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October 5, 2022

Consolidated Financial Results for the Three Months Ended August 31, 2022 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 4825
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 Scheduled date to file quarterly securities report: October 13, 2022
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended August 31, 2022 (from June 1, 2022 to August 31, 2022)

(1) Consolidated operating results (cumulative)

(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	%
Three months ended August 31, 2022	5,225	4.8	472	(10.3)	525	1.7	369	3.9
August 31, 2021	4,987	12.4	526	103.8	517	94.7	355	104.4

Note: Comprehensive income For the three months ended August 31, 2022: ¥474 million [29.4%]
 For the three months ended August 31, 2021: ¥366 million [112.1%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
August 31, 2022	33.53	33.45
August 31, 2021	32.36	32.28

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
August 31, 2022	19,003	16,768	87.8
May 31, 2022	19,127	16,843	87.6

Reference: Equity
 As of August 31, 2022: ¥16,684 million
 As of May 31, 2022: ¥16,759 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended May 31, 2022	–	50.00	–	50.00	100.00
Fiscal year ending May 31, 2023	–				
Fiscal year ending May 31, 2023 (Forecast)		50.00	–	50.00	100.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending May 31, 2023 (from June 1, 2022 to May 31, 2023)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending May 31, 2023	21,000	6.9	3,200	10.2	3,300	7.7	2,400	11.3	217.90

Note: Revisions to the consolidated earnings forecasts most recently announced: None

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

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

As of August 31, 2022	11,844,000 shares
As of May 31, 2022	11,844,000 shares

- (ii) Number of treasury shares at the end of the period

As of August 31, 2022	841,751 shares
As of May 31, 2021	841,720 shares

- (iii) Average number of shares outstanding during the period

Three months ended August 31, 2022	11,002,272 shares
Three months ended August 31, 2021	10,974,515 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

Forward-looking statements in this material, including earnings forecasts, are based on information currently available to the Company and on certain assumptions deemed reasonable. Actual results may differ significantly due to various factors. Please refer to "1. Qualitative Information on Quarterly Financial Results" of the attached materials for the suppositions that form the assumptions for the earnings forecasts and cautions regarding the use of the earnings forecasts.

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1. Qualitative Information on Quarterly Financial Results

(1) Operating results

1) Business environment

In the three months ended August 31, 2022 (the “period under review”), the global economy saw a weakening of recovery due to the impacts of fiscal tightening in relation to the rising cost of goods, particularly in Europe and North America, and of rising prices of food and resources from insufficient supply caused by economic sanctions related to the Ukraine crisis. The Japanese economy, on the other hand, continued to recover, led mainly by an easing of restrictions on activities and a revival in consumer spending.

In terms of the Company’s performance, the mobile/internet planning service received an increase in the number of app downloads due to people’s heightened attention to weather forecasting and disaster preparedness following the occurrence of weather disasters such as local heavy rains, etc. In the sea planning service, freight traffic has been recovering at a gradual pace with visible improvement in the port congestion that has occurred mostly in China and the United States. In the sky planning service, the airline market seems to be in a recovery trend with an easing of entry/exit restrictions in Japan and a lifting of restrictions on movement inside the country.

In the meteorological environment, there is a further growing need for countermeasures for weather risks as extreme weather events and serious disasters are continuing to occur in regions across the world. As a company whose philosophy is to “help out in times of need,” we now strive to reduce our environmental load such as supporting our customers in decreasing CO₂ emissions in order to reduce weather risks and mitigate the increasingly serious climate change through the day-to-day provision of services that tap into our meteorological technologies.

2) Overview of the period under review

The global weather service market is expected to continue to grow with rising interest in weather risks, growing needs for measures to adapt to and mitigate climate change, which is a global theme to be addressed, and the development of information and communication technology.

