

Summary of Consolidated Financial Results
for the First Quarter of the Fiscal Year Ending March 31, 2022
(Three Months Ended June 30, 2021)

[Japanese GAAP]

Company name: ULURU.CO., LTD. Listing: Tokyo Stock Exchange (Mothers)
 Stock code: 3979 URL: <https://www.uluru.biz/>
 Representative: Tomoya Hoshi, Representative Director and President
 Contact: Hirokazu Kondo, Director, Chief Financial Officer
 Tel: +81-3-6221-3069
 Scheduled date of filing of Quarterly Report: August 13, 2021
 Scheduled date of payment of dividend: -
 Preparation of supplementary materials for quarterly financial results: Yes
 Holding of quarterly financial results meeting: None

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the First Three Months (April 1, 2021 – June 30, 2021) of the Fiscal Year Ending March 31, 2022

(1) Consolidated operating results (Percentages represent year-on-year changes)

	Net sales		EBITDA*		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Jun. 30, 2021	925	45.6	37	397.8	20	-	30	124.8	(9)	-
Three months ended Jun. 30, 2020	635	9.7	7	(83.7)	(2)	-	13	(64.3)	4	(85.5)

*EBITDA = Operating profit + Depreciation + Amortization of goodwill

Note: Comprehensive income (million yen) Three months ended Jun. 30, 2021: (9) (-%)
 Three months ended Jun. 30, 2020: 2 (down 91.5%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Jun. 30, 2021	(2.91)	-
Three months ended Jun. 30, 2020	1.27	1.26

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Jun. 30, 2021	4,089	2,177	53.3
As of Mar. 31, 2021	4,198	2,208	52.6

Reference: Shareholders' equity (million yen) As of Jun. 30, 2021: 2,177 As of Mar. 31, 2021: 2,208

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2021	-	0.00	-	0.00	0.00
Fiscal year ending Mar. 31, 2022	-	-	-	-	-
Fiscal year ending Mar. 31, 2022 (forecast)	-	0.00	-	0.00	0.00

Note: Revisions to the most recently announced dividend forecast: None

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2022 (April 1, 2021 – March 31, 2022)

(Percentages represent year-on-year changes)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	3,900	21.1	(250)	-	(340)	-	(340)	-	(380)	-	(111.06)

Notes: 1. Revisions to the most recently announced consolidated forecast: None

2. There is no first half forecast because ULURU manages performance on a fiscal year basis.

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of issued shares (common stock)

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

As of Jun. 30, 2021:	3,425,500 shares	As of Mar. 31, 2021:	3,425,500 shares
----------------------	------------------	----------------------	------------------

2) Number of treasury shares at the end of period

As of Jun. 30, 2021:	128 shares	As of Mar. 31, 2021:	128 shares
----------------------	------------	----------------------	------------

3) Average number of shares during the period

Three months ended Jun. 30, 2021:	3,425,372 shares	Three months ended Jun. 30, 2020:	3,417,592 shares
-----------------------------------	------------------	-----------------------------------	------------------

* The current quarterly financial report is not subject to quarterly review by certified public accountants or auditing firms.

* Explanation of appropriate use of earnings forecasts, and other special items

Forecasts of future performance in this report are based on assumptions judged to be valid and information available to the ULURU's management at the time the materials were prepared but are not promises by ULURU regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons. Please refer to "1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Consolidated Forecast and Other Forward-looking Statements" on page 5 for forecast assumptions and notes of caution for usage.

Contents of Attachments

1. Qualitative Information on Quarterly Consolidated Financial Performance	2
(1) Explanation of Results of Operations	2
(2) Explanation of Financial Position	4
(3) Explanation of Consolidated Forecast and Other Forward-looking Statements	5
2. Quarterly Consolidated Financial Statements and Notes	6
(1) Quarterly Consolidated Balance Sheet	6
(2) Quarterly Consolidated Statements of Income and Comprehensive Income	7
Quarterly Consolidated Statement of Income	
For the Three-month Period	7
Quarterly Consolidated Statement of Comprehensive Income	
For the Three-month Period	8
(3) Notes to Quarterly Consolidated Financial Statements	9
Going Concern Assumption	9
Significant Changes in Shareholders' Equity	9
Segment and Other Information	10

