

Translation

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

November 14, 2023

Company name: KONAKA CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 7494 URL <https://www.konaka.co.jp>
 Representative: Representative Director, President and CEO Kensuke Konaka
 Group Representative
 Senior Managing Executive Officer, CFO,
 Inquiries: General Manager of Administration Makoto Okumura TEL 045(825)7700
 Headquarters
 Scheduled date of ordinary general meeting of shareholders: December 22, 2023
 Scheduled date to file Securities Report: December 22, 2023
 Scheduled date to commence dividend payments: December 25, 2023
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended September 30, 2023 (from October 1, 2022 to September 30, 2023)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended September 30, 2023	65,797	4.2	(912)	–	(684)	–	(161)	–
Year ended September 30, 2022	63,174	–	(3,255)	–	(2,193)	–	(3,231)	–

Note: Comprehensive income Year ended September 30, 2023 ¥178 million [–%]
 Year ended September 30, 2022 ¥(4,694) million [–%]

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended September 30, 2023	(5.52)	–	(0.8)	(1.3)	(1.4)
Year ended September 30, 2022	(110.99)	–	(15.2)	(3.9)	(5.2)

Reference: Share of profit (loss) of entities accounted for using equity method

Year ended September 30, 2023 ¥– million
 Year ended September 30, 2022 ¥– million

Note: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the previous fiscal year, and each figure for the fiscal year ended September 30, 2022, is the figure after applying the accounting standard and relevant ASBJ regulations. As such, year-on-year percentage changes are not provided.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2023	50,612	19,437	37.5	648.55
As of September 30, 2022	54,307	19,797	35.2	657.10

Reference: Equity As of September 30, 2023 ¥18,969 million
 As of September 30, 2022 ¥19,131 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended September 30, 2023	415	1,248	(2,735)	5,493
Year ended September 30, 2022	1,644	(567)	(844)	6,547

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended September 30, 2022	–	10.00	–	10.00	20.00	582	–	2.7
Year ended September 30, 2023	–	10.00	–	10.00	20.00	583	–	3.1
Year ending September 30, 2024 (Forecast)	–	10.00	–	10.00	20.00		75.3	

3. Forecast of consolidated financial results for the year ending September 30, 2024 (from October 1, 2023 to September 30, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending March 31, 2024	38,713	5.8	2,188	188.0	2,276	126.3	1,604	52.4	54.84
Full year	71,194	8.2	1,414	–	1,593	–	777	–	26.56

4. Notes

(1) Changes in significant subsidiaries during the year ended September 30, 2023

(changes in specified subsidiaries resulting in the change in scope of consolidation):

No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations:

Yes

Changes in accounting policies due to other reasons:

No

Changes in accounting estimates:

No

Restatement of prior period financial statements:

No

(3) Number of issued shares (common shares)

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

As of September 30, 2023	31,146,685 shares	As of September 30, 2022	31,146,685 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	1,897,073 shares	As of September 30, 2022	2,031,282 shares
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Average number of shares during the period

Year ended September 30, 2023	29,188,004 shares	Year ended September 30, 2022	29,115,691 shares
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Reference: Summary of non-consolidated financial results

1. Non-consolidated financial results for the year ended September 30, 2023 (from October 1, 2022 to September 30, 2023)

(1) Non-consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended September 30, 2023	37,498	10.5	325	–	611	–	161	–
Year ended September 30, 2022	33,937	–	(1,417)	–	(636)	–	(1,809)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Year ended September 30, 2023	5.53	–
Year ended September 30, 2022	(62.16)	–

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2023	40,548	23,393	57.7	799.79
As of September 30, 2022	41,404	23,411	56.5	804.10

Reference: Equity As of September 30, 2023 ¥23,393 million

As of September 30, 2022 ¥23,411 million

2. Forecast of non-consolidated financial results for the year ending September 30, 2024 (from October 1, 2023 to September 30, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending March 31, 2024	23,286	7.4	1,877	28.6	2,023	24.7	1,325	(19.8)	45.30
Full year	40,620	8.3	1,169	259.3	1,480	142.2	607	276.4	20.75

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of forecasts of financial results, and other special matters

(Notes regarding forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual performance and other results may differ materially due to various factors.