With regard to the mobile/internet planning service, subscription service sales and advertising revenue remained strong as app users grew in number due to raised public profile of the service through aggressive investment in advertising, improved forecast accuracy and enhanced unique content. Sales of the sea planning service increased due to the positive impact from foreign exchange rates, although the sales from customers in Europe decreased. Sales of the sky planning service increased as the sales expansion of movement management systems in the Japanese helicopter market progressed. As a result, for the period under review, consolidated net sales increased 4.8% year over year to ¥5,225 million.

In terms of expenses, the Company continued to achieve optimization through working to streamline our development platform by bringing software development in-house and making it agile. On the other hand, we have continued our investment in human resources associated with the continued enhancement of software development capabilities, as well as our aggressive advertising investments, such as TV commercials and internet advertising. As a result, operating profit decreased 10.3% year over year to ¥472 million, ordinary profit increased 1.7% year over year to ¥525 million affected by foreign exchange gains, and profit attributable to owners of parent increased 3.9% year over year to ¥369 million.

3) Business overview by business field

<Sea Planning>

The situation of ships waiting for berth due to port congestion experienced a certain degree of improvement, and freight traffic was recovering gradually. The Company posted higher sales for sea planning services overall due to increased provision in Asia, including Japan, and the positive impact from foreign exchange rates, despite a decrease in the numbers of service provision in Europe.

<Sky Planning>

The airline market is undergoing moderate recovery from the market sluggishness caused by the impact of COVID-19 and sales from mainly customers in Asia increased. In addition, more customers were acquired through the sales expansion of movement management systems in the Japanese helicopter market. As a result, sales of the sky planning service overall increased.

<Land Planning>

Sales of the land planning service decreased mainly on account of the swing-back effect of one-time sales recorded in the corresponding period of the previous fiscal year and the continuing impact of a decrease in sales to some customers, despite a trend of gradual recovery being observed for railways and expressways in Japan, the major customers of the service.

<Environment Planning>

In the energy market, sales of environment planning services rose as a result of soaring fuel prices caused by instabilities in energy supply, and inquiries for our renewable power generation forecast service have increased in Japan and Europe.

<Sports Planning>

Sales decreased for sports planning services due to the swing-back effect from the one-time contracted operations regarding the provision of weather information to a large sporting event in the corresponding period of the previous fiscal year.

<Climate Tech Planning>

To respond to various needs from corporate entities regarding countermeasures for climate change, the Company established “Climate Tech Planning” in June 2022 and, in Japan, we have started to expand the sales of a service of analyzing climate change risks.

<Mobile/Internet Planning>

App users grew as we achieved a higher public profile due to aggressive advertising investments such as TV commercials and internet advertising. Subscription sales and advertising revenue increased as a result of conducting various initiatives to enhance satisfaction and utilization of users’ apps through upgrading content to be distributed by the Company and improving app UI/UX continually while the weather in Japan suffered from occurrence of weather disasters such as heavy rains, etc.

Regarding the method of aggregating sales by region in advertising revenue, we began to use a method of aggregating advertising sales in regions where services were provided both in the three months ended August 31, 2021 and 2022 in order to reflect developments in areas of business engagement, instead of aggregating sales by corporate customer headquarters as done previously.

<Broadcast Planning>

Sales declined in broadcast planning services due to the decline from the swing-back effect of sales related to the replacement cycle of systems for broadcasting companies and the impact of cost revisions by such companies as part of structural reforms.

Business segment (Planning)		Three months ended August 31, 2021			Three months ended August 31, 2022			Rate of change
		(Millions of yen)			(Millions of yen)			(%)
		SRS	Tollgate	Total	SRS	Tollgate	Total	Total
Sea Planning	1	1,305	1,306	1	1,377	1,378	5.5	
Sky Planning	11	209	221	15	319	334	51.4	
Land Planning	68	722	790	26	708	734	(7.1)	
Environment Planning	11	190	202	7	218	225	11.1	
Other BtoB business	4	29	34	4	3	7	(77.1)	
Total BtoB business	97	2,457	2,555	55	2,626	2,681	4.9	
Mobile/Internet Planning	2	1,843	1,845	2	2,009	2,011	9.0	
Broadcast Planning	108	478	586	64	467	532	(9.3)	
Total BtoS business	111	2,321	2,432	67	2,476	2,544	4.6	
Total	208	4,779	4,987	122	5,102	5,225	4.8	