1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Explanation of Results of Operations

Japan's working age population is forecast to decrease by about 16 million between 2017 and 2040 according to the 2018 White Paper on Information and Communications in Japan. This outlook points to serious social and economic issues as a labor shortage reduces the size of the economy and makes Japan less competitive in global markets. Based on the vision of "make the world more convenient with the power of people," the ULURU Group operates many businesses, primarily using the software-as-a-service (SaaS) model. By providing alternative solutions for labor shortages in a broad range of fields, this model enables us to function as a company that helps solve problems involving Japan's severe labor shortage.

In November 2003, we started the Business Process Outsourcing (BPO) business to meet the outsourcing needs of companies with the goal of establishing the standard for employees working at home rather than the company's workplace. The diversity of our customers' needs increased along with the volume of orders we received. We responded by launching a crowdsourcing business called Shufti in February 2007. Shufti increases the efficiency of the BPO business by facilitating direct matching of the requirements of client companies and the availability of crowdworkers, chiefly housewives, without using the ULURU Group. In addition, we used knowledge acquired from BPO operations and the resources of the crowdsourcing business to start the Crowd Generated Service (CGS) business, which allows the ULURU Group itself to utilize crowdworkers. In September 2008, we started the NJSS (Nyusatsu Joho Sokuho Service) business, an up-to-date and other bid solicitations database service about bids and winning bids for public-sector tenders in Japan. This business currently accounts for the majority of our sales and earnings. In October 2014, we launched en-photo, a photo sales management system for nursery schools and kindergartens. In February 2019, we started the fondesk, a telephone call answering service that uses crowdworkers. To benefit from synergies with en-photo, we made OurPhoto Co., Ltd. a wholly owned subsidiary in December 2020. This company operates a matching service for its members and professional photographers. These operations are the current business portfolio of the ULURU Group. NJSS, fondesk and en-photo are all SaaS operations, which makes the SaaS category the basis for the growth of the ULURU Group.

Japan's SaaS market was 601.6 billion yen in fiscal 2019 and is expected to grow to 1,117.8 billion yen in fiscal 2024 according to "Software Business New Markets 2020" by Fuji Chimera Research Institute, Inc. The size of the crowdsourcing market, which provides people for the CGS business, was 182.0 billion yen (based on value of orders) in fiscal 2018, 34.8% higher than in fiscal 2017, and is expected to grow to 261.0 billion yen in fiscal 2021 according to "BPO Market Status and Outlook 2018-2019" by Yano Research Institute Ltd.

The business climate was consistently uncertain during the first quarter of the fiscal year ending March 2022 because of COVID-19. During this period, the ULURU Group continued to make progress with numerous initiatives for accomplishing the three medium-term goals of the medium-term business plan for the five-year period ending in March 2024 that was announced on May 14, 2019 and revised on May 14, 2021. These goals are sustained growth of the NJSS business, the addition and growth of new CGS businesses that generate recurring revenue, and high profitability of the BPO business.

During the first quarter, net sales increased 45.6% year-on-year to 925 million yen, EBITDA (Operating profit + Depreciation + Amortization of goodwill) increased 397.8% to 37 million yen, operating profit was 20 million yen compared with a loss of 2 million yen one year earlier, ordinary profit increased 124.8% to 30 million yen, and the loss attributable to owners of parent was 9 million yen compared with a profit of 4 million yen one year earlier.

ULURU has applied the Accounting Standard for Revenue Recognition (Accounting Standards Board of Japan (ASBJ) Statement No. 29, March 31, 2020) from the beginning of the first quarter of the current fiscal year. Please refer to "2. Quarterly Consolidated Financial Statements and Notes, (3) Notes to Quarterly Consolidated Financial Statements, Changes in Accounting Policies" for the effects of the application of the new standard on financial position and operating results.

Business segment sales were as follows.

