



Summary of Financial Results
for the Third Quarter of the Fiscal Year Ending March 31, 2023[Consolidated]
(From April 1, 2022 to December 31, 2022)
[under IFRS]

February 9, 2022

Company name:	Relo Group, Inc.	Listed Exchange:	Tokyo Stock Exchange
Security code.:	8876	URL:	https://www.relo.jp/
Representative:	Kenichi Nakamura, Representative Director, CEO		
Contact:	Yasushi Kadota, Director, CFO	TEL:	03-5312-8704
Scheduled Date to Submit the Securities Report:	February 14, 2023		
Scheduled Date to Start Distributing Dividends:	-		
Supplemental documents for the financial results provided:	None		
Results briefing for the period under review provided:	Yes (for institutional investors and securities analysts)		

(Millions of yen, rounded down)

1. Consolidated Financial Results for the Year Ended December 31, 2022 (From April 1, 2022 to December 31, 2022)

(1) Consolidated Operating Results (% figures represent change from the same period of the previous fiscal year)

	Revenue		Operating Profit		Profit before income taxes		Profit attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2022	89,082	7.5	17,386	29.8	19,756	38.1	17,586	93.2
Nine months ended December 31, 2021	82,845	—	13,395	—	14,305	—	9,103	48.5

	Basic earnings per share	Diluted Net Income per Share
	Yen	Yen
Nine months ended December 31, 2022	115.01	110.25
Nine months ended December 31, 2021	59.91	57.44

(Note) From the first three months of the fiscal year under review, BGRS Limited and twenty-two other Group companies are classified as discontinued operations. Revenue, operating profit, and profit before income taxes are those from the continuing operations and do not include results from the discontinued operations. Results in the first three months of the fiscal year ended March 31, 2022 have been restated and do not include results from discontinued operations. Changes from the same period of the fiscal year ended March 31, 2021 are thus not stated. For details of the discontinued operations, please refer to 2. Consolidated Financial Statements, (4) Notes to Consolidated Financial Statements (Assets held for sale and discontinued operations) on page 15 of the attached materials.

(2) Consolidated Financial Positions

	Total Assets	Total equity	Equity attributable to owners of parent	Equity ratio attributable to owners of parent
	Millions of yen	Millions of yen	Millions of yen	%
As of December 31, 2022	305,953	65,364	64,215	21.0
As of March 31, 2022	301,599	55,142	54,485	18.1

2. Dividends

	Dividends per Share				
	1st quarter End	2nd quarter End	3rd quarter End	Fiscal Year End	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	—	0.00	—	29.00	29.00
Fiscal year ended March 31, 2023	—	—	—	—	—
Fiscal Year ended March 31, 2023(forecast)	—	0.00	—	31.00	31.00

(Note) Correction from the dividend forecast, which published in the most recent : None

3. Projected Consolidated Results for the Fiscal Year Ending March 31, 2023 (From April 1, 2022 to March 31, 2023)

(% figures represent change from the same period of the previous fiscal year)

	Revenue		Operating Profit		Profit before income taxes		Profit attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending March 31, 2023	125,000	10.5	22,400	9.1	23,500	7.9	20,700	32.3	135.28

(Note) 1. Correction from the consolidated forecastn which is published in the most recent : None

2. The revenue, operating profit, and profit before income taxes are those from the continuing operations. The change from the previous fiscal year is calculated based on restated results in the previous fiscal year, results from the continuing operations.

*Notes

(1) Changes in significant subsidiaries during the Fiscal Year (Changes in specified subsidiaries associated with changes in the scope of consolidation) : Yes
 Newly consolidated : -
 Excluded : 3 companies (company name) BGRS Limited, BRPS LLC, GHS Global Relocation UK Ltd.

(2) Changes in Accounting Policies, Changes in Accounting Estimates and Restatements:

1. Changes in accounting policies required by IFRS : None
2. Changes in accounting policies other than (1) : None
3. Changes in accounting estimates : None

(3) Number of Shares Issued and Outstanding (Common stock)

1. Number of shares issued at the end of period (including treasury stock)	As of December 31, 2022	153,016,200 shares	As of March 31, 2022	153,016,200 shares
2. Number of treasury stock at the end of period	As of December 31, 2022	138,832 shares	As of March 31, 2022	53,637 shares
3. Average number of shares during the period	3rd Quarter of FY2023/3	152,907,620 shares	3rd Quarter of FY2022/3	151,962,157 shares

* Statement concerning the Status of Financial Audit Procedures

This Summary of Consolidated Financial Results is not subject to audit procedures under the Financial Instruments and Exchange Act. At the time of disclosing this document, audit procedures specified in the Financial Instruments and Exchange Act have not been completed.

