

Note: This is an English translation of the Quarterly Financial Summary in Japanese and is for reference purposes only. In the event of any discrepancy between the translation and the original Japanese text, the latter will prevail.



Consolidated Financial Results for the Three Months Ended June 30, 2023 (IFRS)

August 9, 2023

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 Earnings briefing for financial results: Yes (for institutional and individual investors)

(Figures are rounded to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2023 (April 1, 2023 to June 30, 2023)

(1) Consolidated Operating Results

(Millions of yen, % indicate year-on-year changes)

	Revenue		Operating profit		Profit before income tax		Net profit		Net profit attributable to owners of the parent		Comprehensive net profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three Months ended June 30, 2023	929	15.8	(2,456)	—	(2,232)	—	(1,593)	—	(1,353)	—	(1,371)	—
Three Months ended June 30, 2022	803	17.9	77	(14.7)	388	287.9	235	207.7	231	197.0	872	—

(yen)

	Basic earnings per share		Diluted earnings per share	
	Millions of yen	%	Millions of yen	%
Three Months ended June 30, 2023	(80.55)		(80.55)	
Three Months ended June 30, 2022	13.76		13.76	

Note: 1. Basic earnings per share and diluted earnings per share based on net profit attributable to owners of the parent.

2. Due to the application of IAS 12 "Income Taxes" (amended in May 2021), figures after the retrospective application are stated for the three months ended June 30, 2022.

(2) Consolidated Financial Position

(Millions of yen)

	Total assets		Total equity		Total equity attributable to owners of parent		Ratio of equity attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Ratio	%
As of June 30, 2023	8,510		6,193		5,909		69.4	
As of March 31, 2023	10,618		7,629		7,134		67.2	

2. Dividends

(Yen)

	Annual dividends per share				
	End-Q1	End-Q2	End-Q3	Year-end	Total
Fiscal Year Ended March 31, 2023	—	0.00	—	4.50	4.50
Fiscal Year Ending March 31, 2024	—	—	—	—	—
Fiscal Year Ending March 31, 2024 (Forecast)	—	2.00	—	—	—

Note: Revisions to the forecast of dividends since the last announcement: None

Regarding the forecast of cash dividends for second quarter of the fiscal year ending March 31, 2024 (interim dividends), we will plan to implement a commemorative dividend to mark the 25th anniversary of founding. The forecast for the year-end dividends is unprovided at this time.

3. Forecast of Consolidated Results for Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicate year-on-year changes)

	Revenue		Operating profit		Profit before income tax		Net profit attributable to owners of the parent		Basic earnings per share	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	%
Full year	4,500	33.2	—	—	—	—	—	—	—	—

Note: Revisions to the forecast of consolidated results most recently announced: None

* Notes

(1) Changes in significant subsidiaries during the fiscal period
 (Changes in specified subsidiaries that caused a change in the scope of consolidation): None

(2) Changes in accounting policies/changes in accounting estimation
 a) Changes in accounting policies due to IFRS requirements: Yes
 b) Changes in accounting policies other than (2) a) above: None
 c) Changes in accounting estimation: None

(3) Number of issued shares (Common Stock)

a) Total number of issued shares at the end of the period (including treasury stock)	As of June 30, 2023	17,491,265 shares	As of March 31, 2023	17,491,265 shares
b) Number of shares of treasury stock at the end of the period	As of June 30, 2023	695,582 Shares	As of March 31, 2023	695,942 shares
c) Average number of shares during the period	Three Months ended June 30, 2023	16,795,327 shares	Three Months ended June 30, 2022	16,792,184 shares

* This release is outside the scope of the quarterly review by certified public accountants and audit firms.

* Cautionary statement on appropriate use of business results forecasts and other matters.

(Note on forward-looking statements)

This report contains forward-looking statements on future performance and other matters that are based on information currently available to the company and certain reasonable assumptions. These forward-looking statements are not guarantees of future performance. A variety of factors may cause actual performance to be materially different from that expressed or implied by these forward-looking statements. For notes on the assumptions used in business forecasts and use of these forecasts, please refer to “1. Qualitative Information for Business Results, (3) Outlook for consolidated business results, etc.”

