

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

Company name: COMTURE CORPORATION Listing: Tokyo Stock Exchange  
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Scheduled date of Annual General Meeting of Shareholders: June 23, 2023  
 Scheduled date of payment of dividend: June 26, 2023  
 Scheduled date of filing of Annual Securities Report: June 26, 2023  
 Preparation of supplementary materials for financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

*(All amounts are rounded down to the nearest million yen)***1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 – March 31, 2023)****(1) Consolidated operating results** (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2023	29,056	16.3	4,065	1.7	4,067	1.7	2,695	7.1
Fiscal year ended Mar. 31, 2022	24,985	19.7	3,996	26.8	4,000	25.3	2,517	20.8

Note: Comprehensive income (million yen): Fiscal year ended Mar. 31, 2023: 2,691 (up 6.9%)  
 Fiscal year ended Mar. 31, 2022: 2,518 (up 20.4%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit on total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 31, 2023	84.56	-	18.6	20.0	14.0
Fiscal year ended Mar. 31, 2022	78.97	-	19.2	22.6	16.0

\*Diluted net income per share is not presented because there were no potential shares with dilutive effects.

**(2) Consolidated financial position**

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2023	21,738	15,097	69.4	473.67
As of Mar. 31, 2022	18,934	13,820	73.0	433.56

Reference: Shareholders' equity (million yen): As of Mar. 31, 2023: 15,097 As of Mar. 31, 2022: 13,820

**(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
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Mar. 31, 2023	1,947	(1,707)	(1,303)	10,202
Fiscal year ended Mar. 31, 2022	4,420	31	(1,437)	11,265

**2. Dividends**

	Dividend per share					Total dividends	Dividend payout ratio (consolidated)	Dividend on equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
Fiscal year ended Mar. 31, 2022	Yen 8.25	Yen 8.25	Yen 9.25	Yen 11.25	Yen 37.00	Million yen 1,179	46.9	9.0
Fiscal year ended Mar. 31, 2023	11.00	11.00	11.00	11.00	44.00	1,402	52.0	9.7
Fiscal year ending Mar. 31, 2024 (forecast)	11.50	11.50	11.50	11.50	46.00		46.5	

**3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2024 (April 1, 2023 – March 31, 2024)**

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	16,330	16.3	1,580	(8.9)	1,580	(9.3)	1,040	(12.3)	32.63
Full year	35,000	20.5	4,750	16.8	4,750	16.8	3,150	16.9	98.83

**\* Notes**

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

(2) Changes in accounting policies and accounting-based estimates, and restatements

- 1) Changes in accounting policies due to revisions in accounting standards, others: Yes  
 2) Changes in accounting policies other than 1) above: None  
 3) Changes in accounting-based estimates: None  
 4) Restatements: None

(3) Number of outstanding shares (common stock)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Mar. 31, 2023: 32,241,600 shares As of Mar. 31, 2022: 32,241,600 shares

2) Number of treasury shares at the end of the period

As of Mar. 31, 2023: 368,290 shares As of Mar. 31, 2022: 365,150 shares

3) Average number of shares outstanding during the period

Fiscal year ended Mar. 31, 2023: 31,873,728 shares Fiscal year ended Mar. 31, 2022: 31,874,809 shares

**Reference: Summary of Non-consolidated Financial Results**

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

(1) Non-consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2023	18,356	8.6	2,850	(2.0)	2,854	(1.7)	1,961	5.8
Fiscal year ended Mar. 31, 2022	16,904	13.2	2,908	19.8	2,904	(39.6)	1,854	(53.6)

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended Mar. 31, 2023	61.53	-
Fiscal year ended Mar. 31, 2022	58.18	-

\* Diluted net income per share is not presented because there were no potential shares with dilutive effects.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2023	17,043	12,989	76.2	407.54
As of Mar. 31, 2022	16,269	12,443	76.5	390.35

Reference: Shareholders' equity (million yen): As of Mar. 31, 2023: 12,989 As of Mar. 31, 2022: 12,443

\* This financial report is not subject to audit by certified public accountants or auditing firms.

