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November 14, 2023

Summary of Consolidated Financial Results for the Fiscal Year Ending September 30, 2023 (Based on Japanese GAAP)

Company name:	Open House Group Co.,Ltd.
Listing:	Tokyo Stock Exchange
Securities code:	3288
URL:	https://openhouse-group.co.jp/ir/en/
Representative:	Masaaki Arai, President and CEO
Inquiries:	Kotaro Wakatabi, Senior Managing Director and CFO
Scheduled date of annual general meeting of shareholders:	December 20, 2023
Scheduled date to commence dividend payments:	December 21, 2023
Scheduled date to file annual securities report:	December 21, 2023
Preparation of supplementary material on financial results:	Yes
Holding of financial results briefing:	Yes (for institutional investors and analysts, in Japanese) (Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Fiscal Year Ended September 30, 2023

(October 1, 2022 to September 30, 2023)

(1) Consolidated Operating Results (Cumulative)

(Percentages indicate 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	%
FY 2023	1,148,484	20.6	142,315	19.2	136,912	13.0	92,025	18.2
FY 2022	952,686	17.5	119,358	18.1	121,166	24.2	77,884	11.9

Note: Comprehensive profit For the fiscal year ended September 30, 2023: ¥ 101,399 million [7.0%]
For the fiscal year ended September 30, 2022: ¥ 94,793 million [27.3%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
FY 2023	763.72	762.40	24.4	12.3	12.4
FY 2022	626.24	624.87	24.7	12.7	12.5

Reference: Share of profit (loss) of entities accounted for using equity method
For the fiscal year ended September 30, 2023 ¥ 69 million
For the fiscal year ended September 30, 2022 ¥ 383 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio	No. assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2023	1,198,668	480,416	34.7	3,448.66
September 30, 2022	1,031,174	395,702	32.7	2,802.19

Reference: Equity As of September 30, 2023: ¥ 415,855 million
As of September 30, 2022: ¥ 337,620 million

(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 period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY 2023	17,393	(35,755)	49,103	378,643
FY 2022	(16,353)	(4,367)	24,694	346,080

2. Cash Dividends

	Annual dividends per share					Total cash dividends (Annual)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1Q	2Q	3Q	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY 2022	—	62.00	—	67.00	129.00	15,901	20.6	5.0
FY 2023	—	72.00	—	92.00	164.00	19,774	21.5	5.2
FY 2023 (Forecast)	—	83.00	—	83.00	166.00		21.6	

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of Consolidated Operating Results for the Fiscal Year Ending September 30, 2024

(From October 1, 2023 to September 30, 2024)

(Percentage figures indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
2Q (Cumulative)	594,200	9.7	55,100	(20.9)	52,300	(22.6)	46,700	5.1	387.28
Full year	1,300,000	13.3	124,000	(12.9)	120,000	(12.4)	92,500	0.5	767.10

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

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

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Number of issued shares at the end of the period (including treasury shares)

As of September 30, 2023	120,588,100 shares
As of September 30, 2022	120,487,900 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2023	3,515 shares
As of September 30, 2022	3,485 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

As of September 30, 2023	120,528,808 shares
As of September 30, 2022	124,369,144 shares

[Reference] Non-Consolidated Financial Results for the Fiscal Year Ended September 30, 2023

(October 1, 2022 to September 30, 2023)

(1) Non-Consolidated Operating Results

(Percentage figures indicate year-on-year change)

	Net sales		Operating profit		Ordinary profit		Net profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2023	63,635	12.8	53,000	15.0	53,267	14.8	53,179	15.8
FY 2022	56,420	216.3	46,076	—	46,412	30.4	45,912	30.8

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY 2023	441.21	440.45
FY 2022	369.16	368.35

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
September 30, 2022	307,901	156,669	50.7	1,295.08
September 30, 2022	258,930	119,738	46.2	992.64

(Reference) Shareholders' equity: As of September 30, 2023: ¥ 156,165 million
As of September 30, 2022: ¥ 119,597 million

*This summary of financial statements is exempt from audit procedures required by Financial Instruments and Exchange Act.

