#### Translation

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

May 12, 2022

Company name: SOURCENEXT CORPORATION

Stock exchange listing: Tokyo

Stock code: 4344 URL http://www.sourcenext.com

Representative: President & COO Tomoaki Kojima

Inquiries: Director & CFO Fumihiko Aoyama TEL 03-6254-5231

Scheduled date of ordinary general meeting of shareholders: June 20, 2022
Scheduled date to file Securities Report: June 21, 2022
Scheduled date to commence dividend payments: June 21, 2022

Preparation of supplementary material on financial results: Yes

Holding of financial results meeting:

Yes (for analysts and institutional investors)

(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	10,307	(19.8)	(2,259)	_	(2,128)	_	(3,502)	-
Year ended March 31, 2021	12,851	(25.6)	540	13.8	452	(15.8)	191	(15.0)

	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	(25.77)	-	(32.1)	(10.6)	(21.9)
Year ended March 31, 2021	1.40	1.40	1.6	2.4	4.2

#### (2) Consolidated financial position

(=) F				
	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	19,981	9,959	48.0	70.72
As of March 31, 2021	20,331	12,364	60.1	89.63

#### (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	(330)	(2,938)	3,820	5,451
Year ended March 31, 2021	(639)	(2,755)	4,271	4,779

#### 2. Cash dividends

		Annual dividends per share					Dividend payout	Ratio of dividends to net assets
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total	dividends (Total)	ratio (Consolidated)	(Consolidated)
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	-	0.00		0.21	0.21	28	15.0	0.2
Year ended March 31, 2022	=	0.00	=	0.00	0.00	0	0.0	0.0
Year ending March 31, 2023 (Forecast)	_	0.00	_	0.00	0.00		0.0	

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	5,015	0.4	(1,225)	-	(1,275)	-	(1,225)	I	(9.04)
Full year	12,795	24.1	(850)	_	(945)	-	(995)	-	(7.34)

#### 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):

Yes

(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:

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)

Total number of issued shares at the end of the period (including treasury shares)										
As of March 31, 2022	I I	136,297,600 shares As of March 31, 2021		I I	136,256,800 shares					
Number of treasury shares at the end of the period										
As of March 31, 2022	1	800,024 shares	As of March 31, 2021	1 1	24 shares					
Average number of shares during the	Average number of shares during the period									
Year ended March 31, 2022	1	135,943,327 shares	Year ended March 31, 2021	1 1	136,246,539 shares					

