



Summary of Financial Accounts for the Fiscal Year Ending March 2021 [Japanese Standards] (Non-Consolidated)

May 7th, 2021

Listed Company Name Nippon Pallet Pool Co., Ltd. Exchange Tokyo
 Code Number 4690 URL <https://www.npp-web.co.jp>
 Representative (Position) President and Representative Director (Name) Yukinori Tsuji
 Contact Representative (Position) Treasurer (Name) Tomoki Soga (Phone) 06(6373)3231
 Scheduled Date for the Annual General Meeting of Shareholders June 25th, 2021
 Scheduled Dividend Payment Start Date June 28th, 2021
 Scheduled Date for the Submission of the Securities Report June 28th, 2021

Existence of additional explanatory documents for the quarterly report: No

Existence of an explanatory meeting for the quarterly report: No

(Rounded down to the nearest million yen)

1. Performance During the Fiscal Year Ending March 2021

(April 1st, 2020 - March 31st, 2021)

(1) Operating Results (% change from the previous year)

	Sales		Operating Profit		Ordinary Profit		FY Net Profit	
	million yen	%	million yen	%	million yen	%	million yen	%
FY Ending March 2021	6,962	Δ0.8	586	13.6	740	10.9	452	3.9
FY Ending March 2020	7,016	5.5	516	100.7	667	81.0	435	94.0

	Fiscal Year Net Profit per Share	Diluted Fiscal Year Net Profit per Share	Quarterly Net Profit Rate for Owned Capital	Ordinary Income Rate for Total Assets	Operating Profit Rate for Sales
	yen sen	yen sen	%	%	%
FY Ending March 2021	538.23	—	9.7	7.2	8.4
FY Ending March 2020	517.89	—	10.2	6.5	7.4

(Reference) Equity in Net Income of Affiliates FY Ending March 2021 - million yen FY Ending March 2020 - million yen

(2) Financial Status

	Total Assets	Net Assets	Capital Adequacy Ratio	Net Assets per Share
	million yen	million yen	%	yen sen
FY Ending March 2021	10,235	4,911	48.0	5,836.50
FY Ending March 2020	10,338	4,475	43.3	5,318.43

(Reference) Owned Capital FY Ending March 2021 4.911 billion yen FY Ending March 2020 4.475 billion yen

(3) Cash Flow Status

	Cash Flow from Sales Activity	Cash Flow from Investment Activity	Cash Flow from Financial Activity	Final Balance of Cash and Cash Equivalents
	million yen	million yen	million yen	million yen
FY Ending March 2021	2,953	Δ1,748	Δ 931	861
FY Ending March 2020	3,242	Δ2,377	Δ 693	588

2. Dividend Status

	Annual Dividend					Dividend Amount (Total)	Dividend Payout Ratio	Net Asset Dividend Ratio
	Q1 End	Q2 End	Q3 End	FY End	Total			
	yen sen	yen sen	yen sen	yen sen	yen sen	million yen	%	%
FY Ending March 2020	—	0.00	—	70.00	70.00	58	13.5	1.3
FY Ending March 2021	—	0.00	—	70.00	70.00	58	13.0	1.2
FY Ending March 2022 (Forecast)	—	0.00	—	35.00	35.00		34.6	

(Note) Our company will carry out a share split that turns each common share into two shares dated June 30th, 2021. The dividend in FY Ending March 2022 (Forecast) represents the dividend after the correspondingshare split.

3. Expected Results for the Fiscal Year Ending March 2022

(April 1st, 2021 - March 31st, 2022)

(% change from the previous year)

	Sales		Operating Profit		Ordinary Profit		Fiscal Year Net Profit		FY Net Profit per Share
	million yen	%	million yen	%	million yen	%	million yen	%	yen sen
Whole FY	7,013	0.7	531	Δ9.5	600	Δ18.9	170	Δ62.5	202.03

***Notes**

(1) Accounting policy change, accounting estimate change, or restatement

- ① Accounting policy change in accordance with revisions to accounting standards, etc. : No
- ② Accounting policy change other than ① : No
- ③ Accounting estimate change : No
- ④ Restatement : No

(2) Shares Issued (Common Shares)

- ① FY End shares Issued (including treasury shares)
- ② FY End treasury Shares
- ③ FY Average Shares

