



Consolidated Financial Results for 2023

[Japanese GAAP]

February 13, 2024

Company name: Mercuria Holdings Co., Ltd.

Listing: Tokyo Stock Exchange

Stock code: 7347

URL: <https://www.mercuria.jp/en.html>

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Scheduled date of Annual General Meeting of Shareholders: March 25, 2024

Scheduled date of payment of dividend: March 26, 2024

Scheduled date of filing of Annual Securities Report: March 25, 2024

Preparation of supplementary materials for financial results: None

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 2023 (January 1 to December 31, 2023)

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Operating revenue		Operating gross profit		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
2023	5,842	27.0	4,033	(8.2)	1,344	(34.6)	1,520	(31.1)	1,055	(32.5)
2022	4,598	10.3	4,395	20.8	2,055	16.5	2,208	21.5	1,563	19.8

Note: Comprehensive income (millions of yen) 2023: 1,717 (down 30.7%) 2022: 2,479 (up 57.5%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit on total assets	Operating profit to operating revenue
	Yen	Yen	%	%	%
2023	53.99	53.85	6.3	7.7	23.0
2022	76.48	76.30	9.8	11.6	44.7

Reference: Equity in earnings of affiliates (millions of yen) 2023: 128 2022: (24)

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Dec. 31, 2023	19,655	18,241	87.0	883.56
As of Dec. 31, 2022	19,983	17,542	83.2	829.16

Reference: Shareholders' equity (millions of yen) As of Dec. 31, 2023: 17,093 As of Dec. 31, 2022: 16,628

(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
2023	1,242	498	(1,740)	3,003
2022	(349)	(583)	(797)	2,943

2. Dividends

	Dividends per share					Total dividends	Payout ratio (consolidated)	Dividend on equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
2022	-	0.00	-	20.00	20.00	401	26.2	2.6
2023	-	0.00	-	21.00	21.00	406	38.9	2.5
2024 (forecast)	-	0.00	-	22.00	22.00		21.3	

3. Consolidated Forecast for 2024 (January 1 to December 31, 2024)

(Percentages represent year-on-year changes)

	Operating revenue		Operating gross profit		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	6,800	16.4	6,700	66.1	3,000	123.2	3,000	97.3	2,000	89.6	103.38

* Notes

(1) Changes in significant subsidiaries during the period (change in scope of consolidation): Yes

Newly added: - Excluded: 1 (SR Target, L.P.)

Note: Please refer to “4. Consolidated Financial Statements and Notes, (5) Notes to Consolidated Financial Statements, Changes in Consolidated Subsidiaries during the Period” on page 13 of the attachments for details.

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

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

(3) Number of shares issued (common stock)

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

As of Dec. 31, 2023: 21,500,100 shares As of Dec. 31, 2022: 21,482,700 shares

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

As of Dec. 31, 2023: 2,153,977 shares As of Dec. 31, 2022: 1,429,177 shares

3) Average number of shares during the period

2023: 19,541,255 shares 2022: 20,431,140 shares

(Reference) Summary of Non-consolidated Financial Results

Non-consolidated Financial Results for 2023 (January 1 to December 31, 2023)

(1) Non-consolidated results of operations

(Percentages represent year-on-year changes)

	Operating revenue		Operating gross profit		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
2023	2,962	96.6	1,209	(15.8)	782	(23.9)	779	(23.3)	634	(11.7)
2022	1,507	80.7	1,437	101.8	1,027	101.0	1,015	109.3	719	9.8

	Net income per share	Diluted net income per share
	Yen	Yen
2023	32.47	32.38
2022	35.18	35.10

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Dec. 31, 2023	15,658	15,162	96.8	783.74
As of Dec. 31, 2022	16,615	15,014	90.4	748.67

Reference: Shareholders' equity (millions of yen) As of Dec. 31, 2023: 15,162 As of Dec. 31, 2022: 15,013

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

* Cautionary statement with respect to forward-looking statements, and other special items

Mercuria Holdings plans to hold a financial results meeting for institutional investors and securities analysts on Wednesday, February 21, 2024. Materials to be distributed at this meeting will be available on the Mercuria Holdings' website immediately thereafter.

