Translation

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

May 12, 2023

Company name:	XEBIO HOLDING	GS CO., LTD.			
Stock exchange listing:	Tokyo				
Stock code:	8281 URL	http://www.xebio.co.jp			
Representative:	President & CEO		Tomoyoshi Morohashi		
Inquiries:	CFO		Kazuhiko Nakamura	TEL	03-6870-6008
Scheduled date of ordin	ary general meeting	of shareholders:	June 29, 2023		
Scheduled date to file Securities Report:			June 29, 2023		
Scheduled date to commence dividend payments:			June 13, 2023		
Preparation of suppleme	entary material on fi	nancial results:	Yes		
Holding of financial res	ults meeting:		Yes		

(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)

(1) Consolidated operating results	

	Net sales		Operating profit		Ordinary pro	ofit	Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2023	239,293	7.2	8,062	61.3	9,270	18.1	5,464	42.5
Year ended March 31, 2022	223,282	10.3	4,999	80.7	7,851	80.8	3,836	830.3

	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	123.60	123.09	4.6	4.4	3.4
Year ended March 31, 2022	86.77	86.44	3.3	3.8	2.2

#### (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	211,152	122,502	57.7	2,757.80
As of March 31, 2022	208,308	118,708	56.8	2,674.23

#### (3) Consolidated cash flows

	Cash flows from	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	7,088	(5,403)	(7,911)	32,890
Year ended March 31, 2022	2,235	(5,164)	(2,119)	39,893

#### 2. Cash dividends

Annual dividends per share						Total cash	Dividend payout	Ratio of dividends	
	1st quarter-end	t 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	-	15.00	-	15.00	30.00	1,326	33.7	1.1	
Year ended March 31, 2023	-	15.00	-	15.00	30.00	1,326	24.3	1.1	
Year ending March 31, 2024 (Forecast)	-	15.00	-	15.00	30.00		23.5		

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

							Percentages ind	dicate ye	ear-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	
Six months ending September 30, 2023	126,356	7.1	4,139	2.4	4,480	(10.6)	2,854	(9.3)	64.55	
Full year	259,891	8.6	8,815	9.3	9,535	2.9	5,643	3.3	127.64	

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 fina	ncial 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	1	47,911,023 sl	hares	As of March 31, 2022	1	47,911,023 shares
N	Sumber of treasury shares at the end of th	e perio	od				
	As of March 31, 2023	1	3,700,307 sl	hares	As of March 31, 2022	1	3,699,987 shares
I	verage number of shares during the peri-	od					
	Year ended March 31, 2023	1	44,210,876 sl	hares	Year ended March 31, 2022	I I	44,211,193 shares

# **Consolidated financial statements**

**Consolidated balance sheets** 

		(Millions of yen
	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	39,893	32,89
Notes and accounts receivable - trade	22,477	22,98
Operating loans	967	87
Merchandise	75,921	80,71
Income taxes refund receivable	1	17
Other	8,043	8,61
Allowance for doubtful accounts	(292)	(43
Total current assets	147,012	145,81
Non-current assets		
Property, plant and equipment		
Buildings and structures	50,403	52,40
Accumulated depreciation	(36,192)	(38,5:
Buildings and structures, net	14,211	13,85
Land	13,910	13,98
Leased assets	2,780	6,09
Accumulated depreciation	(1,424)	(1,8
Leased assets, net	1,356	4,2
Construction in progress	75	2
Other	21,304	22,4
Accumulated depreciation	(18,965)	(19,4
Other, net	2,339	3,02
Total property, plant and equipment	31,891	35,33
Intangible assets		,
Goodwill	716	3.
Software	1,854	3,8
Other	2,924	2,62
Total intangible assets	5.495	6,7
Investments and other assets		
Investments and outer assets	727	8
Long-term loans receivable	24	0
Deferred tax assets	4,852	4,54
Guarantee deposits	1,851	-,,- 1,4
Leasehold deposits	14,142	14,0
Investment property	3,126	2,70
Accumulated depreciation	(1,276)	(9.
Investment property, net	1,849	1,83
Retirement benefit asset		1,8.
	139	
Other	582	6.
Allowance for doubtful accounts	(260)	(10
Total investments and other assets	23,908	23,15
Total non-current assets	61,295	65,33
Total assets	208,308	211,15

