



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

November 13, 2023

Name of listed company: GMO Financial Gate, Inc. Exchange: Tokyo Stock Exchange Growth
 Stock code: 4051 URL: <https://gmo-fg.com/en>
 Representative: Kentaro Sugiyama President & Chief Executive Officer
 Contact: Tomoki Tamai Director & Corporate Support Division Executive Officer Tel: +81-3-6416-3881
 Scheduled date of annual general meeting of shareholders: December 17, 2023 Scheduled date of commencement for dividend payment: December 18, 2023
 Scheduled date of filing annual securities report: December 18, 2023
 Supplemental materials prepared for financial results: Yes
 Information meeting arranged related to financial results: Yes (for institutional investors and analysts)

(Amounts rounded down to the nearest one million yen)

1. Consolidated Financial Statements for the Fiscal Year Ended September 30, 2023 (From October 1, 2022 to September 30, 2023)

(1) Consolidated Financial Statements (Cumulative) (Percentages represent year over year % change)

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Mil.Yen	%	Mil.Yen	%	Mil.Yen	%	Mil.Yen	%
FY 2023	15,909	54.5	1,120	51.3	1,114	49.4	746	58.0
FY 2021	10,295	45.2	740	25.7	745	20.4	472	14.9

(*) Comprehensive profit FY2023 781Mil.Yen (62.9%) FY2022 479Mil.Yen (28.7%)

	Net earnings per share	Diluted earnings per share	Return on shareholders' equity	Ordinary profit to total assets	Operating profit to revenue
	Yen	Yen	%	%	%
FY 2023	90.25	89.74	15.9	14.0	7.0
FY 2022	57.32	56.70	10.8	10.8	7.2

(Note) Share of profit of entities accounted for using equity method FY2022 —Mil.Yen FY2021 —Mil.Yen

(Note) The company conducted a 2-for-1 stock split for common stock on January 17, 2023. As a result, net income per share and diluted net earnings per share after the stock split are calculated on the assumption that the stock split was conducted at the beginning of the fiscal year ended September 30, 2022.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Mil.Yen	Mil.Yen	%	Yen
FY 2023	9,262	5,115	53.0	592.97
FY 2022	6,638	4,670	67.8	545.23

(Note) Equity Capital FY2023 4,913Mil.Yen FY2022 4,503Mil.Yen

(Note) The company conducted a 2-for-1 stock split for common stock on January 17, 2023. As a result, net assets per share is calculated on the assumption that the stock split was conducted at the beginning of the fiscal year ended September 30, 2022.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Mil.Yen	Mil.Yen	Mil.Yen	Mil.Yen
FY 2023	865	△529	1,280	4,003
FY 2022	△212	△531	△303	2,387

2. Dividends

	Annual Dividend					Total dividends	Payout ratio (Consolidated)	Dividends to net assets (Consolidated)
	End of Q1	End of Q2	End of Q3	End of Q4	Total			
	Mil.Yen	%	Mil.Yen	%	Mil.Yen	%	Mil.Yen	%
FY2022	—	0.00	—	58.00	58.00	239	50.6	5.5
FY2023	—	0.00	—	46.00	46.00	382	51.0	8.1
FY2024 (forecast)	—	0.00	—	52.00	52.00		50.2	

(Note) The company conducted a 2-for-1 stock split for common stock on January 17, 2023. The dividend for the fiscal year ending September 30, 2022 represents the actual dividend before the stock split.

3. Consolidated Financial Forecast for the Fiscal Year Ending September 2024 (October 1, 2023 to September 30, 2024)

(Percentages represent quarter over quarter / year over year % change)

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net earnings per share
	Mil.Yen	%	Mil.Yen	%	Mil.Yen	Mil.Yen	%	Mil.Yen	%
Q2 FY2024(Cumulative)	9,208	26.7	740	16.4	731	15.3	472	19.7	56.96
FY2024(Full year)	19,200	20.7	1,410	25.9	1,392	24.9	859	15.1	103.67

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purpose. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Notes:

- (1) Changes of important subsidiaries during the period : No
 (change of specific subsidiaries that leads to a change in the scope of consolidation)
 Number of new subsidiaries: - (Name) ; Number of excluded subsidiaries: (Name)

