

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 9, 2022

Company name: NITTOC CONSTRUCTION CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 1929 URL <https://www.nittoc.co.jp>
 Representative: President & Representative Director Yasuo Wada
 Manager,
 Inquiries: Accounting Department, Masakazu Itabashi TEL 03-5645-5047
 Administration Division
 Scheduled date of ordinary general meeting of shareholders: June 24, 2022
 Scheduled date to file Securities Report: June 24, 2022
 Scheduled date to commence dividend payments: June 27, 2022
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	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, 2022	66,076	(2.8)	4,523	(15.6)	4,626	(14.6)	3,329	(4.9)
Year ended March 31, 2021	67,955	3.7	5,358	9.3	5,419	11.1	3,500	7.4

Note: Comprehensive income Year ended March 31, 2022 ¥3,211 million [(14.4)%]
 Year ended March 31, 2021 ¥3,752 million [16.9%]

	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, 2022	79.83	–	11.3	8.9	6.8
Year ended March 31, 2021	83.93	–	12.7	10.6	7.9

Reference: Share of profit (loss) of entities accounted for using equity method Year ended March 31, 2022 ¥– million
 Year ended March 31, 2021 ¥– million

Note: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the current fiscal year, and each figure for the fiscal year ended March 31, 2022, is the figure after applying the accounting standard and relevant ASBJ regulations.

(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, 2022	51,712	30,610	58.8	729.42
As of March 31, 2021	51,971	28,800	55.1	686.19

Reference: Equity As of March 31, 2022 ¥30,422 million
 As of March 31, 2021 ¥28,619 million

Note: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the current fiscal year, and each figure for the fiscal year ended March 31, 2022, is the figure after applying the accounting standard and relevant ASBJ regulations.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	4,750	(23)	(1,785)	20,723
Year ended March 31, 2021	1,426	(705)	(1,784)	17,722

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	–	8.00	–	28.00	36.00	1,501	42.9	5.5
Year ended March 31, 2022	–	8.00	–	32.00	40.00	1,668	50.1	5.7
Year ending March 31, 2023 (Forecast)	–	20.00	–	25.00	45.00		61.5	

Note 1: Breakdown of fiscal year-end dividends for the fiscal year ended March 31, 2022:

Ordinary dividend of ¥25.00, and special dividend of ¥7.00

Note 2: Breakdown of fiscal year-end dividends for the fiscal year ending March 31, 2023 (forecast):

Ordinary dividend of ¥20.00, and commemorative dividend of ¥5.00

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2022	31,000	4.0	1,400	1.9	1,400	(1.2)	920	(1.9)	22.06
Full year	68,500	3.7	4,600	1.7	4,550	(1.6)	3,050	(8.4)	73.13

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022

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

No

(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:

Yes

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, 2022	41,708,367 shares	As of March 31, 2021	43,919,291 shares
----------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of March 31, 2022	1,321 shares	As of March 31, 2021	2,210,924 shares
----------------------	--------------	----------------------	------------------

Average number of shares during the period

Year ended March 31, 2022	41,707,756 shares	Year ended March 31, 2021	41,709,182 shares
---------------------------	-------------------	---------------------------	-------------------

Note: The Company canceled 2,210,924 treasury shares on May 31, 2021, in accordance with a resolution passed at a meeting of the Board of Directors held on May 7, 2021.

Reference: Summary of non-consolidated financial results

1. Non-consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Non-consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2022	63,931	(3.9)	4,313	(17.0)	4,579	(12.0)	3,354	(1.6)
Year ended March 31, 2021	66,520	4.0	5,199	11.7	5,259	13.8	3,407	10.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Year ended March 31, 2022	80.43		-	
Year ended March 31, 2021	81.70		-	

(2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
As of March 31, 2022	50,647		30,099		59.4		721.69	
As of March 31, 2021	51,036		28,350		55.5		679.74	

Reference: Equity As of March 31, 2022 ¥30,099 million
 As of March 31, 2021 ¥28,350 million

2. Forecast of non-consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2022	30,000	3.5	1,300	1.4	1,300	(12.2)	849	(18.9)	20.36
Full year	66,500	4.0	4,350	0.8	4,280	(6.5)	2,850	(15.0)	68.33