Current liabilities 22,388 23,42   Electronically recorded obligations - operating 28,099 29,03   Short-term borrowings 770 86   Current portion of long-term borrowings 5,953 1,84   Income taxes payable 1,808 1,52   Provision for bonuses for directors (and other officers) 15 1   Provision for bonuses for directors (and other officers) 15 1   Provision for bonuses for directors (and other officers) 91 7   Other 14,087 14,067   Total current liabilities 91 7   Long-term borrowings 6,459 4,77   Lasse liabilities 2,001 5,22   Retirement benefits for directors (and other officers) 905 89   Provision for retirement benefits for directors (and other officers) 59 5   Asset retirement benefits liabilities 14,915 16,57   Total non-current liabilities 14,915 16,57   Total non-current liabilities 14,915 16,57   Share capital 15,935 1			(Millions of yen)
Current liabilities 22,388 23,42   Electronically recorded obligations - operating 28,099 29,03   Short-term borrowings 770 86   Current portion of long-term borrowings 5,953 1,84   Income taxes payable 1,808 1,52   Provision for bonuses for directors (and other officers) 15 1   Provision for bonuses for directors (and other officers) 15 1   Provision for bonuses for directors (and other officers) 91 7   Other 14,087 14,067   Total current liabilities 91 7   Long-term borrowings 6,459 4,77   Lasse liabilities 2,001 5,22   Retirement benefits for directors (and other officers) 905 89   Provision for retirement benefits for directors (and other officers) 59 5   Asset retirement benefits liabilities 14,915 16,57   Total non-current liabilities 14,915 16,57   Total non-current liabilities 14,915 16,57   Share capital 15,935 1		As of March 31, 2022	As of March 31, 2023
Notes and accounts payable - trade22,38823,42Electronically recorded obligations - operating28,09929,03Short-term borrowings77086Current portion of long-term borrowings5,9531,84Income taxes payable1,8081,52Provision for bonuses1,4701,29Provision for bonuses for directors (and other officers)151Provision for point card certificates917Other14,08714,067Total current liabilities74,68472,07Non-current liabilities2,0015,22Retirement benefit liabilities2,0015,22Retirement benefit liabilities2,0015,22Other595Other595Other595Share capital15,93515,935Capital surplus16,11916,57Total liabilities92,42796,55Share capital15,93515,93Capital surplus16,11916,119Chilties24,24796,55Treasury shares(6,498)(6,498)Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Share capital currency translation adjustment6385Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Share acquisition rights43534Non-cont	Liabilities		
Electronically recorded obligations - operating28,09929,03Short-term borrowings77086Current portion of long-term borrowings5,9531,84Income taxes payable1,8081,52Provision for bonuses1,4701,29Provision for bonuses for directors (and other officers)151Provision for point card certificates917Other14,08714,067Total current liabilities74,68472,07Non-current liabilities2,0015,22Retirement borefit liability90589Provision for retirement benefits for directors (and other officers)595Other14,6404,75Other84987Total non-current liabilities14,91516,57Total liabilities14,91516,57Total liabilities14,91516,57Total liabilities11,984122,12Share capital15,93515,935Capital surplus11,7984122,12Accumulated other comprehensive income24(6,498)Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Share capital conduction adjustment6385Total accumulated other comprehensive income245(15Valuation difference on available-for-sale securities43534Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensi	Current liabilities		
Short-term borrowings77080Current portion of long-term borrowings5,9531,84Income taxes payable1,8081,52Provision for bonuses for directors (and other officers)151Provision for point card certificates917Other14,08714,007Total current liabilities74,68472,007Non-current liabilities2,0015,223Retirement benefit liabilities2,0015,223Retirement benefit for directors (and other officers)90589Provision for retirement benefits for directors (and other officers)595Asset retirement benefits for directors (and other officers)16,4604,75Other849875Total non-current liabilities14,91516,57Total inon-current liabilities15,93515,935Share capital15,19316,119Capital surplus16,11916,119Capital surplus16,11916,119Capital surplus16,11916,119Capital surplus16,11916,119Capital surplus16,11916,119Capital surplus16,11916,119Capital aurplus16,11916,119Capital surplus16,11916,119Capital surplus16,11916,119Capital surplus16,11916,119Capital currency translation adjustment6385Foreign currency translation adjustment6385Share acqui	Notes and accounts payable - trade	22,388	23,429
Current portion of long-term borrowings $5,953$ $1,84$ Income taxes payable $1,808$ $1,52$ Provision for bonuses $1,470$ $1,29$ Provision for bonuses for directors (and other officers) $15$ $11$ Provision for point card certificates $91$ $7$ Other $14,087$ $14,067$ Total current liabilities $74,684$ $72,007$ Non-current liabilities $2,001$ $5,22$ Retirement benefit liability $905$ $89$ Provision for retirement benefits for directors (and other officers) $4,640$ $4,75$ Asset retirement obligations $4,640$ $4,75$ Other $849$ $87$ Total non-current liabilities $14,915$ $16,57$ Total liabilities $14,915$ $16,57$ Total liabilities $12,935$ $15,935$ Share capital $15,935$ $15,935$ Capital surplus $16,119$ $16,119$ Retained earnings $22,427$ $96,55$ Total shareholders' equity $117,984$ $122,12$ Accumulated other comprehensive income $245$ $(19)$ Valuation difference on available-for-sale securities $47$ $18$ Foreign currency translation adjustment $638$ $5$ Remeasurements of defined benefit plans $(439)$ $(43)$ Total accumulated other comprehensive income $245$ $(19)$ Share capitstion rights $42$ $23$ Total accumulated other comprehensive income $245$ $(19)$ S	Electronically recorded obligations - operating	28,099	29,032
