

3. Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2024 (July 1, 2023 – June 30, 2024)

(% represents the change from the same period of the previous year)

	Revenue		Core operating profit		Operating profit		Profit before income taxes		Net profit attributable to owners of the parent company		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	107,000	9.2	11,500	3.5	11,500	2.8	11,500	3.4	7,800	1.1	72.97
Full year	220,000	10.1	24,500	14.6	24,500	12.2	24,500	12.2	16,700	8.7	156.23

(Note) Revisions to dividend forecasts published most recently: No

TechnoPro's Board of Directors resolved on April 28, 2023 to repurchase its own shares, and the "Basic earnings per share" in the consolidated earnings forecast for the fiscal year ending June 30, 2024 takes into account the impact of this share repurchase.

* Notes

(1) Changes to important subsidiaries during the period (changes to "Specified Subsidiaries" that involve changes made to scope of consolidation): None

(2) Changes to accounting policies and accounting estimates
 i. Changes to accounting policies as required by IFRS: Yes
 ii. Changes to accounting policies other than i.: None
 iii. Changes to accounting estimates: None

(3) Number of outstanding shares (ordinary shares)

i. Number of outstanding shares at the end of the period (including treasury shares)	As of September 30, 2023	108,421,164 shares	FY ended June 30, 2023	108,421,164 shares
ii. Number of treasury shares at the end of the period	As of September 30, 2023	1,578,529 shares	FY ended June 30, 2023	1,171,029 shares
iii. Average number of shares during the period (cumulative)	For the three months ended September 30, 2023	107,037,102 shares	For the three months ended September 30, 2022	107,725,873 shares

* This Summary of Financial Statements is not subject to quarterly review by certified public accountant or audit corporation.

* Explanation regarding proper use of financial results forecasts, and other notes

(Cautionary note on forward-looking statements)

Forward-looking statements in this document about future performance are based on information currently available and certain assumptions that are considered reasonable. Due to unforeseen circumstances, actual results may differ from such estimates.

Please refer to page 5 "1. Qualitative Information on Financial Results for the Period Under Review; (3) Results forecasts and other forward-looking information", for criteria for assumptions used in the earnings forecast.

(Obtaining supplementary materials for financial results)

The Company plans to hold a briefing on business results for institutional investors and analysts on October 31, 2023. The Company plans to post supplementary and other materials for the briefing on its website today (October 31, 2023) at the same time that the information is disclosed to the Tokyo Stock Exchange.

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1. Qualitative Information on Financial Results for the Period Under Review

(1) Summary of business performance

During the consolidated first quarter period under review (July 1, 2023 to September 30, 2023), uncertainty in the global economy continued due to rising resource prices driven by the situation in Ukraine, concerns over recession due to restrictive monetary policy as governments in the US and UK raised interest rates in response to inflation, and geopolitical risks in East Asia. In Japan, while economic activity is starting to normalize after the pandemic, uncertainty has continued due to high prices and restrictions on raw material procurement caused by the rapid depreciation of the yen and other factors.

Despite this environment, customer demand in the Group's core business area of engineer dispatching and contract assignment remains firm, particularly with respect to software engineers in the transportation and information industries.

The main initiatives implemented by the Group during the consolidated period under review were as follows:

Securing engineers

With continued strong customer demand for engineers, the utilization ratio of the Group remains around 95%, and there is a shortage of engineers available to respond to new orders. We therefore made efforts to secure engineers, while maintaining high hiring standards, increasing the hiring of inexperienced engineers on the premise of providing them with subsequent training. In addition, we have resumed global recruitment of foreign nationals, which had been frozen during the pandemic, and are working to acquire talents on a global basis by expanding the number of countries targeted.

We will continue to secure highly skilled engineers and achieve sustainable growth.