(Millions of yen)

Segment	First quarter of FY3/21 (Apr. 1, 2020 – Jun. 30, 2020)		First quarter of FY3/22 (Apr. 1, 2021 – Jun. 30, 2021)		YoY change in net sales (%)
	Net sales	Comp. (%)	Net sales	Comp. (%)	
CGS Business	462	72.8	671	72.5	45.0
NJSS	371	58.4	467	50.6	26.0
fondesk	41	6.5	102	11.1	146.9
Photo	46	7.3	101	10.9	119.3
Others	3	0.6	-	-	-
BPO Business	165	26.0	247	26.7	49.5
Crowdsourcing Business	7	1.2	7	0.8	(3.8)
Total	635	100.0	925	100.0	45.6

1) CGS NJSS

NJSS is the primary SaaS of the CGS business. We have been able to steadily increase the number of customers who have purchased contracts while holding down contract cancellations by optimizing NJSS sales framework. Due to these activities, the number of customers who have purchased contracts for viewing data about public-sector bids and winning bids increased by 179 during the first quarter to a record-high 4,139 companies as of the end of June 2021.

Activities that began in the previous fiscal year to increase rates received for this service resulted in an increase in average revenue per user (ARPU: daily sales per user) to 1,227 yen, 3% higher than one year earlier. In addition, due to an improvement in customer success, the average annual churn rate calculated based on fee-paying contracts decreased from 1.7% (as of the end of March 2021) to 1.6%. This improvement also resulted in a higher customer lifetime value (LTV).

Because of the consistent growth in the number of fee-paying contracts along with improvements in the ARPU and churn rate, annual recurring revenue (ARR) continued to climb, reaching 1,850 million yen.

Consequently, NJSS sales increased 26.0% year-on-year to 467 million yen, EBITDA was up 9.4% to 191 million yen and segment profit was up 9.5% to 190 million yen.

NJSS KPI	FY3/21				FY3/22			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Fee-paying contracts	3,395	3,571	3,749	3,960	4,139	-	-	-
ARPU (Yen)	1,188	1,207	1,221	1,223	1,227	-	-	-
Churn rate (%)	2.0	2.0	1.9	1.7	1.6	-	-	-
LTV (Thousands of yen)	1,621	1,665	1,773	1,943	2,093	-	-	-
ARR (Millions of yen)	1,467	1,585	1,684	1,744	1,848	-	-	-

- Notes: 1. ARPU: Daily sales per fee-paying contracts
 2. Churn rate: Ratio of cancellations during a month to the number of fee-paying contracts at the end of the previous month; 12-month averages are shown in this table.
 3. LTV: $\text{ARPU} \times (1/\text{Churn rate}) \times \text{Gross profit margin of 90\%}$
 4. ARR: Quarterly subscription sales multiplied by four

2) CGS fondesk

In the fondesk SaaS business, the awareness of this service increased as a method for supporting the digital transformation of back office tasks in conjunction with the growth of remote work due to COVID-19. This business achieved a steady growth as the number of fee-paying contracts increased by 322 from the end of March 2021 to 2,552 at the end of June 2021. However, expenses increased because of marketing activities and other reasons.

Sales of fondesk increased 146.9% to 102 million yen, EBITDA was 1 million yen compared with an 11 million yen loss one year earlier and segment profit was 1 million yen compared with an 11 million yen loss one year earlier.

fondesk KPI	FY3/21				FY3/22			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Fee-paying contracts	1,017	1,540	1,897	2,230	2,552	-	-	-

3) CGS photo

The en-photo SaaS business was affected by the spread of the COVID-19 infections. As a result, face-to-face sales activities to win new nursery school and kindergarten contracts were restricted. Nevertheless, we were able to steadily increase the number of nursery school and kindergarten contracts using telephone, e-mails and video conference systems. Moreover, frequency of use of our service increased in individual facilities. The negative impact of the COVID-19 pandemic on nursery school and kindergarten events was limited and the demand for photos of daily activities remained firm. At the same time, we carried out activities aimed at providing greater convenience for customers and further growth of services. These included creating synergies with OurPhoto Co., Ltd. that became a wholly owned subsidiary in December 2020. The company operates a on-site photography matching service “OurPhoto.” Another significant activity at en-photo was the April release of Photo Book for creating photo booklets.