Income taxes payable1,8081,52Provision for bonuses1,4701,29Provision for bonuses for directors (and other officers)151Provision for point card certificates917Other14,08714,007Total current liabilities74,68472,007Long-term borrowings6,4594,77Lease liabilities2,0015,22Retirement benefit liability90588Provision for retirement benefits for directors (and other officers)595Asset retirement boligations4,6404,75Other84988Total non-current liabilities14,91516,57Total anon-current liabilities14,91516,57Total anon-current liabilities15,93515,93Share capital15,93515,93Capital surplus16,11916,119Retained earnings92,42796,56Total shareholders' equity11,984122,12Accumulated other comprehensive income245(149)Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total accumulated other comprehensive income245(19Share acquisition rights43534 </td <td>Short-term borrowings</td> <td>770</td> <td>800</td>	Short-term borrowings	770	800
Provision for bonuses1,4701,29Provision for bonuses for directors (and other officers)151Provision for point card certificates917Other14,08714,007Total current liabilities74,68472,007Non-current liabilities2,0015,22Retirement benefit liability90588Provision for retirement benefits for directors (and other officers)55Asset retirement beligations4,6404,75Other84987Total liabilities14,91516,57Total liabilities89,59988,65Net assets89,59988,65Net assets15,93515,93Share capital15,93515,935Capital surplus16,11916,119Retained earnings92,42796,656Treasury shares(6,498)(6,498)Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(439)Total accumulated other comprehensive income245(15Share capitsition rights43534Non-controlling interests4223Total accumulated other comprehensive income245(15Share acquisition rights435342Non-controlling interests4223Total accumulated other comprehensive income245(15Share acquisition rights	Current portion of long-term borrowings	5,953	1,840
Provision for bonuses for directors (and other officers)151Provision for point card certificates917Other14,08714,067Total current liabilities74,68472,007Non-current liabilities2,0015,22Retirement brem borrowings6,4594,77Lease liabilities2,0015,22Retirement benefit liability90589Provision for retirement benefits for directors (and other officers)595Asset retirement obligations4,6404,75Other849887Total non-current liabilities14,91516,55Total liabilities95,93515,935Share capital15,93515,935Capital surplus16,11916,119Retained earnings92,42796,56Total shareholders' equity117,984122,121Accumulated other comprehensive income415435Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(433)Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50 <td>Income taxes payable</td> <td>1,808</td> <td>1,52</td>	Income taxes payable	1,808	1,52
Provision for point eard certificates917Other14,08714,067Total current liabilities74,68472,07Non-current liabilities2,0015,22Lease liabilities2,0015,22Retirement benefit liability90588Provision for retirement benefits for directors (and other officers)595Asset retirement obligations4,6404,75Other84987Total non-current liabilities14,91516,57Total non-current liabilities14,91516,57Share capital15,93515,93Capital surplus6(,498)(6,49Total shareholders' equity117,984122,12Accumulated other comprehensive income4718Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(43)Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50	Provision for bonuses	1,470	1,29
Other14,08714,067Total current liabilities74,68472,07Non-current liabilities6,4594,77Lease liabilities2,0015,22Retirement benefit liability90589Provision for retirement benefits for directors (and other officers)595Asset retirement obligations4,6404,75Other84987Total non-current liabilities14,91516,57Share capital15,93515,93Capital surplus16,11916,119Retained earnings92,42796,56Treasury shares(6,498)(6,498)Kore aprilated other comprehensive income4718Valuation difference on available-for-sale securities4718Foreign currency translation adjustment63855Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(15Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50	Provision for bonuses for directors (and other officers)	15	1
Total current liabilities74,68472,07Non-current liabilities174,68472,07Lease liabilities2,0015,22Retirement benefit liability90588Provision for retirement benefits for directors (and other officers)595Asset retirement obligations4,6404,75Other84987Total non-current liabilities14,91516,57Total inon-current liabilities14,91516,57Share capital15,93515,93Capital surplus16,11916,119Retianed earnings92,42796,56Treasury shares(6,498)(6,498)Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(43)Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets4223	Provision for point card certificates	91	7
Non-current liabilitiesLong-term borrowings6,4594,77Lease liabilities2,0015,22Retirement benefit liability90589Provision for retirement benefits for directors (and other officers)595Asset retirement obligations4,6404,75Other84987Total non-current liabilities14,91516,57Total non-current liabilities14,91516,57Total non-current liabilities15,93515,93Shareholders' equity16,11916,119Share capital15,93515,93Capital surplus16,11916,119Retained earnings92,42796,55Total shareholders' equity117,984122,12Accumulated other comprehensive income4718Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Share acquisition rights(439)(43Non-controlling interests4223Total net assets118,708122,50	Other	14,087	14,06
Long-term borrowings6,4594,77Lease liabilities2,0015,22Retirement benefit liability90589Provision for retirement benefits for directors (and other officers)595Asset retirement obligations4,6404,75Other84987Total non-current liabilities14,91516,57Total non-current liabilities89,59988,65Net assets89,59988,65Share capital15,93515,93Capital surplus16,11916,119Retained earnings92,42796,55Total shareholders' equity117,984122,12Accumulated other comprehensive income435Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50	Total current liabilities	74,684	72,07
Lease liabilities2,0015,22Retirement benefit liability90589Provision for retirement benefits for directors (and other officers)595Asset retirement obligations4,6404,75Other84987Total non-current liabilities14,91516,57Total non-current liabilities14,91516,57Total non-current liabilities15,93515,93Shareholders' equity88,59988,65Net assets56(498)Share capital15,93515,93Capital surplus16,11916,11Retained earnings92,42796,56Treasury shares(6,498)(6,49Total shareholders' equity117,984122,12Accumulated other comprehensive income4718Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50	Non-current liabilities		