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

The forward-looking statements such as forecasts contained in this document are based on the information currently available to the company and certain assumptions which are regarded as reasonable. Actual results may differ from these forecasts due to various factors.

This translation is to be used solely as a reference and the consolidated financial statements in this release are unaudited.

1. Qualitative Information on Quarterly Results

(1) Management discussion of results of operations

In an environment in which global competition is intensifying with active overseas expansion of Japanese companies, the Group has established the mission "In Japan, we act as a solutions provider in the field of corporate fringe benefit, providing client companies with support in their non-core operations. We support the global expansion of Japanese companies so that they can perform to their full potential." and upholds the vision of "Creating an industry of comprehensive lifestyle support services that we provide globally." As part of our efforts to realize this vision, we are working to reinforce domestic business toward capturing the ultimate top market share and take on the challenge of building foundation for reaching the global market in our medium-term management plan New Third Olympic Plan which will conclude in the fiscal year ending March 31, 2025.

In the first nine months of the fiscal year under review, the Company's operating base expanded, primarily owing to the strongly accumulated base for the stock of units under management in Leased Corporate Housing Management Business and the inclusion of new real estate leasing management companies in the Group in Residential Property Management Business. Moreover, both revenues and profit increased year on year, reflecting the performance of Global Relocation Assist Business, which exceeded the pre-COVID-19-crisis level with the recovery of people's movement, and solid results in Tourism Business.

From the second six months of the fiscal year under review, BGRS Limited and twenty-two other Group companies are classified as discontinued operations. The revenue, operating profit, and profit before income taxes are those from the continuing operations. The change from the previous fiscal year is calculated based on restated results in the previous fiscal year, results from the continuing operations.

Results of operations in the second six months of the fiscal year under review are as shown below.

Revenue	89,082 million yen	(up 7.5% year on year)
Operating profit	17,386 million yen	(up 29.8% year on year)
Profit before income taxes	19,756 million yen	(up 38.1% year on year)
Profit attributable to owners of the parent	17,586 million yen	(up 93.2% year on year)

Results of operations by segment are as shown below.

From the second six months of the fiscal year under review, we changed its business segments to be described as reportable segments. Specifically, the four reportable segments—Relocation Business, Fringe Benefit Business, Global Strategic Business, and Tourism Business—have changed to Relocation Business, Fringe Benefit Business, and Tourism Business. Comparisons and analysis with the first quarter of the previous fiscal year are based on the classification after the change.

(i) Relocation Business

In Relocation Business, we provide comprehensive mobility support to people working for Japanese companies in and outside Japan, mainly through Leased Corporate Housing Management Business, Residential Property Management Business and Global Relocation Assist Business. In Leased Corporate Housing Management Business, in addition to mainstay leased corporate housing management, we provide housing relocation assistance such as real estate search, house sitting, etc. In Residential Property Management Business, we provide comprehensive lease property management and intermediary services in response to various corporate housing needs. In Global Relocation Assist Business, we provide comprehensive services to assist employees of Japanese companies on overseas assignments in countries of destination in North America and other locations until they return to Japan.

In the first nine months of the fiscal year under review, the Company's operating base expanded, primarily owing to the year-on-year increase in the number of units under management in Leased Corporate Housing Management Business and the inclusion of new real estate leasing management companies in the Group in Residential Property Management Business. In addition, the performance of Global Relocation Assist Business was solid because the number of households to which relocation assistance was provided recovered to approximately 90% of the pre-COVID-19-crisis level and the number of inbound support transactions almost doubled the said level.

As a result, the Relocation Business recorded revenue of 63,258 million yen (up 6.1% year on year) and operating profit of 10,979 million (up 25.3%).

(ii) Fringe Benefit Business

In Fringe Benefit Business, we provide employee benefit-related services, including a support menu and extra privileges to employee members of client companies, in order to contribute to reducing companies' operational burdens and costs. Moreover, we provide emergency home care services as part of comprehensive support to livelihood of employee members of client companies.