- (2) Changes in the accounting policy / changes in the accounting estimation
- [1] Changes in accounting policy required by accounting criteria : Yes
 [2] Changes in accounting policy other than [1] : No
 [3] Changes in accounting estimations : No
 [4] Restatement of prior period financial statements : No

- (3) Number of shares issued (common stock)

[1] Number of shares issued at the end of the term (including treasury stock)	FY2023	8,305,340	FY2022	8,260,220
[2] Number of treasury shares at the end of the term	FY2023	19,188	FY2022	252
[3] Average number of shares during the term	FY2023	8,270,541	FY2022	8,244,136

- (Notes) 1.The number of treasury shares at the end of the term includes the Company's shares held by Board Benefit Trust (BBT and J-ESOP) (FY2022: NA, FY2023: 18,800 shares)
 2.The company conducted a 2-for-1 stock split for common stock on January 17, 2023.As a result, the number of shares issued (common stock) is calculated on the assumption that the stock split was conducted at the beginning of the fiscal year ended September 30, 2022.

(Note) Non-consolidated Financial Statements for the Fiscal Year Ended September 30, 2023
 (From October 1, 2022 to September 30, 2023)

- (1) Non-consolidated operating results (Percentages represent year over year % change)

	Revenue		Operating profit		Ordinary profit		Net profit	
	Mil.Yen	%	Mil.Yen	%	Mil.Yen	%	Mil.Yen	%
FY2023	15,281	57.0	780	47.8	1,179	121.5	961	171.3
FY2022	9,735	45.2	528	△1.3	532	△29.9	354	△38.8

	Earnings per share	Diluted earnings per share
	Yen	Yen
FY2023	116.31	115.65
FY2022	43.00	42.54

- (Note) The company conducted a 2-for-1 stock split for common stock on January 17, 2023. As a result, net income per share and diluted net income per share after the stock split are calculated on the assumption that the stock split was conducted at the beginning of the fiscal year ended September 30, 2022.

- (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Mil Yen	Mil Yen	%	Yen.sen
FY2023	9,093	5,113	56.2	617.07
FY2022	6,281	4,487	71.4	543.31

- (Note) Shareholders' equity FY2023 5,113Mil.Yen FY2022 4,487Mil.Yen

- (Note) The company conducted a 2-for-1 stock split for common stock on January 17, 2023. As a result, net assets per share is calculated on the assumption that the stock split was conducted at the beginning of the fiscal year ended September 30, 2022.

* financial statements are not subject the review by certified public accountants or financial statement auditors.

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

The forward-looking statements, including business results forecasts, contained in this document are based on information available to the company at the time of preparation and on certain assumptions deemed reasonable by the company. Forward-looking statements are not intended as a promise of actual results by the company. Actual results may differ materially due to a variety of factors. For more regarding assumptions related to earnings forecasts and precautions concerning the use of earnings forecasts, see 1.Qualitative Information Regarding Results for the Period (4) Future outlook on page 5 of Attached Materials.

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purpose. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Table of contents of attachments

1. Qualitative Information Regarding Results for the Period.....	2
(1) Overview of operating results.....	2
(2) Overview of financial position.....	3
(3) Overview of cash flows.....	4
(4) Future outlook	5
(5) Basic policy on profit distribution and dividends for the current and next fiscal year.....	5
2. Basic Concept Regarding Selection of Accounting Standards	5
3. Consolidated financial statements and Major Notes.....	6
(1) Consolidated balance sheet.....	6
(2) Consolidated statement of income and comprehensive income.....	8
(3) Consolidated statement of changes in equity	10
(4) Consolidated statement of cash flows.....	11
(5) Notes regarding consolidated financial statements.....	12
(Notes regarding going concern assumptions).....	12
(Changes in accounting policy).....	12
(Segment Information)	12
(Per Share Information)	13
(Significant subsequent events).....	13

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purpose. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

1. Qualitative Information Regarding Results for the Period

(1) Overview of operating results for the fiscal year ended September 30, 2023

Forward-looking statements in this document reflect GMO Financial Gate Group (GMO-FG) judgements as of the end of the fiscal year ended September 30, 2023.