## Consolidated financial statements Consolidated balance sheets

Current assets           Current assets         4,779,954         5,451,092           Accounts receivable - trade         2,023,666         1,449,992           Merchandise and finished goods         4,330,530         4,246,913           Raw materials and supplies         162,184         114,632           Advance payments to suppliers         1,086,338         1,090,235           Income taxes refund receivable         295,454         28,155           Other         787,674         465,457           Total current assets         179,751         163,323           Non-current assets         179,751         163,323           Property, plant and equipment         179,751         163,323           Accumulated depreciation         (142,747)         (133,345)           Accumulated depreciation         (6,635)         (7,698)           Vehicles, net         655         362           Tools, furniture and fixtures         209,285         220,557           Accumulated depreciation         (141,851)         (151,379)           Tools, furniture and fixtures, net         67,434         69,177           Total property, plant and equipment         105,094         99,517           Intagible assets         1,233,597         <		As of March 31, 2021	As of March 31, 2022
Cash and deposits         4,779,954         5,451,092           Accounts receivable - trade         2,023,666         1,449,992           Merchandise and finished goods         4,330,530         4,246,992           Raw materials and supplies         162,184         114,632           Advance payments to suppliers         1,086,338         1,090,203           Income taxes refund receivable         295,454         28,155           Other         787,674         465,457           Total current assets         13,465,804         12,846,446           Non-current assets         179,751         163,323           Accumulated depreciation         (142,747)         (133,345)           Buildings, net         37,004         29,977           Vehicles         7,291         8,060           Accumulated depreciation         (6,635)         (7,698)           Vehicles, net         655         362           Tools, furniture and fixtures         209,285         220,557           Accumulated depreciation         (141,851)         (151,379)           Total property, plant and equipment         105,094         99,517           Intangible assets         1,227,821         1,293,786           Goodwill         154,062 <t< td=""><td>Assets</td><td></td><td></td></t<>	Assets		
Accounts receivable - trade         2,023,666         1,449,992           Merchandise and finished goods         4,330,530         4,246,913           Raw materials and supplies         162,184         114,632           Advance payments to suppliers         1,086,338         1,090,203           Income taxes refund receivable         295,454         28,155           Other         787,674         465,457           Total current assets         31,465,804         12,846,446           Non-current assets         179,751         163,323           Property, plant and equipment         1801         179,751         163,323           Accumulated depreciation         (142,747)         (133,345)         160,000         160,000         160,000         170,000         160,000         170,000	Current assets		
Merchandise and finished goods         4,330,530         4,246,913           Raw materials and supplies         162,184         114,632           Advance payments to suppliers         1,086,338         1,090,203           Income taxes refund receivable         295,454         28,155           Other         787,674         465,457           Total current assets         31,465,804         12,846,446           Non-current assets         Property, plant and equipment         Property, plant and equipment           Buildings         179,751         163,323           Accumulated depreciation         (142,747)         (133,345)           Buildings, net         37,004         29,977           Vehicles         7,291         8,060           Accumulated depreciation         (6,635)         (7,698)           Vehicles, net         655         362           Tools, furniture and fixtures         209,285         20,557           Accumulated depreciation         (141,851)         (151,379)           Tools, furniture and fixtures, net         67,434         69,177           Total property, plant and equipment         105,094         99,517           Intagible assets         1,23,367         1,156,093           Other	Cash and deposits	4,779,954	5,451,092
Raw materials and supplies         162,184         114,632           Advance payments to suppliers         1,086,338         1,090,203           Income taxes refund receivable         295,454         28,155           Other         787,674         465,457           Total current assets         13,465,804         12,846,446           Non-current assets         Property, plant and equipment         179,751         163,323           Buildings         179,751         163,323           Accumulated depreciation         (142,747)         (133,345)           Buildings, net         37,004         29,977           Vehicles         7,291         8,060           Accumulated depreciation         (6,635)         (7,698)           Vehicles, net         655         362           Tools, furniture and fixtures         209,285         220,557           Accumulated depreciation         (141,851)         (151,379)           Total property, plant and equipment         105,094         99,517           Intangible assets         1,427,821         1,293,786           Goodwill         154,062         14,425           Contract based intangible assets         2,930,793         3,015,876           Investments and other assets	Accounts receivable - trade	2,023,666	1,449,992
Advance payments to suppliers         1,086,338         1,090,203           Income taxes refund receivable         295,454         28,155           Other         787,674         465,457           Total current assets         13,465,804         12,846,446           Non-current assets         8           Property, plant and equipment           Buildings         179,751         163,323           Accumulated depreciation         (142,747)         (133,345)           Buildings, net         37,004         29,977           Vehicles         7,291         8,060           Accumulated depreciation         (6,635)         (7,698)           Vehicles, net         655         362           Tools, furniture and fixtures         299,285         220,557           Accumulated depreciation         (141,851)         (151,379)           Total property, plant and equipment         105,094         99,517           Intangible assets         1,427,821         1,293,786           Goodwill         154,062         144,25           Contract based intangible assets         1,233,597         1,156,093           Other         115,311         551,570           Total intangible assets         2,930,793	Merchandise and finished goods	4,330,530	4,246,913
Income taxes refund receivable         295,454         28,155           Other         787,674         465,457           Total current assets         13,465,804         12,846,446           Non-current assets         Property, plant and equipment           Buildings         179,751         163,323           Accumulated depreciation         (142,747)         (133,345)           Buildings, net         37,004         29,977           Vehicles         7,291         8,060           Accumulated depreciation         (6,635)         (7,698)           Vehicles, net         655         362           Tools, furniture and fixtures         209,285         220,557           Accumulated depreciation         (141,851)         (151,379)           Total property, plant and equipment         105,094         99,517           Intagible assets         1,233,786         60,473         69,177           Total property, plant and equipment         105,094         99,517           Intagible assets         1,233,786         60,406           Goodwill         154,062         14,425           Contract based intangible assets         1,233,597         1,156,093           Other         115,311         551,570	Raw materials and supplies	162,184	114,632
Other         787,674         465,457           Total current assets         13,465,804         12,846,446           Non-current assets         Property, plant and equipment         \$\$\$\$ 179,751         163,323           Buildings         179,751         (133,345)           Buildings, net         37,004         29,977           Vehicles         7,291         8,060           Accumulated depreciation         (6,635)         (7,698)           Vehicles, net         655         362           Tools, furniture and fixtures         209,285         220,557           Accumulated depreciation         (141,851)         (151,379)           Tools, furniture and fixtures, net         67,434         69,177           Total property, plant and equipment         105,094         99,517           Intangible assets         1,427,821         1,293,786           Goodwill         154,062         14,425           Contract based intangible assets         1,233,597         1,156,093           Other         115,311         551,570           Total intangible assets         2,930,793         3,015,876           Investments and other assets         604,625         535,605           Other         177,256         177,2	Advance payments to suppliers	1,086,338	1,090,203
