



Consolidated Financial Results for the Year Ended March 31, 2022 [Japanese GAAP]

May 12, 2022

Company name: Ubicom Holdings, Inc.

Stock exchange listing: Tokyo

Code number: 3937

URL: <https://www.ubicom-hd.com/>

Representative: Masayuki Aoki, CEO

Contact: Masashi Hata, Executive Officer, Director of Strategy Planning Division

Phone: 03 (5803) 7339

Scheduled date of Annual General Meeting of Shareholders: June 23, 2022

Scheduled date of commencing dividend payments: June 24, 2022

Scheduled date of filing annual securities report: June 23, 2022

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 01, 2021 to March 31, 2022)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2022	4,726	12.6	1,033	12.4	1,055	20.3	832	33.4
March 31, 2021	4,198	4.0	919	29.9	877	22.6	623	17.0

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥ 960 million [36.3%]
Fiscal year ended March 31, 2021: ¥ 704 million [28.1%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2022	70.38	68.49	24.6	21.0	21.9
March 31, 2021	53.25	51.75	24.2	21.3	21.9

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2022: ¥ (0) million
Fiscal year ended March 31, 2021: ¥ 10 million

(Note) The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29; March 31, 2020), etc. were applied from the beginning of the current consolidated accounting period. Accordingly, the figures for the fiscal year ended March 2022 reflect said accounting standard, etc.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2022	5,624	3,812	67.8	322.44
March 31, 2021	4,440	2,942	66.3	249.28

(Reference) Equity: As of March 31, 2022: ¥ 3,812 million
As of March 31, 2021: ¥ 2,942 million

(Note) The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29; March 31, 2020), etc. were applied from the beginning of the current consolidated accounting period. Accordingly, the figures for the fiscal year ended March 2022 reflect said accounting standard, etc.

(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
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2022	874	(202)	(151)	3,342
March 31, 2021	921	(60)	(76)	2,773

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2021	-	0.00	-	7.00	7.00	82	13.1	2.8
March 31, 2022	-	0.00	-	9.00	9.00	106	12.8	2.9
Fiscal year ending March 31, 2023 (Forecast)	-	-	-	-	-		-	

(Note) Dividend forecast for the fiscal year ending March 31, 2023 is undecided.

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2022 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	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 year	5,446	15.2	1,254	21.4	1,271	20.5	925	11.2	78.52

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

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

- 1) Changes in accounting policies due to the revision of accounting standards: Yes
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2022:	11,834,000 shares
March 31, 2021:	11,802,880 shares

2) Total number of treasury shares at the end of the period:

March 31, 2022:	10,690 shares
March 31, 2021:	91 shares

3) Average number of shares during the period:

Fiscal Year ended March 31, 2022:	11,823,608 shares
Fiscal Year ended March 31, 2021:	11,713,289 shares

* Summary of financial results is out of scope of audit by Certified Public Accountants or Audit companies.

* Statement regarding the proper use of financial forecasts and other remarks

Descriptions regarding the future, including the financial projections contained in this report, are based on certain assumptions currently available to the Company, which are, at the discretion of the Company, deemed reasonable, and the Company gives no guarantees that it will achieve these results. In addition, actual financial results may significantly vary due to various factors.

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2021	As of March 31,2022
Assets		
Current assets		
Cash and deposits	2,808,335	3,377,526
Notes and accounts receivable - trade	655,742	-
Notes receivable - trade	-	20,612
Accounts receivable - trade	-	907,075
Contract assets	-	11,091
Merchandise	1,170	1,170
Work in process	14,584	-
Accounts receivable - other	210,312	84,960
Other	107,581	121,399
Allowance for doubtful accounts	(4,325)	(13,996)
Total current assets	3,793,400	4,509,839
Non-current assets		
Property, plant and equipment		
Buildings	76,684	80,685
Accumulated depreciation	(56,660)	(69,728)
Buildings, net	20,024	10,957
Vehicles	10,830	11,210
Accumulated depreciation	(2,068)	(7,278)
Vehicles, net	8,761	3,931
Tools, furniture and fixtures	89,322	123,620
Accumulated depreciation	(57,560)	(85,471)
Tools, furniture and fixtures, net	31,762	38,149
Total property, plant and equipment	60,548	53,037
Intangible assets		
Software	17,723	2,554
Software in progress	-	19,989
Right of use assets	64,161	238,437
Total intangible assets	81,885	260,981
Investments and other assets		
Investment securities	85,538	287,966
Investments in capital of subsidiaries and associates	71,181	63,295
Retirement benefit asset	-	221
Deferred tax assets	274,670	375,233
Other	74,219	73,591
Allowance for doubtful accounts	(931)	-
Total investments and other assets	504,678	800,308
Total non-current assets	647,112	1,114,327
Total assets	4,440,513	5,624,167