Financial results for the fiscal year ended September 30, 2023 (October 1, 2022 to September 30, 2023) are as follows.

(Unit: Thousand Yen)

	FY2022 (October 1, 2021 to September 30, 2022)	FY2023 (October 1, 2022 to September 30, 2023)	YoY Change (%)
Revenue	10,295,454	15,909,069	54.5
Operating profit	740,527	1,120,324	51.3
Ordinary profit	745,831	1,114,159	49.4
Profit attributable to owners of parent	472,523	746,433	58.0

a. Revenue

Revenue at GMO-FG reached ¥15,909,069 thousand (up 54.5% YoY).

Revenue for the fiscal year ended September 30, 2023 exceeded the upwardly revised plan released on August 9, 2023 due to the waning impact of COVID-19 and the recovery of inbound tourism following the reopening of borders as well as strong growth in the number of newly installed and active payment terminals.

The next-generation payment terminal Stera continued to make a large contribution to sales of payment terminals, which account for most of initial sales. Revenue showed solid growth thanks to the smooth progress in large projects related mainly to postal offices which have been ongoing since October 2022 as well as contributions from small and medium-sized projects such as with sole proprietorship restaurants, clinics and beauty salons.

Recurring-model revenue, consisting of stock, fee and spread revenues, also showed solid growth due to increased initial sales and a steady increase in the number of active terminals. We acquired member merchants by accommodating diversifying cashless payment needs such as by developing and introducing functions to allow payment with points issued by member merchants and to grant points, introducing self-checkout registers for labor-saving and unattended operation, and sharing sales data; and as a result, the number of active terminals and the number and amount of payments processed increased. Spread revenue, which had previously shown slower growth than other recurring-model revenues, also recovered to the level at which it showed a YoY increase of over 20% following the implementation of various initiatives.

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purpose. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Revenue by business model for the fiscal year ended September 30, 2023 is as follows. Recurring-model revenue consists of stock, fee and spread revenues, and figures in parentheses represent a breakdown of recurring-model revenue.

(Unit: Thousand Yen)

	FY2022 (October 1, 2021 to September 30, 2022)	FY2023 (October 1, 2022 to September 30, 2023)	Rate of Change (%)
Initial	7,162,832	11,116,720	55.2
Recurring-model	3,132,621	4,792,348	53.0
Stock	(865,597)	(1,243,892)	(43.7)
Fee	(1,316,944)	(2,396,603)	(82.0)
Spread	(950,080)	(1,151,852)	(21.2)
Total	10,295,454	15,909,069	54.5

b. Operating profit

Operating profit reached ¥1,120,324 thousand (up 51.3% YoY).

While the profitability of sales of payment terminals which exceeded the plan is low, an increase in gross profit contributed to the growth of operating profit. Increase in the number of active terminals and the number and amount of payments processed, the source of the high-margin recurring-model revenue, also contributed to solid growth of operating profit. In line with the strong growth in revenue, we recorded selling, general and administrative expenses in excess of the plan, consisting mainly of growth investments for employment of new employees to support growth, increased wages for officers and employees and corporate infrastructure. At the same time, we ensured to contain these growth investments within a reasonable range with an eye on solid profit growth; and as a result, we were able to record operating profit exceeding the upwardly revised plan disclosed on May 11, 2023.

c. Ordinary profit

Ordinary profit reached ¥1,114,159 thousand (up 49.4% YoY).

d. Profit attributable to owners of parent

Profit attributable to owners of parent reached ¥746,433 thousand (up 58.0% YoY).

The difference with the rate of growth of ordinary profit is a result of using the tax incentives to encourage wage increase resulting in lower-than-expected corporate income taxes.

(2) Overview of financial position as of September 30, 2023

(Assets)

As of September 30, 2023, current assets increased by ¥2,503,151 thousand from the previous fiscal year to ¥7,519,209 thousand. This was mainly because cash and cash equivalents increased ¥1,496,496 thousand, merchandise increased ¥889,333 thousand as we increased the payment terminal inventory to a certain level based on the sales forecast, and trade accounts receivable increased ¥289,874 thousand due to strong sales of payment terminals. Non-current assets increased ¥135,074 thousand from the previous fiscal year to ¥1,757,031 thousand due mainly to increases in deferred tax assets of ¥99,778 thousand and in software of ¥72,792 thousand despite a decrease in goodwill of ¥44,438 thousand.