Total current assets         13,465,804         12,846,446           Non-current assets           Property, plant and equipment         179,751         163,323           Accumulated depreciation         (142,747)         (133,345)           Buildings, net         37,004         29,977           Vehicles         7,291         8,060           Accumulated depreciation         (6,635)         (7,698)           Vehicles, net         655         362           Tools, furniture and fixtures         209,285         220,557           Accumulated depreciation         (141,851)         (151,379)           Tools, furniture and fixtures, net         67,434         69,177           Total property, plant and equipment         105,094         99,517           Intangible assets         1,427,821         1,293,786           Goodwill         154,062         14,425           Contract based intangible assets         1,233,597         1,156,093           Other         115,311         551,570           Total intangible assets         2,930,793         3,015,876           Investments and other assets         604,625         335,605           Other         177,218         7,134,956           Other         <	Income taxes refund receivable	295,454	28,155
Non-current assets           Property, plant and equipment         Buildings         179,751         163,323           Accumulated depreciation         (142,747)         (133,345)           Buildings, net         37,004         29,977           Vehicles         7,291         8,060           Accumulated depreciation         (6,635)         (7,698)           Vehicles, net         655         362           Tools, furniture and fixtures         209,285         220,557           Accumulated depreciation         (141,851)         (151,379)           Tools, furniture and fixtures, net         67,434         69,177           Total property, plant and equipment         105,094         99,517           Intangible assets         1,427,821         1,293,786           Goodwill         154,062         14,425           Contract based intangible assets         1,233,597         1,156,093           Other         115,311         551,570           Total intangible assets         2,930,793         3,015,876           Investments and other assets         3,047,842         3,306,741           Deferred tax assets         604,625         535,605           Other         177,218 </td <td>Other</td> <td>787,674</td> <td>465,457</td>	Other	787,674	465,457
Property, plant and equipment         Buildings         179,751         163,323           Accumulated depreciation         (142,747)         (133,345)           Buildings, net         37,004         29,977           Vehicles         7,291         8,060           Accumulated depreciation         (6,635)         (7,698)           Vehicles, net         655         362           Tools, furniture and fixtures         209,285         220,557           Accumulated depreciation         (141,851)         (151,379)           Tools, furniture and fixtures, net         67,434         69,177           Total property, plant and equipment         105,094         99,517           Intangible assets         1,427,821         1,293,786           Goodwill         154,062         14,425           Contract based intangible assets         1,233,597         1,156,093           Other         115,311         551,570           Total intangible assets         2,930,793         3,015,876           Investments and other assets         604,625         535,605           Other         177,356         177,218           Total investments and other assets         3,829,824         4,019,565           Total non-current assets	Total current assets	13,465,804	12,846,446
Buildings         179,751         163,323           Accumulated depreciation         (142,747)         (133,345)           Buildings, net         37,004         29,977           Vehicles         7,291         8,060           Accumulated depreciation         (6,635)         (7,698)           Vehicles, net         655         362           Tools, furniture and fixtures         209,285         220,557           Accumulated depreciation         (141,851)         (151,379)           Tools, furniture and fixtures, net         67,434         69,177           Total property, plant and equipment         105,094         99,517           Intangible assets         1,427,821         1,293,786           Goodwill         154,062         14,425           Contract based intangible assets         1,233,597         1,156,093           Other         115,311         551,570           Total intangible assets         2,930,793         3,015,876           Investments and other assets         3,047,842         3,306,741           Deferred tax assets         604,625         535,605           Other         177,356         177,218           Total investments and other assets         3,829,824         4,019,565 </td <td>Non-current assets</td> <td></td> <td></td>	Non-current assets		
Accumulated depreciation         (142,747)         (133,345)           Buildings, net         37,004         29,977           Vehicles         7,291         8,060           Accumulated depreciation         (6,635)         (7,698)           Vehicles, net         655         362           Tools, furniture and fixtures         209,285         220,557           Accumulated depreciation         (141,851)         (151,379)           Total property, plant and equipment         105,094         99,517           Intangible assets         1,427,821         1,293,786           Goodwill         154,062         14,425           Contract based intangible assets         1,233,597         1,156,093           Other         115,311         551,570           Total intangible assets         2,930,793         3,015,876           Investments and other assets         3,047,842         3,306,741           Deferred tax assets         604,625         535,605           Other         177,356         177,218           Total investments and other assets         3,829,824         4,019,565           Total non-current assets         6,865,712         7,134,959	Property, plant and equipment		
Buildings, net         37,004         29,977           Vehicles         7,291         8,060           Accumulated depreciation         (6,635)         (7,698)           Vehicles, net         655         362           Tools, furniture and fixtures         209,285         220,557           Accumulated depreciation         (141,851)         (151,379)           Tools, furniture and fixtures, net         67,434         69,177           Total property, plant and equipment         105,094         99,517           Intangible assets         8         1,427,821         1,293,786           Goodwill         154,062         14,425           Contract based intangible assets         1,233,597         1,156,093           Other         115,311         551,570           Total intangible assets         2,930,793         3,015,876           Investments and other assets         3,047,842         3,306,741           Deferred tax assets         604,625         535,605           Other         177,356         177,218           Total investments and other assets         3,829,824         4,019,565           Total non-current assets         6,865,712         7,134,959	Buildings	179,751	163,323
Vehicles         7,291         8,060           Accumulated depreciation         (6,635)         (7,698)           Vehicles, net         655         362           Tools, furniture and fixtures         209,285         220,557           Accumulated depreciation         (141,851)         (151,379)           Tools, furniture and fixtures, net         67,434         69,177           Total property, plant and equipment         105,094         99,517           Intangible assets         1,427,821         1,293,786           Goodwill         154,062         14,425           Contract based intangible assets         1,233,597         1,156,093           Other         115,311         551,570           Total intangible assets         2,930,793         3,015,876           Investments and other assets         3,047,842         3,306,741           Deferred tax assets         604,625         535,605           Other         177,356         177,218           Total investments and other assets         3,829,824         4,019,565           Total non-current assets         6,865,712         7,134,959	Accumulated depreciation	(142,747)	(133,345)
Accumulated depreciation         (6,635)         (7,698)           Vehicles, net         655         362           Tools, furniture and fixtures         209,285         220,557           Accumulated depreciation         (141,851)         (151,379)           Tools, furniture and fixtures, net         67,434         69,177           Total property, plant and equipment         105,094         99,517           Intangible assets         1,427,821         1,293,786           Goodwill         154,062         14,425           Contract based intangible assets         1,233,597         1,156,093           Other         115,311         551,570           Total intangible assets         2,930,793         3,015,876           Investments and other assets         3,047,842         3,306,741           Deferred tax assets         604,625         535,605           Other         177,356         177,218           Total investments and other assets         3,829,824         4,019,565           Total non-current assets         6,865,712         7,134,959	Buildings, net	37,004	29,977
