



Consolidated Financial Results for the Fiscal Year  
ended December 31, 2023 [Japanese GAAP]

February 9, 2024

Company name Sun\* Inc.  
 Stock Exchange listing Tokyo  
 Code 4053 URL <http://sun-asterisk.com/>  
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 Scheduled date of annual general meeting of shareholders: March 28, 2024  
 Scheduled date for filing the annual report: March 29, 2024  
 Scheduled date for commencement of dividend payment: —  
 Availability of supplementary briefing material on annual financial results: Yes  
 Holding of financial result presentation: Yes (For institutional investors and analysts,)

(Amounts less than one million yen are rounded down)

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2023 (January 1, 2023- December 31, 2023)

(1) Consolidated Operating Results (Accumulated) (% indicates changes from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income attributable to shareholders of parent company	
Fiscal year ended	million yen	%	million yen	%	million yen	%	million yen	%
December 31, 2023	12,516	16.5	1,775	96.8	2,279	99.2	1,569	90.4
December 31, 2022	10,745	33.8	902	(36.1)	1,144	(27.3)	823	(36.7)

(Note) Comprehensive income: Fiscal year ended December 31, 2023: 1,752 million yen (54.7%)  
 Fiscal year ended December 31, 2022: 1,132 million yen ((24.3)%)

	Net income per share	Net income per share (diluted)	Return on equity	Ordinary income to total assets	Operating income to net sales
Fiscal year ended	yen	yen	%	%	%
December 31, 2023	41.25	38.83	18.2	21.2	14.2
December 31, 2022	21.81	20.40	11.5	12.7	8.4

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	Yen
As of December 31, 2023	11,859	9,499	80.1	249.48
As of December 31, 2022	9,675	7,736	80.0	203.83

(Reference) Shareholders' Equity As of December 31, 2023 9,498 million yen  
 As of December 31, 2022 7,736 million yen

(3) Consolidated Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of fiscal year
Fiscal year ended	million yen	million yen	million yen	million yen
December 31, 2023	1,883	(326)	(224)	4,633
December 31, 2022	807	(1,287)	(62)	3,287

## 2. Cash Dividends

	Cash dividends per share for the fiscal year (yen)				
	1Q-end	2Q-end	3Q-end	Year-end	Total
Fiscal year ended December 31, 2022	yen —	yen 0.00	yen —	yen 0.00	yen 0.00
Fiscal year ended December 31, 2023	—	0.00	—	0.00	0.00
Fiscal year ending December 31, 2024 (forecast)	—	0.00	—	0.00	0.00

	Total cash dividends paid	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	million yen	%	%
Fiscal year ended December 31, 2022	—	—	—
Fiscal year ended December 31, 2023	—	—	—
Fiscal year ending December 31, 2024 (forecast)		—	

## 3. Consolidated Financial Forecast for the Fiscal Year ending December 31, 2024 (January 1, 2024 - December 31, 2024) (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to shareholders of parent company		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	15,061	20.3	2,162	21.8	2,299	0.8	1,780	13.4	46.80

(Note) Since the Company manages its operations on an annual basis, the consolidated financial forecast for the second quarter (accumulated) is omitted. For details, please refer to "1. Overview of Operating Results, etc. (4) Future Outlook" on page 3 of the attached materials.

### ※ Notes

(1) Significant changes in subsidiaries during the current fiscal year

(Changes in specified subsidiaries due to changes in the scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates, revisions and restatements

① Changes in accounting policies due to revision of accounting standards, etc.: Yes

② Changes in accounting policies other than ① : None

③ Change of accounting estimates: None

④ Restatement: None

(3) Number of shares outstanding (common shares)

① Number of shares outstanding at the end of the period (including treasury stocks)

Fiscal Year ended December, 2023	38,075,500 shares	Fiscal Year ended December, 2022	37,956,400 shares
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② Number of treasury stocks at the end of the period

Fiscal Year ended December, 2023	132 shares	Fiscal Year ended December, 2022	106 shares
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③ Average number of shares during the period (Cumulative total for the quarter)

Fiscal Year ended December, 2023	38,038,650 shares	Fiscal Year ended December, 2022	37,779,120 shares
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(Reference) Overview of Non-consolidated Financial Results