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of forecasts of financial results, and other special matters

Financial results forecasts are based on information available to the Company at the time of release of this document. Actual financial results may differ from the forecast figures due to various factors going forward.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	17,722	20,723
Notes receivable, accounts receivable from completed construction contracts and other	19,666	–
Notes receivable, accounts receivable from completed construction contracts and other and contract assets	–	17,934
Electronically recorded monetary claims - operating	2,921	2,563
Merchandise and finished goods	9	25
Real estate for sale	0	0
Costs on construction contracts in progress	1,359	301
Raw materials and supplies	243	285
Other	360	693
Allowance for doubtful accounts	(2)	(2)
Total current assets	42,282	42,526
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,645	1,639
Machinery, vehicles, tools, furniture and fixtures, net	1,133	1,314
Land	2,638	2,578
Leased assets, net	13	0
Construction in progress	166	253
Other, net	2	2
Total property, plant and equipment	5,598	5,787
Intangible assets	445	607
Investments and other assets		
Investment securities	974	417
Deferred tax assets	2,127	2,003
Other	602	403
Allowance for doubtful accounts	(59)	(32)
Total investments and other assets	3,644	2,791
Total non-current assets	9,689	9,185
Total assets	51,971	51,712

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	11,339	11,921
Short-term borrowings	278	–
Advances received on construction contracts in progress	2,032	593
Lease liabilities	3	0
Income taxes payable	1,274	555
Provision for warranties for completed construction	24	25
Provision for loss on construction contracts	286	168
Provision for bonuses	1,501	1,150
Provision for bonuses for directors (and other officers)	36	33
Other	2,156	2,341
Total current liabilities	18,931	16,790
Non-current liabilities		
Lease liabilities	5	4
Retirement benefit liability	4,162	4,209
Other	71	97
Total non-current liabilities	4,239	4,311
Total liabilities	23,171	21,101
Net assets		
Shareholders' equity		
Share capital	6,052	6,052
Capital surplus	2,022	1,753
Retained earnings	21,419	22,560
Treasury shares	(1,057)	(0)
Total shareholders' equity	28,436	30,365
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	312	112
Foreign currency translation adjustment	(34)	3
Remeasurements of defined benefit plans	(95)	(58)
Total accumulated other comprehensive income	183	56
Non-controlling interests	180	188
Total net assets	28,800	30,610
Total liabilities and net assets	51,971	51,712

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

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales		
Net sales of completed construction contracts	67,718	65,882
Sales in other businesses	237	194
Total net sales	67,955	66,076
Cost of sales		
Cost of sales of completed construction contracts	54,959	53,849
Cost of sales in other businesses	142	92
Total cost of sales	55,102	53,941
Gross profit		
Gross profit on completed construction contracts	12,759	12,032
Gross profit - other business	94	102
Total gross profit	12,853	12,134
Selling, general and administrative expenses	7,495	7,611
Operating profit	5,358	4,523
Non-operating income		
Interest income	16	7
Dividend income	34	36
Patent income	13	16
Foreign exchange gains	32	49
Other	9	29
Total non-operating income	107	139
Non-operating expenses		
Interest expenses	6	5
Guarantee commission	30	22
Commission for syndicated loans	5	5
Other	3	2
Total non-operating expenses	46	35
Ordinary profit	5,419	4,626
Extraordinary income		
Gain on sale of non-current assets	15	0
Gain on sale of investment securities	–	372
Total extraordinary income	15	372
Extraordinary losses		
Loss on sale and retirement of non-current assets	3	11
Impairment losses	211	–
Other	1	–
Total extraordinary losses	217	11
Profit before income taxes	5,218	4,986
Income taxes - current	1,965	1,513
Income taxes - deferred	(243)	155
Total income taxes	1,722	1,668
Profit	3,495	3,318
Loss attributable to non-controlling interests	(5)	(11)
Profit attributable to owners of parent	3,500	3,329

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	3,495	3,318
Other comprehensive income		
Valuation difference on available-for-sale securities	124	(200)
Foreign currency translation adjustment	69	57
Remeasurements of defined benefit plans, net of tax	63	35
Total other comprehensive income	256	(106)
Comprehensive income	3,752	3,211
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,733	3,203
Comprehensive income attributable to non-controlling interests	18	8

Consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,052	2,022	19,420	(1,056)	26,438
Cumulative effects of changes in accounting policies					
Restated balance	6,052	2,022	19,420	(1,056)	26,438
Changes during period					
Dividends of surplus			(1,501)		(1,501)
Profit attributable to owners of parent			3,500		3,500
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		0		0	0
Cancellation of treasury shares					–
Net changes in items other than shareholders' equity					
Total changes during period	–	0	1,998	(1)	1,997
Balance at end of period	6,052	2,022	21,419	(1,057)	28,436

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	188	(79)	(158)	(49)	161	26,550
Cumulative effects of changes in accounting policies						
Restated balance	188	(79)	(158)	(49)	161	26,550
Changes during period						
Dividends of surplus						(1,501)
Profit attributable to owners of parent						3,500
Purchase of treasury shares						(1)
Disposal of treasury shares						0
Cancellation of treasury shares						—
Net changes in items other than shareholders' equity	124	45	63	232	18	251
Total changes during period	124	45	63	232	18	2,249
Balance at end of period	312	(34)	(95)	183	180	28,800

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,052	2,022	21,419	(1,057)	28,436
Cumulative effects of changes in accounting policies			102		102
Restated balance	6,052	2,022	21,521	(1,057)	28,538
Changes during period					
Dividends of surplus			(1,501)		(1,501)
Profit attributable to owners of parent			3,329		3,329
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares					–
Cancellation of treasury shares		(269)	(788)	1,057	–
Net changes in items other than shareholders' equity					
Total changes during period	–	(269)	1,039	1,056	1,826
Balance at end of period	6,052	1,753	22,560	(0)	30,365

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	312	(34)	(95)	183	180	28,800
Cumulative effects of changes in accounting policies						102
Restated balance	312	(34)	(95)	183	180	28,902
Changes during period						
Dividends of surplus						(1,501)
Profit attributable to owners of parent						3,329
Purchase of treasury shares						(0)
Disposal of treasury shares						–
Cancellation of treasury shares						–
Net changes in items other than shareholders' equity	(200)	37	36	(126)	8	(118)
Total changes during period	(200)	37	36	(126)	8	1,708
Balance at end of period	112	3	(58)	56	188	30,610

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	5,218	4,986
Depreciation	402	507
Increase (decrease) in allowance for doubtful accounts	(8)	(28)
Increase (decrease) in provision for warranties for completed construction	(17)	1
Increase (decrease) in provision for loss on construction contracts	284	(71)
Increase (decrease) in provision for bonuses	130	(351)
Increase (decrease) in provision for bonuses for directors (and other officers)	(6)	(3)
Increase (decrease) in retirement benefit liability	185	97
Loss (gain) on sale of property, plant and equipment	(15)	2
Loss on retirement of non-current assets	3	9
Interest and dividend income	(51)	(43)
Interest expenses	6	5
Foreign exchange losses (gains)	(16)	(20)
Loss (gain) on sale of investment securities	–	(372)
Impairment losses	211	–
Decrease (increase) in trade receivables	(2,828)	2,686
Decrease (increase) in costs on construction contracts in progress	492	227
Decrease (increase) in other assets	70	(279)
Increase (decrease) in trade payables	(76)	534
Increase (decrease) in advances received on construction contracts in progress	(62)	(1,085)
Increase (decrease) in accrued consumption taxes	(704)	94
Increase (decrease) in other liabilities	240	263
Subtotal	3,456	7,162
Interest and dividends received	53	43
Interest paid	(6)	(5)
Income taxes paid	(2,077)	(2,450)
Net cash provided by (used in) operating activities	1,426	4,750
Cash flows from investing activities		
Purchase of investment securities	(4)	(5)
Proceeds from sale of investment securities	–	645
Purchase of property, plant and equipment	(702)	(627)
Proceeds from sale of property, plant and equipment	16	75
Purchase of intangible assets	(29)	(273)
Proceeds from collection of loans receivable	46	–
Payments of guarantee deposits	(8)	(15)
Proceeds from refund of guarantee deposits	6	12
Other payments	(41)	(10)
Other proceeds	10	173
Net cash provided by (used in) investing activities	(705)	(23)

