

Note: This is an English translation of the 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 Fiscal Year Ended March 31, 2022 (IFRS)

May 12, 2022

Company name	Asteria Corporation		Tokyo Stock Exchange
Code number	3853	URL	https://www.asteria.com/
Representative	Yoichiro Hirano	President & CEO	
Contact person	Yasuhisa Saitoh	VP, Corporate Affairs	Phone: 81-3-5718-1655
Scheduled date of general meeting of shareholders	June 25, 2022	Scheduled date of payment of cash dividends	June 10, 2022
Filing date of financial statements	June 27, 2022		
Supplemental materials prepared for financial results	Yes		
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 Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(1) Consolidated Financial Results

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

	Revenue		Operating income		Income before income tax		Net income		Net income attributable to owners of the parent		Comprehensive net income	
Fiscal Year Ended March 31, 2022	2,968	10.4%	3,445	320.3%	3,984	288.5%	2,869	247.4%	2,510	210.9%	3,288	249.3%
Fiscal Year Ended March 31, 2021	2,688	0.4%	820	—	1,026	—	826	—	807	—	941	—

	Basic earnings per share	Diluted earnings per share	Ratio of net income attributable to owners of parent	Ratio of income before income tax to total assets	Ratio of operating income to revenue
Fiscal Year Ended	Yen	Yen	%	%	%
March 31, 2022	152.43	152.43	36.1	38.9	116.1
March 31, 2021	49.02	49.02	15.7	12.8	30.5

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

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent	Equity attributable to owners of the parent per share
Fiscal Year Ended	Millions of Yen	Millions of Yen	Millions of Yen	%	Yen
March 31, 2022	12,595	8,981	8,357	66.3	497.64
March 31, 2021	7,907	5,721	5,544	70.1	330.25

(3) Consolidated Cash Flows

(Millions of yen)

	Cash flow from operating activities	Cash flow from investment activities	Cash flow from financial activities	Cash and cash equivalents at end of period
Fiscal Year Ended March 31, 2022	58	-499	-225	1,816
Fiscal Year Ended March 31, 2021	776	-599	-358	2,451

2. Cash Dividends

	Annual cash dividends					Total amount of dividends	Consolidated dividend payout ratio	Consolidated ratio of dividends to equity attributable to owners of the parent
	End-Q1	End-Q2	End-Q3	Year-end	Total			
Fiscal Year Ended March 31, 2021	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
March 31, 2021	—	0.00	—	4.50	4.50	76	9.2	1.5
Fiscal Year Ended March 31, 2022	—	0.00	—	4.50	4.50	76	3.0	1.1
Fiscal Year Ending March 31, 2023 (Forecast)	—	0.00	—	—	—	—	—	—

3. Forecast of Consolidated Results for Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

Forecasts of consolidated financial results for the full fiscal year ending in March 2023 are not provided herein because the company has determined that it is not possible to calculate reasonable financial forecasts at this time. The reasons for this are described in "1. Qualitative Information (4) Outlook for consolidated business results, etc " on page 4 of the attached document.

* Notes

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

Newly included: – company (name) –, Excluded: – company (name) –

(2) Changes in accounting policies, changes in accounting estimation

a) Changes in accounting policies due to IFRS requirements: None

b) Changes in accounting policies other than a) above: Yes

c) Changes in accounting estimation: Yes

(3) Number of issued shares (Common Stock)

a) Total number of issued shares at the end of the period (including treasury stock)	Fiscal Year Ended March 31, 2022	17,491,265 shares	Fiscal Year Ended March 31, 2021	17,491,265 shares
b) Number of shares of treasury stock at the end of the period	Fiscal Year Ended March 31, 2022	699,092 shares	Fiscal Year Ended March 31, 2021	704,611 shares
c) Average number of shares during the period	Fiscal Year Ended March 31, 2022	16,469,359 shares	Fiscal Year Ended March 31, 2021	16,470,174 shares

* These consolidated financial results are not subject to audit.

* 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, (4) 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 6.00pm (JST) on Thursday May 12, 2022. 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.