(Financial results briefing materials)

The Company plans to hold a financial results briefing for institutional investors and securities analysts. The materials, etc. distributed at the briefing will be posted on the Company's website immediately after the briefing.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of September 30, 2022	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	6,744	5,894
Accounts receivable - trade	2,532	2,826
Merchandise and finished goods	15,499	14,327
Work in process	1	2
Raw materials and supplies	286	366
Other	1,469	1,347
Allowance for doubtful accounts	(0)	–
Total current assets	26,533	24,764
Non-current assets		
Property, plant and equipment		
Buildings and structures	25,921	24,654
Accumulated depreciation	(22,078)	(21,195)
Buildings and structures, net	3,842	3,458
Machinery, equipment and vehicles	437	136
Accumulated depreciation	(418)	(126)
Machinery, equipment and vehicles, net	18	10
Tools, furniture and fixtures	8,265	8,109
Accumulated depreciation	(7,991)	(7,679)
Tools, furniture and fixtures, net	274	430
Land	10,409	9,341
Leased assets	81	81
Accumulated depreciation	(46)	(50)
Leased assets, net	35	31
Construction in progress	27	23
Total property, plant and equipment	14,607	13,296
Intangible assets		
Trademark right	1,090	43
Telephone subscription right	13	13
Other	314	498
Total intangible assets	1,418	555
Investments and other assets		
Investment securities	2,932	3,417
Long-term loans receivable	659	556
Leasehold and guarantee deposits	7,638	7,031
Retirement benefit asset	399	699
Other	158	339
Allowance for doubtful accounts	(42)	(47)
Total investments and other assets	11,746	11,996
Total non-current assets	27,773	25,848
Total assets	54,307	50,612

(Millions of yen)

	As of September 30, 2022	As of September 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,641	1,709
Electronically recorded obligations - operating	2,045	2,331
Short-term borrowings	13,562	12,075
Current portion of long-term borrowings	658	7,652
Accounts payable - other	141	341
Accrued expenses	2,772	2,314
Income taxes payable	422	366
Accrued consumption taxes	569	286
Contract liabilities	994	896
Provision for bonuses	420	413
Other	396	252
Total current liabilities	23,625	28,640
Non-current liabilities		
Long-term borrowings	7,738	85
Long-term accounts payable - other	56	55
Deferred tax liabilities	1,453	1,014
Retirement benefit liability	606	594
Provision for point card certificates	37	31
Long-term guarantee deposits	668	444
Other	323	308
Total non-current liabilities	10,885	2,534
Total liabilities	34,510	31,175
Net assets		
Shareholders' equity		
Share capital	5,305	5,305
Capital surplus	13,253	13,253
Retained earnings	2,553	1,631
Treasury shares	(3,342)	(3,120)
Total shareholders' equity	17,770	17,070
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,481	1,840
Foreign currency translation adjustment	(46)	(39)
Remeasurements of defined benefit plans	(73)	98
Total accumulated other comprehensive income	1,361	1,898
Non-controlling interests	665	467
Total net assets	19,797	19,437
Total liabilities and net assets	54,307	50,612

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended September 30, 2022	Fiscal year ended September 30, 2023
Net sales	63,174	65,797
Cost of sales	27,125	27,661
Gross profit	36,048	38,135
Selling, general and administrative expenses	39,304	39,047
Operating loss	(3,255)	(912)
Non-operating income		
Interest income	14	25
Dividend income	32	38
Rental income from real estate	482	357
Compensation income	49	80
Foreign exchange gains	215	87
Subsidies for employment adjustment	357	–
Other	229	177
Total non-operating income	1,382	766
Non-operating expenses		
Interest expenses	170	169
Rental expenses on real estate	84	74
Share issuance costs	–	214
Provision of allowance for doubtful accounts	5	4
Other	59	75
Total non-operating expenses	319	538
Ordinary loss	(2,193)	(684)
Extraordinary income		
Gain on sale of non-current assets	112	1,030
Gain on sale of investment securities	49	0
Compensation for forced relocation	–	230
Penalty income	–	440
Other	–	41
Total extraordinary income	162	1,742
Extraordinary losses		
Loss on retirement of non-current assets	8	39
Impairment losses	1,809	1,839
Loss on store closings	61	77
Other	21	0
Total extraordinary losses	1,899	1,957
Loss before income taxes	(3,930)	(898)
Income taxes - current	297	286
Income taxes - deferred	(23)	(804)
Total income taxes	273	(517)
Loss	(4,204)	(381)
Loss attributable to non-controlling interests	(972)	(220)
Loss attributable to owners of parent	(3,231)	(161)

