

# 1. Consolidated financial statements

## (1) Consolidated balance sheet

(Thousands of yen)

|  | As of March 31, 2021 | As of March 31, 2022 |
|--|----------------------|----------------------|
| <b>Assets</b>  |                      |                      |
| <b>Current assets</b>                                      |                      |                      |
| Cash and deposits  | 22,149,490           | 26,210,266           |
| Notes and accounts receivable - trade, and contract assets | 11,033,718           | 12,641,890           |
| Electronically recorded monetary claims - operating        | 721,025              | 884,442              |
| Investments in leases                                      | 426,885              | 162,726              |
| Securities   | 500,000              | –                    |
| Merchandise  | 736,103              | 1,141,106            |
| Work in process  | 59,884               | 144,758              |
| Raw materials and supplies                                 | 2,887                | 2,803                |
| Other  | 2,053,015            | 2,076,605            |
| <b>Total current assets</b>                                | <b>37,683,010</b>    | <b>43,264,598</b>    |
| <b>Non-current assets</b>                                  |                      |                      |
| <b>Property, plant and equipment</b>                       |                      |                      |
| Buildings  | 141,473              | 139,884              |
| Accumulated depreciation                                   | (61,752)             | (71,340)             |
| Buildings, net   | 79,721               | 68,544               |
| Land   | 3,926                | 3,926                |
| Other  | 580,030              | 605,240              |
| Accumulated depreciation                                   | (455,645)            | (465,038)            |
| Other, net   | 124,384              | 140,201              |
| <b>Total property, plant and equipment</b>                 | <b>208,033</b>       | <b>212,672</b>       |
| <b>Intangible assets</b>                                   |                      |                      |
| Goodwill   | 603,952              | 468,291              |
| Other  | 35,601               | 22,894               |
| <b>Total intangible assets</b>                             | <b>639,554</b>       | <b>491,186</b>       |
| <b>Investments and other assets</b>                        |                      |                      |
| Investment securities                                      | 13,233,331           | 13,915,100           |
| Deferred tax assets  | 174,704              | 344,082              |
| Other  | 646,482              | 602,586              |
| <b>Total investments and other assets</b>                  | <b>14,054,518</b>    | <b>14,861,769</b>    |
| <b>Total non-current assets</b>                            | <b>14,902,105</b>    | <b>15,565,628</b>    |
| <b>Total assets</b>  | <b>52,585,115</b>    | <b>58,830,227</b>    |

(Thousands of yen)

|   | As of March 31, 2021 | As of March 31, 2022 |
|---|----------------------|----------------------|
| <b>Liabilities</b>  |                      |                      |
| Current liabilities   |                      |                      |
| Accounts payable - trade                                      | 7,247,578            | 8,931,924            |
| Income taxes payable  | 1,024,407            | 1,365,031            |
| Provision for bonuses   | 578,005              | 633,777              |
| Provision for bonuses for directors (and other officers)      | 90,000               | 120,000              |
| Advances received   | 1,866,539            | 2,809,539            |
| Other   | 1,119,657            | 1,090,271            |
| Total current liabilities                                     | 11,926,188           | 14,950,543           |
| Non-current liabilities                                       |                      |                      |
| Retirement benefit liability                                  | 2,987,839            | 2,999,747            |
| Provision for share awards                                    | 224,669              | 251,972              |
| Provision for share awards for directors (and other officers) | 83,218               | 87,252               |
| Deferred tax liabilities                                      | 707,066              | 561,774              |
| Other   | 127,042              | 119,676              |
| Total non-current liabilities                                 | 4,129,836            | 4,020,423            |
| Total liabilities   | 16,056,025           | 18,970,966           |
| <b>Net assets</b>   |                      |                      |
| Shareholders' equity  |                      |                      |
| Share capital   | 1,873,136            | 1,873,136            |
| Capital surplus   | 2,117,656            | 2,132,078            |
| Retained earnings   | 27,090,922           | 30,218,406           |
| Treasury shares   | (688,143)            | (699,739)            |
| Total shareholders' equity                                    | 30,393,571           | 33,523,882           |
| Accumulated other comprehensive income                        |                      |                      |
| Valuation difference on available-for-sale securities         | 4,488,856            | 4,320,414            |
| Remeasurements of defined benefit plans                       | (39,385)             | 68,610               |
| Foreign currency translation adjustment                       | (148,398)            | (107,329)            |
| Total accumulated other comprehensive income                  | 4,301,073            | 4,281,695            |
| Share acquisition rights                                      | 147                  | 111                  |
| Non-controlling interests                                     | 1,834,298            | 2,053,571            |
| Total net assets  | 36,529,090           | 39,859,260           |
| <b>Total liabilities and net assets</b>                       | <b>52,585,115</b>    | <b>58,830,227</b>    |

