

Summary of Consolidated Financial Results for the Fiscal Year Ended February 2022 (Japanese GAAP)



April 14, 2022

Name of listed company: Ricksoft Co., Ltd.

Listing exchange: Tokyo Stock Exchange

Securities code: 4429

URL: <https://www.ricksoft.jp/>

Representative: Hiroshi Ohnuki, CEO

Contact for inquiries: Mari Kato, Board Member

Tel: 81-3-6262-7943

Scheduled date for next regular general meeting of shareholders: May 26, 2022

Scheduled date for start of dividend payment: —

Scheduled date for submission of periodic securities report: May 26, 2022

Supplementary materials on financial results: Yes

Financial results briefing session: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen)

1. Consolidated results for fiscal year ended February 2022 (from March 1, 2021 to February 28, 2022)

(1) Consolidated operating results (% figures show the rate of increase (decrease) compared with 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 Feb. 2022	4,308	(2.8)	437	(27.3)	450	(25.1)	326	(26.7)
Fiscal year ended Feb. 2021	4,431	43.5	601	49.6	601	49.3	445	54.3

(Note) Comprehensive income Fiscal year ended Feb. 2022 331 million yen (-25.5 %) Fiscal year ended Feb. 2021 444 million yen (54.1%)

	Basic earnings per share	Diluted earnings per share	Return on equity	Return on assets	Operating profit ratio
	yen	yen	%	%	%
Fiscal year ended Feb. 2022	74.54	72.94	15.7	14.8	10.2
Fiscal year ended Feb. 2021	103.57	99.05	26.7	23.6	13.6

(Reference) Equity gains (losses) of affiliated companies Fiscal year ended Feb. 2022 - million yen Fiscal year ended Feb. 2021 - million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	million yen	million yen	%	yen
Fiscal year ended Feb. 2022	2,932	2,255	76.9	507.15
Fiscal year ended Feb. 2021	3,168	1,900	60.0	436.55

(Reference) Equity Fiscal year ended Feb. 2022 2,255 million yen Fiscal year ended Feb. 2021 1,900 million yen

(3) Consolidated cash flows

	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 end of period
	million yen	million yen	million yen	million yen
Fiscal year ended Feb. 2022	161	(46)	22	2,088
Fiscal year ended Feb. 2021	477	(8)	18	1,944

2. Dividends

	Annual dividends					Total dividends (Total)	Payout ratio (Consolidated)	Net assets to dividend ratio (Consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total			
	yen	yen	yen	yen	yen	million yen	%	%
Fiscal year ended Feb. 2021	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ended Feb. 2022	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending Feb. 2023 (forecast)	-	0.00	-	0.00	0.00		-	

3. Consolidated earnings forecast for fiscal year ending February 2023 (from March 1, 2022 to February 28, 2023)

(% figures show the rate of increase (decrease) compared with the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full fiscal year	5,001	16.1	451	3.1	451	0.2	308	(5.6)	69.15

*Explanatory notes

(1) Changes in significant subsidiaries during fiscal year : No

(Changes in specified subsidiaries resulting in change in scope of consolidation)

Newly included - companies (Company name)

Excluded - companies (Company name)

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

1) Changes in accounting policies due to amendment of accounting standards, etc. : No

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

3) Changes in accounting estimates : No

4) Restatement : No

(3) Number of shares issued and outstanding (common shares)

1) Number of shares issued and outstanding (including treasury shares) at end of fiscal year	Fiscal year ended Feb. 2022	4,446,900 shares	Fiscal year ended Feb. 2021	4,354,500 shares
2) Number of treasury shares at end of fiscal year	Fiscal year ended Feb. 2022	132 shares	Fiscal year ended Feb. 2021	68 shares
3) Average number of shares during fiscal year	Fiscal year ended Feb. 2022	4,385,820 shares	Fiscal year ended Feb. 2021	4,303,618 shares

*This summary of financial results is not subject to audit procedures by a public accountant or audit corporation.

*Explanation regarding appropriate use of earnings forecasts, and other notes

(Notes on forward-looking statements)

The financial outlook and other forward-looking statements contained in this document are based on information currently available to and certain assumptions that are thought to be reasonable by the Company. Accordingly, such statements should not be construed as a guarantee of achieving the results by the Company. Actual financial results and the like may differ materially due to various factors. For the conditions forming the assumptions on which financial forecasts are based and notes on financial forecasts, etc., please refer to the explanations on the forecast information described in "1. Overview of Operating Results, Etc.; (4) Future Outlook" on page 4.