(Access to supplementary materials for results and content from the results briefing)

The company plans to hold an online result briefing from 6.00 pm (JST) on Wednesday, August 9, 2023. The materials used in the briefing will be posted on our official website, and the briefing video itself will be streamed live on YouTube Live and will also be available on our website at a later date.

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1. Qualitative Information for Business Results

(1) Explanation of Business Results

(Millions of yen)

	Q1 FY2022	Q1 FY2023	YoY growth
Revenue	803	929	15.8%
Operating profit or loss	77	(2,456)	-%
Profit or loss before income taxes	388	(2,232)	-%
Net profit or loss attributable to owners of the parent	231	(1,353)	-%

<Overview of revenue and profit>

The consolidated results for the three months ended June 30, 2023 (April 1, 2023 - June 30, 2023, hereinafter Q1 FY2023) saw year-over-year (hereinafter YoY) 15.8% increase to ¥929mn in revenue. This was due to an 8.8% YoY increase in the Software Business, which continued to perform well, and a 45.4% YoY increase in the Design Business.

Regarding profits, the company recognized an unrealized loss of ¥2,632mn in the Investment Business due to a fall in the share price of investee Gorilla Technology Group Inc. (hereinafter Gorilla Technology).

As a result, operating loss amounted to ¥2,456mn, loss before income taxes to ¥2,232mn and net loss attributable to owners of the parent to ¥1,353mn.

<<Reportable segments>>

For the purposes of deciding the allocation of Group management resources and appraising performance, the Group split its businesses into two reportable segments: the "Software Business segment" which consists of software business and design business, and the "Investment Business segment".

<<Software Business segment>>

Software

(Millions of yen)

	Q1 FY2022	Q1 FY2023	YoY growth
Revenue	650	707	108.8%

<Overview of revenue>

Data integration middleware "Warp" saw the continued expansion of demand for no-code data integration, driven by introduction of a new internal system in response to changes in the law, such as invoicing system, and by DX trends to improve operational efficiency in various industries. As a result, overall Warp revenue surged 10% YoY. Especially, sales of its subscription version grew by 41% YoY, due to increased orders spurred by expansion of sales of iPaaS-related products and a focus on the SMB (Small and Medium-sized Business) market.

Inquiries for mobile app building tool "Platio" are steadily increasing. This reflects the growing demand for complying with the new overtime regulations, including "the 2024 issue in logistics and construction industry", and for implementing DX as a measure to solve the labor shortage in a wide range of industries. As a result, its revenue rose by 55% YoY, due to increased adoption and sales by partners as a no-code tool, which enables in-house production of various apps.

AI-equipped IoT integration edgware "Gravio" was renewed in June 2023 as a node integration platform that supports the cloud environment, and realizes collection and management of data from multiple areas without coding.

Business negotiation support app "Handbook X" has been highly evaluated for its ease of introduction and access to various content. The number of free downloads has surpassed 200,000, and we are making efforts to develop new markets beyond the field of its predecessor, "Handbook."

Design

(Millions of yen)

	Q1 FY2022	Q1 FY2023	YoY growth
Revenue	153	222	145.4%

<Overview of revenue>

The Design Business provides consulting services mainly in the United Kingdom and the United States to improve customer experience, in addition to supporting the formulation and execution of customer companies' DX strategies. We have also started business in Japan.

Revenue increased YoY due to continued and additional orders from main customers, such as big US IT companies.

<<Investment Business segment>>

The Investment Business segment invests based on a "4D strategy" (Data, Device, Decentralized, Design), the same as Software Business segment, and the results of its operations on investment valuation change is booked in accordance with IFRS.

	(Millions of yen)		
	Q1 FY2022	Q1 FY2023	YoY growth
Investment valuation change	60	(2,632)	-%

The decrease was mainly due to a decrease in the valuation of AI development company Gorilla Technology (listed on NASDAQ in the United States).

"Investment valuation change" is included in "Other Income" in the Condensed Consolidated Statement of Profit or Loss.

<<Group business initiatives>>

As we see the shift toward digitalization as an irreversible trend, we will continue to focus our business operations and strategic investments in the "D4G" (Data, Device, Decentralized, Design for Green) domain, which is believed to grow significantly over the next few years.