1. None-consolidated Financial Forecast for the Fiscal Year ending December 31, 2023 (January 1, 2023 - December 31, 2023)

(1) Non-consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal Year ended December, 2023	9,657	22.2	663	149.1	611	181.4	269	202.4
Fiscal Year ended December, 2022	7,903	20.7	266	(18.1)	217	(35.6)	89	(64.2)

	Net income per share	Net income per share (diluted)
	yen	yen
December 31, 2023	7.08	6.67
December 31, 2022	2.36	2.21

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
As of December 31, 2023	6,456	4,424	68.5	116.20
As of December 31, 2022	5,389	4,140	76.8	109.08

(Reference) Shareholders' Equity      As of December 31, 2023      4,424 million yen  
As of December 31, 2022      4,140 million yen

※ The report is not subject to annual audit by a certified public accountants or audit firms.

※ Information about the proper usage of forecast financial results, and other special instructions

The forward-looking statements, including business forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed reasonable, and are not intended as a promise by the Company that they will be achieved. Actual results may differ materially due to a variety of factors. Please refer to " (4) Future Outlook" on page 3 of the attached materials for the conditions that form the assumptions for earnings forecasts and cautions concerning the use of earnings forecast.

The Company periodically discloses the progress of management indices, etc. in its quarterly financial results presentation materials.



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## 1. Overview of Operating Results, etc.

### (1) Overview of Consolidated Operating Results for the Period

During the consolidated fiscal year under review, the Japanese economy saw a gradual recovery in economic activities due to the effects of various policies under the improving employment and income environment. On the other hand, the future of the economy remained uncertain due to such factors as sharp exchange rate fluctuations and rising prices.

In this business environment, in order to provide the services necessary to meet the challenges of our clients, the Group, within the single segment of "Digital Creative Studio Business," is engaged in "Creative & Engineering" to create digital products together with our clients, and "Digital Product Creation" to We are developing two service lines, "Creative & Engineering" to create digital products together with our clients, and "Talent Platform" to discover and develop human resources necessary for the creation of digital products and produce them for our clients, and are working to increase the number of clients and the unit price per client as our priority issues.

In the "Creative & Engineering" service, the number of stock-type clients was 121, ARPU was 5,183 million yen, and net sales were 10,840 million yen (up 16.8% year-on-year) in the current fiscal year end due to an increase in orders from existing clients as well as from new clients.

In the "Talent Platform" service, sales were 1,676 million yen (up 14.0% year-on-year) as companies' willingness to recruit is on a recovery trend.

As a result, for the current consolidated fiscal year, net sales were 12,516 million yen (up 16.5% year-on-year), operating income was 1,775 million yen (up 96.8% year-on-year), ordinary income was 2,279 million yen (up 99.2% year-on-year), and net income attributable to shareholders of the parent company was 1,569 million yen (up 90.4% year-on-year).

Segment information is omitted because Group operates in a single segment – i.e., Digital Creative Studio Business.

### (2) Overview of Consolidated Financial Position

#### (Assets)

Current assets at the end of the current fiscal year totaled 10,047 million yen, up 2,127 million yen from the end of the previous fiscal year. This was mainly due to a 1,682 million yen increase in cash and deposits and a 256 million yen increase in notes and accounts receivable-trade and contract assets resulting from an increase in "Creative & Engineering" sales.

Noncurrent assets totaled 1,811 million yen, up 56 million yen from the end of the previous fiscal year. This was mainly due to a 46 million yen increase in long-term loans receivable and a 40 million yen increase in deferred tax assets.

As a result, total assets at the end of the current consolidated fiscal year were 11,859 million yen, an increase of 2,184 million yen from the end of the previous consolidated fiscal year.

#### (Liabilities)

Current liabilities at the end of the current consolidated fiscal year totaled 2,035 million yen, an increase of 429 million yen from the end of the previous consolidated fiscal year. This was mainly due to a 231 million yen increase in accrued income taxes, etc., which were finalized at the closing of accounts, a 151 million yen increase in accrued consumption taxes, etc., and a 105 million yen increase in accrued bonuses.