* Notes regarding forward-looking statements:

Consolidated business forecasts and other forward-looking statements are based on assumptions from information available to the Company at the time of disclosure and those deemed to be reasonable.

Actual results may differ significantly from the forecasts due to various unpredictable factors.

Consolidated Quarterly Financial Statements

1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	End of FY2022 (as of September 30, 2022)	End of FY2023 (as of September 30, 2023)
Assets		
Current assets		
Cash and deposits	349,305	401,879
Trade accounts receivable and Contract assets	2,198	4,776
Real estate for sale	95,717	147,857
Real estate for sale in process	461,388	493,398
Operating loans	43,262	49,301
Other	30,128	34,105
Allowance for doubtful accounts	(344)	△549
Total current assets	981,656	1,130,769
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,357	7,012
Accumulated depreciation	(2,417)	△2,426
Buildings and structures, net	3,939	4,585
Real estate for rent	15,149	21,975
Accumulated depreciation	(1,035)	△1,444
Real estate for rent, net	14,113	20,530
Land	2,277	2,278
Other	2,217	2,521
Accumulated depreciation	(1,424)	△1,459
Other, net	792	1,061
Total property, plant and equipment	21,123	28,456
Intangible assets	2,925	2,690
Investments and other assets		
Investment securities	13,271	20,955
Deferred tax assets	5,150	8,345
Other	7,066	7,468
Allowance for doubtful accounts	(18)	△18
Total investments and other assets	25,470	36,751
Total non-current assets	49,518	67,898
Total assets	1,031,174	1,198,668

(Millions of yen)

	FY 2022 (As of September 30, 2022)	FY 2023 (As of September 30, 2023)
Liabilities		
Current liabilities		
Notes payable - trade	1,238	1,631
Trade accounts payable	31,220	34,929
Electronically recorded obligations – operating	8,104	11,860
Short-term borrowings	144,309	182,734
Current portion of bonds payable	242	10,242
Current portion of long-term borrowings	39,262	38,457
Income taxes payable	20,292	22,518
Contract liabilities	35,854	32,681
Guarantee deposits received	2,789	3,709
Provision for bonuses	4,669	4,604
Provision for warranties for completed construction	1,139	1,395
Other	20,373	28,760
Total current liabilities	309,495	373,526
Non-current liabilities		
Bonds payable	10,363	121
Long-term borrowings	314,784	343,582
Retirement benefit liability	318	326
Asset retirement obligations	211	230
Other	298	464
Total non-current liabilities	325,976	344,725
Total liabilities	635,472	718,251
Net assets		
Shareholders' equity		
Share capital	20,070	20,110
Capital surplus	19,882	19,767
Retained earnings	286,286	361,583
Treasury shares	(18)	△18
Total shareholders' equity	326,221	401,443
Accumulated other comprehensive profit		
Valuation difference on available-for-sale securities	(34)	42
Foreign currency translation adjustment	11,434	14,368
Total accumulated other comprehensive profit	11,399	14,411
Share acquisition rights	474	752
Non-controlling interests	57,606	63,808
Total net assets	395,702	480,416
Total liabilities and net assets	1,031,174	1,198,668

2) Consolidated Statements of profit and Consolidated Statements of Comprehensive profit Consolidated Statements of profit

(Millions of yen)