FY Ending March 2021	850,000 shares	FY Ending March 2020	850,000 shares
FY Ending March 2021	8,520 shares	FY Ending March 2020	8,520 shares
FY Ending March 2021	841,480 shares	FY Ending March 2020	841,524 shares

* The summary of financial accounts is not subject to review by a certified public accountant or auditor

* Explanation related to the appropriate use of expected results and other items of note

- Descriptions in this document related to the future, such as earnings estimates, are based on information that our company has obtained at present and certain assumptions that are deemed reasonable, and actual results may differ significantly due to a variety of factors. For conditions that serve as the assumptions for the expected results and precautions related to the use of the expected results, please refer to “1. Qualitative Information Related to This Quarterly Statement (4) Future Projections” on the second page of the attached document.

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1. Summary of Operating Results, Etc.

(1) Summary of Operating Results From This Fiscal Year

In this fiscal year, the domestic economy in Japan remained in a condition in which recovery of the economic environment cannot be foreseen, as demonstrated by the restrictive measures that have been put in place in certain countries and regions due to resurgences of novel coronavirus infections, despite indications of economic improvement following the resumption in stages of economic activity, which had been stagnated as a result of these infections.

Under this business environment, the quantity of units rented out decreased in the field of rentals for companies involved with petrochemical resins, which are the main client for our company's "intermodal palletization," as a result of production adjustments and reductions in production inventory due to the coronavirus pandemic, resulting in underperformance this fiscal year compared to the previous fiscal year. On the other hand, in terms of general clients, rental demand grew steadily throughout the year due to factors such as increases in new clients through requests to streamline logistics and economize labor. In addition, although Total Sales classified as "Other" increased year over year, Total Sales for this fiscal year came out to 6.962 billion yen, down 54 million yen (0.8%) year over year.

In terms of costs, as a result of thoroughly reducing costs by improving the utilization rate of rentals of pallets, etc., efficiently utilizing current lent assets, and optimizing operations, Operating Expenses came out to 6.375 billion yen, a reduction of 124 million yen (1.9%) year over year. As a result, Operating Profit was 586 million yen, up 70 million yen (13.6%) year over year.

Ordinary Profit came out to 740 million yen, up 72 million yen (10.9%) year over year, while Net Profit for this fiscal year came out to 452 million yen, up 17 million yen (3.9%) year over year, resulting in the all-time best results for both Ordinary Profit and Net Profit since the company's founding.

Although we prioritize the efficient utilization of presently available assets, our main Capital Investment for this fiscal year was the strategic investment into type 11 and 14 wooden and plastic pallets. The Total Amount Invested was 2.275 billion yen, paid through our company's own funds and debt.

Sales Statement

Classification			Previous Fiscal Year (From April 1 st , 2019 To March 31 st , 2020)		Current Fiscal Year (From April 1 st , 2020 To March 31 st , 2021)		Change From the Previous Fiscal Year	
			Amount (1,000yen)	Ratio (%)	Amount (1,000yen)	Ratio (%)	Amount (1,000yen)	Change (%)
Renting	Rentals	Pallets	5,989,734	85.4	5,841,163	83.9	Δ148,571	Δ2.5
		Other Containers	557,393	7.9	597,831	8.6	40,438	7.3
	Total		6,547,128	93.3	6,438,994	92.5	Δ108,133	Δ1.7
Sales	Installments		13,019	0.2	3,084	0.0	Δ9,934	Δ76.3
	Products		151,619	2.2	224,409	3.2	72,790	48.0
	Refurbished Products		150,496	2.1	115,764	1.7	Δ34,731	Δ23.1
	Total		315,134	4.5	343,258	4.9	28,123	8.9
Consigned Forwarding Revenue			137,726	2.0	155,183	2.2	17,456	12.7
Incidental Business Revenue			16,551	0.2	25,013	0.4	8,462	51.1
Total			7,016,540	100.0	6,962,449	100.0	Δ54,090	Δ0.8

(2) Summary of the Financial Status From This Fiscal Year

② Analysis of the Financial Status

(Current Assets)

The balance of Current Assets at the end of this fiscal year was 1.877 billion yen (1.662 billion yen in the previous fiscal year), up 214 million yen.

