

[NOTICE: This Consolidated Financial Summary is a translation of the Japanese original for reference purposes only, and in the event of any discrepancy, the Japanese original shall prevail.]

Consolidated Financial Summary under Japanese GAAP for the Fiscal Year Ended September 30, 2022

November 10, 2022

Company Name: Amvis Holdings, Inc.	Stock Exchange Listing: Tokyo
Code Number: 7071	URL: https://www.amvis.com/en/
Representative: Keiichi Shibahara, Representative Director and CEO	
For Inquiry: Tetsuya Nakagawa, Director and CFO	TEL: +81-3-6262-5105
General Meeting of Shareholders Date: December 23, 2022	Dividend Payment Date: December 26, 2022
Securities Report Issue Date: December 28, 2022	
Supplementary Information for Financial Statements: Available	
Explanatory Meeting to Be Held: Yes	

(Amounts of less than one million yen are truncated)

1. Consolidated Financial Results for the Fiscal Year Ended September 30, 2022

(1) Consolidated Operating Results (% represents the change from the previous fiscal year)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal Year Ended September 30, 2022	23,072	50.5	6,132	62.0	6,060	60.4	4,279	62.9
September 30, 2021	15,334	67.1	3,784	101.7	3,779	112.4	2,627	112.0

Notes Comprehensive Income:
 Fiscal year ended September 30, 2022: 4,279 million yen / 62.9%
 Fiscal year ended September 30, 2021: 2,627 million yen / 112.0%

	Earnings per Share	Diluted Earnings per Share	Return on Equity	Ratio of Ordinary Profit to Total Assets	Ratio of Operating Profit to Net Sales
Fiscal Year Ended	yen	yen	%	%	%
September 30, 2022	44.03	43.63	23.3	16.4	26.6
September 30, 2021	28.08	27.51	24.3	15.6	24.7

Reference: Profit or loss on equity method investments:
 Fiscal year ended September 30, 2022: - million yen
 Fiscal year ended September 30, 2021: - million yen

Notes

Amvis Holdings, Inc. (hereinafter referred to as the "Company") has implemented a 2-for-1 stock split on January 1, 2022 and a 2-for-1 stock split on October 1, 2022. Therefore, earnings per share and diluted earnings per share are calculated as if the stock splits had been implemented at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Shareholders' Equity Ratio	Net Assets per Share
As of	million yen	million yen	%	yen
September 30, 2022	41,767	20,458	49.0	209.12
September 30, 2021	31,922	16,341	51.2	168.26

Reference: Shareholders' equity:
 As of September 30, 2022: 20,458 million yen
 As of September 30, 2021: 16,341 million yen

Notes

The Company has implemented a 2-for-1 stock split on January 1, 2022 and a 2-for-1 stock split on October 1, 2022. Therefore, net assets per share is calculated as if the stock splits had been implemented at the beginning of the previous fiscal year.

(3) Consolidated Cash Flow

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at the end of period
Fiscal Year ended	million yen	million yen	million yen	million yen
September 30, 2022	4,415	(7,751)	3,486	11,342
September 30, 2021	2,584	(5,780)	11,052	11,192

2. Dividends on Common Stock

	Dividends per Share					Total Dividends (annual)	Payout Ratio (consolidated)	Dividends to Net Assets (consolidated)
	1st quarter end	2nd quarter end	3rd quarter end	Fiscal year end	Annual			
Fiscal Year Ended	yen	yen	yen	yen	yen	million yen	%	%
September 30, 2021	—	0.00	—	9.00	9.00	218.51	8.0	1.99
September 30, 2022	—	0.00	—	6.00	6.00	293.50	6.8	1.59
Fiscal Year Ending September 30, 2023	—	0.00	—	3.00	3.00		5.4	

Notes

- The Company has implemented a 2-for-1 stock split on January 1, 2022. Therefore, dividends per share for the fiscal year ended September 30, 2021 is calculated based on the number of shares not taking into account the stock split.
- The Company has implemented a 2-for-1 stock split on October 1, 2022. Therefore, dividends per share for the fiscal year ending September 30, 2023 is calculated based on the number of shares taking into account the stock split. If the stock split is not taken into account, dividends per share for the fiscal year ending September 30, 2023 will be 6.00 yen, which is practically the same amount as that for the fiscal year ended September 30, 2022.

