



Summary of Financial Results
for the Second Quarter of the Fiscal Year Ending March 31, 2024[Consolidated]
(From April 1, 2023 to September 30, 2023)
[under IFRS]

November 9, 2023

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:	November 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 September 30, 2023 (From April 1, 2023 to September 30, 2023)

(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	%
Six months ended September 30, 2023	63,189	7.0	12,525	0.9	13,044	1.0	8,827	(32.6)
Six months ended September 30, 2022	59,074	8.7	12,408	34.3	12,910	32.4	13,100	100.7

	Basic earnings per share	Diluted Net Income per Share
	Yen	Yen
Six months ended September 30, 2023	57.75	55.38
Six months ended September 30, 2022	85.67	82.12

(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 September 30, 2023	322,427	74,548	73,105	22.7
As of March 31, 2023	322,691	69,819	68,615	21.3

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, 2023	—	0.00	—	33.00	33.00
Fiscal year ended March 31, 2024	—	0.00	—	33.00	33.00
Fiscal Year ended March 31, 2024(forecast)	—	—	—	37.00	37.00

(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, 2023 to March 31, 2024)

(% 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, 2024	135,000	9.1	27,700	21.8	29,000	12.1	19,000	(9.0)	124.17

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

*Notes

- (1) Changes in significant subsidiaries during the Fiscal Year (Changes in specified subsidiaries associated with changes in the scope of consolidation) : None
 Newly consolidated : -
 Excluded : -

(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 September 30, 2023	153,016,200 shares	As of March 31, 2023	153,016,200 shares
2. Number of treasury stock at the end of period	As of September 30, 2023	161,632 shares	As of March 31, 2023	161,732 shares
3. Average number of shares during the period	2nd Quarter of FY2024/3	152,852,600 shares	2nd Quarter of FY2023/3	152,920,467 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 six months of the fiscal year under review, both revenues and profit increased year on year primarily owing to the accumulated base for the stock of units under management in Leased Corporate Housing Management Business and solid performance of Global Relocation Assist Business and Tourism Business thanks to the resumption of people's movement.

In the first six months of the fiscal year under review, revenues, operating profit, and profit before income taxes of the Relo Group, Inc. increased year on year, reflecting a gain in the stock base as both the number of units under management in the Leased Corporate Housing Management Business and the number of employee members in the Fringe Benefits Business increased.

The substantial decrease in profit attributable to owners of the parent is mainly due to the fact that profit from discontinued operations of approximately 4,900 million yen was posted in the same period of the previous year.

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

Revenue	63,189 million yen	(up 7.0% year on year)
Operating profit	12,525 million yen	(up 0.9% year on year)
Profit before income taxes	13,044 million yen	(up 1.0% year on year)
Profit attributable to owners of the parent	8,827 million yen	(down 32.6% year on year)

(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 six months under review, revenue increased, mainly reflecting a rise in the stock of units under management in the Leased Corporate Housing Management Business and the consolidation of new real estate leasing management companies in the third quarter of the previous fiscal year in the Residential Property Management Business. However, profit decreased due to the absence of large property sales recorded a year ago in the Residential Property Management Business and a decline in the number of households to which inbound relocation assistance is provided in the Global Relocation Assist Business.

As a result, the Relocation Business recorded revenue of 43,756 million yen (up 4.4% year on year) and operating profit of 7,727 million (down 1.7%).

(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 six months of the fiscal year under review, user-related revenue rose year on year, reflecting an increase in membership fees in employee benefit-related services and a recovery in the use of services. Moreover, emergency home care services remained strong, also contributing the revenue and profit growth.

As a result, the Fringe Benefit Business recorded revenue of 12,214 million yen (up 13.9% year on year) and operating profit of 5,530 million yen (up 16.6%).

(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 six months under review, the hotel business recorded an increase in revenue, chiefly reflecting a rise in average room rates and the opening of several new facilities in the first quarter of the fiscal year. In contrast, profit decreased in the absence of large property sales recorded in the first quarter of the previous fiscal year.

As a result, Tourism Business recorded revenue of 6,717 million yen (up 13.2% year on year) and operating profit of 1,177 million yen (down 24.2 % year on year).

(iv) Other Business

In this segment, we operate financial business, etc., leveraging the core business frameworks. As a result, Other Business recorded revenue of 500 million yen (up 0.8% year on year) and an operating loss of 116 million yen (compared to an operating loss of 81 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 322,427 million yen, an decline of 263 million yen compared to the end of the previous fiscal year.