\* Forecasts of future performance in this report are based on assumptions judged to be valid and information available to the Company's management at the time the materials were prepared. Actual results may differ significantly from these forecasts for a number of reasons. Please refer to "1. Overview of Results of Operations, (4) Outlook" on page 5 for forecast assumptions and notes of caution for usage.

## Contents of Attachments

1. Overview of Results of Operations	2
(1) Results of Operations	2
(2) Financial Position	4
(3) Cash Flows	5
(4) Outlook	5
2. Basic Approach to the Selection of Accounting Standards	6
3. Consolidated Financial Statements and Notes	7
(1) Consolidated Balance Sheet	7
(2) Consolidated Statements of Income and Comprehensive Income	9
(3) Consolidated Statement of Changes in Equity	11
(4) Consolidated Statement of Cash Flows	13
(5) Notes to Consolidated Financial Statements	15
Going Concern Assumption	15
Changes in Accounting Policies	15
Segment and Other Information	15
Per Share Information	15
Subsequent Events	15

## 1. Overview of Results of Operations

### (1) Results of Operations

Companies and governments need to implement strategic innovations that utilize digital technologies, such as by creating new businesses and services and new ways for people to do their jobs. Investments in the digital transformation (DX) sector is gaining momentum.

The COMTURE Group regards these trends as an opportunity for long-term growth. We are dedicated to giving customers support for their DX activities as well as altering COMTURE itself, a process we call the COMTURE Transformation (CX). We expanded our business by playing a key role in the business model reforms of our customers. Our strategy for the next 10 years includes DX provision that incorporates our own templates and solutions for the provision of added value, an activity centered on building stronger ties with global vendors.

COMTURE was one of the first companies to build value-added systems based on Lotus Notes and other software. We increased the number of platforms we handle to match changes in the business climate. Today, we build systems based on Microsoft, Salesforce, ServiceNow, Amazon Web Service, Google Cloud Platform and other cloud services. Our services also encompass data science using SAS and other tools, SAP and other enterprise resource planning tools, SuccessFactors and other systems for human resources, and more DX-related solutions. The growing demand for the construction of systems based on the platform and solutions of these global vendors is increasing opportunities for making value-added and highly profitable proposals. Furthermore, we are creating solutions that use two or more platform. By using these types of activities, we are meeting the increasingly complex needs of our customers by assembling the best possible solutions. To support these activities, we are raising the technological skills of our workforce by encouraging people to acquire even more advanced vendor certifications. In addition, we have established a business unit to provide business process consulting and other services with substantial added value. Reinforcing our ability to create proposals for customers and prospective customers is another priority.

We are increasingly using formats that combine online and face-to-face interaction for efficient sales activities and the presentation of proposals to prospective customers. Daily business reports utilize a sales force automation (SFA) system (Salesforce) to facilitate the timely sharing of information with many people, including management. The goal is to utilize the collective knowledge of our team even more in order to raise our proposals to a higher level. To speed up progress with businesses in growing market sectors, we have produced templates based on customer relationships in prior years in order to precisely target customers' needs. These activities are aimed at contributing to the next stage of growth.

Market conditions are favorable for receiving new orders and our highest priority is recruiting and retaining the engineers. Raising salaries and other benefits for employees is one of the most important points for recruiting and retaining engineers. One step was average salary increases of 10.6% in the previous fiscal year and 8.1% in the current fiscal year. In addition, we are revising our human resources and training systems with the goal of providing our people with career paths where they can easily see the progress they are making. We have also been increasing engagement with our workforce, such as by allowing individuals to use a working style combining telework and work at a COMTURE office, utilizing small groups and other forms of unrestricted R&D activities, establishing more ties between management and employees and adding more space for facilitating discussions that encompass two or more departments.