3. Consolidated Earnings Forecasts for the Fiscal Year Ending September 30, 2023

(% represents the change from the previous fiscal year)

	Net Sales		Operating Profit		Profit Attributable to Owners of Parent		Earnings per Share
	million yen	%	million yen	%	million yen	%	yen
Fiscal Year Ending September 30, 2023	30,682	33.0	7,872	28.4	5,402	26.2	55.22

Notes

The Company has implemented a 2-for-1 stock split on October 1, 2022. Therefore, earnings per share for the fiscal year ending September 30, 2023 is calculated taking into account the stock split.

Notes

- Changes in significant subsidiaries during the period: No
- Changes in accounting policies, accounting estimates and restatement of correction
 - Changes in accounting policies due to revision of accounting standards: Yes
 - Other changes in accounting policies: No
 - Changes in accounting estimates: No
 - Restatement of corrections: No
- Number of shares outstanding (common shares)

(A) Total shares outstanding including treasury shares

As of September 30, 2022	97,835,200 shares
As of September 30, 2021	97,120,000 shares

(B) Treasury shares

As of September 30, 2022	912 shares
As of September 30, 2021	912 shares

(C) Average outstanding shares

Fiscal Year Ended September 30, 2022	97,203,278 shares
Fiscal Year Ended September 30, 2021	93,580,079 shares

Notes

The Company has implemented a 2-for-1 stock split on January 1, 2022 and a 2-for-1 stock split on October 1, 2022. Therefore, total shares outstanding including treasury shares, treasury shares, and average outstanding shares are calculated as if the stock splits had been implemented at the beginning of the previous fiscal year.

Reference: Summary of the Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended September 30, 2022

(1) Non-consolidated Operating Results

(% represents the change from the previous fiscal year)

Fiscal Year Ended	Operating Revenue		Operating Profit		Ordinary Profit		Net Profit	
	million yen	%	million yen	%	million yen	%	million yen	%
September 30, 2022	3,145	67.0	1,140	136.4	1,081	142.0	1,069	123.2
September 30, 2021	1,884	68.2	482	43.5	446	38.1	479	76.8

Fiscal Year Ended	Earnings per Share	Diluted Earnings per Share
September 30, 2022	11.00	10.90
September 30, 2021	5.12	5.02

Notes

The Company has implemented a 2-for-1 stock split on January 1, 2022 and a 2-for-1 stock split on October 1, 2022. Therefore, earnings per share and diluted earnings per share are calculated as if the stock splits had been implemented at the beginning of the previous fiscal year.

(2) Non-consolidated Financial Position

As of	Total Assets	Total Net Assets	Shareholders' Equity Ratio	Net Assets per Share
September 30, 2022	26,489	13,210	49.9	135.03
September 30, 2021	21,610	12,303	56.9	126.68

Reference: Shareholders' equity:

As of September 30, 2022: 13,210 million yen

As of September 30, 2021: 12,303 million yen

Notes

The Company has implemented a 2-for-1 stock split on January 1, 2022 and a 2-for-1 stock split on October 1, 2022. Therefore, net assets per share is calculated as if the stock splits had been implemented at the beginning of the previous fiscal year.

This report is exempt from the audit procedures by CPAs or Audit firms.

Notes for using earnings forecasts in this report and others

Disclaimer regarding forward-looking information including appropriate use of forecast financial results

This report contains forward-looking statements, such as earnings forecasts, regarding the intent, beliefs, and current expectations of the Company and its management with respect to the expected financial position and results of operations of the Company. Actual performance and results may differ from those forecasts due to various factors.