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from financing activities		
Repayments of long-term borrowings	(274)	(278)
Repayments of lease liabilities	(12)	(5)
Proceeds from disposal of treasury shares	0	–
Purchase of treasury shares	(1)	(0)
Dividends paid	(1,496)	(1,501)
Net cash provided by (used in) financing activities	(1,784)	(1,785)
Effect of exchange rate change on cash and cash equivalents	71	60
Net increase (decrease) in cash and cash equivalents	(991)	3,001
Cash and cash equivalents at beginning of period	18,713	17,722
Cash and cash equivalents at end of period	17,722	20,723

Non-consolidated financial statements
Non-consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	16,884	19,620
Notes receivable - trade	1,970	1,915
Electronically recorded monetary claims - operating	2,921	2,563
Accounts receivable from completed construction contracts	17,367	11,211
Contract assets	–	4,573
Real estate for sale	0	0
Costs on construction contracts in progress	1,345	300
Raw materials and supplies	171	180
Accounts receivable - other	255	583
Other	125	249
Allowance for doubtful accounts	(2)	(2)
Total current assets	41,039	41,197
Non-current assets		
Property, plant and equipment		
Buildings	3,931	3,871
Accumulated depreciation	(2,412)	(2,344)
Buildings, net	1,518	1,526
Structures	570	559
Accumulated depreciation	(402)	(407)
Structures, net	167	151
Machinery and equipment	5,083	4,808
Accumulated depreciation	(4,087)	(3,719)
Machinery and equipment, net	996	1,088
Tools, furniture and fixtures	228	187
Accumulated depreciation	(185)	(144)
Tools, furniture and fixtures, net	42	42
Land	2,694	2,634
Leased assets	215	178
Accumulated depreciation	(202)	(178)
Leased assets, net	13	0
Construction in progress	166	253
Other, net	2	2
Total property, plant and equipment	5,602	5,699
Intangible assets		
Leasehold interests in land	50	50
Software	44	286
Other	345	266
Total intangible assets	440	603

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Investments and other assets		
Investment securities	974	417
Shares of subsidiaries and associates	399	439
Guarantee deposits	318	314
Distressed receivables	28	20
Deferred tax assets	2,045	1,927
Insurance funds	151	–
Other	66	47
Allowance for doubtful accounts	(29)	(21)
Total investments and other assets	3,953	3,146
Total non-current assets	9,996	9,449
Total assets	51,036	50,647
Liabilities		
Current liabilities		
Notes payable - trade	5,677	6,082
Accounts payable for construction contracts	5,584	5,494
Short-term borrowings	278	–
Lease liabilities	3	0
Income taxes payable	1,257	537
Advances received on construction contracts in progress	1,894	547
Provision for warranties for completed construction	24	25
Provision for loss on construction contracts	282	168
Provision for bonuses	1,480	1,130
Provision for bonuses for directors (and other officers)	29	25
Other	2,106	2,367
Total current liabilities	18,619	16,379
Non-current liabilities		
Lease liabilities	5	–
Provision for retirement benefits	3,989	4,070
Other	71	97
Total non-current liabilities	4,066	4,167
Total liabilities	22,685	20,547

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Net assets		
Shareholders' equity		
Share capital	6,052	6,052
Capital surplus		
Legal capital surplus	1,753	1,753
Other capital surplus	269	–
Total capital surplus	2,022	1,753
Retained earnings		
Other retained earnings		
Retained earnings brought forward	21,020	22,182
Total retained earnings	21,020	22,182
Treasury shares	(1,057)	(0)
Total shareholders' equity	28,038	29,987
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	312	112
Total valuation and translation adjustments	312	112
Total net assets	28,350	30,099
Total liabilities and net assets	51,036	50,647