To develop and secure human resources, we are taking steps to make newly hired new college graduates productive even faster and we have a reskilling and other programs for current employees. For hiring people with previous work experience, we are strengthening ties with recruiting agents in order to hire engineers who can be productive immediately. In addition, we acquired SoftwareCreation Co., Ltd., which has a team of 110 engineers, in April 2022 and TAKT SYSTEMS, INC. and TAKT BUSINESS SOFT, INC., which have a team of 100 engineers, in January 2023. We are also constantly seeking opportunities for M&A deals that can speed up the growth of the COMTURE Group.

Increasing the utilization of engineers at COMTURE's partner companies is another goal. We are using strategic forms of collaboration with major partner companies, such as by making them core partners. One aim is to be first to receive information about engineers who can become productive immediately. Activities for the recruitment of

engineers also include the educational programs of Edifist Learning Inc., an IT training company in the COMTURE Group, to assist individuals acquire skills in growing market sectors.

Financial highlights of the current fiscal year are as follows.

	(Millions of yen)			
	FY3/22	FY3/23	Change	Change (%)
Net sales	24,985	29,056	4,071	16.3%
Gross profit	6,091	6,612	520	8.5%
Operating profit	3,996	4,065	69	1.7%
Ordinary profit	4,000	4,067	66	1.7%
Profit attributable to owners of parent	2,517	2,695	177	7.1%

Sales increased as more resources were shifted to DX-related businesses and sales activities backed by stronger relationships with platformers and tool vendors and for other reasons. SoftwareCreation also contributed to sales growth. As a result, sales increased 16.3% from one year earlier as COMTURE achieved sales growth for the thirteenth consecutive year.

Gross profit increased 8.5%. There was a big increase in personnel expenses with the goal of raising employees' job satisfaction. However, sales per employee increased because of upgrading proposal skills and the quality of services, improvements in productivity, the expansion of consulting activities, the shift of resources to growing market sectors, and other reasons.

Operating profit increased 1.7%. Major reasons for this decline are up-front investments for more growth, such as more expenditures to increase the hiring of new college graduates and people with previous work experience, and the amortization of all goodwill resulting from the acquisition of SoftwareCreation in the first quarter.

Due to extraordinary income for the receipt of an insurance payment and other factors, profit attributable to owners of parent increased 7.1% for the twelfth consecutive year.

The shareholders' equity ratio, which is an indicator of financial soundness, was 69.4% at the end of the fiscal year and the ROE, which is an efficiency indicator, was 18.6%. These figures demonstrate our ability to maintain a high level of financial soundness.

Sales and gross profit in the COMTURE Group's business categories were as follows.

In the Cloud Solutions Business, sales and gross profit increased because of higher demand for several services. Sources of growth include the use of collaborations with Microsoft Japan Co., Ltd. and Salesforce Japan Co., Ltd. to build customer information systems, the shift of internal data systems to the cloud, primarily at large companies, and consulting and other services involving the digitalization of business processes.

In the Digital Solutions Business, sales and gross profit increased. One reason is growth of the data analysis business, which includes the use of SAS to build anti-money laundering systems for financial institutions and Databricks. Growth of the data management business, such as building infrastructures for collecting and storing large amount of data on the Google Cloud Platform, was another reason for the increases in sales and gross profit.

In the Business Solutions Business, sales and gross profit were higher because of the double-digit recovery in the SAP category due to an improvement in the ability to secure the resources for SAP's S/4 HANA ERP system, as well as the inclusion of a newly consolidated subsidiary beginning with the current fiscal year.

In the Platform, Operation Services Business, sales increased. There is also growth of the business for operating cloud environments and increasing demand for the outsourcing and security support of IT system operations. However, the gross profit decreased because of the temporary occurrence of unprofitable projects.

