

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



May 13, 2022

Company name: KYODO PRINTING CO., LTD.

Stock exchange listing: Tokyo Stock Exchange

Code number: 7914

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

Representative: Yoshiaki Fujimori, President

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Scheduled date of annual shareholders' meeting: June 29, 2022

Scheduled date of commencing dividend payments: June 30, 2022

Scheduled date of filing annual securities report: June 29, 2022

Availability of supplementary briefing material on financial results: Available

Schedule of financial results briefing session: Scheduled (for institutional investors and securities 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 to March 31, 2022)

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	88,416	(2.9)	756	16.8	1,298	(3.6)	683	(17.1)
March 31, 2021	91,031	(9.7)	648	(58.7)	1,345	(37.8)	825	(45.4)

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥168 million [(96.7)%]

Fiscal year ended March 31, 2021: ¥5,136 million [-%]

	Basic net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2022	83.70	—	1.1	1.0	0.9
March 31, 2021	97.00	—	1.3	1.1	0.7

(Reference) Share of (profit) loss of entities accounted for using equity method:

Fiscal year ended March 31, 2022: ¥(22) million

Fiscal year ended March 31, 2021: ¥(19) million

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

(2) Consolidated Financial Position

	Total assets	Total equity	Equity ratio	Total equity per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	129,121	61,277	47.4	7,696.80
As of March 31, 2021	129,077	62,944	48.7	7,586.38

(Reference) Equity: As of March 31, 2022: ¥61,158 million

As of March 31, 2021: ¥62,820 million

(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 the year
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2022	5,421	(6,632)	(2,618)	8,890
March 31, 2021	5,639	(7,402)	1,529	12,760

2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Dividends to total equity (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	–	50.00	–	50.00	100.00	849	103.1	1.4
Fiscal year ended March 31, 2022	–	50.00	–	50.00	100.00	829	119.5	1.3
Fiscal year ending March 31, 2023 (Forecast)	–	50.00	–	50.00	100.00		–	

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	96,000	8.6	1,100	45.3	1,600	23.3	850	24.3	106.97

*** Notes:**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): No

Newly added: – (Name of subsidiary): –, Excluded: – (Name of subsidiary): –

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(Note) For details, please see “1. Consolidated Financial Statements and Primary Notes (5) Notes to Consolidated Financial Statements (Changes in accounting policies)” on page12 of the attached documents.

(3) Total number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury stock):

March 31, 2022: 8,370,000 shares

March 31, 2021: 9,020,000 shares

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

March 31, 2022: 423,973 shares

March 31, 2021: 739,277 shares

3) Average number of shares during the period:

Fiscal year ended March 31, 2022: 8,171,507 shares

Fiscal year ended March 31, 2021: 8,505,882 shares

(Reference) Overview of Non-consolidated Financial Results

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

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

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	78,564	(2.7)	(626)	–	1,525	(7.0)	1,092	0.4
March 31, 2021	80,736	(10.1)	(149)	–	1,639	(51.5)	1,088	(60.2)

Fiscal year ended	Basic net income per share	Diluted net income per share
	Yen	Yen
March 31, 2022	133.64	–
March 31, 2021	127.91	–

(2) Non-consolidated Financial Position

	Total assets	Total equity	Equity ratio	Total equity per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	122,165	53,515	43.8	6,731.17
As of March 31, 2021	122,930	55,100	44.8	6,650.49

(Reference) Equity: As of March 31, 2022: ¥53,515 million

As of March 31, 2021: ¥55,100 million

* These financial results are outside the scope of audits by certified public accountants or audit firms.

* Explanation of the proper use of financial results forecast and other notes

The financial results forecast and certain other statements regarding the future in this document are based on the information currently available to the Company and certain assumptions considered to be rational by the Company and they do not constitute a guarantee that the Company will achieve the forecast or other forward-looking statements. The actual results may differ substantially from the forecast for various reasons.

1. Consolidated Financial Statements and Primary Notes
(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and cash equivalents	12,808	8,949
Trade notes and accounts receivable	25,666	–
Notes receivable - trade	–	5,767
Accounts receivable - trade	–	20,567
Merchandise and finished products	4,388	3,503
Work in process	2,190	2,329
Raw materials and supplies	744	1,128
Other	709	1,835
Allowance for doubtful accounts	(55)	(55)
Total current assets	46,453	44,025
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,032	30,301
Machinery and vehicles, net	14,345	12,970
Furniture and fixtures, net	1,061	926
Land	14,800	14,842
Lease assets, net	1,563	1,852
Construction in progress	6,777	875
Total property, plant and equipment	*1 57,580	*1 61,769
Intangible assets		
Goodwill	1,369	785
Software	1,260	1,124
Other	151	183
Total intangible assets	2,780	2,094
Investments and other assets		
Investment securities	*2 18,759	*2 17,402
Asset for retirement benefits	2,192	2,547
Deferred tax assets	266	222
Other	1,096	1,070
Allowance for doubtful accounts	(51)	(10)
Total investments and other assets	22,263	21,232
Total non-current assets	82,624	85,095
Total assets	129,077	129,121

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Trade notes and accounts payable	15,415	15,606
Short-term debt	–	6,840
Current portion of bonds payable	5,000	–
Current portion of long-term debt	*3 2,404	*3 9,400
Lease obligations	501	504
Income taxes payable	337	481
Accrued bonuses	1,206	1,162
Accrued bonuses for directors	50	53
Provision for loss on Anti-Monopoly Act	–	401
Other	8,586	10,079
Total current liabilities	33,501	44,531
Long-term liabilities		
Bonds	3,000	3,000
Long-term debt	*3 16,604	*3 7,480
Lease obligations	858	1,053
Deferred tax liabilities	2,502	2,106
Provision for environmental measures	407	400
Provision for dismantling of non-current assets	545	545
Provision for share-based remuneration for directors	9	19
Liability for retirement benefits	6,616	6,589
Asset retirement obligations	50	80
Other	2,037	2,037
Total long-term liabilities	32,631	23,312
Total liabilities	66,133	67,843
Equity		
Shareholders' equity		
Common stock	4,510	4,510
Capital surplus	1,674	1,645
Retained earnings	49,438	47,454
Treasury stock	(2,088)	(1,216)
Total shareholders' equity	53,533	52,393
Accumulated other comprehensive income		
Unrealized gain on available-for-sale securities	9,398	8,553
Foreign currency translation adjustments	(283)	0
Remeasurement of defined benefit plans	172	211
Total accumulated other comprehensive income	9,287	8,765
Non-controlling interests	123	118
Total equity	62,944	61,277
Total liabilities and equity	129,077	129,121

