



**Summary of Consolidated Financial Results  
for the First Quarter of the Fiscal Year Ending August 31, 2024  
(Three Months Ended November 30, 2023)**

**[Japanese GAAP]**

January 12, 2024

Company name: SERAKU Co., Ltd.

Listing: Tokyo Stock Exchange (Prime Market)

Stock code: 6199

URL: <http://www.seraku.co.jp>

Representative: Tatsumi Miyazaki, Representative Director

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Scheduled date of filing of Quarterly Report: January 12, 2024

Scheduled date of payment of dividend: –

Preparation of supplementary materials for quarterly financial results: Yes

Holding of quarterly financial results meeting: Yes

*(All amounts are rounded down to the nearest million yen)*

**1. Consolidated Financial Results for the First Quarter Ended November 30, 2023 (Sep. 1, 2023 to Nov. 30, 2023)**

**(1) Consolidated results of operations**

*(Percentages represent year on year changes)*

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended Nov. 30, 2023	5,364	6.6	525	6.2	529	(16.7)	300	(25.8)
Three months ended Nov. 30, 2022	5,030	22.4	494	150.7	636	99.7	405	137.6

Note: Comprehensive income (millions of yen)

Three months ended Nov. 30, 2023: 299(down25.8%)

Three months ended Nov. 30, 2022: 404(up 137.1%)

	Net income per share		Diluted net income per share	
	Yen	Yen	Yen	Yen
Three months ended Nov. 30, 2023	21.53	21.50	21.50	21.50
Three months ended Nov. 30, 2022	29.06	28.96	28.96	28.96

**(2) Consolidated financial position**

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of Nov. 30, 2023	11,430	6,858	59.7
As of Aug. 31, 2023	11,253	6,904	61.0

Reference: Shareholders' equity (millions of yen)

As of Nov. 30, 2023: 6,822

As of Aug. 31, 2023: 6,867

**2. Dividends**

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Aug. 31, 2023	–	0.00	–	10.40	10.40
Fiscal year ending Aug. 31, 2024	–	–	–	–	–
Fiscal year ending Aug. 31, 2024 (forecast)	–	0.00	–	13.00	13.00

Note: Revisions to the most recently announced dividend forecast: None

**3. Consolidated Earnings Forecast for the Fiscal Year Ending August 31, 2024 (Sep. 1, 2023 to Aug. 31, 2024)**

*(Percentages represent year-on-year changes)*

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	10,700	5.3	990	(9.3)	990	(22.8)	640	(25.2)	45.75
Full year	22,000	5.5	2,240	15.2	2,240	3.9	1,500	1.9	107.23

Note: Revisions to the most recently announced consolidated earnings forecast: None

\* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

Newly added: - Excluded: -

(2) Application of special accounting methods in the preparation of the quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(4) Number of shares issued (common shares)

1) Number of shares issued as of the end of the period (including treasury shares)

As of Nov. 30, 2023:	13,988,400 shares	As of Aug. 31, 2023:	13,988,400 shares
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2) Number of treasury shares as of the end of the period

As of Nov. 30, 2023:	162,430 shares	As of Aug. 31, 2023:	130 shares
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3) Average number of shares during the period

Three months ended Nov. 30, 2023:	13,968,651 shares	Three months ended Nov. 30, 2022:	13,953,870 shares
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\* The current financial report is not subject to quarterly review by certified public accountants or auditing firms.

\* Explanation of appropriate use of earnings forecasts and other special items

Forecasts of future performance in these materials are based on assumptions judged to be reasonable and information available to the management of Seraku at the time these materials were prepared and do not represent guarantees of future performance. Actual results may differ materially from these forecasts for various reasons. For discussion of the assumptions and other factors considered by Seraku in preparing the above projections, please refer to page 3 of the attachments 1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements.

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## 1. Qualitative Information on Quarterly Consolidated Financial Performance

### (1) Explanation of Results of Operations

During the first quarter of the fiscal year ending August 31, 2024, the Japanese economy was trending toward a moderate recovery, thanks to developments associated with the change in the positioning of COVID-19 to Class 5 under the Infectious Diseases Control Law in Japan, such as an increase in human mobility due to the easing of movement restrictions and a recovery in inbound tourism-related demand. However, the outlook remained uncertain, given high energy and raw material prices due mainly to unstable international situations, including the prolonged conflict between Russia and Ukraine, and the impact of a weak yen, together with associated price increases, among other factors.

In Japan's IT sector, which is the primary business field where the Group provides its services, IT/DX-related demand grew in line with the progress and broader use of digital technologies in every business field, reflecting the purpose of improving productivity and strengthening competitiveness. Consequently, demand for investment in IT-related technologies, such as system integration and the operation and maintenance of systems with the use of the cloud, remained solid. Establishing an optimal IT infrastructure to support management strategies is becoming more important, resulting in the growth of demand for relevant services and personnel. However, significant issues in Japan include the lack of IT personnel and the improvement of their IT skills. The Seraku Group sought to recruit and develop highly qualified engineers while simultaneously providing a range of IT services by facilitating the use of business partners.

Given this environment, the Seraku Group sought to increase the value of services mainly through the development of highly qualified engineers and deployment of internal engineers to DX-related projects, while simultaneously developing a business foundation to undertake, as a Digital Integrator, the social implementation and operation of digital technologies and services in the IT and DX fields, including leveraging the resources of business partners.

As a result, the Seraku Group's net sales increased 6.6% year on year, to 5,364,245 thousand yen, operating profit increased 6.2% year on year, to 525,126 thousand yen, and ordinary profit declined 16.7% year on year, to 529,752 thousand yen. Profit attributable to owners of parent decreased 25.8% year on year, to 300,792 thousand yen.