(Reference) Net sales by region

Regional segment		Three months ended August 31, 2021			Three months ended August 31, 2022			Rate of change
		(Millions of yen)			(Millions of yen)			(%)
		SRS	Tollgate	Total	SRS	Tollgate	Total	Total
Japan	88	1,407	1,496	52	1,476	1,523	1.8	
Asia	–	483	483	–	586	586	21.3	
Europe	8	489	498	2	474	476	(4.4)	
Americas	–	77	77	–	89	89	15.0	
Total BtoB business	97	2,457	2,555	55	2,626	2,681	4.9	
Japan	111	2,102	2,213	67	2,238	2,305	4.1	
Asia	–	218	218	–	238	238	9.1	
Europe	–	0	0	–	–	–	–	
Americas	–	–	–	–	0	0	–	
Total BtoS business	111	2,321	2,432	67	2,476	2,544	4.6	
Total	208	4,779	4,987	122	5,102	5,225	4.8	

Note: Tollgate refers to the Company's original business format. A typical example is the tollgates of expressways.
Sales continually generated in the form of consideration for provision of services.
Stage requirement setting (SRS) refers to one-time examination and system sales that lead to future tollgate sales.
BtoS business refers to business targeting individuals ("S" stands for supporters).

(2) Financial position

1) Assets, liabilities and net assets

As of August 31, 2022, total assets decreased by ¥124 million compared with the end of the previous fiscal year to ¥19,003 million, reflecting decreases in contract assets and other items. Total liabilities decreased by ¥48 million compared with the end of the previous fiscal year to ¥2,234 million, reflecting decreases in income taxes payable and other items. Net assets decreased by ¥75 million compared with the end of the previous fiscal year to ¥16,768 million, as a result of recording profit attributable to owners of parent of ¥369 million, while distributing dividends of the end of the previous fiscal year of ¥550 million.

As a result of these factors, equity-to-asset ratio was 87.8%.

2) Cash flows

Net cash provided by operating activities was ¥317 million (net cash of ¥586 million provided in the same period of previous fiscal year), reflecting the payment of income taxes of ¥362 million and recording profit before income taxes of ¥525 million, among other reasons.

Net cash provided by investing activities amounted to ¥52 million (net cash of ¥104 million used in the same period of the previous fiscal year), mainly reflecting the cancellation of insurance funds.

Net cash used in financing activities amounted to ¥490 million (net cash of ¥486 million used in the same period of the previous fiscal year), mainly as a result of distributing dividends.

Cash and cash equivalents as of August 31, 2022, were ¥11,392 million (¥9,258 million at the end of the same period of the previous year), as a result of adding the effect of exchange rate change on cash and cash equivalents of ¥89 million.

(3) Explanation on consolidated earnings forecasts and other forward-looking statements

Economic activities have moved closer to normalization as the spread of infection subsides due to the spread of COVID-19 vaccinations, but there is growing uncertainty resulting from the Russia-Ukraine crisis and so forth in addition to rising inflation.

In this operating environment, we expect to grow sales further due to the continued enhancement of original content and expansion of our advertising service in the mobile/internet planning service. We expect the full-scale rollout of NAR (Navigation Assessment & Routeing), a service that addresses the risk of stranding in coastal areas in the sea planning service. At the same time, we are working on the development of new services intended for environmental operation support. Uncertainty over the sky planning service will likely continue despite signs of demand recovery in the airline market. On the other hand, we expect the domestic helicopter market will remain strong. In terms of expenses, we continue to invest aggressively for advertising of the mobile/internet planning service and to invest for overseas promotion of our existing businesses while further streamlining software development on a company-wide basis.