In the first nine months of the fiscal year under review, both revenue and profit increased compared to a year ago, reflecting an increase in membership fees due to new members attained in employee benefit-related services and strong performance in emergency home care services.

As a result, the Fringe Benefit Business recorded revenue of 16,036 million yen (up 5.3% year on year) and operating profit of 7,250 million yen (up 3.0%).

(iii) Tourism Business

In Tourism Business, we conduct a hotel operation business and vacation home time-share business, utilizing the membership base in Fringe Benefit Business and management know-how concerning company rest houses and small to midsize hotels and inns in rural areas. We also work on the renewal of hotels and inns which have difficulty in finding successors.

In the first nine months of the fiscal year under review, both revenue and profit increased in Tourism Business, attributable to a recovery in the occupancy rate at hotels due to a recovery in demand for accommodation, cost cutting efforts including sales-related expenses, and the sale of large properties in the first three months of the fiscal year.

As a result, Tourism Business recorded revenue of 9,063 million yen (up 22.6% year on year) and operating profit of 1,955 million yen (up 238.0 %).

(iv) Other Business

In this segment, we operate financial business, etc., leveraging the core business frameworks. As a result, Other Business recorded revenue of 724 million yen (up 16.8% year on year) and an operating loss of 150 million yen (compared to an operating loss of 185 million yen a year ago).

(2) Management discussion of financial condition

Total assets as of the end of this fiscal year under review came to 4,353 million yen, an increase of 305,953 million yen compared to the end of the previous fiscal year.

Total liabilities amounted to 5,867 million yen, a decline of 240,589 million yen compared to the end of the previous fiscal year.

Total equity came to 10,221 million yen, an increase of 65,364 million yen compared to the end of the previous fiscal year.

(3) Management discussion of forecast for consolidated results of operations and other forward-looking statements

No changes have been made to the earnings forecasts that were announced on November 10, 2022. There is no material change in assumptions for the future, including assumptions concerning the growth in the number of COVID-19 infections, timing for containment of the pandemic, etc.

2. Consolidated Financial Statements

(1) Consolidated Statements of Financial Position

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and cash equivalents	44,439	48,372
Trade and other receivables	98,154	69,810
Inventories	5,613	6,128
Other financial assets	5,758	7,471
Other current assets	6,218	3,697
Total	160,184	135,481
Assets held for sale	1,254	—
Total current assets	161,439	135,481
Non-current assets		
Property, plant and equipment	14,502	13,990
Right-of-use assets	18,459	27,799
Goodwill	17,467	17,604
Intangible assets	20,386	6,195
Investment property	18,365	20,815
Investments accounted for using the equity method	14,618	39,394
Other financial assets	20,011	30,410
Deferred tax assets	15,637	13,367
Other non-current assets	713	894
Total non-current assets	140,160	170,471
Total assets	301,599	305,953

(Millions of yen)

	As of March 31, 2021	As of December 31, 2022
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	16,779	19,021
Bonds and borrowings	19,722	25,007
Lease liabilities	43,383	44,279
Income taxes payable	2,896	7,131
Contract liabilities	6,940	6,365
Other financial liabilities	19,415	17,417
Provisions	330	—
Other current liabilities	9,273	4,080
Total current liabilities	118,742	123,304
Non-current liabilities		
Bonds and borrowings	70,702	58,611
Lease liabilities	15,287	20,841
Contract Liabilities	19,681	20,441
Other financial liabilities	8,292	8,486
Provisions	7,260	7,422
Deferred tax liabilities	5,853	823
Other current liabilities	636	658
Total non-current liabilities	127,714	117,284
Total liabilities	246,457	240,589
Equity		
Share capital	2,667	2,667
Capital surplus	—	208
Retained earnings	41,570	54,712
Treasury shares	(57)	(56)
Other components of equity	10,304	6,683
Equity attributable to owners of parent	54,485	64,215
Non-controlling interests	657	1,148
Total equity	55,142	65,364
Total liabilities and equity	301,599	305,953

(2) Consolidated Statements of Income and Consolidated Statement of Comprehensive Income