Raising unit price of engineers

While the hiring of domestic engineers has largely recovered to pre-pandemic levels, we do not expect the number of new hires to grow drastically from hereon given that we have established higher hiring standards than those which existed before the pandemic. However, we believe that there is still potential to increase the unit price of contracts for engineers and are working proactively to achieve this. Through upskilling and reskilling with education and training, we are working to have engineers acquire the technical skills and improved abilities required by customers while promoting contracts with unit prices that appropriately reflect the improvement of service level. We believe that raising unit prices can contribute to overall revenue as well as providing better conditions for engineers and improving their retention.

We will continue to expand our business by increasing contract unit prices, in addition to securing outstanding engineers.

Strengthening the solution business

The five-year medium-term management plan "Evolution 2026," which was implemented in the fiscal year ended June 30, 2022, calls for strengthening the solution business, where sales revenue and the number of engineers involved in this business are intended to increase. The remaining three years beginning from the fiscal year ending June 30, 2024 have been positioned as a period for achieving high growth, and we are systematically pursuing coordinated operations from marketing and sales to recruitment, training, and delivery, focusing on core solutions after careful assessment of domestic and overseas technology trends and our internal capabilities.

We will continue working to establish and expand highly competitive solutions, the pillars of the solution business.

As a result of the initiatives described above, the number of engineers on payroll in Japan at the end of the consolidated first quarter period under review was 24,351 (up 2,078 compared to the end of first quarter of the previous fiscal year). The average utilization rate for the period under review was 95.0% (down 0.9 pts compared to the same period of the previous fiscal year). The Group has been working continuously to improve sales per engineer, and while overtime and working days per month decreased compared to the first quarter of the previous fiscal year, average monthly sales per engineer were 669 thousand yen (up 14 thousand yen compared to the same period of the previous fiscal year) due to an increase in unit prices as a result of our Shift Up and Charge Up

initiatives, as well as expansion in the solution business and other factors.

In terms of expenses, in comparison to the first quarter of the previous fiscal year SG&A increased significantly. This was mainly due to hiring expenses for acquiring talents, upfront investments in overseas subsidiaries, and inflation.

As a result, the Group's consolidated revenue for the first quarter period under review was 52,896 million yen (up 9.7% compared to the same period of the previous fiscal year), core operating profit was 5,708 million yen (down 3.9%), operating profit was 5,788 million yen (down 3.6%), profit before taxes was 5,852 million yen (down 3.3%), and net profit attributable to the owners of the parent company was 4,031 million yen (down 3.6%).

Earnings for the segments of the business during the consolidated first quarter period under review were as follows:

(R&D Outsourcing)

In order to expand its IT business, which has been performing well within R&D Outsourcing, the Group implemented initiatives to capture strong demand in the digital domain through re-skilling and cross-skilling, such as digital technology-related training for hardware-related engineers and chemical/biochemical-related engineers, in addition to strengthening the mid-career hiring mainly of high added-value engineers. The Group also made efforts to secure assignments at higher unit prices by increasing the quality and diversity of its service offerings, which were realized through business collaboration with alliance partners possessing advanced technologies and active implementation of internal and external training. Through these efforts, engineers on payroll at the end of the first quarter of the consolidated fiscal year under review were 21,354 (up 1,881 compared to the end of the first quarter of the previous fiscal year) and assigned engineers were 20,352 (up 1,672). As a result, revenue in this segment was 40,561 million yen (up 10.9%).

(Construction Management Outsourcing)

In addition to construction management—the main service provided under Construction Management Outsourcing—the Group has also expanded its offerings based on technological skills developed in the design and construction management fields, with examples including 3D measurement, aerial photography and inspections using drones, and the establishment of first-class qualified architect offices. In this segment, engineers on payroll and assigned engineers were 2,997 and 2,859, respectively, at the end of the first quarter of the consolidated fiscal year under review (up 197 and 162, respectively, compared to the end of the first quarter of the previous fiscal year). As a result, revenue in this segment was 5,559 million yen (up 7.2%).