In the Digital Learning Business, sales and gross profit were higher. One reason was the growth of the education business for acquisition of vendor certifications of Microsoft, Salesforce, ServiceNow and other companies. Increasing demand at companies for new employee, DX and other structured training programs also contributed to sales and earnings growth.

(Millions of yen)

		FY3/22	FY3/23	Change	Change (%)
Cloud Solutions Business	Net sales	9,485	11,077	1,591	16.8%
	Gross profit	2,436	2,713	277	11.4%
Digital Solutions Business	Net sales	2,848	3,134	286	10.0%
	Gross profit	755	787	31	4.1%
Business Solutions Business	Net sales	6,060	7,955	1,895	31.3%
	Gross profit	1,344	1,596	251	18.7%
Platform, Operation Services Business	Net sales	5,104	5,323	219	4.3%
	Gross profit	1,183	1,058	(124)	(10.6)%
Digital Learning Business	Net sales	1,486	1,565	79	5.3%
	Gross profit	371	456	84	22.9%

Activities of the business categories are as follows.

Business Category	Activities
Cloud Solutions Business	Collaboration using alliances with global cloud vendors (Microsoft, Salesforce, ServiceNow, Amazon Web Service and others), CRM and other cloud services, design and construction of cloud environments, and other activities.
Digital Solutions Business	analysis solutions utilizing global big data/AI tool vendors (SAS, Informatica, Google Cloud Platform, Databricks and others) and support for the automation of business processes using UiPath, Automation Anywhere and other robotic process automation tools.
Business Solutions Business	Construction, operation and modernization concerning accounting, personnel, fintech and other core IT systems using collaborations with SAP, SuccessFactors and other global ERP package vendors.
Platform, Operation Services Business	Hybrid cloud environments using alliances with hardware vendors (HPE, Dell and others) using virtualization software (Kubernetes and others), design, construction and operation of virtual networks (Cisco and others), IT system remote surveillance at COMTURE Group's service centers using global tools, help desk operations, and other activities.
Digital Learning Business	Education services with cooperation of global vendors (Microsoft, Salesforce, ServiceNow and others) for acquiring vendor certifications and IT education services to give people skills needed to perform DX jobs.

## (2) Financial Position

Total assets were 21,738 million yen at the end of the current fiscal year, 2,804 million yen more than the end of the previous fiscal year. Cash and deposits decreased 1,063 million yen because of the acquisition of TAKT SYSTEMS. There were increases in goodwill of 1,013 million yen, notes and accounts receivable-trade of 2,105 million yen and insurance funds, which are included in other under investments and other assets, of 652 million yen.

Liabilities increased 1,527 million yen to 6,641 million yen. Income taxes payable decreased 504 million yen due to an interim payment of income and other taxes of 793 million yen. There were increases of 500 million yen in short-term borrowings to maintain an appropriate level of funds, 425 million yen in retirement benefit liability due mainly to the acquisition of TAKT SYSTEMS and 440 million yen in accounts payable-trade.

Net assets increased 1,277 million yen to 15,097 million yen mainly because profit attributable to owners of parent of 2,695 million yen was more than dividend payments of 1,414 million yen.

**(3) Cash Flows**

There was a net decrease of 1,063 million yen in cash and cash equivalents from the end of the previous fiscal year to 10,202 million yen at the end of the current fiscal year. Major components of cash flows were as follows.

Net cash provided by operating activities decreased 55.9% to 1,947 million yen. Major sources of cash were profit before income taxes of 3,865 million yen, amortization of goodwill of 207 million yen, an increase in provision for bonuses of 203 million yen, and depreciation of 150 million yen. Major uses of cash were income taxes paid of 1,858 million yen and an increase in notes and accounts receivable-trade of 848 million yen.

Net cash used in investing activities was 1,707 million yen, compared with 31 million yen provided a year earlier. Major sources of cash were proceeds from sale of investment securities of 148 million yen. The major uses of cash were purchase of shares of subsidiaries resulting in change in scope of consolidation of 1,782 million yen and purchase of property, plant and equipment of 114 million yen.