Noncurrent liabilities amounted to 324 million yen, down 7 million yen from the end of the previous fiscal year. This was mainly due to a decrease of repayment of long-term loans payable.

As a result, total liabilities at the end of the current consolidated fiscal year were 2,359 million yen, an increase of 421 million yen from the end of the previous consolidated fiscal year.

#### (Net Assets)

Net assets at the end of the current fiscal year were 9,499 million yen, an increase of 1,762 million yen compared to the end of the previous fiscal year. This was mainly due to an increase of 1,569 million yen in retained earnings resulting from the recording of net income attributable to shareholders of the parent company.

### (3) Overview of Consolidated Cash Flow

Cash and cash equivalent (hereinafter referred to as "net cash") at the end of the current fiscal year decreased by 1,346 million yen compared to the end of the previous fiscal year to 4,633 million yen. The status of each cash flow and their factors are as follows.

#### (Cash flows from operating activities)

Net cash provided by operating activities totaled 1,883 million yen (807 million yen in the previous fiscal year). This was due to factors such as income before income taxes and minority interests of 2,107 million yen and non-cash expenses of 436 million yen, including depreciation and amortization of business PCs and office interior design costs, amortization of goodwill, and allowances, offset by factors such as a 256 million yen increase in notes and accounts receivable-trade and a 516 million yen increase in other assets.

#### (Cash flows from investing activities)

Net cash used in investing activities was 326 million yen (1,287 million yen in the previous fiscal year). This was mainly due to such negative factors as payments into time deposits of 5,902 million yen and purchase of investment securities of 51 million yen, while there were such positive factors as proceeds from withdrawal of time deposits of 5,725 million yen.

#### (Cash flows from financing activities)

Net cash used in financing activities was 224 million yen (62 million yen in the previous fiscal year). This was due to repayment of short-term loans payable and long-term loans payable.

### (4) Future Outlook

#### (1) Creative & Engineering

This service line provides creative and engineering support to Japanese clients, mainly in the areas of business idea generation, product development, and continuous growth of products, and generates revenue through quasi-contracts or subcontracts with clients. The company generates revenue through quasi-contracts and subcontracts that last more than three months.

Stock-type sales consist of the number of clients x the unit price per client, and the annual number of clients and unit price per client are set based on the actual values of orders received through the fiscal year ending December 31, 2023. The number of new customers is on an upward trend due to strengthened lead generation and lead nurturing, and since this trend is expected to continue in the fiscal year ending December 31, 2024, the number of stock-type customers at the end of the fiscal year ending December 31, 2024 is expected to increase by 19 companies from the previous fiscal year to 140 companies (up 15.7% from the previous fiscal year). The number of stock-type clients at the end of FY12/2024 is expected to increase by 19 companies from the previous fiscal year to 140 (up 15.7% from the previous fiscal year). In addition, since we expect a constant increase in new and existing customers with high unit prices, we assume that the average monthly unit price per customer will increase by 92 thousand yen from the previous period to 5,276 thousand yen (up 1.8% year-on-year) for the fiscal year ending December 31, 2024, and that net sales for this service line will be 12,925 million yen (up 19.2% year-on-year) for the fiscal year ending December 31, 2024. The sales of this service line is expected to be 12,925 million yen (up 19.2%) in FY12/2024.

#### (2) Talent Platform

This service line identifies and trains IT personnel in Japan and overseas to support clients' digitalization efforts in terms of human resources.

The need for IT personnel is on the rise, and we expect this trend to continue in the fiscal year ending December 31, 2024, and project that this service line will generate sales of 2,135 million yen (up 27.3% from the previous fiscal year) in the fiscal year ending December 31, 2024.

Based on the above situation in each of the above service lines, for the fiscal year ending December 31, 2024, we project consolidated net sales of 15,061 million yen (up 20.3% from the previous fiscal year), operating income of 2,162 million yen (up 21.8%), ordinary income of 2,299 million yen (up 0.8%), and net income attributable to parent company shareholders 1,780 thousand yen (up 13.4% year on year).

## 2. Basic Policy for adopting Accounting Standards

In consideration of the comparability of consolidated financial statements and intercompany comparability, the Group's policy for the time being is to prepare consolidated financial statements under Japanese GAAP.