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1. Overview of Results of Operations

(1) Analysis of Results of Operations

Results of Operations

In 2023, the Japanese economy recovered as more economic and social activities in Japan returned to normal since pandemic restrictions ended and demand created by foreign tourists in Japan recovered. These adjustments followed the reclassification of the Corona pandemic to Category 5 under the Act on the Prevention of Infectious Diseases and Medical Care for Patients with Infectious Diseases. The outlook for the economy is still uncertain due to reasons such as the rising cost of resources and weakening yen caused by the prolonged Ukraine conflict, inflation associated with these issues, and worldwide monetary tightening, primarily interest rate hikes by central banks in Europe and the United States, to combat inflation.

Under such an economic environment, the Mercuria Group aims to achieve medium to long-term growth and in 2023, it earned a performance fee by recovering an investment through the sale of stock held by Asuka DBJ Investment Partnership, a fund managed by subsidiary Mercuria Investment Co., Ltd. In 2022, we launched the Mercuria Japan Industrial Growth Support Fund II (Buyout Fund II), which we manage and makes business succession investments mainly for middle-market companies in Japan seeking new owners. This fund has reached its final closing with more funds than the original target due to new investments from a variety of investors that include life and non-life insurers, pension funds, major and regional banks in Japan, overseas institutions, and other investors. A second aircraft fund, established for investing mainly in small aircraft, has reached its closing and acquired three aircrafts.

As one part of our investment strategy involving infrastructure, which is vital for the sustained growth of the Japanese economy, we made an investment in Japan Extensive Infrastructure, Limited to be involved with its business operations. This company is an investment adviser for Japan Infrastructure I, Limited Partnership, which was established by Sumitomo Mitsui Trust Bank, Limited.

In the principal investment business, as part of restructuring measures associated with refinancing, Spring REIT investment units were sold. This sale resulted in the recognition of a loss involving operational investment securities held by the Mercuria Group.

In 2023, operating revenue was 5,842 million yen (up 27.0% year-on-year), and there was an ordinary profit of 1,520 million yen (down 31.1% year-on-year), and profit attributable to owners of parent of 1,055 million yen (down 32.5% year-on-year). Operating revenue increased mainly because of the substantial revenue in the principal investment business resulting from the sale of Spring REIT investment units as part of ongoing restructuring measures. The decline in ordinary profit and profit attributable to owners of parent resulted from the loss incurred due to the sale of Spring REIT investment units. Additionally, in 2023, there was no gain on equity from fund investments, which had arisen from the sale of shares held by Mercuria Japan Industrial Growth Support Investment Limited Partnership (Buyout Fund I) in 2022, as well as a performance fee for completion of the acquisition of a facility by Spring REIT.

Outlook

The outlook is for economic activity in Japan a return to normal due in part to the end of pandemic restrictions and to the recovery of demand created by foreign tourists. However, the business climate is likely to remain unclear because of uncertainty about the outlook for the global economy because of the rising cost of resources caused by the prolonged Ukraine crisis, foreign exchange movements, inflation, and other events.

In 2024, we forecast consolidated operating revenue of 6,800 million yen (up 16.4% year-on-year), operating gross profit of 6,700 million yen (up 66.1%), operating profit of 3,000 million yen (up 123.2%), ordinary profit of 3,000 million yen (up 97.3%), and profit attributable to owners of parent of 2,000 million yen (up 89.6%) for 2024.

These forecasts are based on assumptions judged to be valid and information currently available to Mercuria Holdings' management. Actual results may differ from the forecasts for a number of reasons.

