



Summary of Financial Results (Japanese GAAP) for the Fiscal Year Ended December 31, 2021 (Non-consolidated)

February 14, 2022

Name of the listed company: Cacco Inc. Stock exchange listings: Tokyo Stock Exchange

Code number: 4166 URL <https://cacco.co.jp>

Representative: (Title) Representative Director, President and CEO (Name) Hiroyuki Iwai

Person in charge of inquiries: (Title) Senior Managing Director, CFO in charge of administration unit Name: Kentaro Sekine
TEL 03 (6447) 4534

Scheduled date of the Ordinary General Meeting of Shareholders: March 29, 2022

Scheduled date of commencing dividend payments: -

Scheduled date of Securities Report filing: March 31, 2022

Preparation of supplementary explanatory materials for financial results: Yes

Holding of financial results briefing: Yes (for institutional investors and analysts)

(Amounts less than one million yen have been omitted)

1. Results for the Fiscal Year Ended December 31, 2021 (January 1, 2021 to December 31, 2021)

(1) Operating Results

(% figures represent changes from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2021	951	14.4	178	29.5	170	47.9	120	-7.5
FY2020	831	11.5	138	39.5	115	26.2	130	13.6

	Net income per share	Diluted net income per share	Ratio of net income to shareholders' equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
FY2021	45.90	42.26	10.0	10.5	18.8
FY2020	55.37	49.97	15.9	8.5	16.6

(Reference) Share of loss (profit) of equity method entities: FY2021 0 million yen FY2020 - million yen

- (Note) 1. The Company conducted a 3-for-1 stock split of common stock on September 9, 2020. Net income per share and diluted net income per share are calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.
2. Since the Company's shares were listed on the Mothers market of the Tokyo Stock Exchange on December 17, 2020, the diluted net income per share for the previous fiscal year is calculated by deeming the average share price from the date of initial listing to the end of the previous fiscal year as the average share price during the fiscal year.

(2) Financial Position

	Total assets	Net assets	Capital ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2021	1,417	1,273	89.6	483.07
FY2020	1,822	1,148	62.8	437.15

(Reference) Equity capital: FY2021 1,268 million yen FY2020 1,145 million yen

- (Note) The Company conducted a 3-for-1 stock split of common stock on September 9, 2020. Net assets per share are calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(3) Status of Cash Flow

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2021	149	-134	-507	800
FY2020	166	-197	734	1,293

2. Dividends

	Annual dividend					Total amount of dividends (total)	Dividend payout ratio	Ratio of dividends to net assets
	1Q-end	2Q-end	3Q-end	FY-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY2020	–	0.00	–	0.00	0.00	–	–	–
FY2021	–	0.00	–	0.00	0.00	–	–	–
FY2022 (Forecast)	–	0.00	–	0.00	0.00	–	–	–

3. Financial Forecasts for the Fiscal Year Ending December 31, 2022 (January 1, 2022 to December 31, 2022)

(% figures represent changes from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full Year	1,102	15.9	191	7.1	195	14.5	137	14.3	52.28

(Note) Since the Company manages its operations on an annual basis, the forecast for the first half of the fiscal year has been omitted. For details, please refer to 1. Business Results, (4) Future Outlook on page 3 of the attached document.

*Notes

(1) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

- | | |
|---|--------|
| (i) Changes in accounting policies due to revisions in accounting standards, etc. | : None |
| (ii) Changes in accounting policies other than (i) | : None |
| (iii) Changes in accounting estimates | : None |
| (iv) Restatements | : None |

(2) Number of shares issued (common stock)

(i) Number of issued shares at the end of the period (including treasury shares)	FY2021	2,629,382 shares	FY2020	2,619,581 shares
(ii) Number of treasury shares at the end of the period	FY2021	– shares	FY2020	– shares
(iii) Average number of shares during the period	FY2021	2,621,245 shares	FY2020	2,348,611 shares

(Note) The Company conducted a 3-for-1 stock split of common stock on September 9, 2020. The number of shares is shown based on the assumption that the said stock split was conducted at the beginning of the previous fiscal year.