Table of Contents of Appendix

1. Consolidated Operating Results	5
(1) Overview of Consolidated Operating Results.....	5
(2) Overview of Financial Position	5
(3) Overview of Cash Flows	6
(4) Forecast	6
2. Basic Concept Regarding the Selection of Accounting Standards	6
3. Consolidated Financial Statements and Principal Notes	7
(1) Consolidated Balance Sheets	7
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income.....	9
(3) Consolidated Statements of Changes in Net Assets	11
(4) Consolidated Statements of Cash Flows	12
(5) Notes Regarding Consolidated Financial Statements	13
(Going Concern Assumption)	13
(Changes in Accounting Policies)	13
(Segment Information).....	13
(Per Share Information).....	14
(Significant Subsequent Events)	15

1. Consolidated Operating Results

(1) Overview of Consolidated Operating Results

During the fiscal year ended September 30, 2022, the Japanese economy remained unstable due to the emergence of COVID-19 variants and the rapid spread of infection, despite expectations of economic recovery because of the easing of restrictions on economic activities following the rollout of vaccinations. In addition, business environment was challenging as a result of price hikes on resources and raw materials caused by supply chain disruptions stemming from prolonged tensions in Ukraine and the ongoing depreciation of the yen.

In the nursing care industry, more and more nursing care providers struggled to manage their businesses due to the increased burden caused by strengthening infection control measures and energy price hikes. As a result, the number of bankruptcies among nursing care providers, which was low in 2021 due to COVID-19-related support measures and the positive revision of care fees, increased to the same level as before 2021 during the period from January to June 2022. Regarding COVID-19, although the spread of the seventh wave of infections during the summer peaked, the situation continues to be unpredictable.

In this environment, the Company and its consolidated subsidiaries (hereinafter referred to as the "Group") continued to refine its operations despite COVID-19, and the Group views this as a year to further establish its position as a pioneer in the hospice business. Thanks to precise infection control measures and a headquarters-focused management system, the Group opened 16 new facilities, exceeding its initial plan, and many people used the Ishinkan facilities.

During the current fiscal year, the Group opened 16 new facilities, and the number of Ishinkan facilities reached 58 with capacity of 2,802 beds as of the end of September 2022. Utilization rates remained at high levels, particularly thanks to the strong start-up of new facilities. As a result, the Group's operating results for the current fiscal year were as follows: net sales of 23,072 million yen (+ 50.5% from the previous fiscal year), operating profit of 6,132 million yen (+ 62.0%), ordinary profit of 6,060 million yen (+ 60.4%), and profit attributable to owners of parent of 4,279 million yen (+ 62.9%).

Segment information is omitted because the Group operates in a single business segment, the Ishinkan Business.

(2) Overview of Financial Position

(Assets)

Total assets as of September 30, 2022 were 41,767 million yen, an increase of 9,845 million yen from September 30, 2021. This is attributable mainly to increases of 1,514 million yen in accounts receivable due to the increase in revenue, and 7,378 million yen in property, plant and equipment and 568 million yen in leasehold and guarantee deposits in line with opening new facilities.

(Liabilities)

Total liabilities as of September 30, 2022 were 21,308 million yen, an increase of 5,727 million yen from September 30, 2021. This is attributable mainly to increases of 3,743 million yen in borrowings and 942 million yen in lease obligations in line with opening new facilities, 421 million yen in accounts payable - other and accrued expenses due to the business expansion.

(Net assets)

Net assets as of September 30, 2022 were 20,458 million yen, an increase of 4,117 million yen from September 30, 2021. This is attributable mainly to increases of 4,279 million yen in retained earnings reflecting profit attributable to owners of parent despite a decrease of 218 million yen in retained earnings due to the payment of dividends.

(3) Overview of Cash Flows

Cash and cash equivalents (hereinafter, "cash") as of September 30, 2022 stood at 11,342 million yen, an increase of 150 million yen from September 30, 2021. Cash flows for the period and the factors contributing to increases or decreases in cash flows are described below.