In our business domain, we are strengthening our efforts in the "no-code" related area, which is a strength we have developed with our software products. "No Code Promotion Association", which we established as one of the founding companies for the purpose of transforming the software culture through no-code, has grown into a consortium with a membership of more than 100 companies and local governments in just six months after its establishment. In May of this year, we started the "No Code Declaration City" program to advance digital transformation (DX) in local government, and in June we established the "Japan No Code Award" to recognize excellent no-code use cases. Through these broad awareness-raising activities for no-code technology, we are promoting DX that will lead to increase productivity in business and society, and resolve the shortage of human resources.

In terms of work-style reform, we have redefined office space with the aim of realizing diverse work styles at a higher level, and pushing for new work styles with multiple workplace options that employees can choose from at their discretion. In July of this year, we opened a new office in Karuizawa Town, Nagano Prefecture, and are working to create a more fulfilling work environment.

(2) Explanation of financial position

[1] Explanation of Financial Position

(Assets)

Total assets as of June 30, 2023, were Yen 8,510mn, down Yen 2,108mn compared to March 31, 2023. This owed mainly to a decrease of Yen 2,237mn in investment securities against the increase in property, plant and equipment and intangible assets.

(Liabilities)

Total liabilities as of June 30, 2023, were Yen 2,317mn, down Yen 672mn compared to March 31, 2023. This owed mainly to a decrease of Yen 742mn in deferred tax liabilities for investee valuation against the increase in contract liabilities from business activities.

(Equity)

Total equity as of June 30, 2023, was Yen 6,193mn, down Yen 1,436mn compared to March 31, 2023. This owed mainly to a decrease of Yen 1,429mn in retained earnings due to posting of net loss in Q1 FY2023.

[2] Explanation of cash flows

The balance of cash and cash equivalents (hereafter "cash") as of June 30, 2023, was Yen 1,572mn, down Yen 172mn compared to March 31, 2023.

Change in each cash flow item during the period and the reasons for the changes were as follows:

(Cash flow from operating activities)

Net cash provided by operating activities was Yen 29mn (compared to cash created of Yen 80mn in the same period in FY2022). This was due mainly to an increase of Yen 2,632mn in other expense against Yen 2,232mn in loss before income taxes and the increase in trade receivables and a decrease in trade payables.

(Cash flow from investment activities)

Net cash used by investment activities was Yen 73mn (compared to cash used of Yen 311mn in the same period in FY2022). This owed mainly to Yen 69mn used for purchase of property, plant, and equipment.

(Cash flow from financial activities)

Net cash used by financial activities was Yen 121mn (compared to cash used of Yen 122mn in the same period in FY2022). This owed mainly to Yen 73mn used for payment of dividends and Yen 36mn used for repayment of borrowings.

(3) Outlook for consolidated business results, etc.

There is no change in the consolidated financial results forecast announced on May 15, 2023.

2. Condensed Quarterly Consolidated Financial Statements and Main Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and cash equivalents	1,743,642	1,571,616
Trade and other receivables	182,641	361,731
Inventories	4,348	3,814
Other financial assets	410,012	434,970
Other current assets	91,470	57,708
Total current assets	2,432,114	2,429,839
Non-current assets		
Property, plant and equipment	812,927	892,753
Intangible assets	151,030	202,510
Investments accounted for using the equity method	348,850	371,242
Other financial assets	6,705,345	4,443,478
Other non-current assets	167,597	170,290
Total non-current assets	8,185,748	6,080,274
Total assets	10,617,862	8,510,113

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities and Equity		
Liabilities		
Current liabilities		
Borrowings	242,800	242,800
Trade and other payables	281,886	170,039
Income taxes payable	75,126	100,744
Other financial liabilities	53,860	55,116
Other current liabilities	771,037	970,121
Total current liabilities	1,424,709	1,538,821
Non-current liabilities		
Provisions	9,367	9,374
Borrowings	357,400	321,700
Deferred tax liabilities	849,507	107,534
Other financial liabilities	343,198	334,182
Other non-current liabilities	5,133	5,571
Total non-current liabilities	1,564,605	778,361
Total liabilities	2,989,313	2,317,183
Equity		
Common stock	2,275,343	2,275,343
Capital surplus	2,481,831	2,492,470
Treasury stock	(538,012)	(538,012)
Other equity components	692,067	885,226
Retained earnings	2,222,293	793,793
Total equity attributable to owners of the parent	7,133,522	5,908,819
Non-controlling interests	495,027	284,111
Total equity	7,628,549	6,192,930
Total liabilities and equity	10,617,862	8,510,113