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

(Million yen)

	Fiscal year ended March 31, 2021		Fiscal year ended March 31, 2022	
Net sales		91,031		88,416
Cost of sales	*1	75,112	*1	72,620
Gross profit		15,918		15,795
Selling, general and administrative expenses				
Delivery expenses		3,608		3,306
Travel and communication expenses		228		228
Provision of allowance for doubtful accounts		(3)		(27)
Salaries and allowances		5,849		5,914
Provision for employees' bonuses		470		474
Provision for directors' bonuses		51		52
Provision for share-based remuneration for directors		–		11
Retirement benefit expenses		378		228
Employee benefits		1,412		1,409
Depreciation		366		481
Other		2,908		2,958
Total selling, general and administrative expenses	*1	15,270	*1	15,038
Operating income		648		756
Non-operating income				
Interest income		7		3
Dividend income		270		257
Gain on sales of goods		211		53
Rent income on facilities		92		84
Dividend income of insurance		154		160
Foreign exchange gains		50		40
Other		319		275
Total non-operating income		1,106		876
Non-operating expenses				
Interest expenses		189		188
Rent expenses on facilities		42		30
Share of loss of entities accounted for using equity method		19		22
Other		156		94
Total non-operating expenses		408		335
Ordinary income		1,345		1,298
Extraordinary income				
Gain on sales of non-current assets	*2	5	*2	–
Gain on sales of investment securities		713		1,224
Reversal of provision for environmental measures		2		–
Subsidy income		–		327
Other		–		1
Total extraordinary income		720		1,553
Extraordinary losses				
Loss on sales and retirement of non-current assets	*3	285	*3	156
Loss on valuation of investment securities		–		29
Provision for environmental measures		32		–
Loss on Anti-Monopoly Act		–	*4	706
Special transfer support expenses		–		525
Other		12		40
Total extraordinary losses		331		1,457
Income before income taxes		1,735		1,394
Income taxes - current		651		724
Income taxes - deferred		237		(18)
Total income taxes		889		705

Net income	846	688
Net income attributable to non-controlling interests	21	4
Net income attributable to owners of parent	825	683

Consolidated Statements of Comprehensive Income

(Million yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net income	846	688
Other comprehensive income (loss)		
Unrealized gain (loss) on available-for-sale securities	3,658	(843)
Foreign currency translation adjustments	(278)	285
Remeasurement of defined benefit plans	899	39
Share of other comprehensive income in associate accounted for using the equity method	10	(2)
Total other comprehensive income (loss)	* 4,290	* (519)
Comprehensive income	5,136	168
Total comprehensive income (loss) attributable to:		
Owners of parent	5,115	162
Non-controlling interests	20	6

(3) Consolidated Statements of Changes in Equity
Fiscal Year Ended March 31, 2021

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
BALANCE, APRIL 1, 2020	4,510	1,766	49,477	(1,088)	54,665
Changes during period					
Dividends of surplus			(864)		(864)
Net income attributable to owners of parent			825		825
Purchase of treasury stock				(1,000)	(1,000)
Change in ownership interest of parent due to transactions with non-controlling interests		(92)			(92)
Net change in the item other than those in shareholders' equity					
Total changes during period	–	(92)	(39)	(1,000)	(1,132)
BALANCE, MARCH 31, 2021	4,510	1,674	49,438	(2,088)	53,533

	Accumulated other comprehensive income				Non-controlling interests	Total equity
	Unrealized gain (loss) on available-for-sale securities	Foreign currency translation adjustments	Remeasurement of defined benefit plans	Total accumulated other comprehensive income		
BALANCE, APRIL 1, 2020	5,729	(7)	(725)	4,996	103	59,764
Changes during period						
Dividends of surplus						(864)
Net income attributable to owners of parent						825
Purchase of treasury stock						(1,000)
Change in ownership interest of parent due to transactions with non-controlling interests						(92)
Net change in the item other than those in shareholders' equity	3,669	(276)	898	4,290	20	4,311
Total changes during period	3,669	(276)	898	4,290	20	3,179
BALANCE, MARCH 31, 2021	9,398	(283)	172	9,287	123	62,944

Fiscal Year Ended March 31, 2022

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
BALANCE, APRIL 1, 2021	4,510	1,674	49,438	(2,088)	53,533
Changes during period					
Dividends of surplus			(834)		(834)
Net income attributable to owners of parent			683		683
Purchase of treasury stock				(1,697)	(1,697)
Disposal of treasury stock			(46)	746	699
Cancellation of treasury stock		(36)	(1,787)	1,823	–
Change in ownership interest of parent due to transactions with non-controlling interests		7			7
Net change in the item other than those in shareholders' equity					
Total changes during period	–	(28)	(1,983)	872	(1,139)
BALANCE, MARCH 31, 2022	4,510	1,645	47,454	(1,216)	52,393

	Accumulated other comprehensive income				Non-controlling interests	Total equity
	Unrealized gain (loss) on available-for-sale securities	Foreign currency translation adjustments	Remeasurement of defined benefit plans	Total accumulated other comprehensive income		
BALANCE, APRIL 1, 2021	9,398	(283)	172	9,287	123	62,944
Changes during period						
Dividends of surplus						(834)
Net income attributable to owners of parent						683
Purchase of treasury stock						(1,697)
Disposal of treasury stock						699
Cancellation of treasury stock						–
Change in ownership interest of parent due to transactions with non-controlling interests						7
Net change in the item other than those in shareholders' equity	(845)	284	39	(521)	(4)	(526)
Total changes during period	(845)	284	39	(521)	(4)	(1,666)
BALANCE, MARCH 31, 2022	8,553	0	211	8,765	118	61,277

