

Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 [Japanese GAAP]



May 13, 2022

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 24, 2022

Scheduled date of commencing dividend payments: June 27, 2022

Scheduled date of filing Annual Securities Report: June 27, 2022

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, 2022 (April 1, 2021 - March 31, 2022)

(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, 2022	14,331	11.6	6,314	21.7	6,358	21.4	4,222	19.7
March 31, 2021	12,843	3.1	5,190	14.5	5,236	14.2	3,528	10.0

(Note) Comprehensive income: Fiscal year ended March 31, 2022: 4,113 million yen [8.3%]

Fiscal year ended March 31, 2021: 3,797 million yen [24.3%]

	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, 2022	204.24	—	24.4	27.8	44.1
March 31, 2021	170.66	—	24.7	27.2	40.4

(Reference) Equity in earnings (losses) of affiliates: Fiscal year ended March 31, 2022: - million yen

Fiscal year ended March 31, 2021: - 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, 2022	24,593	18,963	77.1	917.21
As of March 31, 2021	21,161	15,707	74.2	759.72

(Reference) Shareholders' equity: As of March 31, 2022: 18,963 million yen

As of March 31, 2021: 15,707 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, 2022	4,650	(188)	(1,033)	17,027
March 31, 2021	4,222	(237)	(929)	13,598

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, 2021	–	0.00	–	50.0	50.0	1,033	29.3	7.2
Fiscal year ended March 31, 2022	–	0.00	–	60.0	60.0	1,240	29.4	7.2
Fiscal year ending March 31, 2023 (forecast)	–	0.00	–	60.0	60.0		29.3	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 – March 31, 2023)

(% 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)	7,400	10.2	3,400	12.9	3,420	12.8	2,258	11.9	109.21
Full year	14,580	1.7	6,400	1.3	6,440	1.3	4,240	0.4	205.08

* 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.: Yes

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, 2022: 20,700,000 shares

As of March 31, 2021: 20,700,000 shares

2) Total number of treasury shares at the end of the period:

As of March 31, 2022: 24,719 shares

As of March 31, 2021: 24,596 shares

3) Average number of shares during the period:

Year ended March 31, 2022: 20,675,291 shares

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

(Reference) Summary of Non-consolidated Financial Results**1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 – March 31, 2022)**

(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, 2022	4,539	7.8	3,437	10.4	3,477	10.2	3,410	10.1
March 31, 2021	4,209	(9.2)	3,112	1.7	3,157	1.5	3,098	3.3

Fiscal Year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2022	164.94	–
March 31, 2021	149.85	–

(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, 2022	15,038	14,193	94.4	686.51
March 31, 2021	12,824	11,927	93.0	576.90

(Reference) Shareholders' equity: As of March 31, 2022: 14,193 million yen

As of March 31, 2021: 11,927 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

The Japanese economy in the fiscal year under review shows signs of movements toward restarting economic activities in the entire society in concurrence with the diffusion of vaccinations for the COVID-19 infection, but it is still in a severe situation. Furthermore, it is necessary to keep a close watch on the downside risks of the domestic and overseas economies, fluctuations in financial and capital markets, and so on because of the re-spread of the infection and anxiety about overseas situations.

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 14,331 million yen (an 11.6% increase year-on-year), operating profit of 6,314 million yen (a 21.7% increase year-on-year), ordinary profit of 6,358 million yen (a 21.4% increase year-on-year), and profit attributable to owners of parent of 4,222 million yen (a 19.7% increase year-on-year).

Status by segment is as follows.

1) Architecture System Business

In the architecture CAD business, net sales were 6,493 million yen (a 6.8% increase year-on-year) and operating profit was 2,481 million yen (an 11.4% increase year-on-year), resulting in an increase in both sales and profit.

The housing business achieved increases both in sales and in profit year-on-year thanks to increases in optional sales in response to revisions to the Building Energy Efficiency Act and support by IT introduction subsidies. Also in the building materials business, whose main product is a 3D catalog site, the business performance remains firm due to an increase in the number of corporate customers and other factors.

2) Surveying/Civil Engineering System Business

In the surveying/civil engineering CAD business, net sales were 7,108 million yen (a 7.7% increase year-on-year) and operating profit was 3,402 million yen (an 18.6% increase year-on-year).

In the surveying/civil engineering system business, the performance of the segment achieved increases both in sales and in profit year on-year as a result of the steady performance of the civil engineering and construction infrastructure businesses in particular, with sales being supported by the spread of i-Construction, the government measures related to BIM/CIM promotion, IT introduction subsidies, and other factors.

3) IT Solutions Business

In the IT solutions business, the net sales were 729 million yen (a 341.5% increase year-on-year), and the operating profit was 268 million yen (operating loss of 68 million yen for the corresponding period in the previous fiscal year). Both sales and profit increased significantly compared to the same period of the previous fiscal year, mainly due to the recording of sales related to the exit poll system for the House of Representatives election held in October 2021.