(Concerning the change in the disclosure time of "Matters Related to Business Plans and Growth Potential")

We stated in the "Material related to Business Plans and Growth Potential" disclosed on November 22, 2021, that the updated content would be disclosed at the full-year financial results briefing. However, we have changed the timing of the disclosure to May 2022.

Table of Contents of the Attachment

1. Overview of Operating Results, Etc.	2
(1) Overview of Operating Results for the Fiscal Year Under Review.....	2
(2) Overview of Financial Position for the Fiscal Year Under Review	3
(3) Overview of Cash Flows for the Fiscal Year Under Review	3
(4) Future Outlook	4
2. Basic Policy Regarding Selection of Accounting Standards.....	4
3. Consolidated Financial Statements and Significant Notes Thereto	5
(1) Consolidated Balance Sheet	5
(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income	7
(3) Consolidated Statement of Changes in Equity.....	9
(4) Consolidated Statement of Cash Flows	10
(5) Notes to Consolidated Financial Statements	11
(Notes on Going Concern Assumption).....	11
(Segment Information, Etc.).....	11
(Per Share Information)	13
(Significant Subsequent Events).....	13

1. Overview of Operating Results, Etc.

(1) Overview of Operating Results for the Fiscal Year Under Review

In the fiscal year ended February 2022, the Japanese economy saw supply constraints, including shortage of semiconductors which became apparent in fall 2020 and after and shortage of parts due to the spread of COVID-19 infection in Southeast Asia in summer 2021, in addition to the halting of economic and social activities due to restrictions on people's activities and other self-restraint in line with the declaration of a state of emergency and such. As these hampered exports and consumer spending, the economic recovery remained moderate until September 2021. That said, however, after the state of emergency and such were lifted in all prefectures in October, the level of economic and social activities allowed has been raised in stages and the economy is showing signs of recovery. Looking at the financial results of listed companies for the April-December period of 2021, profit increased year on year in both manufacturing and non-manufacturing. Concerning the world economy, real GDP growth rate for the October-December quarter of 2021 increased 6.9% quarter on quarter in the U.S. with significant contribution of inventory investment, surpassing the market forecast. On the other hand, in China, partly due to the restrained economic activities caused by stagnant real estate investment and restrictions on people's activities based on the zero-COVID policy, real GDP growth rate for the fourth quarter of 2021 stood at 4.0%, indicating slower growth compared with the third quarter, although the growth rate for 2021 was up 8.1% from the previous year. Also in the Euro area, because of the slowdown in consumption caused by the spread of COVID-19 and energy price hikes, as well as the delay in recovery of automobile production due to limited supplies in addition to other factors, real GDP growth rate was lower than the market forecast, standing at 0.3% quarter on quarter. There remains a downside risk in the economy resulting from the surge in the number of COVID-19 cases due to emergence of a new Omicron variant going forward as well. Furthermore, excessive adjustment of asset prices in line with the rise in the U.S. long-term interest rates, slowdown of the Chinese economy due to an increase of non-performing loans and the impact of Russia's invasion of Ukraine on the world economy also present risks. Therefore, it is necessary to continue to carefully watch the effects of fluctuations in financial and capital markets and such.

In the information services sector to which the Ricksoft Group belongs, the trend to promote DX (digital transformation) to improve corporate value and competitiveness has continued. Also combined with the establishment of the Digital Agency by the government, demand for IT investment utilizing advanced technologies such as IoT, cloud, RPA (Robotic Process Automation) and FinTech has continued to remain strong. DX has advanced rapidly under the COVID-19 pandemic, and new movements and behavioral changes such as remote work, contactless, cloud, mobility, AI/ML, and cybersecurity have taken hold in companies. In response to these changes, companies are more likely to work on further transformation to establish new business models and competitive advantages. In connection with this growing need for greater business flexibility and efficiency, it is expected that next-generation infrastructure and software development innovations will become IT trends and that there will be an increase in demand for infrastructure with speed and scalable flexibility for real-time data collection and cloud utilization.

Under these circumstances, the Ricksoft Group has been reshaping and communicating the possibilities of finished goods and services to solve problems and concerns caused by changes in customer needs and corporate awareness. The use of these by customers has been robust.

