1. Business Highlights for the Six Months of 40th Business Period (Fiscal Year Ending March 31, 2024)

(1) Qualitative Information on Consolidated Results of Operations

During the six months ended September 30, 2023, the Japanese economy was on a moderate recovery trend, with normal economic activity rebounding, in conjunction with the shift in responses to COVID-19, as it was downgraded to a Category V disease. However, the outlook remained uncertain, as soaring energy and raw material prices continued to impact consumer prices, against the backdrop of continuing geopolitical risks due to the prolonged invasion of Ukraine by Russia. Furthermore, as the global economy sets its course toward controlling inflation by tightening monetary policies, the U.S. economy put in a solid performance on the back of robust consumer spending and a strong labor market. Nevertheless, we will need to continue closely monitoring the trends of the overseas economy including the downside risks of the overseas economies caused by the economic slowdown in China, among other factors, and the impact on the Japanese economy. As for exchange rates, the difference in interest rates between Japan and other countries continues to widen, and the current level of the exchange rates has reached the level of yen depreciation comparable to the levels when the government and the Bank of Japan intervened last year. Thus, the impact of a prolonged yen depreciation on the Japanese economy is another issue that cannot be taken lightly. Given the widening trade deficit and rising consumer prices in Japan, the outlook for the Japanese economy continues to remain uncertain.

Now that new work styles including remote working are taking root in the wake of the spread of COVID-19, ransomware and other types of cyber-attacks are becoming more intense. This has heightened awareness of security measures as a management issue, especially among large companies. As a result, the demand for cybersecurity products and services has continued to grow. Under these circumstances, in the Information Infrastructure Business, the Company’s core business, we saw strong demand continuing for cloud-based security measure products. Integrated security monitoring services provided by the Company were also robust, proving that its value-added strategies are bearing fruits. Furthermore, to prepare for the full-blown arrival of the cloud era, we are shifting our approach to developing and operating infrastructure to be cloud-native and are providing solutions that take full advantage of cloud-native technologies.

In the Application Services Business, new inquiries are steady in the CRM field thanks to business collaborations with a major system integrator and telemarketing vendor, an expanding demand for cloud services, improved name recognition, and the expansion of business performance. Subscription-based on-premise products have steadily increased, which we started working on in a planned manner since two fiscal years ago. For overseas markets, we have continued to work to accelerate business development in the ASEAN market based on the capital and business alliances formed with the Thailand companies in the previous fiscal year and the establishment of our local subsidiary in Thailand in April 2023. In the Software Quality Assurance field, demand remained robust for testing tools used to ensure quality of enterprise systems and embedded software. With the further application of IT in automobiles, there was strong demand for improvement in the quality of embedded software in the manufacturing industry, etc., which develops in-vehicle software, and orders continued to be favorable. In the EdTech field, we have constantly received inquiries for our school communication platform, resulting in an increase in adoption especially among famous private schools. We will continue to work on further expansion of our business through a capital and business alliance with Educa & Quest Inc.

In the Medical Systems Business, which was newly spun out as a separate business segment in the previous fiscal year, the new PSP Corporation (“PSP”), which was started on April 1, 2022, has been working to unify our customer base and integrate our products and services, as well as promoting cloud-based PACS (medical imaging management) with the aim of shifting to recurring revenue business models. PSP also collaborated with CANON MEDICAL SYSTEMS CORPORATION in the healthcare IT solution business field, and concluded a capital and business alliance with Medmain Inc. to promote the digital pathology-related business. In addition, PSP has endeavored to expand the number of users of Personal Health Record (PHR) services for individual customers, which were promoted by NOBORI Ltd. before. For the business of AI-based medical image diagnostic support services, M3 AI, Inc. (established as a joint venture between PSP and M3, Inc. on April 1, 2022) has been taking the lead in accelerating the distribution of AI to medical practices.

With a mission statement of being “the IT professional group who create a better future,” the Company announced the new Medium-term Management Plan “BEYOND THE NEW NORMAL” on May 10, 2021. This fiscal year is the final fiscal year of the plan. In the future, as “digital” is built into every corner of society and digital transformation (DX), which reforms business models using digital technology, advances rapidly, the Company sees this rapid shift to digitization and the dramatic restructuring of industry as a new growth opportunity and aims to contribute to the creation of a sustainable society by providing services to solve social issues. The spread of COVID-19 has prompted us to shift to a new mode of life called the “New Normal.” In the new Medium-term Management Plan, we will accelerate businesses oriented toward domains that will be essential to society, incorporating an SDG perspective with an eye on the new society to come after the New Normal.