	FY 2022 (From October 1, 2021 to September 30, 2022)	FY 2023 (From October 1, 2022 to September 30, 2023)
Net sales	952,686	1,148,484
Cost of sales	768,117	930,127
Gross profit	184,568	218,356
Selling, general and administrative expenses	65,210	76,026
Operating profit	119,358	142,330
Non-operating income		
Interest income	170	625
Dividend income	1,853	137
Gain on sale of securities	—	101
Rental income from buildings	174	225
Foreign exchange gains	5,069	471
Share of profit of entities accounted for using equity method	383	69
Other	638	1,004
Total non-operating income	8,291	2,636
Non-operating expenses		
Loss on valuation of investment securities	1,942	—
"Loss on investments in securities	—	2,038
Interest expenses	3,531	3,965
Commission expenses	601	687
Other	407	1,347
Total non-operating expenses	6,482	8,039
Ordinary profit	121,166	136,927
Extraordinary losses		
Loss on sale of shares of subsidiaries and associates	119	—
Impairment losses	58	25
Extraordinary losses	178	25
Profit before income taxes	120,988	136,901
Income taxes – current	35,939	41,743
Income taxes – deferred	1,110	△3,216
Income taxes	37,050	38,526
Profit	83,937	98,375
Profit (loss) attributable to non-controlling interests	6,053	6,324
Profit attributable to owners of parent	77,884	92,050

Consolidated Quarterly Statements of Comprehensive Income

(Millions of yen)

	FY 2022 (From October 1, 2021 to September 30, 2022)	FY 2023 (From October 1, 2022 to September 30, 2023)
Profit	83,937	98,375
Other comprehensive income		
Valuation difference on available-for-sale securities	(45)	85
Foreign currency translation adjustment	10,888	2,931
Share of other comprehensive income of entities accounted for using equity method	12	6
Total other comprehensive income	10,855	3,024
Comprehensive income	94,793	101,399
(Attributable to)		
Comprehensive income attributable to owners of parent	88,749	95,087
Comprehensive income attributable to non- controlling interests	6,043	6,312

3) Consolidated Statement of Changes in Equity

FY 2022 (From October 1, 2021 to September 30, 2022)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	19,939	29,068	244,248	(0)	293,256
Changes in items during period					
Issuance of new shares (Exercise of share acquisition rights)	75	75			151
Issuance of new shares (Issuance of restricted shares)	54	54			109
Dividends of surplus			(15,648)		(15,648)
Profit attributable to owners of parent			77,884		77,884
Purchase of treasury shares				(30,000)	(30,000)
Disposal of treasury shares		(9,467)	(20,514)	29,982	—
Change in scope of consolidation			316		316
Capital increase of consolidated subsidiaries		151			151
Net changes of items other than shareholders' equity					
Total changes in items during period	130	(9,185)	42,037	(17)	32,964
Balance at end of period	20,070	19,882	286,286	(18)	326,221

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interest	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	12	540	552	551	52,782	347,143
Changes in items during period						
Issuance of new shares (Exercise of share acquisition rights)						151
Issuance of new shares (Issuance of restricted shares)						109
Dividends of surplus						(15,648)
Profit attributable to owners of parent						77,884
Disposal of treasury shares						(30,000)
Change in scope of consolidation						—
Change in scope of consolidation						316
Capital increase of consolidated subsidiaries						151
Net changes of items other than shareholders' equity	(47)	10,893	10,846	(77)	4,824	15,593
Total changes in items during period	(47)	10,893	10,846	(77)	4,824	48,558
Balance at end of period	(34)	11,434	11,399	474	57,606	395,702

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	20,070	19,882	286,286	(18)	326,221
Changes in items during period					
Issuance of new shares (Exercise of share acquisition rights)	40	40			80
Issuance of new shares (Issuance of restricted shares)					
Dividends of surplus			(16,753)		(16,753)
Profit attributable to owners of parent			92,025		92,025
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares					
Change in scope of consolidation					
Capital increase of consolidated subsidiaries		(155)			(155)
Net changes of items other than shareholders' equity					
Total changes in items during period	40	(114)	75,297	(0)	75,222
Balance at end of period	20,110	19,767	361,583	(18)	401,443