* Financial statements are not subject to auditing by certified public accountants or auditing firms.

* Explanation regarding the appropriate use of financial forecasts and other special notes

(Cautionary note regarding forward-looking statements, etc.)

The forward-looking statements, including business forecasts, etc., contained in this document are based on the information currently available to us and on certain assumptions deemed reasonable, and are not intended as a guarantee by the Company that they will be achieved. Actual results may differ significantly from these forecasts due to various factors. Please refer to 1. Business Results, (4) Future Outlook on page 3 of the attached document for matters related to the forecast.

(How to obtain supplementary explanatory materials and explanations of financial results)

Supplementary explanatory materials to the Presentation Materials for the Financial Results for the Fiscal Year Ended December 31, 2021, will be disclosed on TDnet on the same day and then posted on the Company's website. In addition, we are scheduled to hold a briefing session for institutional investors and analysts on Monday, February 14, 2022. Video of this briefing session and the materials for the financial results briefing to be distributed on that day will be promptly posted on our website after the briefing.

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1. Business Results

(1) Summary of Business Results for FY2021

During the current fiscal year (January 1, 2021 to December 31, 2021), the Japanese economy faced a severe economic environment with deteriorating corporate performance and declining personal consumption due to the economic stagnation caused by the COVID-19 pandemic. Although the severe situation caused by COVID-19 has gradually eased with the promotion of vaccination and has shown signs of a recovery, the future still remains uncertain due to the rapid spread of the new variant.

According to the FY2020 Report on Commissioned Industrial and Economic Research (Market Research on Electronic Commerce) published by the Ministry of Economy, Trade and Industry in 2020, the size of the business-to-consumer EC (BtoC-EC) market as a whole was 19.3 trillion yen, shrinking by 0.43% year on year due to the significant decrease in the service-related areas mainly caused by the shrinkage of travel services. However, product sales-related areas expanded significantly by 21.71% year on year as a result of people being encouraged to stay at home and using EC as part of the measures to control COVID-19. The BtoC-EC market continues to grow steadily, as shown by the increase of 1.32 percentage points to 8.08% of the EC ratio (the ratio of the size of the EC market to the size of the entire commerce market).

On the other hand, there has been a sharp increase in damages caused in recent years by the theft and unauthorized use of credit card numbers and other information. In response to this trend, the amended Installment Sales Act mandates that necessary measures be taken to prevent the fraudulent use of credit card numbers and the like. In addition, the "Credit Card Security Guidelines Version 2.0 (Credit Card Transaction Security Council)," which serve as practical guidelines for such responses, require member businesses to introduce measures according to the risk situation, such as "attribute and behavior analysis (fraud detection system)," as countermeasures against the fraudulent use of credit cards in non-face-to-face transactions. As such, social demands for anti-fraud measures have been increasing more than ever.

In this current business environment, we have been offering a business that engages in the provision of SaaS-type algorithms to support companies in solving problems and coping with challenges by developing and providing algorithms and software based on our security payment data science technology and know-how in a way that aligns with our management vision of "Shaping the 'Let's Do It' mentality into the next game changer."

As for our fraud detection services, we expanded the lineup of O-PLUX, our fraudulent order detection service, by releasing "O-PLUX Premium Plus (shipping decision agent service)," which compensates for damages caused by the fraudulent use of credit cards with no upper limit, and Fraud Checker, a fraudulent order detection service available from 4,000 yen per month. In addition, and thanks to our efforts to promote alliances such as system integration with EC packages and shopping carts and the conclusion of partner agreements with credit card companies, the number of new customers has increased and existing customers have continued to grow. As a result, the amount of O-PLUX's recurring revenue (the sum of the monthly fee, which is a flat-rate charge, and the examination fee, which is a pay-as-you-go fee based on the number of examinations) for the current fiscal year has increased to 690,008 thousand yen (up 16.0% year-on-year). Also, with regard to our O-MOTION unauthorized access detection services, we continued to expand those services through measures such as the release of "O-MOTION Light," a new lineup available at lower prices, and worked to develop sales channels in various fields.

