



Consolidated Financial Report for the Fiscal Year Ended March 31, 2022 (Japan GAAP)

May 13, 2022

Company name: Takara Leben Co., Ltd. Stock listed on: Prime market of the Tokyo Stock Exchange
 Securities code: 8897 URL: <https://www.leben.co.jp>
 Representative: Kazuichi Shimada, Representative Director
 Contact: Masashi Yamamoto, Director, Executive General Manager of Administration Headquarters Tel. +81-3-6551-2130
 Scheduled date of annual general meeting of shareholders: June 24, 2022
 Scheduled date for commencement of dividend payment: June 27, 2022
 Scheduled date for release of annual securities report: June 24, 2022
 Supplementary materials on financial results: Yes
 Briefing for financial results: Yes (To prevent the spread of the COVID-19 coronavirus, the Company will distribute Representative Director's financial results presentation by video.)

(Amounts are rounded down to the nearest million)

1. Consolidated Operating Results for the Fiscal Year Ended March 31, 2022 (From April 1, 2021 to March 31, 2022)

(1) Consolidated Operating Results (Percentage figures represent 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	162,744	–	11,877	–	10,258	–	6,215	–
Year ended March 31, 2021	148,397	(11.9)	10,789	(9.3)	9,933	(11.3)	4,693	(12.5)

(Note) Comprehensive income: Year ended March 31, 2022: ¥6,293 million (–%) Year ended March 31, 2021: ¥5,327 million (2.4%)

	Profit per share	Diluted profit per share	Ratio of earnings to shareholders' equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Year ended March 31, 2022	57.10	56.69	11.0	4.8	7.3
Year ended March 31, 2021	43.22	42.94	9.0	5.0	7.3

(Reference) Equity in profit of affiliates: Year ended March 31, 2022: ¥(138) million Year ended March 31, 2021: ¥18 million

(Note) As the Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the current fiscal year, the figures for the fiscal year ended March 31, 2022 are after the application of the said accounting standard, etc., and the percentage change from the previous year is not stated.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	223,473	59,601	26.5	542.04
As of March 31, 2021	204,315	54,632	26.5	498.78

(Reference) Shareholders' equity: As of March 31, 2022: ¥59,109 million As of March 31, 2021: ¥54,194 million

(Note) As the Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the current fiscal year, the figures for the fiscal year ended March 31, 2022 are after the application of the said accounting standard, etc.

(3) Consolidated Cash Flow

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	23,189	(27,871)	(1,132)	32,693
Year ended March 31, 2021	26,330	(25,090)	2,654	38,500

2. Dividends

	Annual dividends per share					Total dividends (annual)	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	Q1	Q2	Q3	Year-end	Total			
Year ended March 31, 2021	–	4.00	–	10.00	14.00	1,521	32.4	2.9
Year ended March 31, 2022	–	4.00	–	14.00	18.00	1,962	31.5	3.5
Year ending March 31, 2023 (Forecast)	–	4.00	–	16.00	20.00		31.2	

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

(Percentage figures represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full year	173,500	6.6	11,900	0.2	10,300	0.4	7,000	12.6	64.19

* Notes

(1) Changes in significant subsidiaries during the current fiscal year (Changes in specified subsidiaries resulting in changes in scope of consolidation): Yes
 Newly consolidated companies: 1 company (Leben Clean Energy Co., Ltd.) Newly excluded companies: –
 (Note) For details, please refer to “3. Consolidated Financial Statements and Major Notes (5) Notes to Consolidated Financial Statements (Changes in Significant Subsidiaries during the Period under Review)” on page 16 of the attached materials.

(2) Changes in accounting policies and accounting estimates, and restatements
 (i) Changes in accounting policies due to revision of accounting standards: Yes
 (ii) Changes in accounting policies other than (i): None
 (iii) Changes in accounting estimates: None
 (iv) Restatements: None
 (Note) For details, please refer to “3. Consolidated Financial Statements and Major Notes (5) Notes to Consolidated Financial Statements (Changes in Accounting Policy)” on page 16 of the attached materials.

(3) Number of shares issued and outstanding (common stock)
 (i) Number of shares issued and outstanding at end of year (including treasury stock)
 As of March 31, 2022: 121,000,000 shares
 As of March 31, 2021: 121,000,000 shares
 (ii) Number of treasury stock at end of year
 As of March 31, 2022: 11,948,807 shares
 As of March 31, 2021: 12,344,907 shares
 (iii) Average number of shares during the year
 Year ended March 31, 2022: 108,854,014 shares
 Year ended March 31, 2021: 108,592,443 shares

(Reference) Overview of Non-consolidated Operating Results

Non-consolidated Operating Results for the Fiscal Year Ended March 31, 2022 (From April 1, 2021 to March 31, 2022)

(1) Non-consolidated Operating Results (Percentage figures represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2022	88,949	–	4,332	–	7,738	–	5,052	–
Year ended March 31, 2021	96,949	(21.8)	7,799	(19.5)	8,682	(17.7)	3,257	(30.2)

	Profit per share		Diluted profit per share	
	Yen		Yen	
Year ended March 31, 2022	46.42		46.08	
Year ended March 31, 2021	30.00		29.80	

(Note) As the Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the current fiscal year, the figures for the fiscal year ended March 31, 2022 are after the application of the said accounting standard, etc., and the percentage change from the previous year is not stated.

(2) Non-consolidated Financial Position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
As of March 31, 2022	150,689		51,447		34.0		469.97	
As of March 31, 2021	144,796		47,803		32.9		438.12	

(Reference) Shareholders' equity: As of March 31, 2022: ¥51,250 million As of March 31, 2021: ¥47,603 million

(Note) As the Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the current fiscal year, the figures for the fiscal year ended March 31, 2022 are after the application of the said accounting standard, etc.

Reason for difference from non-consolidated operating results for the previous fiscal year

The difference in profit between the previous fiscal year and the fiscal year under review is due mainly to a write-down posted in the previous fiscal year when the use of certain hotel assets was changed to residential properties.

* This Consolidated Financial Report does not need to be audited by a certified public accountant or audit corporation.

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

(Caution concerning forward-looking statements, etc.)