	Accumulated other comprehensive income			Subscription rights to shares	Non-controlling interest	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	(34)	11,434	11,399	474	57,606	395,702
Changes in items during period						
Issuance of new shares (Exercise of share acquisition rights)						80
Issuance of new shares (Issuance of restricted shares)						
Dividends of surplus						(16,753)
Profit attributable to owners of parent						92,025
Disposal of treasury shares						(0)
Change in scope of consolidation						
Change in scope of consolidation						
Capital increase of consolidated subsidiaries						(155)
Net changes of items other than shareholders' equity	77	2,934	3,011	277	6,202	9,491
Total changes in items during period	77	2,934	3,011	277	6,202	84,714
Balance at end of period	42	14,368	14,411	752	63,808	480,416

2) Consolidated Statements of Cash Flows

(Millions of yen)

	FY 2022 (From October 1, 2021 to September 30, 2022)	FY 2023 (From October 1, 2022 to September 30, 2023)
Cash flows from operating activities		
Profit before income taxes	120,988	136,901
Depreciation	1,375	1,511
Share-based payment expenses	205	385
Increase (decrease) in provision for bonuses	1,014	(67)
Increase (decrease) in provision for share awards	(257)	—
Increase (decrease) in allowance for doubtful accounts	(17)	205
Increase (decrease) in provision for warranties for completed construction	99	256
Increase (decrease) in retirement benefit liability	7	7
Loss (gain) on sale of shares of subsidiaries and associates	119	—
Loss (gain) on valuation of investment securities	1,942	—
Loss (gain) on valuation of Investment securities		2,038
Share of loss (profit) of entities accounted for using equity method	(383)	(69)
Interest and dividend income	(2,024)	(763)
Foreign exchange losses (gains)	(4,346)	(455)
Interest expenses	3,531	3,965
Decrease (increase) in trade receivables	92	(2,873)
Decrease (increase) in inventories	(116,798)	(85,219)
Increase (decrease) in trade payables	13,833	7,857
Decrease (increase) in operating loans receivable	(6,384)	(6,038)
Increase (decrease) in contract liabilities	7,307	(3,475)
Increase (decrease) in guarantee deposits received	802	864
Increase (decrease) in deposits received	4,224	2,401
Decrease (increase) in advance payments to suppliers	(1,136)	(446)
Other, net	(2,303)	3,708
Subtotal	21,892	60,783
Interest and dividends received	2,024	763
Dividends received from entities accounted for using equity method	207	19
Interest paid	(3,508)	(3,932)
Income taxes paid	(36,969)	(40,239)
Net cash provided by (used in) operating activities	(16,353)	(17,393)

(Millions of yen)

	FY 2022 (From October 1, 2021 to September 30, 2022)	FY 2023 (From October 1, 2022 to September 30, 2023)
Cash flows from investing activities		
Payments into time deposits	(0)	(18,527)
Purchase of property, plant and equipment	(3,139)	(6,381)
Proceeds from sale of property, plant and equipment	28	8
Purchase of intangible assets	(487)	(340)
Loan advances	(1,171)	(2,953)
Proceeds from collection of loans receivable	5,166	2,181
Purchase of investment securities	(3,203)	(2,403)
Proceeds from sale and redemption of investment securities	—	2,327
Purchase of shares of subsidiaries and associates	—	(332)
Proceeds from sale of shares of subsidiaries and associates	17	30
Payments for investments in capital of subsidiaries and associates	(3,174)	(10,537)
Repayment from investment in capital of subsidiaries and affiliates	3,107	1,544
Payments of leasehold and guarantee deposits	(1,934)	(5,782)
Proceeds from refund of leasehold and guarantee deposits	268	5,602
Other, net	156	(12)
Net cash provided by (used in) investing activities	(4,367)	(35,575)
Cash flows from financing activities		
Proceeds from short-term borrowings	262,358	275,724
Repayments of short-term borrowings	(212,514)	(237,298)
Proceeds from long-term borrowings	197,430	207,404
Repayments of long-term borrowings	(175,277)	(179,414)
Redemption of bonds	(242)	(242)
Proceeds from exercise of employee share options	98	56
Purchase of treasury shares	(30,000)	0
Repayments to non-controlling shareholders	(1,182)	0
Proceeds from share issuance to non-controlling shareholders	668	565
Dividends paid	(15,648)	(15,648)
Dividends paid to non-controlling interests	(997)	(938)
Net cash provided by (used in) financing activities	24,694	49,103
Effect of exchange rate change on cash and cash equivalents	6,858	1,641
Net increase (decrease) in cash and cash equivalents	10,832	32,562
Cash and cash equivalents at beginning of period	334,506	346,080
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	741	—
Cash and cash equivalents at end of period	346,080	378,643