Retirement benefit liability90588Provision for retirement benefits for directors (and other officers)595Asset retirement obligations $4,640$ $4,75$ Other $849$ $87$ Total non-current liabilities $14,915$ $16,57$ Total non-current liabilities $89,599$ $88,65$ Net assets $89,599$ $88,65$ Share capital $15,935$ $15,935$ Capital surplus $16,119$ $16,119$ Retained earnings $92,427$ $96,56$ Treasury shares $(6,498)$ $(6,498)$ Total shareholders' equity $117,984$ $122,12$ Accumulated other comprehensive income $439$ $(439)$ Valuation difference on available-for-sale securities $47$ $18$ Foreign currency translation adjustment $638$ $55$ Remeasurements of defined benefit plans $(439)$ $(43)$ Total accumulated other comprehensive income $245$ $(19)$ Share acquisition rights $435$ $34$ Non-controlling interests $42$ $23$ Total net assets $118,708$ $122,50$	Long-term borrowings	6,459	4,77
Provision for retirement benefits for directors (and other officers)595Asset retirement obligations4,6404,75Other84987Total non-current liabilities14,91516,57Total non-current liabilities89,59988,65Net assets89,59988,65Share capital15,93515,93Capital surplus16,11916,11Retained earnings92,42796,56Total shareholders' equity117,984122,12Accumulated other comprehensive income4718Valuation difference on available-for-sale securities4718Foreign currency translation adjustment63855Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50	Lease liabilities	2,001	5,22
officers)5959Asset retirement obligations4,6404,75Other84987Total non-current liabilities14,91516,57Total non-current liabilities89,59988,65Net assets89,59988,65Share capital15,93515,93Capital surplus16,11916,11Retained earnings92,42796,56Treasury shares(6,498)(6,45Total shareholders' equity117,984122,12Accumulated other comprehensive income4718Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(15Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50	Retirement benefit liability	905	89
Other84987Total non-current liabilities14,91516,57Total liabilities89,59988,65Net assets89,59988,65Share capital15,93515,93Capital surplus16,11916,11Retained earnings92,42796,56Treasury shares(6,498)(6,49Total shareholders' equity117,984122,12Accumulated other comprehensive income4718Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(115Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50		59	5
Other84987Total non-current liabilities14,91516,57Total liabilities89,59988,65Share capital15,93515,93Capital surplus16,11916,11Retained earnings92,42796,56Treasury shares(6,498)(6,49Total shareholders' equity117,984122,12Accumulated other comprehensive income47718Valuation difference on available-for-sale securities47718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50	Asset retirement obligations	4,640	4,75
Total liabilities89,59988,65Net assetsShare capital15,93515,93Share capital15,93515,9316,119Capital surplus16,11916,11Retained earnings92,42796,56Treasury shares(6,498)(6,49Total shareholders' equity117,984122,12Accumulated other comprehensive income4718Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50		849	87
Net assetsShare holders' equityShare capitalCapital surplusCapital surplus16,119Retained earnings92,42796,56Treasury shares(6,498)(6,498)Comprehensive incomeValuation difference on available-for-sale securities47718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)Capital accumulated other comprehensive income245101Share acquisition rightsAnon-controlling interests118,7081122,50	Total non-current liabilities	14,915	16,57
Shareholders' equityShare capital15,935Capital surplus16,119Retained earnings92,42796,56Treasury shares(6,498)Copital shareholders' equity117,984122,12Accumulated other comprehensive incomeValuation difference on available-for-sale securities47Foreign currency translation adjustment638Remeasurements of defined benefit plans(439)Total accumulated other comprehensive income245Share acquisition rights435Non-controlling interests42Total net assets118,708122,50	Total liabilities	89,599	88,65
Share capital15,93515,935Capital surplus16,11916,11Retained earnings92,42796,56Treasury shares(6,498)(6,49Total shareholders' equity117,984122,12Accumulated other comprehensive income4718Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50	Net assets		
Share capital15,93515,935Capital surplus16,11916,11Retained earnings92,42796,56Treasury shares(6,498)(6,49Total shareholders' equity117,984122,12Accumulated other comprehensive income4718Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50	Shareholders' equity		
Capital surplus16,11916,11Retained earnings92,42796,56Treasury shares(6,498)(6,49Total shareholders' equity117,984122,12Accumulated other comprehensive income4718Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50		15,935	15,93
Retained earnings92,42796,56Treasury shares(6,498)(6,49Total shareholders' equity117,984122,12Accumulated other comprehensive income4718Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50	-		16,11
Total shareholders' equity117,984122,12Accumulated other comprehensive income4718Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50	Retained earnings	92,427	96,56
Total shareholders' equity117,984122,12Accumulated other comprehensive income4718Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50	Treasury shares	(6,498)	(6,49
Accumulated other comprehensive incomeValuation difference on available-for-sale securities47Foreign currency translation adjustment638Remeasurements of defined benefit plans(439)Total accumulated other comprehensive income245Share acquisition rights435Non-controlling interests42Total net assets118,708		117,984	122,12
Valuation difference on available-for-sale securities4718Foreign currency translation adjustment6385Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50			· · · ·
Foreign currency translation adjustment63855Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50		47	18
Remeasurements of defined benefit plans(439)(43Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50		638	5
Total accumulated other comprehensive income245(19Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50			
Share acquisition rights43534Non-controlling interests4223Total net assets118,708122,50			
Non-controlling interests4223Total net assets118,708122,50			34
Total net assets 118,708 122,50			23
	-		
	Total liabilities and net assets	208,308	211,15