(Cash flows from operating activities)

Net cash provided by operating activities for the fiscal year ended September 30, 2022 was 4,415 million yen, versus 2,584 million yen for the fiscal year ended September 30, 2021. This is attributable mainly to profit before income taxes of 6,060 million yen, depreciation of 828 million yen, and increase in accounts payable - other and accrued expenses of 445 million yen, despite an income taxes paid of 1,791 million yen and an increase in accounts receivable of 1,514 million yen.

(Cash flows from investing activities)

Net cash used in investing activities for the fiscal year ended September 30, 2022 was 7,751 million yen, versus 5,780 million yen for the fiscal year ended September 30, 2021. This reflected mainly purchase of property, plant and equipment of 7,118 million yen and payments of leasehold and guarantee deposits of 583 million yen in conjunction with the opening of new facilities.

(Cash flows from financing activities)

Net cash provided by financing activities for the fiscal year ended September 30, 2022 was 3,486 million yen, versus 11,052 million yen for the fiscal year ended September 30, 2021. This is attributable mainly to proceeds from long-term borrowings of 4,573 million yen in conjunction with the opening of new facilities, despite repayments of long-term borrowings of 1,209 million yen.

(4) Forecast

The Group's policy is to aim for long-term and sustainable growth by aggressively opening new facilities based on a detailed marketing and opening strategy to further expand the Ishinkan business, and by vigorously conducting sales activities to medical institutions and others. In the next fiscal year, the Group will open 19 new facilities (Q1: 7 facilities, Q2: 1 facility, Q3: 6 facilities, Q4: 5 facilities), which will bring the total number of facilities to 77 (with 3,813 beds) as of the end of September 2023. Based on this premise, the Group expects net sales of 30,682 million yen, operating profit of 7,872 million yen, and profit attributable to owners of parent of 5,402 million yen for the next fiscal year.

The above forecasts are based on information available at the time of publication and are subject to uncertainties. Actual results may differ from these forecasts due to changes in business conditions and other factors.

2. Basic Concept Regarding the Selection of Accounting Standards

In consideration of comparability with other companies in the same industry in Japan, the Group has adopted Japanese GAAP for accounting standards.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Unit: million yen)

	As of September 30, 2021	As of September 30, 2022
Assets		
Current Assets		
Cash and Deposits	11,192	11,342
Accounts Receivable	3,271	4,786
Inventories	7	11
Other	504	512
Allowance for Doubtful Accounts	(39)	(37)
Total Current Assets	14,937	16,614
Non-Current Assets		
Property, Plant and Equipment		
Buildings and Structures, Net	8,963	14,322
Machinery, Equipment and Vehicles, Net	4	7
Tools, Furniture and Fixtures, Net	107	78
Leased Assets, Net	3,646	4,519
Land	1,301	1,404
Construction in Progress	1,211	2,279
Total Property, Plant and Equipment	15,234	22,612
Intangible Assets		
Goodwill	6	—
Other	21	43
Total Intangible Assets	28	43
Investments and Other Assets		
Leasehold and Guarantee Deposits	1,055	1,623
Deferred Tax Assets	292	406
Other	332	444
Total Investments and Other Assets	1,679	2,475
Total Non-Current Assets	16,942	25,131
Deferred Assets		
Share Issuance Cost	42	21
Total Deferred Assets	42	21
Total Assets	31,922	41,767

(Unit: million yen)

	As of September 30, 2021	As of September 30, 2022
Liabilities		
Current Liabilities		
Accounts Payable	42	66
Short-Term Borrowings	1,373	1,753
Current Portion of Long-Term Borrowings	998	1,645
Lease Obligations	80	101
Accounts Payable - Other and Accrued Expenses	979	1,400
Income Taxes Payable	1,069	1,272
Provision for Bonuses	368	550
Other	159	271
Total Current Liabilities	5,072	7,063
Non-Current Liabilities		
Long-Term Borrowings	6,596	9,312
Lease Obligations	3,701	4,622
Asset Retirement Obligations	181	255
Net Defined Benefit Liability	5	10
Other	23	44
Total Non-Current Liabilities	10,508	14,245
Total Liabilities	15,580	21,308
Net Assets		
Shareholders' Equity		
Share Capital	5,838	5,866
Capital Surplus	5,808	5,836
Retained Earnings	4,696	8,757
Treasury Shares	(1)	(1)
Total Shareholders' Equity	16,341	20,459
Accumulated Other Comprehensive Income		
Remeasurements of Defined Benefit Plans	(0)	(0)
Total Accumulated Other Comprehensive Income	(0)	(0)
Total Net Assets	16,341	20,458
Total Liabilities and Net Assets	31,922	41,767