Sales of photo services increased 119.3% to 101 million yen, EBITDA was a loss of 32 million yen compared with a 28 million yen loss one year earlier and the segment loss was 39 million yen compared with a 28 million yen loss one year earlier.

Photo KPI	FY3/21				FY3/22			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
en-photo contracted facilities	2,547	2,639	2,717	2,922	3,072	-	-	-

4) BPO

The performance of this business was supported by orders associated with the increasing demand for replacing paper with electronic documents as the use of remote work grew due to the COVID-19 crisis. Furthermore, this business has launched in April an “eas” (Entry Automation System) service, which is a new SaaS data automation service that combines AI-OCR utilization with tasks performed by human resources (crowd workers).

In the BPO business, sales increased 49.5% to 247 million yen, EBITDA was 18 million yen compared with a 1 million yen loss one year earlier and segment profit was 12 million yen compared with a 7 million yen loss one year earlier.

5) Crowdsourcing

The number of crowdworkers registered in the Shufti business was about 490,000 as of the end of June 2021. To enable this business to function as a platform to supply resources to the CGS category, we continued to improve services to increase convenience for customers and for strengthening customer support for the stable operation of Shufti. Costs decreased as we transferred people to other businesses of the ULURU Group and took other actions in the previous fiscal year in order to optimize the utilization of resources across the entire group.

In the Crowdsourcing business, sales decreased 3.8% to 7 million yen, EBITDA was a loss of 9 million yen compared with a 29 million yen loss one year earlier and the segment loss was 9 million yen compared with a 29 million yen loss one year earlier.

(2) Explanation of Financial Position

Total assets decreased 108 million yen from the end of the previous fiscal year to 4,089 million yen as of the end of the first quarter. This was mainly due to a 322 million yen decrease in cash and deposits, a 286 million yen increase in investments and other assets, a 107 million yen decrease accounts receivable-trade and a 37 million yen increase in other current assets.

The main reason for the increase of 286 million yen in investments and other assets is the payment of 250 million yen for investments in limited partnerships as reported in “Section 5. Financial Information, 1. Consolidated Financial Statements, etc., (1) Consolidated Financial Statements, Notes, Subsequent Events” of the Securities Report for the previous fiscal year.

Total liabilities decreased 78 million yen from the end of the previous fiscal year to 1,911 million yen. This was mainly due to a 34 million yen decrease in accounts payable-trade, a 176 million yen increase in advances received, an 85 million yen decrease in income taxes payable and a 153 million yen decrease in other current liabilities.

Total net assets decreased 30 million yen from the end of the previous fiscal year to 2,177 million yen. This was due to a 30 million yen decrease in retained earnings.

(3) Explanation of Consolidated Forecast and Other Forward-looking Statements

We maintain the full-year consolidated forecast that was announced in the Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 dated May 14, 2021.

2. Quarterly Consolidated Financial Statements and Notes**(1) Quarterly Consolidated Balance Sheet**

(Thousands of yen)

	FY3/21 (As of Mar. 31, 2021)	First quarter of FY3/22 (As of Jun. 30, 2021)
Assets		
Current assets		
Cash and deposits	3,291,810	2,969,241
Accounts receivable-trade	239,330	131,901
Work in process	17,618	24,474
Other	138,331	175,790
Allowance for doubtful accounts	(678)	(988)
Total current assets	3,686,412	3,300,420
Non-current assets		
Property, plant and equipment	152,147	143,591
Intangible assets		
Goodwill	220,308	213,201
Other	28,423	35,048
Total intangible assets	248,731	248,250
Investments and other assets	111,152	397,347
Total non-current assets	512,032	789,189
Total assets	4,198,444	4,089,610
Liabilities		
Current liabilities		
Accounts payable-trade	131,209	96,490
Current portion of long-term borrowings	42,320	42,320
Income taxes payable	120,036	34,562
Advances received	977,037	1,153,338
Provision for bonuses	-	29,724
Other	622,882	469,359
Total current liabilities	1,893,485	1,825,794
Non-current liabilities		
Long-term borrowings	80,690	70,110
Other	15,829	15,815
Total non-current liabilities	96,519	85,925
Total liabilities	1,990,005	1,911,719
Net assets		
Shareholders' equity		
Share capital	1,031,168	1,031,168
Capital surplus	1,013,468	1,013,468
Retained earnings	164,077	133,528
Treasury shares	(275)	(275)
Total shareholders' equity	2,208,439	2,177,890
Total net assets	2,208,439	2,177,890
Total liabilities and net assets	4,198,444	4,089,610