<About Finished Goods>

- Began providing a service that allows for use of tools centering on Atlassian products provided by Ricksoft in a secure environment by integrating "Flexible InterConnect," a next-generation Internet connection service provided by NTT Communications Corporation and "RickCloud," a full-managed service provided by Ricksoft (July 2021)
- Released "Cadre," an application that collects and visualizes data accumulated in Jira Software and Confluence with Tableau (September 2021)
- Released "Pochitto DX," which realizes easy streamlining of operations, as the first installment of "D-Accel," a platform providing DX solutions (September 2021)

<About partner certification>

- Certified as Gold Partner in the "Transformation Partners" category in the partner program of Scaled Agile, Inc. (June 2021)
- Ricksoft, Inc., a subsidiary, was upgraded to Gold Partner in the "Marketplace Partner Program" of Atlassian (August 2021) and then to Platinum Partner (February 2022)

<About business partnership>

- Concluded a basic agreement for business partnership with TDC SOFT Inc. for business development related to "Scaled Agile

Framework," a framework that leads the world in the business agility field (May 2021)

- Concluded a basic agreement on the joint development of low-code tools for agile management with BlueMeme Inc. (October 2021)

In addition, by promoting DX and implementation of work-style reform also within the company, we have promoted in-house restructuring to adapt to the situations with an aim to further increase productivity, cut costs, etc. In recognition of this initiative, in October 2021, we were certified as a "DX Certified Business Operator" based on the DX certification program established by the Ministry of Economy, Trade and Industry. Going forward, our officers and employees will continue to make a unified effort to promote DX as well as to cultivate existing customers and increase orders by gaining new customers.

As a result, for the fiscal year under review, the Company recorded net sales of 4,308,223 thousand yen (down 2.8%), operating profit of 437,485 thousand yen (down 27.3%), ordinary profit of 450,242 thousand yen (down 25.1%), and profit attributable to owners of parent of 326,934 thousand yen (down 26.7%), all on a year-on-year basis.

Description of segment information is omitted as the Company has a single business segment of tool solution business.

(2) Overview of Financial Position for the Fiscal Year Under Review

(Assets)

Total assets at the end of the fiscal year under review decreased by 236,689 thousand yen from the end of the previous fiscal year to 2,932,229 thousand yen (down 7.5% year on year). This was mainly attributable to cash and deposits increasing by 144,888 thousand yen while accounts receivable - trade decreasing by 407,476 thousand yen.

(Liabilities)

Liabilities at the end of the fiscal year under review decreased by 590,940 thousand yen from the end of the previous fiscal year to 677,034 thousand yen (down 46.6% year on year). This was mainly attributable to accounts payable - trade decreasing by 407,825 thousand yen and income taxes payable decreasing by 86,491 thousand yen.

(Net assets)

Net assets at the end of the fiscal year under review increased by 354,250 thousand yen from the end of the previous fiscal year to 2,255,194 thousand yen (up 18.6% year on year). This was mainly attributable to retained earnings increasing by 326,934 thousand yen due to recording of profit attributable to owners of parent.

(3) Overview of Cash Flows for the Fiscal Year Under Review

Cash and cash equivalents at the end of the fiscal year under review increased by 144,888 thousand yen from the end of the previous fiscal year to 2,088,910 thousand yen (up 7.5% year on year). The status of cash flows and their contributing factors are as follows.

(Cash flows from operating activities)

Cash flows from operating activities in the fiscal year under review amounted to net cash provided by operating activities of 161,142 thousand yen (down 66.3% year on year). This was mainly attributable to a decrease in trade payables of 409,047 thousand yen, decrease in accrued consumption taxes of 85,576 thousand yen and income taxes paid of 201,431 thousand yen despite profit before income taxes of 450,242 thousand yen and a decrease in trade receivables of 410,202 thousand yen.

(Cash flows from investing activities)

Cash flows from investing activities in the fiscal year under review amounted to net cash used in investing activities of 46,793 thousand yen (up 459.7% year on year). This was mainly due to purchase of property, plant and equipment of 51,131 thousand yen, etc.

(Cash flows from financing activities)

Cash flows from financing activities in the fiscal year under review amounted to net cash provided by financing activities of 22,743 thousand yen (up 21.9% year on year). This was mainly attributable to proceeds from issuance of shares resulting from exercise of share acquisition rights of 22,869 thousand yen, etc.