Net cash used in financing activities decreased 9.3% to 1,303 million yen. There was a net increase in short-term borrowings of 310 million yen, payments of 1,403 million yen for dividends and repayments of long-term borrowings of 210 million yen.

**(4) Outlook**

The DX sector, which is the primary market for the COMTURE Group, is growing rapidly because of the increasing interest at companies in the benefits of the DX and this growth trend is expected to continue.

Companies begin using a broad range of working styles and create new business models. Cloud platforms and other digital technologies will be essential for both of these activities. More growth is likely involving moving company's internal IT systems to the cloud, data analysis and utilization to make companies more competitive, IT education for increasing the number of DX personnel at companies, and other activities. There is an increasing need for low-code development, which reduces the need to write code, and agile development, which greatly shortens the software development lifecycle. As a result, we anticipate more growth in the demand for system development for the platforms and tools required by these new software development methods.

To achieve more growth, we started a new medium-term business plan that covers the three-year period ending in March 2026. The plan has targets with the overall objective of achieving sustained growth along with business operations capable of providing substantial added value. In addition, we have established a sustainability policy and a vision that are based on our management philosophy as one way to meet the expectations of our stakeholders. The current business plan has the goal of implementing this policy and vision. We will continue to place emphasis on business operations with substantial added value and further step up the pace of our focus on the DX domain. We also plan to drive innovation from within our organization in order to rank among the very top class of all companies in terms of our quality, performance and reputation. By taking these actions, we are aiming to raise our sales to 100 billion yen by the fiscal year ending in March 2032.

(Millions of yen)

	Fiscal year ended March 2023 (Results)	Fiscal year ending March 2026 (Plan)	Average annual growth rate (April 2022 to March 2026)
Net sales	29,056	46,300	16.8%
Operating profit	4,065	6,300	15.7%
Operating margin	14.0%	13.6%	-
ROE	18.6%	20.0% or more	-
Payout ratio	52.0%	45.0% or more	-

The plan has targets with the overall objective of achieving sustained growth along with business operations capable of providing substantial added value. The sales target of this plan is average annual growth of at least 15% and our target for profitability is an operating margin of at least 13%. These targets demonstrate our determination to grow rapidly while maintaining a high level of profitability. To accomplish these goals, we have a strong commitment to assisting our customers with their DX activities as well as using the COMTURE Transformation (CX) to significantly alter COMTURE itself. We plan on taking many actions, centered on collaborations with

platform and tool vendors worldwide, for even faster growth as we advance to our next stage of progress.

In the steadily expanding DX domain, our target is to raise the share of DX sales by five percentage points every year from the current 65%. To accomplish this goal, we will continue reskilling programs that use the educational programs of COMTURE Group member Edifist Learning. We will also rapidly shift resources across the entire group to the four business sectors that are our key growth domains: Microsoft, Salesforce, SAP and data analysis.

The COMTURE Group will continue to concentrate on three core strategic initiatives. First is a rigorous sales process centered on vendor collaboration in order to increase orders and sales. Second is upgrading proposal capabilities by enlarging solution and template menus. Third is the expansion of human resources by hiring and training a large number of people with the right skills and reinforcing ties with partner companies.

Our plans also include large investments for even faster growth of our businesses.

M&A activity may briefly have a negative effect on earnings as we acquire companies with initially low profitability and add goodwill to the balance sheet. We believe that reskilling and other human resource development activities for the engineers of companies we acquire will better enable us to achieve steady growth and provide products and services with even more added value.

Recruiting skilled people is difficult. To overcome this challenge, we have been significantly increasing salaries and other benefits for employees since the fiscal year that ended in March 2022. We are also establishing a personnel system that allows people to see and feel their growth and making other investments in our workforce.

We forecast sales growth for the fourteenth consecutive fiscal year with a 20.5% increase to 35,000 million yen in the fiscal year ending in March 2024, which is the first year of the medium-term business plan.