(2) Quarterly Consolidated Statements of Income and Comprehensive Income**Quarterly Consolidated Statement of Income****(For the Three-month Period)**

(Thousands of yen)

	First three months of FY3/21 (Apr. 1, 2020 – Jun. 30, 2020)	First three months of FY3/22 (Apr. 1, 2021 – Jun. 30, 2021)
Net sales	635,589	925,498
Cost of sales	189,133	271,995
Gross profit	446,455	653,502
Selling, general and administrative expenses	449,160	633,392
Operating profit (loss)	(2,705)	20,110
Non-operating income		
Interest income	7	2
Income from point programs	27	99
Reversal of allowance for doubtful accounts	902	-
Subsidy income	26,710	18,082
Other	212	155
Total non-operating income	27,859	18,338
Non-operating expenses		
Interest expenses	185	154
Loss on tax purpose reduction entry of non-current assets	11,269	7,628
Other	59	-
Total non-operating expenses	11,514	7,783
Ordinary profit	13,639	30,665
Profit before income taxes	13,639	30,665
Income taxes-current	7,742	28,369
Income taxes-deferred	1,559	12,276
Total income taxes	9,301	40,646
Profit (loss)	4,338	(9,980)
Loss attributable to non-controlling interests	(11)	-
Profit (loss) attributable to owners of parent	4,349	(9,980)

Quarterly Consolidated Statement of Comprehensive Income
(For the Three-month Period)

(Thousands of yen)

	First three months of FY3/21 (Apr. 1, 2020 – Jun. 30, 2020)	First three months of FY3/22 (Apr. 1, 2021 – Jun. 30, 2021)
Profit (loss)	4,338	(9,980)
Other comprehensive income		
Foreign currency translation adjustment	(1,764)	-
Total other comprehensive income	(1,764)	-
Comprehensive income	2,573	(9,980)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,603	(9,980)
Comprehensive income attributable to non-controlling interests	(29)	-

(3) Notes to Quarterly Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Changes in Accounting Policies

Application of the Accounting Standard for Revenue Recognition

Beginning with the first quarter of the current fiscal year, ULURU has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020). Based on this standard, revenue expected to be received in exchange for the provision of products and services is recognized when the control of the products and services is transferred to customers.

Due to this change, for some transactions where revenue was previously recognized when products were delivered, revenue is instead recognized when customers complete their acceptance inspections.

The alternative treatment specified in Paragraph 98 of the Implementation Guidance on Accounting Standard for Revenue Recognition is also applied. For sales of products in Japan, revenue is recognized when a product is shipped in cases where the time between the shipment of a product and the transfer of control to a customer is the normal length of time.

For the application of the Accounting Standard for Revenue Recognition in accordance with the transitional measures in the proviso to Paragraph 84 of this standard, the cumulative effect of the retrospective application of the new accounting standard, if it is applied at the beginning of the first quarter of the current fiscal year, is added to or subtracted from retained earnings at the beginning of the first quarter of the current fiscal year. The new standard is then applied beginning with this amount of retained earnings.

As a result, compared with the previous accounting method, the application of the new standard resulted in increases of 19 million yen in net sales, and 9 million yen each in cost of sales, operating profit, ordinary profit and profit before income taxes.

The cumulative effect on net assets at the beginning of the current fiscal year decreased the retained earnings balance at the beginning of the current fiscal year by 20 million yen.

Furthermore, in accordance with the transitional treatment prescribed in Paragraph 28-15 of the Accounting Standard for Quarterly Financial Reporting (ASBJ Statement No. 12, March 31, 2020), ULURU has not presented information on revenue from contracts with customers broken down for the first quarter of the previous fiscal year.