Consolidated Statements of Income

For the nine months ended December 31, 2021 and 2022

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Continuing operations		
Revenue	82,845	89,082
Cost of sales	46,143	49,887
Gross profit	36,701	39,195
Selling, general and administrative expenses	24,905	24,285
Other income	1,761	2,627
Other expenses	161	150
Operating profit	13,395	17,386
Finance income	31	1,772
Finance costs	343	548
Share of profit of investments accounted for using equity method	1,221	1,146
Profit before income taxes	14,305	19,756
Income tax expense	3,980	6,477
Profit from continuing operations	10,324	13,278
Discontinued operations		
Profit (loss) from discontinued operations	(854)	4,855
Profit	9,470	18,133
Profit attributable to		
Owners of the parent	9,103	17,586
Non-controlling interests	366	547
Profit	9,470	18,133
Profit from continuing operations attributable to owners of the parent company	9,958	12,730
Profit (loss) from discontinued operations attributable to owners of the parent company	(854)	4,855
Profit attributable to owners of the parent company	9,103	17,586
Earnings per share		
Basic earnings per share (Yen)		
Continuing operations	65.53	83.26
Discontinued operations	(5.62)	31.76
Total	59.91	115.01
Diluted earnings per share (Yen)		
Continuing operations	62.82	79.84
Discontinued operations	(5.38)	30.41
Total	57.44	110.25

Consolidated Statements of Income
For the nine months ended December 31, 2021 and 2022

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Continuing operations		
Revenue	28,494	30,007
Cost of sales	16,386	16,816
Gross profit	12,107	13,191
Selling, general and administrative expenses		
Other income	375	368
Other expenses	81	26
Operating profit	4,155	4,978
Finance income		
Finance costs	14	1,642
Share of profit of investments accounted for using equity method	122	220
Profit before income taxes	506	445
Income tax expense	4,553	6,845
Profit from continuing operations	1,191	2,281
Discontinued operations	3,361	4,564
Profit (loss) from discontinued operations	(685)	(3)
Profit	2,676	4,560
Profit attributable to		
Owners of the parent	2,577	4,485
Non-controlling interests	99	75
Profit	2,676	4,560
Profit from continuing operations attributable to owners of the parent company	3,262	4,488
Profit (loss) from discontinued operations attributable to owners of the parent company	(685)	(3)
Profit attributable to owners of the parent company	2,577	4,485
Earnings per share		
Basic earnings per share (Yen)		
Continuing operations	21.35	29.36
Discontinued operations	(4.48)	(0.02)
Total	16.86	29.34
Diluted earnings per share (Yen)		
Continuing operations	20.47	28.16
Discontinued operations	(4.29)	(0.02)
Total	16.17	28.13

Consolidated Statement of Comprehensive Income
 For the nine months ended December 31, 2021 and 2022

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	9,470	18,133
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	68	301
Share of other comprehensive income of investments accounted for using the equity method	(1)	10
Total	66	312
Items that may be reclassified subsequently to profit or loss		
Differences on translation of foreign operations	1,959	(4,231)
Exchange differences on translation of foreign operations	58	234
Total	2,017	(3,996)
Other comprehensive income	2,084	(3,684)
Comprehensive income	11,554	14,448
Comprehensive income attributable to:		
Owners of the parent	11,180	13,906
Non-controlling interests	374	542
Comprehensive income	11,554	14,448

Consolidated Statement of Comprehensive Income
 For the nine months ended December 31, 2021 and 2022

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	2,676	4,560
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	60	255
Share of other comprehensive income of investments accounted for using the equity method	(4)	5
Total	55	260
Items that may be reclassified subsequently to profit or loss		
Differences on translation of foreign operations	1,486	(1,059)
Exchange differences on translation of foreign operations	(2)	36
Total	1,484	(1,023)
Other comprehensive income	1,539	(762)
Comprehensive income	4,216	3,798
Comprehensive income attributable to:		
Owners of the parent	4,113	3,724
Non-controlling interests	103	74
Comprehensive income	4,216	3,798

(3) Consolidated Statements of Changes in Equity

(From April 1, 2021 to December 31, 2021)

(Millions of yen)