(2) Analysis of Financial Position

Assets, Liabilities and Net Assets

Total assets amounted to 19,655 million yen at the end of 2023, a decrease of 327 million yen from the end of 2022. The main reasons were a 275 million yen increase in operational investment securities mainly due to the payment of capital commitments to Buyout Fund II and Aircraft Fund II and changes in the market values of securities, and a 520 million yen decrease in short-term loans receivable from subsidiaries and associates due to collection of loans from subsidiaries and associates.

Total liabilities amounted to 1,414 million yen, a decrease of 1,026 million yen from the end of 2022. There were decreases of 100 million yen in short-term borrowings, 294 million yen in income taxes payable and, due to refinancing activity in the principal investment business, 130 million yen in current portion of long-term borrowings and 613 million yen in long-term borrowings.

Net assets totaled 18,240 million yen, an increase of 698 million yen from the end of 2022. The main reasons are increases of 521 million yen in retained earnings, 315 million yen in valuation difference on available-for-sale securities and 232 million yen in non-controlling interests, and an increase of 526 million yen in treasury shares (decrease in net assets).

(3) Basic Policy for Profit Distribution, and Dividends in the Current and Next Fiscal Years

Distributing earnings to shareholders is one of our highest priorities. The basic policy is to consistently distribute earnings to shareholders in a manner that reflects results of operations while taking into consideration the current financial position, business performance and status of business operations and retaining earnings as needed.

We plan to pay a dividend of 21 yen per share for 2023 and 22 yen per share for 2024 in accordance with this basic policy.