The forward-looking statements presented above are based on the information available at the time of the release of this report and are not intended to guarantee that the Company will achieve such figures. Actual results may differ from these forecasts due to various factors in the future.

To obtain the supplementary materials on financial results:

Supplementary materials on financial results have been posted on the Company's website. The materials are also accessible through TDnet.

To access the details of briefing for financial results:

The briefing for financial results will be distributed by video on the Company's website.

○ Contents of Attachment

1. Overview of Operating Results, Etc.	4
(1) Overview of Operating Results for the Fiscal Year Ended March 31, 2022.....	4
(2) Overview of Financial Position for the Fiscal Year Ended March 31, 2022	5
(3) Overview of Cash Flow for the Fiscal Year Ended March 31, 2022	6
(4) Future Outlook.....	7
(5) Basic Policy on Profit Distribution and Dividends for the Current and Next Fiscal Years	7
2. Basic Concept of Selection of Accounting Standards.....	7
3. Consolidated Financial Statements and Major Notes	8
(1) Consolidated Balance Sheet.....	8
(2) Consolidated Statements of Income and Comprehensive Income.....	10
Consolidated Statement of Income.....	10
Consolidated Statement of Comprehensive Income.....	11
(3) Consolidated Statement of Changes in Shareholders' Equity	12
(4) Consolidated Statement of Cash Flows.....	14
(5) Notes to the Consolidated Financial Statements	16
(Notes Regarding the Going Concern Assumption)	16
(Changes in Significant Subsidiaries during the Period under Review)	16
(Changes in Accounting Policy).....	16
(Consolidated Balance Sheet)	17
(Consolidated Statement of Income).....	17
(Rental Properties, Etc.)	18
(Segment Information)	19
(Per Share Information).....	22
(Significant Subsequent Events)	22
4. Other.....	23
Production, Orders Received and Sales	23

1. Overview of Operating Results, Etc.

(1) Overview of Operating Results for the Fiscal Year Ended March 31, 2022

During the fiscal year under review, corporate activities and consumer spending were intermittently restricted in Japan due to COVID-19. With increased vaccinations and regulations, COVID-19 cases subsided, but the number of cases started to rise toward the end of 2021 due to the arrival of the COVID-19 variant. While the number of new COVID-19 cases reported remained at a certain level, quasi-emergency measures were discontinued on March 21, 2022. Due to the end of the measures, the flow of people increased and restaurants that were closed reopened. Social and economic activities are gradually normalizing.

In the real estate sales market in which the Group operates, consumer appetite was strong during the pandemic, although changes were seen in what customers were seeking from residences as the number of people working at home increased. Upward trends are continued in demand for convenient locations and daily life and compact condominiums, reflecting diversified end-users' lifestyles caused by a continued increase in single-person households and dual-income households and changes in consumer values. Meanwhile, demand in regional urban centers remains strong, thanks in part to the demand of active seniors, which continues to be high, and the trend of compact city development.

In the Tokyo metropolitan area, the number of condominium units supplied increased 23.5% from the previous fiscal year, to 33,636 (survey by Real Estate Economic Institute Co., Ltd.) partly due to a reaction to a decline in supply amid the pandemic in 2020. The supply-demand balance continues to be favorable, with the number of condominium units supplied remaining at the 30,000 level in recent years. The average sales price continued to rise and hit a record high for the third consecutive year.

The number of nationwide condominium units supplied increased 29.5% from the previous year, to 77,552 (survey by Real Estate Economic Institute Co., Ltd.), reflecting a reaction to a decrease in supply in the previous fiscal year due to COVID-19. In these conditions, the Group was the fifth largest condominium developer based on the number of condominium units supplied sold. As an independent general real estate developer, the Company plays a role in the maintenance of stable supply in the real estate sales market. In the liquidation business, the Noda City Nakazato Logistics Facility, the Company's first logistics facility, was completed in Noda, Chiba Prefecture in March 2022. The construction of the logistics facility is a new initiative in the liquidation business, one of the Company's major segments. It is also a project for the optimization of the liquidation business of the asset portfolio, where the assets are mainly residential properties and office buildings in major cities in the Kanto, Kansai and Chukyo areas.

The Company announced its new mid-term management plan on May 14, 2021. It will engage in CSR activities beyond the growth of profit through its business to help resolve social issues and achieve the Sustainable Development Goals (SDGs) and to earn the trust of society and diverse stakeholders, while considering their happiness and helping them to achieve it, to secure sustainable development. In the fiscal year under review, the Company recorded consolidated net sales of ¥162,744 million (¥148,397 million in the previous year), consolidated operating profit of ¥11,877 million (¥10,789 million in the previous year), consolidated ordinary profit of 10,258 million (¥9,933 million in the previous year) and profit attributable to owners of parent of ¥6,215 million (¥4,693 million in the previous year).

Effective from the current fiscal year, the Company has adopted "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. Therefore, explanations regarding operating results for the current fiscal year are provided without stating the amount of increase or decrease compared to the previous fiscal year or the percentage change from the previous fiscal year.

For details, please refer to "3. Consolidated Financial Statements and Major Notes (5) Notes to Consolidated Financial Statements (Changes in Accounting Policy)."

(i) Performance by Business Segment

Effective from the current fiscal year, the Company has changed the name of its reportable segment from "Electric Power Generation Business" to "Energy Business." This change is a change in the name of the segment and has no impact on the segment information.

<Real Estate Sales Business>

Revenues from the real estate sales business amounted to ¥109,152 million (¥117,200 million in the previous fiscal year), as a result of revenues of ¥68,912 million from the sales of new built-for-sale condominiums, revenues of ¥23,571 million from the sale of profit-generating real estate, and revenues of ¥16,668 million from the sales of new detached houses and used condominiums, etc.

<Real Estate Rental Business>

Revenues from the real estate rental business amounted to ¥5,950 million (¥5,753 million in the previous fiscal year), including rent revenues from the rental of apartments, condominium units and offices.

<Real Estate Management Business>

Revenues from the real estate management business representing management fees from 69,335 units under management amounted to ¥5,856 million (¥5,446 million in the previous fiscal year).

<Energy Business>

Revenues from the energy business amounted to ¥34,248 million (¥13,485 million in the previous year) including revenue from sales of power generation facilities that were already operating and revenues from the sale of electricity generated by other electric power generation facilities.