Vehicles, net         655         362           Tools, furniture and fixtures         209,285         220,557           Accumulated depreciation         (141,851)         (151,379)           Tools, furniture and fixtures, net         67,434         69,177           Total property, plant and equipment         105,094         99,517           Intangible assets         1,427,821         1,293,786           Goodwill         154,062         14,425           Contract based intangible assets         1,233,597         1,156,093           Other         115,311         551,570           Total intangible assets         2,930,793         3,015,876           Investments and other assets         2,930,793         3,306,741           Deferred tax assets         604,625         535,605           Other         177,356         177,218           Total investments and other assets         3,829,824         4,019,565           Total non-current assets         6,865,712         7,134,959	Vehicles	7,291	8,060
Tools, furniture and fixtures         209,285         220,557           Accumulated depreciation         (141,851)         (151,379)           Tools, furniture and fixtures, net         67,434         69,177           Total property, plant and equipment         105,094         99,517           Intangible assets         8         1,427,821         1,293,786           Goodwill         154,062         14,425         1,233,597         1,156,093           Other         115,311         551,570         551,570         551,570         101 intangible assets         2,930,793         3,015,876           Investments and other assets         3,047,842         3,306,741         3,306,741         553,605         535,605           Other         177,356         177,218         177,218         701 investments and other assets         3,829,824         4,019,565         401,0565         701 investments assets         6,865,712         7,134,959	Accumulated depreciation	(6,635)	(7,698)
Accumulated depreciation         (141,851)         (151,379)           Tools, furniture and fixtures, net         67,434         69,177           Total property, plant and equipment         105,094         99,517           Intangible assets         8         1,427,821         1,293,786           Goodwill         154,062         14,425         1,156,093           Other         115,311         551,570           Total intangible assets         2,930,793         3,015,876           Investments and other assets         3,047,842         3,306,741           Deferred tax assets         604,625         535,605           Other         177,356         177,218           Total investments and other assets         3,829,824         4,019,565           Total non-current assets         6,865,712         7,134,959	Vehicles, net	655	362
Tools, furniture and fixtures, net       67,434       69,177         Total property, plant and equipment       105,094       99,517         Intangible assets       \$\$\$\$        Software       1,427,821       1,293,786         Goodwill       154,062       14,425         Contract based intangible assets       1,233,597       1,156,093         Other       115,311       551,570         Total intangible assets       2,930,793       3,015,876         Investments and other assets       3,047,842       3,306,741         Deferred tax assets       604,625       535,605         Other       177,356       177,218         Total investments and other assets       3,829,824       4,019,565         Total non-current assets       6,865,712       7,134,959	Tools, furniture and fixtures	209,285	220,557
Total property, plant and equipment         105,094         99,517           Intangible assets         1,427,821         1,293,786           Goodwill         154,062         14,425           Contract based intangible assets         1,233,597         1,156,093           Other         115,311         551,570           Total intangible assets         2,930,793         3,015,876           Investments and other assets         3,047,842         3,306,741           Deferred tax assets         604,625         535,605           Other         177,356         177,218           Total investments and other assets         3,829,824         4,019,565           Total non-current assets         6,865,712         7,134,959	Accumulated depreciation	(141,851)	(151,379)
Intangible assets       1,427,821       1,293,786         Goodwill       154,062       14,425         Contract based intangible assets       1,233,597       1,156,093         Other       115,311       551,570         Total intangible assets       2,930,793       3,015,876         Investments and other assets       1nvestments securities       3,047,842       3,306,741         Deferred tax assets       604,625       535,605         Other       177,218       177,218         Total investments and other assets       3,829,824       4,019,565         Total non-current assets       6,865,712       7,134,959	Tools, furniture and fixtures, net	67,434	69,177
Software       1,427,821       1,293,786         Goodwill       154,062       14,425         Contract based intangible assets       1,233,597       1,156,093         Other       115,311       551,570         Total intangible assets       2,930,793       3,015,876         Investments and other assets       1       3,047,842       3,306,741         Deferred tax assets       604,625       535,605       535,605         Other       177,218       177,218       177,218         Total investments and other assets       3,829,824       4,019,565         Total non-current assets       6,865,712       7,134,959	Total property, plant and equipment	105,094	99,517
Goodwill       154,062       14,425         Contract based intangible assets       1,233,597       1,156,093         Other       115,311       551,570         Total intangible assets       2,930,793       3,015,876         Investments and other assets       110,000       3,047,842       3,306,741         Deferred tax assets       604,625       535,605       535,605         Other       177,218       177,218         Total investments and other assets       3,829,824       4,019,565         Total non-current assets       6,865,712       7,134,959	Intangible assets		
Contract based intangible assets       1,233,597       1,156,093         Other       115,311       551,570         Total intangible assets       2,930,793       3,015,876         Investments and other assets       3,047,842       3,306,741         Deferred tax assets       604,625       535,605         Other       177,356       177,218         Total investments and other assets       3,829,824       4,019,565         Total non-current assets       6,865,712       7,134,959	Software	1,427,821	1,293,786
Other         115,311         551,570           Total intangible assets         2,930,793         3,015,876           Investments and other assets         3,047,842         3,306,741           Deferred tax assets         604,625         535,605           Other         177,356         177,218           Total investments and other assets         3,829,824         4,019,565           Total non-current assets         6,865,712         7,134,959	Goodwill	154,062	14,425
Total intangible assets       2,930,793       3,015,876         Investments and other assets       3,047,842       3,306,741         Deferred tax assets       604,625       535,605         Other       177,356       177,218         Total investments and other assets       3,829,824       4,019,565         Total non-current assets       6,865,712       7,134,959	Contract based intangible assets	1,233,597	1,156,093
Investments and other assets       3,047,842       3,306,741         Deferred tax assets       604,625       535,605         Other       177,356       177,218         Total investments and other assets       3,829,824       4,019,565         Total non-current assets       6,865,712       7,134,959	Other	115,311	551,570
Investment securities       3,047,842       3,306,741         Deferred tax assets       604,625       535,605         Other       177,356       177,218         Total investments and other assets       3,829,824       4,019,565         Total non-current assets       6,865,712       7,134,959	Total intangible assets	2,930,793	3,015,876
Deferred tax assets       604,625       535,605         Other       177,356       177,218         Total investments and other assets       3,829,824       4,019,565         Total non-current assets       6,865,712       7,134,959	Investments and other assets		
Other         177,356         177,218           Total investments and other assets         3,829,824         4,019,565           Total non-current assets         6,865,712         7,134,959	Investment securities	3,047,842	3,306,741
Total investments and other assets         3,829,824         4,019,565           Total non-current assets         6,865,712         7,134,959	Deferred tax assets	604,625	535,605
Total non-current assets 6,865,712 7,134,959	Other	177,356	177,218
	Total investments and other assets	3,829,824	4,019,565
Total assets 20,331,517 19,981,406	Total non-current assets	6,865,712	7,134,959
	Total assets	20,331,517	19,981,406