(4) Consolidated Statements of Cash Flows

(Million yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Operating activities:		
Income before income taxes	1,735	1,394
Depreciation and amortization	5,450	5,462
Amortization of goodwill	609	594
Increase (decrease) in liability for retirement benefits	(56)	(332)
Increase (decrease) in allowance for doubtful accounts	(1)	(40)
Increase (decrease) in accrued bonuses	(52)	(43)
Increase (decrease) in accrued bonuses for directors	(3)	3
Increase (decrease) in provision for loss on Anti-Monopoly Act	–	401
Increase (decrease) in provision for dismantling of non-current assets	(0)	–
Increase (decrease) in provision for environmental measures	(188)	(7)
Interest and dividend income	(278)	(260)
Interest expenses	189	188
Share of (profit) loss of entities accounted for using equity method	19	22
(Gain) loss on valuation of investment securities	–	29
(Gain) loss on sales of investment securities	(713)	(1,224)
(Gain) loss on sales and retirement of non-current assets	279	156
(Increase) decrease in trade receivables	1,616	(630)
(Increase) decrease in inventories	990	395
Increase (decrease) in trade payables	(2,620)	166
Increase (decrease) in accrued consumption tax	(293)	(674)
(Increase) decrease in claims provable in bankruptcy, claims provable in rehabilitation	(0)	42
Other	(76)	273
Subtotal	6,607	5,916
Interest and dividends received	278	260
Interest paid	(189)	(197)
Income taxes - paid	(1,056)	(557)
Net cash provided by operating activities	5,639	5,421
Investing activities:		
Purchases of property, plant and equipment and intangible assets	(8,378)	(7,894)
Proceeds from sales of property, plant and equipment and intangible assets	5	–
Purchases of investment securities	(45)	(114)
Proceeds from sales of investment securities	920	1,441
Loan advances	(0)	(0)
Collection of loans receivable	26	0
Other	69	(65)
Net cash used in investing activities	(7,402)	(6,632)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Financing activities:		
Net increase (decrease) in short-term debt	–	6,838
Proceeds from long-term debt	4,000	280
Repayments of long-term debt	(4)	(2,408)
Redemption of bonds	–	(5,000)
Dividends paid	(864)	(834)
Dividends paid to non-controlling interests	(1)	(16)
Purchase of treasury stock	(1,000)	(1,697)
Proceeds from disposal of treasury stock	–	699
Other	(599)	(479)
Net cash provided by (used in) financing activities	1,529	(2,618)
Foreign currency translation adjustments on cash and cash equivalents	(76)	(40)
Net increase (decrease) in cash and cash equivalents	(310)	(3,869)
Cash and cash equivalents, beginning of period	13,070	12,760
Cash and cash equivalents, end of period	* 12,760	* 8,890

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Significant matters forming the basis for presenting consolidated financial statements)

1. Scope of consolidation

Number of consolidated subsidiaries: 17

Names of major subsidiaries:

Kyodo Printing Marketing Solutions Co., Ltd.

Digital Catapult Inc.

Kyodo Printing Nishinihon Co., Ltd.

Kyodo Logistics Co., Ltd.

Masukachi Inc., which was included in the scope of consolidation in the previous fiscal year, was merged and absorbed on June 1, 2021 with our consolidated subsidiary Digital Catapult Inc. and has accordingly been excluded from the scope of consolidation. TOMOWEL Promotion Co., Ltd. was also merged and absorbed on March 31, 2022 by the Company, and has also accordingly been excluded from the scope of consolidation.

2. Application of equity method

(1) Number of associated companies accounted for by the equity method: 1

Name of company: Kyodo seihon Co., Ltd.

(2) COSMO SCANNER Co., Ltd., an associated company which is not accounted for by the equity method has been excluded from the scope of the equity method because its impact on the consolidated financial statements has been immaterial in terms of net income or loss (amounts corresponding to equity) and retained earnings (amounts corresponding to equity) in the year ended March 31, 2022 and due to its overall lack of significance.

3. Fiscal year-end of consolidated subsidiaries

Of consolidated subsidiaries, the fiscal closing date of KYODOPRINTING (SHANGHAI) CO. LTD., KYODO PRINTING (VIETNAM) CO. LTD., and PT. Arisu Graphic Prima is December 31.

The financial statements of the subsidiaries as of December 31 are used in preparing the consolidated financial statements, with adjustments made as necessary to account for significant transactions occurring during the period from their fiscal year-end to the consolidated closing date.

4. Accounting policies

(1) Valuation standards and methods for significant assets

a. Securities

Available-for-sale securities

- Those other than stocks without market price:

Stated at market value (unrealized gains or losses on valuation are booked directly in total equity, and the cost of securities sold is determined by the moving-average method)

- Stocks, etc. without market value:

Mainly stated at cost, determined by the moving-average method

b. Inventories

Finished products and work in process are stated at cost, principally determined by the specific identification method (the balance sheet value is calculated using the inventory write-down method based on decreased profitability)

Raw materials and supplies are stated at cost, principally determined by the first-in, first-out method (the balance sheet value is calculated using the inventory write-down method based on decreased profitability)

(2) Depreciation and amortization methods for significant depreciable assets

a. Property, plant and equipment (except for lease assets)

Computed by the straight-line method. The ranges of useful lives are as follows:

Buildings and structures: 31 to 50 years

Machinery and vehicles: 4 to 10 years

b. Intangible assets (except for lease assets)

Amortized by the straight-line method. Software for internal use is amortized over its internal useful life (5 years).