The new Medium-term Management Plan “BEYOND THE NEW NORMAL” states seven key strategies to be achieved while carrying on with the core business strategies of the previous Medium-term Management Plan “GO BEYOND 3.0.”

■ The core business strategies (continued)
- Strategic and accelerated promotion of cloud-related businesses
- Pursuit of security and safety

■ The seven key strategies
1) Expanding portfolio of products and services
2) Accelerated servicization (increasing service ratio)
3) Utilization of data (including use of AI)
4) Diverse alliances/M&A (expansion of existing business, creation of new business)
5) Expanding business in the overseas market
6) Creation of synergies by strengthening group collaboration
7) Human resource development/organizational development (including promotion of diversity)

Our Group implemented the following initiatives in accordance with the above business strategies.

◇ Information Infrastructure Business

First quarter ended June 30, 2023
- Received the Most Dedicated Partner of the Year 2022 from TANIUM.
- Received the Partner of the year 2023 and Deal Registration of the year 2023 from Proofpoint Japan K.K.
- Received the APJ Marketing Partner of the Year 2022 from Cohesity.
- CROSS HEAD started to provide “CROSSPLugins Series,” plugins to extend the features of kintone.

Second quarter ended September 30, 2023
- Concluded a distributorship agreement with Tenable, Inc.
- Started a promotion campaign to provide Tanium Risk Assessment free of charge.
- CROSS HEAD added to its lineup “CROSSPLugins Series,” plugins to extend the features of kintone, a business improvement platform.

◇ Application Services Business

First quarter ended June 30, 2023
- CRM field: Established our local subsidiary in Bangkok, Thailand.
- Software Quality Assurance field: Acquired an exclusive distribution right in Japan for “Secure Code Warrior,” a secure code learning platform and started to sell it.
- Software Quality Assurance field: Launched “Mayhem for Code,” a fuzzing solution that enables unit tests and integration tests.

- Software Quality Assurance field: Launched the Japanese version of Understand 6.3, a fast source code analysis tool.
- Business Solutions field: Announced that the Company made ARECCIA Fintech Corp. a wholly-owned subsidiary and that the Company transferred its Business Solutions division's financial systems-related business to ARECCIA Fintech Corp. (effective on July 1, 2023).

Second quarter ended September 30, 2023

- Software Quality Assurance field: Launched the Japanese version of Ranorex 10.7, an all-in-one UI testing automation tool with powerful object recognition capabilities.
- Software Quality Assurance field: Launched "Jtest 2023.1," a Java-supported testing automation tool.
- EdTech field: "tsumugino," the Cloud SaaS type service was adopted by the Ministry of Education, Culture, Sports, Science and Technology (MEXT) as a "Demonstration Project for the Promotion of Digitalization of Next Generation School Administrative Affairs."
- CASAREAL, Inc. launched introductory classes in Containers/Kubernetes under the supervision of SoftBank Corp.
- CASAREAL, Inc. launched the training course to support the transition from Spring Boot 2 to Spring Boot 3 version upgrades.

◇ Medical Systems Business

First quarter ended June 30, 2023

- PSP Corporation collaborated with St. Marianna University Hospital in order for the hospital to release its official app with PHR features for patients.
- PSP Corporation joined, as a panelist, a pre-event of Mynaportal Hackathon hosted by the Digital Agency.

Second quarter ended September 30, 2023

- PSP Corporation started the operation of QR code-based data linkage with smartphones in specimen measurement rooms.

As a result of the above, consolidated revenue for the six months ended September 30, 2023 was ¥24,602 million, a year-on-year increase of ¥3,858 million (18.6%), achieving a record high. Gross profit amounted to ¥8,369 million, a year-on-year increase of ¥1,019 million (13.9%). Selling, general and administrative expenses were ¥6,084 million, a year-on-year increase of ¥664 million (12.3%), due to increases in personnel expenses and other costs. As a result, operating profit came to ¥2,281 million, a year-on-year increase of ¥366 million (19.1%).

Consequently, profit before tax was ¥2,274 million, a year-on-year increase of ¥359 million (18.8%), and profit attributable to owners of parent was ¥1,411 million, a year-on-year increase of ¥348 million (32.7%).