#### (Millions of yen) Fiscal year ended Fiscal year ended March 31, 2022 March 31, 2023 Net sales 223,282 239,293 Cost of sales 136,228 147,529 Gross profit 87,053 91,764 Selling, general and administrative expenses 82,054 83,701 4,999 Operating profit 8,062 Non-operating income Interest income 49 64 Dividend income 10 11 717 Rental income from real estate 634 Foreign exchange gains 559 323 299 321 Outsourcing service income Subsidy income 1,663 94 588 677 Other 3,893 2,121 Total non-operating income Non-operating expenses Interest expenses 120 52 Provision of allowance for doubtful accounts 4 Rental expenses on real estate 478 399 Commission expenses 272 343 Other 171 114 913 Total non-operating expenses 1,041 7,851 9,270 Ordinary profit Extraordinary income Gain on sale of non-current assets 4 5 Insurance claim income 111 173 Settlement income 72 Compensation for forced relocation 143 Gain on reversal of share acquisition rights 28 135 Gain on sale of shares of subsidiaries and associates 149 293 Total extraordinary income 529 Extraordinary losses Loss on retirement of non-current assets 290 19 Loss on sale of non-current assets 17 0 638 Impairment losses 1,293 Loss on disaster 39 113 Loss on store closings 1 83 Loss on valuation of investment securities 149 Loss on sale of shares of subsidiaries and associates 19 Loss on cancellation of rental contracts 120 1,930 Total extraordinary losses 854 6,214 8,945 Profit before income taxes 2,950 3,019 Income taxes - current Income taxes - deferred (588)248 Total income taxes 2,361 3,267 5,677 Profit 3,853 212 Profit attributable to non-controlling interests 17 3,836