The main cause for this was the increase in Cash and Deposits (up 273 million yen year over year) and Income Receivable (up 24 million yen year over year), despite the decrease in Rental Accounts Receivable (down 65 million yen year over year) and Accounts Receivable (down 18 million yen year over year).

(Fixed Assets)

The balance of Fixed Assets at the end of this fiscal year was 8.358 billion yen (8.676 in the previous fiscal year), down 318 million yen.

The main cause for this was the decrease in Assets Lent (down 466 million yen year over year) and Deferred Tax Assets (down 10 million yen year over year), despite the increase in Intangible Fixed Assets (up 126 million yen year over year) and Long-Term Costs Paid Upfront (up 44 million yen year over year).

(Current Liabilities)

The balance of Current Liabilities at the end of this fiscal year was 3.291 billion yen (3.388 billion yen in the previous fiscal year), down 97 million yen.

The main cause for this was the decrease in Accounts Payable (down 85 million yen year over year), Long-Term Debt to Be Paid Within 1 Year (down 48 million yen year over year), Unpaid Consumption Tax (down 44 million yen year over year) and Unpaid Corporate Taxes, Etc. (down 21 million yen year over year), despite the increase in Unpaid Accounts (up 109 million yen year over year).

(Fixed Liabilities)

The balance of Fixed Liabilities at the end of this fiscal year was 2.033 billion yen (2.475 in the previous fiscal year), down 442 million yen.

The main cause for this was the decrease in Long-Term Debt (down 531 million yen year over year), despite the increase in Long-Term Accounts Payable (up 94 million yen year over year).

(Net Assets)

The balance of Net Assets at the end of this fiscal year was 4.911 billion yen, up 435 million yen.

The main cause for this was the increase in Earned Surplus.

(3) Summary of the Cash Flow From This Fiscal Year

In this fiscal year, Cash and Cash Equivalents came out to 861 million yen, up 273 million yen.

The Cash Flow From Sales Activities came out to 2.953 billion yen (down 8.9% year over year) due to Pre-Tax Net Profit becoming 696 million yen and Depreciation of 2.434 billion yen, among other factors.

The Cash Flow From Investment Activities came out to an expense of 1.748 billion yen (down 26.5% year over year) due to the acquisition of Tangible Fixed Assets, among other factors.

The Cash Flow From Financial Activities came out to an expense of 931 million yen (down 34.3% year over year) due to expenses, such as 1.079 billion yen to repay long-term debt and 293 million yen to repay installments, exceeding the income of 500 million yen through long-term debt, among other factors.

Trends for cash flow indexes are as follows.

	45 th Fiscal Year (Ending March 2017)	46 th Fiscal Year (Ending March 2018)	47 th Fiscal Year (Ending March 2019)	48 th Fiscal Year (Ending March 2020)	49 th Fiscal Year (Ending March 2021)
Capital-To-Asset Ratio (%)	40.7	39.7	39.7	43.3	48.0
Market Value Capital-To-Asset Ratio (%)	20.0	20.6	15.8	19.7	28.6
Years of Debt Redemption	2.0	1.8	1.6	1.5	1.4
Interest Coverage Ratio	52.8	70.8	88.6	97.6	101.7

*Capital-To-Asset Ratio: Owned Capital / Net Assets

*Market Value Capital-To-Asset Ratio: Market Capitalization / Net Assets

*Years of Debt Redemption: Interest-Bearing Liabilities / Sales Cash Flow

*Interest Coverage Ratio: Sales Cash Flow / Interest Payment

(Note) 1 Each index is calculated using financial figures.

2 Market Capitalization is calculated as Final Share Price X Shares Issued (without treasury shares) as of the end of the fiscal year.

3 Sales Cash Flow is taken from the Cash Flow Statement, and interest-bearing liabilities refer to all liabilities for which interest appropriated in the Balance Sheet are paid.

(4) Future Projections

Although expectations regarding novel coronavirus vaccinations are on the rise in Japan and the rest of the world, the threat of the spread of infections continues to exist, and we expect the business environment to remain in a condition with uncertain prospects.

