TRANSLATION, For Your Reference Purpose Only

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To Shareholders with Voting Rights:

INTERNET DISCLOSURE
RELATED TO THE NOTICE OF
THE 15TH ANNUAL GENERAL SHAREHOLDERS' MEETING

Stock Acquisition Rights of the Company

Consolidated Statement of Changes in Net Assets

Notes to Consolidated Financial Statements

Statement of Changes in Equity

Notes to the Financial Statements

This is an internet disclosure pursuant to provision of laws and regulations as well as Article 14 of the Articles of Incorporation, followings are not presented in this appendix.

MINKABU THE INFONOID, Inc.

Stock Acquisition Rights of the Company

(1) Stock Acquisition Rights as Stock Options held by Directors at the end of the fiscal year ended March 31, 2021

	Series 7	Series 8
Date of resolution to issue	June 25, 2015	June 25, 2015
Number of stock options	6,150	50
Underlying stock	615,000 Common stocks (100 Common stocks/stock option)	5,000 Common stocks (100 Common stocks/stock option)
Issue price	Free of charge	Free of charge
Exercise price	50,000JPY/stock option (500JPY/common stock)	50,000JPY/stock option (500JPY/common stock)
Exercise period	On and after June 25, 2015	From June 26, 2017 to June 24, 2025
Restriction for exercise	(a)	(b)
Number of directors granted		
Non-Audit and Supervisory (Excluding outside directors)	#stock option 150 #underlying 15,000 #director 1 (c)	#stock option 50 #underlying 5,000 #director 1 (c)
Non-Audit and Supervisory (Outside directors)	–	–
Audit and Supervisory	–	–

Note:

a) Stock acquisition rights of the person to whom the stock acquisition rights are issued shall not be inherited.

b) Conditions for exercise of stock acquisition rights are;

- The person to whom the stock acquisition rights are issued may exercise their stock acquisition rights only while they are in the office of managing directors, audit & supervisory board members, employees of the Company or subsidiaries of the Company. Provided, however, that in the case the Board of Director approves, foregoing shall not be applicable.
- Common stocks of the Company shall be listed on a stock exchange in Japan or overseas.
- Stock acquisition rights shall not be inherited.

c) The stock acquisition rights granted to one director were granted prior to his appointment as a director.

d) Number of underlying stock and exercise price are adjusted due to a 100-for-1 stock split on January 16, 2019.

	Series 15	Series 16
Date of resolution to issue	October 30, 2017	July 17, 2018
Number of stock options	300	500
Underlying stock	30,000 Common stocks (100 Common stocks/stock option)	50,000 Stocks (100 Common stocks/stock option)
Issue price	Free of charge	Free of charge
Exercise price	60,000JPY/stock option (600JPY/common stock)	60,000JPY/stock option (600JPY/common stock)
Exercise period	On and after October 30, 2017	On and after July 20, 2018
Restriction for exercise	(a)	(a)
Number of directors granted		
Non-Audit and Supervisory (Excluding outside directors)	#stock option 300 #underlying 30,000 #director 1	#stock option 200 #underlying 20,000 #director 1
Non-Audit and Supervisory (Outside directors)		
Audit and Supervisory	–	–

Note:

a) Stock acquisition rights of the person to whom the stock acquisition rights are issued shall not be inherited.

b) Number of underlying stock and exercise price are adjusted due to a 100-for-1 stock split on January 16, 2019.

(2) Status of stock acquisition rights issued to employees, etc. as remuneration for the performance of their duties during the fiscal year

There are no applicable items.

(3) Other important matters concerning stock acquisition rights, etc.

There are no applicable items.

Consolidated Statement of Changes in Net Assets

From April 1, 2020 to March 31, 2021

(Thousand JPY)

Year ended March 31, 2021	Shareholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total shareholders' equity
Balance at April 1, 2020	1,742,928	3,766,169	-2,005,536	3,503,560
Changes in the current consolidated fiscal year				
Issuance of new shares	19,340	19,340		38,680
Dividends of surplus		-219,910		-219,910
Net income attributable to owners of parent			564,497	564,497
Net changes in items other than shareholders' equity in the consolidated fiscal year				
Total changes of items during the current consolidated fiscal year	19,340	-200,570	564,497	383,267
Balance at March 31, 2021	1,762,268	3,565,598	-1,441,038	3,886,827

	Accumulated other comprehensive income (loss)		stock acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income (loss)			
Balance at April 1, 2020	10,293	10,293	–	256,343	3,770,197
Changes in the current consolidated fiscal year					
Issuance of new shares					38,680
Dividends of surplus					- 219,910
Net income attributable to owers of parent					564,497
Net changes in items other than shareholders' equity in the consolidated fiscal year	19,620	19,620	–	42,235	61,856
Total changes of items during the current consolidated fiscal year	19,620	19,620	–	42,235	445,123
Balance at March 31, 2021	29,914	29,914	–	298,579	4,215,321

Note: Amounts are rounded down to the nearest thousand JPY.