(2) Consolidated statement of income and consolidated statement of comprehensive income  
Consolidated statement of income

(Thousands of yen)

|   | Fiscal year ended<br>March 31, 2021 | Fiscal year ended<br>March 31, 2022 |
|---|-------------------------------------|-------------------------------------|
| Net sales   | 43,416,334                          | 46,188,285                          |
| Cost of sales   | 31,581,137                          | 33,509,302                          |
| Gross profit  | 11,835,196                          | 12,678,982                          |
| Selling, general and administrative expenses                  | 6,196,031                           | 6,077,542                           |
| Operating profit  | 5,639,164                           | 6,601,440                           |
| Non-operating income  |                                     |                                     |
| Interest income   | 37,891                              | 33,727                              |
| Dividend income   | 174,681                             | 198,849                             |
| Share of profit of entities accounted for using equity method | 62,472                              | 33,273                              |
| Foreign exchange gains  | 17,228                              | 42,879                              |
| Gain on valuation of derivatives                              | 23,120                              | –                                   |
| Other   | 44,708                              | 46,794                              |
| Total non-operating income                                    | 360,103                             | 355,524                             |
| Non-operating expenses  |                                     |                                     |
| Loss on cancellation of derivatives                           | –                                   | 8,715                               |
| Other   | 1,401                               | 3,560                               |
| Total non-operating expenses                                  | 1,401                               | 12,275                              |
| Ordinary profit   | 5,997,867                           | 6,944,689                           |
| Extraordinary losses  |                                     |                                     |
| Loss on sale of investment securities                         | –                                   | 15,366                              |
| Loss on valuation of investment securities                    | 72,888                              | –                                   |
| Total extraordinary losses                                    | 72,888                              | 15,366                              |
| Profit before income taxes                                    | 5,924,979                           | 6,929,323                           |
| Income taxes - current  | 1,836,566                           | 2,485,595                           |
| Income taxes - deferred                                       | (21,068)                            | (298,715)                           |
| Total income taxes  | 1,815,497                           | 2,186,880                           |
| Profit  | 4,109,481                           | 4,742,442                           |
| Profit attributable to non-controlling interests              | 147,993                             | 224,707                             |
| Profit attributable to owners of parent                       | 3,961,488                           | 4,517,735                           |

Consolidated statement of comprehensive income

(Thousands of yen)

|  | Fiscal year ended<br>March 31, 2021 | Fiscal year ended<br>March 31, 2022 |
|--|-------------------------------------|-------------------------------------|
| Profit   | 4,109,481                           | 4,742,442                           |
| Other comprehensive income   |                                     |                                     |
| Valuation difference on available-for-sale securities                                | 1,629,514                           | (168,442)                           |
| Remeasurements of defined benefit plans, net of tax                                  | 29,239                              | 107,996                             |
| Foreign currency translation adjustment  | (103,387)                           | 46,737                              |
| Share of other comprehensive income of entities<br>accounted for using equity method | (23,562)                            | 6,828                               |
| Total other comprehensive income   | 1,531,803                           | (6,879)                             |
| Comprehensive income   | 5,641,285                           | 4,735,563                           |
| Comprehensive income attributable to   |                                     |                                     |
| Comprehensive income attributable to owners of parent                                | 5,516,417                           | 4,498,663                           |
| Comprehensive income attributable to non-controlling<br>interests                    | 124,867                             | 236,899                             |

(3) Consolidated statement of changes in equity  
Fiscal year ended March 31, 2021