Current liabilities		As of March 31, 2021	As of March 31, 2022
Current liabilities         784,398         430,515           Short-term borrowings         3,300,000         5,600,000           Current portion of long-term borrowings         722,000         691,080           Accounts payable - other         741,953         774,939           Income taxes payable         625         23,418           Uncarned revenue         613,039         389,972           Provision for bonuses         48,064         82,587           Provision for sales returns         91,889         -           Provision for point card certificates         43,160         -           Other         193,647         263,688           Total current liabilities         6,538,79         8,256,202           Non-current liabilities         1,296,000         1,649,900           Long-term uncarned revenue         132,073         116,043           Total non-current liabilities         1,428,073         1,765,943           Total liabilities         3,690,436         3,695,284           Net assets         Share capital         3,690,436         3,695,284           Capital surplus         4,270,463         5,509,249           Retained earnings         4,11,1998         41,380           Total shareholders' equity </td <td>Liabilities</td> <td>110 01 1101011 0 1, 2021</td> <td>115 011/14/01/51, 2022</td>	Liabilities	110 01 1101011 0 1, 2021	115 011/14/01/51, 2022
Accounts payable - trade         784,398         430,515           Short-term borrowings         3,300,000         5,600,000           Current portion of long-term borrowings         722,000         691,080           Accounts payable - other         741,953         774,939           Income taxes payable         625         23,418           Unearned revenue         613,039         389,972           Provision for bonuses         48,064         82,587           Provision for sales returns         91,889         -           Provision for sales returns         91,889         -           Other         193,647         263,688           Total current liabilities         6,538,779         8,256,202           Non-current liabilities         1,296,000         1,649,900           Long-term borrowings         1,296,000         1,649,900           Long-term unearned revenue         132,073         116,043           Total liabilities         7,966,852         10,022,145           Net assets         Share capital         3,690,436         3,695,284           Capital surplus         4,270,463         5,509,249           Retained earnings         4,191,998         413,880           Treasury shares         3,0 <td></td> <td></td> <td></td>			
Short-term borrowings         3,300,000         5,600,000           Current portion of long-term borrowings         722,000         691,080           Accounts payable - other         741,953         774,939           Income taxes payable         65,303         389,972           Provision for bonuses         48,064         82,587           Provision for bonuses         48,064         82,587           Provision for point card certificates         43,160         -           Other         193,647         263,688           Total current liabilities         538,779         8,256,202           Non-current liabilities         1,296,000         1,649,900           Long-term borrowings         1,296,000         1,649,900           Long-term unearned revenue         132,073         116,043           Total non-current liabilities         1,428,073         1,765,943           Net assets         3,690,436         3,695,284           Share capital         3,690,436         3,695,284           Capital surplus         4,270,463         5,509,249           Retained earnings         4,191,998         41,380           Treasury shares         (3)         (163,122)           Total shareholders' equity         12,152,894		784,398	430,515
Current portion of long-term borrowings         722,000         691,080           Accounts payable - other         741,953         774,393           Income taxes payable         625         23,418           Unearned revenue         613,039         389,972           Provision for bonuses         48,064         82,587           Provision for sales returns         91,889         -           Provision for point card certificates         43,160         -           Other         193,647         263,688           Total current liabilities         6,538,779         8,256,202           Non-current liabilities         1,296,000         1,649,900           Long-term unearned revenue         132,073         116,043           Total non-current liabilities         1,428,073         1,765,943           Total liabilities         7,966,852         10,022,145           Net assets         Share capital         3,690,436         3,695,284           Capital surplus         4,270,463         5,590,249           Retained earnings         4,191,998         413,880           Treasury shares         (3)         (163,122)           Total shareholders' equity         12,152,894         9,455,292           Accumulated other compreh			5,600,000
Accounts payable - other         741,953         774,939           Income taxes payable         625         23,418           Unearned revenue         613,039         389,972           Provision for bonuses         48,064         82,587           Provision for sales returns         91,889         -           Provision for point card certificates         43,160         -           Other         193,647         263,688           Total current liabilities         6,538,779         8,256,202           Non-current liabilities         1,296,000         1,649,000           Long-term borrowings         1,296,000         1,649,000           Long-term unearned revenue         132,073         116,043           Total non-current liabilities         7,966,852         10,022,145           Net assets           Share capital         3,690,436         3,695,284           Capital surplus         4,270,463         5,509,249           Retained earnings         4,191,998         413,880           Treasury shares         (3)         (163,122)           Total shareholders' equity         12,152,894         9,455,292           Accumulated other comprehensive income         41,403         61,232           Foreig			
Income taxes payable         625         23,418           Unearned revenue         613,039         389,972           Provision for bonuses         48,064         82,587           Provision for sales returns         91,889         -           Provision for point card certificates         43,160         -           Other         193,647         263,688           Total current liabilities         6,538,779         8,256,202           Non-current liabilities         1,296,000         1,649,900           Long-term borrowings         1,296,000         1,649,900           Long-term unearned revenue         132,073         116,043           Total non-current liabilities         7,966,852         10,022,145           Net assets         Share capital         3,690,436         3,695,284           Capital liabilities         3,690,436         3,695,284           Capital surplus         4,270,463         5,509,249           Retained earnings         4,191,998         413,880           Treasury shares         3         (163,122)           Total shareholders' equity         12,152,894         9,455,292           Accumulated other comprehensive income         41,403         61,232           Foreign currency translation	Accounts payable - other	741,953	774,939
Provision for bonuses         48,064         82,587           Provision for sales returns         91,889         —           Provision for point card certificates         43,160         —           Other         193,647         263,688           Total current liabilities         6,538,779         8,256,202           Non-current liabilities         1,296,000         1,649,900           Long-term borrowings         1,296,000         1,649,900           Long-term unearned revenue         132,073         116,043           Total non-current liabilities         7,966,852         10,022,145           Net assets         Share capital         3,690,436         3,695,284           Capital surplus         4,270,463         5,509,249           Retained earnings         4,191,998         413,880           Treasury shares         3         (163,122)           Total shareholders' equity         12,152,894         9,455,292           Accumulated other comprehensive income         Valuation difference on available-for-sale securities         41,403         61,232           Foreign currency translation adjustment         18,569         66,515           Total accumulated other comprehensive income         59,972         127,747           Share acquisition		625	23,418
Provision for sales returns         91,889         —           Provision for point card certificates         43,160         —           Other         193,647         263,688           Total current liabilities         6,538,779         8,256,202           Non-current liabilities         1,296,000         1,649,900           Long-term borrowings         1,296,000         1,649,900           Long-term unearned revenue         132,073         116,043           Total non-current liabilities         1,428,073         1,765,943           Total liabilities         7,966,852         10,022,145           Net assets         Share capital         3,690,436         3,695,284           Capital surplus         4,270,463         5,509,249           Retained earnings         4,191,998         413,880           Treasury shares         (3)         (163,122)           Total shareholders' equity         12,152,894         9,455,292           Accumulated other comprehensive income         41,403         61,232           Foreign currency translation adjustment         18,569         66,515           Total accumulated other comprehensive income         59,972         127,747           Share acquisition rights         151,797         200,159     <	Unearned revenue	613,039	389,972
Provision for point card certificates         43,160         —           Other         193,647         263,688           Total current liabilities         6,538,779         8,256,202           Non-current liabilities         1,296,000         1,649,900           Long-term borrowings         1,2296,000         1,649,900           Long-term unearned revenue         132,073         116,043           Total non-current liabilities         7,966,852         10,022,145           Net assets         Share capital         3,690,436         3,695,284           Capital surplus         4,270,463         5,509,249           Retained earnings         4,191,998         413,880           Treasury shares         3)         (163,122)           Total shareholders' equity         12,152,894         9,455,292           Accumulated other comprehensive income         41,403         61,232           Foreign currency translation adjustment         18,569         66,515           Total accumulated other comprehensive income         59,972         127,747           Share acquisition rights         151,797         200,159           Non-controlling interests         —         176,061           Total net assets         12,364,664         9,959,260 </td <td>Provision for bonuses</td> <td>48,064</td> <td>82,587</td>	Provision for bonuses	48,064	82,587
Other         193,647         263,688           Total current liabilities         6,538,779         8,256,202           Non-current liabilities         1,296,000         1,649,900           Long-term unearned revenue         132,073         116,043           Total non-current liabilities         1,428,073         1,765,943           Total liabilities         7,966,852         10,022,145           Net assets         Share capital         3,690,436         3,695,284           Capital surplus         4,270,463         5,509,249           Retained earnings         4,191,998         413,880           Treasury shares         (3)         (163,122)           Total shareholders' equity         12,152,894         9,455,292           Accumulated other comprehensive income         41,403         61,232           Foreign currency translation adjustment         18,569         66,515           Total accumulated other comprehensive income         59,972         127,747           Share acquisition rights         151,797         200,159           Non-controlling interests         -         176,061           Total net assets         12,364,664         9,959,260	Provision for sales returns	91,889	_
