

The anticipated amount for the fiscal year ended December 31, 2022 has not been determined yet. However, the Company has set a policy of continuously providing a stable payout with a payout ratio of 40% or more in December 2016, and has decided to return this amount.

Forecasts for the fiscal year ending December 3,2022 (January 1, 2022-December 31, 2022)

(Percentages indicate year-on-year changes for the full year and year-on-year changes for the quarter.)

	Net sales		Operating income		Ordinary income		Net income		Per share Net income
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Second Quarter (Cumulative)	1,229	(5.5)	64	(67.1)	64	(68.5)	43	(69.2)	1.88
Full year	2,701	(3.2)	162	(65.9)	162	(67.1)	111	(68.3)	4.79

(NOTE)Revisions to the consolidated forecasts most recently : None
announced

※ Notes

(1)Adoption of Special Accounting Methods for Preparation of Quarterly Financial Statements : None

(2)Changes in accounting policies and changes or restatement of accounting estimates

- 1 Changes in accounting policies caused by revision of accounting standards : Yes
- 2 Changes in accounting policies other than (i) : None
- 3 Changes in accounting estimates : None
- 4 Restatement of revisions : None

(3)Number of shares of common stock outstanding

1 Number of shares issued at the end of the period (including treasury stock)	1Q for the year ending December 31, 2022	23,202,000 Shares	Year ended December 31, 2021	23,190,000 Shares
2 Number of treasury stock at the end of the period	1Q for the year ending December 31, 2022	110,242 Shares	Year ended December 31, 2021	109,742 Shares
3 Average number of shares during the period (quarterly consolidated cumulative period)	1Q for the year ending December 31, 2022	23,087,921 Shares	1Q for the year ending December 31, 2021	23,062,815 Shares

※ Quarterly financial results are not subject to quarterly review by certified public accountants or auditing firms.

※ Explanations and other special notes concerning the appropriate use of business performance forecasts

The earnings forecasts and other forward-looking statements herein are based on information currently available to us and certain assumptions that we believe to be reasonable, and are not intended to guarantee the achievement of the forecasts. Actual results may differ materially from the forecast depending on a range of factors.

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2. Quarterly Financial Statements and Major Notes

(1) Quarterly Balance Sheets

	(Thousands of yen)	
	Prior taxable year (As of December 31, 2021)	Current First Quarter Accounting Period (As of March 31, 2022)
Assets		
Current assets		
Cash and deposits	1,848,030	1,749,188
Accounts receivable	649,783	-
Accounts receivable and contract assets	-	574,082
Work in process	7,173	4,927
Others	14,530	26,284
Total current assets	2,519,516	2,354,481
Fixed assets		
Property, plant and equipment	9,477	8,637
Intangible assets	218	218
Investments and other assets		
Investment securities	334,077	357,768
Others	97,059	129,368
Total investments and other assets	431,135	487,136
Total noncurrent assets	440,831	495,992
Total assets	2,960,346	2,850,473
Liabilities		
Current liabilities		
Accounts payable	129,288	130,446
Income taxes payable	96,284	30,793
Others	84,333	99,880
Total current liabilities	309,904	261,119
Long-term liabilities		
Asset retirement obligations	3,590	799
Total noncurrent liabilities	3,590	799
Total liabilities	313,494	261,918
Net assets		
Shareholders' equity		
Paid-in Capital	322,841	323,219
Capital surplus	281,980	282,343
Retained earnings	2,141,192	2,065,852
Treasury stock	(31,671)	(31,807)
Total shareholders' equity	2,714,341	2,639,607
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(67,559)	(51,122)
Total valuation and translation adjustments	(67,559)	(51,122)
Stock acquisition right	71	71
Total net assets	2,646,853	2,588,555
Total liabilities and net assets	2,960,346	2,850,473

(2)Quarterly Statements of Income

1st Quarter Cumulative Period

(Thousands of yen)

	Previous 1st Quarter Cumulative Period (1 January 2021 To March 31, 2021)	First Quarter of Fiscal 2016 (On January 1, 2022 From March 31, 2022)
Net sales	632,580	655,258
Cost of sales	474,560	483,687
Gross profit	158,019	171,571
Selling, general and administrative expenses	62,984	72,508
Operating income	95,035	99,063
Non-operating income		
Interest income	9	9
Dividends income	8,543	9,112
Others	0	95
Total non-operating income	8,552	9,217
Ordinary income	103,588	108,279
Extraordinary gains		
Gain on sales of noncurrent assets	1,196	-
Total extraordinary income	1,196	-
Quarterly income before income taxes	104,784	108,279
Income taxes	27,121	27,206
Income taxes-deferred	5,424	6,391
Total income taxes	32,545	33,597
Net profit	72,239	74,682

(3) Notes to Quarterly Financial Statements

(Notes on the Going Concern Assumption)

Not applicable.

(Notes on Substantial Changes in the Amount of Shareholders' Equity)

Not applicable.