<Other Business>

Revenues from other business totaled ¥7,536 million (¥6,512 million in the previous year) including revenues from contracts for construction works, orders for large-scale repair works, and commission income, etc.

(ii) Performance Review by Item

<Net Sales>

In the real estate sales business, net sales amounted to ¥109,152 million, reflecting sales of 1,830 units of new built-for-sale condominiums (including JV equity interests), profit-generating real estate, as well as new detached houses and used condominiums.

In the real estate rental business, net sales stood at ¥5,950 million due to rental revenues of apartments, condominiums and offices, etc.

In the real estate management business, net sales came to ¥5,856 million due to management fees, etc. from 69,335 units managed.

In the power generation business, net sales were ¥34,248 million, including revenues from sales of power generation facilities that were already operating and revenues from the sale of electricity generated by other electric power generation facilities.

In other business, net sales were ¥7,536 million, reflecting contracts for construction works, orders for large-scale repair works, and commission income, etc.

As a result, consolidated net sales in the fiscal year under review stood at ¥162,744 million (¥148,397 million in the previous year).

<Cost of Sales>

The cost of sales was ¥129,626 million (¥118,469 million in the previous year), reflecting an increase in revenue from sales of power generation facilities that were already operating.

<Selling, General and Administrative Expenses>

Selling, general and administrative expenses were ¥21,240 million (¥19,139 million in the previous year), chiefly due to an increase in staff following the expansion of business.

<Non-Operating Income and Expenses>

Non-operating income came to ¥684 million (¥687 million in the previous year), explained mainly by a fall in share of profit of entities accounted for using the equity method for equity-method affiliates.

Non-operating expenses stood at ¥2,303 million (compared with ¥1,542 million in the previous fiscal year) mainly due to an increase in interest expenses resulting from the acquisition of consolidated subsidiary.

<Extraordinary Income and Losses>

Extraordinary income came to ¥37 million, reflecting a gain on negative goodwill.

Extraordinary losses were ¥845 million (¥2,761 million in the previous year), primarily due to the recording of impairment losses.

As a result, consolidated net sales amounted to ¥162,744 million (¥148,397 million in the previous year), consolidated operating profit came to ¥11,877 million (¥10,789 million in the previous year), consolidated ordinary profit was ¥10,258 million (¥9,933 million in the previous year), and profit attributable to owners of parent was ¥6,215 million (¥4,693 million in the previous year), in the fiscal year under review.

(2) Overview of Financial Position for the Fiscal Year Ended March 31, 2022

With regard to the status of consolidated assets, liabilities and net assets of the Group for the fiscal year under review, total assets increased ¥19,157 million from the end of the previous fiscal year, to ¥223,473 million, mainly reflecting steady purchase of business assets.

<Current assets>

Current assets rose ¥16,938 million from the end of the previous fiscal year, to ¥142,625 million, chiefly due to an increase in inventories resulting from new purchases and transfers of business assets to inventories.

<Non-current assets>

Non-current assets increased ¥2,260 million from the end of the previous fiscal year, to ¥80,792 million, mainly due to an increase in business assets as a result of change in the scope of consolidation

<Current liabilities>

Current liabilities increased ¥19,360 million from the end of the previous fiscal year to ¥75,010 million, mainly due to an increase in short-term borrowings and transfers between long-term and short-term borrowings and bonds.

<Non-current liabilities>

Non-current liabilities decreased ¥5,172 million from the end of the previous fiscal year to ¥88,860 million, mainly due to transfers between long-term and short-term borrowings and bonds.

<Net assets>

Net assets increased ¥4,969 million from the end of the previous fiscal year, to ¥59,601 million, chiefly because the recorded amount of profit attributable to owners of parent exceeded amounts such as dividends of surplus.

(3) Overview of Cash Flow for the Fiscal Year Ended March 31, 2022

Cash and cash equivalents (“funds”) as of March 31, 2022 amounted to ¥32,693 million, a decrease of ¥5,806 million from March 31, 2021.

<Cash flows from operating activities>

Net cash provided by operating activities was ¥23,189 million (cash provided of ¥26,330 million in the previous fiscal year). This mainly reflects a decrease in inventories.

<Cash flows from investing activities>

Net cash used in investing activities was ¥27,871 million (cash used of ¥25,090 million in the previous fiscal year). This was chiefly due to purchase of property, plant and equipment.

<Cash flows from financing activities>

Net cash used in financing activities was ¥1,132 million (cash provided of ¥2,654 million in the previous fiscal year). This is primarily attributable to repayment of loans payable.

(Reference) Changes in Cash Flow Indicators

	Year ended March 2020	Year ended March 2021	Year ended March 2022
Equity ratio (%)	25.9	26.5	26.5
Equity ratio at market value (%)	19.4	19.8	14.6
Debt repayment period (years)	2.4	4.5	5.5
Interest coverage ratio (times)	41.4	21.7	13.1

Equity ratio: Shareholders' equity/Total assets

Equity ratio at market value: Equity market capitalization/Total assets

Debt repayment period: Interest-bearing debt/Operating cash flows

Interest coverage ratio: Operating cash flows/Interest expense

* These indicators are all calculated using consolidated financial data.

* Interest-bearing debt includes all debts recorded on the consolidated balance sheet on which interest is paid.

(4) Future Outlook

The consolidated results forecast for the fiscal year ending March 31, 2023 is as described below. Effective from the fiscal year ending March 31, 2023, the business segments have changed.

In the real estate business, the new built-for-sale condominium business, the core business, will work to increase supplies not only in the Tokyo metropolitan area but also in central urban areas in provincial regions. It is expected that 1,780 units will be delivered, including 1,630 concerned with the Company's equity interest after allocation within a joint venture.

The energy business will continue to develop solar power generation facilities. It will also work to construct a power purchase agreement (PPA) business.

In the asset management business, the Company aims to accumulate assets under management and expand asset management fees through synergies in the Group and the acquisition of properties from third parties.

In view of the above, the Company forecasts its performance for the next fiscal year as follows.