In terms of future projections for our company, demand to rent pallets appears set to maintain its downward trend for the time being due to inventory compression for companies involved with petrochemical resins, which are the main clients, as a result of the long-term spread of coronavirus infections. However, we expect rentals for general clients to produce increased revenue again in the coming fiscal year as a result of the increase in demand for transportation using pallets. In addition, we will strive to tap into new rental markets, such as promoting palletization for railways, and grow our sales by expanding our product offerings, such as through the sales of the Power Assist Suit.

On the other hand, in terms of expenses, although costs to collect and store pallets after they have been rented have been on the rise since the second half of the last fiscal year, we are aiming to secure profitability by limiting investment into newly-built pallets through ensuring efficient operations using existing pallets.

In addition, as part of our future growth strategy, starting this fiscal year, we will sequentially roll out Fuku Low, the pallet location information management system that we developed in an attempt to prevent the long-term stagnation and use of pallets outside of their intended purposes, and strengthen our business foundation by reconfiguring the locations of depots (service offices) in order to improve operational efficiency and enhance our ability to repair and clean pallets, while also installing large-scale machinery to actively promote automation and reduce costs further.

Based on the above, and considering the increase in costs as a result of large-scale investment for the future, our projected results for the fiscal year ending March 2022 are 7.013 billion yen in Sales (up 0.7% year over year), 531 million yen in Operating Profit (down 9.5% year over year), and 600 million yen in Ordinary Profit (down 18.9% year over year). In addition, Net Profit for the upcoming fiscal year is set at 170 million yen (down 62.5% year over year) because we plan to book an impairment loss on company-owned assets as a result of the depot reconfiguration to optimize logistics moving forward.

(5) Material Events, Etc. Regarding the Going Concern Assumption

There are no corresponding items.

2. General Thought Process Regarding the Selection of Accounting Standards

Given that our company's operations are limited to Japan at the moment, we are planning to adopt for the time being. However, our policy will be to evaluate the adoption of IFRS (International Financial Reporting Standards) while monitoring trends among other Japanese companies in terms of the adoption of IFRS moving forward.

3. Financial Statements and Main Points of Note

(1) Balance Sheet

(Units: 1,000 yen)

	Previous FY (March 31 st , 2020)	Current FY (March 31 st , 2021)
Assets		
Current Assets		
Cash and Deposits	737, 669	1, 010, 768
Notes Receivable	17, 749	13, 076
Rental Accounts Receivable	763, 565	697, 593
Accounts Receivable	100, 409	81, 576
Supplies	3, 395	5, 936
Prepaid Costs	17, 605	20, 463
Income Receivable	23, 504	47, 651
Other	2, 898	3, 717
Bad Debt Allowance	Δ 4, 336	Δ 3, 634
Total Current Assets	1, 662, 460	1, 877, 149
Fixed Assets		
Tangible Fixed Assets		
Assets Lent		
Equipment Lent	17, 998, 863	18, 238, 225
Cumulative Depreciation	Δ10,365,760	Δ11,071,624
Equipment Lent (Net)	7, 633, 103	7, 166, 601
Total Assets Lent	7, 633, 103	7, 166, 601
Corporate Assets		
Building	538, 354	529, 046
Cumulative Depreciation	Δ381,838	Δ394,457
Building (Net)	156, 515	134, 589
Structure	269, 257	231, 419
Cumulative Depreciation	Δ248,289	Δ212,995
Structure (Net)	20, 967	18, 423
Machinery	69, 504	109, 404
Cumulative Depreciation	Δ47,881	Δ53,502
Machinery (Net)	21, 623	55, 902
Vehicles	28, 205	27, 800
Cumulative Depreciation	Δ21,241	Δ23,094
Vehicles (Net)	6, 963	4, 705
Tools and Equipment	233, 904	264, 711
Cumulative Depreciation	Δ210,889	Δ211,265
Tools and Equipment (Net)	23, 015	53, 445
Land	483, 126	476, 671
Construction in Process Acct.	39, 136	—
Total Corporate Assets	751, 348	743, 737
Total Tangible Fixed Assets	8, 384, 452	7, 910, 339

(Units: 1,000 yen)