As a result, total assets increased ¥2,624,226 thousand from the previous fiscal year to ¥9,262,240 thousand.

(Liabilities)

As of September 30, 2023, current liabilities increased ¥676,072 thousand from the previous fiscal year to ¥2,604,857 thousand. This was mainly because accounts payable increased ¥260,626 thousand, deposits received increased ¥202,319 thousand and allowance for employees' bonuses increased ¥151,260 thousand. Non-current liabilities increased ¥1,503,016 thousand from September 30, 2022 to ¥1,541,587 thousand mainly due to an increase in long term borrowing of ¥1,500,000 thousand.

As a result, total liabilities increased ¥2,179,088 thousand from the previous fiscal year to ¥4,146,445 thousand.

(Net assets)

As of September 30, 2023, total net assets increased ¥445,137 thousand from the previous fiscal year to ¥5,115,795 thousand. This was mainly because retained earnings increased ¥746,433 thousand due to recording of profit attributable to owners of parent while retained earnings decreased ¥239,539 thousand due to distribution of dividend from surplus and treasury stock increased ¥120,902 thousand.

(3) Overview of cash flows for the fiscal year ended September 30, 2023

As of September 30, 2023, cash and cash equivalents ("cash") increased ¥1,616,496 thousand from the previous fiscal year to ¥4,003,682 thousand. A summary of cash flows from each activity for the fiscal year ended September 30, 2023 is as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was ¥869,675 thousand (net cash used of ¥212,184 thousand for the fiscal year ended September 30, 2022). While cash decreased due to an increase in inventory of ¥889,293 thousand, cash increased mainly due to recording of profit before income taxes of ¥1,099,844 thousand and increases in trade payables of ¥260,626 thousand and in deposits received of ¥202,319 thousand.

(Cash flows from investing activities)

Net cash used in investing activities was ¥533,707 thousand (net cash used of ¥531,214 thousand for the fiscal year ended September 30, 2022) mainly because cash decreased due to purchase of intangible fixed assets of ¥441,460 thousand and purchase of property, plant and equipment of ¥62,231 thousand.

(Cash flows from financing activities)

Net cash provided by financing activities was ¥1,280,529 thousand (net cash used of ¥303,036 thousand for the fiscal year ended September 30, 2022) mainly because cash increased due to proceeds from long term borrowing of ¥1,500,000 thousand.

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purpose. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

(4) Future outlook

During the three months ended September 30, 2023, there was the spread of new COVID-19 variants and unseasonal influenza, but we believe its impact on the offline payment market in which we operate was limited. Meanwhile, the cooling stock market as a result of tightening monetary policy adopted by a number of countries to deal with a rapid increase in prices of a wide range of products, sudden fluctuations in foreign exchange rates, and uncertain economic prospects. The outlook of the Japanese economy also remains uncertain as the Ukraine situation remains unstable and the situation in the Middle East is becoming tense. Although prospects remain uncertain, in the offline cashless payment market in which the Group operates, the number of member merchants adopting the cashless payment is on the rise due to government-led promotion and diversifying payment methods. Under such environment, the Group aims to focus on sales of payment terminals meeting the needs of member merchants, enhancement of payment processing centers, and acquisitions of new member merchants and alliance partners to continue medium and long-term growth in revenue and operating profit.

Consolidated financial forecast for the fiscal year ending September 30, 2024 is revenue of ¥19,200 million (up 20.7% YoY), operating profit of ¥1,410 million (up 25.9% YoY), ordinary profit of ¥1,392 million (up 24.9% YoY) and profit attributable to owners of parent of ¥859 million (up 15.1% YoY).

(5) Basic policy on profit distribution and dividends for the current and next fiscal year

Recognizing shareholder returns as one of its important management issues, the Company aims for stable and continuous payment of dividends in comprehensive consideration of financial results and adequate internal reserves to meet capital needs for business expansion.