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Notes to Consolidated Financial Statements

1. Notes on significant matters that form the basis for the preparation of the consolidated financial statements, etc.

(1). Matters related to the scope of consolidation

(i) Status of consolidated subsidiaries

- Number of consolidated subsidiaries: 2
- Name of consolidated subsidiary: Prop Tech plus Inc.
  : Robot Fund Co., Ltd.

(ii)Status of non-consolidated subsidiaries

There are no applicable items.

sharewise GmbH (Germany), which had been a non-consolidates subsidiary until the previous consolidated fiscal year, was excluded from non-consolidated subsidiaries due to the completion of liquidation during the consolidated fiscal year ended March 31, 2021.

(2). Application of equity method

(i) Non-consolidated subsidiaries to which the equity method is applied

There are no applicable items.

(ii) Non-consolidated subsidiaries to which the equity method is not applied

There are no applicable items.

sharewise GmbH (Germany), which had been a non-consolidated subsidiary to which the equity method is not applied until the previous consolidated fiscal year, was excluded from the non-consolidated subsidiaries to which the equity method is not applied due to the completion of liquidation in the consolidated fiscal year ended March 31, 2021.

(3). Notes on changes in scope of consolidation and application of the equity method

(i) Change in the scope of consolidation

Robot Fund Co., Ltd. is included in the scope of consolidation from the current consolidated fiscal year due to the acquisition of shares on June 30, 2020.

(ii) Change in scope of equity method

There are no applicable items.

(4). Fiscal years of consolidated subsidiary

The fiscal year end of the consolidated subsidiary is the same as the consolidated fiscal year.

(5). Accounting policies

(i) Basis and method of valuation of significant assets

A) Securities

i. Shares of unconsolidated subsidiaries not accounted for by the equity method

Stated at cost using the moving average method.

ii. Available-for-sale securities

- Items with market value

  The market value method based on market prices as of the balance sheet date (unrealized gains and losses are accounted for as a separate component of net assets, and the cost of securities sold is calculated using the moving average method) is adopted.
- Items without market value

  Stated at cost using the moving average method.

B) Inventories

The cost method based on the specific-identification method (the value on the consolidated balance sheet is calculated by writing down the book value based on a decline in profitability).

(ii) Depreciation and amortization of significant depreciable assets

A) Fixed assets: Declining-balance method, however straight-line method is applied for building and accompanying facilities purchased on and after April 1, 2016.

Buildings and accompanying facilities	8 - 15 years
Equipment and fixtures	2 - 15 years

B) Intangible fixed assets: Straight-line method:

Software	3 - 5 years based on its useful service life in the Company
Patent asset	3 - 8 years
Trademark asset	5 - 10 years
Contract asset	10 years
Technology asset	10 - 15 years

Client related asset	10 - 15 years

(iii) Accounting standards for significant reserves

A) Allowance for doubtful accounts
In order to prepare for losses due to bad debts, the Company records an estimated uncollectible amount for general receivables based on historical bad debt ratios, and for specific receivables such as doubtful receivables based on individual assessments of collectability.

B) Reserve for bonuses
To provide for the payment of bonuses to employees of consolidated subsidiaries, an amount is recorded based on the estimated amount to be paid.

C) Provision for loss on business liquidation
In previous years, the Company has provided for expenses for the loss on business liquidation that is expected to be incurred when the Company shifted its management policy from a growth strategy oriented through the global expansion of its media business to a strategy that sees the domestic fintech solutions business field as a growth area.

D) Allowance for product warranties
In order to prepare for expenses related to product warranties, the Company provides a reserve for estimated losses.

E) Provision for loss on orders received
The Company's consolidated subsidiary provides a reserve for losses on orders received as of the end of the current fiscal year that are expected to be incurred and for which the amount can be reasonably estimated. The corresponding inventories and the allowance for loss on orders received are not offset, but are recorded on a double-digit basis.

F) Provision for shareholder benefits
To prepare for expenditures related to the shareholder benefit plan, the amount expected to be incurred is recorded.

(iv) Basis for recording significant income and expenses

Sales of made-to-order software development are, in principle, recorded in accordance with the following standards

A) For the portion of the fiscal year ended March 31, 2012, software development whose outcome is deemed certain
The percentage-of-completion method (the percentage of completion is estimated by the cost-to-cost method) is applied.

B) Other Software Development
The construction completion standard has been applied.

(v) Translation of significant assets and liabilities denominated in foreign currencies into Japanese yen

Monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the spot exchange rate at the balance sheet date, and the foreign exchange gains and losses are recognized in the statements of income.
Available-for-sale securities denominated in foreign currencies are translated into Japanese yen at the spot exchange rate on the balance sheet date, and foreign exchange differences are included in the net unrealized gains or losses on available-for-sale securities under net assets.