Non-consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales		
Net sales of completed construction contracts	66,520	63,931
Total net sales	66,520	63,931
Cost of sales		
Cost of sales of completed construction contracts	54,120	52,334
Total cost of sales	54,120	52,334
Gross profit		
Gross profit on completed construction contracts	12,399	11,597
Total gross profit	12,399	11,597
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	237	244
Provision for bonuses for directors (and other officers)	29	25
Salaries, allowances and bonuses	2,969	2,952
Provision for bonuses	565	440
Retirement benefit expenses	251	248
Legal welfare expenses	692	710
Welfare expenses	222	260
Repair and maintenance expenses	7	12
Stationery expenses	243	259
Communication and transportation expenses	325	368
Power utilities expenses	46	46
Research study expenses	274	300
Advertising expenses	25	26
Provision of allowance for doubtful accounts	0	0
Entertainment expenses	35	46
Donations	3	3
Rent expenses on land and buildings	404	400
Depreciation	136	185
Taxes and dues	252	251
Insurance expenses	22	17
Miscellaneous expenses	454	480
Total selling, general and administrative expenses	7,200	7,283
Operating profit	5,199	4,313
Non-operating income		
Interest income	5	3
Dividend income	34	190
Patent income	21	27
Foreign exchange gains	32	49
Other	9	28
Total non-operating income	102	300
Non-operating expenses		
Interest expenses	6	5
Guarantee commission	30	22
Commission for syndicated loans	5	5
Other	0	0
Total non-operating expenses	42	34
Ordinary profit	5,259	4,579

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Extraordinary income		
Gain on sale of non-current assets	11	0
Gain on sale of investment securities	–	372
Total extraordinary income	11	372
Extraordinary losses		
Loss on sale of non-current assets	–	2
Loss on retirement of non-current assets	0	8
Impairment losses	214	–
Other	1	–
Total extraordinary losses	215	10
Profit before income taxes	5,055	4,940
Income taxes - current	1,889	1,422
Income taxes - deferred	(241)	163
Total income taxes	1,647	1,585
Profit	3,407	3,354

Non-consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity					
	Share capital	Capital surplus		Retained earnings	Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Other retained earnings		
				Retained earnings brought forward		
Balance at beginning of period	6,052	1,753	269	19,114	(1,056)	26,133
Cumulative effects of changes in accounting policies						
Restated balance	6,052	1,753	269	19,114	(1,056)	26,133
Changes during period						
Dividends of surplus				(1,501)		(1,501)
Profit				3,407		3,407
Purchase of treasury shares					(1)	(1)
Disposal of treasury shares			0		0	0
Cancellation of treasury shares						–
Net changes in items other than shareholders' equity						
Total changes during period	–	–	0	1,906	(1)	1,905
Balance at end of period	6,052	1,753	269	21,020	(1,057)	28,038

	Valuation and translation adjustments	Total net assets
	Valuation difference on available-for-sale securities	
Balance at beginning of period	188	26,321
Cumulative effects of changes in accounting policies		
Restated balance	188	26,321
Changes during period		
Dividends of surplus		(1,501)
Profit		3,407
Purchase of treasury shares		(1)
Disposal of treasury shares		0
Cancellation of treasury shares		–
Net changes in items other than shareholders' equity	124	124
Total changes during period	124	2,029
Balance at end of period	312	28,350

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity					
	Share capital	Capital surplus		Retained earnings	Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Other retained earnings		
				Retained earnings brought forward		
Balance at beginning of period	6,052	1,753	269	21,020	(1,057)	28,038
Cumulative effects of changes in accounting policies				96		96
Restated balance	6,052	1,753	269	21,117	(1,057)	28,135
Changes during period						
Dividends of surplus				(1,501)		(1,501)
Profit				3,354		3,354
Purchase of treasury shares					(0)	(0)
Disposal of treasury shares						–
Cancellation of treasury shares			(269)	(788)	1,057	–
Net changes in items other than shareholders' equity						
Total changes during period	–	–	(269)	1,065	1,056	1,852
Balance at end of period	6,052	1,753	–	22,182	(0)	29,987

	Valuation and translation adjustments	Total net assets
	Valuation difference on available-for-sale securities	
Balance at beginning of period	312	28,350
Cumulative effects of changes in accounting policies		96
Restated balance	312	28,447
Changes during period		
Dividends of surplus		(1,501)
Profit		3,354
Purchase of treasury shares		(0)
Disposal of treasury shares		–
Cancellation of treasury shares		–
Net changes in items other than shareholders' equity	(200)	(200)
Total changes during period	(200)	1,651
Balance at end of period	112	30,099