(Thousands of yen)

|   | Shareholders' equity |                 |                   |                 |                            |
|---|----------------------|-----------------|-------------------|-----------------|----------------------------|
|   | Share capital        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period  | 1,873,136            | 2,117,347       | 24,543,512        | (689,412)       | 27,844,583                 |
| Changes during period   |                      |                 |                   |                 |                            |
| Dividends of surplus  |                      |                 | (1,414,077)       |                 | (1,414,077)                |
| Profit attributable to owners of parent   |                      |                 | 3,961,488         |                 | 3,961,488                  |
| Purchase of treasury shares   |                      |                 |                   | (55)            | (55)                       |
| Transfer of treasury shares by Employee Stock Ownership Plan                              |                      |                 |                   | 1,324           | 1,324                      |
| Change in ownership interest of parent due to transactions with non-controlling interests |                      | 308             |                   |                 | 308                        |
| Net changes in items other than shareholders' equity                                      | -                    | -               | -                 | -               | -                          |
| Total changes during period   | -                    | 308             | 2,547,410         | 1,269           | 2,548,987                  |
| Balance at end of period  | 1,873,136            | 2,117,656       | 27,090,922        | (688,143)       | 30,393,571                 |

|   | Accumulated other comprehensive income                |   |   |  | Share acquisition rights | Non-controlling interests | Total net assets |
|---|---|---|---|--|--------------------------|---------------------------|------------------|
|   | Valuation difference on available-for-sale securities | Remeasurements of defined benefit plans | Foreign currency translation adjustment | Total accumulated other comprehensive income |                          |                           |                  |
| Balance at beginning of period  | 2,859,342   | (68,625)                                | (41,588)                                | 2,749,129                                    | 208                      | 1,735,440                 | 32,329,362       |
| Changes during period   |   |   |   |  |                          |                           |                  |
| Dividends of surplus  |   |   |   |  |                          |                           | (1,414,077)      |
| Profit attributable to owners of parent   |   |   |   |  |                          |                           | 3,961,488        |
| Purchase of treasury shares   |   |   |   |  |                          |                           | (55)             |
| Transfer of treasury shares by Employee Stock Ownership Plan                              |   |   |   |  |                          |                           | 1,324            |
| Change in ownership interest of parent due to transactions with non-controlling interests |   |   |   |  |                          |                           | 308              |
| Net changes in items other than shareholders' equity                                      | 1,629,514   | 29,239                                  | (106,810)                               | 1,551,943                                    | (61)                     | 98,857                    | 1,650,740        |
| Total changes during period   | 1,629,514   | 29,239                                  | (106,810)                               | 1,551,943                                    | (61)                     | 98,857                    | 4,199,728        |
| Balance at end of period  | 4,488,856   | (39,385)                                | (148,398)                               | 4,301,073                                    | 147                      | 1,834,298                 | 36,529,090       |

Fiscal year ended March 31, 2022

(Thousands of yen)

|   | Shareholders' equity |                 |                   |                 |                            |
|---|----------------------|-----------------|-------------------|-----------------|----------------------------|
|   | Share capital        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period  | 1,873,136            | 2,117,656       | 27,090,922        | (688,143)       | 30,393,571                 |
| Cumulative effects of changes in accounting policies                                      |                      |                 | 32,329            |                 | 32,329                     |
| Restated balance  | 1,873,136            | 2,117,656       | 27,123,251        | (688,143)       | 30,425,900                 |
| Changes during period   |                      |                 |                   |                 |                            |
| Dividends of surplus  |                      |                 | (1,305,300)       |                 | (1,305,300)                |
| Profit attributable to owners of parent   |                      |                 | 4,517,735         |                 | 4,517,735                  |
| Purchase of treasury shares   |                      |                 |                   | (285)           | (285)                      |
| Purchase of treasury shares by Employee Stock Ownership Plan                              |                      |                 |                   | (31,066)        | (31,066)                   |
| Transfer of treasury shares by Employee Stock Ownership Plan                              |                      |                 |                   | 19,755          | 19,755                     |
| Change in ownership interest of parent due to transactions with non-controlling interests |                      | 14,422          |                   |                 | 14,422                     |
| Decrease in retained earnings from decrease in entities accounted for using equity method |                      |                 | (117,279)         |                 | (117,279)                  |
| Net changes in items other than shareholders' equity                                      | -                    | -               | -                 | -               | -                          |
| Total changes during period   | -                    | 14,422          | 3,095,155         | (11,596)        | 3,097,981                  |
| Balance at end of period  | 1,873,136            | 2,132,078       | 30,218,406        | (699,739)       | 33,523,882                 |