(vi) Amortization method and period of goodwill

Goodwill is amortized on a straight-line basis over a period of 10 to 15 years, based on an estimate of the period over which the effect of the investment will be realized.
The allocation of the acquisition cost of goodwill related to Robot Fund Co., Ltd., which acquired the shares on June 30, 2020, has been finalized during the year. For details, please refer to "10. Other Notes, Business Combinations through Acquisition".

(vii) Other important matters that form the basis for the preparation of the consolidated financial statements

Accounting for consumption tax, etc.
Accounting for consumption taxes is based on the tax-exclusion method.

2. Notes on changes in accounting policies
There are no applicable items.

3. Notes on changes in presentation methods
Changes in presentation
Application of Accounting Standard for Disclosure of Accounting Estimates.

Accounting Standard for Disclosure of Accounting Estimates (ASBJ Statement No. 31, March 31, 2020) has been applied since the end of the current consolidated fiscal year and contains notes regarding important accounting estimates.

4. Notes on accounting estimates

Recoverability of deferred tax assets

(1). Amount recorded in consolidated financial statements for the current consolidated fiscal year

Deferred tax asset: 166,769 thousand yen.

(95,870 thousand yen after deducting deferred tax liabilities is recorded in the consolidated financial statements.)

(2). Information about content of material accounting estimates for the identified item.

(i) Calculation method of the consolidated financial statements of the current consolidated fiscal year

For temporary differences that will be deducted in the future, the Company determined the possibility of recovering deferred tax asset based on taxable income by future profitability and tax planning. The estimate of taxable income by future profitability based on actual results of the fiscal year ended March 31, 2021.

(ii)Main assumptions used for Calculation of the amount recorded in the consolidated financial statements for the current consolidated fiscal year

Estimate of taxable income are recorded by comprehensively considering the business plan and actual results for the current consolidated fiscal year based on the number of unique users and billing users of our media, the number of customers using our solutions, and the provided unit price per customer.

(iii)Impact on consolidated financial statements for the next consolidated fiscal year

The timing and amount of taxable income may be affected by changes of future economic trends, and if its actual timing and amount differ from estimates, there is a possibility to have a significant impact on the amount of deferred tax assets recognized in the consolidated financial statements for the next and subsequent fiscal years.

For this reason, the major assumption stated above in (ii) are based on the best estimates, but the results can differ from the estimates because of future economic trends.

5. Notes on Changes in Accounting Estimates

The Company's Board of Directors approved a resolution on January 15, 2021, to relocate group headquarters. The useful lives of fixed assets that will no longer be available due to the relocation of the head office, have been shortened and changed from the consolidated fiscal year ended 31 March, 2021, so that depreciation will be completed by the scheduled relocation date. As a result of this change, operating income, ordinary income, and income before taxes for the consolidated fiscal year ended 31 March, 2021 decreased by 13,980 thousand yen, respectively, compared with the previous method.

6. Notes to the Consolidated Statement of Changes in Net Assets

(1). Type and number of shares issued and outstanding

Type of stock	Number of shares at the beginning of the current fiscal year	Increase in the number of shares during the current fiscal year	Decrease in the number of shares during the current fiscal year	Number of shares at the end of the current fiscal year
common stock (note)	13,744,400	75,300	—	13,819,700

Note: The increase of 75,300 shares in the total number of shares issued and outstanding is due to the exercise of stock options.

(2). Matters related to dividends from surplus

(i) Cash dividends paid, etc.

Resolutions	Type of stock	Funding for dividends	Total amount of dividends (millions of JPY)	Dividends per share (JPY)	Record date	Effective Date
Board of Directors meeting on May 22, 2020	common stock	Additional paid-in capital	219	16	31 March 2020	June 9, 2020

(ii) Dividends whose record date in the current fiscal year and an effective date in the subsequent fiscal year

Scheduled Resolutions	Type of stock	Funding for dividends	Total amount of dividends (millions of JPY)	Dividends per share (millions of JPY)	Record date	Effective Date
Board of Directors meeting on May 21, 2021	common stock	Additional paid-in capital	248	18	31 March 2021	June 8, 2021

(3). Type and number of shares to be issued upon exercise of stock acquisition rights

Series	Type of underlying shares	Number of shares for stock options			
		As of April 1, 2020	Increase	Decrease	As of March 31, 2021
The 7th stock acquisition rights	Common stock	173,000	−	24,000	149,000
The 8th stock acquisition rights	Common stock	64,900	−	33,000	31,900
The 9th stock acquisition rights	Common stock	10,000	−	3,000	7,000
The 10th stock acquisition rights	Common stock	5,000	−	5,000	—
The 15th stock acquisition rights	Common stock	30,000	−	−	30,000
The 16th stock acquisition rights	Common stock	121,000	−	10,000	111,000
The 17th stock acquisition rights	Common stock	16,300	−	300	16,000
Total		420,200	−	75,300	344,900

Note: The decrease in the 7th, 8th, 9th, 10th, 16th and 17th series of stock acquisition rights during the fiscal year under review is due to the exercise of stock acquisition rights.