In our payment consulting services, we worked to secure orders for system development projects. In our data science services, we strived to expand sales of SAKIGAKE KPI, a new data analysis service that aggregates, analyzes, and reports up to 100 million records in 30 business days.

As a result of the above, net sales for the current fiscal year were 951,141 thousand yen (up 14.4% year on year), operating income was 178,928 thousand yen (up 29.5% year on year), ordinary income was 170,844 thousand yen (up 47.9% year on year), and net income was 120,311 thousand yen (down 7.5% year on year).

Segment information is omitted because the Company has a single segment involved with the provision of SaaS-type algorithms.

(2) Financial Position Summary for FY2021

(Assets)

Current assets at the end of the current fiscal year were 944,516 thousand yen, a decrease of 458,249 thousand yen from the end of the previous fiscal year. This was mainly due to a decrease of 492,530 thousand yen in cash and deposits. Non-current assets were 472,942 thousand yen, an increase of 52,769 thousand yen from the end of the previous fiscal year. This was mainly due to an increase of 371,629 thousand yen in software and a decrease of 295,730 thousand yen in software in progress, which reflects the development of software for the system architecture reform of our fraud detection services.

As a result, total assets amounted to 1,417,458 thousand yen, a decrease of 405,479 thousand yen from the end of the previous fiscal year.

(Liabilities)

Current liabilities at the end of the current fiscal year were 142,180 thousand yen, a decrease of 241,302 thousand yen from the end of the previous fiscal year. This was mainly due to a decrease of 184,893 thousand yen in the current portion of long-term borrowings, a decrease of 30,000 thousand yen in the current portion of bonds payable, and a decrease of 48,667 thousand yen in accounts payable-other. Non-current liabilities were 1,797 thousand yen, a decrease of 289,212 thousand yen from the end of the previous fiscal year. This was mainly due to a decrease of 214,212 thousand yen in long-term borrowings and a decrease of 75,000 thousand yen in bonds payable, which arose from prepayments of interest-bearing debt undertaken for the purpose of improving financial structure and management efficiency.

As a result, total liabilities amounted to 143,977 thousand yen, a decrease of 530,514 thousand yen from the end of the previous fiscal year.

(Net assets)

Total net assets at the end of the current fiscal year were 1,273,480 thousand yen, an increase of 125,034 thousand yen from the end of the previous fiscal year. This was mainly due to an increase of 120,311 thousand yen in retained earnings resulting from the recording of net income.

As a result, the capital ratio was 89.6% (62.8% at the end of the previous fiscal year).

(3) Cash Flow Summary for FY2021

Cash and cash equivalents (hereinafter referred to as "cash") at the end of the current fiscal year decreased by 492,530 thousand yen to 800,647 thousand yen. The status of each cash flow and its factors during the current fiscal year are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities amounted to 149,656 thousand yen (166,755 thousand yen provided in the previous fiscal year). This was mainly due to a net income before taxes of 170,844 thousand yen.

(Cash flows from investing activities)

Net cash used in investing activities amounted to 134,248 thousand yen (197,669 thousand yen used in the previous fiscal year). This was mainly due to the expenditure of 122,972 thousand yen for the purchase of intangible assets.

(Cash flows from financing activities)

Net cash used in financing activities amounted to 507,938 thousand yen (734,080 thousand yen provided in the previous fiscal year). This was mainly due to the repayment of long-term borrowings payable of 399,105 thousand yen and redemption of bonds of 105,783 thousand yen.

(4) Future Outlook

As for the outlook for the future, we believe that the needs for our fraud detection services will continue to increase in the business environment where the EC market is experiencing sustained growth, the number of victims of fraud in online payments is rapidly increasing, and there is a growing social demand for legal and other fraud prevention measures.

With regard to O-PLUX, our fraudulent order detection service, we will strive to eliminate the barriers to introducing the service by linking the system with our EC packages and shopping carts and launching a low-priced lineup, etc. We will also strive to achieve further growth by enhancing the added value of the product through the expansion of functions and service areas and by increasing sales channels through the promotion of alliances, etc. In addition, concerning the unauthorized access detection service O-MOTION, the Company will strive to further expand its sales by further strengthening its products and promoting alliances.

