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In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Consolidated Financial Results for the First Three Months of the Fiscal Year Ending October 31, 2023 (Under IFRS)

March 17, 2023

Company name: ASIRO Inc.
Securities code: 7378
Representative: Hiroto Nakayama, Representative Director and President
Contact: Satoshi Kawamura, Director and CFO
Tel: +81-3-6279-4581
Planned date of quarterly report submission:
Planned start date for payment of dividends:
Preparation of supplemental explanatory material for quarterly results:
Holding of briefing for quarterly results:

Listing: Tokyo Stock Exchange
URL: <https://asiro.co.jp/>

March 17, 2023

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Yes

Yes

(Amounts are rounded to the nearest million yen)

1. Consolidated Financial Results of the First Three Months of the Fiscal Year Ending October 31, 2023 (November 1, 2022 to January 31, 2023)

(1) Consolidated Operating Results

(Percentage figures represent year-on-year changes)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended January 31, 2023	687	41.5	79	(44.7)	77	(45.8)	37	(62.1)	45	(54.3)	37	(66.4)
Three months ended January 31, 2022	485	38.6	143	65.9	142	69.4	97	88.0	97	88.0	110	111.5

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended January 31, 2023	5.90	5.86
Three months ended January 31, 2022	14.34	12.82

(Reference) EBITDA:

Three months ended January 31, 2023 112 million yen (down 28.7%)
Three months ended January 31, 2022 157 million yen (up 58.7%)

Adjusted EBITDA:

Three months ended January 31, 2023 91 million yen (down 38.7%)
Three months ended January 31, 2022 148 million yen (up 56.6%)

(Note) EBITDA and adjusted EBITDA are disclosed as useful comparative information on the Company's performance. Please see "1. Qualitative Information on Operating Result (3) Explanation of Cash Flows (Reference Information)" on page 4 of the attached materials for information on the definitions and calculation methods of each indicator.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent
	Millions of yen	Millions of yen	Millions of yen	%
As of January 31, 2023	3,552	2,384	2,356	66.3
As of October 31, 2022	4,001	2,647	2,611	65.3

2. Dividend Status

	Annual dividends per share				
	1Q-end	2Q-end	3Q-end	4Q-end	Total
Fiscal year ended October 31, 2022	yen —	yen 0.00	yen —	yen 12.45	yen 12.45
Fiscal year ending October 31, 2023	—				
Fiscal year ending October 31, 2023 (forecast)		0.00	—	13.61	13.61

Note: Revisions to most recently announced dividend forecast: No

3. Consolidated Earnings Forecasts of the Fiscal Year Ending October 31, 2023 (November 1, 2022 to October 31, 2023)

(Percentage figures represent year-on-year changes)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	
Full year	2,861	29.9	80	(83.5)	75	(84.2)	7	(97.9)	33	(90.5)	Yen 4.29

Note: Revisions to most recently announced earnings forecasts: No

* Notes

- (1) Changes in significant subsidiaries during the period
(Changes in specified subsidiaries resulting in changes in scope of consolidation): No
Newly added: - companies
Excluded: - companies
- (2) Changes in accounting policies and changes in accounting estimates
 - (i) Changes in accounting policies required by IFRS: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
- (3) Number of shares issued (common stock)
 - (i) Number of shares issued at the end of the period (including treasury stock)

As of January 31, 2023	7,768,768 shares
As of October 31, 2022	7,768,768 shares
 - (ii) Number of treasury stock at the end of the period

As of January 31, 2023	448,729 shares
As of October 31, 2022	135,629 shares
 - (iii) Average number of shares during the period

Three months ended January 31, 2023	7,554,606 shares
Three months ended January 31, 2022	6,798,953 shares

* This report is exempt from the quarterly review by certified public accountants or auditing firms.

* Explanation on appropriate use of results forecasts and other notes

The results forecasts and other forward-looking statements shown in these materials are based on information obtained by the Company at present, and certain assumptions deemed to be reasonable. They are not intended to be a promise by the Company to achieve the results. Furthermore, actual results, etc. may vary significantly due to a variety of factors.