The year-end dividend for the fiscal year ended September 30, 2023 was upwardly revised to ¥39 per share in the announcement made on May 11, 2023 but will be further increased by ¥7 yen to ¥46 per share as the financial results for the fiscal year ended September 30, 2023 exceeded the disclosed forecast. (Note)

The dividends for the fiscal year ending September 30, 2024 are forecast to be ¥52 per share based on our strong business plan with an aim to further enhance shareholder returns by paying higher dividends than the current fiscal year and increase medium and long-term corporate value.

(Note) To be resolved at the Company's Board of Directors meeting scheduled to be held on November 20, 2023.

2. Basic Concept Regarding Selections of Accounting Standards

The Group will prepare its consolidated financial statements under Japanese GAAP for the moment in consideration of comparability between periods and with other companies.

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purpose. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

3. Consolidated financial statements and Major Notes

(1) Consolidated balance sheet

(Unit: Thousand Yen)

	End of FY2022 (September 30, 2022)	End of FY2023 (September 30, 2023)
Assets		
Current assets		
Cash and cash equivalents	2,519,185	4,015,682
Trade accounts receivable	630,851	920,725
Merchandise	1,506,845	2,396,179
Other financial assets	362,240	181,151
Allowance of doubtful accounts	△3,065	△8,529
Total current assets	5,016,057	7,505,209
Non-current assets		
Property, plant and equipment	79,685	84,575
Intangible fixed assets		
Software	989,279	1,062,072
Software in progress	103,872	117,035
Customer-related assets	85,621	42,810
Goodwill	177,753	133,315
Other intangible fixed assets	60	60
Total intangible fixed assets	1,356,587	1,355,293
Investments and other assets		
Lease deposits	47,801	47,033
Bankruptcy rehabilitation claims	1,021	1,043
Deferred tax assets	137,863	237,641
Other	19	32,486
Allowance for doubtful accounts	△1,021	△1,043
Total investments and other assets	185,683	317,161
Total non-current assets	1,621,956	1,757,031
Total assets	6,638,014	9,262,240

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purpose. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

(Unit: Thousand Yen)

	End of FY2022 (September 30, 2022)	End of FY2023 (September 30, 2023)
Liabilities		
Current liabilities		
Accounts payable	814,649	1,075,275
Income taxes payable	253,018	201,123
Contract liabilities	34,343	89,224
Deposits received	173,421	375,741
Allowance for employees' bonuses	241,500	392,760
Allowance for directors' bonuses	59,300	107,576
Other current liabilities	352,552	363,157
Total current liabilities	1,928,785	2,604,857
Non-current liabilities		
Long term debt	—	1,500,000
Provision for employee stock ownership plan trust	166	4,524
Provision for management board benefit trust	11,977	23,954
Deferred tax liabilities	26,217	13,108
Other non-current liabilities	210	—
Total non-current liabilities	38,571	1,541,587
Total liabilities	1,967,356	4,146,445
Net assets		
Shareholders' equity		
Capital stock	1,617,987	1,629,932
Capital surplus	1,631,098	1,643,043
Retained earnings	1,257,124	1,764,019
Treasury stock	△2,627	△123,529
Total shareholders' equity	4,503,581	4,913,464
Non-controlling interests	167,075	202,330
Total net assets	4,670,657	5,115,795
Total liabilities and net assets	6,638,014	9,262,240

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purpose. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

	(Unit: Thousand Yen)	
	FY2022 (October 1, 2021 to September 30, 2022)	FY2023 (October 1, 2022 to September 30, 2023)
Revenue	10,295,454	15,909,069
Cost of revenue	7,527,314	12,003,608
Gross profit	2,768,140	3,905,460
Selling, general and administrative expenses		
Directors' compensations	135,648	128,460
Salaries and allowances	490,491	578,804
Provision for employee bonuses	241,500	392,760
Provision for employee stock ownership plan trust	166	4,357
Provision for directors' bonuses	59,300	107,576
Provision for management board benefit trust	11,977	11,977
Amortization of goodwill	44,438	44,438
Other selling, general and administrative expenses	1,044,091	1,516,761
Total selling, general and administrative expenses	2,027,612	2,785,136
Operating profit	740,527	1,120,324
Non-operating income		
Interest income	23	25
Receipt cancellation reimbursement	6,071	—
Other non-operating income	104	181
Total non-operating income	6,198	206
Non-operating expense		
Interest expense	894	6,339
Other non-operating expense	0	32
Total non-operating expense	894	6,372
Ordinary profit	745,831	1,114,159
Extraordinary loss		
Loss on retirement of non-current assets	—	14,314
Total extraordinary loss	—	14,314
Profit before income taxes	745,831	1,099,844
Income tax expenses	347,245	431,043
Deferred income taxes	△81,374	△112,887
Total income taxes	265,871	318,156
Net Profit	479,959	781,688
Profit attributable to non-controlling shareholders	7,436	35,254
Profit attributable to owners of parent	472,523	746,433