Net sales	¥173,500 million	(up 6.6% year on year)
Operating profit	¥11,900 million	(up 0.2% year on year)
Ordinary profit	¥10,300 million	(up 0.4% year on year)
Profit attributable to owners of parent	¥7,000 million	(up 12.6% year on year)

(Number of units scheduled to be delivered in comparison with contracts in the new built-for-sale condominium business, including the number of units involved in the joint venture)

	Number of units scheduled to be delivered in FY2023/3	Of those, number of units contracted	Number of contracts for units scheduled to be delivered in FY2024/3 and later	Total number of units contracted
End of March 2022	1,780	1,068	251	1,319

(5) Basic Policy on Profit Distribution and Dividends for the Current and Next Fiscal Years

The Group set out the payout ratio of approximately 30% to 35% in the mid-term management plan announced in May 2021.

For the fiscal year under review, the Company plans to pay a year-end dividend of ¥14.0 per share, which reflects the upward revision on May 13, 2022. The annual dividend comes to ¥18.0 per share including the interim dividend that has been already paid. As a result, the payout ratio is 31.5%.

For the next fiscal year, the Company will pay shareholder returns with a payout ratio between 30% and 35% as set out in the new mid-term management plan announced on May 14, 2021.

2. Basic Concept of Selection of Accounting Standards

The Group has adopted the Japanese accounting standards to ensure comparability with our domestic competitors.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	Previous Consolidated Fiscal Year (March 31, 2021)	Current Consolidated Fiscal Year (March 31, 2022)
Assets		
Current assets		
Cash and deposits	39,169	33,428
Notes and accounts receivable - trade	2,193	–
Notes and accounts receivable - trade, and contract assets	–	2,886
Real estate for sale	28,682	32,616
Power generation facilities for sale	–	1,001
Real estate for sale in process	43,766	58,036
Costs incurred on uncompleted contracts	596	12
Other	11,418	14,919
Allowance for doubtful accounts	(141)	(275)
Total current assets	125,686	142,625
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,827	11,150
Accumulated depreciation	(1,725)	(1,596)
Buildings and structures, net	12,102	9,553
Machinery, equipment and vehicles	13,915	14,056
Accumulated depreciation	(710)	(1,279)
Machinery, equipment and vehicles, net	13,204	12,777
Tools, furniture and fixtures	524	522
Accumulated depreciation	(308)	(319)
Tools, furniture and fixtures, net	216	203
Land	33,739	36,948
Lease assets	67	345
Accumulated depreciation	(56)	(55)
Lease assets, net	11	290
Construction in progress	4,795	3,965
Total property, plant and equipment	64,070	63,739
Intangible assets		
Goodwill	960	1,561
Other	638	948
Total intangible assets	1,599	2,510
Investments and other assets		
Investment securities	5,194	5,462
Long-term loans receivable	0	380
Deferred tax assets	1,273	981
Other	6,407	7,731
Allowance for doubtful accounts	(13)	(12)
Total investments and other assets	12,861	14,542
Total non-current assets	78,531	80,792
Deferred assets	97	55
Total assets	204,315	223,473

(Millions of yen)

	Previous Consolidated Fiscal Year (March 31, 2021)	Current Consolidated Fiscal Year (March 31, 2022)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	13,318	15,411
Short-term loans payable	9,208	14,189
Current portion of bonds payable	116	2,168
Current portion of long-term loans payable	17,524	25,298
Lease obligations	3	35
Income taxes payable	2,264	2,089
Advances received	5,657	7,348
Provision for bonuses	570	629
Provision for warranties for completed construction	463	486
Other	6,522	7,354
Total current liabilities	55,649	75,010
Non-current liabilities		
Long-term loans payable	85,721	81,923
Bonds payable	5,988	4,070
Lease obligations	8	285
Provision for directors' retirement benefits	119	160
Net defined benefit liability	863	984
Asset retirement obligations	24	56
Deferred tax liabilities	28	128
Other	1,278	1,252
Total non-current liabilities	94,033	88,860
Total liabilities	149,683	163,871
Net assets		
Shareholders' equity		
Capital stock	4,819	4,819
Capital surplus	4,817	4,817
Retained earnings	48,649	53,395
Treasury shares	(4,604)	(4,456)
Total shareholders' equity	53,682	58,575
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	521	548
Foreign currency translation adjustment	(1)	0
Remeasurements of defined benefit plans	(8)	(14)
Total accumulated other comprehensive income	512	534
Share acquisition rights	199	197
Non-controlling interests	237	294
Total net assets	54,632	59,601
Total liabilities and net assets	204,315	223,473

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

(Millions of yen)

	Previous Consolidated Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Consolidated Fiscal Year (From April 1, 2021 to March 31, 2022)
Net sales	148,397	162,744
Cost of sales	*1 118,469	*1 129,626
Gross profit	29,928	33,117
Selling, general and administrative expenses	*2 19,139	*2 21,240
Operating profit	10,789	11,877
Non-operating income		
Interest income	0	59
Dividend income	292	300
Commission fee	118	126
Share of profit of entities accounted for using equity method	18	–
Miscellaneous income	257	198
Total non-operating income	687	684
Non-operating expenses		
Interest expense	1,226	1,755
Share of loss of entities accounted for using equity method	–	138
Miscellaneous loss	316	409
Total non-operating expenses	1,542	2,303
Ordinary profit	9,933	10,258
Extraordinary income		
Gain on negative goodwill	–	37
Total extraordinary income	–	37
Extraordinary losses		
Loss on sale of non-current assets	171	–
Impairment loss	*3 2,589	*3 588
Loss on sale of shares of subsidiaries and associates	–	256
Total extraordinary losses	2,761	845
Profit before income taxes	7,172	9,450
Income taxes - current	3,078	3,158
Income taxes - deferred	(597)	20
Total income taxes	2,481	3,179
Profit	4,691	6,271
Profit (loss) attributable to non-controlling interests	(2)	56
Profit attributable to owners of parent	4,693	6,215

(Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Previous Consolidated Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Consolidated Fiscal Year (From April 1, 2021 to March 31, 2022)
Profit	4,691	6,271
Other comprehensive income		
Valuation difference on available-for-sale securities	619	26
Foreign currency translation adjustment	(1)	1
Remeasurements of defined benefit plans, net of tax	18	(6)
Total other comprehensive income	636	21
Comprehensive income	5,327	6,293
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,329	6,236
Comprehensive income attributable to non-controlling interests	(2)	56