As a result of the above, the Group expects to achieve consolidated net sales of ¥21,000 million, operating profit of ¥3,200 million, ordinary profit of ¥3,300 million, and profit attributable to owners of parent of ¥2,400 million for the fiscal year ending May 31, 2023.

2. Quarterly Consolidated Financial Statements and Significant Notes Thereto

(1) Quarterly consolidated balance sheet

(Thousands of yen)

	As of May 31, 2022	As of August 31, 2022
Assets		
Current assets		
Cash and deposits	11,424,969	11,394,571
Accounts receivable - trade	2,612,174	2,950,326
Contract assets	708,461	378,529
Work in process	44,993	70,120
Supplies	130,643	144,199
Other	407,489	405,699
Allowance for doubtful accounts	(13,966)	(10,035)
Total current assets	15,314,765	15,333,410
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	746,917	814,802
Tools, furniture and fixtures, net	393,669	436,385
Communication satellite facilities, net	26,605	19,954
Land	413,062	413,062
Construction in progress	77,026	25,498
Other, net	85,100	85,383
Total property, plant and equipment	1,742,381	1,795,086
Intangible assets		
Software	757,386	681,271
Software in progress	6,710	11,307
Other	27,055	28,627
Total intangible assets	791,152	721,206
Investments and other assets		
Investment securities	181,299	189,166
Deferred tax assets	662,305	628,224
Other	466,760	369,215
Allowance for doubtful accounts	(31,243)	(33,166)
Total investments and other assets	1,279,122	1,153,440
Total non-current assets	3,812,656	3,669,733
Total assets	19,127,421	19,003,143

(Thousands of yen)

	As of May 31, 2022	As of August 31, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	91,426	98,767
Accounts payable - other	293,087	634,526
Income taxes payable	398,679	137,484
Contract liabilities	163,128	166,284
Other	1,217,621	1,081,670
Total current liabilities	2,163,943	2,118,734
Non-current liabilities		
Asset retirement obligations	70,756	71,189
Other	48,790	44,784
Total non-current liabilities	119,547	115,973
Total liabilities	2,283,490	2,234,707
Net assets		
Shareholders' equity		
Share capital	1,706,500	1,706,500
Capital surplus	1,302,857	1,302,857
Retained earnings	14,527,595	14,346,493
Treasury shares	(907,062)	(907,316)
Total shareholders' equity	16,629,890	16,448,533
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,707	16,162
Foreign currency translation adjustment	119,001	219,407
Total accumulated other comprehensive income	129,708	235,570
Share acquisition rights	84,332	84,332
Total net assets	16,843,930	16,768,436
Total liabilities and net assets	19,127,421	19,003,143

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income**Quarterly consolidated statement of income (cumulative)**

(Thousands of yen)

	Three months ended August 31, 2021	Three months ended August 31, 2022
Net sales	4,987,770	5,225,121
Cost of sales	2,789,718	2,906,055
Gross profit	2,198,051	2,319,065
Selling, general and administrative expenses	1,671,951	1,846,898
Operating profit	526,099	472,167
Non-operating income		
Interest income	137	340
Dividend income	500	500
Rental income from buildings	4,124	–
Foreign exchange gains	–	48,050
Insurance claim income	–	10,000
Other	2,796	6,325
Total non-operating income	7,558	65,216
Non-operating expenses		
Commitment line expenses	3,701	3,704
Foreign exchange losses	12,708	–
Loss on cancellation of insurance policies	–	7,599
Other	61	169
Total non-operating expenses	16,471	11,473
Ordinary profit	517,187	525,910
Extraordinary losses		
Loss on liquidation of subsidiaries and associates	*3,278	–
Total extraordinary losses	3,278	–
Profit before income taxes	513,908	525,910
Income taxes - current	111,641	124,829
Income taxes - deferred	47,068	32,069
Total income taxes	158,710	156,898
Profit	355,198	369,012
Profit attributable to owners of parent	355,198	369,012

