

Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 [Japanese GAAP]



May 14, 2021

Listed company: FUKUICOMPUTER HOLDINGS, Inc.

Stock exchange listing: Tokyo Stock Exchange

Code number: 9790

URL: <https://www.fukuicompu.co.jp/>

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Scheduled date of Annual General Meeting of Shareholders: June 25, 2021

Scheduled date of commencing dividend payments: June 28, 2021

Scheduled date of filing Annual Securities Report: June 28, 2021

Availability of financial results briefing material: Available

Schedule of financial results briefing: Scheduled (For institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 1, 2020 - March 31, 2021)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2021	12,843	3.1	5,190	14.5	5,236	14.2	3,528	10.0
March 31, 2020	12,454	9.1	4,534	10.7	4,585	10.5	3,208	11.3

(Note) Comprehensive income: Fiscal year ended March 31, 2021: 3,797 million yen [24.3%]

Fiscal year ended March 31, 2020: 3,054 million yen [21.4%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2021	170.66	—	24.7	27.2	40.4
March 31, 2020	155.18	—	27.4	27.8	36.4

(Reference) Equity in earnings (losses) of affiliates: Fiscal year ended March 31, 2021: - million yen

Fiscal year ended March 31, 2020: - million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2021	21,161	15,707	74.2	759.72
As of March 31, 2020	17,332	12,840	74.1	621.07

(Reference) Shareholders' equity: As of March 31, 2021: 15,707 million yen

As of March 31, 2020: 12,840 million yen

(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
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2021	4,222	(237)	(929)	13,598
March 31, 2020	2,957	(232)	(826)	10,543

2. Dividends

	Annual dividends					Total dividends (annual)	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2020	–	0.00	–	45.00	45.00	930	29.0	7.9
Fiscal year ended March 31, 2021	–	0.00	–	50.00	50.00	1,033	29.3	7.2
Fiscal year ending March 31, 2022 (forecast)	–	0.00	–	50.00	50.00		30.0	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 – March 31, 2022)

(% indicates changes from the previous corresponding period for the full year and from the same quarter of the previous year for the quarter)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
2nd quarter (Cumulative)	6,280	1.6	2,380	(5.5)	2,400	(5.7)	1,580	(6.9)	76.42
Full year	13,190	2.7	5,200	0.2	5,240	0.1	3,450	(2.2)	166.86

* Notes:

- (1) Changes in significant subsidiaries during the fiscal year under review (Changes in specified subsidiaries resulting in changes in scope of consolidation): None
 Newly included: – (Company name:)
 Excluded: – (Company name:)
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - 1) Changes in accounting policies in accordance with changes in accounting standards, etc.: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Restatement: None
- (3) Total number of issued and outstanding shares (ordinary shares)
 - 1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

As of March 31, 2021:	20,700,000 shares
As of March 31, 2020:	20,700,000 shares
 - 2) Total number of treasury shares at the end of the period:

As of March 31, 2021:	24,596 shares
As of March 31, 2020:	24,548 shares
 - 3) Average number of shares during the period:

Year ended March 31, 2021:	20,675,430 shares
Year ended March 31, 2020:	20,675,473 shares

(Reference) Summary of Non-consolidated Financial Results**1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 1, 2020 – March 31, 2021)**

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal Year ended	Net sales		Operating profit		Ordinary Profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2021	4,209	(9.2)	3,112	1.7	3,157	1.5	3,098	3.3
March 31, 2020	4,637	43.5	3,061	39.5	3,111	38.5	2,999	36.3

Fiscal Year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2021	149.85	–
March 31, 2020	145.07	–

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2021	12,824	11,927	93.0	576.90
March 31, 2020	10,281	9,491	92.3	459.07

(Reference) Shareholders' equity: As of March 31, 2021: 11,927 million yen

As of March 31, 2020: 9,491 million yen

* These consolidated financial results are outside the scope of audit by certified public accountants or an audit firm.* Explanation of the proper use of financial results forecast and other notes