○ Index of attached materials

1. Qualitative information for business results	2
(1) Explanation of business results	2
(2) Explanation of financial position	3
(3) Explanation of cash flows.....	4
(4) Outlook for consolidated business results, etc.	4
2. Basic rationale for selection of accounting standards	5
3. Outline of consolidated financial statements and main notes	6
(1) Outline of Consolidated Statement of Financial Position	6
(2) Outline of Consolidated Statement of Profit or Loss	8
(3) Outline of Consolidated Statement of Comprehensive Income.....	9
(4) Outline of Consolidated Statement of Changes in Equity	10
(5) Outline of Consolidated Statement of Cash Flows	12
(6) Main notes to outline of consolidated financial statements	13
4. Others	17

1. Qualitative information for business results

(1) Explanation of business results

The consolidated results for the fiscal year ended March 31, 2022 (April 1, 2021-March 31, 2022, hereinafter FY2021) saw year-over-year (hereinafter YoY) increase in revenue and the highest levels of income (320.3% increase in operating income, 288.5% increase in income before income tax, 210.9% increase in net income attributable to owners of the parent.) since listing despite the global impact of the COVID-19 pandemic.

The increase in consolidated revenue was due to the growth of the Software business (The main product being ASTERIA Warp), while the revenue of the Design business decreased as the COVID-19 pandemic lingers on in the West, especially the United States and the United Kingdom, where it operates.

The increase in consolidated net income was due to income from the Investment business while selling, general and administrative expenses increased in the Software business due to the expansion of hiring and marketing activities in line with the Mid-term Management Plan "STAR" and an impairment loss on goodwill related to This Place Limited (hereinafter This Place) was recognized.

<<Group business initiatives>>

The Group continues to proactively implement measures to prevent the spread of COVID-19. At all our offices, we continue company-wide teleworking in line with conditions in each operating region and promote diverse workstyles to ensure both the smooth running of the business and the safety of our employees.

In addition, we have moved all of our events and seminars for our products and services online to prevent the spread of the virus at client companies, while implementing initiatives for individual products and services to support these companies in cloud migration, automation, and remotization.

Consolidated results for FY2021 were as follows.

(Millions of yen)

	FY2020	FY2021	YoY growth
Revenue	2,688.4	2,967.6	10.4%
Operating income	819.8	3,445.3	320.3%
Income before income tax	1,025.6	3,984.4	288.5%
Net income attributable to owners of the parent	807.3	2,510.4	210.9%

<<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" and the "Investment Business segment". The "Software Business segment" is made up of the corporate software product businesses the Group has been developing since its establishment as well as the design services business provided by This Place, which was acquired in 2017.

The "Investment Business segment" is focused on corporate investments via Asteria Vision Fund (AVF) -1, which was launched in 2019.

<<Software Business>>

Software Business segment consists of two businesses, and the revenues of each were as follows:

	(Millions of yen)		
	FY2020	FY2021	YoY growth
Revenue	2,160.6	2,531.9	17.2%

Revenue of the "ASTERIA Warp" product series were strong as a result of active digital transformation (DX) initiatives in a wide range of industries, as well as the continued expansion of new data coordination needs in line with the introduction of the revised electronic books preservation act. Notably, sales of its licensed version, our flagship product, increased by over 40% YoY, leading overall the software business.

Revenue of AI equipped IoT integration edgware "Gravio" nearly doubled as it accommodated the needs for "automation" and "remotization" in office spaces, medical institutions, and the food service industry, and captured new business opportunities through collaboration with sales partners.

Mobile app building tool "Platio" is receiving strong inquiries from a wide range of industries, including the tourism industry and chain stores as a result of various promotional activities which touted the product as a no-code apps building tool that helps promote on-site digital transformation (DX) and in-house production of various apps.

The group launched the new product "Handbook X" at the end of February 2022. It is equipped with abundant functions to support business negotiations and supports various work styles such as side jobs and freelance work.

<Design>

	(Millions of yen)		
	FY2020	FY2021	YoY growth
Revenue	527.8	435.7	-17.5%

Due to the COVID19 pandemic, project orders from client companies have been decreasing. Although we were able to win additional orders from some existing customers and reinforced our efforts to acquire new customers, sales decreased compared to the previous year.

<<Investment Business>>

The Investment Business segment focuses on corporate investments via AVF-1 (in the U.S.), which was established in 2019. AVF-1 invests based on a "4D strategy" (Data, Device, Decentralized, Design), and the results of its operations on investment valuation change is booked in accordance with IFRS.