	Previous FY (March 31 st , 2020)	Current FY (March 31 st , 2021)
Intangible Fixed Assets		
Software	12,853	79,421
Other	3,729	64,119
Total Intangible Fixed Assets	16,583	143,541
Investments and Other Assets		
Investment Securities	178,431	173,566
Long-Term Prepaid Costs	1,323	46,120
Deferred Tax Assets	38,067	27,458
Rental Deposits	57,663	57,413
Bankruptcy Reorganization Claims, Etc.	13,221	11,971
Bad Debt Allowance	Δ13,221	Δ11,971
Total Investments and Other Assets	275,486	304,558
Total Fixed Assets	8,676,522	8,358,439
Total Assets	10,338,983	10,235,588

(Units: 1,000 yen)

	Previous FY (March 31 st , 2020)	Current FY (March 31 st , 2021)
Liabilities		
Current Liabilities		
Accounts Payable	691,236	605,432
Short-Term Debt	1,030,000	1,030,000
Long Term Debt to Be Paid Within 1 Year	998,172	949,810
Unpaid Accounts	328,514	438,325
Unpaid Corporate Taxes, Etc.	177,606	155,722
Unpaid Consumption Tax, Etc.	100,726	56,525
Advances Received	384	644
Deposits Received	978	1,224
Reserve	48,863	46,430
Deferred Installment Profit	11,881	6,951
Total Current Liabilities	3,388,363	3,291,067
Fixed Liabilities		
Long-Term Debt	1,891,680	1,360,210
Allowances for Retirement Benefits	19,321	14,987
Long-Term Accounts Payable	532,019	626,129
Asset Retirement Obligation	32,245	31,893
Total Fixed Liabilities	2,475,266	2,033,220
Total Liabilities	5,863,629	5,324,288
Net Assets		
Shareholders' Equity		
Capital	767,955	767,955
Capital Surplus		
Capital Reserve	486,455	486,455
Total Capital Surplus	486,455	486,455
Earned Surplus		
Profit Reserve	96,342	96,342
Other Earned Surplus		
Other Reserve Fund	1,499,500	1,499,500
Deferred Earned Surplus	1,634,849	2,028,859
Total Earned Surplus	3,230,691	3,624,701
Own Shares	Δ17,822	Δ17,822
Total Shareholders' Equity	4,467,279	4,861,289
Valuation or Translation Differences, Etc.		
Other Securities Valuation Differences	8,074	50,011
Total Valuation or Translation Differences, Etc.	8,074	50,011
Total Net Assets	4,475,353	4,911,300
Total Liabilities and Net Assets	10,338,983	10,235,588

(2) Profit and Loss Statement

(Units: 1,000 yen)

	Previous FY (From April 1 st , 2019 to March 31 st , 2020)	Current FY (From April 1 st , 2020 to March 31 st , 2021)
Sales		
Rental Income	6,547,128	6,438,994
Sales Income	315,134	343,258
Other	154,278	180,196
Total Sales	7,016,540	6,962,449
Cost of Sales		
Rental Costs	5,154,646	5,027,944
Sales Costs	227,718	257,441
Other	125,469	143,430
Total Cost of Sales	5,507,834	5,428,816
Gross Profit	1,508,705	1,533,632
Transferred Unrealized Installment Profit	2,874	699
Reversed Unrealized Installment Profit	7,852	5,629
Gross Profit Differential	1,513,684	1,538,562
Selling and General Administrative Costs		
Advertising Costs	16,358	7,769
Directors' Fees	52,064	54,530
Employee Salaries and Bonuses	433,492	448,128
Transferred Reserve for Bonuses	48,863	46,430
Transferred Reserve for Retirement Benefits	2,643	2,255
Welfare Expenses	47,230	53,433
Travel and Transportation Expenses	38,621	24,617
Rent	68,692	73,001
Depreciation	54,793	38,836
Taxes and Dues	26,720	28,732
Transferred Bad Debt Allowance	11,435	Δ1,951
Other	196,066	175,867
Total Selling and General Administrative Costs	996,984	951,652
Operating Profit	516,700	586,910
Non-Operating Income		
Interest Income	12	11
Dividend Income	4,974	4,948
Loss Compensation	144,147	144,253
Waste Disposal Income	33,390	33,046
Other	2,099	411
Total Non-Operating Income	184,625	182,671
Non-Operating Expenses		
Interest Expense	33,475	28,921
Total Non-Operating Expenses	33,475	28,921
Ordinary Profit	667,849	740,660
Extraordinary Profit		
Gains from Sales of Fixed Assets	1,400	350
Total Extraordinary Profit	1,400	350
Extraordinary Loss		
Valuation Loss of Investment Securities	5,527	11,281
Loss on Retirement of Fixed Assets	—	5,869
Impairment Loss	—	27,138
Total Extraordinary Loss	5,527	44,288
Pre-Tax Current Fiscal Year Net Profit	663,722	696,721