Total liabilities amounted to 247,879 million yen, a decline of 4,992 million yen compared to the end of the previous fiscal year.

Total equity came to 74,548 million yen, an increase of 4,729 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

The results of operations for the first six months of the fiscal year under review were in line with the previous forecast. There is no change in the business forecasts stated in the Summary of Financial Results for the Fiscal Year Ended March 31, 2023, which was announced on May 11, 2023.

2. Consolidated Financial Statements
 (1) Consolidated Statements of Financial Position

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and cash equivalents	43,695	40,445
Trade and other receivables	85,197	82,434
Inventories	6,410	6,633
Other financial assets	7,991	8,067
Other current assets	4,004	3,848
Total current assets	147,298	141,429
Non-current assets		
Property, plant and equipment	14,240	14,592
Right-of-use assets	29,632	29,998
Goodwill	15,795	16,165
Intangible assets	8,429	8,551
Investment property	21,529	23,190
Investments accounted for using the equity method	39,889	40,262
Other financial assets	33,244	35,591
Deferred tax assets	11,707	11,610
Other non-current assets	922	1,033
Total non-current assets	175,392	180,997
Total assets	322,691	322,427

(Millions of yen)

	As of March 31, 2022	As of September 30, 2023
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	20,765	20,630
Bonds and borrowings	29,808	31,205
Lease liabilities	52,520	54,413
Income taxes payable	6,265	3,792
Contract liabilities	8,785	7,245
Other financial liabilities	17,261	18,287
Provisions	334	—
Other current liabilities	4,956	3,843
Total current liabilities	140,696	139,418
Non-current liabilities		
Bonds and borrowings	51,963	47,417
Lease liabilities	22,087	22,356
Contract Liabilities	18,979	19,560
Other financial liabilities	8,779	8,935
Provisions	7,843	8,106
Deferred tax liabilities	1,827	1,359
Other current liabilities	694	724
Total non-current liabilities	112,175	108,460
Total liabilities	252,871	247,879
Equity		
Share capital	2,667	2,667
Capital surplus	271	426
Retained earnings	58,141	61,919
Treasury shares	(56)	(51)
Other components of equity	7,592	8,144
Equity attributable to owners of parent	68,615	73,105
Non-controlling interests	1,203	1,442
Total equity	69,819	74,548
Total liabilities and equity	322,691	322,427

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

Consolidated Statements of Income

For the six months ended September 30, 2022 and 2023

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Continuing operations		
Revenue	59,074	63,189
Cost of sales	33,070	34,307
Gross profit	26,003	28,881
Selling, general and administrative expenses	15,729	17,330
Other income	2,258	1,197
Other expenses	124	222
Operating profit	12,408	12,525
Finance income	129	504
Finance costs	328	588
Share of profit of investments accounted for using equity method	700	602
Profit before income taxes	12,910	13,044
Income tax expense	4,196	3,927
Profit from continuing operations	8,713	9,117
Discontinued operations		
Profit from discontinued operations	4,859	—
Profit	13,572	9,117
Profit attributable to		
Owners of the parent	13,100	8,827
Non-controlling interests	472	290
Profit	13,572	9,117
Profit from continuing operations attributable to owners of the parent company	8,241	8,827
Profit from discontinued operations attributable to owners of the parent company	4,859	—
Profit attributable to owners of the parent company	13,100	8,827
Earnings per share		
Basic earnings per share (Yen)		
Continuing operations	53.89	57.75
Discontinued operations	31.78	—
Total	85.67	57.75
Diluted earnings per share (Yen)		
Continuing operations	51.69	55.38
Discontinued operations	30.43	—
Total	82.12	55.38