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

[Consolidated Statements of Income]

(Unit: million yen)

	Fiscal year ended September 30, 2021	Fiscal year ended September 30, 2022
Net Sales	15,334	23,072
Cost of Sales	9,029	13,385
Gross Profit	6,304	9,686
Selling, General and Administrative Expenses	2,519	3,554
Operating Profit	3,784	6,132
Non-Operating Income		
Subsidy Income	134	122
Gain on Bad Debts Recovered	5	1
Penalty Income	10	11
Miscellaneous Income	14	26
Total Non-Operating Income	164	161
Non-Operating Expenses		
Interest Expenses	151	210
Amortization of Share Issuance Cost	14	20
Miscellaneous Loss	4	2
Total Non-Operating Expenses	170	233
Ordinary Profit	3,779	6,060
Profit before Income Taxes	3,779	6,060
Income Taxes	1,306	1,895
Income Taxes-Deferred	(155)	(114)
Total Income Taxes	1,151	1,780
Profit	2,627	4,279
Profit Attributable to Non-Controlling Interests	—	—
Profit Attributable to Owners of Parent	2,627	4,279

[Consolidated Statements of Comprehensive Income]

(Unit: million yen)

	Fiscal year ended September 30, 2021	Fiscal year ended September 30, 2022
Profit	2,627	4,279
Other Comprehensive Income		
Remeasurements of Defined Benefit Plans	(0)	0
Total Other Comprehensive Income	(0)	0
Comprehensive Income	2,627	4,279
(Details)		
Attributable to Owners of Parent	2,627	4,279
Attributable to Non-Controlling Interests	—	—

(3) Consolidated Statements of Changes in Net Assets

Fiscal year ended September 30, 2021

(Unit: million yen)

	Shareholder's Equity					Accumulated Other Comprehensive Income		Total Net Assets
	Share Capital	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income	
Balance at the beginning of current period	1,540	1,510	2,204	(0)	5,255	—	—	5,255
Changes during the period								
Dividends from surplus			(135)		(135)			(135)
Issuance of new shares	4,297	4,297			8,594			8,594
Profit attributable to owners of parent			2,627		2,627			2,627
Acquisition of treasury shares				(0)	(0)			(0)
Net changes of items other than shareholders' equity						(0)	(0)	(0)
Total changes during the period	4,297	4,297	2,492	(0)	11,085	(0)	(0)	11,085
Balance at the end of current period	5,838	5,808	4,696	(1)	16,341	(0)	(0)	16,341

Fiscal year ended September 30, 2022

(Unit: million yen)

	Shareholder's Equity					Accumulated Other Comprehensive Income		Total Net Assets
	Share Capital	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income	
Balance at the beginning of current period	5,838	5,808	4,696	(1)	16,341	(0)	(0)	16,341
Changes during the period								
Dividends from surplus			(218)		(218)			(218)
Issuance of new shares	28	28			56			56
Profit attributable to owners of parent			4,279		4,279			4,279
Acquisition of treasury shares				—	—			—
Net changes of items other than shareholders' equity						0	0	0
Total changes during the period	28	28	4,060	—	4,117	0	0	4,117
Balance at the end of current period	5,866	5,836	8,757	(1)	20,459	(0)	(0)	20,458

(4) Consolidated Statements of Cash Flows

(Unit: million yen)