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended September 30, 2022	Fiscal year ended September 30, 2023
Loss	(4,204)	(381)
Other comprehensive income		
Valuation difference on available-for-sale securities	(226)	358
Foreign currency translation adjustment	(159)	29
Remeasurements of defined benefit plans, net of tax	(103)	171
Total other comprehensive income	(490)	559
Comprehensive income	(4,694)	178
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(3,645)	376
Comprehensive income attributable to non-controlling interests	(1,048)	(198)

Consolidated statements of changes in equity

Fiscal year ended September 30, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,305	13,253	6,349	(3,342)	21,565
Cumulative effects of changes in accounting policies			18		18
Restated balance	5,305	13,253	6,367	(3,342)	21,584
Changes during period					
Dividends of surplus			(582)		(582)
Loss attributable to owners of parent			(3,231)		(3,231)
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					-
Total changes during period	-	-	(3,813)	(0)	(3,814)
Balance at end of period	5,305	13,253	2,553	(3,342)	17,770

	Accumulated other comprehensive income				Non-controlling interests	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	1,698	47	30	1,776	1,708	25,051
Cumulative effects of changes in accounting policies					5	23
Restated balance	1,698	47	30	1,776	1,714	25,074
Changes during period						
Dividends of surplus				-		(582)
Loss attributable to owners of parent				-		(3,231)
Purchase of treasury shares				-		(0)
Net changes in items other than shareholders' equity	(217)	(93)	(103)	(414)	(1,048)	(1,463)
Total changes during period	(217)	(93)	(103)	(414)	(1,048)	(5,277)
Balance at end of period	1,481	(46)	(73)	1,361	665	19,797

Fiscal year ended September 30, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,305	13,253	2,553	(3,342)	17,770
Changes during period					
Dividends of surplus			(583)		(583)
Loss attributable to owners of parent			(161)		(161)
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(177)		222	45
Transfer of loss on disposal of treasury shares		177	(177)		-
Net changes in items other than shareholders' equity					-
Total changes during period	-	-	(922)	222	(699)
Balance at end of period	5,305	13,253	1,631	(3,120)	17,070

	Accumulated other comprehensive income				Non-controlling interests	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	1,481	(46)	(73)	1,361	665	19,797
Changes during period						
Dividends of surplus				-		(583)
Loss attributable to owners of parent				-		(161)
Purchase of treasury shares				-		(0)
Disposal of treasury shares				-		45
Transfer of loss on disposal of treasury shares				-		-
Net changes in items other than shareholders' equity	358	7	171	537	(198)	339
Total changes during period	358	7	171	537	(198)	(359)
Balance at end of period	1,840	(39)	98	1,898	467	19,437

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended September 30, 2022	Fiscal year ended September 30, 2023
Cash flows from operating activities		
Loss before income taxes	(3,930)	(898)
Depreciation	1,119	881
Impairment losses	1,809	1,839
Loss (gain) on valuation of derivatives	1	–
Increase (decrease) in allowance for doubtful accounts	6	4
Increase (decrease) in retirement benefit liability	(13)	(13)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(31)	–
Increase (decrease) in provision for point card certificates	(118)	(6)
Increase (decrease) in provision for bonuses	(79)	(6)
Long-term loans offset with a rent	127	122
Long-term deposit offset with a rent	10	10
Loss (gain) on sale of non-current assets	(105)	(1,030)
Loss on retirement of non-current assets	8	39
Loss (gain) on sale of investment securities	(49)	(0)
Subsidy income	(357)	(9)
Interest and dividend income	(47)	(63)
Interest expenses	170	169
Penalty income	–	(440)
Foreign exchange losses (gains)	(20)	(2)
Decrease (increase) in trade receivables	(411)	(280)
Decrease (increase) in inventories	2,495	1,088
Increase (decrease) in trade payables	601	241
Increase (decrease) in accrued expenses	44	(567)
Increase (decrease) in accrued consumption taxes	358	(283)
Other, net	8	(124)
Subtotal	1,596	672
Interest and dividends received	35	49
Interest paid	(171)	(167)
Penalty income received	–	189
Income taxes paid	(285)	(342)
Income taxes refund	2	6
Subsidies received	467	7
Net cash provided by (used in) operating activities	1,644	415
Cash flows from investing activities		
Payments into time deposits	(95)	(274)
Proceeds from withdrawal of time deposits	–	106
Purchase of property, plant and equipment	(913)	(1,045)
Proceeds from sale of property, plant and equipment	159	2,183
Payments for retirement of property, plant and equipment	(105)	(160)
Purchase of intangible assets	(270)	(272)
Purchase of investment securities	(1)	–
Proceeds from sale and redemption of securities	325	8
Payments of leasehold and guarantee deposits	(171)	(244)
Proceeds from refund of leasehold and guarantee deposits	425	914
Loan advances	(30)	(15)
Proceeds from collection of loans receivable	20	2
Other, net	88	46
Net cash provided by (used in) investing activities	(567)	1,248