The performance outlook and other forward-looking statements herein are based on information currently available to the Company and certain assumptions that have been deemed reasonable, and are not intended to guarantee the achievement. Actual performance may differ significantly from these forecasts due to a wide range of factors. For conditions used as the assumptions for the performance forecast and notes on the use of the financial results forecast, please refer to "1. Overview of Operating Results, etc. (4) Future Outlook" on page 3 of the Attachments.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year under Review

During the consolidated fiscal year under review, the Japanese economy was affected by the global COVID-19 pandemic and faced a severe situation due to factors including the continued stagnation of economic activities and sluggish personal consumption. As for the future outlook of the economy, although it is expected to pick up due to the effects of various policies and improvements in overseas economies, the situation remains uncertain as we need to closely monitor the effects of downside risks to the domestic and overseas economies due to the re-emergence of infectious diseases and fluctuations in financial and capital markets.

Meanwhile, the adoption of IT introduction subsidies and the spread of i-Construction, which have supported the Group's business performance, continued to contribute to the Company's business results.

As a result, for the fiscal year under review, the Group (the Company and its consolidated subsidiaries) posted net sales of 12,843 million yen (a 3.1% increase year-on-year), operating profit of 5,190 million yen (a 14.5% increase year-on-year), ordinary profit of 5,236 million yen (a 14.2% increase year-on-year), and profit attributable to owners of parent of 3,528 million yen (a 10.0% increase year-on-year).

Status by segment is as follows.

1) Architecture CAD Business

In the architecture CAD business, net sales were 6,078 million yen (a 10.9% increase year-on-year) and operating profit was 2,227 million yen (a 43.8% increase year-on-year), resulting in an increase in both sales and profit.

In the architecture CAD business, sales increased year-on-year due partly to a boost in sales centered on major products of the housing business as a result of the adoption of IT introduction subsidies and to the recording of results from optional sales in anticipation of the Building Energy Efficiency Act revised on April 1, 2021.

In the building materials business, whose main product is a 3D catalog site, and in the BIM business, whose main product is CAD for architectural design for buildings other than wooden houses, an increase in the number of companies with continued transactions as well as changes in the sales structure aiming for a regional strategy turned out to be successful, resulting in an increase in sales year-on-year.

Also, in addition to the year-on-year increase in sales, the Company also reduced travel expenses, etc. by the promotion of remote operations in light of the COVID-19 pandemic, leading to a year-on-year increase in profit.

2) Surveying/Civil Engineering CAD Business

In the surveying/civil engineering CAD business, net sales were 6,599 million yen (a 4.6% increase year-on-year) and operating profit was 2,868 million yen (a 7.3% increase year-on-year).

In the surveying/civil engineering CAD business, although there was a reactionary decline after the system change-related demand in the previous fiscal year in the surveying business, sales of point cloud processing software, a major product in the construction infrastructure business, increased due to the adoption of IT introduction subsidies and the spread of i-Construction, which aims to improve productivity at construction sites, resulting in an increase in sales year-on-year.

Within the same segment, in addition to the increase in sales year-on-year, the Company reduced travel expenses, etc. by the promotion of remote operations, resulting in an increase in profit year-on-year.

3) IT Solutions Business

In the IT solutions business, net sales were 165 million yen (a 75.2% decrease year on year) and operating loss was 68 million yen (operating profit of 241 million yen in the previous fiscal year).

In the IT solutions business, while we received orders for local elections and several election-related development projects, there were no major elections such as the nationwide local elections held in April 2019

and the election of members of the House of Councillors in July 2019, resulting in a decrease in both sales and profit year-on-year.

(2) Overview of Financial Position for the Fiscal Year under Review

Total assets as of the end of the fiscal year under review increased by 3,828 million yen compared with the end of the previous fiscal year to 21,161 million yen. This was mainly due to an increase in cash and deposits and investment securities.

Total liabilities increased by 962 million yen compared with the end of the previous fiscal year to 5,453 million yen. This was mainly due to an increase in income taxes payable and deferred tax liabilities.

Net assets increased by 2,866 million yen compared with the end of the previous fiscal year to 15,707 million yen. As a result, shareholders' equity ratio stood at 74.2%.