(3) Consolidated Statement of Changes in Shareholders' Equity
 Previous Consolidated Fiscal Year (From April 1, 2020 to March 31, 2021)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	4,819	4,817	45,817	(4,695)	50,759
Cumulative effects of changes in accounting policies					–
Restated balance	4,819	4,817	45,817	(4,695)	50,759
Changes of items during period					
Dividends of surplus			(1,843)		(1,843)
Profit attributable to owners of parent (millions of yen)			4,693		4,693
Change resulting from inclusion of subsidiaries in consolidation					–
Disposal of treasury shares		(16)		90	73
Change in scope of equity method					–
Transfer to capital surplus from retained earnings		16	(16)		–
Net changes of items other than shareholders' equity					
Total changes of items during period	–	–	2,832	90	2,922
Balance at end of current period	4,819	4,817	48,649	(4,604)	53,682

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	(97)	(0)	(27)	(124)	241	263	51,139
Cumulative effects of changes in accounting policies							–
Restated balance	(97)	(0)	(27)	(124)	241	263	51,139
Changes of items during period							
Dividends of surplus							(1,843)
Profit attributable to owners of parent (millions of yen)							4,693
Change resulting from inclusion of subsidiaries in consolidation							–
Disposal of treasury shares							73
Change in scope of equity method							–
Transfer to capital surplus from retained earnings							–
Net changes of items other than shareholders' equity	619	(1)	18	637	(41)	(25)	569
Total changes of items during period	619	(1)	18	637	(41)	(25)	3,492
Balance at end of current period	521	(1)	(8)	512	199	237	54,632

Current Consolidated Fiscal Year (From April 1, 2021 to March 31, 2022)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	4,819	4,817	48,649	(4,604)	53,682
Cumulative effects of changes in accounting policies			43		43
Restated balance	4,819	4,817	48,693	(4,604)	53,725
Changes of items during period					
Dividends of surplus			(1,521)		(1,521)
Profit attributable to owners of parent (millions of yen)			6,215		6,215
Change resulting from inclusion of subsidiaries in consolidation			(4)		(4)
Disposal of treasury shares		(19)		147	128
Change in scope of equity method			32		32
Transfer to capital surplus from retained earnings		19	(19)		–
Net changes of items other than shareholders' equity					
Total changes of items during period	–	–	4,702	147	4,849
Balance at end of current period	4,819	4,817	53,395	(4,456)	58,575

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	521	(1)	(8)	512	199	237	54,632
Cumulative effects of changes in accounting policies							43
Restated balance	521	(1)	(8)	512	199	237	54,675
Changes of items during period							
Dividends of surplus							(1,521)
Profit attributable to owners of parent (millions of yen)							6,215
Change resulting from inclusion of subsidiaries in consolidation							(4)
Disposal of treasury shares							128
Change in scope of equity method							32
Transfer to capital surplus from retained earnings							–
Net changes of items other than shareholders' equity	26	1	(6)	21	(2)	56	75
Total changes of items during period	26	1	(6)	21	(2)	56	4,925
Balance at end of current period	548	0	(14)	534	197	294	59,601

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	Previous Consolidated Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Consolidated Fiscal Year (From April 1, 2021 to March 31, 2022)
Cash flows from operating activities		
Profit before income taxes	7,172	9,450
Depreciation and amortization	1,803	2,838
Impairment loss	2,589	588
Amortization of goodwill	234	329
Increase (decrease) in provision	222	260
Increase (decrease) in net defined benefit liability	237	121
Interest and dividend income	(292)	(360)
Share-based compensation expenses	36	125
Interest expense	1,226	1,755
Loss (gain) on sale of property, plant and equipment	171	-
Loss (gain) on sale of shares of subsidiaries and associates	-	256
Decrease (increase) in notes and accounts receivable - trade	(258)	(509)
Decrease (increase) in inventories	19,454	13,062
Increase (decrease) in notes and accounts payable - trade	1,459	2,088
Increase (decrease) in advances received	(611)	1,690
Other	(2,469)	(3,591)
Subtotal	30,975	28,107
Interest and dividends received	292	360
Interest expenses paid	(1,211)	(1,776)
Income taxes paid	(3,726)	(3,501)
Net cash provided by (used in) operating activities	26,330	23,189
Cash flow from investing activities		
Payments into time deposits	(127)	(161)
Proceeds from withdrawal of time deposits	145	205
Decrease (increase) in short-term loans receivable	0	800
Purchase of property, plant and equipment	(25,771)	(25,279)
Proceeds from sales of property, plant and equipment	901	9
Purchase of intangible assets	(94)	(405)
Purchase of shares of subsidiaries and associates	(75)	(1,193)
Proceeds from sale of shares of subsidiaries and associates	-	700
Purchase of investment securities	(41)	(579)
Proceeds from sales of investment securities	4	-
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	0	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(0)	(2,182)
Other	(32)	213
Net cash provided by (used in) investing activities	(25,090)	(27,871)

(Millions of yen)

	Previous Consolidated Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Consolidated Fiscal Year (From April 1, 2021 to March 31, 2022)
Cash flows from financing activities		
Net increase in short-term loans payable	(7,835)	3,271
Proceeds from long-term loans payable	66,404	69,605
Repayment of long-term loans payable	(55,038)	(71,180)
Proceeds from issuance of bonds	1,300	250
Redemption of bonds	(296)	(1,546)
Repayment of lease obligations	(12)	(12)
Cash dividends paid	(1,842)	(1,520)
Dividends paid to non-controlling interests	(23)	–
Net cash provided by (used in) financing activities	2,654	(1,132)
Net increase (decrease) in cash and cash equivalents	3,894	(5,813)
Cash and cash equivalents at beginning of year	34,605	38,500
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	–	7
Cash and cash equivalent at end of year	38,500	32,693

(5) Notes to the Consolidated Financial Statements
(Notes Regarding the Going Concern Assumption)
Not applicable.