(Other Businesses in Japan)

Other Businesses in Japan comprises a professional recruitment service and an education and training service in engineering. In professional recruitment service, while the supply of talents to the Group companies through recruitment is growing, the Group is struggling to acquire skilled personnel who meet the required standards of external customers, and there are also moves to temporarily curtail recruitment due to economic uncertainty. In the engineering education and training service, we are developing more effective training programs through collaboration with the Group companies. We are also working to develop and promote external sales of our services such as consulting for engineer development and implementation of e-learning system, by actively making upfront investments to capture demand for human capital investment. As a result, revenue in this segment was 1,066 million yen (down 16.2%).

(Overseas Businesses)

Our overseas operations provide offshore delivery services in India and China to customers mainly in Europe, the US, and Japan. We also provide engineer dispatch and professional recruitment services in Southeast Asia and the UK, respectively. Although there are some differences from country to country, the business is starting to see the impact of concerns about global recession and geopolitical risks. At the same time, we are aggressively investing to acquire new high-margin offshore delivery projects, which will also contribute to acquiring capabilities for the domestic solution business. As a result, revenue in this segment was 6,406 million yen (up 8.1%).

(2) Summary of financial position

i. Analysis of financial position

Assets totaled 142,112 million yen as of the end of the consolidated first quarter period under review (down 1,905 million yen from the end of the previous fiscal year). The primary components were goodwill of 46,550 million yen, cash and cash equivalents of 32,059 million yen, and accounts receivables and other receivables of 27,485 million yen.

The status for each item was as follows.

(Current assets)

Current assets totaled 73,619 million yen as of the end of the consolidated first quarter period under review (down 3,037 million yen from the end of the previous fiscal year). The primary components were cash and cash equivalents of 32,059 million yen (down 3,314 million yen), and accounts receivables and other receivables of 27,485 million yen (up 79 million yen).

(Non-current assets)

Non-current assets totaled 68,492 million yen as of the end of the consolidated first quarter period under review (up 1,132 million yen from the end of the previous fiscal year). The primary components were goodwill of 46,550 million yen (up 178 million yen), and deferred tax assets of 5,022 million yen (up 1,085 million yen).

(Current liabilities)

Current liabilities totaled 47,719 million yen as of the end of the consolidated first quarter period under review (up 774 million yen from the end of the previous fiscal year). The primary components were accounts payable and other liabilities of 19,626 million yen (up 3,582 million yen), and employee benefits liabilities of 8,610 million yen (down 75 million yen).

(Non-current liabilities)

Non-current liabilities totaled 20,085 million yen as of the end of the consolidated first quarter period under review (down 224 million yen from the end of the previous fiscal year). The primary components were bonds and loans payable of 13,470 million yen (down 246 million yen), and lease liabilities of 4,128 million yen (up 12 million yen).

(Equity attributable to the owners of the parent company)

Equity attributable to the owners of the parent company totaled 73,399 million yen as of the end of the consolidated first quarter period under review (down 2,129 million yen from the end of the previous fiscal year). The primary components were retained earnings of 57,931 million yen (down 1,330 million yen) and a capital surplus of 8,507 million yen (up 248 million yen).

ii. Cash flow

Cash and cash equivalents (hereinafter "Cash") totaled 32,059 million yen as of the end of the consolidated first quarter period under review, representing a decrease of 3,314 million yen compared to the end of the previous fiscal year.

Cash flow during the consolidated first quarter period under review as well as the main factors affecting changes are as follows.

(Cash flows from operating activities)

Cash inflows from operating activities were 6,063 million yen (same period of previous fiscal year: inflows of 1,252 million yen). This was mainly due to an increase in cash due to profit before taxes (5,852 million yen) and an increase in accounts payable and other liabilities (3,581 million yen) offset by a decrease in cash due to payments of corporate income taxes (4,379 million yen).

(Cash flows from investing activities)

Cash inflows from investing activities were 72 million yen (previous fiscal year: outflows of 3,609 million yen).