- c. Lease assets
 - Leased assets under finance lease transactions in which ownership is transferred
Depreciated in the same method as the depreciation of non-current assets owned by the Group
 - Leased assets under finance lease transactions that do not transfer ownership
Depreciated over the lease term on a straight-line method assuming the residual value is zero (guaranteed residual value if there is such an agreement)
- (3) Recording standards for significant provisions
 - a. Allowance for doubtful accounts
Recorded at estimated uncollectible amounts based on the Group's past credit loss experience for normal receivables and based on an individual evaluation of collectability for doubtful receivables and claims provable in bankruptcy/claims provable in rehabilitation, in order to provide for losses due to uncollectible accounts
 - b. Accrued bonuses
Recorded at the expected amount to be paid in the fiscal year under review to prepare for bonus payments to employees
 - c. Accrued bonuses for directors
Recorded at the expected amount to be paid in the fiscal year under review to prepare for bonus payments to directors
 - d. Provision for loss on Anti-Monopoly Act
Recorded at the necessary amount based on estimations of the potential losses that may be incurred in the future in order to provide for any losses related to the Anti-Monopoly Act.
 - e. Provision for share-based remuneration for directors
Recorded at the estimated amount of obligations for share-based remuneration at the consolidated year-end to provide for the payment of the Company's stock to directors, etc. based on the Rules for Payment of Share-based Remuneration for Directors
 - f. Provision for environmental measures
Recorded at the estimated amount required for implementing environmental measures in the future
 - g. Provision for dismantling of non-current assets
Recorded at the estimated amount to provide for dismantling of non-current assets in the future in line with the reconstruction of the head office building
- (4) Accounting method for retirement benefits
 - a. Attribution method of expected retirement benefits
In calculation of the retirement benefit obligations, expected benefit is attributed to periods up to the end of the fiscal year under review on a benefit formula basis.
 - b. Amortization of actuarial gains and losses
Actuarial gains and losses are amortized on a straight-line basis over a specified number of years (8 years) within the average remaining service period of employees from the consolidated fiscal year following the respective consolidated fiscal year in which the gains or losses are recognized.
 - c. Adoption of a simplified method at small-sized subsidiaries
Certain subsidiaries adopt a simplified method for the calculation of liability and expenses for retirement benefits, using the method that regards payable amount assuming voluntary retirement of all employees at the end of fiscal year and the most recent actuarial obligation of pension plan finance calculation as projected benefit obligations.
- (5) Revenue and expense recording standards
Our primary businesses are manufacturing and sales from our "Information communication," "Information security," and "Living and industrial materials" divisions. With regard to sales from these divisions, we are obliged to deliver the finished products in accordance with the sales contracts in place with the customer. In terms of revenue, it is determined that said obligation is fulfilled at the point said finished products are delivered and the customer assumes control over said finished products, with the revenue recognized at the point of delivery.
- (6) Method of significant hedge accounting
 - a. Method of hedge accounting
Deferred hedge accounting is used. The allocation method is used to hedge foreign exchange fluctuation risks when the requirements for the allocation method are met. Foreign currency forward contracts used for intercompany transactions as hedged items are measured at fair value and valuation differences are recognized as gains or losses for the fiscal year under review.
 - b. Hedging instruments and hedged items
Hedging instruments: foreign currency forward contracts
Hedged items: monetary receivables and payables denominated in foreign currencies

c. Hedging policies

Foreign currency forward contracts are used to hedge fluctuation risks in foreign currency exchange rates of transactions denominated in foreign currencies pursuant to the Group's internal policies, etc. Hedged items are identified on an individual basis.

d. Method of assessing hedge effectiveness

In principle, for foreign currency forward contracts used by the Company, the value and maturity of the hedged items are matched with the contracted amount denominated in foreign currencies and the corresponding maturity, pursuant to internal policies. Accordingly, an assessment of hedge effectiveness at the end of the year is omitted since there is a complete correlation with subsequent fluctuations in foreign currency exchange rates.

(7) Amortization method and amortization period of goodwill

Goodwill is amortized over a five year period during which the influence of the goodwill shall apply on a straight-line basis.

(8) Scope of cash and cash equivalents in the consolidated statements of cash flows

Cash and cash equivalents include cash on hand, demand deposits and short-term investments which are liquid and easily convertible into cash, and are exposed to insignificant risk of changes in value and mature within three months of the date of acquisition.

(Changes in accounting policies)

(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; hereinafter referred to as the "Revenue Recognition Standard"), etc. from the beginning of the fiscal year under review and the amount expected to be received in exchange for goods or services is recognized as revenue at the time control of the promised goods or services is transferred to the customer.

The principal changes due to the application of the accounting standard are as follows.

- Revenue recognition pertaining to agency transactions

In the past, the total amount of consideration received from customers was recognized as revenue, but this has been changed to a method in which the net amount received from customers less the amount paid to suppliers is recognized as revenue.

- Revenue recognition pertaining to buy-sell transactions

In the past, the consideration received from the recipient was recognized as revenue, but this has been changed to a method in which such revenue is not recognized.

The application of the Revenue Recognition Standard, etc. is in accordance with the transitional treatment stipulated in the proviso of paragraph 84 of the Revenue Recognition Standard, and the amount of the cumulative impact of retroactively applying the new accounting standard before the beginning of the fiscal year under review is added to or subtracted from the retained earnings at the beginning of the fiscal year under review, and the accounting policy is applied from the beginning of that period. However, the method stipulated in paragraph 86 of the Revenue Recognition Standard is applied, and the new accounting policy is not retroactively applied to contracts that have recognized almost all revenue in accordance with the previous treatment before the beginning of the fiscal year under review.

As a result, net sales for the fiscal year under review decreased by ¥2,348 million, cost of sales decreased by ¥2,351 million and operating income increased by ¥3 million. This had no impact on ordinary income, income before income taxes or retained earnings at the beginning of the period.

Further, the "trade notes and accounts receivable" presented under "current assets" in the consolidated balance sheets for the fiscal year ended March 31, 2021 has been separately presented as "notes receivable – trade" and "accounts receivable – trade" from the fiscal year under review. Reclassification using the new method of presentation has not been carried out for the fiscal year ended March 31, 2021 according to the transitional treatment stipulated in paragraph 89-2 of the Revenue Recognition Standard. Furthermore, information on the breakdown of revenue from contracts with customers is not shown for the fiscal year ended March 31, 2021 in accordance with the transitional treatment stipulated in paragraph 89-3 of the Revenue Recognition Standard.

(Application of the Accounting Standard for Fair Value Measurement, etc.)

The Company has applied the "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30, July 4, 2019; hereinafter referred to as the "Fair Value Standard"), etc. from the beginning of the fiscal year under review and the new accounting policies stipulated in the Fair Value Standard, etc. are applied into the future in accordance with the transitional treatment stipulated in paragraph 19 of the Fair Value Standard and paragraph 44-2 of the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, July 4, 2019). There is no impact on the consolidated financial statements.