(Changes in Significant Subsidiaries during the Period under Review)

(Changes in specified subsidiaries resulting in changes in the scope of consolidation)

During the fiscal year ended March 31, 2022, the Company newly acquired all of the issued shares of ACA Clean Energy Co., Ltd., and therefore included the company in the scope of consolidation.

ACA Clean Energy Co., Ltd. changed its corporate name to Leben Clean Energy Co., Ltd. as of June 22, 2021.

(Changes in Accounting Policy)

(Application of the Accounting Standard for Revenue Recognition, etc.)

The Company has applied the “Accounting Standard for Revenue Recognition” (“ASBJ Statement No. 29, March 31, 2020, Accounting Standards Board of Japan”), from the beginning of the fiscal year under review. It recognizes revenues for goods or services based on the amount estimated to be received in exchange for such goods or services at the point when control of the promised goods or services is conveyed to the customer

Therefore, in goods and services to customers, which were previously recorded as selling, general and administrative expenses, the method of reducing the amount from the transaction price has been adopted. The Company conventionally applied the completed-contract standard, but effective from the current fiscal year, has changed its method of accounting for performance obligations that are to be fulfilled over a certain period of time by estimating the percentage of completion for the fulfillment of the obligations and recognizing revenue over a certain period of time based on the percentage of completion, except for construction projects of very short duration.

For the application of the Revenue Recognition Accounting Standard, etc. the Company has followed the transitional treatment prescribed in the proviso of Article 84 of the revenue recognition accounting standard, and the cumulative effect of retroactively applying the new accounting policy prior to the beginning of the current fiscal year has been added to or deducted from retained earnings at the beginning of the current year, and the relevant opening balance. The new accounting policy has been applied from the beginning of the current fiscal year. However, the Company has not applied the new accounting policy retrospectively to contracts for which the method prescribed in Article 86 of the Revenue Recognition Accounting Standard was applied and almost all of the revenue amounts were recognized in accordance with the previous treatment prior to the beginning of the current fiscal year. In addition, the Company has applied the method prescribed in Article 86, Subparagraph (1) of the Accounting Standard for Revenue Recognition to account for contract changes made prior to the beginning of the current fiscal year based on the contract terms after reflecting all contract changes, and has added or subtracted the cumulative effect of such changes to retained earnings at the beginning of the current fiscal year.

Due to the application of Accounting Standard for Revenue Recognition, “Notes and accounts receivable-trade,” which were presented in “Current assets” in the consolidated balance sheet for the previous fiscal year, are now included in “Notes, accounts receivable-trade and contract assets” from the current fiscal year.

In accordance with the transitional treatment stipulated in Article 89-2 of the Accounting Standard for Revenue Recognition, no reclassification has been made for the previous fiscal year using the new presentation method.

As a result, the impact on the consolidated financial statements of the current fiscal year is minimal.

Net assets at the beginning of the fiscal year ended March 31, 2022 reflect cumulative effects. Due to the cumulative effects, retained earnings at the beginning of the fiscal year in the consolidated statement of changes in shareholders’ equity increased ¥43 million.

(Application of the Accounting Standard for Fair Value Measurement)

The Company has applied the “Accounting Standard for Fair Value Measurement” (“ASBJ Statement No. 30, July 4, 2019, Accounting Standards Board of Japan”), from the beginning of the current fiscal year. The company has prospectively decided to apply new accounting policies based on the Accounting Standard for Fair Value Measurement, in accordance with the transitional measurement in Article 19 of Accounting Standard for Fair Value Measurement and Article 44-2 of “Accounting Standard for Financial Instruments,” (ASBJ Statement No. 10, July 4, 2019). The impact of application of the Accounting Standard for Fair Value Measurement, on consolidated financial statements for the current year is immaterial.

(Consolidated Balance Sheet)

The Group maintains overdraft and credit line agreements with 64 financial institutions (March 31, 2021: 61) in order to ensure the efficient funding of operating capital. The unused balance of borrowings under these agreements at the consolidated fiscal year-end is as follows. (Millions of yen)

	Previous Consolidated Fiscal Year (March 31, 2021)	Current Consolidated Fiscal Year (March 31, 2022)
Total maximum amount of overdraft and credit lines	70,930	77,201
Outstanding borrowing balance	39,380	41,425
Difference	31,550	35,776

(Consolidated Statement of Income)

*1. Inventories are stated at the amount after the write-down reflecting the decline in profitability. Loss on valuation of inventories included in Cost of sales is as follows. (Millions of yen)

	Previous Consolidated Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Consolidated Fiscal Year (From April 1, 2021 to March 31, 2022)
	305	(359)

*2. Selling expenses account for approximately 40% for the year ended March 31, 2021 and 36% for the year ended March 31, 2022, and general and administrative expenses account for approximately 60% and 64%, respectively.

Major components of Selling, general and administrative expenses and their amounts are as follows. (Millions of yen)

	Previous Consolidated Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Consolidated Fiscal Year (From April 1, 2021 to March 31, 2022)
Advertising expenses	4,007	4,539
Sales promotion expenses	2,475	2,288
Salaries and allowances	3,385	4,083
Provision for allowance for bonuses	688	840
Retirement benefit costs	255	171
Provision for allowance for directors' retirement benefits	27	45
Provision for allowance for doubtful accounts	146	135

*3. Impairment loss

Previous consolidated fiscal year (From April 1, 2020 to March 31, 2021)

Mainly due to the declining profitability of rental properties, hotels and idle assets, the Group recorded impairment losses (¥2,589 million) for the following assets or asset groups in the consolidated fiscal year under review.

Use	Type	Location	Amount (Millions of yen)
Real estate for rent	Land, buildings	Kyoto-shi, Kyoto	388
Hotels	Land, buildings	Kyoto-shi, Kyoto	995
	Land, buildings	Kyoto-shi, Kyoto	593
	Land	Kyoto-shi, Kyoto	113
	Land, buildings	Kyoto-shi, Kyoto	467
Idle assets	Land	Tochigi-shi, Tochigi	30
Total			2,589

The itemized totals are ¥1,404 million for land and ¥1,185 million for buildings, respectively.

The Group classifies rental properties, hotels and idle assets by individual property.

The recoverable amount is measured using net sale value, which is assessed based on the appraisal value by a real estate appraiser.