Concerning the adoption of IFRS, the Group intends to respond appropriately in consideration of various domestic and international circumstances.

## 3. Consolidated Financial Statements and Primary Notes

## (1) Consolidated Balance Sheet

(Unit: million yen)

	As of December 31, 2022	As of December 31, 2023
Assets		
Current assets		
Cash and cash equivalent	6,264	7,946
Notes and accounts receivable - trade and contract assets	1,165	1,422
Work in process	67	68
Other	446	656
Allowance for doubtful accounts	△23	△45
Total current assets	7,919	10,047
Noncurrent assets		
Property, plant, and equipment		
Buildings and structures	351	381
Accumulated depreciation	△167	△211
Buildings and structures (Net)	183	170
Machinery and equipment	282	318
Accumulated depreciation	△199	△236
Machinery and equipment (Net)	83	81
Total property, plant and equipment	267	252
Intangible assets		
Goodwill	526	456
Other	51	51
Total intangible assets	578	507
Investments and other assets		
Investment securities	513	489
Deferred tax assets	61	102
Other	396	634
Allowance for doubtful accounts	△60	△174
Total investments and other assets	910	1,051
Total noncurrent assets	1,755	1,811
Total assets	9,675	11,859



(Unit: million yen)

	As of December 31, 2022	As of December 31, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	273	242
Short-term loans payable	180	—
Current portion of long-term loans payable	56	33
Accounts payable - other	73	66
Accrued expenses	331	408
Income taxes payable	96	328
Contract liabilities	194	295
Provisions for bonuses	89	195
Other	310	463
Total current liabilities	1,605	2,035
Noncurrent liabilities		
Long-term loans payable	43	11
Asset retirement obligations	90	95
Deferred tax liabilities	82	85
Other	115	132
Total noncurrent liabilities	332	324
Total liabilities	1,938	2,359
Net assets		
Shareholders' equity		
Capital stock	1,713	1,717
Capital surplus	1,698	1,702
Retained earnings	3,876	5,445
Treasury stock	△0	△0
Total shareholders' equity	7,287	8,865
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14	19
Foreign currency translation adjustment	435	614
Total accumulated other comprehensive income	449	633
Stock subscription rights	0	0
Total net assets	7,736	9,499
Total liabilities and net assets	9,675	11,859

(2) Consolidated Statements of Income and Comprehensive Income  
(Consolidated statements of income for the fiscal year ended December 31, 2023)

(Unit: million yen)

	For the fiscal year ended December 31, 2022	For the fiscal year ended December 31, 2023
Net sales	10,745	12,516
Cost of sales	5,668	5,971
Gross profit	5,076	6,545
Selling, general and administrative expenses	4,174	4,770
Operating income	902	1,775
Non-operating income		
Interest income	194	402
Foreign exchange gains	100	180
Grant income	4	1
Gain on sales of investment securities	3	—
Other	9	5
Total non-operating income	313	590
Non-operating expense		
Interest expenses	5	6
Bad debt expense	41	73
Listing-related expense	18	—
Other	5	5
Total non-operating expense	70	85
Ordinary income	1,144	2,279
Extraordinary gains		
Gain of sales of fixed assets	0	55
Total extraordinary gains	—	2
Extraordinary losses	0	58
Loss on valuation of investments in capital		
Loss on valuation of investments in affiliates	—	8
Loss on valuation of stocks of subsidiaries and affiliates	—	73
Head office relocation expenses	—	53
Loss on valuation of investment securities	16	33
other	51	40
Total extraordinary losses	—	21
Income before income taxes	68	229
Income taxes - current	1,076	2,107
Income taxes – deferred	202	582
Total income taxes	49	△43
Net income	252	538
Net income attributable to shareholders of parent company	823	1,569
	823	1,569

(2) Consolidated Statements of Income and Comprehensive Income

(Consolidated statements of comprehensive income for the fiscal year ended December 31, 2023)

(Unit: million yen)

	For the fiscal year ended December 31, 2022	For the fiscal year ended December 31, 2023
Net income	823	1,569
Other comprehensive income		
Valuation difference on available-for-sales- securities	11	4
Foreign currency translation adjustments	297	178
Total other comprehensive income	309	183
Comprehensive income	1,132	1,752
(Details)		
Attributable to shareholders of parent company	1,132	1,752
Attributable to non-controlling interests	—	—