The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and other standards are applied from the fiscal year under review. For details, please refer to "(5) Notes to Consolidated Financial Statements (Changes in accounting policies), (Segment information etc.) of 3. Consolidated Financial Statements and Principal Notes."

(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 24,593 million yen compared with the end of the previous fiscal year to 3,432 million yen. This was mainly due to an increase in cash and deposits.

Total liabilities increased by 176 million yen compared with the end of the previous fiscal year to 5,629 million yen. This was mainly due to an increase in income taxes payable and provision for bonuses.

Net assets increased by 3,256 million yen compared with the end of the previous fiscal year to 18,963 million yen. As a result, shareholders' equity ratio stood at 77.1%.

(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 3,429 million yen compared with the end of the previous fiscal year to 17,027 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 4,650 million yen (compared to 4,222 million yen acquired for the previous fiscal year). This was mainly due to profit before income taxes of 6,358 million yen, depreciation of 193 million yen, an increase in trade receivables of 219 million yen, and income taxes paid of 2,204 million yen.

(Cash flows from investing activities)

Funds used in investing activities amounted to 188 million yen (compared to 237 million yen used for the previous fiscal year). This was mainly due to the purchase of intangible assets of 122 million yen etc.

Funds used in financing activities amounted to 1,033 million yen (compared to 929 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, 2019, 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, 2020 and for the fiscal year ended March 31, 2021 further increased.

The diffusion of telecommunications technology supported by IT introduction subsidies, the growing demand for IT and ICT products on construction work sites as a result of promoting i-Construction and BIM/CIM, and other factors strongly supported our steady business results.

In May 2022, the Group announced a medium-term management plan for fiscal year 2022 to fiscal year 2024 as business years.

When we turn our eyes to our current situation, the Company cannot clearly see what will happen in the next several years, including the impact of the spread of the COVID-19 infection on economy, and from a medium- and long-term perspective, the Company will respond to decreases in construction work orders due to a lull in special demand by the Tokyo Olympics and the downscaling of private capital investments, changes in external environments, such as the promotion of DX on construction work sites, and issues related to our management system and business structure, and, at the same time, make a contribution to resolving issues confronting the construction industry through IT solutions we can offer with the aim of realizing sustainable growth.

In the architecture system business, the Company will endeavor in fiscal year 2022 to increase sales through the upgrading of the basic functions of existing packaged software in the housing business and the provision of solutions to execution phases in the BIM business, and concurrently expand the stock business.

In addition, in the surveying/civil engineering business, we find opportunities to grow in the “i-Construction” program promoted by the Ministry of Land, Infrastructure, Transport and Tourism and in the shift to CIM, which is part of measures against the COVID-19 infection, and are determined to increase the number of companies to have transaction for many years to come by establishing the brand and deeper developing business opportunities in each segment of surveying/civil engineering/construction infrastructure.

As a result of the above, the Company forecasts net sales of 14,580 million yen, operating profit of 6,400 million yen, ordinary profit of 6,440 million yen, and profit attributable to owners of parent of 4,240 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, 2022 having exceeded the initial forecast, the Company plans to increase the dividends for the fiscal year under review by 10 yen from the previous fiscal year and pay 60 yen per share in order to increase returns to shareholders.

For the next fiscal year, the Company plans to pay a dividend of 60 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, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	13,598	17,027
Notes and accounts receivable - trade	1,757	—
Notes receivable - trade	—	447
Accounts receivable - trade	—	1,529
Merchandise and finished goods	42	46
Work in process	2	4
Raw materials and supplies	180	5
Other	680	730
Allowance for doubtful accounts	(3)	(3)
Total current assets	16,257	19,787
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,422	4,419
Accumulated depreciation	(3,245)	(3,292)
Buildings and structures, net	1,176	1,127
Land	1,153	1,153
Other	563	575
Accumulated depreciation	(450)	(463)
Other, net	113	111
Total property, plant and equipment	2,442	2,392
Intangible assets	170	228
Investments and other assets		
Investment securities	1,516	1,350
Deferred tax assets	446	508
Other	332	330
Allowance for doubtful accounts	(4)	(4)
Total investments and other assets	2,290	2,184
Total non-current assets	4,903	4,805
Total assets	21,161	24,593