(Segment and Other Information)

1. Outline of reportable segments

The reportable segments of the Group comprise those business units for which separate financial information is available, and which are subject to a regular review conducted by the Company's Board of Directors in order to determine the allocation of management resources and evaluate their performance.

2. Method for calculating net sales, profit/loss, assets, liabilities, and other items for reportable segments

The accounting policies of reportable segments are generally the same as those described in "Basis of Presenting the Consolidated Financial Statements."

Segment profit is based on operating profit.

Intersegment net sales and transfers are based on market price.

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

FY 2022 (From October 1, 2021 to September 30, 2022)

(Millions of yen)

	Reportable Segment						Adjustments (Note 1)	Amounts on the Consolidated Financial Statements (Note 2)
	Single- family homes related	Condominium	Property resale	Others	Pressance Corporation	Total		
Net sales								
Revenue from contracts with customers	505,389	62,362	127,867	70,761	142,265	908,646	10	908,656
Other revenues	11,164	—	26,237	3,569	3,059	44,029	—	44,029
Revenue from Outside Customers	516,554	62,362	154,104	74,330	145,324	952,676	10	952,686
Intersegment revenue and transfers	—	—	1,857	140	—	1,998	(1,998)	—
Total	516,554	62,362	155,961	74,471	145,324	954,674	(1,987)	952,686
Segment profit	63,014	10,654	17,669	8,205	20,727	120,271	(913)	119,358
Other items								
Depreciation	503	57	20	103	487	1,171	203	1,375
Amortization of goodwill	402	—	—	20	—	423	—	423

(Note)

1. Adjustment of ¥ 913 million for segment profit includes intersegment elimination of ¥343 million and corporate expenses of ¥ 580 million that is not distributed to the reportable segments. Corporate expenses are primarily general and administrative expenses that do not belong to the reportable segments.
2. Segment profit has been adjusted to operating profit described in consolidated statements of income.
3. Segment assets are not listed as assets are not allocated to reportable segments.
4. Adjustment for depreciation and amortization refers to depreciation expenses related to corporate assets.

FY 2023 (From October 1, 2022 to September 30, 2023)

(Millions of yen)

	Reportable Segment						Adjustments (Note 1)	Amounts on the Consolidated Financial Statements (Note 2)
	Single- family homes related	Condominiu m	Property resale	Others	Pressance Corporation	Total		
Net sales								
Net sales from contracts with customers	542,995	124,689	160,699	83,223	157,538	1,069,146	16	1,069,162
Other income	47,346	–	24,011	4,235	3,727	79,321	–	79,321
Net sales from Outside Customers	590,342	124,689	184,710	87,459	161,265	1,148,467	16	1,148,484
Intersegment net sales and transfers	52	295	308	842	210	1,709	(1,709)	–
Total	590,394	124,984	185,018	88,301	161,476	115,176	(1,692)	1,148,484
Segment profit	63,178	25,139	20,220	8,667	25,791	142,998	(668)	142,330
Other items								
Depreciation	540	105	17	115	544	1,323	184	1,508
Amortization of goodwill	402	–	–	20	–	423	–	423

(Note)

1. Adjustment of ¥ 668 million for segment profit includes intersegment elimination of ¥4,083 million and corporate expenses of ¥ 4,752 million that is not distributed to the reportable segments. Corporate expenses are primarily general and administrative expenses that do not belong to the reportable segments.
2. Segment profit has been adjusted to operating profit described in consolidated statements of income.
3. Segment assets are not listed as assets are not allocated to reportable segments.
4. Adjustment for depreciation and amortization refers to depreciation expenses related to corporate assets.