## (3) Consolidated Statement of Changes in Equity

Previous fiscal year ended December 31, 2022 (from January 1, 2022 to December 31, 2022)

(Unit: million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stocks	Total shareholders' equity
Balance at beginning of fiscal year	1,704	1,689	3,052	△0	6,445
Changes of items during fiscal year					
Issuance of new shares	8	8			17
Net income attributable to owners of parent			823		823
Net changes of items other than shareholders' equity					
Total changes of items during fiscal year	8	8	823	—	841
Balance at end of fiscal year	1,713	1,698	3,876	△0	7,287

	Accumulated other comprehensive income			Stock subscription rights	Total net assets
	Valuation difference on available-for-sales-securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of fiscal year	3	137	140	0	6,586
Changes of items during fiscal year					
Issuance of new shares					17
Net income attributable to owners of parent					823
Net changes of items other than shareholders' equity	11	297	309	△0	308
Total changes of items during fiscal year	11	297	309	△0	1,150
Balance at end of fiscal year	14	435	449	0	7,736

Current fiscal year ended December 31, 2023 (from January 1, 2023 to December 31, 2023)

(Unit: million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Total shareholders' equity	Total shareholders' equity
Balance at beginning of fiscal year	1,713	1,698	3,876	△0	7,287
Changes of items during fiscal year					
Issuance of new shares	4	4			9
Net income attributable to owners of parent			1,569		1,569
Net changes of items other than shareholders' equity					
Total changes of items during fiscal year	4	4	1,569	—	1,578
Balance at end of fiscal year	1,717	1,702	5,445	△0	8,865

	Accumulated other comprehensive income			Stock subscription rights	Total net assets
	Valuation difference on available-for-sales-securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of fiscal year	14	435	449	0	7,736
Changes of items during fiscal year					
Issuance of new shares					9
Net income attributable to owners of parent					1,569
Net changes of items other than shareholders' equity	4	178	183		183
Total changes of items during fiscal year	4	178	183	—	1,762
Balance at end of fiscal year	19	614	633	0	9,499

## (4) Consolidated Statements of Cash Flows

(Unit: million yen)

	For the fiscal year ended December 31, 2022	For the fiscal year ended December 31, 2023
Cash flow from operating activities		
Income (loss) before income taxes	1,076	2,107
Gain on sales of fixed assets	—	△55
Loss on valuation of investments in capital	—	8
Loss on valuation of investments in affiliates	—	73
Loss on valuation of stocks of subsidiaries and affiliates	—	53
Transfer cost	10	33
Depreciation and amortization	67	123
(Gain) loss on devaluation of investment securities	—	22
Amortization of goodwill	70	70
(Gain) loss on sales and valuation of investment securities	48	40
Increase (decrease) in allowance for doubtful accounts	41	135
Increase (decrease) in accrued bonuses	38	105
interest income	△194	△402
interest expense	5	6
Decrease (increase) in trade receivables and contract assets	△175	△256
Decrease (increase) in work in process	36	△1
Increase (decrease) in accounts payable - trade	43	△29
Decrease (increase) in other assets	△134	△516
Increase (decrease) in advances received	△41	189
Increase (decrease) in contract liabilities	△133	98
Increase (decrease) in accounts payable - other	12	△56
Increase (decrease) in accrued expense	62	75
Increase (decrease) in other liabilities	101	12
Total	935	1,839
Interest income	194	401
Interest expense	△5	△5
Income taxes paid	△317	△351
Net cash provided by (used in) operating activities	807	1,883
Cash flow from investing activities		
Payments into time deposits	△4,741	△5,902
Refund from time deposits	3,996	5,725
Purchases of property, plant and equipment	△177	△95
Proceeds from sales of intangible assets	—	55
Purchase of investment securities	△181	△51
Other	△184	△57
Net cash provided by (used in) investing activities	△1,287	△326
Cash flow from financing activities		
Increase (decrease) in short-term loan	180	△180
Payments of long-term loan	△259	△54
Proceeds from issuance of stock acquisition rights	—	9
Other	17	0
Net cash provided by (used in) financing activities	△62	△224
Effect of exchange rate changes on cash and cash equivalent	96	14
Net increase (decrease) in cash and cash equivalent	△446	1,346
Cash and cash equivalent at beginning of period	3,734	3,287
Cash and cash equivalent at end of period	3,287	4,633

(5) Notes on the Consolidated Financial Statements

(Notes on Going-Concern Assumptions)

There are no applicable items.