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total		
Balance at April 1, 2021	2,667	428	30,886	(3,250)	7,775	38,506	(69)	38,437
Profit	—	—	9,103	—	—	9,103	366	9,470
Other comprehensive income	—	—	—	—	2,076	2,076	8	2,084
Total comprehensive income	—	—	9,103	—	2,076	11,180	374	11,554
Disposal of treasury shares	—	(2,386)	—	3,138	—	751	—	751
Transfer of loss on disposal of treasury shares	—	2,065	(2,065)	—	—	—	—	—
Cash dividend paid	—	—	(2,880)	—	—	(2,880)	(27)	(2,907)
Share-based payment transactions	—	103	—	—	658	762	—	762
Cumulative effect of accounting change	—	(202)	—	—	0	(201)	289	87
Other	—	(8)	(1)	—	4	(5)	(4)	(10)
Total transactions with owners of the parent	—	(428)	(4,947)	3,138	664	(1,573)	257	(1,316)
Balance at December 31, 2021	2,667	—	35,042	(112)	10,516	48,113	562	48,675

(From April 1, 2022 to December 31, 2022)

(Millions of yen)

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total		
Balance at April 1, 2022	2,667	—	41,570	(57)	10,304	54,485	657	55,142
Profit	—	—	17,586	—	—	17,586	547	18,133
Other comprehensive income	—	—	—	—	(3,679)	(3,679)	(5)	(3,684)
Total comprehensive income	—	—	17,586	—	(3,679)	13,906	542	14,448
Disposal of treasury shares	—	4	—	0	—	5	—	5
Cash dividend paid	—	—	(4,436)	—	—	(4,436)	(49)	(4,485)
Share-based payment transactions	—	204	—	—	53	258	—	258
Other	—	(0)	(7)	—	5	(2)	(2)	(5)
Total transactions with owners of the parent	—	208	(4,444)	0	58	(4,175)	(52)	(4,227)
Balance at December 31, 2022	2,667	208	54,712	(56)	6,683	64,215	1,148	65,364

(4) Notes to Consolidated Financial Statements

(Notes on Assumptions for Going Concern)

Not applicable

(Segment information)

(1) Outline of reportable segments

The Company's reportable segments are those units of the Company for which separate financial information is available and for which the Board of Directors regularly conducts a review for the purpose of making decisions on the allocation of managerial resources to the segments and assessing the segments' performance.

The Group is engaged in outsourcing services related to employee benefits for companies, spanning both housing and leisure / lifestyle support areas, as its core business, as well as the lease management business and hotel management business, leveraging the operating base of the core business.

An outline of each business segment is as described below.

Relocation Business : Total outsourcing services by subleasing leased corporate housing, Property management and intermediary services, Supports for overseas assignment, Supports for Return, Expatriate Regulations Consulting, etc.

Fringe benefit Business : Benefit outsourcing services, Customer retention outsourcing services, Emergency home care services, etc.

Tourism Business : Vacation home time-share business, Hotel operation business, etc.

(2) Information of reportable segments

Profit by reportable segment is based on operating profit. Intersegment sales and transfers are based on prevailing market prices.

Relo Group, Inc. resolved at a meeting of the Board of Directors held on May 6, 2022 to enter into an agreement with Global Relocation and Moving Services, LP ("GRMS") which owns the SIRVA Group (a collective term for SIRVA Holdings, Inc. and its group companies) on a change in consolidated subsidiaries (share transfer) and commencement of joint management of the Global Relocation Business and entered into the agreement on the same date, and the transaction was completed on July 29, 2022. With the agreement, the four reportable segments—Relocation Business, Fringe Benefit Business, Global Strategic Business, and Tourism Business—have changed to Relocation Business, Fringe Benefit Business, and Tourism Business.

BGRS Limited and 22 group companies has been classified as discontinued operations, and the results have been restated to exclude results in the discontinued operations. The results are those from the continuing operations.

For the nine months ended December 31, 2021 (From April 1, 2021 to December 31, 2021)

(Millions of yen)

	Business segment			
	Relocation Business	Fringe benefit Business	Tourism Business	Subtotal
Revenue				
Revenue from external customers	59,600	15,233	7,391	82,225
Intersegment revenue	118	134	33	286
Total	59,718	15,368	7,425	82,512
Segment profit (loss)	8,759	7,038	578	16,377

	Other (Note 1)	Total	Adjustments (Note 2)	Consolidated Statement of Profit or Loss
Revenue				
Revenue from external customers	619	82,845	—	82,845
Intersegment revenue	130	417	(417)	—
Total	750	83,262	(417)	82,845
Segment profit (loss)	(185)	16,192	(2,796)	13,395

(Note) 1. Other Business is a business segment that is not included in the reportable segments and includes financial business.