As for payment consulting services, the Company will make preparations for the provision of a SaaS-type BNPL Settlement System, while with our data science services, the Company will strive to capture new revenue opportunities by expanding sales of SAKIGAKE KPI.

Based on the above, for the fiscal year ending December 31, 2022 (January 1, 2022 to December 31, 2022), we forecast net sales of 1,102 million yen (up 15.9% year on year), operating income of 191 million yen (up 7.1% year on year), ordinary income of 195 million yen (up 14.5% year on year), and net income of 137 million yen (up 14.3% year on year).

For details of the financial forecast, please refer to the Briefing Materials on Financial Results for the Year Ended December 31, 2021 posted on TDnet and our website.

Since the future impact of the spread of COVID-19 is uncertain, the above forecast may change depending on the timing of its cessation and social conditions. The above forecasts are based on the information available as of the date of publication of this document, and actual results may differ from the forecasts due to various factors.

2. Basic Approach to the Selection of Accounting Standards

In order to ensure the comparability of financial statements between periods and between companies, the Company has adopted Japanese GAAP for accounting standards.

3. Financial Statements and Significant Notes Thereto

(1) Balance Sheet

(Unit: thousand yen)

	FY2020 (As of December 31, 2020)	FY2021 (As of December 31, 2021)
Assets		
Current assets		
Cash and deposits	1,293,177	800,647
Accounts receivable – trade	89,922	112,908
Work in process	135	–
Prepaid expenses	16,580	28,823
Other	2,950	2,135
Total current assets	1,402,765	944,516
Non-current assets		
Property, plant and equipment		
Buildings	9,024	9,470
Accumulated depreciation	-2,663	-3,311
Buildings, net	6,360	6,159
Tools, furniture and fixtures	21,748	25,055
Accumulated depreciation	-15,685	-19,949
Tools, furniture and fixtures, net	6,062	5,105
Total property, plant and equipment	12,423	11,265
Intangible assets		
Software	16,834	388,464
Software in progress	295,730	–
Other	1,414	1,200
Total intangible assets	313,979	389,664
Investments and other assets		
Investment securities	22,389	28,859
Shares of subsidiaries and associates	–	1,000
Leasehold and guarantee deposits	7,655	7,272
Deferred tax assets	63,714	34,715
Other	10	164
Total investments and other assets	93,769	72,012
Total non-current assets	420,172	472,942
Total assets	1,822,938	1,417,458

(Unit: thousand yen)

	FY2020 (As of December 31, 2020)	FY2021 (As of December 31, 2021)
Liabilities		
Current liabilities		
Accounts payable – trade	14,355	27,953
Current portion of long-term borrowings	189,177	4,284
Current portion of bonds payable	30,000	–
Accounts payable – other	88,316	39,649
Income taxes payable	24,050	18,584
Accrued consumption taxes	13,037	25,592
Provision for bonuses	11,763	11,511
Other	12,782	14,605
Total current liabilities	383,483	142,180
Non-current liabilities		
Long-term borrowings	216,009	1,797
Bonds payable	75,000	–
Total non-current liabilities	291,009	1,797
Total liabilities	674,492	143,977
Net assets		
Shareholders' equity		
Share capital	362,499	364,548
Capital surplus		
Legal capital surplus	538,710	540,759
Total capital surplus	538,710	540,759
Retained earnings		
Other retained earnings		
Retained earnings brought forward	244,524	364,836
Total retained earnings	244,524	364,836
Total shareholders' equity	1,145,733	1,270,144
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	-588	36
Total valuation and translation adjustments	-588	36
Share acquisition rights	3,300	3,300
Total net assets	1,148,445	1,273,480
Total liabilities and net assets	1,822,938	1,417,458

(2) Statement of Income

(Unit: thousand yen)