Current consolidated fiscal year (From April 1, 2021 to March 31, 2022)

Mainly due to the declining profitability of the hotel business, the Group recorded impairment losses (¥588 million) for the following assets or asset groups in the consolidated fiscal year under review.

Use	Type	Location	Amount (Millions of yen)
Hotels	Land, buildings	Nasu-gun, Tochigi	588
Total			588

The itemized totals are ¥156 million for land and ¥432 million for buildings, respectively.

The Group classifies hotels by individual property.

The recoverable amount is measured using net sale value, which is assessed based on the appraisal value by a real estate appraiser.

(Rental Properties, etc.)

The Company and its certain consolidated subsidiaries own office buildings for lease (including land) and condominiums for lease in Tokyo and other areas. During the fiscal year ended March 31, 2021, net rent income from these rental properties amounted to ¥210 million (rent income is recorded in net sales and major rent expenses are recorded in cost of sales). During the fiscal year ended March 31, 2022, net rent income from these rental properties amounted to ¥355 million (rent income is recorded in net sales and major rent expenses are recorded in cost of sales).

The carrying amount of these rental properties on the Consolidated Balance Sheet, changes during the year and market value are as follows.

(Millions of yen)

	Previous Consolidated Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Consolidated Fiscal Year (From April 1, 2021 to March 31, 2022)
Consolidated balance sheet		
Beginning balance	38,250	39,709
Changes during the year	1,459	(903)
Ending balance	39,709	38,805
Market value at end of year	39,099	38,118

(Notes) 1. The carrying amount on the Consolidated Balance Sheet represents the acquisition cost net of accumulated depreciation and amortization and accumulated impairment loss.

2. Of the changes during the year, the major increases during the year ended March 31, 2021 include the acquisition of real estate (¥11,746 million) and a change of use to rental properties, etc. (¥5,251), and major decreases include transfer to real estate held for sale and real estate held for sale in progress (¥15,375 million), depreciation (¥433 million) and impairment losses (¥856 million). The major increases during the year ended March 31, 2022 include the acquisition of real estate (¥15,485 million), and major decreases include transfer to real estate held for sale and real estate held for sale in progress (¥11,500 million), a change of use to uses other than rental properties, etc. (¥4,283 million) and depreciation (¥436 million).
3. Market value at the end of the year is based on the appraisal value by a third party real estate appraiser.
4. Assets under construction are not included in the above table as it is not practicable to obtain their market value. The carrying amounts of assets under construction on the consolidated balance sheet in the year ended March 31, 2021 and in the year ended March 31, 2022 were ¥983 million and ¥2,316 million, respectively.

(Segment Information)

a. Segment Information

1. Overview of reportable segments

The reportable segments of the Group are components of the Company for which separate financial information is available that is evaluated regularly by the Board of Directors in deciding how to allocate resources and in assessing performance.

The Group's core business is construction and sales of built-for-sale condominiums. The Group's reportable segments consist of four business segments: the real estate sales business, the real estate rental business, the real estate management business and the energy business.

Effective from the current fiscal year, the Company has changed the name of its reportable segment from "Electric Power Generation Business" to "Energy Business." This change is a change in the name of the segment and has no impact on the segment information. The real estate sales business primarily engages in sales of new built-for-sale condominiums, profit-generating real estate, detached houses and condominium renovation.

The real estate rental business provides the office and residential condominiums rental service, and the real estate management business provides the condominium management service.

The energy business engages in electric power generation using renewable energy.

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

Accounting policies for the reportable business segments are consistent with those used to prepare the consolidated financial statements, except for the valuation of inventories.

Inventories are stated at the value after the write-down, reflecting the decline in profitability.

Reportable segment profit represents operating profit.

Inter-segment sales and transfers are valued at market prices.

3. Net sales, profit or loss, assets, liabilities and other items by reportable segment

Previous consolidated fiscal year (From April 1, 2020 to March 31, 2021)

(Millions of yen)

	Reportable segments					Other (Note)	Total
	Real estate sales business	Real estate rental business	Real estate management business	Energy business	Total		
Net sales							
Net sales to external customers	117,200	5,753	5,446	13,485	141,885	6,512	148,397
Inter-segment sales and transfers	3,056	53	224	34	3,368	893	4,262
Total	120,256	5,807	5,671	13,519	145,254	7,405	152,660
Segment profit (loss)	9,542	580	(150)	944	10,917	751	11,669
Segment assets	86,333	43,969	1,283	34,500	166,087	2,721	168,808
Segment liabilities	71,374	37,043	1,390	32,691	142,499	1,740	144,240
Other items							
Depreciation and amortization	129	442	6	921	1,500	153	1,654
Amortization of goodwill	–	78	–	–	78	–	78
Interest expense	615	341	–	173	1,130	0	1,131
Increase in property, plant and equipment and intangible assets	194	12,708	8	12,565	25,476	98	25,575

(Note) "Other" represents business segments that are not included in any reportable segments and includes investment management business, the construction contract business and the repair work business.

4. Net sales, profit or loss, assets, liabilities and other items by reportable segment, and a breakdown of revenue
Current consolidated fiscal year (From April 1, 2021 to March 31, 2022)

(Millions of yen)

	Reportable segments					Other (Note)	Total
	Real estate sales business	Real estate rental business	Real estate management business	Energy business	Total		
Net sales							
Revenue from contracts with customers	109,152	–	5,856	34,248	149,257	7,536	156,793
Other revenue	–	5,950	–	–	5,950	–	5,950
Net sales to external customers	109,152	5,950	5,856	34,248	155,207	7,536	162,744
Inter-segment sales and transfers	–	45	317	68	431	459	890
Total	109,152	5,996	6,173	34,316	155,638	7,995	163,634
Segment profit (loss)	6,948	701	(91)	4,157	11,715	1,170	12,886
Segment assets	106,269	45,499	1,437	28,441	181,648	5,356	187,005
Segment liabilities	87,631	35,787	1,585	26,400	151,405	7,932	159,338
Other items							
Depreciation and amortization	137	441	6	2,164	2,749	25	2,775
Amortization of goodwill	–	79	–	–	79	–	79
Interest expense	737	273	–	661	1,672	9	1,682
Increase in property, plant and equipment and intangible assets	62	14,490	–	10,372	24,925	291	25,217

(Note) “Other” represents business segments that are not included in any reportable segments and includes investment management business, the construction contract business and the repair work business.