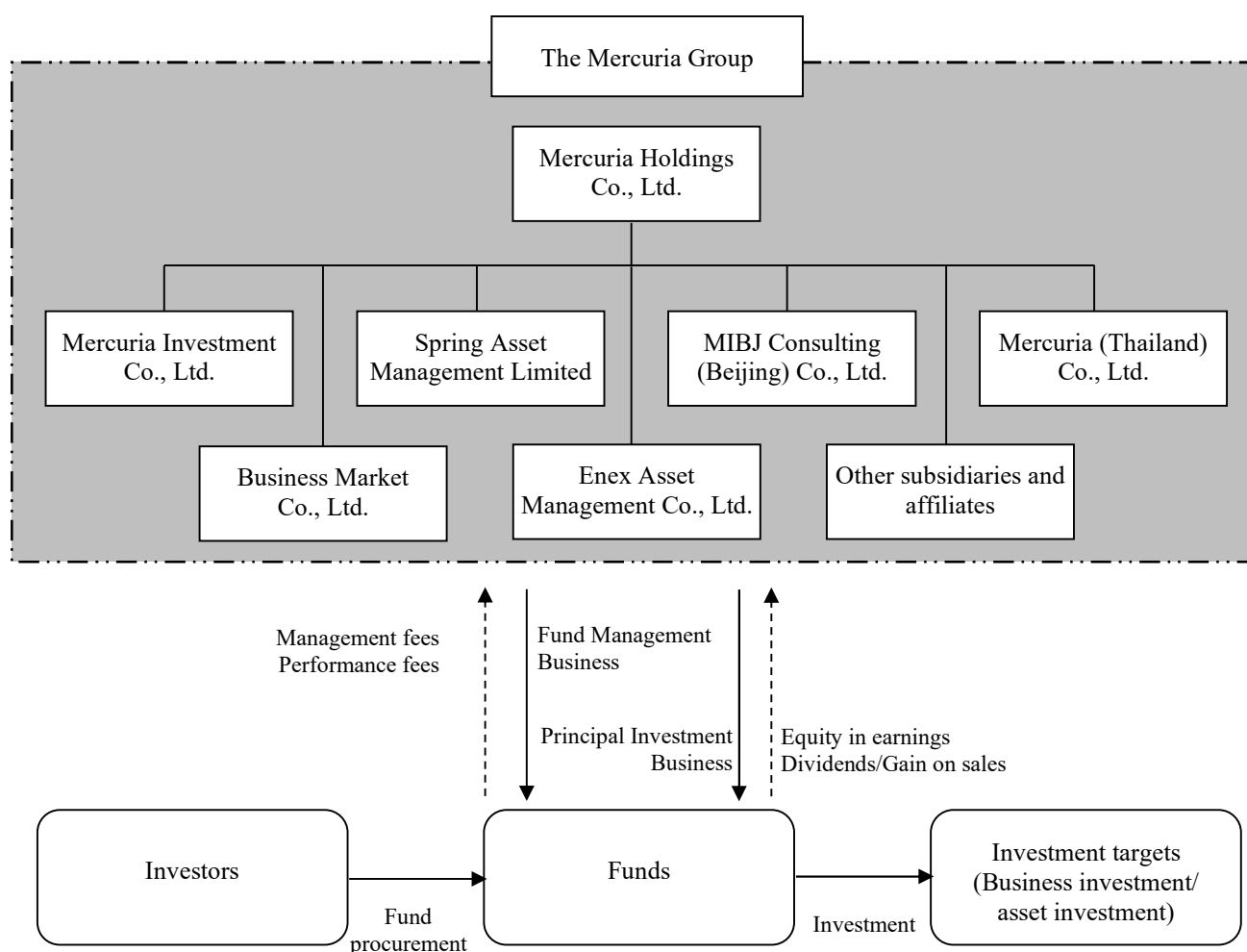
2. Corporate Group

On July 1, 2021, Mercuria Holdings Co., Ltd. was established as the parent company and sole shareholder of Mercuria Investment Co., Ltd. by transferring all shares of Mercuria Investment to the new holding company. In its role as a holding company, Mercuria Holdings performs the management and administration of group companies as well as other related functions. The business activities of the Mercuria Group are as follows.

The Mercuria Group consists of Mercuria Holdings, 11 consolidated subsidiaries, 21 non-consolidated subsidiaries, two equity-method affiliates, and nine affiliates not accounted for using the equity method.

Group companies operate a fund management business, which manages investment partnerships and other types of funds in which investors in Japan and other countries make contributions, and a principal investment business for investments of the Mercuria Group.

A flowchart of the Mercuria Group's business operations is as follows.



3. Basic Approach for the Selection of Accounting Standards

The Mercuria Group will continue to prepare consolidated financial statements using the generally accepted accounting principles in Japan for the time being to permit comparisons with prior years and with the financial data of other companies. We will take suitable actions with regard to the application of International Financial Reporting Standards by taking into account associated factors in Japan and other countries.

4. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

	(Thousands of yen)	
	2022	2023
	(As of Dec. 31, 2022)	(As of Dec. 31, 2023)
Assets		
Current assets		
Cash and deposits	3,013,477	3,003,153
Trade accounts receivable	603,901	713,190
Operational investment securities	13,423,443	13,699,185
Operating loans	594,850	680,134
Short-term loans receivable from subsidiaries and associates	520,000	-
Advances paid	113,452	262,058
Other	574,351	393,547
Total current assets	18,843,472	18,751,265
Non-current assets		
Property, plant and equipment		
Buildings, net	175,775	168,939
Tools, furniture and fixtures, net	17,179	20,986
Total property, plant and equipment	192,954	189,926
Intangible assets		
Software	1,388	1,607
Total intangible assets	1,388	1,607
Investments and other assets		
Investment securities	307,454	243,084
Leasehold and guarantee deposits	83,031	98,831
Deferred tax assets	538,432	357,751
Other	16,337	12,887
Total investments and other assets	945,253	712,553
Total non-current assets	1,139,595	904,085
Total assets	19,983,067	19,655,351
Liabilities		
Current liabilities		
Short-term borrowings	100,000	-
Current portion of long-term borrowings	130,000	-
Accounts payable-other	38,201	50,754
Accrued expenses	401,479	478,985
Accrued consumption taxes	30,527	61,986
Income taxes payable	388,734	94,352
Provision for bonuses	33,641	-
Other	58,256	68,603
Total current liabilities	1,180,839	754,680
Non-current liabilities		
Long-term borrowings	613,500	-
Provision for retirement benefits for directors (and other officers)	102,000	102,000
Provision for share-based remuneration for directors (and other officers)	180,294	197,794
Provision for share-based remuneration for employees	20,000	27,500
Retirement benefit liability	160,053	174,761
Long-term accounts payable-other	70,000	70,000
Long-term deposits received	19,407	25,050
Other	94,888	62,735
Total non-current liabilities	1,260,143	659,841
Total liabilities	2,440,981	1,414,522