(3) Overview of Cash Flows for the Fiscal Year under Review

The balance of cash and cash equivalents ("funds") at the end of the fiscal year under review increased by 3,055 million yen compared with the end of the previous fiscal year to 13,598 million yen. The status of cash flows and its main factors are as follows.

(Cash flows from operating activities)

Funds provided by operating activities amounted to 4,222 million yen (compared to 2,957 million yen acquired for the previous fiscal year). This was mainly due to profit before income taxes of 5,236 million yen, depreciation of 215 million yen, an increase in trade receivables of 163 million yen, and income taxes paid of 1,196 million yen.

(Cash flows from investing activities)

Funds used in investing activities amounted to 237 million yen (compared to 232 million yen used for the previous fiscal year). This was mainly due to purchase of property, plant and equipment of 161 million yen.

(Cash flows from financing activities)

Funds used in financing activities amounted to 929 million yen (compared to 826 million yen used for the previous fiscal year). This was mainly due to dividends paid.

(4) Future Outlook

In the fiscal year ended March 31, 2020, the Group achieved its management target for fiscal year 2021 under the medium-term management plan announced in May 2019, and the results for the fiscal year ended March 31, 2021 further exceeded the results for the previous fiscal year (fiscal year ended March 31, 2020).

Meanwhile, the future outlook remains uncertain, due to factors including the continued impact on the economy associated with the spread of COVID-19.

The Group will contribute to resolving issues in the construction industry through the IT solutions that the Group can provide, while flexibly responding to changes in the social environment, such as countermeasures against COVID-19 and amendments to the Civil Code.

In the architecture CAD business, sales increased year-on-year in fiscal 2020, partly supported by sales associated with the adoption of IT introduction subsidies. In fiscal 2021, the Company will upgrade the basic functions of existing packaged software in the housing business, and through regional strategies in the BIM business, will further expand sales channels while also working to expand stock business. In addition, the Company will work on sales of options, etc. under the theme of the Building Energy Efficiency Act revised on April 1, 2021.

In addition, in the surveying/civil engineering CAD business, the Company will not only upgrade existing packaged software for surveying and civil engineering under the "i-Construction" program promoted by the Ministry of Land, Infrastructure, Transport and Tourism, but also expand and enhance solutions for various research and surveying operations in anticipation of the shift to CIM, which is part of measures to combat COVID-19. At the same time, the Company will support productivity improvement by promoting the shift to 3D in the surveying and civil engineering industry through the provision of 3D data sharing platforms, etc., and

work to increase the number of companies with continued transactions.

As a result of the above, the Company forecasts net sales of 13,190 million yen, operating profit of 5,200 million yen, ordinary profit of 5,240 million yen, and profit attributable to owners of parent of 3,450 million yen for the next fiscal year.

The Company will continue to make efforts to achieve further growth and development by rapidly creating what is desired and striving to be a company appreciated by its stakeholders, in order to be “indispensable for the construction industry” under the corporate slogan of “Dream Big, Design First.”

(5) **Basic Policy on Profit Distribution and Dividends for the Fiscal Year under Review and the Next Fiscal Year**

The Company’s basic policy on profit distribution is to “focus on returning profits to shareholders and pay stable dividends continuously.”

Based on the above basic policy, taking into consideration various factors including the consolidated business results for the fiscal year ended March 31, 2021 having exceeded the initial forecast, the Company plans to increase the dividends for the fiscal year under review by 5 yen from the previous fiscal year and pay 50 yen per share in order to increase returns to shareholders.

For the next fiscal year, the Company plans to pay a dividend of 50 yen per share, taking into consideration various factors including the consolidated performance forecast for the next fiscal year.