(Additional information)

(Transactions of delivering the Company's own stock to employees etc. through trusts)

(1) Board Benefit Trust (J-ESOP)

In accordance with the resolution of the Board of Directors held on February 18, 2022, the Company introduced a Board Benefit Trust (J-ESOP) (hereinafter, referred to as the "System") on March 10, 2022 that will establish a closer link between the Company stock price and performance and the treatment of employees and that will result in economic effects being shared across all our shareholders, with the aim of increasing employee motivation and morale to improve the Company stock price and business performance.

(1) Overview of the transaction

A mechanism for distributing Company stocks to Company employees that fulfil set criteria in accordance with the Rules on Stock Distribution formulated at the point of introduction of the System.

In order to acquire stocks that will be distributed in the future, the Company shall entrust money to the Custody Bank of Japan, Ltd. (Trust account E) as a trust property of the Board Benefit Trust (J-ESOP), and said trust bank shall acquire Company stock using this entrusted money.

(2) The remaining balance of the Company's own stock in the trust

The Company records the balance of the Company's stock remaining in the trust as treasury stock in the net assets section at the carrying amount (excluding the amount of ancillary expenses) in the trust. The carrying amount and the number of shares of such treasury stock as of March 31, 2022 was ¥417 million and 150,000 shares.

(3) Carrying amount of debt recorded using application of the gross method

There is no relevant information.

(2) Board Benefit Trust (Employee Shareholding Association Disposal Type)

In order to increase employee benefits and to provide incentives for improving the Company's corporate value, the Company introduced a Board Benefit Trust (Employee Shareholding Association Disposal Type) (hereinafter, referred to as the "System") on March 10, 2022 in accordance with the resolution of the Board of Directors held on February 18, 2022.

(1) Overview of the transaction

In introducing the System, the Company has concluded a Board Benefit Trust (Employee Shareholding Association Disposal Type) Agreement (hereinafter, referred to as the "Trust Agreement") with the Company as the trustor and Mizuho Trust & Banking Co., Ltd. as the trustee (hereinafter, referred to as the "Trustee") (hereinafter, the trust established in accordance with the Trust Agreement shall be referred to as the "Trust"). Further, the Trustee has concluded an agreement with the Custody Bank of Japan, Ltd. to re-entrust the management of trust properties such as securities with the Custody bank of Japan as the Retrustee.

The Trust shall acquire beforehand in one batch a number of the Company's common stock equivalent to the amount the Shareholding Association is expected to purchase over the next five years, after which, it shall share the Company's common stock at the point the Shareholding Association makes its stock purchases. If, through the sale of the Company's common stock to the Shareholding Association via the Trust, an amount equivalent to gain on the sale of stock accumulates in the Trust's trust property by the end of the trust, such money will be distributed as residual property to members of the Shareholding Association (employees) who meet the Trustee eligibility criteria.

Further, to provide a guarantee for the loan for the Trust to acquire the Company's common stock, if there is a remaining balance on the loan equivalent to a loss on the sale of stocks by the end of the trust due to factors including a decline in the Company's stock price, the Company shall repay said remaining balance in accordance with the contract of guarantee.

(2) The remaining balance of the Company's own stock in the trust

The Company records the balance of the Company's stock remaining in the trust as treasury stock in the net assets section at the carrying amount (excluding the amount of ancillary expenses) in the trust. The carrying amount and the number of shares of such treasury stock as of March 31, 2022 was ¥277 million and 99,000 shares.

- (3) Carrying amount of debt recorded using application of the gross method
Long-term debt as of March 31, 2022 was ¥280 million.

(Notes to Consolidated Balance Sheets)

*1 Accumulated depreciation of property, plant and equipment is as follows.

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Accumulated depreciation of property, plant and equipment	75,121	78,379

*2 Investments in non-consolidated subsidiaries and associated companies are as follows.

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Investment securities (shares)	74	49

*3 Financial covenants

Fiscal year ended March 31, 2021

Of debts as of the end of the fiscal year ended March 31, 2021, syndicated term loan agreements (debt balance of ¥12,000 million as of March 31, 2021) concluded on April 20, 2018 are subject to certain financial covenants. The financial covenants are as detailed below. However, if any of these covenants are violated, it may be demanded that said debt is repaid in one batch.

As of March 31, 2021, none of the financial covenants below have been violated.

- (1) In and after the fiscal year ended March 31, 2018, the amount of total equity recorded in the consolidated balance sheets as of the last day of each fiscal year and as of the last day of the second quarter of each fiscal year shall be maintained at either 70% of the total equity recorded in the consolidated balance sheet of September 30, 2017 or 70% of the total equity recorded in the consolidated balance sheet as of the end of the immediately preceding accounting period or the last day of the second quarter, whichever amount is higher.
- (2) For the three consecutive periods in which the first accounting period is the accounting period in and after the March 31, 2018 accounting period, the ordinary income and loss shown in the consolidated statements of income in the accounting periods for each fiscal year must not be at a loss for three consecutive periods.

Fiscal year ended March 31, 2022

Of debts as of the end of the fiscal year ended March 31, 2022, syndicated term loan agreements (debt balance of ¥9,600 million as of March 31, 2022) concluded on April 20, 2018 are subject to certain financial covenants. The financial covenants are as detailed below. However, if any of these covenants are violated, it may be demanded that said debt is repaid in one batch.

As of March 31, 2022, none of the financial covenants below have been violated.

- (1) In and after the fiscal year ended March 31, 2018, the amount of total equity recorded in the consolidated balance sheets as of the last day of each fiscal year and as of the last day of the second quarter of each fiscal year shall be maintained at either 70% of the total equity recorded in the consolidated balance sheet of September 30, 2017 or 70% of the total equity recorded in the consolidated balance sheet as of the end of the immediately preceding accounting period or the last day of the second quarter, whichever amount is higher.
- (2) For the three consecutive periods in which the first accounting period is the accounting period in and after the March 31, 2018 accounting period, the ordinary income and loss shown in the consolidated statements of income in the accounting periods for each fiscal year must not be at a loss for three consecutive periods.