|   | Accumulated other comprehensive income                |   |   |  | Share acquisition rights | Non-controlling interests | Total net assets |
|---|---|---|---|--|--------------------------|---------------------------|------------------|
|   | Valuation difference on available-for-sale securities | Remeasurements of defined benefit plans | Foreign currency translation adjustment | Total accumulated other comprehensive income |                          |                           |                  |
| Balance at beginning of period  | 4,488,856   | (39,385)                                | (148,398)                               | 4,301,073                                    | 147                      | 1,834,298                 | 36,529,090       |
| Cumulative effects of changes in accounting policies                                      |   |   |   |  |                          |                           | 32,329           |
| Restated balance  | 4,488,856   | (39,385)                                | (148,398)                               | 4,301,073                                    | 147                      | 1,834,298                 | 36,561,419       |
| Changes during period   |   |   |   |  |                          |                           |                  |
| Dividends of surplus  |   |   |   |  |                          |                           | (1,305,300)      |
| Profit attributable to owners of parent   |   |   |   |  |                          |                           | 4,517,735        |
| Purchase of treasury shares   |   |   |   |  |                          |                           | (285)            |
| Purchase of treasury shares by Employee Stock Ownership Plan                              |   |   |   |  |                          |                           | (31,066)         |
| Transfer of treasury shares by Employee Stock Ownership Plan                              |   |   |   |  |                          |                           | 19,755           |
| Change in ownership interest of parent due to transactions with non-controlling interests |   |   |   |  |                          |                           | 14,422           |
| Decrease in retained earnings from decrease in entities accounted for using equity method |   |   |   |  |                          |                           | (117,279)        |
| Net changes in items other than shareholders' equity                                      | (168,442)   | 107,996                                 | 41,068                                  | (19,377)                                     | (36)                     | 219,273                   | 199,859          |
| Total changes during period   | (168,442)   | 107,996                                 | 41,068                                  | (19,377)                                     | (36)                     | 219,273                   | 3,297,841        |
| Balance at end of period  | 4,320,414   | 68,610                                  | (107,329)                               | 4,281,695                                    | 111                      | 2,053,571                 | 39,859,260       |

## (4) Consolidated statement of cash flows

(Thousands of yen)

|  | Fiscal year ended<br>March 31, 2021 | Fiscal year ended<br>March 31, 2022 |
|--|-------------------------------------|-------------------------------------|
| <b>Cash flows from operating activities</b>  |                                     |                                     |
| Profit before income taxes   | 5,924,979                           | 6,929,323                           |
| Depreciation   | 64,252                              | 54,205                              |
| Amortization of goodwill   | 278,475                             | 134,713                             |
| Loss (gain) on valuation of derivatives  | (23,120)                            | –                                   |
| Loss (gain) on valuation of investment securities                                    | 72,888                              | –                                   |
| Increase (decrease) in provision for bonuses   | (28,256)                            | 55,771                              |
| Increase (decrease) in provision for bonuses for directors (and other officers)      | (20,000)                            | 30,000                              |
| Increase (decrease) in retirement benefit liability                                  | 191,104                             | 167,566                             |
| Increase (decrease) in provision for share awards                                    | 10,879                              | 27,302                              |
| Increase (decrease) in provision for share awards for directors (and other officers) | 869                                 | 4,034                               |
| Interest and dividend income   | (212,572)                           | (232,577)                           |
| Share of loss (profit) of entities accounted for using equity method                 | (62,472)                            | (33,273)                            |
| Decrease (increase) in trade receivables   | (1,579,047)                         | (1,771,588)                         |
| Decrease (increase) in investments in leases   | 332,212                             | 264,158                             |
| Decrease (increase) in inventories   | 308,264                             | (489,793)                           |
| Decrease (increase) in advance payments to suppliers                                 | (371,396)                           | (42,414)                            |
| Decrease (increase) in other current assets  | (11,666)                            | 62,930                              |
| Increase (decrease) in trade payables  | (134,896)                           | 1,684,346                           |
| Increase (decrease) in advances received   | (95,795)                            | 942,999                             |
| Increase (decrease) in accrued consumption taxes                                     | 37,059                              | (119,629)                           |
| Increase (decrease) in other current liabilities                                     | (102,284)                           | 177,490                             |
| Other, net   | (64,607)                            | 69,986                              |
| Subtotal   | 4,514,867                           | 7,915,553                           |
| Interest and dividends received  | 221,662                             | 247,802                             |
| Income taxes paid  | (2,144,620)                         | (2,204,347)                         |
| Net cash provided by (used in) operating activities                                  | 2,591,909                           | 5,959,007                           |
| <b>Cash flows from investing activities</b>  |                                     |                                     |
| Payments into time deposits  | (511,652)                           | (1,907,987)                         |
| Proceeds from withdrawal of time deposits  | 798,037                             | 1,907,680                           |
| Payments of guarantee deposits   | (977)                               | (30,079)                            |
| Proceeds from refund of guarantee deposits   | 1,585                               | 76,559                              |
| Purchase of property, plant and equipment  | (37,195)                            | (50,674)                            |
| Purchase of intangible assets  | (5,987)                             | (2,190)                             |
| Purchase of investment securities  | (506,428)                           | (1,417,639)                         |
| Proceeds from sale of investment securities  | –                                   | 85,664                              |
| Proceeds from redemption of investment securities                                    | –                                   | 800,000                             |
| Other, net   | 3,989                               | –                                   |
| Net cash provided by (used in) investing activities                                  | (258,628)                           | (538,666)                           |
| <b>Cash flows from financing activities</b>  |                                     |                                     |
| Dividends paid   | (1,414,077)                         | (1,305,300)                         |
| Dividends paid to non-controlling interests  | (30,432)                            | (29,618)                            |
| Other, net   | (147)                               | (31,259)                            |
| Net cash provided by (used in) financing activities                                  | (1,444,658)                         | (1,366,179)                         |
| Effect of exchange rate change on cash and cash equivalents                          | (72,743)                            | 36,800                              |
| Net increase (decrease) in cash and cash equivalents                                 | 815,878                             | 4,090,961                           |
| Cash and cash equivalents at beginning of period                                     | 20,248,505                          | 21,064,384                          |
| Cash and cash equivalents at end of period   | 21,064,384                          | 25,155,346                          |