This was mainly due to an increase in cash due to proceeds from withdrawal of time deposits (810 million yen) and from sales and redemption of investments (783 million yen) offset by a decrease in cash due to payments into time deposits (878 million yen) and payments for acquisition of investments (892 million yen).

(Cash flows from financing activities)

Cash outflows from financing activities were 9,590 million yen (previous fiscal year: outflows of 7,735 million yen). This was mainly due to a decrease in cash due to dividend payments (5,505 million yen), repayment of lease liabilities (1,691 million yen), and share repurchase (1,423 million yen). The payments for purchase of interests in subsidiaries from non-controlling interests (783 million yen) was the amount paid for the acquisition of the remaining shares of Orion Managed Services Limited, and this acquisition increased the Company's ownership in Orion Managed Services Limited to 100%.

(3) Results forecasts and other forward-looking information

There have been no changes made to the consolidated financial results forecast for the fiscal year ending June 30, 2024, as announced in the "Summary of Consolidated Financial Statements (IFRS) for the Fiscal Year Ended June 30, 2023" published on August 7, 2023.

2. Interim Consolidated Financial Statements (Summary) and notes

(1) Consolidated Statement of Financial Position (Summary)

(Millions of yen)

	As of June 30, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and cash equivalents	35,373	32,059
Accounts receivables and other receivables	27,405	27,485
Income taxes receivable	1,740	1,727
Other short-term financial assets	5,700	5,299
Other current assets	6,437	7,049
Total current assets	76,657	73,619
Non-current assets		
Property, plant and equipment	2,463	2,489
Right-of-use assets	4,916	4,776
Goodwill	46,372	46,550
Intangible assets	4,807	4,601
Other long-term financial assets	4,076	4,178
Deferred tax assets	3,937	5,022
Other non-current assets	786	873
Total non-current assets	67,360	68,492
Total assets	144,017	142,112
Liabilities and equity		
Current liabilities		
Accounts payable and other liabilities	16,044	19,626
Loans payable	1,000	1,063
Lease liabilities	5,291	5,234
Income taxes payable	3,546	3,824
Other financial liabilities	4,000	2,741
Employee benefits liabilities	8,685	8,610
Provisions	20	27
Other current liabilities	8,356	6,589
Total current liabilities	46,944	47,719

(Millions of yen)

	As of June 30, 2023	As of September 30, 2023
Non-current liabilities		
Bonds and loans payable	13,716	13,470
Lease liabilities	4,116	4,128
Other long-term financial liabilities	882	904
Deferred tax liabilities	987	969
Retirement benefit liabilities	24	22
Provisions	479	483
Other non-current liabilities	103	106
Total non-current liabilities	20,309	20,085
Total liabilities	67,254	67,805
Equity		
Share capital	6,929	6,929
Capital surplus	8,259	8,507
Retained earnings	59,262	57,931
Treasury shares	(2,577)	(4,001)
Other components of equity	3,655	4,031
Equity attributable to owners of the parent company	75,529	73,399
Non-controlling interests	1,233	907
Total equity	76,762	74,307
Total liabilities and equity	144,017	142,112

(2) Consolidated Statement of Income (Summary) and Consolidated Statement of Comprehensive Income (Summary)
 Consolidated Statement of Income (Summary)
 The consolidated three-month period

(Millions of yen)

	Three months ended September 30, 2022 (July 1, 2022 to September 30, 2022)	Three months ended September 30, 2023 (July 1, 2023 to September 30, 2023)
Revenue	48,225	52,896
Cost of sales	34,975	38,838
Gross profit	13,249	14,058
Selling, general and administrative expenses	7,312	8,350
Other income	131	91
Other expenses	61	10
Operating profit	6,007	5,788
Financial income	75	91
Financial expenses	32	27
Profit before income taxes	6,050	5,852
Income taxes	1,809	1,773
Net profit	4,241	4,079
Net profit attributable to:		
Owners of the parent company	4,180	4,031
Non-controlling interests	60	47
Net profit	4,241	4,079
		(Yen)
Earnings per share attributable to owners of the parent company		
Basic earnings per share	38.80	37.67
Diluted earnings per share	—	—