4 Loan commitment agreement

The Company has entered into loan commitment agreements with two banks and overdraft agreements with three banks for the efficient procurement of working capital. Balance of unexecuted loans based on the said agreements are as follows. The said agreements are subject to certain financial covenants.

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Maximum amount of overdraft and total loan commitments	5,000	12,800
Balance of executed loans	–	6,800
Difference	5,000	6,000

(Notes to consolidated statements of income)

*1 Research and development costs included in general and administrative expenses and manufacturing costs are as follows.

(Million yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Research and development costs	900	1,109

*2 Components of gain on sales of non-current assets are as follows.

(Million yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Machinery and vehicles	5	–

*3 Components of loss on sales and retirement of non-current assets are as follows.

Loss on sales of non-current assets

(Million yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Machinery and vehicles	27	–
Loss on retirement of non-current assets		

(Million yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Buildings and structures	59	46
Machinery and vehicles	188	82
Other facilities	7	7
Software	3	19
Total	258	156

*4 Loss on Anti-Monopoly Act

The Company received a cease and desist order and a payment order for a surcharge from the Japan Fair Trade Commission in accordance with the Anti-Monopoly Act. Therefore, in preparation for a payment of the ¥305 million that is to be paid in accordance with this order and any contract penalties, etc., that the Company may be subjected

to in relation to this matter, we have recorded an estimated loss of ¥401 million—an amount that comprehensively reflects the present risk.

(Notes to consolidated statements of comprehensive income)

* Reclassification adjustments to profit or loss and tax effect related to other comprehensive income

(Million yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Unrealized gain (loss) on available-for-sale securities		
Gain (loss) arising during the year	5,917	0
Reclassification adjustments to profit or loss	(713)	(1,195)
Amount before income tax effect	5,204	(1,194)
Income tax effect	(1,545)	351
Unrealized gain (loss) on available-for-sale securities	3,658	(843)
Foreign currency translation adjustments		
Gain (loss) arising during the year	(278)	285
Remeasurement of defined benefit plans		
Gain (loss) arising during the year	1,181	134
Reclassification adjustments to profit or loss	100	(81)
Amount before income tax effect	1,282	52
Income tax effect	(383)	(13)
Remeasurement of defined benefit plans	899	39
Share of other comprehensive income in associate accounted for using the equity method		
Gain (loss) arising during the year	10	(2)
Total other comprehensive income (loss)	4,290	(519)

(Notes to Consolidated Statements of Changes in Equity)

Fiscal year ended March 31, 2021

1. Class and total number of issued shares and class and total number of treasury stock

(Shares)

	Number of shares as of April 1, 2020	Increase during period	Decrease during period	Number of shares as of March 31, 2021
Issued shares				
Common stock	9,020,000	–	–	9,020,000
Total	9,020,000	–	–	9,020,000
Treasury stock				
Common stock (Notes 1 and 2)	434,985	304,292	–	739,277
Total	434,985	304,292	–	739,277

(Notes)

1. The Company's shares held by Board Benefit Trust (BBT) were included in the number of treasury stock of common stock (57,000 shares as of April 1, 2020, 57,000 shares as of March 31, 2021).
2. Increase in treasury stock of 304,292 shares resulted from purchase of less than one trading unit of 192 shares and purchase of treasury stock (market purchase on the Tokyo Stock Exchange) based on a resolution of the Board of Directors held on November 9, 2020 (increase of 304,100 shares).

2. Subscription rights to shares and treasury subscription rights to shares

There is no relevant information.

3. Dividends

(1) Dividends paid

(Resolution)	Class of shares	Total cash dividends (Million yen)	Dividend per share (Yen)	Record date	Effective date
June 26 2020 Annual Shareholders' Meeting	Common stock	432	50	March 31, 2020	June 29, 2020
November 9, 2020 Board of Directors	Common stock	432	50	September 30, 2020	December 8, 2020

(Notes)

1. The total amount of cash dividends approved at the Company's shareholders' meeting held on June 26, 2020 includes dividends of ¥2 million on the Company's common stock owned by Custody Bank of Japan, Ltd. (Trust account E) as a trust property of BBT.
2. The total amount of cash dividends approved at the Board of Directors held on November 9, 2020 includes dividends of ¥2 million on the Company's common stock owned by Custody Bank of Japan, Ltd. (Trust account E) as a trust property of BBT.

(2) Dividends for which the record date falls in the consolidated fiscal year under review, but the effective date falls in the following consolidated fiscal year.

(Resolution)	Class of shares	Total cash dividends (Million yen)	Dividend resource	Dividend per share (Yen)	Record date	Effective date
June 29, 2021 Annual Shareholders' Meeting	Common stock	417	Retained earnings	50	March 31, 2021	June 30, 2021

(Note)

1. The total amount of cash dividends approved at the Company's shareholders' meeting held on June 29, 2021 includes dividends of ¥2 million on the Company's common stock owned by Custody Bank of Japan, Ltd. (Trust account E) as a trust property of BBT.

Fiscal year ended March 31, 2022

1. Class and total number of issued shares and class and total number of treasury stock

(Shares)

	Number of shares as of April 1, 2021	Increase during period	Decrease during period	Number of shares as of March 31, 2022
Issued shares				
Common stock	9,020,000	–	650,000	8,370,000
Total	9,020,000	–	650,000	8,370,000
Treasury stock				
Common stock (Notes 1, 2, 3 and 4)	739,277	586,376	901,680	423,973
Total	739,277	586,376	901,680	423,973

(Notes)

1. Decrease in issued shares of 650,000 resulted from the cancellation of treasury stock in accordance with a resolution of the Board of Directors held on November 8, 2021.
2. The Company's shares held by Board Benefit Trust (BBT, J-ESOP, and Employee Shareholding Association Disposal Type) were included in the number of treasury stock of common stock (57,000 shares as of April 1, 2021, 306,600 shares as of March 31, 2022).
3. Increase in treasury stock of 586,376 shares resulted from purchase of less than one trading unit of 76 shares and purchase of treasury stock (market purchase on the Tokyo Stock Exchange) based on a resolution of the Board of Directors held on November 8, 2021 (increase of 335,700 shares), and 250,600 shares of the Company's common stock owned by BBT (J-ESOP and Employee Shareholding Association Disposal Type).
4. Decrease in treasury stock of 901,680 resulted from a decrease of 200 shares due to delivery of such to one director as compensation for execution of his/her duties, a decrease of 650,000 shares due to the cancellation of treasury stock in accordance with a resolution of the Board of Directors held on November 8, 2021, a decrease of 80 shares due to the sales of such in response to request to purchase of shares less than one trading unit, a decrease of 250,600 shares due to sales of such to "BBT (J-ESOP and Employee Shareholding Association Disposal Type)," and a decrease of 800 shares due to sales of Company's common stock owned by "BBT (Employee Shareholding Association Disposal Type)."