Consolidated Statements of Income

For the three months ended September 30, 2022 and 2023

(Millions of yen)

	three months ended September 30, 2022	three months ended September 30, 2023
Continuing operations		
Revenue	30,722	32,513
Cost of sales	17,214	17,702
Gross profit	13,508	14,811
Selling, general and administrative expenses		
Other income	1,046	864
Other expenses	38	19
Operating profit	6,515	6,785
Finance income		
Finance costs	91	271
Share of profit of investments accounted for using equity method	148	291
Profit before income taxes	419	288
Income tax expense	6,877	7,053
Profit from continuing operations	2,278	1,992
Discontinued operations	4,599	5,061
Profit from discontinued operations	5,428	—
Profit	10,027	5,061
Profit attributable to		
Owners of the parent	9,666	4,830
Non-controlling interests	361	231
Profit	10,027	5,061
Profit from continuing operations attributable to owners of the parent company	4,238	4,830
Profit from discontinued operations attributable to owners of the parent company	5,428	—
Profit attributable to owners of the parent company	9,666	4,830
Earnings per share		
Basic earnings per share (Yen)		
Continuing operations	27.72	31.60
Discontinued operations	35.51	—
Total	63.23	31.60
Diluted earnings per share (Yen)		
Continuing operations	26.58	30.30
Discontinued operations	34.00	—
Total	60.59	30.30

Consolidated Statement of Comprehensive Income
 For the six months ended September 30, 2022 and 2023

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	13,572	9,117
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	46	(1,149)
Share of other comprehensive income of investments accounted for using the equity method	4	14
Total	51	(1,134)
Items that may be reclassified subsequently to profit or loss		
Differences on translation of foreign operations	(3,171)	1,483
Exchange differences on translation of foreign operations	197	91
Total	(2,973)	1,575
Other comprehensive income	(2,922)	441
Comprehensive income	10,650	9,558
Comprehensive income attributable to:		
Owners of the parent	10,182	9,257
Non-controlling interests	468	301
Comprehensive income	10,650	9,558

Consolidated Statement of Comprehensive Income
 For the three months ended September 30, 2022 and 2023

(Millions of yen)

	Three months ended September 30, 2022	Three months ended September 30, 2023
Profit	10,027	5,061
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	8	31
Share of other comprehensive income of investments accounted for using the equity method	4	7
Total	12	38
Items that may be reclassified subsequently to profit or loss		
Differences on translation of foreign operations	(9,039)	420
Exchange differences on translation of foreign operations	124	69
Total	(8,914)	489
Other comprehensive income	(8,901)	528
Comprehensive income	1,126	5,590
Comprehensive income attributable to:		
Owners of the parent	764	5,360
Non-controlling interests	361	229
Comprehensive income	1,126	5,590

(3) Consolidated Statements of Changes in Equity

(From April 1, 2022 to September 30, 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	—	—	13,100	—	—	13,100	472	13,572
Other comprehensive income	—	—	—	—	(2,918)	(2,918)	(3)	(2,922)
Total comprehensive income	—	—	13,100	—	(2,918)	10,182	468	10,650
Disposal of treasury shares	—	4	—	0	—	5	—	5
Cash dividend paid	—	—	(4,436)	—	—	(4,436)	(49)	(4,485)
Share-based payment transactions	—	135	—	—	56	192	—	192
Other	—	(0)	(7)	—	5	(2)	(0)	(3)
Total transactions with owners of the parent	—	139	(4,444)	0	61	(4,241)	(50)	(4,291)
Balance at September 30, 2022	2,667	139	50,227	(56)	7,448	60,425	1,076	61,501

(From April 1, 2023 to September 30, 2023)

(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, 2023	2,667	271	58,141	(56)	7,592	68,615	1,203	69,819
Profit	—	—	8,827	—	—	8,827	290	9,117
Other comprehensive income	—	—	—	—	430	430	11	441
Total comprehensive income	—	—	8,827	—	430	9,257	301	9,558
Disposal of treasury shares	—	15	—	4	(19)	0	—	0
Cash dividend paid	—	—	(5,044)	—	—	(5,044)	(60)	(5,105)
Share-based payment transactions	—	139	—	—	133	272	—	272
Other	—	—	(4)	—	8	3	(1)	2
Total transactions with owners of the parent	—	155	(5,049)	4	121	(4,767)	(62)	(4,829)
Balance at September 30, 2023	2,667	426	61,919	(51)	8,144	73,105	1,442	74,548