Consolidated Statement of Comprehensive Income (Summary)

The consolidated three-month period

(Millions of yen)

	Three months ended September 30, 2022 (July 1, 2022 to September 30, 2022)	Three months ended September 30, 2023 (July 1, 2023 to September 30, 2023)
Net profit	4,241	4,079
Other comprehensive income		
Items that may be reclassified to profit or loss		
Foreign currency translation adjustments	511	398
Total items that may be reclassified to profit or loss	511	398
Total other comprehensive income	511	398
Comprehensive income for the period	4,752	4,477
Comprehensive income for the period attributable to:		
Owners of the parent company	4,651	4,408
Non-controlling interests	101	68
Comprehensive income for the period	4,752	4,477

(3) Consolidated Statement of Changes in Equity (Summary)

Three months ended September 30, 2022 (July 1, 2022 to September 30, 2022)

(Millions of yen)

	Equity attributable to the owners of the parent company						
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity		Total equity attributable to owners of the parent company
					Foreign currency translation adjustments	Total other components of equity	
As of July 1, 2022	6,929	7,966	51,986	(1,001)	2,837	2,837	68,718
Net profit			4,180			—	4,180
Other comprehensive income					471	471	471
Total comprehensive income	—	—	4,180	—	471	471	4,651
Dividends of surplus			(5,601)			—	(5,601)
Share-based payment transaction		87				—	87
Total transactions with the owners	—	87	(5,601)	—	—	—	(5,514)
As of September 30, 2022	6,929	8,053	50,565	(1,001)	3,308	3,308	67,855

	Non-controlling interests	Total equity
As of July 1, 2022	1,710	70,428
Net profit	60	4,241
Other comprehensive income	40	511
Total comprehensive income	101	4,752
Dividends of surplus	(27)	(5,629)
Share-based payment transaction		87
Total transactions with the owners	(27)	(5,541)
As of September 30, 2022	1,784	69,639

Three months ended September 30, 2023 (July 1, 2023 to September 30, 2023)

(Millions of yen)

	Equity attributable to the owners of the parent company						
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity		Total equity attributable to owners of the parent company
					Foreign currency translation adjustments	Total other components of equity	
As of July 1, 2023	6,929	8,259	59,262	(2,577)	3,655	3,655	75,529
Net profit			4,031			—	4,031
Other comprehensive income					376	376	376
Total comprehensive income	—	—	4,031	—	376	376	4,408
Dividends of surplus			(5,362)			—	(5,362)
Share-based payment transaction		43				—	43
Purchase of treasury shares		(0)		(1,423)		—	(1,424)
Changes in ownership interests in subsidiaries		205				—	205
Total transactions with the owners	—	248	(5,362)	(1,423)	—	—	(6,538)
As of September 30, 2023	6,929	8,507	57,931	(4,001)	4,031	4,031	73,399

	Non-controlling interests	Total equity
As of July 1, 2023	1,233	76,762
Net profit	47	4,079
Other comprehensive income	21	398
Total comprehensive income	68	4,477
Dividends of surplus	(189)	(5,551)
Share-based payment transaction		43
Purchase of treasury shares		(1,424)
Changes in ownership interests in subsidiaries	(205)	—
Total transactions with the owners	(394)	(6,932)
As of September 30, 2023	907	74,307

(4) Consolidated Statement of Cash Flows (Summary)

(Millions of yen)