	(Millions of yen)		
	FY2020	FY2021	YoY growth
Investment valuation change	247.2	4,014.5	1,523.9

During FY2021, Gorilla Technology (Taiwan), an AVF-1 investee, filed an application with the U.S. Securities and Exchange Commission (SEC) to be listed on the NASDAQ. The company has announced that it plans to go public from April to June 2022. Based on the business plan the company has announced for its listing, the group conducted a fair value evaluation using the DCF method and recorded an increase in valuation. The group also recorded a full write-down for Imagine Intelligent Material (Australia) and increases in valuation for JPYC (Japan) and Workspot (U.S.). In the fourth quarter, AVF-1 invested in Space X (U.S.) and one other company.

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

(2) Explanation of financial position

(Assets)

Total assets as of the end of FY2021 were ¥12,594.7 million, up ¥4,687.3 million from the end of FY2020. This owed mainly to increase of Yen 4,837.5mn in other financial assets.

(Liabilities)

Total liabilities as of the end of FY2021 were ¥3,613.4 million, up ¥1,427.2 million from the end of FY2020. This owed mainly to increase of ¥1,139.3 million in deferred tax liabilities and ¥347.9 million in trade and other payables.

(Equity)

Equity as of the end of FY2021 was ¥8,981.4 million, up ¥3,260.1 million from the end of FY2020. This owed mainly to increases of ¥397.2 million in other equity components, ¥2,416.4 million in retained earnings and ¥447.3 million in non-controlling interests.

(3) Explanation of cash flows

The balance of cash and cash equivalents (hereafter “cash”) as of the end of FY2021 was ¥1,816.1 million, down ¥635.3 million from the end of FY2020.

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 for the FY2021, was ¥58.0 million, compared to a cash inflow of ¥776.0 million in the FY2020. This owed mainly to the recording of ¥3,984.4 million in income before income tax and increase of ¥204.2 million in trade and other payables against the recording of ¥4,057.7 million in other income.

(Cash flow from investment activities)

Net cash used in investment activities for the FY2021, was ¥498.7 million, compared to a cash outflow of ¥598.7 million in the FY2020. This owed mainly to ¥333.4 million used for payments for loan receivables and ¥550.8 million used for payments for investment purchases against ¥400.1 million provided from redemption of investment.

(Cash flow from financial activities)

Net cash used in financial activities for the FY2021, was ¥225.0 million, compared to a cash outflow of ¥357.7 million in the FY2020. This owed mainly to ¥142.8 million used for the repayment of long-term debt and ¥75.3 million used for the payment of dividends.

(4) Outlook for consolidated business results, etc.

As above, Gorilla Technology (Taiwan), an AVF-1 investee, plans to be listed on the NASDAQ from April to June 2022. After the listing, the shares of the company held by our group will be valued based on the stock price at the end of each quarter in the market, and any increase or decrease in the value of the shares will affect our group's business results. At this time, the group does not provide forecasts of consolidated results as there are numerous uncertainties including the stock prices.

* Note on forward-looking statements

In the event of a significant change, the Company will make timely disclosure.

2. Basic rationale for selection of accounting standards

The Group's business involves the supply of mainstay products such as ASTERIA Warp and Handbook in line with its vision of "developing and supplying software on a global scale to enable computing that transcends organizational boundaries." With the Group vision requiring activities on a "global scale", we strive to be compliant with global accounting standards with a view to improving international comparability and increasing convenience for our stakeholders. To that end, we implemented International Financial Reporting Standards (IFRS) beginning with our securities filings for fiscal year ending March 31, 2016.