Application of the Accounting Standard for Measurement of Fair Value

ULURU has applied the Accounting Standard for Measurement of Fair Value (ASBJ Statement No. 30, July 4, 2019) from the beginning of the first quarter of the current fiscal year, and has applied the new accounting policies set forth by the Accounting Standard for Measurement of Fair Value prospectively in accordance with the transitional treatment in the Paragraph 19 of the Accounting Standard for Measurement of Fair Value and Paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019). There is no effect of the application of these standards on the quarterly consolidated financial statements.

Segment and Other Information

Segment information

I First three months of FY3/21 (Apr. 1, 2020 – Jun. 30, 2020)

1. Information related to net sales and profit or loss for reportable segments

(Thousands of yen)

	Reportable segment							Adjustment (Note 1)	Amounts shown on quarterly consolidated statement of income (Note 2)
	CGS NJSS	CGS fondesk	CGS photo	CGS others	BPO	Crowd- sourcing	Total		
Net sales									
External sales	371,427	41,440	46,122	3,944	165,240	7,413	635,589	-	635,589
Inter-segment sales and transfers	-	-	-	-	3,388	1,197	4,585	(4,585)	-
Total	371,427	41,440	46,122	3,944	168,629	8,610	640,175	(4,585)	635,589
Segment profit (loss)	174,321	(11,724)	(28,961)	293	(7,946)	(29,524)	96,458	(99,163)	(2,705)

Notes: 1. The negative adjustment of 99,163 thousand yen to segment profit (loss) includes elimination for inter-segment transactions of 463 thousand yen and corporate expenses (mainly selling, general and administrative expenses) of negative 99,626 thousand yen that are not allocated to any reportable segment.

2. Segment profit (loss) is adjusted to be consistent with operating profit in the quarterly consolidated statement of income.

3. Information related to changes in reportable segments, etc.

In prior fiscal years, there were four reportable segments: CGS NJSS, CGS others, BPO and Crowdsourcing. Due to the increasing importance of the services other than NJSS, which were previously included in CGS others, they have become separate reportable segments called CGS fondesk and CGS photo. As a result of these two new segments, there are six reportable segments beginning with FY3/21.

The information has been prepared based on the reportable segments after the change, and there are differences between the reportable segments for the first three months of FY3/21 and those disclosed in FY3/20.

II First three months of FY3/22 (Apr. 1, 2021 – Jun. 30, 2021)

1. Information related to net sales and profit or loss for reportable segments

(Thousands of yen)

	Reportable segment							Adjustment (Note 1)	Amounts shown on quarterly consolidated statement of income (Note 2)
	CGS NJSS	CGS fondesk	CGS photo	CGS others	BPO	Crowd- sourcing	Total		
Net sales									
External sales	467,903	102,299	101,130	-	247,036	7,128	925,498	-	925,498
Inter-segment sales and transfers	-	-	-	-	520	2,668	3,188	(3,188)	-
Total	467,903	102,299	101,130	-	247,556	9,796	928,686	(3,188)	925,498
Segment profit (loss)	190,907	1,194	(39,788)	(1,931)	12,460	(9,409)	153,432	(133,321)	20,110

Notes: 1. The negative adjustment of 133,321 thousand yen to segment profit (loss) includes elimination for inter-segment transactions of 22,985 thousand yen and corporate expenses (mainly selling, general and administrative expenses) of negative 156,307 thousand yen that are not allocated to any reportable segment.

2. Segment profit (loss) is adjusted to be consistent with operating profit in the quarterly consolidated statement of income.

3. Information related to changes in reportable segments, etc.

As described in Changes in Accounting Policies, ULURU has applied the Accounting Standard for Revenue Recognition from the beginning of the first quarter of FY3/22 and changed the accounting method for revenue recognition. Accordingly, the method for calculating segment profit or loss has been changed as well.

Compared with the previous method, net sales and segment profit increased 19,274 thousand yen and 9,979 thousand yen, respectively, in the BPO business in the first three months of FY3/22.

This financial report is solely a translation of ULURU's Kessan Tanshin (including attachments) in Japanese, which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.