	Three months ended September 30, 2022 (July 1, 2022 to September 30, 2022)	Three months ended September 30, 2023 (July 1, 2023 to September 30, 2023)
Cash flows from operating activities		
Profit before income taxes	6,050	5,852
Depreciation and amortization	784	818
Interest and dividend income	(20)	(35)
Interest expense	27	23
Decrease (increase) in accounts receivables and other receivables	243	(79)
Increase (decrease) in accounts payable and other liabilities	(728)	3,581
Increase (decrease) in deposits received	(1,146)	(212)
Decrease (increase) in prepaid expenses	296	458
Decrease (increase) in lease repayments	461	485
Increase (decrease) in consumption tax payable	572	423
Increase (decrease) in retirement benefit liabilities	(7)	(14)
Other	(1,540)	(922)
Subtotal	4,993	10,378
Interest received	6	5
Interest paid	(14)	(13)
Income taxes paid	(3,735)	(4,379)
Income tax refund	2	72
Net cash flows from operating activities	1,252	6,063
Cash flows from investing activities		
Payments into time deposits	(396)	(878)
Proceeds from withdrawal of time deposits	217	810
Purchase of tangible fixed assets	(72)	(169)
Purchase of intangible assets	(21)	(74)
Payments for acquisition of investments	(843)	(892)
Proceeds from sales and redemption of investments in marketable securities	1,094	783
Purchase of subsidiary shares at conditional acquisition price	(3,623)	—
Other	36	493
Net cash flows from investing activities	(3,609)	72
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	—	64
Repayment of lease liabilities	(1,634)	(1,691)
Repayments of long-term borrowings	(500)	(250)
Purchase of treasury shares	—	(1,423)
Payments for purchase of interests in subsidiaries from non-controlling interests	—	(783)
Cash dividends paid	(5,601)	(5,505)
Net cash flows from financing activities	(7,735)	(9,590)
Effect of change in exchange rates on cash and cash equivalents	87	139
Net increase (decrease) in cash and cash equivalents	(10,005)	(3,314)
Cash and cash equivalents at the beginning of the period	37,432	35,373
Cash and cash equivalents at the end of the period	27,427	32,059

(5) Notes to the consolidated financial results (Summary)

(Note on assumption about going concern)

Not applicable.

(Changes in accounting policies)

The material accounting policies adopted for the Group's consolidated financial statements for the first quarter period under review are the same as those for the consolidated financial statements for the previous fiscal year, except for the following items.

IFRS		Overview of new/revised standards
IAS 1	Presentation of Financial Statements	Requires disclosure of material accounting policies rather than significant accounting policies
IAS 12	Income Taxes	Clarifies accounting treatment for deferred taxes related to assets and liabilities arising from a single transaction

The adoption of the above standards did not have a material impact on the summary of the consolidated financial statements.

(Note on segment information)

1. Segment information overview

The Group's business segments are Group components for which separate financial information can be obtained. Each segment is subject to periodic examinations to allow the Board of Directors to decide how to allocate management resources and assess performance. In determining reportable segments, the Group does not consolidate business segments; reportable segments and business segments are the same.

Overview of the reportable segments:

- In R&D Outsourcing Business, the Group provides engineer dispatch and contract assignment services in technological fields including machinery, electronics/electricals, embedded controllers, IT networks, business applications, system maintenance/management, and biochemistry; its customers are mainly major businesses and other organizations in industries including automotive and automotive parts, industrial machinery and equipment, telecommunications equipment, electronic and electrical equipment, IT, semiconductors, energy, pharmaceuticals, and chemicals.
- In Construction Management Outsourcing Business, the Group provides contract assignment services for construction design and engineer dispatch services for construction management (safety administration, quality control, process administration, and cost management) in the construction industry in the fields of construction, civil engineering, facility machinery, and plant; its customers are mainly general contractors and subcontractors.
- In Other Businesses in Japan, the Group provides professional recruitment services and education and training services in engineering.
- In Overseas Business, the Group provides technical outsourcing and professional recruitment services in China, engineer dispatch services and contracted R&D operations in Southeast Asia and India (including offshore delivery services to customers in the U.S, Europe, and Japan), and engineer dispatch and professional recruitment services in the UK.