7. Notes on financial instruments

(1). Matters concerning the status of financial instruments

(i) Policy for financial instruments

The Group limits money management activities to short-term deposits, etc., and funds are procured primarily through borrowing from banks and other financial institutions and issuing bonds.

Loans and bonds are used for working capital (mainly short-term) and business investment capital (long-term). The Company has a policy not to use derivative.

(ii) Details of financial instruments and their risks, and management system

Accounts receivables are exposed to the credit risk of our trading partners. The Company strives to reduce this risk in accordance with its credit management regulations.

Loans and bonds are used to finance working capital and capital investment. Borrowings with floating interest rates are exposed to the risk of interest rate fluctuations.

Although borrowings are exposed to liquidity risk, the Company manages them by preparing and updating cash flow plans and other methods. Consolidated subsidiary also perform the same management in accordance with the Company's method.

(2). Matters concerning the fair value of financial instruments

The following table sets forth the consolidated balance sheet amounts, market values and differences between the two as of March 31, 2021 This does not include items for which it is extremely difficult to determine the fair value.

	Consolidated balance sheet amount (Thousands JPY)	Fair value (Thousands JPY)	Difference (Thousands JPY)
(1) Cash and deposit	1,847,041	1,847,041	−
(2) Account receivables	873,592	873,592	−

(3) Investment securities Available-for-sale securities	80,928	80,928	–
Total assets	2,801,561	2,801,561	–
(1) Short-term borrowing	500,000	500,000	–
(2) Current portion of bonds due within one year	20,000	19,910	- 89
(3) Current portion of long-term debt	198,188	207,435	9,247
(4) Long-term debt	1,456,019	1,445,540	- 10,478
Total liabilities	2,174,207	2,172,887	- 1,319

Note:

1. Calculation of fair value of financial instruments:

Assets

(1) Cash and cash equivalents, (2) Account receivables

These items are recognized at book value as they are settled in the short term and fair values are almost equal to book values.

(3) Investment securities

The fair values of investment securities are measured at quoted market price of the stock exchange.

Liabilities

(1) Shor-term borrowing

The item is recognized at book value as it is settled in the short term and fair values is almost equal to book values.

(2) Bonds redeemable within one year

The fair value of these bonds is calculated based on the present value of the total principal and interest discounted by an interest rate that takes into account the remaining period of the bonds and credit risk.

(3) Current portion of long-term debt, (4) long-term debt

The fair value of these items is calculated by discounting the total amount of principal and interest at an interest rate that would be applicable to similar new borrowings.

Derivatives

Not Applicable.

2. Financial instruments that are extremely difficult to obtain their fair values are as follows:

items	Amount on balance sheet (Thousand JPY)
Unlisted shares	605,083
Convertible bonds	11,072
Allowance for doubtful accounts*	- 10,746
Sub-total	326
Total	605,409

These items are not included because these items do not have market prices and are extremely difficult to comprehend current values.

*Allowance for doubtful accounts for Convertible bonds is deducted.

8. Notes on Per Share Information

(1) Net assets per share 283.42 JPY

(2) Net income per share 40.97 JPY

9. Notes on significant subsequent events

(Issuance of new shares through capital and business alliance and third-party allotment)

The Company resolved at the Board of Directors' meeting held on May 14, 2021, to form capital and business tie-up with QUICK Corp.("QUICK") and Nikkei Inc. ("Nikkei", and collectively the "Allottee") and to issue new shares through the third-party allotment to the Allottee ("Third-Party Allotment"), and signed a capital and business alliance agreement ("Capital and Business Alliance") with the Allottee.

(1) The purpose of this capital and business alliance

In September 2020, the Company entered into a business alliance agreement with QUICK, a

leading company in the financial information field targeting corporate clients with a dominant client base, and has built a trusted relationship with QUICK jointly promoting the development of services collaborating both assets such as content, technical know-how and systems in the solution services. On the other hand, Nikkei with QUICK under its group, provides high-quality information through various media including newspaper and publications, which has nationwide great popularity and appealing power to users. Given Nikkei's well-established customer base, we are expecting high synergies in content and media services collaborating with QUICK and Nikkei to improve user experience in various prospects enhancing user convenience and expanding the data coverage accessible to asset building users.

The Company, QUICK and Nikkei have been reviewing the results of our collaboration work in the solution services and discussing about high synergies expected in the media field, and have reached to the same principle of establishing a de facto source of financial and economic information in Japan. To achieve our shared vision, we have entered into the Capital and Business Alliance strengthening our partnership and targeting expansion of our services and improvement in operational efficiency.

(2) Main contents of this capital and business alliance

(i) Overview of third-party allotment

(1) Payment date	May 31, 2021
(2) Number of new shares	Common stock 1,080,100
(3) Issue price	JPY 3,240 per share
(4) Amount of funds raised	JPY 3,499,524,000
(5) Amount of increased capital and capital reserve	Capital 1,749,762 thousand JPY Capital reserve 1,749,762 thousand JPY
(6) Recruitment or allocation method (allocation destination)	Allocate 617,200 shares of common stock to QUICK Corp. and 462,900 shares of common stock to Nikkei Inc. by a third-party allotment method.
(7) Others	For each of the above items, it is a condition that the securities registration statement under the Financial Instruments and Exchange Act is in effect.