	FY2020 (From January 1, 2020 to December 31, 2020)	FY2021 (From January 1, 2021 to December 31, 2021)
Net sales	831,354	951,141
Cost of sales	243,573	260,229
Gross Profit	587,781	690,911
Selling, general and administrative expenses	449,660	511,983
Operating income	138,120	178,928
Non-operating income		
Interest and dividend income	113	202
Commission income	13	507
Interest on tax refund	55	—
Consulting fee income	—	2,000
Total non-operating income	183	2,710
Non-operating expenses		
Interest expenses	6,776	3,355
Foreign exchange losses	605	883
Listing expenses	15,423	—
Cost for system failure response	—	4,781
Other	—	1,773
Total non-operating expenses	22,806	10,794
Ordinary income	115,497	170,844
Income before income taxes	115,497	170,844
Income taxes – current	15,624	21,835
Income taxes – deferred	-30,162	28,697
Total income taxes	-14,537	50,532
Net income	130,035	120,311

Statement of Cost of Sales

		FY2020 (From January 1, 2020 to December 31, 2020)		FY2021 (From January 1, 2021 to December 31, 2021)	
Classification	Note No.	Amount (thousand yen)	Compositi on ratio (%)	Amount (thousand yen)	Compositi on ratio (%)
I Labor cost		60,580	25.1	63,339	24.4
II Expenses	*	180,848	74.9	196,755	75.6
Gross manufacturing costs		241,429	100.0	260,094	100.0
Inventories of work in process at beginning of period		2,278		135	
Total		243,708		260,229	
Inventories of work in process at end of period		135		—	
Cost of sales		243,573		260,229	

Cost accounting methods

The cost accounting method is based on individual cost accounting, and in principle, the actual amount incurred during the corresponding cost accounting period is used for the calculation.

* The breakdown of the main items is as follows.

Item	FY2020 (From January 1, 2020 to December 31, 2020)	FY2021 (From January 1, 2021 to December 31, 2021)
Outsourcing processing expenses (thousand yen)	98,748	97,051
Server expenses (thousand yen)	39,500	45,307
Data expenses (thousand yen)	27,413	29,143

(3) Statement of Changes in Equity

FY2020 (From January 1, 2020 to December 31, 2020)

(Unit: thousand yen)

	Shareholders' equity						Valuation and translation adjustments		Share acquisition rights	Total net assets
	Share capital	Capital surplus		Retained earnings		Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
		Legal capital surplus	Total capital surplus	Other retained earnings	Total retained earnings					
				Retained earnings brought forward						
Balance at beginning of period	100,000	276,211	276,211	114,488	114,488	490,700	265	265	3,300	494,266
Changes during period										
Issuance of new shares	262,499	262,499	262,499			524,998				524,998
Net income				130,035	130,035	130,035				130,035
Net changes in items other than shareholders' equity							-853	-853	-	-853
Total changes during period	262,499	262,499	262,499	130,035	130,035	655,033	-853	-853	—	654,179
Balance at end of period	362,499	538,710	538,710	244,524	244,524	1,145,733	-588	-588	3,300	1,148,445

FY2021 (From January 1, 2021 to December 31, 2021)

(Unit: thousand yen)

	Shareholders' equity						Valuation and translation adjustments		Share acquisition rights	Total net assets
	Share capital	Capital surplus		Retained earnings		Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
		Legal capital surplus	Total capital surplus	Other retained earnings	Total retained earnings					
				Retained earnings brought forward						
Balance at beginning of period	362,499	538,710	538,710	244,524	244,524	1,145,733	-588	-588	3,300	1,148,445
Changes during period										
Issuance of new shares	2,049	2,049	2,049			4,098				4,098
Net income				120,311	120,311	120,311				120,311
Net changes in items other than shareholders' equity							624	624	—	624
Total changes during period	2,049	2,049	2,049	120,311	120,311	124,410	624	624	—	125,034
Balance at end of period	364,548	540,759	540,759	364,836	364,836	1,270,144	36	36	3,300	1,273,480

(4) Statement of Cash Flows

(Unit: thousand yen)