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	48	61
Accrued expenses	313	319
Income taxes payable	1,226	1,366
Advances received	2,308	2,273
Provision for bonuses	707	759
Provision for bonuses for directors (and other officers)	56	46
Other	605	661
Total current liabilities	5,265	5,489
Non-current liabilities		
Deferred tax liabilities	188	140
Total non-current liabilities	188	140
Total liabilities	5,453	5,629
Net assets		
Shareholders' equity		
Share capital	1,631	1,631
Capital surplus	1,500	1,500
Retained earnings	12,040	15,406
Treasury shares	(59)	(59)
Total shareholders' equity	15,113	18,478
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	594	484
Total accumulated other comprehensive income	594	484
Total net assets	15,707	18,963
Total liabilities and net assets	21,161	24,593

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

(Million yen)

	For the fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)	For the fiscal year ended March 31, 2022 (From April 1, 2021 to March 31, 2022)
Net sales	12,843	14,331
Cost of sales	2,676	3,169
Gross profit	10,166	11,161
Selling, general and administrative expenses	4,975	4,846
Operating profit	5,190	6,314
Non-operating income		
Dividend income	34	34
Commission income	7	7
Insurance fee income	1	2
Other	3	4
Total non-operating income	46	48
Non-operating expenses		
Loss on valuation of investment securities	—	5
Total non-operating expenses	—	5
Ordinary profit	5,236	6,358
Profit before income taxes	5,236	6,358
Income taxes – current	1,800	2,287
Income taxes – deferred	(92)	(151)
Total income taxes	1,708	2,135
Profit	3,528	4,222
Profit attributable to owners of parent	3,528	4,222

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)	For the fiscal year ended March 31, 2022 (From April 1, 2021 to March 31, 2022)
Profit	3,528	4,222
Other comprehensive income		
Valuation difference on available-for-sale securities	268	(109)
Total other comprehensive income	268	(109)
Comprehensive income	3,797	4,113
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,797	4,113
Comprehensive income attributable to non- controlling interests	—	—

(3) Consolidated Statements of Changes in Equity

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

Fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(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	12,040	(59)	15,113	594	594	15,707
Cumulative effects of changes in accounting policies			177		177			177
Restated balance	1,631	1,500	12,217	(59)	15,290	594	594	15,884
Changes during period								
Dividends of surplus			(1,033)		(1,033)			(1,033)
Profit attributable to owners of parent			4,222		4,222			4,222
Purchase of treasury shares				(0)	(0)			(0)
Net changes in items other than shareholders' equity						(109)	(109)	(109)
Total changes during period	—	—	3,188	(0)	3,188	(109)	(109)	3,078
Balance at end of period	1,631	1,500	15,406	(59)	18,478	484	484	18,963

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)	For the fiscal year ended March 31, 2022 (From April 1, 2021 to March 31, 2022)
Cash flows from operating activities		
Profit before income taxes	5,236	6,358
Depreciation	215	193
Increase (decrease) in allowance for doubtful accounts	(1)	(0)
Increase (decrease) in provision for bonuses	37	52
Increase (decrease) in provision for bonuses for directors (and other officers)	1	(10)
Interest and dividend income	(34)	(34)
Loss (gain) on valuation of investment securities	—	5
Decrease (increase) in trade receivables	(163)	(219)
Decrease (increase) in inventories	5	168
Increase (decrease) in trade payables	(2)	13
Increase (decrease) in accounts payable – other	(26)	53
Increase (decrease) in accrued consumption taxes	85	(8)
Increase (decrease) in advances received	67	(34)
Other, net	(37)	283
Subtotal	5,384	6,820
Interest and dividends received	34	34
Income taxes paid	(1,196)	(2,204)
Net cash provided by (used in) operating activities	4,222	4,650
Cash flows from investing activities		
Purchase of property, plant and equipment	(161)	(66)
Purchase of intangible assets	(92)	(122)
Other, net	16	1
Net cash provided by (used in) investing activities	(237)	(188)
Cash flows from financing activities		
Purchase of treasury shares	(0)	(0)
Dividends paid	(929)	(1,032)
Net cash provided by (used in) financing activities	(929)	(1,033)
Effect of exchange rate change on cash and cash equivalents	—	—
Net increase (decrease) in cash and cash equivalents	3,055	3,429
Cash and cash equivalents at beginning of period	10,543	13,598
Cash and cash equivalents at end of period	13,598	17,027

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumptions)

Not applicable.

(Changes in accounting policies)

(Application of accounting standards concerning revenue and other standards)

The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020; hereinafter referred to as the “Revenue Recognition Accounting Standard”) and other standards are applied from the fiscal year under review, and the Company recognizes revenue from the amount expected to be received in exchange for promised goods or services upon the transfer of control over the goods or services to customers. The Company previously recognized revenue in connection with the granting of licenses with a limited term of agreement from the terms of agreement thereof. However, as a result of the abovementioned recognition approach, the Company has changed the way of recognition: when the nature of the promise at the time of granting a customer a license is a right to access intellectual property, revenue is recognized for a specific period; or when the nature of the promise at the time of granting a customer a license is a right to use intellectual property, revenue is recognized at a specific point of time. Moreover, considerations to be paid to customers, such as sales rebates, were previously handled as selling, general and administrative expenses but are handled by reducing them from the total sales at present.