(ii) Use of funds thorough this third-party allotment

Use	Amount (Million JPY)	Expected spending time
(1) Standby funds for capital alliance, etc.	2,500	June 2021 to March 2024
(2) Increased working capital due to business expansion	500	June 2021 to March 2022
(3) Developing in-house software and maintaining and updating existing in-house software	478	April 2023 to March 2024

(3) Contents of this capital and business alliance

(i) Capital alliance

The Company issues common shares by the third party allotment with QUICK and Nikkei as allottees, including 617,200 shares to QUICK and 462,900 shares to Nikkei (4.14% and 3.10% respectively of number of shares issued after the Third-party Allotment), and QUICK and Nikkei underwrite all of shares to be issued.

There will be no acquisition of shares of QUICK or Nikkei by the Company.

(ii) Business alliance

The Company, QUICK and Nikkei formed a business alliance to expand the scope and scale of our businesses, to improve business efficiency effectively utilizing management resources of each party, and to establish a de facto source of financial and economic information fields.

【Solution (B2B B2B2C)】

1. Digital contents (articles) created by Nikkei to be promoted/sold through the Company's solutions services
2. Joint development & sales of new contents and services related to asset building & management
3. Joint development & sales of financial solution services such as earning forecasting algorithm
4. Collaborative sales effort in selling each company's products targeting corporate and

financial institution clients

【Media (B2C)】

1. Linking Nikkei's service/contents and our service/contents "MINKABU" & "Kabutan
2. Linking contents and services related to asset building information including "MINKABU ASSET PLANNER" ASP provided to QUICK and Nikkei

(iii) Dispatch of officers

The Company plans to receive a recommendation for one (1) candidate for Director (Outside Director) from QUICK as it will contribute to the steady promotion of this capital and business alliance.

10. Other notes

Business combination through acquisition

The Company's Board of Directors approved a resolution on March 30, 2020, to approve the merger of Robot Fund Co.,Ltd. to acquire a majority of the issued shares by subscribing to a third party allotment of new shares to the Company and make one of the consolidated subsidiary of the Company. The Company concluded a total number of shares underwriting agreement on May 15, 2020, and acquired shares on June 30, 2020. A summary of the results is as follows.

(i) Outline of the business combination

A) Name of the acquired company and details of its business

Name of the acquired company: Robot Fund Co., Ltd.

Business Description:

(i) Providing investment trust business efficiency and digitalization solutions for management companies

(ii) Sales of investment trusts to securities companies and banks, efficiency of marketing operations, and provision of digital solutions

(iii) Provision of investment trust and market data

B) Main reasons for the business combination

As a Software-as-a-Service (SaaS) information vendor specializing in mutual funds, Robot Asset Management is a start-up company that provides various solutions to improve the efficiency and digitalization of mutual fund operations for investment management companies as well as mutual fund sales and marketing operations for securities companies and banks.

Robotic Process Automation (RPA) for mutual fund operations provided by Robotic Asset Management is an innovative solution that dramatically streamlines the operations of mutual fund management companies and sales companies, enabling them to follow up with customers after sales that were previously inadequate, and has already been introduced by several management companies, securities companies, and banks.

We have decided to make Robot Fund Co., Ltd. a consolidated subsidiary because we believe that the acquisition of Robot Fund Co., Ltd. will enable us to further expand our business domain by providing investment trust-related solutions and expanding our client base.

C) Date of business combination

D) June 30, 2020 (stock acquisition date)Legal form of a business combination

Acquisition of shares in exchange for cash

E) Name of the combined company

No change.

F) Percentage of acquired voting rights

50.14%

G) Main reasons for the decision to acquire

This is because the Company acquired the shares in exchange for cash.

(ii) Period of the acquired company's performance included in the consolidated financial statements

July 1, 2020 to March 31, 2021

(iii) Breakdown of acquisition cost and consideration of the acquired company by type

consideration for the acquisition	cash	248,000 thousand JPY
acquisition cost		248,000 thousand JPY

(iv) Details and amounts of major acquisition-related expenses
Due diligence expenses, etc. 7,000 thousand JPY

(v) Amount, reason for accrual, method and period of amortization of goodwill

A) Amount of goodwill accrued
207,376 thousand JPY
The amount of goodwill had not been allocated at acquisition cost as of June 30, 2020 and was calculated on a provisional basis, but was finalized by the end of the fiscal year ended March 31, 2021. There was no correction for the amount of goodwill.

B) Cause of occurrence
This was generated from future excess earnings capacity that is expected to be generated by future business development.