(Changes in Accounting Policies)

(Application of Accounting Standard for Revenue Recognition, etc.)

The "Guidance on Accounting Standard for Measurement of Fair Value" (ASBJ Guidance No. 31, June 17, 2021, hereinafter referred to as "Guidance on Accounting Standard for Measurement of Fair Value") is applied from the beginning of the current fiscal year.

This change has no impact on the consolidated financial statements.

(Segment Information, etc.)

[Segment information]

This information is omitted because the Group operates in a single segment, the digital creative studio business.

[Related information]

Previous fiscal year ended 2022 (January 1, 2022 - December 31, 2022)

1. Information by product/service

(Unit: million yen)

	Creative & Engineering	Talent Platform	Total
Sales to external customers	9,275	1,469	10,745

2. Information by region

(1) Net sales

Sales to external customers in Japan are more than 90% of net sales in the consolidated statements of income, and information by region is omitted.

(2) Property, plant, and equipment

(Unit: million yen)

Japan	Vietnam	Total
207	60	267

3. Information by major customer

This is omitted as there were no external customers whose net sales account for more than 10% of net sales in the consolidated statements of income.

Current fiscal year ended 2023 (January 1, 2023 - December 31, 2023)

1. Information by product/service

(Unit: million yen)

	Creative & Engineering	Talent Platform	Total
Sales to external customers	10,840	1,676	12,516

2. Information by region

(1) Net sales

Sales to external customers in Japan are more than 90% of net sales in the consolidated statements of income, and information by region is omitted.

(2) Property, plant, and equipment

(Unit: million yen)

Japan	Vietnam	Total
196	55	252

3. Information by major customer

This is omitted as there were no external customers whose net sales account for more than 10% of net sales in the consolidated statements of income.

[Information on Impairment of Fixed Assets by Reportable Segment]

This information is omitted because the Group operates in a single segment, the digital creative studio business.

[Information on Amortization and Unamortized balance of Goodwill by Reportable Segment]

This information is omitted because the Group operates in a single segment, the digital creative studio business.

[Information on gain on negative goodwill by reportable segment]

There are no applicable items



## (Per Share Information)

	For the fiscal year ended December 31, 2022	For the fiscal year ended December 31, 2023
Net assets per share	203.83 yen	252.50 yen
Net income per share	21.81 yen	44.27 yen
Net income per share (diluted)	20.40 yen	41.67 yen

(Note) 1. Earnings per share and earnings per share (diluted) were calculated based on the following:

	For the fiscal year ended December 31, 2022	For the fiscal year ended December 31, 2023
Net income per share		
Net income attributable to shareholders of the parent company (million yen)	823	1,684
Amount not belonging to common shareholders' (million yen)	—	—
Net income attributable to shareholders of the parent attributable to common stock (million yen)	823	1,684
Average number of shares of common stock during the fiscal year (share)	37,779,120	38,038,650
Net income per share (diluted)		
Net income adjustments attributable to owners of parent company (million yen)	—	—
Increase in shares of common stock (share)	2,620,654	2,375,283
(Share subscription rights (share))	(2,620,654)	(2,375,283)
Residual securities excluded in the calculation of profit after adjustment for residual securities due to the fact that these securities had no dilutive effect	—	—

2. Net assets per share were calculated based on the following:

	For the fiscal year ended December 31, 2022	For the fiscal year ended December 31, 2023
Total net assets on consolidated balance sheet (million yen)	7,736	9,614
Amount to be deducted from total net assets (million yen)	0	0
Amount attributable to common stock (million yen)	7,736	9,614
Number of common shares used for calculating net assets per share (shares)	37,956,294	38,075,368

## (Significant Subsequent Events)

Not applicable.