3. Outline of consolidated financial statements and main notes

(1) Outline of Statement of Financial Position

(Thousands of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and cash equivalents	2,451,427	1,816,106
Trade and other receivables	256,185	391,602
Inventories	—	4,211
Other financial assets	—	375,804
Other current assets	79,766	234,898
Total current assets	<u>2,787,378</u>	<u>2,822,621</u>
Non-current assets		
Property, plant and equipment	180,934	503,157
Goodwill	1,014,556	449,860
Intangible assets	69,088	94,117
Investments accounted for using the equity method	332,498	352,009
Other financial assets	3,380,190	8,217,730
Other non-current assets	142,800	155,224
Total non-current assets	<u>5,120,065</u>	<u>9,772,098</u>
Total assets	<u><u>7,907,443</u></u>	<u><u>12,594,718</u></u>

(Thousands of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities and Equity		
Liabilities		
Current liabilities		
Borrowings	242,800	242,800
Trade and other payables	182,417	530,308
Income taxes payable	99,305	—
Other financial liabilities	64,400	43,510
Other current liabilities	624,462	656,093
Total current liabilities	1,213,385	1,472,711
Non-current liabilities		
Provisions	16,500	9,341
Borrowings	643,000	500,200
Deferred Tax liabilities	101,370	1,240,632
Other financial liabilities	210,165	385,824
Other non-current liabilities	1,737	4,648
Total non-current liabilities	972,773	2,140,646
Total liabilities	2,186,157	3,613,357
Equity		
Common stock	2,275,343	2,275,343
Additional paid-in capital	2,452,226	2,457,037
Treasury stock	-532,437	-538,012
Other equity components	-138,219	258,934
Retained earnings	1,486,814	3,903,237
Total equity attributable to owners of parent	5,543,727	8,356,539
Non-controlling interests	177,559	624,823
Total Equity	5,721,286	8,981,362
Total liabilities and Equity	7,907,443	12,594,718

(2) Outline of Consolidated Statement of Profit or Loss

(Thousands of yen)

	FY2020 (April 1, 2020–March 31, 2021)	FY2021 (April 1, 2021–March 31, 2022)
Revenue	2,688,371	2,967,587
Cost of sales	502,104	473,513
Gross income	2,186,266	2,494,074
Selling, general and administrative expenses	1,681,730	2,496,052
Other income	315,714	4,057,696
Other expenses	493	610,463
Operating income	819,757	3,445,255
Finance income	220,413	553,121
Finance costs	13,737	11,256
Equity in earnings of affiliates (Figures in negative represent loss)	-788	-2,728
Income before income tax	1,025,645	3,984,392
Income tax expense	199,769	1,114,984
Net income	825,876	2,869,408
Attributable net income		
Net income attributable to owners of the parent	807,348	2,510,411
Attributable to non-controlling interests	18,528	358,996
Net income	825,876	2,869,408
Earnings per share		
Basic earnings per share (Yen)	49.02	152.43
Diluted earnings per share (Yen)	49.02	152.43

(3) Outline of Consolidated Statement of Comprehensive Income

(Thousands of yen)

	FY2020 (April 1, 2020–March 31, 2021)	FY2021 (April 1, 2021–March 31, 2022)
Net income	825,876	2,869,408
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets assessed by fair value from other comprehensive income	-77,856	82,367
Total items not transferrable to net income	-77,856	82,367
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	193,264	336,569
Total items transferrable to net income	193,264	336,569
Total other comprehensive income	115,408	418,936
Net comprehensive income	<u>941,284</u>	<u>3,288,344</u>
Attributable comprehensive net income		
Attributable to owners of the parent	919,443	2,888,926
Attributable to non-controlling interests	21,841	399,418
Net comprehensive income	<u>941,284</u>	<u>3,288,344</u>

(4) Outline of Consolidated Statement of Changes in Equity

Attributable to owners of the parent

	Other equity components					Total
	Capital stock	Additional paid-in capital	Treasury stock	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	
Balance as of April 1, 2020	2,275,343	2,474,701	-537,645	-70,536	-179,778	-250,314
Net income	—	—	—	—	—	—
Other comprehensive income	—	—	—	189,951	-77,856	112,095
Total net comprehensive income	—	—	—	189,951	-77,856	112,095
Treasury stock purchases	—	—	-7,303	—	—	—
Treasury stock disposals	—	-3,351	12,511	—	—	—
Dividends paid	—	—	—	—	—	—
Share-based payment transactions	—	-6,905	—	—	—	—
Transactions with non-controlling interests	—	-12,219	—	—	—	—
Change from transactions with owners	—	-22,475	5,208	—	—	—
Balance as of March 31, 2021	2,275,343	2,452,226	-532,437	119,415	-257,634	-138,219
Net income	—	—	—	—	—	—
Other comprehensive income	—	—	—	296,148	82,367	378,515
Total net comprehensive income	—	—	—	296,148	82,367	378,515
Treasury stock purchases	—	—	-4,971	—	—	—
Treasury stock disposals	—	162	-604	—	—	—
Dividends paid	—	—	—	—	—	—
Share-based payment transactions	—	4,650	—	—	—	—
Transactions with non-controlling interests	—	—	—	—	—	—
Transfer from other equity components to retained earnings	—	—	—	-643	19,281	18,639
Others	—	—	—	—	—	—
Change from transactions with owners	—	4,811	-5,575	-643	19,281	18,639
Balance as of March 31, 2022	2,275,343	2,457,037	-538,012	414,921	-155,986	258,934