(4) Future Outlook

The Japanese economy in the next fiscal year is expected to be on a recovery trend due to various economic policies by the government, but uncertainty remains due to factors such as the spread of new COVID-19 variants and fluctuations in COVID-19 case counts as well as a state of emergency and pre-emergency measures for COVID-19 being declared again along with such. However, with the launch of the third vaccination program, the economy is expected to be on a recovery trend by realizing both economic activities and infection prevention simultaneously. On the other hand, unpredictable situations are likely to continue for the world economy, including the situation in Ukraine and monetary policies of various countries.

Looking ahead, under these circumstances, the Ricksoft Group will further increase the added value it provides such as thorough support and independent training ranging from development and deployment to operation in response to Atlassian's policy of migration to the cloud. In addition, in response to the termination of the perpetual license support for server products by Atlassian (February 2024), which has already been announced, Ricksoft opened a migration consultation center for Atlassian's products in October 2020 and has reinforced support services. The number of consultation cases for cloud migration regarding Atlassian's products has already exceeded 100, and the migration is expected to be carried out sequentially by Ricksoft going forward. Furthermore, since "D-Accel" released in September 2021 is a tool integration platform providing multiple SaaS safely, easily and conveniently, Ricksoft expects to take in new customer groups, including leading medium-sized companies and small- to medium-sized companies which are not able to allocate personnel to DX tasks.

Furthermore, Ricksoft will continue to actively engage in valuable M&A deals and investments as necessary.

For the business results for the fiscal year ending February 2023, the Company forecasts net sales of 5,001 million yen (up 16.1%), operating profit of 451 million yen (up 3.1%), ordinary profit of 451 million yen (down 0.2%) and profit attributable to owners of parent of 308 million yen (down 5.6%), all on a year-on-year basis.

Although the spread of the COVID-19 may affect the business results of the Ricksoft Group, it is difficult to discern the degree of impact in the future. Accordingly, it is not factored in the forecast results at present.

2. Basic Policy Regarding Selection of Accounting Standards

In preparing consolidated financial statements, the Ricksoft Group has decided to apply the Japanese GAAP for the time being.

With regard to the application of the International Financial Reporting Standards, the Company intends to respond to the application in an appropriate manner, taking into consideration the situations of various factors both in and outside Japan.

3. Consolidated Financial Statements and Significant Notes Thereto

(1) Consolidated Balance Sheet

(Unit: thousand yen)

	Fiscal year ended Feb. 2021 (as of February 28, 2021)	Fiscal year ended Feb. 2022 (February 28, 2022)
Assets		
Current assets		
Cash and deposits	1,944,022	2,088,910
Accounts receivable - trade	971,095	563,618
Electronically recorded monetary claims - operating	165	—
Work in process	20,058	26,848
Other	47,467	72,578
Total current assets	2,982,808	2,751,955
Non-current assets		
Property, plant and equipment		
Buildings	74,398	85,727
Tools, furniture and fixtures	32,435	49,961
Accumulated depreciation	(36,438)	(43,829)
Total property, plant and equipment	70,394	91,859
Intangible assets		
Other	1,748	10,197
Total intangible assets	1,748	10,197
Investments and other assets		
Deferred tax assets	30,787	24,365
Leasehold deposits	82,209	52,881
Other	970	970
Total investments and other assets	113,967	78,216
Total non-current assets	186,110	180,273
Total assets	3,168,918	2,932,229

(Unit: thousand yen)

	Fiscal year ended Feb. 2021 (as of February 28, 2021)	Fiscal year ended Feb. 2022 (February 28, 2022)
Liabilities		
Current liabilities		
Accounts payable - trade	724,744	316,919
Income taxes payable	127,884	41,392
Advances received	172,515	168,923
Provision for bonuses	62,055	51,728
Provision for loss on order received	—	2,594
Other	134,946	64,434
Total current liabilities	1,222,146	645,993
Non-current liabilities		
Asset retirement obligations	45,828	31,041
Total non-current liabilities	45,828	31,041
Total liabilities	1,267,974	677,034
Net assets		
Shareholders' equity		
Share capital	325,946	337,501
Capital surplus	360,946	372,501
Retained earnings	1,216,162	1,543,096
Treasury shares	(415)	(541)
Total shareholders' equity	1,902,640	2,252,558
Accumulated other comprehensive income		
Foreign currency translation adjustment	(1,717)	2,625
Total accumulated other comprehensive income	(1,717)	2,625
Share acquisition rights	20	10
Total net assets	1,900,943	2,255,194
Total liabilities and net assets	3,168,918	2,932,229

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

Consolidated Statement of Income

(Unit: thousand yen)