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purpose. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Consolidated statement of comprehensive income

	(Unit: Thousand Yen)	
	FY2022 (October 1, 2021 to September 30, 2022)	FY2023 (October 1, 2022 to September 30, 2023)
Profit	479,959	781,688
Comprehensive income	479,959	781,688
(Breakdown)		
Comprehensive income attributable to owners of parent	472,523	746,433
Comprehensive income attributable to non-controlling shareholder	7,436	35,254

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purpose. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

(3) Consolidated statement of changes in equity

Previous fiscal year (October 1, 2021 to September 30, 2022)

(Unit: Thousand Yen)

	Shareholders' equity					Profit attributable to non-controlling shareholder	Total net asset
	Capital	Capital surplus	Retained earnings	Treasury stock	Total of shareholders' equity		
Balance at beginning of period	1,605,446	1,618,557	994,020	△1,252	4,216,771	159,639	4,376,410
Changes during the period							
Exercise of stock options	12,540	12,540			25,080		25,080
Dividends of surplus			△209,419		△209,419		△209,419
Acquisition of treasury stock				△1,375	△1,375		△1,375
Profit attributable to the owners of parents			472,523		472,523		472,523
Changes during the period of items other than shareholders' equity, Net						7,436	7,436
Total of changes during the period	12,540	12,540	263,104	△1,375	286,810	7,436	294,246
Balance at end of period	1,617,987	1,631,098	1,257,124	△2,627	4,503,581	167,075	4,670,657

Current fiscal year (October 1, 2022 to September 30, 2023)

(Unit: Thousand Yen)

	Shareholders' equity					Profit attributable to non-controlling shareholder	Total net asset
	Capital	Capital surplus	Retained earnings	Treasury stock	Total of shareholders' equity		
Balance at beginning of period	1,617,987	1,631,098	1,257,124	△2,627	4,503,581	167,075	4,670,657
Changes during the period							
Exercise of stock options	11,945	11,945			23,890		23,890
Dividends of surplus			△239,539		△239,539		△239,539
Acquisition of treasury stock				△120,902	△120,902		△120,902
Profit attributable to the owners of parents			746,433		746,433		746,433
Changes during the period of items other than shareholders' equity, Net						35,254	35,254
Total of changes during the period	11,945	11,945	506,894	△120,902	409,882	35,254	445,137
Balance at end of period	1,629,932	1,643,043	1,764,019	△123,529	4,913,464	202,330	5,115,795

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purpose. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