(2) Condensed Quarterly Consolidated Statement of Profit or Loss

(Thousands of yen)

	Three Months ended June 30, 2022	Three Months ended June 30, 2023
Revenue	802,538	929,305
Cost of sales	160,633	126,323
Gross income	641,905	802,982
Selling, general and administrative expenses	630,113	629,195
Other income	65,028	2,161
Other expenses	64	2,632,301
Operating profit	76,756	(2,456,353)
Finance income	353,737	235,857
Finance costs	42,296	8,687
Equity in earnings of affiliates (Figures in negative represent loss)	(71)	(3,150)
Profit before income tax	388,126	(2,232,332)
Income tax expense	152,639	(639,471)
Net profit	235,487	(1,592,861)
Attributable net profit		
Net profit attributable to owners of the parent	231,072	(1,352,867)
Attributable to non-controlling interests	4,415	(239,994)
Net profit	235,487	(1,592,861)
Earnings per share		
Basic earnings per share (Yen)	13.76	(80.55)
Diluted earnings per share (Yen)	13.76	(80.55)

(3) Condensed Quarterly Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Three Months ended June 30, 2022	Three Months ended June 30, 2023
Profit or loss for the period	235,487	(1,592,861)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	154,325	52,839
Total items that will not be reclassified to profit or loss	154,325	52,839
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	482,297	169,398
Total items may be reclassified to profit or loss	482,297	169,398
Total other comprehensive profit or loss	636,623	222,237
Total comprehensive income	872,110	(1,370,624)
Comprehensive income attributable to		
Owners of the parent	795,514	(1,159,708)
Non-controlling interests	76,596	(210,916)
Total comprehensive income	872,110	(1,370,624)

(4) Condensed Quarterly Consolidated Statement of Changes in Equity

Attributable to owners of the parent

	Attributable to owners of the parent					
	Capital stock	Capital surplus	Treasury stock	Other equity components		
				Translation difference for overseas business units	Financial assets assessed by fair value from other comprehensive income	Total
	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen
Balance as of April 1, 2022	2,275,343	2,457,037	(538,012)	414,921	(155,986)	258,934
Cumulative effects of changes in accounting policies	—	—	—	(452)	—	(452)
Restated balance	2,275,343	2,457,037	(538,012)	414,468	(155,986)	258,482
Net profit	—	—	—	—	—	—
Other comprehensive income	—	—	—	410,116	154,325	564,441
Total net comprehensive income	—	—	—	410,116	154,325	564,441
Dividends paid	—	—	—	—	—	—
Share-based payment transactions	—	1,255	—	—	—	—
Others	—	—	—	—	—	—
Change from transactions with owners	—	1,255	—	—	—	—
Balance as of June 30, 2022	2,275,343	2,458,292	(538,012)	824,585	(1,661)	822,923

	Attributable to owners of the parent		Non-controlling interests	Total equity
	Retained earnings	Total		
	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen
Balance as of April 1, 2022	3,903,237	8,356,539	624,823	8,981,362
Cumulative effects of changes in accounting policies	(9,141)	(9,594)	—	(9,594)
Restated balance	3,894,096	8,346,946	624,823	8,971,768
Net profit	231,072	231,072	4,415	235,487
Other comprehensive income	—	564,441	72,181	636,623
Total net comprehensive income	231,072	795,514	76,596	872,110
Dividends paid	(75,633)	(75,633)	—	(75,633)
Share-based payment transactions	—	1,255	—	1,255
Others	—	—	—	—
Change from transactions with owners	(75,633)	(74,379)	—	(74,379)
Balance as of June 30, 2022	4,049,535	9,068,081	701,419	9,769,499

