and associates	_	
Proceeds from cancellation of insurance funds	- 61 562	(422,13)
	61,563	-
Other, net	(5,825)	(56,377
Net cash provided by (used in) investing activities	(100,166)	(753,529

		(Thousands of yen)	
	Fiscal year ended	Fiscal year ended	
	March 31, 2022	March 31, 2023	
Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	(50,000)	-	
Repayments of long-term borrowings	(124,816)	(94,064)	
Repayments of lease liabilities	(5,787)	(11,752)	
Redemption of bonds	(70,000)	(65,000)	
Proceeds from issuance of shares	1,025,241	-	
Proceeds from issuance of shares resulting from exercise of		55 220	
share acquisition rights	—	55,328	
Purchase of treasury shares	(167)	(149)	
Dividends paid	_	(124,524)	
Net cash provided by (used in) financing activities	774,470	(240,161)	
- Net increase (decrease) in cash and cash equivalents	1,241,221	44,343	
- Cash and cash equivalents at beginning of period	1,027,084	2,268,305	
- Cash and cash equivalents at end of period	2,268,305	2,312,649	