(Thousand yen)

	As of March 31,2021	As of March 31,2022
Liabilities		
Current liabilities		
Accounts payable - trade	68,363	74,297
Short-term borrowings	100,000	100,007
Lease liabilities	39,842	90,409
Income taxes payable	76,499	129,174
Advances received	682,639	-
Contract liabilities	-	691,984
Provision for bonuses	48,483	50,791
Other	223,714	327,866
Total current liabilities	1,239,542	1,464,532
Non-current liabilities		
Lease liabilities	18,321	137,566
Deferred tax liabilities	152,486	169,847
Retirement benefit liability	80,274	32,173
Asset retirement obligations	7,442	7,522
Total non-current liabilities	258,525	347,110
Total liabilities	1,498,067	1,811,642
Net assets		
Shareholders' equity		
Share capital	781,099	788,949
Capital surplus	685,715	693,565
Retained earnings	1,518,920	2,270,297
Treasury shares	(106)	(25,588)
Total shareholders' equity	2,985,628	3,727,224
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	493	12,936
Foreign currency translation adjustment	(14,925)	62,731
Remeasurements of defined benefit plans	(28,944)	9,451
Total accumulated other comprehensive income	(43,375)	85,118
Share acquisition rights	192	182
Total net assets	2,942,445	3,812,525
Total liabilities and net assets	4,440,513	5,624,167

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousand yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Net sales	4,198,116	4,726,359
Cost of sales	2,375,292	2,722,884
Gross profit	1,822,824	2,003,474
Selling, general and administrative expenses	903,299	970,239
Operating profit	919,524	1,033,235
Non-operating income		
Interest income	531	338
Share of profit of entities accounted for using equity method	10,192	-
Gain on investments in investment partnerships	-	38,378
Surrender value of insurance policies	3,078	3,833
Subsidy income	3,920	2,140
Contract termination gains	-	10,000
Other	1,270	1,533
Total non-operating income	18,992	56,223
Non-operating expenses		
Interest expenses	2,897	3,145
Interest expenses of rental payments	6,443	4,133
Share of loss of entities accounted for using equity method	-	495
Loss on investments in investment partnerships	4,567	-
Foreign exchange losses	45,692	26,277
Other	1,587	328
Total non-operating expenses	61,188	34,381
Ordinary profit	877,329	1,055,077
Extraordinary losses		
Loss on retirement of non-current assets	120	-
Loss on valuation of investment securities	-	4,034
Provision of allowance for doubtful accounts	-	11,649
Total extraordinary losses	120	15,683
Profit before income taxes	877,209	1,039,393
Income taxes - current	228,332	302,955
Income taxes - deferred	25,109	(95,706)
Total income taxes	253,441	207,248
Profit	623,767	832,144
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	623,767	832,144

Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Profit	623,767	832,144
Other comprehensive income		
Valuation difference on available-for-sale securities	493	12,442
Foreign currency translation adjustment	85,177	77,656
Remeasurements of defined benefit plans, net of tax	(4,934)	38,630
Share of other comprehensive income of entities accounted for using equity method	42	(235)
Total other comprehensive income	80,778	128,494
Comprehensive income	704,545	960,639
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	704,545	960,639
Comprehensive income attributable to non-controlling interests	-	-

Consolidated Statements of Changes in Net Assets
For the fiscal year ended March 31,2021

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	741,944	646,561	953,437	(106)	2,341,836
Cumulative effects of changes in accounting policies					-
Restated balance	741,944	646,561	953,437	(106)	2,341,836
Changes during period					
Issuance of new shares - exercise of share acquisition rights	39,154	39,154			78,309
Dividends of surplus			(58,285)		(58,285)
Profit attributable to owners of parent			623,767		623,767
Purchase of treasury shares				-	-
Net changes in items other than shareholders' equity					
Total changes during period	39,154	39,154	565,482	-	643,791
Balance at end of period	781,099	685,715	1,518,920	(106)	2,985,628

	Accumulated other comprehensive income				Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	-	(100,102)	(24,051)	(124,154)	243	2,217,926
Cumulative effects of changes in accounting policies						-
Restated balance	-	(100,102)	(24,051)	(124,154)	243	2,217,926
Changes during period						
Issuance of new shares - exercise of share acquisition rights						78,309
Dividends of surplus						(58,285)
Profit attributable to owners of parent						623,767
Purchase of treasury shares						-
Net changes in items other than shareholders' equity	493	85,177	(4,892)	80,778	(50)	80,727
Total changes during period	493	85,177	(4,892)	80,778	(50)	724,518
Balance at end of period	493	(14,925)	(28,944)	(43,375)	192	2,942,445