Total current liabilities         6,538,779         8,256,202           Non-current liabilities         1,296,000         1,649,900           Long-term borrowings         1,296,000         1,649,900           Long-term unearned revenue         132,073         116,043           Total non-current liabilities         7,966,852         10,022,145           Net assets         Share capital         3,690,436         3,695,284           Capital surplus         4,270,463         5,509,249           Retained earnings         4,191,998         413,880           Treasury shares         (3)         (163,122)           Total shareholders' equity         12,152,894         9,455,292           Accumulated other comprehensive income         41,403         61,232           Foreign currency translation adjustment         18,569         66,515           Total accumulated other comprehensive income         59,972         127,747           Share acquisition rights         151,797         200,159           Non-controlling interests         -         176,061           Total net assets         12,364,664         9,959,260	Provision for point card certificates	43,160	_
Non-current liabilities         Long-term borrowings         1,296,000         1,649,900           Long-term unearned revenue         132,073         116,043           Total non-current liabilities         1,428,073         1,765,943           Total liabilities         7,966,852         10,022,145           Net assets         Share capital         3,690,436         3,695,284           Capital surplus         4,270,463         5,509,249           Retained earnings         4,191,998         413,880           Treasury shares         (3)         (163,122)           Total shareholders' equity         12,152,894         9,455,292           Accumulated other comprehensive income         41,403         61,232           Foreign currency translation adjustment         18,569         66,515           Total accumulated other comprehensive income         59,972         127,747           Share acquisition rights         151,797         200,159           Non-controlling interests         -         176,061           Total net assets         12,364,664         9,959,260	Other	193,647	263,688
Long-term borrowings         1,296,000         1,649,900           Long-term unearned revenue         132,073         116,043           Total non-current liabilities         1,428,073         1,765,943           Total liabilities         7,966,852         10,022,145           Net assets         Shareholders' equity           Share capital         3,690,436         3,695,284           Capital surplus         4,270,463         5,509,249           Retained earnings         4,191,998         413,880           Treasury shares         (3)         (163,122)           Total shareholders' equity         12,152,894         9,455,292           Accumulated other comprehensive income         41,403         61,232           Foreign currency translation adjustment         18,569         66,515           Total accumulated other comprehensive income         59,972         127,747           Share acquisition rights         151,797         200,159           Non-controlling interests         -         176,061           Total net assets         12,364,664         9,959,260	Total current liabilities	6,538,779	8,256,202
Long-term unearned revenue         132,073         116,043           Total non-current liabilities         1,428,073         1,765,943           Total liabilities         7,966,852         10,022,145           Net assets         Share capital         3,690,436         3,695,284           Capital surplus         4,270,463         5,509,249           Retained earnings         4,191,998         413,880           Treasury shares         (3)         (163,122)           Total shareholders' equity         12,152,894         9,455,292           Accumulated other comprehensive income         41,403         61,232           Foreign currency translation adjustment         18,569         66,515           Total accumulated other comprehensive income         59,972         127,747           Share acquisition rights         151,797         200,159           Non-controlling interests         -         176,061           Total net assets         12,364,664         9,959,260	Non-current liabilities		·
Total non-current liabilities         1,428,073         1,765,943           Total liabilities         7,966,852         10,022,145           Net assets         Shareholders' equity           Share capital         3,690,436         3,695,284           Capital surplus         4,270,463         5,509,249           Retained earnings         4,191,998         413,880           Treasury shares         (3)         (163,122)           Total shareholders' equity         12,152,894         9,455,292           Accumulated other comprehensive income         41,403         61,232           Foreign currency translation adjustment         18,569         66,515           Total accumulated other comprehensive income         59,972         127,747           Share acquisition rights         151,797         200,159           Non-controlling interests         -         176,061           Total net assets         12,364,664         9,959,260	Long-term borrowings	1,296,000	1,649,900
Total liabilities         7,966,852         10,022,145           Net assets         Shareholders' equity           Share capital         3,690,436         3,695,284           Capital surplus         4,270,463         5,509,249           Retained earnings         4,191,998         413,880           Treasury shares         (3)         (163,122)           Total shareholders' equity         12,152,894         9,455,292           Accumulated other comprehensive income         41,403         61,232           Foreign currency translation adjustment         18,569         66,515           Total accumulated other comprehensive income         59,972         127,747           Share acquisition rights         151,797         200,159           Non-controlling interests         -         176,061           Total net assets         12,364,664         9,959,260	Long-term unearned revenue	132,073	116,043
Net assets           Share holders' equity           Share capital         3,690,436         3,695,284           Capital surplus         4,270,463         5,509,249           Retained earnings         4,191,998         413,880           Treasury shares         (3)         (163,122)           Total shareholders' equity         12,152,894         9,455,292           Accumulated other comprehensive income         41,403         61,232           Foreign currency translation adjustment         18,569         66,515           Total accumulated other comprehensive income         59,972         127,747           Share acquisition rights         151,797         200,159           Non-controlling interests         -         176,061           Total net assets         12,364,664         9,959,260	Total non-current liabilities	1,428,073	1,765,943
Shareholders' equity       3,690,436       3,695,284         Capital surplus       4,270,463       5,509,249         Retained earnings       4,191,998       413,880         Treasury shares       (3)       (163,122)         Total shareholders' equity       12,152,894       9,455,292         Accumulated other comprehensive income       41,403       61,232         Foreign currency translation adjustment       18,569       66,515         Total accumulated other comprehensive income       59,972       127,747         Share acquisition rights       151,797       200,159         Non-controlling interests       -       176,061         Total net assets       12,364,664       9,959,260	Total liabilities	7,966,852	10,022,145
Share capital       3,690,436       3,695,284         Capital surplus       4,270,463       5,509,249         Retained earnings       4,191,998       413,880         Treasury shares       (3)       (163,122)         Total shareholders' equity       12,152,894       9,455,292         Accumulated other comprehensive income       41,403       61,232         Foreign currency translation adjustment       18,569       66,515         Total accumulated other comprehensive income       59,972       127,747         Share acquisition rights       151,797       200,159         Non-controlling interests       -       176,061         Total net assets       12,364,664       9,959,260	Net assets		
Capital surplus       4,270,463       5,509,249         Retained earnings       4,191,998       413,880         Treasury shares       (3)       (163,122)         Total shareholders' equity       12,152,894       9,455,292         Accumulated other comprehensive income       41,403       61,232         Foreign currency translation adjustment       18,569       66,515         Total accumulated other comprehensive income       59,972       127,747         Share acquisition rights       151,797       200,159         Non-controlling interests       -       176,061         Total net assets       12,364,664       9,959,260	Shareholders' equity		
Retained earnings       4,191,998       413,880         Treasury shares       (3)       (163,122)         Total shareholders' equity       12,152,894       9,455,292         Accumulated other comprehensive income       Valuation difference on available-for-sale securities       41,403       61,232         Foreign currency translation adjustment       18,569       66,515         Total accumulated other comprehensive income       59,972       127,747         Share acquisition rights       151,797       200,159         Non-controlling interests       -       176,061         Total net assets       12,364,664       9,959,260	Share capital	3,690,436	3,695,284
Treasury shares         (3)         (163,122)           Total shareholders' equity         12,152,894         9,455,292           Accumulated other comprehensive income         Valuation difference on available-for-sale securities         41,403         61,232           Foreign currency translation adjustment         18,569         66,515           Total accumulated other comprehensive income         59,972         127,747           Share acquisition rights         151,797         200,159           Non-controlling interests         -         176,061           Total net assets         12,364,664         9,959,260	Capital surplus	4,270,463	5,509,249
Total shareholders' equity         12,152,894         9,455,292           Accumulated other comprehensive income         41,403         61,232           Valuation difference on available-for-sale securities         41,403         61,232           Foreign currency translation adjustment         18,569         66,515           Total accumulated other comprehensive income         59,972         127,747           Share acquisition rights         151,797         200,159           Non-controlling interests         -         176,061           Total net assets         12,364,664         9,959,260	Retained earnings	4,191,998	413,880
Accumulated other comprehensive income       41,403       61,232         Foreign currency translation adjustment       18,569       66,515         Total accumulated other comprehensive income       59,972       127,747         Share acquisition rights       151,797       200,159         Non-controlling interests       -       176,061         Total net assets       12,364,664       9,959,260	Treasury shares	(3)	(163,122)
Valuation difference on available-for-sale securities       41,403       61,232         Foreign currency translation adjustment       18,569       66,515         Total accumulated other comprehensive income       59,972       127,747         Share acquisition rights       151,797       200,159         Non-controlling interests       -       176,061         Total net assets       12,364,664       9,959,260	Total shareholders' equity	12,152,894	9,455,292
Foreign currency translation adjustment         18,569         66,515           Total accumulated other comprehensive income         59,972         127,747           Share acquisition rights         151,797         200,159           Non-controlling interests         -         176,061           Total net assets         12,364,664         9,959,260	Accumulated other comprehensive income		
Total accumulated other comprehensive income         59,972         127,747           Share acquisition rights         151,797         200,159           Non-controlling interests         -         176,061           Total net assets         12,364,664         9,959,260	Valuation difference on available-for-sale securities	41,403	61,232
Share acquisition rights         151,797         200,159           Non-controlling interests         -         176,061           Total net assets         12,364,664         9,959,260	Foreign currency translation adjustment	18,569	66,515
Share acquisition rights         151,797         200,159           Non-controlling interests         -         176,061           Total net assets         12,364,664         9,959,260	Total accumulated other comprehensive income	59,972	127,747
Non-controlling interests         -         176,061           Total net assets         12,364,664         9,959,260	_	151,797	200,159
Total net assets 12,364,664 9,959,260		_	
		12,364,664	
	Total liabilities and net assets	20,331,517	19,981,406