(4) Consolidated Cash Flow Statements

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from operating activities		
Profit before tax	12,910	13,044
Profit before tax from discontinued operations	10,191	—
Depreciation and amortization	3,332	2,811
Finance income and finance costs	(539)	(506)
Share of loss (profit) of investments accounted for using equity method	(855)	(602)
Loss (gain) on sale of fixed assets	(1,890)	(921)
Gain on sale of investments in subsidiaries and associates	(12,223)	—
Decrease (increase) in inventories	(622)	(223)
Decrease (increase) in trade and other receivables	(13,120)	3,776
Increase (decrease) in trade and other payables	4,042	(190)
Other	1,290	421
Subtotal	2,515	17,608
Interest and dividends received	451	616
Interest paid	(308)	(437)
Income taxes paid	(651)	(5,873)
Cash flows from operating activities	2,006	11,914
Cash flows from investing activities		
Purchase of property, plant and equipment	(905)	(942)
Proceeds from sale of property, plant and equipment	2,150	46
Purchase of intangible assets	(1,191)	(776)
Purchase of investment property	(2,578)	(3,968)
Proceeds from sale of investment property	3,610	3,139
Purchase of property, plant and equipment	(39)	(50)
Proceeds from sale of property, plant and equipment	18	176
Payments for loans receivable	(6,753)	(2,809)
Collection of loans receivable	9,591	33
Proceeds from sale of subsidiaries	6,932	—
Other	(333)	(79)
Cash flows from investing activities	10,500	(5,229)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	9,844	695
Proceeds from long-term borrowings	1,322	1,412
Repayments of long-term borrowings	(13,890)	(6,146)
Redemption of bonds	(55)	(181)
Proceeds from sale of treasury shares	5	0
Dividends paid	(4,434)	(5,041)
Dividends paid to non-controlling interests	(49)	(60)
Other	(1,499)	(1,201)
Cash flows from financing activities	(8,757)	(10,522)
Effect of exchange rate changes on cash and cash equivalents	1,941	586
Net increase (decrease) in cash and cash equivalents	5,690	(3,249)
Cash and cash equivalents at the beginning of the period	44,439	43,695
Cash and cash equivalents at the end of the period	50,130	40,445

(5) 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 Property Management Business and Tourism 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 business, 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.

For the six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)

(Millions of yen)

	Business segment			
	Relocation Business	Fringe benefit Business	Tourism Business	Subtotal
Revenue				
Revenue from external customers	41,917	10,725	5,935	58,577
Intersegment revenue	103	131	24	259
Total	42,021	10,856	5,960	58,837
Segment profit(loss)	7,863	4,742	1,553	14,159

	Other (Note 1)	Total	Adjustments (Note 2)	Consolidated Statement of Profit or Loss
Revenue				
Revenue from external customers	496	59,074	—	59,074
Intersegment revenue	82	341	(341)	—
Total	578	59,416	(341)	59,074
Segment profit(loss)	(81)	14,078	(1,670)	12,408

(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 six months ended September 30, 2023 (From April 1, 2023 to September 30, 2023)

(Millions of yen)

	Business segment			
	Relocation Business	Fringe benefit Business	Tourism Business	Subtotal
Revenue				
Revenue from external customers	43,756	12,214	6,717	62,688
Intersegment revenue	92	170	33	297
Total	43,849	12,385	6,751	62,985
Segment profit(loss)	7,727	5,530	1,177	14,435

	Other (Note 1)	Total	Adjustments (Note 2)	Consolidated Statement of Profit or Loss
Revenue				
Revenue from external customers	500	63,189	—	63,189
Intersegment revenue	94	392	(392)	—
Total	595	63,581	(392)	63,189
Segment profit(loss)	(116)	14,319	(1,793)	12,525

- (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)

Six months ended September 30, 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	62,330
Accounts receivable	(24,335)
Preferred shares of SIRVA Holdings, Inc. acquired in exchange (Note)	(24,449)
Cash and cash equivalents of subsidiaries over which control was lost	(6,532)
Payments for sale of subsidiaries	6,932

(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

Six months ended September 30, 2023

Not applicable

(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.

In the previous fiscal year, 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.

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

	(Millions of yen)	
	Six months ended September 30, 2022	Six months ended September 30, 2023
Revenue	30,777	—
Expenses	20,586	—
Profit before tax from discontinued operations	10,191	—
Income taxes	5,332	—
Profit from discontinued operations	4,859	—

(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 second six months ended september 30, 2022.

Cash flows related to discontinued operations are as shown below.

	(Millions of yen)	
	Six months ended September 30, 2022	Six months ended September 30, 2023
Net cash provided by (used in) operating activities	(13,685)	—
Net cash provided by (used in) investing activities	6,220	—
Net cash provided by (used in) financing activities	6,969	—
Total	(495)	—

(Note) Cash flows from investing activities for the second six months ended September 30, 2022 include proceed of 6,932 million yen from sale of subsidiaries.