(Millions of yen)

	Fiscal year ended September 30, 2022	Fiscal year ended September 30, 2023
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	472	(1,487)
Repayments of long-term borrowings	(728)	(658)
Purchase of treasury shares	(0)	(0)
Dividends paid	(580)	(581)
Dividends paid to non-controlling interests	(0)	(0)
Other, net	(7)	(8)
Net cash provided by (used in) financing activities	(844)	(2,735)
Effect of exchange rate change on cash and cash equivalents	77	18
Net increase (decrease) in cash and cash equivalents	309	(1,053)
Cash and cash equivalents at beginning of period	6,237	6,547
Cash and cash equivalents at end of period	6,547	5,493

Non-consolidated financial statements
Non-consolidated balance sheets

(Millions of yen)

	As of September 30, 2022	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	3,711	3,640
Accounts receivable - trade	1,267	1,462
Merchandise and finished goods	8,719	8,533
Raw materials and supplies	172	257
Advance payments to suppliers	117	145
Prepaid expenses	388	348
Short-term loans receivable from subsidiaries and associates	326	283
Other	357	356
Total current assets	15,060	15,028
Non-current assets		
Property, plant and equipment		
Buildings	1,528	1,558
Structures	27	32
Tools, furniture and fixtures	151	271
Land	7,312	6,615
Other	55	45
Total property, plant and equipment	9,075	8,522
Intangible assets		
Leasehold interests in land	0	0
Software	6	64
Software in progress	–	137
Total intangible assets	7	202
Investments and other assets		
Investment securities	2,904	3,410
Shares of subsidiaries and associates	5,020	5,672
Long-term loans receivable	338	284
Long-term loans receivable from employees	0	0
Long-term loans receivable from subsidiaries and associates	3,063	2,082
Long-term prepaid expenses	19	41
Leasehold and guarantee deposits	5,708	5,184
Prepaid pension costs	458	511
Other	84	92
Allowance for doubtful accounts	(337)	(486)
Total investments and other assets	17,260	16,795
Total non-current assets	26,343	25,520
Total assets	41,404	40,548

(Millions of yen)

	As of September 30, 2022	As of September 30, 2023
Liabilities		
Current liabilities		
Notes payable - trade	1	21
Electronically recorded obligations - operating	1,911	2,191
Accounts payable - trade	659	705
Short-term borrowings	9,439	9,166
Current portion of long-term borrowings	230	–
Accounts payable - other	74	111
Accrued expenses	1,164	1,269
Income taxes payable	288	334
Contract liabilities	837	778
Advances received	200	1
Deposits received	28	99
Unearned revenue	91	70
Provision for bonuses	194	194
Other	426	216
Total current liabilities	15,547	15,160
Non-current liabilities		
Long-term accounts payable - other	42	41
Deferred tax liabilities	1,075	880
Provision for retirement benefits	539	536
Provision for loss on business of subsidiaries and associates	84	68
Long-term guarantee deposits	631	408
Other	71	59
Total non-current liabilities	2,444	1,994
Total liabilities	17,992	17,154
Net assets		
Shareholders' equity		
Share capital	5,305	5,305
Capital surplus		
Legal capital surplus	14,745	14,745
Total capital surplus	14,745	14,745
Retained earnings		
Legal retained earnings	370	370
Other retained earnings		
Reserve for tax purpose reduction entry	244	239
Retained earnings brought forward	4,607	4,012
Total retained earnings	5,221	4,622
Treasury shares	(3,342)	(3,120)
Total shareholders' equity	21,930	21,553
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,481	1,840
Total valuation and translation adjustments	1,481	1,840
Total net assets	23,411	23,393
Total liabilities and net assets	41,404	40,548

Non-consolidated statements of income

(Millions of yen)