	Fiscal year ended Feb. 2021 (from March 1, 2020 to February 28, 2021)	Fiscal year ended Feb. 2022 (from March 1, 2021 to February 28, 2022)
Net sales	4,431,006	4,308,223
Cost of sales	2,868,405	2,779,301
Gross profit	1,562,601	1,528,921
Selling, general and administrative expenses	960,725	1,091,436
Operating profit	601,875	437,485
Non-operating income		
Interest income	5	4
Foreign exchange gains	—	4,261
Rebate	58	4,384
Subsidy income	1,045	3,791
Other	74	545
Total non-operating income	1,184	12,987
Non-operating expenses		
Share issuance costs	213	230
Foreign exchange losses	1,458	—
Total non-operating expenses	1,671	230
Ordinary profit	601,388	450,242
Profit before income taxes	601,388	450,242
Income taxes - current	171,769	116,845
Income taxes - deferred	(16,123)	6,462
Total income taxes	155,645	123,308
Profit	445,743	326,934
Profit attributable to owners of parent	445,743	326,934

Consolidated Statement of Comprehensive Income

(Unit: thousand yen)

	Fiscal year ended Feb. 2021 (from March 1, 2020 to February 28, 2021)	Fiscal year ended Feb. 2022 (from March 1, 2021 to February 28, 2022)
Profit	445,743	326,934
Other comprehensive income		
Foreign currency translation adjustment	(1,107)	4,342
Total other comprehensive income	(1,107)	4,342
Comprehensive income	444,635	331,277
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	444,635	331,277

(3) Consolidated Statement of Changes in Equity

Fiscal year ended February 2021 (from March 1, 2020 to February 28, 2021)

(Unit: thousand yen)

	Shareholders' equity					Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	316,468	351,468	770,418	(335)	1,438,019	(609)	(609)	29	1,437,439
Changes during period									
Issuance of new shares - exercise of share acquisition rights	9,478	9,478			18,957				18,957
Profit attributable to owners of parent			445,743		445,743				445,743
Purchase of treasury shares				(80)	(80)				(80)
Net changes in items other than shareholders' equity						(1,107)	(1,107)	(8)	(1,116)
Total changes during period	9,478	9,478	445,743	(80)	464,620	(1,107)	(1,107)	(8)	463,504
Balance at end of period	325,946	360,946	1,216,162	(415)	1,902,640	(1,717)	(1,717)	20	1,900,943

Fiscal year ended February 2022 (from March 1, 2021 to February 28, 2022)

(Unit: thousand yen)

	Shareholders' equity					Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	325,946	360,946	1,216,162	(415)	1,902,640	(1,717)	(1,717)	20	1,900,943
Changes during period									
Issuance of new shares - exercise of share acquisition rights	11,554	11,554			23,109				23,109
Profit attributable to owners of parent			326,934		326,934				326,934
Purchase of treasury shares				(125)	(125)				(125)
Net changes in items other than shareholders' equity						4,342	4,342	(9)	4,332
Total changes during period	11,554	11,554	326,934	(125)	349,917	4,342	4,342	(9)	354,250
Balance at end of period	337,501	372,501	1,543,096	(541)	2,252,558	2,625	2,625	10	2,255,194

(4) Consolidated Statement of Cash Flows

(Unit: thousand yen)

	Fiscal year ended Feb. 2021 (from March 1, 2020 to February 28, 2021)	Fiscal year ended Feb. 2022 (from March 1, 2021 to February 28, 2022)
Net cash provided by (used in) operating activities		
Profit before income taxes	601,388	450,242
Depreciation	12,752	29,954
Amortization of goodwill	2,066	—
Foreign exchange losses (gains)	1,121	(4,537)
Increase (decrease) in provision for bonuses	37,394	(10,418)
Increase (decrease) in provision for loss on order received	—	2,594
Interest income	(5)	(4)
Subsidy income	(1,045)	(3,791)
Share issuance costs	213	230
Decrease (increase) in trade receivables	(743,512)	410,202
Decrease (increase) in inventories	7,747	(6,790)
Decrease (increase) in advance payments - trade	(15,407)	(3,566)
Increase (decrease) in trade payables	599,272	(409,047)
Increase (decrease) in advances received	17,399	(3,591)
Increase (decrease) in accrued consumption taxes	55,167	(85,576)
Other, net	8,956	(7,122)
Subtotal	583,509	358,777
Interest received	5	4
Income taxes paid	(106,801)	(201,431)
Proceeds from subsidy income	1,045	3,791
Net cash provided by (used in) operating activities	477,758	161,142
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(8,826)	(51,131)
Purchase of intangible assets	—	(9,493)
Payments for asset retirement obligations	—	(15,530)
Payments of leasehold and guarantee deposits	—	(924)
Proceeds from refund of leasehold and guarantee deposits	465	30,286
Net cash provided by (used in) investing activities	(8,360)	(46,793)
Net cash provided by (used in) financing activities		
Proceeds from issuance of shares resulting from exercise of share acquisition rights	18,733	22,869
Purchase of treasury shares	(80)	(125)
Net cash provided by (used in) financing activities	18,652	22,743
Effect of exchange rate change on cash and cash equivalents	(2,424)	7,795
Net increase (decrease) in cash and cash equivalents	485,626	144,888
Cash and cash equivalents at beginning of period	1,458,395	1,944,022
Cash and cash equivalents at end of period	1,944,022	2,088,910