	(Thousands of yen)	
	2022	2023
	(As of Dec. 31, 2022)	(As of Dec. 31, 2023)
Net assets		
Shareholders' equity		
Share capital	4,063,577	4,066,183
Capital surplus	4,516,845	4,519,452
Retained earnings	8,863,183	9,384,455
Treasury shares	(1,065,271)	(1,591,901)
Total shareholders' equity	16,378,334	16,378,188
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	111,274	426,288
Foreign currency translation adjustment	138,065	288,959
Total accumulated other comprehensive income	249,340	715,247
Share acquisition rights	83	72
Non-controlling interests	914,330	1,147,322
Total net assets	17,542,086	18,240,829
Total liabilities and net assets	19,983,067	19,655,351

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

(Thousands of yen)

	2022 (Jan. 1 – Dec. 31, 2022)	2023 (Jan. 1 – Dec. 31, 2023)
Operating revenue	4,598,442	5,842,006
Operating costs	203,557	1,808,897
Operating gross profit	4,394,885	4,033,109
Selling, general and administrative expenses	2,340,031	2,689,279
Operating profit	2,054,854	1,343,830
Non-operating income		
Interest income	7,341	34,572
Dividend income	-	26,137
Foreign exchange gains	157,301	74,468
Rent revenue	599	593
Share of profit of entities accounted for using equity method	-	63,057
Other	5,278	2,293
Total non-operating income	170,519	201,120
Non-operating expenses		
Interest expenses	9,521	6,825
Financing fees	6,569	13,500
Other	1,777	4,270
Total non-operating expenses	17,866	24,594
Ordinary profit	2,207,508	1,520,356
Extraordinary losses		
Loss on valuation of investment securities	-	19,500
Total extraordinary losses	-	19,500
Profit before income taxes	2,207,508	1,500,856
Income taxes-current	503,154	244,493
Income taxes-deferred	(1,565)	55,173
Total income taxes	501,589	299,666
Profit	1,705,919	1,201,190
Profit attributable to non-controlling interests	143,338	146,159
Profit attributable to owners of parent	1,562,581	1,055,031

Consolidated Statement of Comprehensive Income

	(Thousands of yen)	
	2022	2023
	(Jan. 1 – Dec. 31, 2022)	(Jan. 1 – Dec. 31, 2023)
Profit	1,705,919	1,201,190
Other comprehensive income		
Valuation difference on available-for-sale securities	529,067	315,014
Foreign currency translation adjustment	256,549	224,814
Share of other comprehensive income of entities accounted for using equity method	(12,126)	(23,887)
Total other comprehensive income	773,491	515,941
Comprehensive income	2,479,410	1,717,130
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,278,081	1,520,938
Comprehensive income attributable to non-controlling interests	201,329	196,192

(3) Consolidated Statement of Changes in Equity

2022 (Jan. 1 – Dec. 31, 2022)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,057,656	4,510,925	7,718,834	(712,893)	15,574,522
Changes during period					
Issuance of new shares	5,920	5,920			11,840
Dividends of surplus			(418,232)		(418,232)
Profit attributable to owners of parent			1,562,581		1,562,581
Purchase of treasury shares				(358,702)	(358,702)
Disposal of treasury shares				6,324	6,324
Net changes in items other than shareholders' equity					-
Total changes during period	5,920	5,920	1,144,349	(352,378)	803,812
Balance at end of period	4,063,577	4,516,845	8,863,183	(1,065,271)	16,378,334