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

(Thousands of yen) Fiscal year ended Fiscal year ended March 31, 2021 March 31, 2022 Net sales 12,851,060 10,307,741 Cost of sales 5,479,211 5,677,287 Gross profit 7,371,848 4,630,453 Provision for sales returns 91,889 Reversal of provision for sales returns 314,416 7,594,375 4,630,453 Gross profit - net Selling, general and administrative expenses Promotion expenses 722,692 403,379 Salaries 905,530 987,464 Provision for bonuses 48,064 82,587 Outsourcing expenses 2,058,806 2,107,271 1,077,224 1,104,240 Advertising expenses Other 2,241,795 2,205,175 Total selling, general and administrative expenses 7,054,114 6,890,118 Operating profit (loss) 540,260 (2,259,664)Non-operating income Interest income 20,685 23.207 Dividend income 740 87,690 Foreign exchange gains 2,079 155,569 Gain on investments in silent partnerships 29,149 Other 2,788 8,610 304,227 26,293 Total non-operating income Non-operating expenses 8,817 21,060 Interest expenses 86,908 111,234 Share of loss of entities accounted for using equity method Share issuance costs 27,360 Loss on investments in silent partnerships 17,818 Other 199 12,970 Total non-operating expenses 113,743 172,624 Ordinary profit (loss) 452,810 (2,128,061)Extraordinary income Gain on reversal of share acquisition rights 1,005 625 625 1,005 Total extraordinary income Extraordinary losses 1,203,866 Loss on valuation of investment securities Business restructuring expenses 35,274 Total extraordinary losses 35,274 1,203,866 Profit (loss) before income taxes 418,161 (3,330,921)Income taxes - current 8,820 2,785 Income taxes - refund (16,987)Income taxes - deferred 235,226 169,131 171,916 Total income taxes 227,059 (3,502,838)Profit (loss) 191,101 Profit (loss) attributable to owners of parent 191,101 (3,502,838)

# Consolidated statements of comprehensive income

(Thousands of yen)					
Fiscal year ended					
March 31, 2022					
(3,502,838)					