Results by operating segment were as follows:

1) Information Infrastructure Business

Results of the Information Infrastructure Business for the six months ended September 30, 2023 were strong thanks to abundant order backlog accumulated in the previous fiscal year and orders for new projects. Orders are on the increase for cloud-based security measure products with subscription-based pricing models. Orders received for the six months ended September 30, 2023 fell below those for the previous fiscal year on a consolidated basis. This was due primarily to a reactionary decline from the orders received for large-scale projects in the previous fiscal year for cloud-based security measure products and other products, for which demand increased significantly amid the pandemic. However, we anticipate a recovery in the levels of orders received overall, given that projects ordered during the pandemic will be up for renewal in and after the second half of the year. Revenue steadily increased thanks to growing recurring revenue business models. Operating profit increased compared to the previous fiscal year. This is mainly because the growth of the business covered the impact of the yen depreciation, increases in labor costs and selling, general and administrative expenses, investments in cloud-native solutions—a new business we started to work on. By product, a new generation of security measure products, including "SASE (Secure Access Service Edge)," "XDR (Extended Detection and Response)," "CASB (Cloud Access Security Broker)," "Cyber Hygiene," and "SDP (Software Defined Perimeter)," are also attracting attention with an increase in adoption. Since Russia's military invasion of Ukraine, infection with malware such as Emotet and ransomware attacks has been spreading. As such infections are primarily introduced via emails, demand for next-generation email security products also stayed strong. Orders for storage products were robust reflecting the exponential increase in digital content.

At CROSS HEAD, revenue increased compared to the previous fiscal year. However, orders received were somewhat sluggish due in part to a decrease following the concentration of orders received in the same period of the previous fiscal year, which was caused by time lags between periods, and some delays in orders received. Operating profit, while progressing as planned, decreased compared to the previous fiscal year. This negative impact on operating profit was mainly caused by CROSS HEAD hiring mid-career professionals to increase employees and taking other measures ahead of schedule. However, such measures were upfront investments with a view to expanding business in the future. CROSS HEAD established its Chubu Office to explore business opportunities in the Tokai region.

At OCH Co., Ltd., revenue slightly fell short of the planned figure, but operating profit exceeded the planned level. Orders were strong for the services and products that were originally developed by OCH. In addition, a shift to recurring revenue business models has been underway as subscription-based services increase. The product portfolio is being revised, as necessary, due to the intensified competition in the market for a portion of its major products.

As a result, revenue of the business amounted to ¥16,370 million, a year-on-year increase of ¥3,004 million (22.5%), achieving a record high. Operating profit amounted to ¥1,697 million, a year-on-year increase of ¥448 million (36.0%).

2) Application Services Business

Results of the Application Services Business for the six months ended September 30, 2023 exceeded those for the same period of the previous fiscal year thanks to strong orders received, revenue and operating profit. The increased revenue and operating profit were supported by accumulated sales of subscription-based on-premise products as on-premise product licenses were shifted to subscription-based ones two fiscal years ago.

In the CRM field, orders received were mostly as planned. In addition, revenue increased while operating profit reported significant increases compared to the previous fiscal year, thanks to the accumulated sales of subscription-based services from the previous fiscal year.

In the Software Quality Assurance field, orders received increased from the previous fiscal year driven by strong demand for testing tools for in-vehicle software. In addition, revenue increased while operating profit reported significant increases compared to the previous fiscal year, thanks to the accumulated sales of subscription-based services from two fiscal years ago.

In the Business Solutions field, orders received and revenue progressed strongly as planned while operating profit was also improving.

At ARECCIA Fintech Corp. (former Information Design & Architecture Yamazaki Co., Ltd.), both orders received and revenue fell short of the planned figures because it struggled with winning new projects. However, operating profit was improving. Under such a situation, the Company made ARECCIA Fintech Corp. a wholly-owned subsidiary through a share exchange, effective on July 1, 2023, for the purpose of combining the collective strength of the financial systems-related businesses that had been dispersed throughout our Group and unifying our business strategies. At the same time, the Company carried out a business reorganization involving a transfer of its Business Solutions division's financial systems-related business to ARECCIA Fintech Corp. through an absorption-type demerger, whereby we are working to expand and rebuild our Group's financial systems-related business. At CASAREAL, Inc., orders received, revenue, and operating profit progressed strongly as planned. The education business such as IT training was robust.