2. Subscription rights to shares and treasury subscription rights to shares

There is no relevant information.

3. Dividends

(1) Dividends paid

(Resolution)	Class of shares	Total cash dividends (Million yen)	Dividend per share (Yen)	Record date	Effective date
June 29, 2021 Annual Shareholders' Meeting	Common stock	417	50	March 31, 2021	June 30, 2021
November 8, 2021 Board of Directors	Common stock	417	50	September 30, 2021	December 8, 2021

(Notes)

1. The total amount of cash dividends approved at the Company's shareholders' meeting held on June 29, 2021 includes dividends of ¥2 million on the Company's common stock owned by Custody Bank of Japan, Ltd. (Trust account E) as a trust property of BBT.

2. The total amount of cash dividends approved at the Board of Directors held on November 8, 2021 includes dividends of ¥2 million on the Company's common stock owned by Custody Bank of Japan, Ltd. (Trust account E) as a trust property of BBT.

(2) Dividends for which the record date falls in the consolidated fiscal year under review, but the effective date falls in the following consolidated fiscal year.

A resolution is scheduled as follows.

(Resolution)	Class of shares	Total cash dividends (Million yen)	Dividend resource	Dividend per share (Yen)	Record date	Effective date
June 29, 2022 Annual Shareholders' Meeting	Common stock	412	Retained earnings	50	March 31, 2022	June 30, 2022

(Note)

The total amount of cash dividends includes dividends of ¥15 million on the Company's common stock owned by Custody Bank of Japan, Ltd. (Trust account E) as a trust property of BBT.

(Notes to Consolidated Statements of Cash Flows)

1* Relationship between cash and cash equivalents as of March 31, 2021 and 2022 and account items listed in the Consolidated Balance Sheets is as follows.

(Million yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash and time deposits	12,808	8,949
Time deposits exceeding three months to maturity	(48)	(58)
Cash and cash equivalents	12,760	8,890

2. Significant noncash transactions

Assets and liabilities under finance leases newly recognized for the years ended March 31, 2021 and 2022 are as follows.

(Million yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Lease assets	217	612
Lease obligations	239	704

(Segment information)

[Segment information]

1. Description of reportable segments

The Group consists of various divisions classified by products and services. Each division designs its comprehensive strategy for the products and services and operates business. For those divisions, separate financial information is available and regular evaluation by the Board of Directors is being performed in order to decide how to allocate resources and to assess performance.

As reportable segments, those divisions which cover similar products and services are integrated into three reportable segments; that is “Information communication,” “Information security” and “Living and industrial materials.”

“Information communication” mainly covers periodicals, books, general commercial printing and related services. “Information security” mainly covers business forms, securities printing, cards and related services. “Living and industrial materials” mainly covers paper containers, flexible packaging, tubes, blow bottle, metal printing, and construction materials.

2. Methods of measurement for the amounts of sales, profit (loss), assets, liabilities and other items for each reportable segment

The accounting methods of each reportable segment are generally consistent with those disclosed in “Significant matters forming the basis for presenting consolidated financial statements,” except for the valuation standards for inventories.

Inventories are valued at the value before inventory write-down based on decreased profitability.

Segment profits correspond to operating income.

Intersegment revenues and transfers are based on prices which are set taking into account market prices and manufacturing costs.

3. Information about sales, profit (loss), assets, liabilities and other items for each reportable segment
Fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(Million yen)

	Reportable segment				Other (Note) 1	Total	Reconciliations (Note) 2	Consolidated Financial Statements (Note) 3
	Information Communication	Information Security	Living and Industrial Materials	Total				
Sales:								
Sales to external customers	35,484	26,032	27,076	88,593	2,437	91,031	–	91,031
Intersegment sales or transfers	1,453	611	222	2,287	6,955	9,242	(9,242)	–
Total	36,938	26,644	27,299	90,881	9,392	100,274	(9,242)	91,031
Segment profit (loss)	92	612	(117)	588	189	777	(129)	648
Segment assets	26,967	20,185	38,093	85,247	9,175	94,422	34,655	129,077
Other (Note) 4:								
Depreciation and amortization	826	1,410	2,337	4,573	302	4,875	574	5,450
Amortization of goodwill	179	52	376	609	–	609	–	609
Increase in property, plant and equipment and intangible assets	814	722	1,173	2,709	112	2,822	4,916	7,738

(Notes)

1. “Other” refers to business segments not included in the reportable segment, which mainly includes logistics business, insurance business and real estate management business.
2. “Reconciliations” for “Segment profit (loss)” refer to corporate expenses and primarily consist of general and administrative expenses and research and development costs that are not attributable to any reportable segments. “Reconciliations” for “Segment assets” refer to corporate assets and primarily consist of financial assets (cash and deposit and investment securities) and assets for control functions. “Reconciliations” for “Depreciation and amortization” as well as “Increase in property, plant and equipment and intangible assets” are those for corporate assets.
3. “Segment profit (loss)” is adjusted to the operating income stated in the consolidated statements of income.
4. “Increase in property, plant and equipment and intangible assets” includes long-term prepaid expenses and “Depreciation and amortization” includes amortization of long-term prepaid expenses.