Quarterly consolidated statement of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended August 31, 2021	Three months ended August 31, 2022
Profit	355,198	369,012
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,118)	5,455
Foreign currency translation adjustment	12,782	100,405
Total other comprehensive income	11,664	105,861
Comprehensive income	366,863	474,873
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	366,863	474,873

(3) Quarterly consolidated statement of cash flows

(Thousands of yen)

	Three months ended August 31, 2021	Three months ended August 31, 2022
Cash flows from operating activities		
Profit before income taxes	513,908	525,910
Depreciation	189,172	170,810
Share-based payment expenses	16,915	36,627
Increase (decrease) in allowance for doubtful accounts	4,493	(4,093)
Increase (decrease) in provision for loss on orders received	(959)	–
Interest and dividend income	(637)	(840)
Insurance claim income	–	(10,000)
Loss (gain) on cancellation of insurance policies	–	7,599
Commitment line expenses	3,701	3,704
Loss (gain) on liquidation of subsidiaries and associates	3,278	–
Decrease (increase) in trade receivables	218,229	(315,575)
Decrease (increase) in contract assets	(255,357)	329,931
Decrease (increase) in inventories	2,846	(38,678)
Increase (decrease) in trade payables	8,316	6,749
Increase (decrease) in accounts payable - other	97,002	188,413
Increase (decrease) in accrued consumption taxes	(44,716)	64,676
Increase (decrease) in accrued expenses	(31,170)	(54,223)
Increase (decrease) in advances received	66,391	38,719
Increase (decrease) in contract liabilities	19,475	928
Increase (decrease) in deposits received	97,385	(71,627)
Other, net	159,164	(209,831)
Subtotal	1,067,441	669,201
Interest and dividends received	632	826
Proceeds from insurance income	–	10,000
Income taxes paid	(481,857)	(362,085)
Net cash provided by (used in) operating activities	586,216	317,942
Cash flows from investing activities		
Proceeds from sale of securities	–	70
Purchase of property, plant and equipment	(58,602)	(51,235)
Purchase of intangible assets	(70,308)	(12,510)
Payments for asset retirement obligations	(322)	–
Payments of leasehold and guarantee deposits	(4,306)	(255)
Proceeds from refund of leasehold and guarantee deposits	29,252	1,459
Purchase of insurance funds	–	(10,401)
Proceeds from cancellation of insurance funds	–	125,040
Net cash provided by (used in) investing activities	(104,286)	52,166
Cash flows from financing activities		
Dividends paid	(486,749)	(490,306)
Purchase of treasury shares	(136)	(254)
Net cash provided by (used in) financing activities	(486,885)	(490,560)
Effect of exchange rate change on cash and cash equivalents	14,351	89,976
Net increase (decrease) in cash and cash equivalents	9,395	(30,475)
Cash and cash equivalents at beginning of period	9,249,147	11,422,943
Cash and cash equivalents at end of period	9,258,542	11,392,467

(4) Notes to premise of going concern

Not applicable

(5) Notes on significant changes in the amount of shareholders' equity

Not applicable

(6) Changes in accounting policies

Application of implementation guidance on accounting standard for fair value measurement

The Company has applied the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021, hereinafter referred to as "Fair Value Measurement Accounting Guidance") from the beginning of the first quarter ended August 31, 2022, and it has applied the new accounting policy, provided for by the Fair Value Measurement Accounting Guidance, prospectively in accordance with the transitional measures provided for in paragraph 27-2 of the Fair Value Measurement Accounting Guidance. The Company does not expect that this change will have a material impact on its quarterly consolidated results.

(7) Notes to segment information, etc.

The Company and its consolidated subsidiaries engage in the provision of comprehensive content centered on weather information as referred to as the description of the business thereof, which constitutes a single business segment. Therefore, segment information is omitted.