2. Basic Policy on Selection of Accounting Standards

The Group prepares its consolidated financial statements in accordance with Japanese accounting standards because it does not operate business or raise funds globally.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	10,543	13,598
Notes and accounts receivable - trade	1,592	1,757
Merchandise and finished goods	37	42
Work in process	34	2
Raw materials and supplies	159	180
Other	570	680
Allowance for doubtful accounts	(3)	(3)
Total current assets	12,933	16,257
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,424	4,422
Accumulated depreciation	(3,196)	(3,245)
Buildings and structures, net	1,228	1,176
Land	1,085	1,153
Other	503	563
Accumulated depreciation	(406)	(450)
Other, net	97	113
Total property, plant and equipment	2,411	2,442
Intangible assets	162	170
Investments and other assets		
Investment securities	1,144	1,516
Deferred tax assets	349	446
Other	336	332
Allowance for doubtful accounts	(5)	(4)
Total investments and other assets	1,824	2,290
Total non-current assets	4,399	4,903
Total assets	17,332	21,161

(Million yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	51	48
Accrued expenses	317	313
Income taxes payable	551	1,226
Advances received	2,241	2,308
Provision for bonuses	669	707
Provision for bonuses for directors (and other officers)	55	56
Other	540	605
Total current liabilities	4,426	5,265
Non-current liabilities		
Deferred tax liabilities	65	188
Total non-current liabilities	65	188
Total liabilities	4,491	5,453
Net assets		
Shareholders' equity		
Share capital	1,631	1,631
Capital surplus	1,500	1,500
Retained earnings	9,442	12,040
Treasury shares	(58)	(59)
Total shareholders' equity	12,515	15,113
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	325	594
Total accumulated other comprehensive income	325	594
Total net assets	12,840	15,707
Total liabilities and net assets	17,332	21,161

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

(Million yen)

	For the fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)	For the fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)
Net sales	12,454	12,843
Cost of sales	2,853	2,676
Gross profit	9,600	10,166
Selling, general and administrative expenses	5,066	4,975
Operating profit	4,534	5,190
Non-operating income		
Dividend income	33	34
Commission income	8	7
Insurance fee income	3	1
Other	5	3
Total non-operating income	51	46
Ordinary profit	4,585	5,236
Profit before income taxes	4,585	5,236
Income taxes – current	1,221	1,800
Income taxes – deferred	155	(92)
Total income taxes	1,377	1,708
Profit	3,208	3,528
Profit attributable to owners of parent	3,208	3,528

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)	For the fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)
Profit	3,208	3,528
Other comprehensive income		
Valuation difference on available-for-sale securities	(154)	268
Total other comprehensive income	(154)	268
Comprehensive income	3,054	3,797
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,054	3,797
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2020 (from April 1, 2019 to March 31, 2020)

(Million yen)

	Shareholders' equity					Accumulated other comprehensive income		Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of period	1,631	1,500	7,060	(58)	10,134	479	479	10,613
Changes during period								
Dividends of surplus			(827)		(827)			(827)
Profit attributable to owners of parent			3,208		3,208			3,208
Purchase of treasury shares				(0)	(0)			(0)
Net changes in items other than shareholders' equity						(154)	(154)	(154)
Total changes during period	—	—	2,381	(0)	2,381	(154)	(154)	2,227
Balance at end of period	1,631	1,500	9,442	(58)	12,515	325	325	12,840

Fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(Million yen)

	Shareholders' equity					Accumulated other comprehensive income		Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of period	1,631	1,500	9,442	(58)	12,515	325	325	12,840
Changes during period								
Dividends of surplus			(930)		(930)			(930)
Profit attributable to owners of parent			3,528		3,528			3,528
Purchase of treasury shares				(0)	(0)			(0)
Net changes in items other than shareholders' equity						268	268	268
Total changes during period	—	—	2,598	(0)	2,597	268	268	2,866
Balance at end of period	1,631	1,500	12,040	(59)	15,113	594	594	15,707