In the new EdTech field, our school communication platform has been adopted by famous private advanced schools as well as national and other public schools. We strengthened our sales activities toward local boards of education to increase the adoption of our cloud services at public schools. To start up the business swiftly, we continued to make active investments, increasing sales and marketing staff as well as engineers who are required to implement the platform, which resulted in the reporting of a greater operating loss.

As a result, revenue of the business amounted to ¥3,873 million, a year-on-year increase of ¥509 million (15.1%). Operating profit amounted to ¥86 million, a year-on-year change of ¥166 million (–%).

3) Medical Systems Business

For the six months ended September 30, 2023, the Medical Systems Business saw continued strong orders for "NOBORI," a cloud service for medical information offered by the new PSP Corporation, established on April 1, 2022, and the cumulative number of contracting facilities increased. We have also secured orders for the renewal of service agreements with existing users. Meanwhile, upfront investments are continuing in projects such as the development of PHR services targeted at consumers (patients) and the joint development with medical institutions, AI venture companies and external partners, and they have achieved strong results. The overall performance of PSP continued to show steady revenue and operating profit compared to the planned figures. Note that there was a reactionary decrease in operating profit for the six months ended September 30, 2023 following an increase in operating profit for the three months ended June 30, 2022 as a result of recording, at the end of the fiscal year ended March 31, 2022, a lack of provision for bonuses paid in the summer of the fiscal year ended March 31, 2023, but the decrease had already been factored into the plan drawn up at the beginning of the fiscal year ending March 31, 2024. In addition, as PSP unified its personnel systems in April 2023, it expensed paid leave and long service leave, which resulted in a ¥98 million IFRS adjustment. This adjustment also lowered operating profit for the six months ended September 30, 2023.

At Ichigo LLC, our medical-related consolidated subsidiary, results continued to show steady revenue and operating profit compared to the planned figures.

With respect to safety management systems for medical radiation, the Ministerial Order Partially Amending the Enforcement Regulations on the Medical Care Act was already enforced. However, supervisory bodies have made little progress on audits due to the pandemic, and medical institutions' investment appetite for the installation of radiation dose management systems is not as high as anticipated. Despite all this, at A-Line Co., Ltd., orders were on the rise for MINCADI, a radiation dose management system, resulting in a steady increase in revenue and a significant reduction in operating loss.

As a result, revenue of the business amounted to ¥4,358 million, a year-on-year increase of ¥345 million (8.6%), while operating profit amounted to ¥498 million, a year-on-year decrease of ¥249 million (33.4%).

(2) Qualitative Information on Consolidated Financial Position

Current assets increased ¥6,435 million (12.4%) from March 31, 2023 to ¥58,206 million as of September 30, 2023. The principal factor in this change was an increase of ¥3,468 million in advance payments to suppliers. Non-current assets stood at ¥14,292 million, an increase of ¥372 million (2.7%) from March 31, 2023. The principal factor in this change was a ¥150 million increase in intangible assets. As a result, total assets amounted to ¥72,498 million, an increase of ¥6,807 million (10.4%) from March 31, 2023.

Current liabilities stood at ¥40,402 million, an increase of ¥4,357 million (12.1%) from March 31, 2023. The principal factor in this change was an increase of ¥3,715 million in contract liabilities. Non-current liabilities stood at ¥7,093 million, a ¥1,364 million (23.8%) increase from March 31, 2023. The principal factor in this change was a ¥1,613 million increase in other financial liabilities. As a result, total liabilities amounted to ¥47,495 million, an increase of ¥5,721 million (13.7%) from March 31, 2023.

Total equity was ¥25,003 million, an increase of ¥1,085 million (4.5%) from March 31, 2023. The principal factor in this change was an increase of ¥774 million in retained earnings. As a result, the ratio of equity attributable to owners of parent to total assets was 27.7%.

(3) Qualitative Information on Consolidated Financial Results Forecast and Other Forward-looking Statements

At this point, the financial results forecast is unchanged from the figures announced on May 9, 2023.