	Fiscal year ended September 30, 2022	Fiscal year ended September 30, 2023
Net sales	33,937	37,498
Cost of sales		
Beginning merchandise inventory	9,769	8,719
Cost of purchased goods	12,369	14,506
Total	22,139	23,226
Ending merchandise inventory	8,719	8,533
Cost of goods sold	13,419	14,692
Gross profit	20,518	22,805
Selling, general and administrative expenses	21,936	22,480
Operating profit (loss)	(1,417)	325
Non-operating income		
Interest income	38	39
Dividend income	32	37
Rental income from real estate	401	287
Compensation income	49	80
Subsidies for employment adjustment	232	–
Other	176	128
Total non-operating income	930	572
Non-operating expenses		
Interest expenses	43	56
Foreign exchange losses	21	–
Rental expenses on real estate	71	71
Provision of allowance for doubtful accounts	–	149
Provision for loss on business of subsidiaries and associates	4	–
Other	8	10
Total non-operating expenses	148	286
Ordinary profit (loss)	(636)	611
Extraordinary income		
Gain on sale of non-current assets	112	254
Gain on sale of investment securities	0	0
Compensation for forced relocation	–	230
Penalty income	–	440
Total extraordinary income	113	924
Extraordinary losses		
Loss on retirement of non-current assets	5	22
Loss on valuation of shares of subsidiaries and associates	–	1,163
Impairment losses	1,037	282
Loss on store closings	57	74
Total extraordinary losses	1,101	1,542
Loss before income taxes	(1,624)	(6)
Income taxes - current	157	175
Income taxes - deferred	27	(343)
Total income taxes	185	(168)
Profit (loss)	(1,809)	161

Non-consolidated statements of changes in equity

Fiscal year ended September 30, 2022

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus		Legal retained earnings	Retained earnings			Total retained earnings
		Legal capital surplus	Total capital surplus		Other retained earnings			
					Reserve for tax purpose reduction entry	General reserve	Retained earnings brought forward	
Balance at beginning of period	5,305	14,745	14,745	370	248	9,300	(2,315)	7,603
Cumulative effects of changes in accounting policies			-				10	10
Restated balance	5,305	14,745	14,745	370	248	9,300	(2,305)	7,613
Changes during period								
Reversal of reserve for tax purpose reduction entry			-		(4)		4	-
Dividends of surplus			-				(582)	(582)
Reversal of general reserve			-			(9,300)	9,300	-
Profit			-				(1,809)	(1,809)
Purchase of treasury shares			-					-
Net changes in items other than shareholders' equity			-					-
Total changes during period	-	-	-	-	(4)	(9,300)	6,912	(2,392)
Balance at end of period	5,305	14,745	14,745	370	244	-	4,607	5,221

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(3,342)	24,312	1,682	1,682	25,994
Cumulative effects of changes in accounting policies		10		-	10
Restated balance	(3,342)	24,322	1,682	1,682	26,005
Changes during period					
Reversal of reserve for tax purpose reduction entry		-		-	-
Dividends of surplus		(582)		-	(582)
Reversal of general reserve		-		-	-
Profit		(1,809)		-	(1,809)
Purchase of treasury shares	(0)	(0)		-	(0)
Net changes in items other than shareholders' equity		-	(201)	(201)	(201)
Total changes during period	(0)	(2,392)	(201)	(201)	(2,593)
Balance at end of period	(3,342)	21,930	1,481	1,481	23,411

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
					Reserve for tax purpose reduction entry	Retained earnings brought forward		
Balance at beginning of period	5,305	14,745	–	14,745	370	244	4,607	5,221
Changes during period								
Reversal of reserve for tax purpose reduction entry				–		(4)	4	–
Dividends of surplus				–			(583)	(583)
Profit				–			161	161
Purchase of treasury shares				–				–
Disposal of treasury shares			(177)	(177)				–
Transfer of loss on disposal of treasury shares			177	177			(177)	(177)
Net changes in items other than shareholders' equity				–				–
Total changes during period	–	–	–	–	–	(4)	(595)	(599)
Balance at end of period	5,305	14,745	–	14,745	370	239	4,012	4,622

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(3,342)	21,930	1,481	1,481	23,411
Changes during period					
Reversal of reserve for tax purpose reduction entry		–		–	–
Dividends of surplus		(583)		–	(583)
Profit		161		–	161
Purchase of treasury shares	(0)	(0)		–	(0)
Disposal of treasury shares	222	45		–	45
Transfer of loss on disposal of treasury shares		–		–	–
Net changes in items other than shareholders' equity		–	359	359	359
Total changes during period	222	(377)	359	359	(18)
Balance at end of period	(3,120)	21,553	1,840	1,840	23,393