(8) Notes to revenue recognition

Information on disaggregation of revenue from contracts with customers

The three months ended August 31, 2021

(Thousands of yen)

		BtoB business				
		Sea Planning	Sky Planning	Land Planning	Environment Planning	Other
Goods or services transferred at a point in time	SRS	800	600	2,690	4,235	–
	Tollgate	–	–	–	–	–
	Total	800	600	2,690	4,235	–
Goods or services transferred over time	SRS	281	10,449	65,469	7,643	4,990
	Tollgate	1,305,129	209,954	722,388	190,880	29,596
	Total	1,305,410	220,403	787,857	198,524	34,586
Revenue from contracts with customers	SRS	1,081	11,049	68,159	11,879	4,990
	Tollgate	1,305,129	209,954	722,388	190,880	29,596
	Total	1,306,210	221,003	790,548	202,760	34,586
Other revenue		–	–	–	–	–
Revenues from external customers		1,306,210	221,003	790,548	202,760	34,586

		BtoS business		Total
		Mobile/Internet Planning	Broadcast Planning	
Goods or services transferred at a point in time	SRS	1,500	46,147	55,973
	Tollgate	–	–	–
	Total	1,500	46,147	55,973
Goods or services transferred over time	SRS	1,154	62,477	152,465
	Tollgate	1,843,236	478,144	4,779,330
	Total	1,844,391	540,622	4,931,796
Revenue from contracts with customers	SRS	2,654	108,624	208,439
	Tollgate	1,843,236	478,144	4,779,330
	Total	1,845,891	586,769	4,987,770
Other revenue		–	–	–
Revenues from external customers		1,845,891	586,769	4,987,770

(Note) The Group mainly promotes the tollgate-type business model to continuously provide content. At the same time, there are also opportunities to sell temporary research and systems with the potential to lead to tollgate-type sales in the future and the Company refers to these opportunities as SRS (Stage Requirement Settings).

The three months ended August 31, 2022

(Thousands of yen)

		BtoB business				
		Sea Planning	Sky Planning	Land Planning	Environment Planning	Other
Goods or services transferred at a point in time	SRS	1,500	3,121	2,700	2,113	300
	Tollgate	–	–	–	–	–
	Total	1,500	3,121	2,700	2,113	300
Goods or services transferred over time	SRS	–	12,012	23,774	4,889	4,620
	Tollgate	1,377,179	319,527	708,152	218,194	3,007
	Total	1,377,179	331,540	731,927	223,083	7,628
Revenue from contracts with customers	SRS	1,500	15,134	26,474	7,002	4,920
	Tollgate	1,377,179	319,527	708,152	218,194	3,007
	Total	1,378,679	334,661	734,627	225,196	7,928
Other revenue		–	–	–	–	–
Revenues from external customers		1,378,679	334,661	734,627	225,196	7,928

		BtoS business		Total
		Mobile/Internet Planning	Broadcast Planning	
Goods or services transferred at a point in time	SRS	690	9,791	20,216
	Tollgate	–	–	–
	Total	690	9,791	20,216
Goods or services transferred over time	SRS	1,677	54,936	101,912
	Tollgate	2,009,583	467,348	5,102,992
	Total	2,011,261	522,285	5,204,905
Revenue from contracts with customers	SRS	2,368	64,727	122,128
	Tollgate	2,009,583	467,348	5,102,992
	Total	2,011,951	532,076	5,225,121
Other revenue		–	–	–
Revenues from external customers		2,011,951	532,076	5,225,121

(Note) The Group mainly promotes the tollgate-type business model to continuously provide content. At the same time, there are also opportunities to sell temporary research and systems with the potential to lead to tollgate-type sales in the future and the Company refers to these opportunities as SRS (Stage Requirement Settings).

(9) Notes to quarterly consolidated statement of income

* Loss on liquidation of subsidiaries and associates

The three months ended August 31, 2021

The loss on liquidation of subsidiaries and associates recognized in the quarterly consolidated statement of income is the loss resulting from the liquidation of Weathernews Nepal Pvt. Ltd., the Company's consolidated subsidiary.

The three months ended August 31, 2022

Not applicable