For earnings growth, we plan to increase added value, improving productivity, making quality management more rigorous to reduce unprofitable projects, and taking other actions. We also plan on expenditures for improving remuneration and employee benefits, recruiting and training activities, R&D to create new businesses, and other initiatives. As a result, we expect earnings to increase to all-time highs for the thirteenth consecutive year. We forecast operating profit of 4,750 million yen, ordinary profit of 4,750 million yen and profit attributable to owners of parent of 3,150 million yen.

This forecast is based on assumptions judged to be valid and information available to management at the time the forecast was prepared. We will make an announcement promptly if any revisions to the forecast are needed.

## **2. Basic Approach to the Selection of Accounting Standards**

As the COMTURE Group's operations are limited to Japan and we have no overseas activity, we expect to employ Japanese accounting standards for the foreseeable future. However, we intend to consider the future adoption of International Financial Reporting Standards (IFRS), depending on our percentage of foreign shareholders and adoption trends among other companies in Japan.



**3. Consolidated Financial Statements and Notes****(1) Consolidated Balance Sheet**

	(Millions of yen)	
	FY3/22 (As of Mar. 31, 2022)	FY3/23 (As of Mar. 31, 2023)
Assets		
Current assets		
Cash and deposits	11,265	10,202
Notes and accounts receivable-trade	3,988	6,094
Work in process	107	170
Other	266	318
Total current assets	15,628	16,785
Non-current assets		
Property, plant and equipment		
Buildings, net	435	508
Vehicles, net	15	10
Tools, furniture and fixtures, net	199	211
Construction in progress	-	1
Total property, plant and equipment	650	731
Intangible assets		
Goodwill	680	1,694
Software	12	13
Other	125	98
Total intangible assets	819	1,806
Investments and other assets		
Investment securities	563	173
Guarantee deposits	587	701
Deferred tax assets	617	854
Other	66	686
Total investments and other assets	1,836	2,415
Total non-current assets	3,305	4,953
Total assets	18,934	21,738

	(Millions of yen)	
	FY3/22 (As of Mar. 31, 2022)	FY3/23 (As of Mar. 31, 2023)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	1,230	1,670
Short-term borrowings	200	700
Accrued expenses	421	608
Income taxes payable	1,166	662
Provision for bonuses	929	1,204
Provision for bonuses for directors (and other officers)	30	34
Provision for loss on construction contracts	5	2
Other	667	790
<b>Total current liabilities</b>	4,650	5,673
<b>Non-current liabilities</b>		
Retirement benefit liability	107	533
Asset retirement obligations	244	321
Deferred tax liabilities	-	60
Other	110	52
<b>Total non-current liabilities</b>	462	968
<b>Total liabilities</b>	5,113	6,641
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,022	1,022
Capital surplus	3,631	3,631
Retained earnings	9,262	10,543
Treasury shares	(107)	(107)
<b>Total shareholders' equity</b>	13,808	15,089
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	12	8
<b>Total accumulated other comprehensive income</b>	12	8
<b>Total net assets</b>	13,820	15,097
<b>Total liabilities and net assets</b>	18,934	21,738

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

(Millions of yen)

	FY3/22 (Apr. 1, 2021 – Mar. 31, 2022)	FY3/23 (Apr. 1, 2022 – Mar. 31, 2023)
Net sales	24,985	29,056
Cost of sales	18,893	22,444
Gross profit	6,091	6,612
Selling, general and administrative expenses	2,095	2,546
Operating profit	3,996	4,065
Non-operating income		
Interest income	6	5
Dividend income	0	0
Subsidy income	-	5
Gain on cancellation of insurance policies	13	18
Other	13	4
Total non-operating income	33	34
Non-operating expenses		
Interest expenses	1	1
Loss on valuation of investment securities	23	20
Office relocation expenses	-	5
Other	4	5
Total non-operating expenses	29	32
Ordinary profit	4,000	4,067
Extraordinary income		
Gain on sale of non-current assets	0	-
Insurance claim income	-	108
Gain on sale of investment securities	5	-
Total extraordinary income	5	108
Extraordinary losses		
Loss on retirement of non-current assets	0	1
Loss on sale of investment securities	-	4
Loss on valuation of investment securities	218	304
Total extraordinary losses	219	310
Profit before income taxes	3,786	3,865
Income taxes - current	1,457	1,306
Income taxes - deferred	(188)	(136)
Total income taxes	1,269	1,169
Profit	2,517	2,695
Profit attributable to owners of parent	2,517	2,695