	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, 2020	758,336	4,720,420	151,115	4,871,535
Net income	807,348	807,348	18,528	825,876
Other comprehensive income	—	112,095	3,313	115,408
Total net comprehensive income	807,348	919,443	21,841	941,284
Treasury stock purchases	—	-7,303	—	-7,303
Treasury stock disposals	—	9,161	—	9,161
Dividends paid	-67,166	-67,166	—	-67,166
Share-based payment transactions	—	-6,905	—	-6,905
Transactions with non-controlling interests	-11,704	-23,923	4,604	-19,319
Change from transactions with owners	-78,870	-96,137	4,604	-91,533
Balance as of March 31, 2021	1,486,814	5,543,727	177,559	5,721,286
Net income	2,510,411	2,510,411	358,996	2,869,408
Other comprehensive income	—	378,515	40,422	418,936
Total net comprehensive income	2,510,411	2,888,926	399,418	3,288,344
Treasury stock purchases	—	-4,971	—	-4,971
Treasury stock disposals	—	-442	—	-442
Dividends paid	-75,639	-75,639	—	-75,639
Share-based payment transactions	—	4,650	—	4,650
Transactions with non-controlling interests	—	—	47,845	47,845
Transfer from other equity components to retained earnings	-18,639	—	—	—
Others	290	290	—	290
Change from transactions with owners	-93,988	-76,113	47,845	-28,268
Balance as of March 31, 2022	3,903,237	8,356,539	624,823	8,981,362

(5) Outline of Consolidated Statement of Cash Flows

(Thousands of yen)

	FY2020 (April 1, 2020–March 31, 2021)	FY2021 (April 1, 2021–March 31, 2022)
Cash flow from operating activities		
Income before income tax	1,025,645	3,984,392
Depreciation and amortization	196,021	161,835
Finance income	-220,413	-553,121
Finance expenses	13,737	11,256
Impairment loss (or reversal)	—	603,899
Earnings from equity in affiliates	788	2,728
Other income	-315,714	-4,057,696
Other expenses	493	6,564
Change in accounts receivable and other claims (Figures in negative represent increase)	90,604	-119,931
Change in accounts payable and other payables (Figures in negative represent decrease)	-105,722	204,222
Others	132,757	-38,223
Subtotal	818,196	205,925
Interest and dividends received	18,291	15,469
Interest paid	-5,213	-6,266
Corporate taxes paid	-55,319	-157,087
Cash flow for operating activities	775,955	58,041
Cash flow from investment activities		
Purchase of property, plant, and equipment	-18,204	-62,626
Proceeds from property, plant, and equipment sales	372	108
Purchase of intangible assets	-318	-806
Payments for loan receivables	—	-333,390
Payments for investment purchases	-568,990	-550,830
Proceeds from sales of shares of affiliated company	—	33,667
Proceeds from redemption of investment	—	400,063
Others	-11,605	15,122
Cash flow from investment activities	-598,745	-498,690
Cash flow from financial activities		
Repayment of long-term borrowings	-142,800	-142,800
Dividends paid	-66,914	-75,332
Income from incorporation of non-controlling interests	10,918	45,377
Payments for purchase of equity in subsidiaries from non-controlling interests	-22,029	—
Repayment of lease liabilities	-136,916	-52,213
Cash flow from financial activities	-357,740	-224,968
Net change in cash and cash equivalents (Figures in negative represent decrease)	-180,530	-665,617
Cash and cash equivalents at beginning of period	2,477,322	2,451,427
Effect of exchange rate changes on cash and cash equivalents	154,636	30,295
Cash and cash equivalents at end of period	2,451,427	1,816,106

(6) Main notes to outline of consolidated financial statements
(Going concern assumption)
No matters to report.