2. Condensed Quarterly Consolidated Financial Statements and Primary Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Thousand yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and cash equivalents	20,071,540	22,880,831
Trade and other receivables	6,274,018	4,466,638
Inventories	559,016	843,067
Advance payments to suppliers	16,230,848	19,699,034
Advance payment - cost of maintenance service	7,665,807	8,944,387
Other financial assets	–	7,444
Other current assets	969,585	1,364,622
Total current assets	51,770,817	58,206,027
Non-current assets		
Property, plant and equipment	6,121,593	5,977,617
Goodwill	171,978	171,978
Intangible assets	2,141,912	2,292,770
Investments accounted for using equity method	128,995	125,581
Other financial assets	3,693,551	4,049,128
Deferred tax assets	1,277,041	1,265,082
Other non-current assets	385,471	410,431
Total non-current assets	13,920,545	14,292,591
Total assets	65,691,363	72,498,618

(Thousand yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Trade and other payables	2,145,253	2,111,566
Borrowings	570,000	570,000
Lease liabilities	782,071	740,775
Income taxes payable	657,354	845,746
Contract liabilities	29,035,461	32,751,224
Other financial liabilities	45,257	529,563
Other current liabilities	2,809,108	2,853,127
Total current liabilities	36,044,508	40,402,003
Non-current liabilities		
Borrowings	300,000	200,000
Lease liabilities	2,995,542	2,740,009
Other financial liabilities	–	1,613,717
Retirement benefit liability	1,912,880	2,038,448
Provisions	165,219	165,878
Other non-current liabilities	355,680	335,440
Total non-current liabilities	5,729,323	7,093,494
Total liabilities	41,773,831	47,495,497
Equity		
Share capital	1,298,120	1,298,120
Capital surplus	4,594,827	4,750,356
Treasury shares	(974,569)	(931,961)
Retained earnings	13,380,739	14,155,258
Other components of equity	671,876	780,524
Total equity attributable to owners of parent	18,970,993	20,052,298
Non-controlling interests	4,946,537	4,950,822
Total equity	23,917,531	25,003,120
Total liabilities and equity	65,691,363	72,498,618

(2) Condensed Quarterly Consolidated Statement of Profit or Loss and Condensed Quarterly Consolidated Statement of Comprehensive Income

Condensed Quarterly Consolidated Statement of Profit or Loss

For the six months ended September 30

(Thousand yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Revenue	20,743,854	24,602,651
Cost of sales	(13,394,342)	(16,233,292)
Gross profit	7,349,512	8,369,358
Selling, general and administrative expenses	(5,420,461)	(6,084,884)
Other income	46,473	3,214
Other expenses	(59,935)	(6,068)
Operating profit	1,915,588	2,281,620
Finance income	41,150	15,299
Finance costs	(37,219)	(19,292)
Share of profit (loss) of investments accounted for using equity method	(4,996)	(3,413)
Profit before tax	1,914,523	2,274,212
Income tax expense	(604,279)	(688,039)
Profit	1,310,243	1,586,172
Profit attributable to:		
Owners of parent	1,063,735	1,411,779
Non-controlling interests	246,508	174,393
Earnings per share		
Basic earnings per share (Yen)	26.65	35.28
Diluted earnings per share (Yen)	26.57	35.16

Condensed Quarterly Consolidated Statement of Comprehensive Income

For the six months ended September 30

(Thousand yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Profit	1,310,243	1,586,172
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Equity financial assets measured at fair value through other comprehensive income	74,701	76,697
Total of items that will not be reclassified to profit or loss	74,701	76,697
Items that may be reclassified to profit or loss		
Cash flow hedges	31,253	31,238
Exchange differences on translation of foreign operations	—	1,768
Total of items that may be reclassified to profit or loss	31,253	33,007
Other comprehensive income, net of tax	105,954	109,704
Comprehensive income	1,416,198	1,695,877
Comprehensive income attributable to:		
Owners of parent	1,157,619	1,512,684
Non-controlling interests	258,579	183,192

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

For the six months ended September 30, 2022

(Thousand yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Share capital	Capital surplus	Treasury shares	Retained earnings	Share acquisition rights	Remeasurements of defined benefit plans
Balance at April 1, 2022	1,298,120	4,861,825	(975,804)	11,149,198	116,116	–
Profit	–	–	–	1,063,735	–	–
Other comprehensive income	–	–	–	–	–	–
Comprehensive income	–	–	–	1,063,735	–	–
Dividends of surplus	–	–	–	(518,866)	–	–
Purchase of treasury shares	–	–	(42)	–	–	–
Disposal of treasury shares	–	3,679	1,356	–	–	–
Share-based payment transactions	–	4,892	–	–	14,269	–
Exercise of stock acquisition rights	–	–	–	–	(5,030)	–
Forfeiture of share options	–	–	–	12,295	(17,721)	–
Changes in ownership interest in subsidiaries	–	(281,362)	–	–	–	–
Total transactions with owners, etc.	–	(272,790)	1,314	(506,571)	(8,482)	–
Balance at September 30, 2022	1,298,120	4,589,034	(974,490)	11,706,363	107,633	–