For the fiscal year ended March 31,2022

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	781,099	685,715	1,518,920	(106)	2,985,628
Cumulative effects of changes in accounting policies			1,851		1,851
Restated balance	781,099	685,715	1,520,772	(106)	2,987,480
Changes during period					
Issuance of new shares - exercise of share acquisition rights	7,850	7,850			15,700
Dividends of surplus			(82,619)		(82,619)
Profit attributable to owners of parent			832,144		832,144
Purchase of treasury shares				(25,481)	(25,481)
Net changes in items other than shareholders' equity					
Total changes during period	7,850	7,850	749,525	(25,481)	739,743
Balance at end of period	788,949	693,565	2,270,297	(25,588)	3,727,224

	Accumulated other comprehensive income				Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	493	(14,925)	(28,944)	(43,375)	192	2,942,445
Cumulative effects of changes in accounting policies						1,851
Restated balance	493	(14,925)	(28,944)	(43,375)	192	2,944,297
Changes during period						
Issuance of new shares - exercise of share acquisition rights						15,700
Dividends of surplus						(82,619)
Profit attributable to owners of parent						832,144
Purchase of treasury shares						(25,481)
Net changes in items other than shareholders' equity	12,442	77,656	38,395	128,494	(10)	128,484
Total changes during period	12,442	77,656	38,395	128,494	(10)	868,227
Balance at end of period	12,936	62,731	9,451	85,118	182	3,812,525

Consolidated Statements of Cash Flows

(Thousand yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Cash flows from operating activities		
Profit before income taxes	877,209	1,039,393
Depreciation	148,543	113,996
Loss on retirement of non-current assets	120	-
Loss (gain) on valuation of investment securities	-	4,034
Increase (decrease) in allowance for doubtful accounts	87	9,660
Increase (decrease) in provision for bonuses	(1,602)	1,707
Increase (decrease) in provision for loss on orders received	(51,975)	-
Retirement benefit expenses	8,712	8,920
Increase (decrease) in retirement benefit liability	5,679	(12,702)
Interest income	(531)	(338)
Surrender value of insurance policies	-	(3,833)
Subsidy income	(3,920)	(2,140)
Contract termination gains	-	(10,000)
Interest expenses	9,340	7,279
Share of loss (profit) of entities accounted for using equity method	(10,192)	495
Loss (gain) on investments in investment partnerships	4,567	(38,378)
Decrease (increase) in trade receivables	35,927	-
Decrease(increase)in notes and accounts receivable - trade and contract assets	-	(230,467)
Decrease (increase) in inventories	27,059	(2,441)
Decrease (increase) in accounts receivable - other	91,417	109,296
Increase (decrease) in trade payables	(11,937)	4,143
Increase (decrease) in advances received	(19,688)	-
Increase (decrease) in contract liabilities	-	9,345
Decrease (increase) in other current assets	47,853	(15,635)
Decrease (increase) in other non-current assets	4,909	608
Increase (decrease) in other current liabilities	(25,913)	98,461
Other, net	347	139
Subtotal	1,136,013	1,091,544
Interest and dividends received	528	338
Proceeds from surrender value of insurance policies	-	3,833
Subsidies received	3,920	2,140
Proceeds from contract termination gains	-	10,000
Interest paid	(12,642)	(7,279)
Income taxes paid	(232,337)	(244,041)
Income taxes refund	26,255	17,602
Net cash provided by (used in) operating activities	921,738	874,138
Cash flows from investing activities		
Payments into time deposits	(35,000)	(35,000)
Proceeds from withdrawal of time deposits	35,000	35,000
Purchase of property, plant and equipment	(31,913)	(31,775)
Purchase of intangible assets	(1,977)	(22,474)
Purchase of investment securities	(21,531)	(148,539)
Other, net	(5,099)	(87)
Net cash provided by (used in) investing activities	(60,522)	(202,877)

(Thousand yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Cash flows from financing activities		
Proceeds from short-term borrowings	400,000	100,006
Repayments of short-term borrowings	(400,000)	(100,000)
Repayments of long-term borrowings	(15,061)	-
Proceeds from issuance of shares resulting from exercise of share acquisition rights	77,920	15,690
Purchase of treasury shares	-	(25,481)
Repayments of lease liabilities	(80,707)	(59,312)
Dividends paid	(58,216)	(82,440)
Net cash provided by (used in) financing activities	(76,063)	(151,537)
Effect of exchange rate change on cash and cash equivalents	47,027	49,467
Net increase (decrease) in cash and cash equivalents	832,179	569,191
Cash and cash equivalents at beginning of period	1,941,155	2,773,335
Cash and cash equivalents at end of period	2,773,335	3,342,526