(4) Consolidated statement of cash flows

	(Unit: Thousand Yen)	
	FY2022 (October 1, 2021 to September 30, 2022)	FY2023 (October 1, 2022 to September 30, 2023)
Cash flows from operating activities		
Profit before income taxes	745,831	1,099,844
Depreciation	317,153	385,706
Amortization of goodwill	44,438	44,438
Increase(decrease) in allowance for employees' bonuses	151,767	151,260
Increase(decrease) in allowance for directors' bonuses	39,300	48,276
Increase(decrease) in provision for share-based remuneration	166	4,357
Increase(decrease) in provision for share-based remuneration for directors	11,977	11,977
Increase(decrease) in allowance for doubtful accounts	8	5,486
Loss on retirement of non-current assets	-	14,314
Receipt cancellation reimbursement	△6,071	-
Interest income	△23	△25
Interest expense	894	6,339
Decrease(increase) in trade accounts receivables	△109,016	△289,874
Decrease(increase) in inventories	108,054	△889,293
Increase(decrease) in trade payables	△277,659	260,626
Increase(decrease) in deposits received	△956,044	202,319
Other, net	△48,041	305,490
Subtotal	22,733	1,361,245
Interest income received	23	25
Interest expense paid	△894	△6,339
Proceeds from receipt cancellation reimbursement	6,071	-
Income taxes paid	△240,118	△489,017
Net cash provided by (used in) operating activities	△212,184	865,913
Cash flows from investing activities		
Purchase of property, plant and equipment	△14,481	△62,231
Purchase of intangible fixed assets	△492,538	△437,698
Payment of office lease deposits	△24,155	-
Other, net	△37	△30,015
Net cash provided by (used in) investing activities	△531,214	△529,945
Cash flows from financing activities		
Proceeds from share issuance by exercising stock options	25,080	23,890
Proceeds from long term borrowing	-	1,500,000
Purchase of treasury shares	△1,375	△1,137
Payments of money hold in trust for purchase of treasury stock	△132,000	△2,232
Dividend paid	△188,449	△239,539
Other, net	△6,292	△452
Net cash provided by (used in) financing activities	△303,036	1,280,529
Net increase(decrease) in cash and cash equivalents	△1,046,434	1,616,496
Cash and cash equivalents at the beginning of period	3,433,620	2,387,185
Cash and cash equivalents at the end of period	2,387,185	4,003,682

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purpose. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

(5) Notes regarding consolidated financial statements

(Notes regarding the going concern assumptions)

Not applicable

(Application of accounting standard for fair value measurement, etc.)

The "Accounting Standard for Calculation of Fair Value" (ASBJ Statement No. 30, July 4, 2019. Hereinafter referred to as "Accounting Standard for Calculation of Fair Value") The "Accounting Standard for Calculation of Fair Value" (ASBJ Statement No. 30, July 4, 2019) and the "Accounting Standard for Calculation of Fair Value" (ASBJ Statement No. 30, July 4, 2019) are applied from the beginning of the current fiscal year, and the transitional treatment prescribed in Paragraph 19 of the Accounting Standard for Calculation of Fair Value and Paragraph 44-2 of the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, July 4, 2019) is applied. In accordance with the treatment, the new accounting policy stipulated by the fair value accounting standard will be applied prospectively. There is no impact on the consolidated financial statements.

(Segment Information)

The Group's business segment consists of a single segment, face-to-face payment services only, and therefore segment information is omitted.

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purpose. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

(Per share information)

	FY2022 (October 1, 2021 to September 30, 2022)	FY2023 (October 1, 2022 to September 30, 2023)
Net assets per share	545.23 Yen	592.97 Yen
Earnings per share	57.32 Yen	90.25 Yen
Diluted earnings per share	56.70 Yen	89.74 Yen

(Notes) 1. The Company has introduced a stock benefit trust (BBT and J-ESOP). The Company's shares held by such stock benefit trusts are recorded as treasury stock in the consolidated financial statements. The number of the Company's shares owned by the said stock benefit trust is deducted from the number of outstanding shares of common stock at the end of the period for the purpose of calculating net assets per share and the average number of common stock during the period for the purpose of calculating net income per share and diluted net income per share (previous consolidated fiscal year: None; current consolidated fiscal year: 18,800 shares). 18,800 shares).

2. On January 17, 2023, the Company conducted a 2-for-1 stock split of common shares. Accordingly, net assets per share, net income per share, and diluted net income per share are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

3. Basis for calculation of net income per share and diluted net income per share is as follows.

	FY2022 (October 1, 2021 to September 30, 2022)	FY2023 (October 1, 2022 to September 30, 2023)
Earnings per share		
Profit attributable to owners of parent (Thousand yen)	472,523	746,433
Amounts not attributable to common shareholders (Thousand yen)	—	—
Profit attributable to owners of parent related to common stock (Thousand yen)	472,523	746,433
Average number of common stock during the period	8,244,136	8,270,541
Diluted earnings per share		
Deferred Profit attributable to owners of parent (Thousand yen)	—	—
Number of increase in common stock	90,220	47,160
(Contribution from stock option)	(90,220)	(47,160)
Summary of potential shares not included in the calculation of diluted net income per share due to the absence of dilutive effects.	—	—

(Significant subsequent events)

Not applicable