## 2. Non-consolidated financial statements

### (1) Non-consolidated balance sheet

(Thousands of yen)

|   | As of March 31, 2021 | As of March 31, 2022 |
|---|----------------------|----------------------|
| <b>Assets</b>   |                      |                      |
| Current assets  |                      |                      |
| Cash and deposits   | 15,066,167           | 18,491,871           |
| Notes receivable - trade                                    | 15,616               | 44,176               |
| Accounts receivable - trade and contract assets             | 9,541,947            | 10,841,978           |
| Electronically recorded monetary claims - operating         | 548,431              | 698,369              |
| Investments in leases                                       | 426,885              | 162,726              |
| Securities  | 500,000              | -                    |
| Merchandise   | 574,726              | 971,450              |
| Work in process   | 2,974                | 97,984               |
| Advance payments to suppliers                               | 1,850,634            | 1,907,290            |
| Prepaid expenses  | 28,083               | 25,576               |
| Loans receivable from subsidiaries and associates           | 75,000               | 585,000              |
| Other   | 22,333               | 27,059               |
| <b>Total current assets</b>                                 | <b>28,652,802</b>    | <b>33,853,483</b>    |
| Non-current assets  |                      |                      |
| Property, plant and equipment                               |                      |                      |
| Buildings   | 28,958               | 28,958               |
| Accumulated depreciation                                    | (5,680)              | (6,470)              |
| Buildings, net  | 23,278               | 22,488               |
| Vehicles  | 64,931               | 62,905               |
| Accumulated depreciation                                    | (52,522)             | (51,004)             |
| Vehicles, net   | 12,409               | 11,900               |
| Tools, furniture and fixtures                               | 297,801              | 307,798              |
| Accumulated depreciation                                    | (214,779)            | (215,507)            |
| Tools, furniture and fixtures, net                          | 83,022               | 92,291               |
| Land  | 3,435                | 3,435                |
| <b>Total property, plant and equipment</b>                  | <b>122,145</b>       | <b>130,115</b>       |
| Intangible assets   |                      |                      |
| Software  | 10,529               | 3,318                |
| Telephone subscription right                                | 1,933                | 1,933                |
| <b>Total intangible assets</b>                              | <b>12,463</b>        | <b>5,251</b>         |
| Investments and other assets                                |                      |                      |
| Investment securities                                       | 5,176,011            | 6,050,841            |
| Shares of subsidiaries and associates                       | 8,808,325            | 8,606,349            |
| Investments in capital of subsidiaries and associates       | 130,536              | 127,767              |
| Long-term loans receivable from subsidiaries and associates | 678,400              | 29,400               |
| Long-term prepaid expenses                                  | 10,163               | 6,983                |
| Guarantee deposits  | 247,420              | 183,737              |
| Membership  | 50,402               | 56,168               |
| <b>Total investments and other assets</b>                   | <b>15,101,260</b>    | <b>15,061,247</b>    |
| <b>Total non-current assets</b>                             | <b>15,235,868</b>    | <b>15,196,614</b>    |
| <b>Total assets</b>   | <b>43,888,670</b>    | <b>49,050,098</b>    |