C) Amortization method and period
Straight-line amortization over 10 years

(vi) Amounts of assets and liabilities accepted as of the date of business combination and their main breakdown

Current assets (Thousand JPY)	391,489
fixed assets (Thousand JPY)	5,000
Total assets (Thousand JPY)	396,489
current liabilities (Thousand JPY)	118,865
fixed liabilities (Thousand JPY)	300,000
Total liabilities (Thousand JPY)	418,865

(vii) Estimated amount and method of calculating the impact of the business combination on the consolidated statement of income for the current fiscal year, assuming that the business combination is completed on the first day of the consolidated fiscal year
The amount is not stated because it is difficult to calculate a rough estimate for the current fiscal year.

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Statements of changes in shareholders' equity

From April 1, 2020 to March 31, 2021

(Thousand JPY)

	Shareholders' equity						
	Capital	Capital surplus			Retained earnings		Total shareholders' equity
		Capital reserve	Other capital surplus	Total capital surplus	Other retained earnings Accumulated retained earnings	Total retained earnings	
Balance at April, 2020	1,742,928	942,928	2,823,241	3,766,169	-2,021,919	-2,021,919	3,487,177
Changes							
Issuance of stock	19,340	19,340		19,340			38,680
Dividends of surplus			-219,910	-219,910			-219,910
Net income					557,340	557,340	557,340
Transfer from reserve to surplus account							
Total changes during the period	19,340	19,340	-219,910	-200,570	557,340	557,340	376,109
Balance at March 31, 2021	1,762,268	962,268	2,603,330	3,565,598	-1,464,579	-1,464,579	3,863,287

	Valuation and translation adjustments		Total Net Asset
	Valuation difference on available-for-sale securities	Total value and translation adjustments	
Balance at April 1, 2020	10,293	10,293	3,497,471
Changes			
Issuance of stock			38,680
Dividends of surplus			-219,910
Net income			557.340
Transfer from reserve to surplus account	19,620	19,620	19,620
Total changes during the period	19,620	19,620	395,730
Balance at March 31, 2021	29,914	29,914	3,893,202

Note: Amounts are rounded down to the nearest thousand JPY.

Notes to Financial Statements

1. Notes regarding matters related to significant accounting policies

(1). Basis and method of valuation for assets

(i) Shares of subsidiaries

Stated at cost using the moving average method.

(ii) Available-for-sale securities

・Items with market value

(Unrealized gains and losses are reported as a separate component of net assets, and the cost of securities sold is calculated using the moving average method.

・Items without market value

Stated at cost using the moving average method.

(iii) Inventories

・Work in progress

The cost method based on the specific identification method (the balance sheet value is calculated by writing down the book value based on a decline in profitability).

・Supplies

Stated at cost based on the specific identification method.

(2). Method of depreciation of fixed assets

(i) Tangible fixed assets

The declining-balance method is used. However, the straight-line method is used for facilities attached to buildings acquired on or after April 1, 2016.

The main useful lives of the assets are as follows.

Buildings and accompanying facilities	8-15 years
Equipment and fixtures	2-15 years

(ii) Intangible fixed assets: Straight-line method:

Software	3 - 5 years
	based on its useful service life in the Company
Patent asset	3 - 8 years
Trademark asset	5 - 10 years
Contract asset	10 years
Technology asset	10 - 15 years
Client related asset	10 - 15 years

(3). Treatment method of deferred asset

All stock issuance costs are treated as expenses when incurred.

(4). Basis for adjustment of foreign currency assets and debt

Foreign currency assets and debt are valued in Japanese yen based on the market price on the accounting closing date. Valuation differences are booked as profit or loss.

Other investment securities denominated in foreign currencies are valued in Japanese yen based on the market price on the accounting closing date. Valuation differences are booked in the net asset classification.

(5). Basis for provisions

(i) Allowance for doubtful accounts:

To provide for losses due to bad debt, the Company reserves an estimated allowance for doubtful accounts that is provided at an amount based on the actual ratio of bad debts in the past for general receivables. For specific doubtful receivables, the individual collectability with default possibility is considered.

(ii) Allowance for business restructuring losses:

In the past fiscal years, the Company recorded estimated allowance for business restructuring losses that is expected to be incurred when the Company shifted its business policy from growth strategy of focusing on the global expansion of its media business to a strategy of focusing on the domestic FinTech solutions business as a growth area.

(iii) Allowance for product warranties:

To provide for losses due to product warranties, the Company reserves an estimated allowance for losses on warranties product delivered.

(6). Basis for recognition of revenues

Basis for recognition of revenues of made-to-order software development is as follows:

(i) The Company applied the percentage-of-completion method (the construction -cost-percentage method for estimating the degree of completion of software development) for contracts whose outcome at the end of the fiscal year under review is deemed certain.

(ii) The Company applied the completed contract method to contracts other than the above.

(7). Amortization of goodwill
Goodwill and negative goodwill are amortized in equal amounts over an estimated period of 10 years in which investment effects will be revealed.

(8). Other significant basic matters for the preparation of financial statements
Accounting treatment of consumption tax: Consumption taxes and local consumption taxes are excluded from revenues and expenses.