(Units: 1,000 yen)

	Previous FY (From April 1 st , 2019 to March 31 st , 2020)	Current FY (From April 1 st , 2020 to March 31 st , 2021)
Corporate Tax, Resident Tax, and Business Tax	226,914	246,490
Corporate Tax, Etc. Adjustment	988	Δ2,682
Total Corporate Tax, Etc.	227,903	243,807
Current Fiscal Year Net Profit	435,819	452,913

(3) Statement of Changes in Shareholder's Equity, Etc.

Previous Fiscal Year (From April 1st, 2019 to March 31st, 2020)

(Units: 1,000 yen)

	Shareholder's Equity						
	Capital	Capital Surplus		Profit Reserve	Earned Surplus		Total Earned Surplus
		Capital Reserve	Total Capital Surplus		Other Reserve Fund	Deferred Earned Surplus	
Beginning Balance	767,955	486,455	486,455	96,342	1,499,500	1,257,936	2,853,779
Change							
Dividend of Surplus						Δ58,907	Δ58,907
Net Profit						435,819	435,819
Acquisition of Own Shares							
Total Change Outside of Shareholders' Equity (Net Value)							
Total Change	—	—	—	—	—	376,912	376,912
Ending Balance	767,955	486,455	486,455	96,342	1,499,500	1,634,849	3,230,691

	Shareholder's Equity		Valuation or Translation Differences, Etc.		Total Net Assets
	Own Shares	Total Shareholder's Equity	Other Securities Valuation Differences	Total Valuation or Translation Differences, Etc.	
Beginning Balance	Δ17,642	4,090,546	21,541	21,541	4,112,088
Change					
Dividend of Surplus		Δ58,907			Δ58,907
Net Profit		435,819			435,819
Acquisition of Own Shares	Δ179	Δ179			Δ179
Total Change Outside of Shareholders' Equity (Net Value)			Δ13,467	Δ13,467	Δ13,467
Total Change	Δ179	376,732	Δ13,467	Δ13,467	363,265
Ending Balance	Δ17,822	4,467,279	8,074	8,074	4,475,353

Current Fiscal Year (From April 1st, 2020 to March 31st, 2021)

(Units: 1,000 yen)

	Shareholder's Equity						
	Capital	Capital Surplus		Profit Reserve	Earned Surplus		Total Earned Surplus
		Capital Reserve	Total Capital Surplus		Other Reserve Fund	Deferred Earned Surplus	
Beginning Balance	767,955	486,455	486,455	96,342	1,499,500	1,634,849	3,230,691
Change							
Dividend of Surplus						Δ58,903	Δ58,903
Net Profit						452,913	452,913
Acquisition of Own Shares							
Total Change Outside of Shareholders' Equity (Net Value)							
Total Change	—	—	—	—	—	394,009	394,009
Ending Balance	767,955	486,455	486,455	96,342	1,499,500	2,028,859	3,624,701

	Shareholder's Equity		Valuation or Translation Differences, Etc.		Total Net Assets
	Own Shares	Total Shareholder's Equity	Other Securities Valuation Differences	Total Valuation or Translation Differences, Etc.	
Beginning Balance	Δ17,822	4,467,279	8,074	8,074	4,475,353
Change					
Dividend of Surplus		Δ58,903			Δ58,903
Net Profit		452,913			452,913
Acquisition of Own Shares		—			—
Total Change Outside of Shareholders' Equity (Net Value)			41,937	41,937	41,937
Total Change		394,009	41,937	41,937	435,947
Ending Balance	Δ17,822	4,861,289	50,011	50,011	4,911,300

(4) Cash Flow Statement

(Units: 1,000 yen)