Non-Consolidated Financial Statements
1) Non-Consolidated Balance Sheets

(Millions of yen)

	FY 2022 (As of September 30, 2022)	FY 2023 (As of September 30, 2023)
Assets		
Current assets		
Cash and deposits	35,648	101,233
Prepaid expenses	435	366
Short-term loans receivable from subsidiaries and associates	98,842	78,662
Trade accounts receivable	3,366	3,923
Income taxes refund receivable	9,122	10,509
Consumption taxes refund receivable	395	—
Other	2,424	978
Total current assets	150,236	195,674
Non-current assets		
Property, plant and equipment		
Buildings	82	855
Vehicles	39	19
Tools, furniture and fixtures	51	161
Other	92	2
Total property, plant and equipment	266	1,038
Intangible assets		
Software	139	141
Other	57	103
Total intangible assets	196	244
Investments and other assets		
Investment securities	3,472	3,805
Shares of subsidiaries and associates	101,606	101,676
Investments in capital of subsidiaries and associates	—	3,035
Long-term prepaid expenses	62	22
Leasehold and guarantee deposits	2,790	2,132
Deferred tax assets	273	248
Other	27	25
Allowance for doubtful accounts	(2)	(1)
Total investments and other assets	108,230	110,944
Total non-current assets	108,693	112,227
Total assets	258,930	307,901

(Millions of yen)

	FY 2022 (As of September 30, 2022)	FY 2023 (As of September 30, 2023)
Liabilities		
Current liabilities		
Short-term borrowings	—	5,000
Current portion of bonds payable	242	10,242
Current portion of long-term borrowings	8,740	9,206
Accounts payable - other	805	717
Accrued expenses	112	238
Deposits received	70	88
Provision for bonuses	280	311
Other	105	91
Total current liabilities	10,355	25,895
Non-current liabilities		
Bonds payable	10,363	121
Long-term borrowings	118,472	125,215
Total non-current liabilities	128,835	125,336
Total liabilities	139,191	151,232
Net assets		
Shareholders' equity		
Share capital	20,070	20,110
Capital surplus		
Legal capital surplus	19,853	19,893
Capital surplus	19,853	19,893
Retained earnings		
Legal retained earnings	35	35
Other retained earnings		
Reserve for tax purpose reduction to promote Open innovation	—	375
Retained earnings brought forward	79,704	115,755
Total retained earnings	79,739	116,166
Treasury shares	(18)	(18)
Total shareholders' equity	119,645	156,151
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(47)	14
Total valuation and translation adjustments	(47)	14
Share acquisition rights	141	503
Total net assets	119,738	156,669
Total liabilities and net assets	258,930	307,901

2) Non-Consolidated Statements of Income

(Millions of yen)

	FY 2022 (From October 1, 2021 to September 30, 2022)	FY 2003 (From October 1, 2022 to September 30, 2023)
Operating revenue	56,420	63,635
Operating costs	2,121	—
Operating gross profit	54,298	63,635
Selling, general and administrative expenses	1,815	—
Operating expenses	6,407	10,412
Total selling, general and administrative expenses and operating expenses	8,222	10,412
Operating profit	46,076	53,222
Non-operating profit		
Interest income	582	1,142
Dividend income	723	77
Guarantee commission received	230	279
Foreign exchange gains	480	21
"Gain on sale of investment securities	—	101
Other	192	189
Total non-operating income	2,209	1,811
Non-operating expenses		
Interest expenses	1,055	1,299
Loss on valuation of shares of subsidiaries and associates	26	—
Interest on bonds	98	97
Guarantee commission	192	174
Commission expenses	407	161
Other	92	28
Total non-operating expenses	1,872	1,761
Ordinary profit	46,412	53,273
Profit before income taxes	46,412	53,273
Income taxes – current	149	96
Income taxes – deferred	351	(2)
Total income taxes	500	93
Profit	45,912	53,179