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)	For the fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)
Cash flows from operating activities		
Profit before income taxes	4,585	5,236
Depreciation	203	215
Increase (decrease) in allowance for doubtful accounts	(1)	(1)
Increase (decrease) in provision for bonuses	211	37
Increase (decrease) in provision for bonuses for directors (and other officers)	—	1
Interest and dividend income	(33)	(34)
Decrease (increase) in trade receivables	210	(163)
Decrease (increase) in inventories	(207)	5
Increase (decrease) in trade payables	22	(2)
Increase (decrease) in accounts payable – other	(79)	(26)
Increase (decrease) in accrued consumption taxes	97	85
Increase (decrease) in advances received	(20)	67
Other, net	(583)	(37)
Subtotal	4,406	5,384
Interest and dividends received	33	34
Income taxes paid	(1,482)	(1,196)
Net cash provided by (used in) operating activities	2,957	4,222
Cash flows from investing activities		
Purchase of property, plant and equipment	(96)	(161)
Purchase of intangible assets	(136)	(92)
Other, net	1	16
Net cash provided by (used in) investing activities	(232)	(237)
Cash flows from financing activities		
Purchase of treasury shares	(0)	(0)
Dividends paid	(825)	(929)
Net cash provided by (used in) financing activities	(826)	(929)
Effect of exchange rate change on cash and cash equivalents	—	—
Net increase (decrease) in cash and cash equivalents	1,899	3,055
Cash and cash equivalents at beginning of period	8,643	10,543
Cash and cash equivalents at end of period	10,543	13,598

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumptions)

Not applicable.

(Significant information for preparation of Consolidated Financial Statements)

1. Scope of consolidation

Number of consolidated subsidiaries: 4

Names of consolidated subsidiaries

FUKUICOMPUTER ARCHITECT, Inc.

FUKUICOMPUTER, Inc.

FUKUICOMPUTER SMART, Inc.

FUKUICOMPUTER SYSTEM, Inc.

2. Fiscal year, etc. of consolidated subsidiaries

The fiscal year end of all consolidated subsidiaries corresponds to the consolidated closing date.

3. Accounting policies

(1) Valuation standards and methods for significant assets

1) Securities

Available-for-sale securities

Those with market value:

Market value method based on the market price, etc., as of the fiscal closing date (the valuation difference is directly included in net assets, and cost of sales is determined by the moving-average method.)

Those without market value:

Stated at cost using the moving-average method.

2) Inventories

Merchandise and finished goods: Stated at cost using the weighted-average method (the balance sheet value is calculated using the inventory write-down method based on decreased profitability).

Work in process: Stated at cost using the specific identification method (the balance sheet value is calculated using the inventory write-down method based on decreased profitability).

Supplies: Stated at cost using the weighted-average method (the balance sheet value is calculated using the inventory write-down method based on decreased profitability).

(2) Depreciation method of significant depreciable assets

1) Property, plant and equipment (excluding leased assets)

Declining-balance method

However, facilities attached to buildings and structures acquired on and after April 1, 2016 are depreciated by the straight-line method.

The useful lives of property, plant and equipment are summarized as follows:

Buildings and structures 8 to 50 years

2) Intangible assets (excluding leased assets)

Software intended for market sale

Amortized based on the number of software units estimated to be sold (estimated effective years: up to 3 years)

Software for internal use

Straight-line method based on the internal usable period (3~5 years)

Other intangible assets

Straight-line method (Main useful life: 8 years)

(3) Accounting standards for significant reserves and allowances

1) Allowance for doubtful accounts

In order to prepare for possible credit losses on receivables, the Company records the estimated amount of non-recoverable receivables based on the historical loss rate for general receivables and based on specific assessment of collectability for doubtful receivables.

2) Provision for bonuses

An estimated payable amount is recognized to prepare for the payment of bonuses to employees.

3) Provision for bonuses for directors (and other officers)

An estimated payable amount is recognized to prepare for the payment of bonuses to directors and other officers.

(4) Scope of cash and cash equivalents in the consolidated statement of cash flows

Cash and cash equivalents consist of cash on hand, bank deposits withdrawable at any time, and short-term investments with a maturity of three months or less at the time of purchase, which are readily convertible into cash and subject to insignificant risk of changes in value.

(5) Other significant information for preparation of consolidated financial statements

1) Accounting for Japanese consumption taxes

Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.