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1. Qualitative Information on Operating Result

(1) Explanation of Operating Results

During the three months ended January 31, 2023, the Japanese economy, although the economy progressively returned to normal due to factors such as the spread of novel coronavirus (COVID-19) vaccinations, the situation remained uncertain due to factors such as global increases in resource prices caused by Russia's invasion of Ukraine, and concerns about inflation.

Meanwhile, in the Internet advertising market surrounding the Group, advertising expenditures continued to grow consistently to 3.0912 trillion yen (up 14.3% year on year), and exceeded advertising expenditures in the four forms of mass media (aggregate of advertising expenses in the newspapers, magazines, radio and television) as in 2021. (Source: Dentsu Inc. "2022 Advertising Expenditures in Japan")

In such business conditions, the Group is conducting business centered on Legal Media & Other, and operates Legal Media primarily with attorneys as customers and Other Media for customers other than attorneys. Furthermore, in addition to Legal Media & Other, the Company operates Human Resources providing personnel referral services for professionals such as attorneys and CPAs, and administrative department personnel, and Insurance selling legal fee insurance covering part of the expense of hiring attorneys.

In Legal Media that accounts for a large portion of revenue, as a result of promoting new business development by strengthening sales activities along with customer success activities providing customer support after signing contracts, and focusing on lowering the churn rate and receiving additional orders from existing customers, the number of advertising slots posted (Note 1) in January 2023 was 2,094 (up 29.2% year on year), and the number of advertising customers (Note 2) was 830 (up 32.4% year on year), with business growing steadily.

(Note 1) The number of advertising slots posted is the total number, and multiple slots are counted in cases where the same customer has multiple advertising slots.

(Note 2) The number of advertising customers is the actual number of customers with advertising slots.

Furthermore, in Other Media, there was an increase in business in the "Carism" career change media based on factors such as heightened recruiting motivation of companies aimed at normalization of the economy, and the number of inquiries during the three months ended January 31, 2023 increased significantly to 9,503 (up 21.1% year on year).

Consequently, the results for the three months ended January 31, 2023 under IFRS were as follows. Revenue was 686,520 thousand yen (up 41.5% year on year), operating profit was 79,261 thousand yen (down 44.7% year on year), profit before tax was 77,107 thousand yen (down 45.8% year on year), profit was 36,955 thousand yen (down 62.1% year on year) and profit attributable to owners of parent was 44,556 thousand yen (down 54.3% year on year).

The Company has established a Medium-term Management Plan with the main targets of 5.5 billion yen in revenue and 1.1 billion yen in operating profit for the fiscal year ending October 31, 2025, and due to this fiscal year being positioned as a "growth investment period" for actively increasing investment for medium- to long-term growth as a measure for implementing this, profit has decreased year on year in each phase of profit.

Operating results by segment were as follows. In addition, revenues are after elimination of intersegment transactions.

The Group has differentiated new business, etc. with little significance at present as a business segment not included in reportable segments and discloses it as "Other" from the fiscal year ended October 31, 2022 to assess and manage performance of each reportable segment more appropriately. With this change, the segment information for the three months ended January 31, 2022 has also been reclassified.

Furthermore, from the fiscal year ended October 31, 2022, the name of the reportable segment previously called "Legal Human Resources" has been changed to "Human Resources" to more appropriately represent the content of business due to full-scale operation of personnel referrals other than attorneys, such as certified public accountants and tax accountants leading to the actual occurrence of recruitment outside the legal area. Along with this change, the segment information for the three months ended January 31, 2022 is also indicated for the changed segment name.

[Legal Media & Other]

In addition to advertising revenue increasing due to increases in advertising slots posted and advertising customers in Legal Media, and due to the increase in inquiries in the “Carism” career change business in Other Media as mentioned above, revenue was 640,967 thousand yen (up 39.7% year on year) and segment profit was 227,193 thousand yen (up 6.0% year on year).