(Thousands of yen)

|   | As of March 31, 2021 | As of March 31, 2022 |
|---|----------------------|----------------------|
| <b>Liabilities</b>  |                      |                      |
| Current liabilities   |                      |                      |
| Accounts payable - trade                                      | 6,758,010            | 8,375,662            |
| Accounts payable - other                                      | 235,318              | 303,525              |
| Accrued consumption taxes                                     | 252,106              | 156,418              |
| Accrued expenses  | 184,384              | 127,516              |
| Income taxes payable  | 789,594              | 954,704              |
| Advances received   | 911,029              | 1,265,337            |
| Deposits received   | 32,882               | 28,751               |
| Provision for bonuses   | 340,000              | 350,000              |
| Provision for bonuses for directors (and other officers)      | 90,000               | 120,000              |
| Other   | 77,593               | 77,434               |
| Total current liabilities                                     | 9,670,920            | 11,759,349           |
| Non-current liabilities                                       |                      |                      |
| Provision for retirement benefits                             | 2,465,799            | 2,626,766            |
| Provision for share awards                                    | 224,669              | 251,972              |
| Provision for share awards for directors (and other officers) | 65,660               | 72,275               |
| Long-term accounts payable - other                            | 127,042              | 119,676              |
| Deferred tax liabilities                                      | 579,031              | 418,870              |
| Total non-current liabilities                                 | 3,462,203            | 3,489,560            |
| Total liabilities   | 13,133,124           | 15,248,910           |
| Net assets  |                      |                      |
| Shareholders' equity  |                      |                      |
| Share capital   | 1,873,136            | 1,873,136            |
| Capital surplus   |                      |                      |
| Legal capital surplus   | 1,980,536            | 1,980,536            |
| Other capital surplus   | 92,460               | 92,460               |
| Total capital surplus   | 2,072,996            | 2,072,996            |
| Retained earnings   |                      |                      |
| Legal retained earnings                                       | 95,190               | 95,190               |
| Other retained earnings                                       |                      |                      |
| General reserve   | 9,000,000            | 9,000,000            |
| Retained earnings brought forward                             | 13,913,454           | 17,139,042           |
| Total retained earnings                                       | 23,008,644           | 26,234,232           |
| Treasury shares   | (688,087)            | (699,591)            |
| Total shareholders' equity                                    | 26,266,689           | 29,480,773           |
| Valuation and translation adjustments                         |                      |                      |
| Valuation difference on available-for-sale securities         | 4,488,856            | 4,320,414            |
| Total valuation and translation adjustments                   | 4,488,856            | 4,320,414            |
| Total net assets  | 30,755,546           | 33,801,187           |
| Total liabilities and net assets                              | 43,888,670           | 49,050,098           |

## (2) Non-consolidated statement of income

(Thousands of yen)