(Notes to Consolidated Statements of Changes in Equity)

For the fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)

Class and total number of issued shares, and class and number of treasury shares

Class of shares	Number of shares at beginning of period	Increase	Decrease	Number of shares at end of period
Issued shares				
Ordinary shares	20,700,000	—	—	20,700,000
Total	20,700,000	—	—	20,700,000
Treasury shares				
Ordinary shares*	24,437	111	—	24,548
Total	24,437	111	—	24,548

(Note)

The increase of 111 shares in the number of treasury shares of the ordinary shares is due to the purchase of shares of less than one unit.

For the fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)

Class and total number of issued shares, and class and number of treasury shares

Class of shares	Number of shares at beginning of period	Increase	Decrease	Number of shares at end of period
Issued shares				
Ordinary shares	20,700,000	—	—	20,700,000
Total	20,700,000	—	—	20,700,000
Treasury shares				
Ordinary shares*	24,548	48	—	24,596
Total	24,548	48	—	24,596

(Note)

The increase of 48 shares in the number of treasury shares of the ordinary shares is due to the purchase of shares of less than one unit.

(Segment information)

1. Summary of reportable segments

The Group's reportable segments are the Group's organizational units for which financial information is individually available, and are subject to regular review by the Board of Directors for the purpose of deciding the allocation of management resources and evaluating its business performance.

The Group operates its businesses by type of its products and services, and classifies them into the three reportable segments of "Architecture CAD Business," "Surveying/Civil Engineering CAD Business," and "IT Solutions Business."

The architecture CAD business engages in the development, sale, and maintenance of the architecture CAD software, etc., and provides web services and other software services. The surveying/civil engineering CAD business engages in the development, sale, and maintenance of CAD software for surveying and civil engineering. The IT solutions business engages in a variety of solution services, including system development for purposes other than CAD software, web applications, and hosting services.

2. Method of calculating net sales, profit or loss, assets, liabilities, and other items by reportable segment

Accounting methods for reportable segments are mostly the same as those described in "Significant

information for preparation of Consolidated Financial Statements.”

Profit by reportable segment is stated on an operating profit basis.

3. Information on net sales and profit or loss by reportable segment

For the fiscal year ended March 31, 2020 (from April 1, 2019 to March 31, 2020)

(Million yen)

	Reportable segment				Adjustments*1	Amount recorded in Consolidated Financial Statements*2
	Architecture CAD Business	Surveying/Civil engineering CAD business	IT Solutions Business	Total		
Net sales						
Sales to external customers	5,480	6,306	666	12,454	—	12,454
Intersegment sales or transfers	—	—	—	—	—	—
Total	5,480	6,306	666	12,454	—	12,454
Segment profit	1,549	2,673	241	4,463	70	4,534

(Notes)

1. The adjustment of 70 million yen to segment profit is management fees and other fees received from group companies and expenses related to group management.
2. Segment profit is adjusted to align with operating profit on the consolidated financial statements.

For the fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(Million yen)

	Reportable segment				Adjustments*1	Amount recorded in Consolidated Financial Statements*2
	Architecture CAD Business	Surveying/Civil Engineering CAD Business	IT Solutions Business	Total		
Net sales						
Sales to external customers	6,078	6,599	165	12,843	—	12,843
Intersegment sales or transfers	—	—	—	—	—	—
Total	6,078	6,599	165	12,843	—	12,843
Segment profit (loss)	2,227	2,868	(68)	5,027	162	5,190

(Notes)

1. The adjustment of 162 million yen to segment profit (loss) is management fees and other fees received from group companies and expenses related to group management.
2. Segment profit (loss) is adjusted to align with operating profit on the consolidated financial statements.

(Per share information)

	For the fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)	For the fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)
Net assets per share	621.07 yen	759.72 yen
Basic earnings per share	155.18 yen	170.66 yen

(Notes) 1. Diluted earnings per share are not stated because there are no dilutive shares.

2. The basis for the calculation of basic earnings per share is as follows:

	For the fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)	For the fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)
Profit attributable to owners of parent (Million yen)	3,208	3,528
Amount not attributable to ordinary shareholders (Million yen)	—	—
Profit attributable to owners of parent relating to ordinary shares (Million yen)	3,208	3,528
Average number of ordinary shares during the period	20,675,473	20,675,430

(Significant subsequent events)

Not applicable.