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

(Million yen)

	Reportable segment				Other (Note) 1	Total	Reconciliations (Note) 2	Consolidated Financial Statements (Note) 3
	Information Communication	Information Security	Living and Industrial Materials	Total				
Sales:								
Revenue from contracts with customers	33,427	25,187	28,002	86,618	1,616	88,235	–	88,235
Other revenue	–	–	–	–	181	181	–	181
Sales to external customers	33,427	25,187	28,002	86,618	1,797	88,416	–	88,416
Intersegment sales or transfers	1,476	638	243	2,358	5,967	8,326	(8,326)	–
Total	34,903	25,826	28,246	88,976	7,765	96,742	(8,326)	88,416
Segment profit (loss)	(186)	648	123	585	15	600	156	756
Segment assets	27,656	21,733	38,290	87,681	8,982	96,663	32,457	129,121
Other (Note) 4:								
Depreciation and amortization	835	1,436	2,311	4,583	323	4,907	555	5,462
Amortization of goodwill	170	39	384	594	–	594	–	594
Increase in property, plant and equipment and intangible assets	637	838	1,116	2,592	195	2,788	6,695	9,483

(Notes)

1. “Other” refers to business segments not included in the reportable segment, which mainly includes logistics business, insurance business and real estate management business.
2. “Reconciliations” for “Segment profit (loss)” refer to corporate expenses and primarily consist of general and administrative expenses and research and development costs that are not attributable to any reportable segments. “Reconciliations” for “Segment assets” refer to corporate assets and primarily consist of financial assets (cash and deposit and investment securities) and assets for control functions. “Reconciliations” for “Depreciation and amortization” as well as “Increase in property, plant and equipment and intangible assets” are those for corporate assets.
3. “Segment profit (loss)” is adjusted to the operating income stated in the consolidated statements of income.
4. “Increase in property, plant and equipment and intangible assets” includes long-term prepaid expenses and “Depreciation and amortization” includes amortization of long-term prepaid expenses.

[Related information]

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

1. Information by product and service

Information by product and service has been omitted because it is identical to segment classification.

2. Information by geographical area

(1) Sales

Sales information by geographical area has been omitted because sales in Japan accounted for more than 90% of consolidated net sales of the Group.

(2) Property, plant and equipment

Information about property, plant and equipment by geographical area has been omitted because property, plant and equipment in Japan accounted for more than 90% of consolidated property, plant and equipment of the Group.

3. Information by major customer

Information by major customer has been omitted because no single customer accounts for more than 10% of consolidated net sales of the Group.

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

1. Information by product and service

Information by product and service has been omitted because it is identical to segment classification.

2. Information by geographical area

(1) Sales

Sales information by geographical area has been omitted because sales in Japan accounted for more than 90% of consolidated net sales of the Group.

(2) Property, plant and equipment

Information about property, plant and equipment by geographical area has been omitted because property, plant and equipment in Japan accounted for more than 90% of consolidated property, plant and equipment of the Group.

3. Information by major customer

Information by major customer has been omitted because no single customer accounts for more than 10% of consolidated net sales of the Group.

[Information about impairment loss on non-current assets for each reportable segment]

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

There is no relevant information.

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

There is no relevant information.

[Information about amortization and unamortized balance of goodwill for each reportable segment]

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

(Million yen)

	Information Communication	Information Security	Living and Industrial Materials	Other	Reconciliations	Total
Amortization of goodwill	179	52	376	–	–	609
Unamortized balance of goodwill	298	39	1,030	–	–	1,369

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

(Million yen)

	Information Communication	Information Security	Living and Industrial Materials	Other	Reconciliations	Total
Amortization of goodwill	170	39	384	–	–	594

Unamortized balance of goodwill	128	–	657	–	–	785
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[Information about gain on bargain purchase for each reportable segment]

There is no relevant information.

(Per share information)

(Yen)

	Fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)	Fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)
Total equity per share	7,586.38	7,696.80
Basic net income per share	97.00	83.70

(Notes)

1. The Company's shares owned by Custody Bank of Japan, Ltd. (Trust account E) as a trust property of Board Benefit Trust (BBT) are included in treasury stock which is deducted from the total number of issued shares at the end of the period to calculate total equity per share (57,000 shares for year ended March 31, 2021 and 56,800 shares for year ended March 31, 2022).
The Company's shares owned by Custody Bank of Japan, Ltd. (Trust account E) as a trust property of Board Benefit Trust (BBT) are included in treasury stock which is deducted in calculating the average number of shares during the period to calculate basic net income per share (57,000 shares for year ended March 31, 2021 and 56,862 shares for year ended March 31, 2022).
2. The Company's shares owned by Custody Bank of Japan, Ltd. (Trust account E) as a trust property of Board Benefit Trust (J-ESOP) are included in treasury stock which is deducted from the total number of issued shares at the end of the period to calculate total equity per share (150,000 shares for year ended March 31, 2022).
The Company's shares owned by Custody Bank of Japan, Ltd. (Trust account E) as a trust property of Board Benefit Trust (J-ESOP) are included in treasury stock which is deducted in calculating the average number of shares during the period to calculate basic net income per share (11,538 shares for year ended March 31, 2022).
3. The Company's shares owned by Custody Bank of Japan, Ltd. (Trust account E) as a trust property of Board Benefit Trust (Employee Shareholding Association Disposal Type) are included in treasury stock which is deducted from the total number of issued shares at the end of the period to calculate total equity per share (99,800 shares for year ended March 31, 2022).
The Company's shares owned by Custody Bank of Japan, Ltd. (Trust account E) as a trust property of Board Benefit Trust (Employee Shareholding Association Disposal Type) are included in treasury stock which is deducted in calculating the average number of shares during the period to calculate basic net income per share (7,677 shares for year ended March 31, 2022).
4. Diluted net income per share for the year ended March 31, 2022 is not presented since potentially dilutive shares did not exist as of March 31, 2022.
5. The basis for the calculation of basic net income per share is as follows.

	Fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)	Fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)
Basic net income per share		
Net income attributable to owners of parent (Million yen)	825	683
Amount not attributable to common shareholders (Million yen)	—	—
Net income attributable to owners of parent related to common stock (Million yen)	825	683
Average number of shares during the period (Thousand shares)	8,505	8,171

(Significant subsequent events)

There is no relevant information.

5. Other

(Changes in officers)

Refer to “Notice Regarding Changes in Officers” announced on February 18, 2022 and “Notice Regarding Changes in Audit & Supervisory Board Members” announced on May 13, 2022.