**Consolidated Statement of Comprehensive Income**

(Millions of yen)

	FY3/22 (Apr. 1, 2021 – Mar. 31, 2022)	FY3/23 (Apr. 1, 2022 – Mar. 31, 2023)
Profit	2,517	2,695
Other comprehensive income		
Valuation difference on available-for-sale securities	0	(3)
Total other comprehensive income	0	(3)
Comprehensive income	2,518	2,691
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,518	2,691

**(3) Consolidated Statement of Changes in Equity**

FY3/22 (Apr. 1, 2021 – Mar. 31, 2022)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,022	3,617	7,812	(109)	12,342
Changes during period					
Dividends of surplus			(1,067)		(1,067)
Profit attributable to owners of parent			2,517		2,517
Disposal of treasury shares		14		2	16
Net changes in items other than shareholders' equity					-
Total changes during period	-	14	1,449	2	1,465
Balance at end of period	1,022	3,631	9,262	(107)	13,808

	Accumulated other comprehensive income		Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of period	11	11	12,353
Changes during period			
Dividends of surplus			(1,067)
Profit attributable to owners of parent			2,517
Disposal of treasury shares			16
Net changes in items other than shareholders' equity	0	0	0
Total changes during period	0	0	1,466
Balance at end of period	12	12	13,820

FY3/23 (Apr. 1, 2022 – Mar. 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,022	3,631	9,262	(107)	13,808
Changes during period					
Dividends of surplus			(1,414)		(1,414)
Profit attributable to owners of parent			2,695		2,695
Disposal of treasury shares					-
Net changes in items other than shareholders' equity					-
Total changes during period	-	-	1,281	-	1,281
Balance at end of period	1,022	3,631	10,543	(107)	15,089

	Accumulated other comprehensive income		Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of period	12	12	13,820
Changes during period			
Dividends of surplus			(1,414)
Profit attributable to owners of parent			2,695
Disposal of treasury shares			-
Net changes in items other than shareholders' equity	(3)	(3)	(3)
Total changes during period	(3)	(3)	1,277
Balance at end of period	8	8	15,097

**(4) Consolidated Statement of Cash Flows**

(Millions of yen)

	FY3/22 (Apr. 1, 2021 – Mar. 31, 2022)	FY3/23 (Apr. 1, 2022 – Mar. 31, 2023)
Cash flows from operating activities		
Profit before income taxes	3,786	3,865
Depreciation	163	150
Amortization of goodwill	154	207
Increase (decrease) in provision for bonuses	253	203
Increase (decrease) in provision for bonuses for directors (and other officers)	9	4
Increase (decrease) in provision for loss on construction contracts	5	(2)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	-	(122)
Increase (decrease) in retirement benefit liability	(25)	(12)
Interest and dividend income	(6)	(5)
Interest expenses	1	1
Insurance claim income	-	(103)
Gain on cancellation of insurance policies	-	(5)
Loss (gain) on sale of non-current assets	(0)	-
Loss on retirement of non-current assets	0	1
Loss (gain) on sale of investment securities	(5)	4
Loss (gain) on valuation of investment securities	242	325
Loss (gain) on investments in investment partnerships	(13)	(18)
Decrease (increase) in trade receivables	198	(848)
Decrease (increase) in inventories	(19)	(18)
Increase (decrease) in trade payables	191	86
Increase (decrease) in accrued expenses	36	49
Increase (decrease) in accrued consumption taxes	2	(59)
Other, net	18	(17)
Subtotal	4,994	3,686
Interest and dividends received	6	5
Interest paid	(1)	(1)
Proceeds from insurance income	-	114
Income taxes paid	(667)	(1,858)
Income taxes refund	88	0
Net cash provided by (used in) operating activities	4,420	1,947