Attributable to owners of the parent

	Capital stock	Capital surplus	Treasury stock	Other equity components		Total
				Translation difference for overseas business units	Financial assets assessed by fair value from other comprehensive income	
	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen
Balance as of April 1, 2023	2,275,343	2,481,831	(538,012)	716,770	(24,703)	692,067
Net profit or loss	—	—	—	—	—	—
Other comprehensive income	—	—	—	140,320	52,839	193,159
Total net comprehensive income	—	—	—	140,320	52,839	193,159
Dividends paid	—	—	—	—	—	—
Share-based payment transactions	—	10,638	—	—	—	—
Others	—	—	—	—	—	—
Total transactions with owners	—	10,638	—	—	—	—
Balance as of June 30, 2023	2,275,343	2,492,470	(538,012)	857,090	28,137	885,226

	Attributable to owners of the parent		Non-controlling interests	Total equity
	Retained earnings	Total		
	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen
Balance as of April 1, 2023	2,222,293	7,133,522	495,027	7,628,549
Net profit or loss	(1,352,867)	(1,352,867)	(239,994)	(1,592,861)
Other comprehensive income	—	193,159	29,078	222,237
Total net comprehensive income	(1,352,867)	(1,159,708)	(210,916)	(1,370,624)
Dividends paid	(75,633)	(75,633)	—	(75,633)
Share-based payment transactions	—	10,638	—	10,638
Others	—	—	—	—
Total transactions with owners	(75,633)	(64,995)	—	(64,995)
Balance as of June 30, 2023	793,793	5,908,819	284,111	6,192,930

(5) Condensed Quarterly Consolidated Statement of Cash Flows

(Thousands of yen)

	Three Months ended June 30, 2022	Three Months ended June 30, 2023
Cash flow from operating activities		
Profit or loss before income tax	388,126	(2,232,332)
Depreciation and amortization	31,288	41,994
Finance income	(353,737)	(235,857)
Finance expenses	42,296	8,687
Earnings from equity in affiliates (Figures in negative represent profit)	71	3,150
Other income	(65,028)	(2,161)
Other expenses	64	2,632,301
Change in operating receivables and other claims (Figures in negative represent increase)	71,720	(179,090)
Change in operating payables and other payables (Figures in negative represent decrease)	(255,301)	(114,050)
Others	226,669	88,342
Subtotal	86,169	10,983
Interest and dividends received	5,666	1,899
Interest paid	(1,724)	(1,405)
Corporate taxes paid	(10,083)	(40,733)
Cash flow from operating activities	80,028	(29,256)
Cash flow from investment activities		
Purchase of property, plant, and equipment	(307,227)	(68,948)
Proceeds from property, plant, and equipment sales	—	172
Purchase of Intangible assets	(218)	(284)
Payments for investment purchases	—	—
Others	(3,584)	(3,776)
Cash flow from investment activities	(311,029)	(72,836)
Cash flow from financial activities		
Repayment of long-term borrowings	(35,700)	(35,700)
Repayment of lease liabilities	(13,304)	(14,658)
Dividends paid	(72,642)	(73,161)
Income from incorporation of non-controlling interests	—	2,670
Cash flow from financial activities	(121,645)	(120,849)
Net change in cash and cash equivalents (Figures in negative represent decrease)	(352,646)	(222,941)
Cash and cash equivalents at beginning of period	1,816,106	1,743,642
Effect of exchange rate changes on cash and cash equivalents	32,496	50,916
Cash and cash equivalents at end of period	1,495,955	1,571,616

(6) Main Notes to Condensed Quarterly Consolidated Financial Statements
(Going concern assumption)
No matters to report.

(Change in accounting policies)

Significant accounting policies applied to the condensed quarterly consolidated financial statements are the same as those applied to the consolidated financial statements for the previous consolidated fiscal year, except for the following items.

Also, income tax expense for Q1 FY2023 is calculated based on the estimated annual effective tax rate.

The Group has applied the following standards from the beginning of the fiscal year.

	IFRS	Description of new standards and amendments
IAS 12	Income Taxes (amended in May 2021)	Clarifying accounting process for deferred taxes on leases and decommissioning obligations

The Group applied IAS 12 "Income Taxes" (amended in May 2021) from the first quarter ended June 30, 2023.