5. Reconciliation of the total reportable segments and the amount on the consolidated financial statements (difference adjustments)

(Millions of yen)

Net sales	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Total reportable segments	145,254	155,638
Net sales of “Other” category	7,405	7,995
Elimination of inter-segment transactions	(4,262)	(890)
Net sales on the consolidated financial statements	148,397	162,744

(Millions of yen)

Profit	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Total reportable segments	10,917	11,715
Income of “Other” category	751	1,170
Elimination of inter-segment transactions	(724)	(758)
Amortization of goodwill	(155)	(250)
Operating profit on the consolidated financial statements	10,789	11,877

(Millions of yen)

Assets	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Total reportable segments	166,087	181,648
Assets of “Other” category	2,721	5,356
Elimination of amounts due to the parent administrative division	(14,308)	(20,339)
Corporate assets (Note)	49,815	56,807
Total assets in the consolidated financial statements	204,315	223,473

(Note) Corporate assets are assets that are not attributable to any reportable segments. They consist primarily of cash and deposits, assets attributable to the administrative division, and deferred tax assets.

(Millions of yen)

Liabilities	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Total reportable segments	142,499	151,405
Liabilities of "Other" category	1,740	7,932
Elimination of amounts due to the parent administrative division	(12,167)	(15,764)
Corporate liabilities (Note)	17,609	20,298
Total liabilities in the consolidated financial statements	149,683	163,871

(Note) Corporate liabilities are liabilities that are not attributable to any reportable segments. They consist primarily of borrowings.

(Millions of yen)

Other items	Total reportable segments		Other		Adjustments		Consolidated financial statements	
	Previous FY	Current FY	Previous FY	Current FY	Previous FY	Current FY	Previous FY	Current FY
Depreciation and amortization	1,500	2,749	153	25	149	63	1,803	2,838
Amortization of goodwill	78	79	–	–	155	250	234	329
Interest expense	1,130	1,672	0	9	95	73	1,226	1,755
Increase in property, plant and equipment and intangible assets (Note)	25,476	24,925	98	291	91	183	25,666	25,400

(Note) Adjustments for increase in property, plant and equipment and intangible assets represent goodwill incurred but not allocated to reportable segments, capital expenditure for the headquarters building and the elimination of inter-segment transactions.

b. Impairment loss on non-current assets by reportable segment

Previous consolidated fiscal year (From April 1, 2020 to March 31, 2021)

(Millions of yen)

	Real estate sales business	Real estate rental business	Real estate management business	Energy business	Other (Note)	Corporate / elimination	Total
Impairment loss	–	856	–	30	1,703	–	2,589

(Note) The amount of Other is an amount related to the hotel business.

Current consolidated fiscal year (From April 1, 2021 to March 31, 2022)

(Millions of yen)

	Real estate sales business	Real estate rental business	Real estate management business	Energy business	Other (Note)	Corporate / elimination	Total
Impairment loss	–	–	–	–	588	–	588

(Note) The amount of Other is an amount related to the hotel business.

c. Information on gain on negative goodwill by reportable segment

Previous consolidated fiscal year (From April 1, 2020 to March 31, 2021)

Not applicable.

Current consolidated fiscal year (From April 1, 2021 to March 31, 2022)

In the Real Estate Sales Business, the Company acquired shares in Iwano Co.,Ltd., making it a consolidated subsidiary. The Company has recognized a gain on negative goodwill related to the acquisition and posted a gain on negative goodwill of ¥37 million.

(Per Share Information)

	Previous Consolidated Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Consolidated Fiscal Year (From April 1, 2021 to March 31, 2022)
Net assets per share	498.78 yen	542.04 yen
Profit per share	43.22 yen	57.10 yen
Diluted profit per share	42.94 yen	56.69 yen

(Note) The basis for the calculation of profit per share and diluted profit per share is as follows.

	Previous Consolidated Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Consolidated Fiscal Year (From April 1, 2021 to March 31, 2022)
Profit per share		
Profit attributable to owners of parent (millions of yen)	4,693	6,215
Amount not attributable to common stockholders (millions of yen)	–	–
Profit attributable to owners of parent with respect to common stock (millions of yen)	4,693	6,215
Average number of shares during the year (thousand shares)	108,592	108,854
Diluted profit per share		
Adjustments to profit attributable to owners of parent (millions of yen)	–	–
Increase in number of common stock (thousand shares)	716	785
(Of those, share acquisition rights (thousand shares))	(716)	(785)
Overview of dilutive shares not included in the calculation of diluted profit per share due to its anti-dilutive effect	–	–

(Significant Subsequent Events)

Not applicable.

4. Other

Production, Orders Received and Sales

(i) Number of units contracted during the year

Segment name	Previous Consolidated Fiscal Year (From April 1, 2020 to March 31, 2021)		Current Consolidated Fiscal Year (From April 1, 2021 to March 31, 2022)		Year-on-Year (%)
	Number of units	Amounts (millions of yen)	Number of units	Amounts (millions of yen)	
Real estate sales business	2,310	106,736	2,753	133,002	124.6
Total	2,310	106,736	2,753	133,002	124.6

(ii) Balance of contract

Segment name	Previous Consolidated Fiscal Year (March 31, 2021)		Current Consolidated Fiscal Year (March 31, 2022)		Year-on-Year (%)
	Number of units	Amounts (millions of yen)	Number of units	Amounts (millions of yen)	
Real estate sales business	944	37,272	1,403	61,122	164.0
Total	944	37,272	1,403	61,122	164.0

(iii) Net sales

(Millions of yen)

Segment name	Previous Consolidated Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Consolidated Fiscal Year (From April 1, 2021 to March 31, 2022)
Real estate sales business	117,200	109,152
Real estate rental business	5,753	5,950
Real estate management business	5,446	5,856
Electric power generation business	13,485	34,248
Total reportable segments	141,885	155,207
Other	6,512	7,536
Total	148,397	162,744

(Note) Inter-segment transactions are eliminated.