2. Notes regarding matters related to accounting policies
Not applicable.

3. Notes on changes in presentation methods
Changes in presentation
Application of Accounting Standard for Disclosure of Accounting Estimates.
Accounting Standard for Disclosure of Accounting Estimates (ASBJ Statement No. 31, March 31, 2020) has been applied since the end of the current fiscal year and contains notes regarding important accounting estimates.

4. Notes on accounting estimates
Recoverability of deferred tax assets
(1). Amount recorded in financial statements for the current fiscal year
Deferred tax asset: 125,098 thousand yen.
(95,870 thousand yen after deducting deferred tax liabilities is recorded in the financial statements.)
(2). Information about content of material accounting estimates for the identified item.
(i) Calculation method of the financial statements of the current fiscal year
For temporary differences that will be deducted in the future, the Company determined the possibility of recovering deferred tax asset based on taxable income by future profitability and tax planning. The estimate of taxable income by future profitability based on actual results of the fiscal year ended March 31, 2021.

(ii) Main assumptions used for Calculation of the amount recorded in the financial statements for the current fiscal year
Estimate of taxable income are recorded by comprehensively considering the business plan and actual results for the current consolidated fiscal year based on the number of unique users and billing users of our media, the number of customers using our solutions, and the provided unit price per customer.

(iii) Impact on financial statements for the next fiscal year
The timing and amount of taxable income may be affected by changes of future economic trends, and if its actual timing and amount differ from estimates, there is a possibility to have a significant impact on the amount of deferred tax assets recognized in the consolidated financial statements for the next and subsequent fiscal years. For this reason, the major assumption stated above in (ii) are based on the best estimates, but the results can differ from the estimates because of future economic trends.

5. Notes on group headquarters relocation
The Company's Board of Directors approved a resolution on January 15, 2021, to relocate group headquarters. The useful lives of fixed assets that will no longer be available due to the relocation of the head office, have been shortened and changed from the consolidated fiscal year ended 31 March, 2021, so that depreciation will be completed by the scheduled relocation date. As a result of this change, operating income, ordinary income, and income before taxes for the consolidated fiscal year ended 31 March, 2021 decreased by 13,980 thousand yen, respectively, compared with the previous method.

6. Notes to Balance Sheet
(1) Guarantee obligation
Provide debt guarantees for loans from the financial institutions of the following affiliated companies

Robot Fund Co., Ltd.	200,000 thousand JPY
Total	200,000 thousand JPY

(2) Monetary claims and liabilities to affiliated companies are as follows.

(i) Short-term monetary claims	4,667 thousand JPY
(ii) Short-term monetary obligations	46,410 thousand JPY

7. Notes to profit and loss statement

(1). Transactions with subsidiaries and affiliates

Transactions from business transactions

net sales	2,053 thousand JPY
Cost of sales	63,597 thousand JPY
Selling, general and administrative expenses	41,254 thousand JPY

(2). Gain on liquidation of subsidiaries

Gain on liquidation of subsidiaries is due to the completion of liquidation of sharewise GmbH (Germany), which had been a non-consolidates subsidiary until the previous consolidated fiscal year in April 2020.

(3). Gain on sales of securities

Gain on sales of securities is the gain on sales of shares the Company held.

(4). Loss on related to infectious diseases

Preventing the spread of infection against the COVID-19, the Company and the Group further promoted the selective telework system that had been used for all employees of the Group, and integrated the entire Group into the Company's head office since the numbers of employee who works at the office were reduced. The costs associated with this office integration have been recorded as loss on related to infectious diseases.

(5). Loss on impairment

(i) Asset groups which recognized impairment loss

Purpose	Asset class	location
Idle asset	Trademark right	Chiyoda-ku, Tokyo
Idle asset	Software	Chiyoda-ku, Tokyo
Idle asset	Work in process Software	Chiyoda-ku, Tokyo

(ii) Reason of recognizing impairment loss

The Company recognized impairment losses on idle asset with respect to limited recoverability due to the review its status.

(iii) Amount of impairment loss

Trademark right	1,570 thousand JPY
Software	2,652 thousand JPY
Work in process software	7,000 thousand JPY
Total	11,223 thousand JPY

(iv) Grouping method for assets

The Company groups its assets based on the service classification as the smallest unit of cash flow generation. For common assets, an impairment loss is recognized on a larger basis, including common assets.

(v) Calculation method of asset recoverability

The Company recognized no recoverability or zero amount for idle assets due to no planned future use.

8. Notes on tax effect accounting

Breakdown of deferred tax assets and liabilities by major causes;

The main reason for deferred tax assets is temporary differences in future subtractions related to excess depreciation, etc., and a valuation allowance of 189,699 thousand JPY was deducted from deferred tax assets. In addition, 29,228 thousand JPY was offset against deferred tax liabilities.