|   | Fiscal year ended<br>March 31, 2021 | Fiscal year ended<br>March 31, 2022 |
|---|-------------------------------------|-------------------------------------|
| <b>Net sales</b>  |                                     |                                     |
| Net sales of goods  | 14,741,833                          | 16,026,089                          |
| Other sales   | 19,197,024                          | 20,808,268                          |
| Total net sales   | 33,938,857                          | 36,834,357                          |
| <b>Cost of sales</b>  |                                     |                                     |
| Cost of goods sold  |                                     |                                     |
| Beginning merchandise inventory                               | 902,053                             | 574,726                             |
| Cost of purchased goods                                       | 11,290,452                          | 13,239,010                          |
| Total   | 12,192,505                          | 13,813,737                          |
| Ending merchandise inventory                                  | 574,726                             | 971,450                             |
| Cost of goods sold  | 11,617,779                          | 12,842,286                          |
| Other costs   | 14,388,713                          | 15,358,262                          |
| Total cost of sales   | 26,006,492                          | 28,200,549                          |
| Gross profit  | 7,932,364                           | 8,633,808                           |
| <b>Selling, general and administrative expenses</b>           |                                     |                                     |
| Packing and transportation costs                              | 9,668                               | 6,361                               |
| Remuneration for directors (and other officers)               | 153,840                             | 153,840                             |
| Salaries and allowances                                       | 2,011,769                           | 1,958,514                           |
| Provision for bonuses   | 227,713                             | 219,333                             |
| Provision for bonuses for directors (and other officers)      | 90,000                              | 120,000                             |
| Retirement benefit expenses                                   | 165,768                             | 130,921                             |
| Provision for share awards                                    | 9,055                               | 24,249                              |
| Provision for share awards for directors (and other officers) | –                                   | 9,563                               |
| Welfare expenses  | 353,862                             | 341,287                             |
| Travel and transportation expenses                            | 53,081                              | 56,618                              |
| Depreciation  | 25,198                              | 23,481                              |
| Rent expenses   | 268,011                             | 243,756                             |
| Supplies expenses   | 21,927                              | 47,571                              |
| Other   | 437,411                             | 434,595                             |
| Total selling, general and administrative expenses            | 3,827,307                           | 3,770,096                           |
| Operating profit  | 4,105,057                           | 4,863,711                           |
| <b>Non-operating income</b>                                   |                                     |                                     |
| Interest income   | 28,363                              | 29,495                              |
| Dividend income   | 856,727                             | 1,223,190                           |
| Other   | 48,399                              | 38,510                              |
| Total non-operating income                                    | 933,490                             | 1,291,196                           |
| <b>Non-operating expenses</b>                                 |                                     |                                     |
| Other   | –                                   | 3,532                               |
| Total non-operating expenses                                  | –                                   | 3,532                               |
| Ordinary profit   | 5,038,547                           | 6,151,375                           |
| <b>Extraordinary income</b>                                   |                                     |                                     |
| Gain on sale of shares of subsidiaries and associates         | –                                   | 21,387                              |
| Total extraordinary income                                    | –                                   | 21,387                              |
| <b>Extraordinary losses</b>                                   |                                     |                                     |
| Loss on valuation of investment securities                    | 72,888                              | –                                   |
| Total extraordinary losses                                    | 72,888                              | –                                   |
| Profit before income taxes                                    | 4,965,658                           | 6,172,762                           |
| Income taxes - current  | 1,374,498                           | 1,721,434                           |
| Income taxes - deferred                                       | (24,863)                            | (73,768)                            |
| Total income taxes  | 1,349,635                           | 1,647,665                           |
| Profit  | 3,616,023                           | 4,525,097                           |

## (3) Non-consolidated statement of changes in equity

Fiscal year ended March 31, 2021

(Thousands of yen)

|  | Shareholders' equity |                       |                       |                       |                         |                   |                                   |                         |
|--|----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------|-----------------------------------|-------------------------|
|  | Share capital        | Capital surplus       |                       |                       | Legal retained earnings | Retained earnings |                                   | Total retained earnings |
|  |                      | Legal capital surplus | Other capital surplus | Total capital surplus |                         | General reserve   | Retained earnings brought forward |                         |
| Balance at beginning of period                               | 1,873,136            | 1,980,536             | 92,460                | 2,072,996             | 95,190                  | 9,000,000         | 11,711,509                        | 20,806,699              |
| Changes during period  |                      |                       |                       |                       |                         |                   |                                   |                         |
| Dividends of surplus   |                      |                       |                       |                       |                         |                   | (1,414,077)                       | (1,414,077)             |
| Profit   |                      |                       |                       |                       |                         |                   | 3,616,023                         | 3,616,023               |
| Transfer of treasury shares by Employee Stock Ownership Plan |                      |                       |                       |                       |                         |                   |                                   |                         |
| Net changes in items other than shareholders' equity         | -                    | -                     | -                     | -                     | -                       | -                 | -                                 | -                       |
| Total changes during period                                  | -                    | -                     | -                     | -                     | -                       | -                 | 2,201,945                         | 2,201,945               |
| Balance at end of period                                     | 1,873,136            | 1,980,536             | 92,460                | 2,072,996             | 95,190                  | 9,000,000         | 13,913,454                        | 23,008,644              |

|  | Shareholders' equity |                            | Valuation and translation adjustments                 |   | Total net assets |
|--|----------------------|----------------------------|---|---|------------------|
|  | Treasury shares      | Total shareholders' equity | Valuation difference on available-for-sale securities | Total valuation and translation adjustments |                  |
| Balance at beginning of period                               | (689,412)            | 24,063,419                 | 2,859,342   | 2,859,342                                   | 26,922,762       |
| Changes during period  |                      |                            |   |   |                  |
| Dividends of surplus   |                      | (1,414,077)                |   |   | (1,414,077)      |
| Profit   |                      | 3,616,023                  |   |   | 3,616,023        |
| Transfer of treasury shares by Employee Stock Ownership Plan | 1,324                | 1,324                      |   |   | 1,324            |
| Net changes in items other than shareholders' equity         | -                    | -                          | 1,629,514   | 1,629,514                                   | 1,629,514        |
| Total changes during period                                  | 1,324                | 2,203,270                  | 1,629,514   | 1,629,514                                   | 3,832,784        |
| Balance at end of period                                     | (688,087)            | 26,266,689                 | 4,488,856   | 4,488,856                                   | 30,755,546       |