	(Millions of yen)	
	FY3/22	FY3/23
	(Apr. 1, 2021 – Mar. 31, 2022)	(Apr. 1, 2022 – Mar. 31, 2023)
Cash flows from investing activities		
Purchase of property, plant and equipment	(24)	(114)
Proceeds from sale of investment securities	5	-
Purchase of intangible assets	(7)	(3)
Purchase of investment securities	-	-
Proceeds from sale of investment securities	5	148
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	41
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(1,782)
Purchase of membership	(17)	-
Payments of guarantee deposits	-	(60)
Proceeds from refund of guarantee deposits	53	13
Purchase of insurance funds	0	(0)
Proceeds from cancellation of insurance funds	-	39
Payments for asset retirement obligations	-	(12)
Other, net	16	23
Net cash provided by (used in) investing activities	31	(1,707)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(300)	310
Repayments of long-term borrowings	(70)	(210)
Dividends paid	(1,066)	(1,403)
Other, net	(1)	-
Net cash provided by (used in) financing activities	(1,437)	(1,303)
Net increase (decrease) in cash and cash equivalents	3,014	(1,063)
Cash and cash equivalents at beginning of period	8,251	11,265
Cash and cash equivalents at end of period	11,265	10,202



**(5) Notes to Consolidated Financial Statements****Going Concern Assumption**

Not applicable.

**Changes in Accounting Policies**

COMTURE has applied the Guidance on Accounting Standard for Fair Value Measurement (ASBJ Statement No. 31, June 17, 2021) from the beginning of the current fiscal year, and has applied the new accounting policies set forth by the Guidance on Accounting Standard for Fair Value Measurement prospectively in accordance with the transitional treatment prescribed in Paragraph 27-2 of the Guidance on Accounting Standard for Fair Value Measurement. There is no effect of the application of these standards on the consolidated financial statements.

**Segment and Other Information**

Segment information

No segment-related information is provided because COMTURE has only a single business segment.

**Per Share Information**

(Yen)

	FY3/22 (Apr. 1, 2021 – Mar. 31, 2022)	FY3/23 (Apr. 1, 2022 – Mar. 31, 2023)
Net assets per share	433.56	473.67
Net income per share	78.97	84.56

Notes: 1. Diluted net income per share is not presented because there were no potential shares with dilutive effects.

2. The basis of calculating the net income per share and diluted net income per share is as follows:

	FY3/22 (Apr. 1, 2021 – Mar. 31, 2022)	FY3/23 (Apr. 1, 2022 – Mar. 31, 2023)
Profit attributable to owners of parent (Millions of yen)	2,517	2,695
Amount not attributable to ordinary shareholders (Millions of yen)	-	-
Profit attributable to owners of parent applicable to common stock (Millions of yen)	2,517	2,695
Average number of common stock outstanding (Shares)	31,874,809	31,873,728

3. The basis of calculating the net assets per share is as follows:

	FY3/22 (As of Mar. 31, 2022)	FY3/23 (As of – Mar. 31, 2023)
Total net assets (Millions of yen)	13,820	15,097
Deduction from total net assets (Millions of yen)	-	-
[of which share acquisition rights]	[-]	[-]
[of which non-controlling interests]	-	-
Net assets applicable to common stock (Millions of yen)	13,820	15,097
Number of common stock shares used in calculation of net assets per share (Shares)	31,876,450	31,873,310

**Subsequent Events**

Not applicable.

*This financial report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*