3) Non-Consolidated Statements of Changes in Equity

FY 2022 (From October 1, 2021 to September 30, 2022)

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at beginning of period	19,939	19,722	11,111	30,834	35	69,954	69,990
Changes during period							
Issuance of new shares (Exercise of subscription rights to shares)	75	75		75			
Issuance of new shares (Issuance of restricted shares)	54	54		54			
Dividends of surplus						(15,648)	(15,648)
Provision of reserve for tax purpose reduction to promote open innovation							
Net profit						45,912	45,912
Purchase of treasury shares							
Disposal of treasury shares			(9,467)	(9,467)		(20,514)	(20,514)
Decrease by corporate division-split-off type			(1,643)	(1,643)			
Net changes of items other than shareholders' equity							
Total changes during period	130	130	(11,111)	(10,981)	—	9,749	9,749
Balance at end of period	20,070	19,853	—	19,853	35	79,704	79,739

	Shareholders' equity		Valuation and translation adjustments		Subscription rights to shares	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	(0)	120,764	2	2	112	120,879
Changes during period						
Issuance of new shares (Exercise of subscription rights to shares)		151				151
Issuance of new shares (Issuance of restricted shares)		109				109
Dividends of surplus		(15,648)				(15,648)
Provision of reserve for tax purpose reduction to promote open innovation						
Net profit		45,912				45,912
Purchase of treasury shares	(30,000)	(30,000)				(30,000)
Disposal of treasury shares	29,982	—				—
Decrease by corporate division-split-off type		(1,643)				(1,643)
Net changes of items other than shareholders' equity			(50)	(50)	29	(21)
Total changes during period	(17)	(1,119)	(50)	(50)	29	(1,140)
Balance at end of period	(18)	119,645	(47)	(47)	141	119,738

FY 2022 (From October 1, 2022 to September 30, 2023)

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
					Reserve for tax purpose reduction to promote open innovation	Retained earnings brought forward		
Balance at beginning of period	20,070	19,853		19,853	35		79,704	79,739
Changes during period								
Issuance of new shares (Exercise of subscription rights to shares)	40	40		40				
Issuance of new shares (Issuance of restricted shares)								
Dividends of surplus							(16,735)	(16,735)
Provision of reserve for tax purpose reduction to promote open innovation						375	(375)	
Net profit							53,179	53,179
Purchase of treasury shares								
Disposal of treasury shares								
Decrease by corporate division-split-off type								
Net changes of items other than shareholders' equity								
Total changes during period	40	40	-	40	-	375	36,051	36,426
Balance at end of period	20110	19,893	—	19,893	35	375	115,755	116,166

	Shareholders' equity		Valuation and translation adjustments		Subscription rights to shares	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	(18)	119,645	(47)	(47)	141	119,738
Changes during period						
Issuance of new shares (Exercise of subscription rights to shares)		80				80
Issuance of new shares (Issuance of restricted shares)						
Dividends of surplus		(16,753)				(16,753)
Provision of reserve for tax purpose reduction to promote open innovation						
Net profit		53,179				53,179
Purchase of treasury shares	(0)	(0)				(0)
Disposal of treasury shares						
Decrease by corporate division-split-off type						
Net changes of items other than shareholders' equity			62	62	361	423
Total changes during period	(0)	36,506	62	62	361	36,930
Balance at end of period	(18)	156,151	14	14	503	156,669