Legal Media revenue was 435,015 thousand yen (up 31.4% year on year) and operating profit was 175,831 thousand yen (up 17.6% year on year). Other Media revenue was 205,952 thousand yen (up 61.3% year on year) and operating profit was 51,362 thousand yen (down 20.7% year on year).

[Human Resources]

There was a steady increase in registrants and contracts in personnel referral services, resulting in revenue of 30,137 thousand yen (up 14.3% year on year), and segment loss of 24,443 thousand yen (profit of 11,130 thousand yen in the previous fiscal year).

[Insurance]

The Group operates the small-amount insurance business under ASIRO SSI, Inc. (hereinafter “ASIRO SSI”; name changed from Kailash Small Amount and Short Term Insurance on September 1, 2022) that became a consolidated subsidiary due to the additional acquisition of shares on April 28, 2022 and began consolidation of income statements from the third quarter of the 7th period. Revenue was 15,157 thousand yen, and segment loss was 32,620 thousand yen.

[Other]

New businesses, etc. that currently lack significance as a business segment not included in reportable segments are classified and disclosed as “Other.” Revenue was 259 thousand yen, and segment profit was 260 thousand yen.

(2) Explanation of Financial Position

(i) Assets

Current assets as of January 31, 2023 were 1,806,900 thousand yen, a decrease of 396,538 thousand yen compared to October 31, 2022. This was mainly due to a decrease of 567,511 thousand yen in cash and cash equivalents, which was partially offset by increases of 93,214 thousand yen in other current assets and 77,759 thousand yen in trade and other receivables.

Non-current assets as of January 31, 2023 were 1,745,077 thousand yen, a decrease of 52,454 thousand yen compared to October 31, 2022. This was mainly due to decreases of 25,291 thousand yen in other financial assets and 21,842 thousand yen in right-of-use assets.

As a result, total assets as of January 31, 2023 were 3,551,978 thousand yen.

(ii) Liabilities

Current liabilities as of January 31, 2023 were 606,278 thousand yen, a decrease of 153,062 thousand yen compared to October 31, 2022. This was mainly due to an increase of 25,952 thousand yen in other current liabilities, and decreases of 64,728 thousand yen in income taxes payable, 55,098 thousand yen in other financial liabilities, and 53,956 thousand yen in trade and other payables.

Non-current liabilities as of January 31, 2023 were 561,432 thousand yen, a decrease of 32,837 thousand yen compared to October 31, 2022. This was mainly due to decreases of 17,203 thousand yen in lease liabilities and 15,487 thousand yen in bonds and borrowings.

As a result, total liabilities as of January 31, 2023 were 1,167,709 thousand yen.

(iii) Equity

Total equity as of January 31, 2023 was 2,384,268 thousand yen, a decrease of 263,093 thousand yen compared to October 31, 2022. This was mainly due to an increase of 205,742 thousand yen in treasury

shares as a deduction factor, due to the purchase of treasury shares, and a decrease of 50,477 thousand yen in retained earnings due to the implementation of year-end dividends.

(3) Explanation of Cash Flows

Cash and cash equivalents as of January 31, 2023 amounted to 1,308,022 thousand yen, a decrease of 567,511 thousand yen compared to October 31, 2022.

The status of cash flows and factors therein during the three months ended January 31, 2023 were as follows.

(Cash flows from operating activities)

Cash flows from operating activities for the three months ended January 31, 2023 were net outflows of 189,088 thousand yen (net inflows of 32,945 thousand yen for the three months ended January 31, 2022). This was mainly due to the increase caused by the recording of 77,107 thousand yen in profit before tax, which was partially offset by the decreases caused by 104,472 thousand yen in income taxes paid and an increase of 93,214 thousand yen in other current assets.

(Cash flows from investing activities)

Cash flows from investing activities for the three months ended January 31, 2023 were net outflows of 42,946 thousand yen (net inflows of 375 thousand yen for the three months ended January 31, 2022). This was mainly due to the decrease caused by 30,826 thousand yen in purchase of property, plant and equipment.