	Previous FY (From April 1 st , 2019 to March 31 st , 2020)	Current FY (From April 1 st , 2020 to March 31 st , 2021)
Cash Flow From Sales Activities		
Pre-Tax Net Profit	663,722	696,721
Depreciation	2,570,820	2,434,652
Loss Compensation	—	27,138
Change in Reserve for Bonuses (Δ=-)	4,632	Δ2,433
Change in Reserve for Retirement Benefits (Δ=-)	1,153	Δ4,784
Change in Bad Debt Allowance (Δ=-)	11,372	Δ1,951
Interest and Dividend Income	Δ4,987	Δ4,959
Interest Expense	33,475	28,921
Gain or Loss From Investment Security Valuation (Δ=+)	5,527	11,281
Loss on Retirement of Fixed Assets	94,597	84,417
Gain or Loss From Sale of Fixed Assets(Δ=+)	Δ1,400	Δ350
Change in Receivables (Δ=+)	10,533	78,029
Change in Inventory Assets (Δ=+)	3,255	Δ2,541
Change in Purchase Liability (Δ=-)	Δ93,509	18,599
Change in Consumption Tax, Etc. to Be Received or Paid (Δ=-)	72,917	Δ44,201
Other	54,966	Δ71,580
Subtotal	3,427,077	3,246,958
Interest and Dividend Received	4,988	4,963
Interest Paid	Δ33,226	Δ29,036
Corporate Tax, Etc. Paid	Δ156,752	Δ269,695
Cash Flow From Sales Activities	3,242,087	2,953,190
Cash Flow From Investment Activities		
Fixed Deposit Expenses	Δ148,000	Δ138,003
Income From the Maturity of Fixed Deposits	148,000	138,000
Income From the Redemption of Investment Securities	—	50,000
Expense to Acquire Investment Securities	Δ1,153	Δ1,187
Expense to Acquire Tangible Fixed Assets	Δ2,371,108	Δ1,693,140
Income From Sales of Tangible Fixed Assets	1,400	350
Expense to Acquire Intangible Fixed Assets	Δ532	Δ96,508
Other	Δ6,296	Δ7,852
Cash Flow From Investment Activities	Δ2,377,691	Δ1,748,341
Cash Flow From Financial Activities		
Income From Short-Term Debt	9,410,000	8,860,000
Expense to Repay Short-Term Debt	Δ9,410,000	Δ8,860,000
Income From Long-Term Debt	1,000,000	500,000
Expense to Repay Long-Term Debt	Δ1,266,204	Δ1,079,832
Expense to Repay Installments	Δ368,402	Δ293,017
Dividend Paid	Δ58,907	Δ58,903
Change in Own Shares (Δ=+)	Δ179	—
Cash Flow From Financial Activities	Δ693,693	Δ931,752
Translation Differences for Cash and Cash Equivalents	—	—
Changes in Cash and Cash Equivalents (Δ=-)	170,701	273,096
Cash and Cash Equivalents Beginning Balance	418,059	588,761
Cash and Cash Equivalents Ending Balance	588,761	861,857

(5) Points of Note Regarding the Financial Statements**(Points of Note Regarding the Going Concern Assumption)**

There are no corresponding items.

(Segment Reporting, Etc.)**(Segment Reporting)**

Pallet rentals are our company's main business. Income from sales and other sources (income from the consigned forwarding business and incidental business) is not listed because it comes from a single inseparable segment related to sales and is only generated incidentally to the rental business.

(Equity in Net Income of Affiliates, Etc.)

There are no corresponding items.

(Information per Share)

Item	Previous FY (From April 1st, 2019 to March 31st, 2020)	Current FY (From April 1st, 2020 to March 31st, 2021)
Net Assets per Share	5,318 yen 43 sen	5,836 yen 50 sen
FY Net Profit per Share	517 yen 89 sen	538 yen 23 sen

(Note) 1. Diluted FY Net Profit per Share is not listed since there are no diluted shares.

2. The basis for calculating FY Net Profit per Share is as follows.

Item	Previous FY (From April 1st, 2019 to March 31st, 2020)	Current FY (From April 1st, 2020 to March 31st, 2021)
FY Net Profit (1,000 yen)	435,819	452,913
Amount Not Belonging to Ordinary Shareholders (1,000 yen)	—	—
FY Net Profit Related to Common Shares (1,000 yen)	435,819	452,913
FY Average Shares (1,000 shares)	842	841

(Material Subsequent Events)

There are no corresponding items.