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

5,464

Profit attributable to owners of parent

# Consolidated statements of comprehensive income

		(Millions of yen)
	Fiscal year ended	Fiscal year ended
	March 31, 2022	March 31, 2023
Profit	3,853	5,677
Other comprehensive income		
Valuation difference on available-for-sale securities	21	138
Foreign currency translation adjustment	157	(582)
Remeasurements of defined benefit plans, net of tax	43	(0)
Total other comprehensive income	222	(443)
Comprehensive income	4,075	5,233
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,070	5,020
Comprehensive income attributable to non-controlling	E.	212
interests	5	212

# **Consolidated statements of changes in equity** 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	15,935	16,119	90,312	(6,498)	115,869	
Cumulative effects of changes in accounting policies			(394)		(394)	
Restated balance	15,935	16,119	89,917	(6,498)	115,475	
Changes during period						
Dividends of surplus			(1,326)		(1,326)	
Profit attributable to owners of parent			3,836		3,836	
Purchase of treasury shares				(0)	(0)	
Net changes in items other than shareholders' equity					_	
Total changes during period	-	-	2,509	(0)	2,509	
Balance at end of period	15,935	16,119	92,427	(6,498)	117,984	

	Accun	nulated other c	omprehensive i	ncome			
	Valuation difference on available-for- sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Share acquisition rights	Non- controlling interests	Total net assets
Balance at beginning of period	25	481	(483)	23	422	37	116,353
Cumulative effects of changes in accounting policies							(394)
Restated balance	25	481	(483)	23	422	37	115,958
Changes during period							
Dividends of surplus							(1,326)
Profit attributable to owners of parent							3,836
Purchase of treasury shares							(0)
Net changes in items other than shareholders' equity	21	157	43	222	12	5	240
Total changes during period	21	157	43	222	12	5	2,749
Balance at end of period	47	638	(439)	245	435	42	118,708

#### Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at beginning of period	15,935	16,119	92,427	(6,498)	117,984	
Changes during period						
Dividends of surplus			(1,326)		(1,326)	
Profit attributable to owners of parent			5,464		5,464	
Purchase of treasury shares				(0)	(0)	
Net changes in items other than shareholders' equity						
Total changes during period			4,138	(0)	4,138	
Balance at end of period	15,935	16,119	96,566	(6,498)	122,123	

	Accun	nulated other co	omprehensive i	ncome			
	Valuation difference on available-for- sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Share acquisition rights	Non- controlling interests	Total net assets
Balance at beginning of period	47	638	(439)	245	435	42	118,708
Changes during period							
Dividends of surplus							(1,326)
Profit attributable to owners of parent							5,464
Purchase of treasury shares							(0)
Net changes in items other than shareholders' equity	138	(582)	0	(444)	(94)	195	(343)
Total changes during period	138	(582)	0	(444)	(94)	195	3,794
Balance at end of period	185	55	(439)	(198)	341	237	122,502

## Consolidated statements of cash flows

		(Millions of yen)
	Fiscal year ended	Fiscal year ended
	March 31, 2022	March 31, 2023
Cash flows from operating activities		
Profit before income taxes	6,214	8,945
Depreciation	3,803	4,254
Impairment losses	1,293	638
Amortization of goodwill	444	436
Increase (decrease) in allowance for doubtful accounts	(124)	53
Increase (decrease) in provision for bonuses	446	(170
Increase (decrease) in provision for point card certificates	(938)	(12
Increase (decrease) in Contract liabilities	873	(160
Increase (decrease) in retirement benefit liability	(24)	(8
Decrease (increase) in retirement benefit asset	66	131
Interest and dividend income	(59)	(76
Interest expenses	120	52
Insurance claim income	(111)	(173
Subsidy income	(1,663)	(83
Gain on sale of non-current assets	(4)	(5
Gain on reversal of share acquisition rights	(28)	(136
Loss (gain) on sale of shares of subsidiaries and associates	(130)	-
Loss on retirement of non-current assets	290	19
Loss (gain) on valuation of investment securities	149	-
Loss on sale of non-current assets	17	0
Loss on disaster	39	113
Loss on cancellation of rental contracts	120	-
Loss on store closings	1	83
Decrease (increase) in trade receivables	(1,209)	(341
Decrease (increase) in operating loans receivable	185	89
Decrease (increase) in inventories	(6,162)	(4,556
Increase (decrease) in trade payables	584	1,869
Increase (decrease) in accrued consumption taxes	(2,993)	750
Other, net	587	(1,657
Subtotal	1,786	10,054
Interest and dividends received	59	76
Interest paid	(117)	(52
Income taxes paid	(2,339)	(3,584
Income taxes refund	1,066	108
Proceeds from insurance income	115	173
Subsidies received	1,663	83
Other, net		227
Net cash provided by (used in) operating activities	2,235	7,088

		(Millions of yen)
	Fiscal year ended	Fiscal year ended
	March 31, 2022	March 31, 2023
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,521)	(3,888)
Proceeds from sale of property, plant and equipment	26	27
Payments for retirement of property, plant and equipment	(230)	-
Purchase of intangible assets	(1,265)	(1,708)
Purchase of investment property	(8)	0
Purchase of investment securities	(212)	(21)
Proceeds from sale of investment securities	3	-
Payments of leasehold and guarantee deposits	(780)	(490)
Proceeds from refund of leasehold and guarantee deposits	757	569
Refund of guarantee deposits received	(28)	-
Guarantee deposits received	30	4
Other, net	64	104
- Net cash provided by (used in) investing activities	(5,164)	(5,403
– Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	370	30
Repayments of long-term borrowings	(305)	(5,800)
Repayments of lease liabilities	(759)	(755)
Purchase of treasury shares	(0)	(0)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(67)	(59)
Dividends paid	(1,356)	(1,326)
Net cash provided by (used in) financing activities	(2,119)	(7,911
Effect of exchange rate change on cash and cash equivalents	619	(776
Net increase (decrease) in cash and cash equivalents	(4,429)	(7,003
Cash and cash equivalents at beginning of period	44,323	39,893
Cash and cash equivalents at end of period	39,893	32,890