Fiscal year ended March 31, 2022

(Thousands of yen)

|  | Shareholders' equity |                       |                       |                       |                         |                         |                                   |                         |
|--|----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------------|-----------------------------------|-------------------------|
|  | Share capital        | Capital surplus       |                       |                       | Retained earnings       |                         |                                   |                         |
|  |                      | Legal capital surplus | Other capital surplus | Total capital surplus | Legal retained earnings | Other retained earnings |                                   | Total retained earnings |
|  |                      |                       |                       |                       |                         | General reserve         | Retained earnings brought forward |                         |
| Balance at beginning of period                               | 1,873,136            | 1,980,536             | 92,460                | 2,072,996             | 95,190                  | 9,000,000               | 13,913,454                        | 23,008,644              |
| Cumulative effects of changes in accounting policies         |                      |                       |                       |                       |                         |                         | 5,791                             | 5,791                   |
| Restated balance   | 1,873,136            | 1,980,536             | 92,460                | 2,072,996             | 95,190                  | 9,000,000               | 13,919,245                        | 23,014,436              |
| Changes during period  |                      |                       |                       |                       |                         |                         |                                   |                         |
| Dividends of surplus   |                      |                       |                       |                       |                         |                         | (1,305,300)                       | (1,305,300)             |
| Profit   |                      |                       |                       |                       |                         |                         | 4,525,097                         | 4,525,097               |
| Purchase of treasury shares                                  |                      |                       |                       |                       |                         |                         |                                   |                         |
| Purchase of treasury shares by Employee Stock Ownership Plan |                      |                       |                       |                       |                         |                         |                                   |                         |
| Transfer of treasury shares by Employee Stock Ownership Plan |                      |                       |                       |                       |                         |                         |                                   |                         |
| Net changes in items other than shareholders' equity         | -                    | -                     | -                     | -                     | -                       | -                       | -                                 | -                       |
| Total changes during period                                  | -                    | -                     | -                     | -                     | -                       | -                       | 3,219,796                         | 3,219,796               |
| Balance at end of period                                     | 1,873,136            | 1,980,536             | 92,460                | 2,072,996             | 95,190                  | 9,000,000               | 17,139,042                        | 26,234,232              |

|  | Shareholders' equity |                            | Valuation and translation adjustments                 |   | Total net assets |
|--|----------------------|----------------------------|---|---|------------------|
|  | Treasury shares      | Total shareholders' equity | Valuation difference on available-for-sale securities | Total valuation and translation adjustments |                  |
| Balance at beginning of period                               | (688,087)            | 26,266,689                 | 4,488,856   | 4,488,856                                   | 30,755,546       |
| Cumulative effects of changes in accounting policies         |                      | 5,791                      |   |   | 5,791            |
| Restated balance   | (688,087)            | 26,272,481                 | 4,488,856   | 4,488,856                                   | 30,761,338       |
| Changes during period  |                      |                            |   |   |                  |
| Dividends of surplus   |                      | (1,305,300)                |   |   | (1,305,300)      |
| Profit   |                      | 4,525,097                  |   |   | 4,525,097        |
| Purchase of treasury shares                                  | (193)                | (193)                      |   |   | (193)            |
| Purchase of treasury shares by Employee Stock Ownership Plan | (31,066)             | (31,066)                   |   |   | (31,066)         |
| Transfer of treasury shares by Employee Stock Ownership Plan | 19,755               | 19,755                     |   |   | 19,755           |
| Net changes in items other than shareholders' equity         | -                    | -                          | (168,442)   | (168,442)                                   | (168,442)        |
| Total changes during period                                  | (11,504)             | 3,208,291                  | (168,442)   | (168,442)                                   | 3,039,849        |
| Balance at end of period                                     | (699,591)            | 29,480,773                 | 4,320,414   | 4,320,414                                   | 33,801,187       |