2. Information on reportable segments

Accounting principles for the reportable segments are the same as those used in the creation of the Consolidated Financial Statements by the Group. Business between reportable segments is based on market prices, and segment profit is shown as operating profit.

Three months ended September 30, 2022 (July 1, 2022 to September 30, 2022)

(Millions of yen)

	Reportable segment					Eliminations/ Corporate	Consoli- dated
	R&D Outsourcing Business	Construction Management Outsourcing Business	Other Businesses in Japan	Overseas Businesses	Total		
Revenue							
Revenue from external customers	36,369	5,187	983	5,672	48,212	12	48,225
Intersegment sales or transfers	221	(0)	288	255	766	(766)	—
Total revenue	36,591	5,187	1,272	5,928	48,979	(753)	48,225
Segment profit (loss)	4,724	651	110	559	6,045	(38)	6,007
Financial income	—	—	—	—	—	—	75
Financial expenses	—	—	—	—	—	—	32
Quarterly profit before income taxes	—	—	—	—	—	—	6,050
Other							
Depreciation and amortization	258	63	76	75	473	146	619
Amortization of customer-related assets	18	—	—	147	165	—	165
Impairment loss	—	—	—	—	—	—	—

(Notes)

1. Segment profit under Eliminations/Corporate includes corporate expenses not allocated to individual reportable segments and eliminations of intersegment transactions. Corporate expenses are mainly the general administrative expenses of the Company, not allocated to reportable segments.
2. Depreciation and amortization does not include amortization of customer-related assets.

Three months ended September 30, 2023 (July 1, 2023 to September 30, 2023)

(Millions of yen)

	Reportable segment					Eliminations/ Corporate	Consoli- dated
	R&D Outsourcing Business	Construction Management Outsourcing Business	Other Businesses in Japan	Overseas Businesses	Total		
Revenue							
Revenue from external customers	40,309	5,559	742	6,274	52,885	11	52,896
Intersegment sales or transfers	251	(0)	324	131	707	(707)	—
Total revenue	40,561	5,559	1,066	6,406	53,593	(696)	52,896
Segment profit (loss)	4,749	809	(79)	269	5,750	38	5,788
Financial income	—	—	—	—	—	—	91
Financial expenses	—	—	—	—	—	—	27
Quarterly profit before income taxes	—	—	—	—	—	—	5,852
Other							
Depreciation and amortization	268	58	74	78	481	147	628
Amortization of customer-related assets	18	—	—	172	190	—	190
Impairment loss	—	—	—	—	—	—	—

(Notes)

- Segment profit under Eliminations/Corporate includes corporate expenses not allocated to individual reportable segments and eliminations of intersegment transactions. Corporate expenses are mainly the general administrative expenses of the Company, not allocated to reportable segments.
- Depreciation and amortization does not include amortization of customer-related assets.

3. Information by region

Revenue from external customers

(Millions of yen)

	Previous consolidated first quarter period (July 1, 2022 to September 30, 2022)	Consolidated first quarter period under review (July 1, 2023 to September 30, 2023)
Japan	42,890	47,104
Asia	2,968	2,845
Europe	1,556	1,935
North America	767	951
Others	43	59
Total	48,225	52,896

(Notes)

- Revenues based on location of customer and classified by country or region.
- The individual countries in each category are as follows:
 Asia: China, Singapore, Thailand, Vietnam, Malaysia, India,
 Europe: United Kingdom
 North America: United States

(Significant subsequent events)
(Retirement of treasury stock)

At the Board of Directors meeting held on September 28, 2023, the Company resolved to retire treasury stock pursuant to Article 178 of the Companies Act of Japan, and has retired the following shares as below:

1. Type of shares to be retired: Common stock of TechnoPro Holdings, Inc.
2. Total number of shares to be retired: 1,121,164 shares
(1.03% of total number of outstanding shares before the retirement)
3. Date of retirement: October 10, 2023
4. Total number of outstanding shares after retirement: 107,300,000 shares
5. Total number of treasury stock after the retirement: 457,365 shares