(Cash flows from financing activities)

Cash flows from financing activities for the three months ended January 31, 2023 were net outflows of 335,476 thousand yen (net outflows of 133,171 thousand yen for the three months ended January 31, 2022). This was mainly due to decreases caused by 207,081 thousand yen in purchase of treasury shares and 95,033 thousand yen in payment of dividends.

(Reference information)

The Group has decided to publish EBITDA and adjusted EBITDA as reference indicators on operating results for the purpose of providing useful information for investors to evaluate the Group's results and understand the pure growth of the Group's corporate value without being limited by differences in accounting standards. EBITDA excludes the impact of non-cash expense items (depreciation and amortization) etc. from operating profit. Furthermore, adjusted EBITDA excludes the impact of non-cash expense items associated with application of IFRS (share-based payment expenses, depreciation of right-of-use assets, etc.) from EBITDA.

The calculation formulae and calculation methods for EBITDA and adjusted EBITDA are as follows.

- EBITDA = Operating profit + Depreciation and amortization – Other income + Other expenses
- Adjusted EBITDA = EBITDA ± Non-cash expense items associated with application of IFRS

(Units: thousands of yen)

	Three months ended January 31, 2022 (November 1, 2021 to January 31, 2022)	Three months ended January 31, 2023 (November 1, 2022 to January 31, 2023)
Operating profit on financial statements	143,222	79,261
+ Depreciation and amortization	15,247	33,499
– Other revenue	(1,014)	(646)
+ Other expenses	—	83
Subtotal	14,233	32,937
EBITDA	157,454	112,198
+ Provision of allowance for paid leave	(152)	347
+ Share-based payment expenses	—	1,560
+ Adjustment of leasehold deposits recorded	4	39
– Adjustment of depreciation of right-of-use assets	(8,231)	(21,847)
– Adjustment of direct increase in expenses for equity transactions	(814)	(1,340)
Subtotal	(9,194)	(21,241)
Adjusted EBITDA	148,260	90,957

(Note) Figures are rounded to nearest thousand yen.

(4) Explanation of Forward-looking Information such as Consolidated Earnings Forecasts

There are no changes to the earnings forecast announced on December 15, 2022.

Although COVID-19 initially had adverse effects on Other Media such as a decrease in revenue of career change media associated with the deterioration of the jobs-to-applicants ratio, the number of career change media instances increased during the fiscal year ended October 31, 2022 due to companies having heightened hiring interest looking toward the normalization of the economy, and the business is recovering and growing.

The Group has made accounting estimates based on currently available information with the assumption that the same situation will continue going forward. There are no significant changes to the estimates made from the previous fiscal year. However, actual results may differ from these estimates due to the uncertainties involved in future trends of COVID-19.

2. Condensed Quarterly Consolidated Financial Statements and Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Units: thousands of yen)

	Fiscal year ended October 31, 2022 (as of October 31, 2022)	Three months ended January 31, 2023 (as of January 31, 2023)
Assets		
Current assets		
Cash and cash equivalents	1,875,533	1,308,022
Trade and other receivables	307,664	385,423
Other current assets	20,241	113,455
Total current assets	2,203,439	1,806,900
Non-current assets		
Property, plant and equipment	92,549	88,627
Right-of-use assets	218,524	196,682
Goodwill	1,301,990	1,301,990
Intangible assets	31,239	29,968
Other financial assets	106,213	80,922
Deferred tax assets	46,421	46,378
Other non-current assets	595	511
Total non-current assets	1,797,531	1,745,077
Total assets	4,000,970	3,551,978

(Units: thousands of yen)