9. Notes regarding transactions with related parties

Subsidiaries:

(Thousand JPY)

Attribution	Name of company	% of voting rights held	Relationship with the related party	Content of transactions	Transaction amount	Items	Balance at the end of FY
Subsidiary	Prop Tech plus Inc.	Direct holding 66.7%	Directors and a Corporate Auditor	Directors and a Corporate Auditor	–	–	–
Subsidiary	Robot Fund Co., Ltd.	Direct holding 50.1%	Directors and Corporate Auditors	Directors and Corporate Auditors	–	–	–
			Acquisition of shares	Acquisition of shares	254,000	–	–
			Debt Guarantee	Debt Guarantee (a)	200,000	–	–

Conditions of Transactions and Policies for Determining the Conditions:

a) The Company provides a debt guarantee for the borrowing of Robot Fund Co., Ltd., a consolidated subsidiary. There is no guarantee fee or collateral. The transaction amount is the amount borrowed in the debt guarantee.

10. Notes to per share information

Net assets per share	281.71 JPY
Net income per share	40.45 JPY

(Basis for calculation)

Net income	557,340 Thousand JPY
Amount not attributable to common shareholders	－Thousand JPY
Net income on common share	557,340 Thousand JPY
Average number of common shares outstanding	13,776,908 shares

11. Significant Subsequent Events

(Issuance of new shares through capital and business alliance and third-party allotment)

The Company resolved at the Board of Directors' meeting held on May 14, 2021, to form capital and business tie-up with QUICK Corp.("QUICK") and Nikkei Inc. ("Nikkei", and collectively the "Allottee") and to issue new shares through the third-party allotment to the Allottee ("Third-Party Allotment"), and signed a capital and business alliance agreement ("Capital and Business Alliance") with the Allottee.

(1) The purpose of this capital and business alliance

In September 2020, the Company entered into a business alliance agreement with QUICK, a leading company in the financial information field targeting corporate clients with a dominant client base, and has built a trusted relationship with QUICK jointly promoting the development of services collaborating both assets such as content, technical know-how and systems in the solution services. On the other hand, Nikkei with QUICK under its group, provides high-quality information through various media including newspaper and publications, which has nationwide great popularity and appealing power to users. Given Nikkei's well-established customer base, we are expecting high synergies in content and media services collaborating with QUICK and Nikkei to improve user experience in various prospects enhancing user convenience and expanding the data coverage accessible to asset building users.

The Company, QUICK and Nikkei have been reviewing the results of our collaboration work in the solution services and discussing about high synergies expected in the media field, and have reached to the same principle of establishing a de facto source of financial and economic information in Japan. To achieve our shared vision, we have entered into the Capital and Business Alliance strengthening our partnership and targeting expansion of our services and improvement in operational efficiency.

(2) Main contents of this capital and business alliance

(i) Overview of third-party allotment

(1) Payment date	May 31, 2021
(2) Number of new shares	Common stock 1,080,100
(3) Issue price	3,240 JPY per share
(4) Amount of funds raised	3,499,524 thousand JPY
(5) Amount of increased capital and capital reserve	Capital 1,749,762 thousand JPY Capital reserve 1,749,762 thousand JPY
(6) Recruitment or allocation method (allocation destination)	Allocate 617,200 shares of common stock to QUICK Corp. and 462,900 shares of common stock to Nikkei Inc. by a third-party allotment method.
(7) Others	For each of the above items, it is a condition that the securities registration statement under the Financial Instruments and Exchange Act is in effect.

(ii) Use of funds thorough this third-party allotment

Use	Amount (Million JPY)	Expected spending time
(1) Standby funds for capital alliance, etc.	2,500	June 2021 to March 2024
(2) Increased working capital due to business expansion	500	June 2021 to March 2022
(3) Developing in-house software and maintaining and updating existing in-house software	478	April 2023 to March 2024

(3) Contents of this capital and business alliance

(i) Capital alliance

The Company issues common shares by the third party allotment with QUICK and Nikkei as allottees, including 617,200 shares to QUICK and 462,900 shares to Nikkei (4.14% and 3.10% respectively of number of shares issued after the Third-party Allotment), and QUICK and Nikkei underwrite all of shares to be issued.

There will be no acquisition of shares of QUICK or Nikkei by the Company.

(ii) Business alliance

The Company, QUICK and Nikkei formed a business alliance to expand the scope and scale of our businesses, to improve business efficiency effectively utilizing management resources of each party, and to establish a de facto source of financial and economic information fields.

【Solution (B2B B2B2C)】

1. Digital contents (articles) created by Nikkei to be promoted/sold through the Company's solutions services
2. Joint development & sales of new contents and services related to asset building & management
3. Joint development & sales of financial solution services such as earning forecasting algorithm
4. Collaborative sales effort in selling each company's products targeting corporate and financial institution clients

【Media (B2C)】

1. Linking Nikkei's service/contents and our service/contents "MINKABU" & "Kabutan
2. Linking contents and services related to asset building information including "MINKABU ASSET PLANNER" ASP provided to QUICK and Nikkei

(iii) Dispatch of officers

The Company plans to receive a recommendation for one (1) candidate for Director (Outside Director) from QUICK as it will contribute to the steady promotion of this capital and business alliance.