	Equity attributable to owners of parent					
	Other components of equity					
	Equity financial assets measured at fair value through other comprehensive income	Cash flow hedges	Total	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at April 1, 2022	569,315	–	685,431	17,018,771	3,183,504	20,202,276
Profit	–	–	–	1,063,735	246,508	1,310,243
Other comprehensive income	62,629	31,253	93,883	93,883	12,071	105,954
Comprehensive income	62,629	31,253	93,883	1,157,619	258,579	1,416,198
Dividends of surplus	–	–	–	(518,866)	(6,946)	(525,813)
Purchase of treasury shares	–	–	–	(42)	–	(42)
Disposal of treasury shares	–	–	–	5,036	–	5,036
Share-based payment transactions	–	–	14,269	19,161	–	19,161
Exercise of stock acquisition rights	–	–	(5,030)	(5,030)	–	(5,030)
Forfeiture of share options	–	–	(17,721)	(5,426)	–	(5,426)
Changes in ownership interest in subsidiaries	(9,046)	–	(9,046)	(290,409)	1,033,292	742,883
Total transactions with owners, etc.	(9,046)	–	(17,529)	(795,576)	1,026,345	230,768
Balance at September 30, 2022	622,898	31,253	761,785	17,380,813	4,468,429	21,849,243

For the six months ended September 30, 2023

(Thousand yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Share capital	Capital surplus	Treasury shares	Retained earnings	Share acquisition rights	Remeasurements of defined benefit plans
Balance at April 1, 2023	1,298,120	4,594,827	(974,569)	13,380,739	136,261	–
Profit	–	–	–	1,411,779	–	–
Other comprehensive income	–	–	–	–	–	–
Comprehensive income	–	–	–	1,411,779	–	–
Dividends of surplus	–	–	–	(638,706)	–	–
Purchase of treasury shares	–	–	(73)	–	–	–
Disposal of treasury shares	–	4,793	42,681	–	–	–
Share-based payment transactions	–	13,891	–	–	18,386	–
Exercise of stock acquisition rights	–	–	–	–	(8,559)	–
Forfeiture of share options	–	–	–	1,446	(2,084)	–
Changes in ownership interest in subsidiaries	–	136,845	–	–	–	–
Changes resulting from additions to consolidation	–	–	–	–	–	–
Total transactions with owners, etc.	–	155,529	42,607	(637,260)	7,742	–
Balance at September 30, 2023	1,298,120	4,750,356	(931,961)	14,155,258	144,003	–

	Equity attributable to owners of parent					Non-controlling interests	Total equity
	Other components of equity				Total equity attributable to owners of parent		
	Equity financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Cash flow hedges	Total			
Balance at April 1, 2023	565,976	–	(30,361)	671,876	18,970,993	4,946,537	23,917,531
Profit	–	–	–	–	1,411,779	174,393	1,586,172
Other comprehensive income	68,056	1,610	31,238	100,905	100,905	8,799	109,704
Comprehensive income	68,056	1,610	31,238	100,905	1,512,684	183,192	1,695,877
Dividends of surplus	–	–	–	–	(638,706)	(7,155)	(645,861)
Purchase of treasury shares	–	–	–	–	(73)	–	(73)
Disposal of treasury shares	–	–	–	–	47,474	–	47,474
Share-based payment transactions	–	–	–	18,386	32,277	–	32,277
Exercise of stock acquisition rights	–	–	–	(8,559)	(8,559)	–	(8,559)
Forfeiture of share options	–	–	–	(2,084)	(638)	–	(638)
Changes in ownership interest in subsidiaries	–	–	–	–	136,845	(175,751)	(38,906)
Changes resulting from additions to consolidation	–	–	–	–	–	3,998	3,998
Total transactions with owners, etc.	–	–	–	7,742	(431,380)	(178,908)	(610,288)
Balance at September 30, 2023	634,032	1,610	877	780,524	20,052,298	4,950,822	25,003,120