	Fiscal year ended October 31, 2022 (as of October 31, 2022)	Three months ended January 31, 2023 (as of January 31, 2023)
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	231,988	178,033
Bonds and borrowings	132,382	132,607
Insurance contract liabilities	52,299	57,861
Income taxes payable	104,470	39,742
Lease liabilities	67,237	67,478
Other financial liabilities	91,452	36,354
Other current liabilities	68,252	94,203
Provisions	11,261	—
Total current liabilities	759,340	606,278
Non-current liabilities		
Bonds and borrowings	436,632	421,145
Lease liabilities	119,613	102,410
Other financial liabilities	431	291
Provisions	37,594	37,585
Total non-current liabilities	594,269	561,432
Total liabilities	1,353,609	1,167,709
Equity		
Share capital	606,349	606,349
Capital surplus	1,268,815	1,269,578
Retained earnings	830,589	780,112
Treasury shares	(99,773)	(305,515)
Other components of equity	5,069	5,033
Total equity attributable to owners of parent	2,611,048	2,355,557
Non-controlling interests	36,313	28,712
Total equity	2,647,361	2,384,268
Total liabilities and equity	4,000,970	3,551,978

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

(Units: thousands of yen)

	Three months ended January 31, 2022 (November 1, 2021 to January 31, 2022)	Three months ended January 31, 2023 (November 1, 2022 to January 31, 2023)
Revenue	485,153	686,520
Cost of sales	219,335	404,367
Gross profit	265,818	282,153
Selling, general and administrative expenses	123,611	203,455
Other revenue	1,014	646
Other expenses	—	83
Operating profit	143,222	79,261
Finance revenue	3	34
Finance expenses	1,056	2,189
Profit before tax	142,169	77,107
Income tax expense	44,700	40,152
Profit	97,469	36,955
Profit attributable to		
Owners of parent	97,469	44,556
Non-controlling interests	—	(7,601)
Net profit	97,469	36,955
Earnings per share		
Basic earnings per share (yen)	14.34	5.90
Diluted earnings per share (yen)	12.82	5.86

(Condensed Quarterly Consolidated Statement of Comprehensive Income)

	(Units: thousands of yen)	
	Three months ended January 31, 2022 (November 1, 2021 to January 31, 2022)	Three months ended January 31, 2023 (November 1, 2022 to January 31, 2023)
Profit	97,469	36,955
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of financial assets measured through other comprehensive income	12,594	—
Total of items that will not be reclassified to profit or loss	12,594	—
Items that may be reclassified to profit or loss		
Effective portion of net change in fair value of cash flow hedges	86	97
Total of items that may be reclassified to profit or loss	86	97
Total other comprehensive income	12,681	97
Comprehensive income	110,150	37,051
Comprehensive income attributable to		
Owners of parent	110,150	44,652
Non-controlling interests	—	(7,601)
Net income	110,150	37,051

(3) Condensed Quarterly Consolidated Statement of Changes in Equity
Three months ended January 31, 2022 (November 1, 2021 to January 31, 2022)

(Units: thousands of yen)

(Units: thousands of yen)

	Equity attributable to owners of parent								Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity			Total	
					Share acquisition rights	Financial assets measured at fair value through other comprehensive income	Cash flow hedges		
Balance as of November 1, 2021	542,354	1,150,477	482,835	—	62,561	(15,095)	(734)	46,732	2,222,398
Profit	—	—	97,469	—	—	—	—	—	97,469
Other comprehensive income	—	—	—	—	—	12,594	86	12,681	12,681
Total comprehensive income	—	—	97,469	—	—	12,594	86	12,681	110,150
Purchase of treasury shares	—	(565)	—	(99,773)	—	—	—	—	(100,338)
Other	—	—	—	—	(39)	—	—	(39)	(39)
Total transactions with owners	—	(565)	—	(99,773)	(39)	—	—	(39)	(100,378)
Balance as of January 31, 2022	542,354	1,149,912	580,304	(99,773)	62,522	(2,501)	(647)	59,374	2,232,171

Three months ended January 31, 2023 (November 1, 2022 to January 31, 2023)

(Units: thousands of yen)