	Fiscal year ended September 30, 2021	Fiscal year ended September 30, 2022
Cash flows from operating activities		
Profit before Income Taxes	3,779	6,060
Depreciation	531	828
Amortization of Goodwill	16	6
Increase (decrease) in Provision for Bonuses	132	182
Increase (decrease) in Allowance for Doubtful Accounts	(4)	(1)
Interest Income	(0)	(1)
Interest Expenses	151	210
Subsidy Income	(134)	(122)
Amortization of Share Issuance Cost	14	20
Decrease (increase) in Accounts Receivable	(1,293)	(1,514)
Decrease (increase) in Inventories	(2)	(3)
Decrease (increase) in Other Assets	(108)	59
Increase (decrease) in Accounts Payable	15	24
Increase (decrease) in Accounts Payable - Other and Accrued Expenses	270	445
Increase (decrease) in Other Liabilities	51	96
Other, Net	0	(0)
Subtotal	3,418	6,290
Interest and Dividends received	0	0
Interest paid	(145)	(206)
Proceeds from Subsidy	134	122
Income Taxes paid	(823)	(1,791)
Net cash provided by (used in) operating activities	2,584	4,415
Cash flows from investing activities		
Purchase of Property, Plant and Equipment	(5,362)	(7,118)
Purchase of Intangible Assets	(14)	(27)
Payments of Leasehold and Guarantee Deposits	(411)	(583)
Proceeds from Refund of Leasehold and Guarantee Deposits	36	1
Other, Net	(29)	(23)
Net cash provided by (used in) investing activities	(5,780)	(7,751)
Cash flows from financing activities		
Net increase (decrease) in Short-Term Borrowings	28	380
Proceeds from Long-Term Borrowings	4,890	4,573
Repayments of Long-Term Borrowings	(2,200)	(1,209)
Repayments of Lease Obligations	(77)	(95)
Proceeds from Issuance of Shares	8,548	56
Dividends paid	(135)	(218)
Other, Net	(0)	-
Net cash provided by (used in) financing activities	11,052	3,486
Net increase (decrease) in Cash and Cash Equivalents	7,856	150
Cash and Cash Equivalents at the beginning of period	3,335	11,192
Cash and Cash Equivalents at the end of period	11,192	11,342

(5) Notes Regarding Consolidated Financial Statements

(Going Concern Assumption)

Not applicable.

(Changes in Accounting Policies)

Application of Accounting Standard for Revenue Recognition and other related standards

The Company began applying the “Accounting Standard for Revenue Recognition” (The Accounting Standards Board of Japan (hereinafter referred to as the “ASBJ”) Statement No. 29, March 31, 2020; hereinafter referred to as the “Revenue Recognition Accounting Standard”) and other related standards at the beginning of the current consolidated fiscal year. Accordingly, when control of any promised goods or services is transferred to customers, revenue is recognized in the amount expected to be received in exchange for said goods or services. The application of the Revenue Recognition Accounting Standard and other related standards is in accordance with the transitional treatment stipulated in the proviso of paragraph 84 of the Revenue Recognition Accounting Standard. The cumulative effect of the retrospective application, assuming the new accounting policy had been applied to periods prior to the beginning of the current consolidated fiscal year, was added to or subtracted from the beginning balance of retained earnings of the current consolidated fiscal year, and thus the new accounting policy was applied, having started from the said beginning balance. The changes in accounting policies have no impact on the consolidated financial statements.

The Company has made no reclassification for the previous consolidated fiscal year by using the new method of presentation in accordance with the transitional treatment stipulated in Paragraph 89-2 of the Revenue Recognition Accounting Standard. Furthermore, the Company does not state notes on “revenue recognition” for the previous consolidated fiscal year in accordance with the transitional treatment stipulated in Paragraph 89-3 of the Revenue Recognition Accounting Standard.

Application of Accounting Standard for Fair Value Measurement and other related standards

The Company began applying the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019; hereinafter referred to as the “Fair Value Measurement Accounting Standard”) and other related standards at the beginning of the current consolidated fiscal year. The Company has decided to apply the new accounting policies outlined in the Fair Value Measurement Accounting Standard and other related standards for the foreseeable future in accordance with the transitional treatments stipulated in Paragraph 19 of the Fair Value Measurement Accounting Standard and Paragraph 44-2 of the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019). The changes in accounting policies have no impact on the consolidated financial statements.