	Fiscal year ended	Fiscal year ended
	March 31, 2021	March 31, 2022
Profit	191,101	(3,502,838)
Other comprehensive income		
Valuation difference on available-for-sale securities	45,732	19,828
Foreign currency translation adjustment	33,359	47,945
Total other comprehensive income	79,091	67,774
Comprehensive income	270,193	(3,435,064)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	270,193	(3,435,064)
Comprehensive income attributable to non-controlling		
interests	_	_

# **Consolidated statements of changes in equity** Fiscal year ended March 31, 2021

	Shareholders' equity							
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity			
Balance at beginning of period	3,688,593	4,268,620	4,034,956	(3)	11,992,168			
Changes during period								
Issuance of new shares - exercise of share acquisition rights	1,842	1,842			3,684			
Dividends of surplus			(34,060)		(34,060)			
Profit attributable to owners of parent			191,101		191,101			
Net changes in items other than shareholders' equity					_			
Total changes during period	1,842	1,842	157,041	_	160,726			
Balance at end of period	3,690,436	4,270,463	4,191,998	(3)	12,152,894			

	Accumula	ted other comprehensi			
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	Share acquisition rights	Total net assets
Balance at beginning of period	(4,329)	(14,789)	(19,118)	118,739	12,091,788
Changes during period					
Issuance of new shares - exercise of share acquisition rights			-		3,684
Dividends of surplus			-		(34,060)
Profit attributable to owners of parent			-		191,101
Net changes in items other than shareholders' equity	45,732	33,359	79,091	33,058	112,149
Total changes during period	45,732	33,359	79,091	33,058	272,875
Balance at end of period	41,403	18,569	59,972	151,797	12,364,664

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,690,436	4,270,463	4,191,998	(3)	12,152,894
Cumulative effects of changes in accounting policies			(246,664)		(246,664)
Restated balance	3,690,436	4,270,463	3,945,333	(3)	11,906,229
Changes during period					
Issuance of new shares - exercise of share acquisition rights	4,848	4,848			9,696
Dividends of surplus			(28,613)		(28,613)
Profit attributable to owners of parent			(3,502,838)		(3,502,838)
Purchase of treasury shares				(163,118)	(163,118)
Change in ownership interest of parent due to transactions with non-controlling interests		1,233,938			1,233,938
Net changes in items other than shareholders' equity	_	,			-
Total changes during period	4,848	1,238,786	(3,531,452)	(163,118)	(2,450,937)
Balance at end of period	3,695,284	5,509,249	413,880	(163,122)	9,455,292

	Accumulate	ed other comprehens	sive income			
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	Share acquisition rights	Non-controlling interests	Total net assets
Balance at beginning of period	41,403	18,569	59,972	151,797	-	12,364,664
Cumulative effects of changes in accounting policies						(246,664)
Restated balance	41,403	18,569	59,972	151,797	-	12,117,999
Changes during period						
Issuance of new shares - exercise of share acquisition rights						9,696
Dividends of surplus						(28,613)
Profit attributable to owners of parent						(3,502,838)
Purchase of treasury shares						(163,118)
Change in ownership interest of parent due to transactions with non-controlling interests						1,233,938
Net changes in items other than shareholders' equity	19,828	47,945	67,774	48,362	176,061	292,198
Total changes during period	19,828	47,945	67,774	48,362	176,061	(2,158,738)
Balance at end of period	61,232	66,515	127,747	200,159	176,061	9,959,260

### Consolidated statements of cash flows

		(Thousands of yen)
	Fiscal year ended	Fiscal year ended
	March 31, 2021	March 31, 2022
Cash flows from operating activities		
Profit (loss) before income taxes	418,161	(3,330,921
Depreciation	412,975	409,091
Amortization of software	517,429	695,983
Amortization of goodwill	139,637	139,637
Share-based payment expenses	34,877	52,505
Amortization of tademark right	24,320	4,803
Increase (decrease) in provision for bonuses	22,472	28,621
Interest and dividend income	(21,425)	(110,897
Interest expenses	8,817	21,060
Share of loss (profit) of entities accounted for using equity	97,000	111 224
method	86,908	111,234
Share issuance costs	_	27,360
Gain on reversal of share acquisition rights	(625)	(1,005
Loss (gain) on valuation of investment securities	_	1,203,866
Business restructuring expenses	35,274	-
Decrease (increase) in trade receivables	339,311	578,726
Decrease (increase) in inventories	(1,270,963)	156,180
Decrease (increase) in advance payments to suppliers	470,392	(3,864
Increase (decrease) in trade payables	363,427	(353,858
Increase (decrease) in accounts payable - other	(2,413)	135,015
Increase (decrease) in unearned revenue	(546,359)	(223,066
Increase (decrease) in long-term unearned revenue	(227,329)	(16,030
Increase/decrease in consumption taxes payable/consumption	(407.004)	220.716
taxes refund receivable	(497,904)	230,718
Other, net	(333,282)	(427,693
Subtotal	(26,298)	(672,535
Interest and dividends received	26,176	84,100
Interest paid	(10,383)	(23,363
Income taxes paid	(628,911)	(18,083
Income taxes refund	=	299,007
Net cash provided by (used in) operating activities	(639,416)	(330,875
Cash flows from investing activities	, , ,	
Purchase of property, plant and equipment	(16,347)	(60,933
Purchase of software	(1,046,552)	(1,383,951
Purchase of other intangible assets	(12,220)	
Purchase of investment securities	(1,680,090)	(1,493,181
Net cash provided by (used in) investing activities	(2,755,211)	(2,938,066
	(2,755,211)	(2,755,000

		(Thousands of yen)	
	Fiscal year ended	Fiscal year ended March 31, 2022	
	March 31, 2021		
Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	3,300,000	2,300,000	
Proceeds from long-term borrowings	1,500,000	1,100,000	
Repayments of long-term borrowings	(497,000)	(777,020)	
Proceeds from issuance of shares resulting from exercise of	2.400	( 55	
share acquisition rights	2,490	6,55	
Purchase of treasury shares	-	(163,118)	
Proceeds from share issuance to non-controlling shareholders	-	1,382,640	
Dividends paid	(34,390)	(28,746)	
Net cash provided by (used in) financing activities	4,271,099	3,820,313	
Effect of exchange rate change on cash and cash equivalents	4,804	119,766	
Net increase (decrease) in cash and cash equivalents	881,275	671,137	
Cash and cash equivalents at beginning of period	3,898,678	4,779,954	
Cash and cash equivalents at end of period	4,779,954	5,451,092	