	Equity attributable to owners of parent				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity
					Share acquisition rights
Balance as of November 1, 2022	606,349	1,268,815	830,589	(99,773)	5,368
Profit	—	—	44,556	—	—
Other comprehensive income	—	—	—	—	—
Total comprehensive income	—	—	44,556	—	—
Restricted stock compensation	—	1,560	—	—	—
Purchase of treasury shares	—	(929)	—	(205,742)	—
Dividends of surplus	—	—	(95,033)	—	—
Forfeiture of share acquisition rights	—	133	—	—	(133)
Total transactions with owners	—	763	(95,033)	(205,742)	(133)
Balance as of January 31, 2023	606,349	1,269,578	780,112	(305,515)	5,235

(Units: thousands of yen)

	Equity attributable to owners of parent				
	Other components of equity		Equity attributable to owners of parent	Non-controlling interests	Total equity
	Cash flow hedges	Total			
Balance as of November 1, 2022	(299)	5,069	2,611,048	36,313	2,647,361
Profit	—	—	44,556	(7,601)	36,955
Other comprehensive income	97	97	97	—	97
Total comprehensive income	97	97	44,652	(7,601)	37,051
Restricted stock compensation	—	—	1,560	—	1,560
Purchase of treasury shares	—	—	(206,671)	—	(206,671)
Dividends of surplus	—	—	(95,033)	—	(95,033)
Forfeiture of share acquisition rights	—	(133)	—	—	—
Total transactions with owners	—	(133)	(300,144)	—	(300,144)
Balance as of January 31, 2023	(202)	5,033	2,355,557	28,712	2,384,268

(4) Condensed Quarterly Consolidated Statements of Cash Flows

	(Units: thousands of yen)	
	Three months ended January 31, 2022 (November 1, 2021 to January 31, 2022)	Three months ended January 31, 2023 (November 1, 2022 to January 31, 2023)
Cash flows from operating activities		
Profit before tax	142,169	77,107
Depreciation and amortization	15,247	33,499
Finance revenue	(3)	(34)
Finance expenses	1,056	2,189
Decrease (increase) in trade and other receivables	(42,780)	(52,567)
Decrease (increase) in other current assets	(1,723)	(93,214)
Increase (decrease) in trade and other payables	(17,277)	(28,677)
Increase (decrease) in insurance contract liabilities	—	5,563
Increase (decrease) in other current liabilities	36,250	25,952
Increase (decrease) in other financial liabilities	(34,292)	(55,362)
Share-based payment expenses	(35)	1,560
Other	(401)	167
Subtotal	98,210	(83,816)
Interest paid	(510)	(800)
Income taxes paid	(64,755)	(104,472)
Cash flows from operating activities	32,945	(189,088)
Cash flows from investing activities		
Purchase of property, plant and equipment	(625)	(30,826)
Purchase of intangible assets	—	(995)
Payments for asset retirement obligations	—	(11,260)
Proceeds from refund of leasehold deposits and guarantee deposits	1,000	135
Cash flows from investing activities	375	(42,946)
Cash flows from financing activities		
Payment of dividends	—	(95,033)
Repayments of long-term borrowings	(25,008)	(16,234)
Repayments of lease liabilities	(7,571)	(16,966)
Purchase of treasury shares	(100,588)	(207,081)
Other	(4)	(162)
Cash flows from financing activities	(133,171)	(335,476)
Net increase (decrease) in cash and cash equivalents	(99,851)	(567,511)
Cash and cash equivalents at beginning of period	1,303,843	1,875,533
Cash and cash equivalents at end of period	1,203,992	1,308,022

(5) Notes to Condensed Quarterly Consolidated Financial Statements
(Notes on Going Concern Assumptions)
Not applicable.

(Changes in Accounting Policies)
Not applicable.

(Changes in Accounting Estimates)
Not applicable.

(Segment Information)

(1) Overview of reportable segments

The Group's business segments are the business units for which the Company is able to obtain respective financial information separately in order for the Board of Directors to conduct periodic reviews to determine the distribution of management resources and evaluate business results.

The Group operates multiple media sites and conducts Human Resources, Insurance, etc. but has consolidated business segments with generally similar elements such as services into the three reportable segments of "Legal Media & Other," "Human Resources" and "Insurance" to provide appropriate information on the content of business activities, etc.