(Segment Information)

(Segment Information)

Segment information is omitted because the Group operates in a single business segment, the Ishinkan Business.

(Per Share Information)

	Fiscal year ended September 30, 2021	Fiscal year ended September 30, 2022
Net assets per share	168.26 yen	209.12 yen
Earnings per share	28.08 yen	44.03 yen
Diluted earnings per share	27.51 yen	43.63 yen

Notes

1. The Company has implemented a 2-for-1 stock split on January 1, 2022 and a 2-for-1 stock split on October 1, 2022. Therefore, net assets per share, earnings per share and diluted earnings per share are calculated as if the stock splits had been implemented at the beginning of the previous fiscal year.

2. The basis for calculating earnings per share and diluted earnings per share is as follows.

Item	Fiscal year ended September 30, 2021	Fiscal year ended September 30, 2022
Earnings per share		
Profit attributable to owners of parent (million yen)	2,627	4,279
Profit not attributable to common shareholders (million yen)	–	–
Profit attributable to owners of parent attributable to common shareholders (million yen)	2,627	4,279
Average number of common shares outstanding during the period (shares)	93,580,079	97,203,278
Diluted earnings per share		
Adjustment to profit attributable to owners of parent (million yen)	–	–
Increase in number of common shares (shares)	1,936,738	881,371
(Number of stock acquisition rights included in the increase) (shares)	(1,936,738)	(881,371)
Outline of latent shares not included in the calculation of diluted earnings per share due to the absence of dilutive effect	–	–

3. The basis for calculating net assets per share is as follows.

Item	As of September 30, 2021	As of September 30, 2022
Total net assets (million yen)	16,341	20,458
Amount to be deducted from total net assets (million yen)	–	–
Net assets pertaining to common stock at the end of the period (million yen)	16,341	20,458
Number of shares of common stock used for the calculation of net assets per share at the end of the period (shares)	97,119,088	97,834,288

(Significant Subsequent Events)

Common stock split

The Company has implemented a common stock split and partially amended the Articles of Incorporation on October 1, 2022 based on a resolution of the Board of Directors meeting held on August 10, 2022.

(1) Purpose of the Stock Split

The purpose of the stock split is to improve the liquidity of the Company's stock and expand its investor base by reducing the stock price per investment unit.

(2) Method of the Stock Split

Each share of common stock owned by shareholders listed or recorded in the closing register of shareholders on the record date of September 30, 2022 has been split into two shares.

(3) Increase in Shares Due to the Stock Split

Total number of issued shares prior to the stock split:	48,917,600 shares
Increase in shares due to the stock split:	48,917,600 shares
Total number of issued shares following the stock split:	97,835,200 shares
Total number of authorized shares following the stock split:	320,000,000 shares

(4) Schedule of the Stock Split

Public notice of record date:	September 8, 2022
Record date:	September 30, 2022
Effective date:	October 1, 2022

(5) Impact on Per Share Information

Per share information assuming that the stock split was implemented at the beginning of the previous consolidated fiscal year is referred in the relevant section.

(6) Partial Amendment to the Articles of Incorporation Relating to the Stock Split

(a) Reason for the amendment

In conjunction with the stock split, pursuant to Article 184, Paragraph 2 of the Companies Act, by resolution of the Board of Directors on August 10, 2022, the Company has amended Article 6 (Total Number of Authorized Shares) of its Articles of Incorporation, effective October 1, 2022.

(b) Details of the amendment

The details of the amendment are as follows.

(Amendment is underlined)

Current Articles of Incorporation	Articles of Incorporation after Amendment
Article 6 (Total Number of Authorized Shares) The total number of shares authorized to be issued by the Company shall be <u>160,000,000</u> shares.	Article 6 (Total Number of Authorized Shares) The total number of shares authorized to be issued by the Company shall be <u>320,000,000</u> shares.

(c) Schedule of the amendment

Effective date: October 1, 2022