(Change in accounting policies)

The Group applied the following standard from FY2021.

IFRS	Summary of addition or change
IFRS 16	Leases
	Change in account policies for COVID-19-related rent concessions

This change permits the selection of simplified accounting procedures related to rent concessions provided to lessees as a direct result of the COVID-19 pandemic.

The Group has begun applying this change for rent concessions which meeting the conditions outlined above. The impact of the application of this practical expedient is limited.

(Changes in accounting estimation)

During Q1 FY2021, the Group decided to cancel contracts for some of the offices it leases to reduce office space as it transitions to work styles based around remote work shift patterns.

Owing to changes in the evaluation of future lease fees and the execution of cancellation options resulting from notification of contract cancellations, the Group reassessed its lease liabilities. As a result, there were decreases of ¥58.0 million in lease liabilities and ¥33.9 million in right-of-use assets, and an increase of ¥24.1 million in both operating income and income before income tax.

(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.

The "Software Business segment" is made up of the corporate software product businesses the Group has been developing since its establishment as well as the design services business provided by This Place, which was acquired in 2017. The "Investment Business segment" is focused on corporate investments via AVF-1, which was launched in 2019.

(2) Information on revenue, profits and losses, and assets by reportable segment

FY2020 (April 1, 2020–March 31, 2021)

	Reportable segment			Adjustments* ¹	Consolidated
	Software business	Investment business	Total		
	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)		
Revenue					
Revenue to external customers	2,688,371	-	2,688,371	-	2,688,371
Inter-segment transactions	64	25,467	25,531	-25,531	-
Total	<u>2,688,434</u>	<u>25,467</u>	<u>2,713,901</u>	<u>-25,531</u>	<u>2,688,371</u>
Segment profit * ²	<u>524,485</u>	<u>226,906</u>	<u>751,391</u>	<u>356</u>	<u>751,747</u>
Other income and expenses * ²					68,010
Finance income					220,413
Finance expenses					13,737
Equity in earnings of affiliates (Figures in negative represent loss)					-788
Income before income tax					<u>1,025,645</u>
Other items					
Depreciation and amortization expenses	195,794	226	196,021	-	196,021

(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.

FY2020 (April 1, 2020-March 31, 2021)

	Reportable segment			Adjustments* ¹	Consolidated
	Software business	Investment business	Total		
	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)		
Revenue					
Sales to external customers	2,967,587	-	2,967,587	-	2,967,587
Inter-segment transactions	67	26,980	27,048	-27,048	-
Total	<u>2,967,654</u>	<u>26,980</u>	<u>2,994,634</u>	<u>-27,048</u>	<u>2,967,587</u>
Segment profit (Figures in negative represent loss) * ²	<u>42,784</u>	<u>3,969,655</u>	<u>4,016,101</u>	<u>125</u>	<u>4,012,564</u>
Other income and expenses					-567,310
Finance income					553,121
Finance expenses					11,256
Equity in earnings of affiliates					-2,728
Income before income tax income					<u>3,984,392</u>
Other items					
Depreciation and amortization expenses	161,478	356	161,835	-	161,835
Impairment losses	603,899	-	603,899	-	603,899

(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.

(Earnings per share)

	FY2020 (April 1, 2020-March 31, 2021)	FY2021 (April 1, 2021-March 31, 2022)
Net income attributable to owners of common stock in the parent (Figures in negative represent loss) (Thousands of yen)	807,348	2,510,411
Adjusted net income		
Net income used in the calculation of diluted net income per share (Figures in negative represent loss) (Thousands of yen)	807,348	2,510,411
Average number of shares of common stock during the fiscal year	16,470,174	16,469,359
Rise in the number of shares of common stock (Impact on dilution effect: earnout)	—	—
New share options	—	—
Average number of shares of common stock during the fiscal year after dilution	16,470,174	16,469,359
Basic earnings per share (Figures in negative represent loss) (Yen)	49.02	152.43
Diluted earnings per share (Figures in negative represent loss) (Yen)	49.02	152.43

(Subsequent events)

None

4. Others

(1) Change in directors

None

(2) Other matters

None