2. Intersegment revenue and the segment profit (loss) adjustment is the result of elimination of intersegment transactions.

For the nine months ended December 31, 2022 (From April 1, 2022 to December 31, 2022)

(Millions of yen)

	Business segment			
	Relocation Business	Fringe benefit Business	Tourism Business	Subtotal
Revenue				
Revenue from external customers	63,258	16,036	9,063	88,357
Intersegment revenue	154	193	42	390
Total	63,412	16,229	9,105	88,748
Segment profit(loss)	10,979	7,250	1,955	20,184

	Other (Note 1)	Total	Adjustments (Note 2)	Consolidated Statement of Profit or Loss
Revenue				
Revenue from external customers	724	89,082	—	89,082
Intersegment revenue	124	514	(514)	—
Total	848	89,596	(514)	89,082
Segment profit(loss)	(150)	20,034	(2,647)	17,386

(Note) 1. Other Business is a business segment that is not included in the reportable segments and includes financial business.

2. Intersegment revenue and the segment profit (loss) adjustment is the result of elimination of intersegment transactions.

(Sale of subsidiaries)

Nine months ended December 31, 2021

Omitted due to lack of materiality.

Nine months ended December 31, 2022

Relo Group, Inc. resolved at a meeting of the Board of Directors held on May 6, 2022 to enter into an agreement with Global Relocation and Moving Services, LP (“GRMS”) which owns the SIRVA Group (a collective term for SIRVA Holdings, Inc. and its group companies) on a change in consolidated subsidiaries (share transfer) and commencement of joint management of the Global Relocation Business and entered into the agreement on the same date, and the transaction was completed on July 29, 2022.

Assets and liabilities of subsidiaries over which control was lost due to the sale of shares are as follows.

(1) Proceeds from sale of subsidiaries

	(Millions of yen)
Consideration	Amount
Consideration	62,300
Accounts receivable	(21,531)
Preferred shares of SIRVA Holdings, Inc. acquired in exchange (Note)	(24,499)
Cash and cash equivalents of subsidiaries over which control was lost	(6,532)
Payments for sale of subsidiaries	9,736

(Note) The transaction corresponds to a significant non-cash transaction because it is carried out through a share exchange.

(2) Assets and liabilities of subsidiaries at the date of sale

	(Millions of yen)
Subject	Amount
Breakdown of assets at the time of loss of control	
Current assets	63,132
Non-current assets	22,992
Total current assets	86,125
Breakdown of liabilities at the time of loss of control	
Current liabilities	61,973
Non-current liabilities	4,477
Total current liabilities	66,451

(Assets held for sales and discontinued operations)

Relo Group, Inc. resolved at a meeting of the Board of Directors held on May 6, 2022 to enter into an agreement with Global Relocation and Moving Services, LP (“GRMS”) which owns the SIRVA Group (a collective term for SIRVA Holdings, Inc. and its group companies) on a change in consolidated subsidiaries (share transfer) and commencement of joint management of the Global Relocation Business and entered into the agreement on the same date, and the transaction was completed on July 29, 2022.

Assets held for sale in the previous fiscal year were buildings, land and other property, plant and equipment held as accommodation facilities in the Tourism Business. They were sold as part of a hotel revitalization project. The sale was completed in the first quarter of the fiscal year.

(1) Assets held for sale

Assets held for sale and liabilities directly associated with assets held for sale are as shown below.

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Assets held for sale		
Property, plant and equipment	1,254	—
Assets	1,254	—

(2) Discontinued operations

Income(loss) from discontinued operations is as shown below.

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Revenue (Note)	33,662	30,777
Expenses	34,695	20,589
Profit (loss) before tax from discontinued operations	(1,033)	10,187
Income taxes (Note)	(178)	5,332
Profit (loss) from discontinued operations	(854)	4,855

(Note) A gain of 12,223 million yen from the sale of BGRS Group and related income tax expense of 5,432 million yen is included in the third nine months ended December 31, 2022.

Cash flows related to discontinued operations are as shown below.

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net cash provided by (used in) operating activities	(534)	(13,685)
Net cash provided by (used in) investing activities(Note)	(1,747)	9,023
Net cash provided by (used in) financing activities	(3,325)	6,969
Total	(5,607)	2,307

(Note) Cash flows from investing activities for the third nine months ended December 31, 2022 include proceed of 9,736 million yen from sale of subsidiaries.