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	(417,793)	(48,367)	(466,160)	83	713,001	15,821,445
Changes during period						
Issuance of new shares						11,840
Dividends of surplus						(418,232)
Profit attributable to owners of parent						1,562,581
Purchase of treasury shares						(358,702)
Disposal of treasury shares						6,324
Net changes in items other than shareholders' equity	529,067	186,432	715,500		201,329	916,829
Total changes during period	529,067	186,432	715,500	-	201,329	1,720,641
Balance at end of period	111,274	138,065	249,340	83	914,330	17,542,086

2023 (Jan. 1 – Dec. 31, 2023)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,063,577	4,516,845	8,863,183	(1,065,271)	16,378,334
Changes during period					
Issuance of new shares	2,607	2,607			5,213
Dividends of surplus			(410,020)		(410,020)
Profit attributable to owners of parent			1,055,031		1,055,031
Purchase of treasury shares				(526,630)	(526,630)
Change in scope of consolidation			(1,414)		(1,414)
Change in scope of equity method			(122,326)		(122,326)
Net changes in items other than shareholders' equity					-
Total changes during period	2,607	2,607	521,271	(526,630)	(146)
Balance at end of period	4,066,183	4,519,452	9,384,455	(1,591,901)	16,378,188

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	111,274	138,065	249,340	83	914,330	17,542,086
Changes during period						
Issuance of new shares						5,213
Dividends of surplus						(410,020)
Profit attributable to owners of parent						1,055,031
Purchase of treasury shares						(526,630)
Change in scope of consolidation						(1,414)
Change in scope of equity method						(122,326)
Net changes in items other than shareholders' equity	315,014	150,893	465,907	(11)	232,992	698,888
Total changes during period	315,014	150,893	465,907	(11)	232,992	698,743
Balance at end of period	426,288	288,959	715,247	72	1,147,322	18,240,829

(4) Consolidated Statement of Cash Flows

	(Thousands of yen)	
	2022	2023
	(Jan. 1 – Dec. 31, 2022)	(Jan. 1 – Dec. 31, 2023)
Cash flows from operating activities		
Profit before income taxes	2,207,508	1,500,856
Depreciation	66,655	70,871
Borrowing related expenses	6,569	13,500
Increase (decrease) in provision for bonuses	33,641	(36,650)
Increase (decrease) in provision for share-based remuneration for directors (and other officers)	17,500	17,500
Increase (decrease) in provision for share-based remuneration for employees	7,500	7,500
Increase (decrease) in retirement benefit liability	32,243	14,266
Interest and dividend income	(7,341)	(60,709)
Interest expenses	9,521	6,825
Commission expenses	1,364	2,317
Foreign exchange losses (gains)	(36,594)	(9,138)
Share of loss (profit) of entities accounted for using equity method	-	(63,057)
Loss on retirement of non-current assets	-	1,491
Loss (gain) on valuation of investment securities	-	19,500
Decrease (increase) in trade receivables	(20,605)	(81,713)
Decrease (increase) in operational investment securities	(1,873,497)	335,711
Decrease (increase) in operating loans receivable	(86,325)	(121,803)
Decrease (increase) in other current assets	(358,718)	182,393
Increase (decrease) in other current liabilities	(138,265)	65,701
Increase (decrease) in other non-current liabilities	(14,413)	(32,798)
Subtotal	(153,259)	1,832,561
Interest and dividends received	3,310	64,699
Interest paid	(9,186)	(7,159)
Income taxes paid	(190,293)	(648,049)
Net cash provided by (used in) operating activities	(349,429)	1,242,052
Cash flows from investing activities		
Proceeds from withdrawal of restricted deposits	-	70,000
Purchase of property, plant and equipment	(22,065)	(51,330)
Purchase of intangible assets	(1,848)	(841)
Payments of leasehold and guarantee deposits	(14,789)	(21,440)
Proceeds from refund of leasehold and guarantee deposits	2,144	-
Purchase of investment securities	(26,489)	(14,402)
Proceeds from sale of investment securities	-	0
Loan advances to subsidiaries and associates	(520,000)	(4,140)
Collection of loans receivable from subsidiaries and associates	-	520,000
Net cash provided by (used in) investing activities	(583,046)	497,847