"Legal Media & Other" operates Legal Media centered on the "Attorney Search" series and Other Media such as "Carism" career change media.

"Human Resources" is licensed by the Minister of Health, Labour and Welfare, and conducts fee-charging employment placement businesses pursuant to the Employment Security Act.

In "Insurance," the Group performs the sale, etc. of legal fee insurance.

(2) Changes in reportable segments

The Group has differentiated new business, etc. with little significance at present as a business segment not included in reportable segments and discloses it as "Other" from the fiscal year ended October 31, 2022 to assess and manage performance of each reportable segment more appropriately. With this change, the segment information for the three months ended January 31, 2022 has also been reclassified.

Furthermore, from the fiscal year ended October 31, 2022, the name of the reportable segment previously called "Legal Human Resources" has been changed to "Human Resources" to more appropriately represent the content of business due to full-scale operation of personnel referrals other than attorneys, such as certified public accountants and tax accountants leading to the actual occurrence of recruitment outside the legal area. Along with this change, the segment information for the three months ended January 31, 2022 is also indicated for the changed segment name.

(3) Information on reportable segments

The revenue and business results of the Group's reportable segments are as follows. Profit of reportable segments is shown as figures based on operating profit.

Three months ended January 31, 2022 (November 1, 2021 to January 31, 2022)

(Units: thousands of yen)

	Reportable segments			Other (Note 1)	Total	Adjustments (Note 2)	Consolidated
	Legal Media & Other	Human Resources	Total				
Revenue							
Revenue from external customers	458,786	26,367	485,153	—	485,153	—	485,153
Intersegment revenue	—	—	—	—	—	—	—
Total	458,786	26,367	485,153	—	485,153	—	485,153
Segment profit (loss)	214,293	11,130	225,423	(7,899)	217,525	(74,303)	143,222
Finance revenue	—	—	—	—	—	—	3
Finance expenses	—	—	—	—	—	—	1,056
Profit before tax	—	—	—	—	—	—	142,169

(Note) 1. The "Other" category is made up of business segments not included in reportable segments, such as new businesses with little significance at present.

2. The adjustments of segment profit are primarily corporate expenses not allocated to each reportable segment.

Three months ended January 31, 2023 (November 1, 2022 to January 31, 2023)

(Units: thousands of yen)

	Reportable segments				Other (Note 1)	Total	Adjustments (Note 2)	Consolidated
	Legal Media & Other	Human Resources	Insurance	Total				
Revenue								
Revenue from external customers	640,967	30,137	15,157	686,261	259	686,520	—	686,520
Intersegment revenue	950	—	—	950	—	950	(950)	—
Total	641,917	30,137	15,157	687,211	259	687,471	(950)	686,520
Segment profit (loss)	227,193	(24,443)	(32,620)	170,130	260	170,389	(91,128)	79,261
Finance revenue	—	—	—	—	—	—	—	34
Finance expenses	—	—	—	—	—	—	—	2,189
Profit before tax	—	—	—	—	—	—	—	77,107

(Note) 1. The "Other" category is made up of business segments not included in reportable segments, such as new businesses with little significance at present.

2. The adjustments of segment profit are primarily corporate expenses not allocated to each reportable segment.

(Per Share Information)

	Three months ended January 31, 2022 (November 1, 2021 to January 31, 2022)	Three months ended January 31, 2023 (November 1, 2022 to January 31, 2023)
Profit attributable to owners of parent (thousand yen)	97,469	44,556
Profit not attributable to common shareholders to owners of parent (thousand yen)	—	—
Profit used for calculation of basic earnings per share (thousand yen)	97,469	44,556
Adjustment of quarterly profit on dilution (thousand yen)	—	—
Profit used for calculation of diluted earnings per share (thousand yen)	97,469	44,556
Weighted average number of common stock (shares)	6,798,953	7,554,606
Increase in the number of common stock due to stock acquisition rights (shares)	801,172	51,233
Diluted weighted-average number of common stock (shares)	7,600,126	7,605,840
Basic earnings per share (yen)	14.34	5.90
Diluted earnings per share (yen)	12.82	5.86

(Significant Events after Reporting Period)

(Acquisition of shares of Bikkore Co., Ltd.)