	FY2020 (From January 1, 2020 to December 31, 2020)	FY2021 (From January 1, 2021 to December 31, 2021)
Cash flow from operating activities		
Income before income taxes	115,497	170,844
Depreciation and amortization	9,283	17,712
Increase (decrease) in provision for bonuses	5,111	-252
Interest and dividend income	-113	-202
Interest expenses	6,776	3,355
Listing expenses	15,423	-
Decrease (increase) in trade receivables	-15,102	-21,711
Decrease (increase) in inventories	2,143	135
Decrease (increase) in consumption taxes refund receivable	5,667	-
Decrease (increase) in other current assets	-159	-11,594
Increase (decrease) in trade payables	-3,032	13,598
Increase (decrease) in accounts payable - other	2,882	-6,809
Increase (decrease) in accrued consumption taxes	13,037	12,555
Increase (decrease) in other current liabilities	12,253	-2,063
Other	883	783
Subtotal	170,553	176,351
Interest and dividends received	113	202
Interest paid	-6,676	-3,455
Income taxes refund	3,055	-
Income taxes paid	-290	-23,441
Cash flow from operating activities	166,755	149,656
Cash flow from investing activities		
Purchase of investment securities	-20,526	-5,543
Purchase of property, plant and equipment	-4,678	-4,741
Purchase of intangible assets	-166,021	-122,972
Purchase of shares of subsidiaries and associates	-	-1,000
Payments of leasehold and guarantee deposits	-6,443	-
Other	-	9
Cash flow from investing activities	-197,669	-134,248
Cash flow from financing activities		
Proceeds from long-term borrowings	300,000	-
Repayments of long-term borrowings	-52,642	-399,105
Redemption of bonds	-30,000	-105,783
Proceeds from issuance of shares	524,998	4,098
Listing expenses	-8,275	-7,148
Cash flow from financing activities	734,080	-507,938
Net increase (decrease) in cash and cash equivalents	703,166	-492,530
Cash and cash equivalents at beginning of period	590,011	1,293,177
Cash and cash equivalents at end of period	1,293,177	800,647

(5) Notes to the Financial Statements

(Notes on going concern assumption)

Not applicable

(Equity method profit or loss, etc.)

	FY2020 (As of December 31, 2020)	FY2021 (As of December 31, 2021)
Amount of investment in affiliated companies	-	1,000
Amount of investment after application of equity method	-	950
	FY2020 (From January 1, 2020 to December 31, 2020)	FY2021 (From January 1, 2021 to December 31, 2021)
Amount of investment income after application of equity method	-	-50

(Note) As for FY2020, the amount is not shown as there were no affiliates.

(Segment information, etc.)

Segment information is omitted because the Company has a single segment involved with the provision of SaaS-type algorithms.

(Information on per share data)

	FY2020 (From January 1, 2020 to December 31, 2020)	FY2021 (From January 1, 2021 to December 31, 2021)
Net assets per share	437.15 yen	483.07 yen
Net income per share	55.37 yen	45.90 yen
Diluted net income per share	49.97 yen	42.26 yen

- (Note) 1. The Company conducted a 3-for-1 stock split of common stock on September 9, 2020. Net assets per share, net income per share, and diluted net income per share are calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.
2. Since the Company's shares were listed on the Mothers market of the Tokyo Stock Exchange on December 17, 2020, the diluted net income per share for the previous fiscal year is calculated by deeming the average share price from the date of initial listing to the end of the previous fiscal year as the average share price during the fiscal year.
3. The basis for calculation of net income per share and diluted net income per share is as follows.

	FY2020 (From January 1, 2020 to December 31, 2020)	FY2021 (From January 1, 2021 to December 31, 2021)
Net income per share		
Net income (thousand yen)	130,035	120,311
Amount not attributable to common shareholders (thousand yen)	—	—
Net income related to common stock (thousand yen)	130,035	120,311
Average number of shares of common stock during the period (shares)	2,348,611	2,621,245
Diluted net income per share		
Adjustment on net income (thousand yen)	—	—
Increase in number of common shares (shares)	253,585	225,662
(of which share acquisition rights (shares))	(253,585)	(225,662)
Outline of potential stock not included in the calculation of diluted net income per share due to lack of dilutive effect	—	—

(Significant subsequent events)

Not applicable