The application of the Revenue Recognition Accounting Standard and other standards is handled as a transitional treatment as stipulated in proviso of Paragraph 84 of the Revenue Recognition Accounting Standard. The cumulative effects of retrospectively applying the new accounting policies to periods prior to the fiscal year under review were added to or deducted from retained earnings at the beginning of the fiscal year under review, and the new accounting policies are applied from the said beginning balance.

In addition, “Notes and accounts receivable - trade” included in “Current assets” in the Consolidated Balance Sheet of the preceding fiscal year is included separately in each of “Notes receivable - trade” and “Accounts receivable - trade” from the fiscal year under review. However, in accordance with the transitional treatment prescribed in Paragraph 89-2 of the Revenue Recognition Accounting Standard,” this item in the Consolidated Balance Sheet of the preceding fiscal year is not indicated in the new indication method.

As a result, the net sales for the fiscal year under review decreased by 135 million yen, and the operating profit, the ordinary profit, and the profit before income taxes each decreased by 18 million yen. In addition, the beginning balance of retained earnings increased by 177 million yen.

(Application of accounting standard for fair value measurement and other standards)

The “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019; hereinafter referred to as the “Fair Value Measurement Accounting Standard”) and other standards have been applied since the beginning of the fiscal year under review, and the Company will continue to apply the new accounting policy stipulated in the Fair Value Measurement Accounting Standard and other standards in the future in accordance with the transitional treatment prescribed in Paragraph 19 of the Fair Value Measurement Accounting Standard and Paragraph 44-2 of the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4,

2019). The application of these standards has no impact on the Consolidated Financial Statements.

(Notes to Consolidated Statements of Changes in Equity)

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.

For the fiscal year ended March 31, 2022 (From April 1, 2021 to March 31, 2022)

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*	24,596	123	—	24,719
Total	24,596	123	—	24,719

(Note)

The increase of 123 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 System Business," "Surveying/Civil Engineering System Business," and "IT Solutions Business."

The Architecture System 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 System 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

The accounting methods for reportable business segments are compliant with the accounting policy adopted for

preparing 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, 2021 (from April 1, 2020 to March 31, 2021)

(Million yen)

	Reportable segment				Adjustments*1	Amount recorded in Consolidated Financial Statements*2
	Architecture System Business	Surveying/Civil Engineering System 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.

For the fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Million yen)

	Reportable segment				Adjustments*1	Amount recorded in Consolidated Financial Statements*2
	Architecture System Business	Surveying/Civil Engineering System Business	IT Solutions Business	Total		
Net sales						
Sales to external customers	6,493	7,108	729	14,331	—	14,331
Intersegment sales or transfers	—	—	—	—	—	—
Total	6,493	7,108	729	14,331	—	14,331
Segment profit	2,481	3,402	268	6,152	162	6,314

(Notes)

1. The adjustment of 162 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.

4. Change in reportable segments

(Renaming of reportable segments)

From the fiscal year under review, the reportable segments of former “Architecture CAD Business” and “Surveying/Civil Engineering CAD Business” are renamed “Architecture System Business” and “Surveying/Civil Engineering System Business” to indicate the contents of the businesses appropriately. This change is the renaming of the segments and does not affect segment information. The segment information for the preceding fiscal year is also provided with the new segment names.

(Application of the Accounting Standard for Revenue Recognition and other standards)

As stated in Changes in accounting policies, the Revenue Recognition Accounting Standard and other standards are applied from the fiscal year under review, and the accounting treatment method concerning revenue recognition has been changed. Thus, the method for calculating business segment profits or losses has also been changed.

As a result of these changes, the net sales and segment profit of the “architecture system business” for the fiscal year under review decreased by 29 million yen and 8 million yen, respectively, and the net sales and segment profit of the “surveying/civil engineering system business” for the fiscal year under review decreased by 106 million yen and 9 million yen, respectively.

(Per share information)

	For the fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)	For the fiscal year ended March 31, 2022 (From April 1, 2021 to March 31, 2022)
Net assets per share	759.72 yen	917.21 yen
Basic earnings per share	170.66 yen	204.24 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, 2021 (From April 1, 2020 to March 31, 2021)	For the fiscal year ended March 31, 2022 (From April 1, 2021 to March 31, 2022)
Profit attributable to owners of parent (Million yen)	3,528	4,222
Amount not attributable to ordinary shareholders (Million yen)	—	—
Profit attributable to owners of parent relating to ordinary shares (Million yen)	3,528	4,222
Average number of ordinary shares during the period	20,675,430	20,675,291

(Significant subsequent events)

Not applicable.