In a meeting of the Board of Directors held on March 17, 2023, the Company resolved to conclude a share transfer agreement to acquire all shares of Bikkore Co., Ltd., which operates the “Bikkore” point site and the “Bikkore FX” FX demo trading app (hereinafter referred to as the “Share Acquisition”), making it a subsidiary.

(1) Purpose of the share acquisition

The Company formulated a Medium-term Management Plan ending in the fiscal year ending October 31, 2025 (hereinafter referred to as “MTMP”), and is actively promoting investment and measures aimed at the achievement of the numerical targets of the MTMP and achieving 10 billion yen in revenue as soon as possible. As part of this, the Company is focusing on the launch of new areas in addition to the mainstay career change area in the Other Media business that is one of the main businesses.

Bikkore Co., Ltd. was established as a subsidiary of Media Beats Co., Ltd. in July 2022, and is a company operating the “Bikkore” point site and the “Bikkore FX” FX demo trading app having assigned these businesses from Media Beats Co., Ltd. on the same day. The services of Bikkore are characterized by granting users points that can be exchanged for bitcoin on certain conditions set by the advertiser are met. Bikkore has a business model in which it does not hold an inventory of bitcoin and is not subject to the price fluctuation risk.

The business of Bikkore Co., Ltd. is compatible with ASIRO’s Other Media business, and the Company has taken the opportunity of this acquisition to enter the area of finance in the Other Media business. Furthermore, the target company has designed user incentives granting users points that are exchangeable for bitcoin, and we would like to develop services with greater appeal for users by acquiring that know-how. In addition, we believe we can contribute to increasing the ability Bikkore Co., Ltd. has to attract customers to its services by utilizing the SEO know-how and advertising operation know-how ASIRO has developed, and this is expected to create a high level of synergy.

(2) Name of counterparty to share acquisition

Media Beats Co., Ltd.

(3) Name, etc. of company to be acquired

(i)	Name	Bikkore Co., Ltd.
(ii)	Address	5F Hamamatsucho Building, 2-10-1 Hamamatsucho, Minato-ku, Tokyo
(iii)	Title and name of representative	Kohei Asai, Representative Director
(iv)	Business details	Media business, etc.
(v)	Share capital	10 million yen
(vi)	Established	July 2022
(vii)	Major shareholders and holding ratio	Media Beats Co., Ltd. 100%

(4) Number of shares to be acquired, acquisition value, and holding ratio after acquisition

(i)	Number of shares before transfer	0 shares
(ii)	Number of shares to be acquired	10,000,000 shares
(iii)	Acquisition value (approximate) (Note)	Common stock 300 million yen Expenses related to acquisition (approximate value) 24 million yen Total (approximate value) 324 million yen
(iv)	Holding ratio after acquisition	100%

(Note) In calculating the acquisition price of the shares in this transaction, the Company has conducted appropriate due diligence by a third-party organization and has used the DCF method to calculate the value of the shares, thereby implementing sufficient procedures to verify the appropriateness of the price. The share purchase agreement includes a price adjustment clause that adjusts the acquisition price based on net cash, excluding working capital, as of the date of execution of the share purchase, and the above acquisition price is the amount that would have been paid if net cash had been zero. In addition, payment of 300 million yen will be made on the share transfer execution date, and the net cash portion will be paid on the date of remaining payment to be separately determined.

(5) Timing of the share acquisition

(i)	Date of conclusion of share transfer agreement	March 17, 2023
(ii)	Date of share transfer	March 31, 2023 (scheduled)
(iii)	Date of remaining payment	May 31, 2023 (scheduled)

(6) Method of funding the acquisition

The Company plans to raise funds on its own or through borrowings.

(7) Amount and causes of goodwill arising, amount of assets and liabilities to be assumed on the business combination date, and amount of non-controlling interests

Not finalized at this time.