The amendments clarified that if taxable temporary differences and deductible temporary differences of the same amount arise at the time of the transaction, such as in the case of leases and decommissioning obligations, the entity recognizes deferred tax liabilities and deferred tax assets when they arise due to this.

The amendments have been applied retrospectively and retrospective application is reflected in the condensed consolidated financial statements and consolidated financial statements regarding figures of the three months ended June 30, 2022 and the fiscal year ended March 31, 2023.

Consequently, in the consolidated statement of financial position as of March 31, 2023, deferred tax liabilities were increased by 178 thousand yen, retained earnings was increased by 462 thousand yen and foreign currency translation reserve was decreased by 639 thousand yen compared with those before the retrospective application. In addition, in the condensed consolidated statement of financial position for the three months ended June 30, 2023, deferred tax liabilities were decreased by 275 thousand yen, retained earnings were decreased by 89 thousand yen and foreign currency translation reserve was decreased by 364 thousand yen. In the condensed consolidated statement of income for the three months ended June 30, 2022, income tax expense was decreased by 117 thousand yen and profit was increased by 117 thousand yen. In addition, earnings per share attributable to owners of the parent (basic) and earnings per share attributable to owners of the parent (diluted), increased by 0.01 yen, respectively for the three-month period ended June 30, 2022 and increased by 0.03 yen, respectively for the three-month period ended Jun 30, 2023.

Because the cumulative effect was reflected in equity at the beginning of the three months ended June 30, 2022, the beginning balance after retrospective application of retained earnings in the condensed consolidated statement of changes in equity was decreased by 9,141 thousand yen.

(Segment information)

(1) Overview of reportable segments

The Group's organizational structure is split into two basic components "Software Business segment" and "Investment Business segment" as reportable segments.

(2) Information on revenue, profits and losses, and assets by reportable segment
Q1 FY2022 (April 1, 2022- June 30, 2022)

	Reportable segment			Adjustments* ¹	Consolidated
	Software Business	Investment Business	Total		
	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)
Revenue					
Sales to external customers	802,538	—	802,538	—	802,538
Inter-segment transactions	19	7,784	7,803	(7,803)	—
Total	802,558	7,784	810,342	(7,803)	802,538
Segment profit (Figures in negative represent loss) ^{*2}	17,351	54,886	72,238	(405)	71,833
Other income and expenses					4,923
Finance income					353,737
Finance expenses					42,296
Equity in earnings of affiliates (Figures in negative represent loss)					(71)
Profit before income tax					388,126
Other items					
Depreciation and amortization expenses	31,185	103	31,288	—	31,288

(Notes) *1 "Adjustments" indicates mainly elimination of inter-segment transactions.

*2 Segment profit (figure in negative represent loss) calculated by deducting Cost of goods sales and Sales, general and administrative expenses from revenue. Of other income and expenses, valuation gains / losses on investments measured at fair value through profits / losses held by AVF-1 are transferred to segment profits of the Investment Business.

Q1 FY2023 (April 1, 2023- June 30, 2023)

	Reportable segment			Adjustments* ¹	Consolidated
	Software Business	Investment Business	Total		
	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)
Revenue					
Sales to external customers	929,305	—	929,305	—	929,305
Inter-segment transactions	—	—	—	—	—
Total	<u>929,305</u>	<u>—</u>	<u>929,305</u>	<u>—</u>	<u>929,305</u>
Segment profit (Figures in negative represent loss) ^{*2}	<u>185,863</u>	<u>(2,644,377)</u>	<u>(2,458,514)</u>	<u>—</u>	<u>(2,458,514)</u>
Other income and expenses					2,161
Finance income					235,857
Finance expenses					8,687
Equity in earnings of affiliates (Figures in negative represent loss)					(3,150)
Profit before income tax					<u>(2,232,332)</u>
Other items					
Depreciation and amortization expenses	41,940	54	41,994	—	41,994

(Notes) *1 "Adjustments" indicates mainly elimination of inter-segment transactions.

*2 Segment profit (figure in negative represent loss) calculated by deducting Cost of goods sales and Sales, general and administrative expenses from revenue. Of other income and expenses, valuation gains / losses on investments measured at fair value through profits / losses held by AVF-1 are transferred to segment profits of the Investment Business.

(Subsequent events)

None