(5) Notes to Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Segment Information, Etc.)

[Segment information]

Description is omitted as the Company has a single business segment of tool solution business.

[Related information]

Fiscal year ended February 2021 (from March 1, 2020 to February 28, 2021)

1. Information by product and service

(Unit: thousand yen)

	License Sales, System Integration Services	Fully Managed Cloud Service for Enterprises	Own Software Development	Total
Sales to outside customers	3,870,007	296,017	264,981	4,431,006

2. Information by geographic area

(1) Net sales

Description is omitted as net sales to external customers exceeds 90% of net sales on the consolidated statement of income.

(2) Property, plant and equipment

Description is omitted as there is no property, plant and equipment located outside Japan.

3. Information by major customer

(Unit: thousand yen)

Customer name	Net sales	Related segment
DENSO CORPORATION	449,143	Tool solution business

Fiscal year ended February 2022 (from March 1, 2021 to February 28, 2022)

1. Information by product and service

(Unit: thousand yen)

	License Sales, System Integration Services	Fully Managed Cloud Service for Enterprises	Own Software Development	Total
Sales to outside customers	3,685,460	309,110	313,652	4,308,223

2. Information by geographic area

(1) Net sales

Description is omitted as net sales to external customers exceeds 90% of net sales on the consolidated statement of income.

(2) Property, plant and equipment

Description is omitted as there is no property, plant and equipment located outside Japan.

3. Information by major customer

Not applicable as, of the net sales to external customers, no customer accounts for 10% or more of net sales on the consolidated statement of income.

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

Fiscal year ended February 2021 (from March 1, 2020 to February 28, 2021)

Not applicable.

Fiscal year ended February 2022 (from March 1, 2021 to February 28, 2022)

Not applicable.

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

Fiscal year ended February 2021 (from March 1, 2020 to February 28, 2021)

Description is omitted as the Company has a single business segment of tool solution business.

Fiscal year ended February 2022 (from March 1, 2021 to February 28, 2022)

Not applicable.

[Information about gain on bargain purchase by reportable segment]

Fiscal year ended February 2021 (from March 1, 2020 to February 28, 2021)

Not applicable.

Fiscal year ended February 2022 (from March 1, 2021 to February 28, 2022)

Not applicable.

(Per Share Information)

	Fiscal year ended Feb. 2021 (from March 1, 2020 to February 28, 2021)	Fiscal year ended Feb. 2022 (from March 1, 2021 to February 28, 2022)
Net assets per share	436.55 yen	507.15 yen
Basic earnings per share	103.57 yen	74.54 yen
Diluted earnings per share	99.05 yen	72.94 yen

(Note) The basis for calculation of basic earnings per share and diluted earnings per share is as follows:

Item	Fiscal year ended Feb. 2021 (from March 1, 2020 to February 28, 2021)	Fiscal year ended Feb. 2022 (from March 1, 2021 to February 28, 2022)
Basic earnings per share		
Profit attributable to owners of parent (thousand yen)	445,743	326,934
Amount not attributable to common shareholders (thousand yen)	—	—
Profit attributable to owners of parent for common shares (thousand yen)	445,743	326,934
Average number of common shares during period (shares)	4,303,618	4,385,820
Diluted earnings per share		
Adjustment to profit attributable to owners of parent (thousand yen)	—	—
Increase in number of common shares (shares)	196,547	96,215
(Of which, share acquisition rights (shares))	(196,547)	(96,215)
Description of potentially dilutive shares not included in calculation of diluted earnings per share, because they are antidilutive	—	—

(Significant Subsequent Events)

Not applicable.