	(Thousands of yen)	
	2022	2023
	(Jan. 1 – Dec. 31, 2022)	(Jan. 1 – Dec. 31, 2023)
Cash flows from financing activities		
Proceeds from short-term borrowings	199,431	-
Repayments of short-term borrowings	(100,000)	(100,000)
Repayments of long-term borrowings	(130,000)	(743,500)
Proceeds from issuance of shares	11,840	5,203
Dividends paid	(418,232)	(410,020)
Purchase of treasury shares	(360,066)	(528,948)
Proceeds from disposal of treasury shares	52	-
Proceeds from share issuance to non-controlling shareholders	-	36,800
Net cash provided by (used in) financing activities	(796,974)	(1,740,465)
Effect of exchange rate change on cash and cash equivalents	68,161	61,656
Net increase (decrease) in cash and cash equivalents	(1,661,288)	61,090
Cash and cash equivalents at beginning of period	4,604,764	2,943,477
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	(1,414)
Cash and cash equivalents at end of period	2,943,477	3,003,153

(5) Notes to Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Changes in Consolidated Subsidiaries during the Period

SR Target, L.P. was excluded from the consolidation in 2023 because this company was liquidated.

Segment and Other Information

Segment Information

There is no segment information because the Mercuria Group operates only in the investment operations business segment.

Per-share Information

(Yen)

	2022 (Jan. 1 – Dec. 31, 2022)	2023 (Jan. 1 – Dec. 31, 2023)
Net assets per share	829.16	883.56
Net income per share	76.48	53.99
Diluted net income per share	76.30	53.85

Notes: 1. Basis for the calculation of net income per share and diluted net income per share is as follows:

2. Mercuria Holdings' stock remaining in the trust (447,456 shares in 2022 and 447,456 shares in 2023) is included in treasury shares in shareholders' equity and deducted from the number of shares outstanding at the end of the period that is used to calculate net assets per share.

Moreover, the shares (393,032 shares in 2022 and 447,456 shares in 2023) are included in treasury shares deducted from the number of shares used to calculate the average number of shares outstanding during the period that is used to calculate net income per share and diluted net income per share.

	2022 (Jan. 1 – Dec. 31, 2022)	2023 (Jan. 1 – Dec. 31, 2023)
Net income per share		
Profit attributable to owners of parent (Thousands of yen)	1,562,581	1,055,031
Amount not attributable to common shareholders (Thousands of yen)	-	-
Profit attributable to owners of parent applicable to common stock (Thousands of yen)	1,562,581	1,055,031
Average number of common stock outstanding during the period (Shares)	20,431,140	19,541,255
Diluted net income per share		
Adjustment to profit attributable to owners of parent (Thousands of yen)	-	-
Increase in number of common stock (Shares)	49,582	50,408
[of which share acquisition rights (Shares)]	[49,582]	[50,408]
Summary of potentially dilutive shares not included in the calculation of diluted net income per share due to their anti-dilutive effect	-	-

Subsequent Events

Not applicable.

The above is an English translation provided for information purpose only. The original Japanese version was released through our website (<https://mercuria-hd.jp>). If any discrepancy is identified between this translation and the Japanese original, the Japanese original shall prevail.