Results by business segment were as follows.

Starting with the third quarter of the previous fiscal year, the Company has decided to reclassify its business into three segments, namely, Digital Integration, Midori Cloud, and Mechanical Design and Engineering, instead of the previous four segments consisting of System Integration, Digital Transformation, Midori Cloud and Mechanical Design and Engineering, by integrating System Integration and Digital Transformation into Digital Integration. Accordingly, in the year-on-year comparisons below, the figures for the previous year have been restated to reflect the new segment classification.

#### 1) Digital Integration

In the Digital Integration business, we undertake the construction, operation and maintenance of IT systems, while also managing cloud infrastructure and operating IoT services on a 24x7 basis at the Cloud Support Center. In doing so, we help companies establish cloud-based ICI environments. Also, in a business area related to the establishment and management of cloud systems, we undertake the service of helping companies introduce and fully deploy the COMPANY, an integrated personnel affairs system. In addition, SERAKU CCC Co., Ltd., a wholly owned subsidiary of SERAKU Co., Ltd., provides a customer success solution service mainly to help companies deploy Salesforce in earnest.

In the first quarter under review, the Group focused its efforts on building a structure to facilitate the expansion of transactions, including the utilization of business partners and the establishment of relationships, by capitalizing on the solid demand for IT investments with a focus on the construction and operation of IT systems, the adoption of cloud platforms and the implementation of 24x7 managed services. In addition, SERAKU CCC Co., Ltd. worked on the development of new Salesforce-related services and collaboration, among other initiatives, while simultaneously striving to enhance services and improve value added by training engineers who are able to address the need of data analysis and digital marketing.

Net sales in this segment stood at 5,141,159 thousand yen, up 7.3% year on year. Segment profit was 531,700 thousand yen,

up 8.3% year on year.

## 2) Midori Cloud

The Midori Cloud business provides a platform service, including Midori Cloud and Farm Cloud, to support the DX of the agriculture, livestock, and fisheries sectors using IT and a solution service to solve individual issues, particularly those faced in primary industries. The Group worked to promote the sale of Midori Cloud Rakuraku Shukka, a software-based solution released in March 2023, to JA nationwide, helping the on-site personnel engaged in the distribution of vegetables and fruits adopt digital technologies that use 2D bar codes, cloud systems, etc.

In the first quarter of the fiscal year under review, the Group sought to expand the use of platform services while also focusing on sales activities to promote Midori Cloud Rakuraku Shukka and the development of new products.

Net sales in this segment amounted to 71,716 thousand yen, down 25.7% year on year. The segment loss was 18,185 thousand yen (segment loss of 12,165 thousand yen in the same period of the previous year).

## 3) Mechanical Design and Engineering

In the Mechanical Design and Engineering business, SERAKU Business Solutions, a consolidated subsidiary, provides 3D CAD technologies and technologies for the quality control of experiments and performance tests as well as those for communication s system construction and telecommunications.

Sales in the first quarter of the fiscal year under review were solid, reflecting the Group's focused efforts to recruit and develop CAD engineers, as well as stable utilization rates and initiatives to win projects in new technological fields. As we anticipate the further acquisition of projects in each field, we will strive to increase engineers' added value through training that aims at business scale and geographic expansion.

Net sales in this segment came to 170,371 thousand yen, up 10.4% year on year. Segment profit was 8,310 thousand yen, down 47.7% year on year.

## **(2) Explanation of Financial Position**

### Assets

Total assets increased 177,298 thousand yen from the end of the previous fiscal year to 11,430,963 thousand yen as of the end of the first quarter of the fiscal year under review. This was a result primarily of increases of 151,343 thousand yen in deferred tax assets, 46,682 thousand yen in leasehold and guarantee deposits, 36,257 thousand yen in other current assets and 29,539 thousand yen in insurance funds, despite a decrease of 96,532 thousand yen in cash and deposits.

### Liabilities

Total liabilities increased 222,950 thousand yen from the end of the previous fiscal year to 4,572,398 thousand yen as of the end of the first quarter of the fiscal year under review. This was attributable mainly to an increase of 1,016,310 thousand yen in accounts payable-other, which more than offset decreases of 542,270 thousand yen in provision for bonus, 101,372 thousand yen in income taxes payable, 92,907 thousand yen in accrued consumption taxes and 41,986 thousand yen in other current liabilities.

### Net assets

Total assets decreased 45,651 thousand yen from the end of the previous fiscal year to 6,858,565 thousand yen as of the end of the first quarter of the fiscal year under review. This increase was attributable chiefly to a decrease of 199,953 thousand yen in treasury shares, despite an increase of 155,314 thousand yen in retained earnings.

## **(3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements**

There are no revisions to the first half and full year earnings forecasts for the fiscal year ending on August 31, 2024, which were announced on October 13, 2023, in "Summary of Consolidated Financial Results for the Fiscal Year Ended August 31, 2023."

## 2. Quarterly Consolidated Financial Statements and Notes

### (1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

	FY8/23 (As of Aug. 31, 2023)	First Quarter of FY8/24 (As of Nov. 30, 2023)
Assets		
Current assets		
Cash and deposits	6,867,019	6,770,486
Accounts receivable - trade and contract assets	2,562,001	2,561,370
Work in process	34,497	47,282
Raw materials	60,820	57,017
Other	202,976	239,234
Allowance for doubtful accounts	(1,575)	(1,575)
Total current assets	9,725,739	9,673,816
Non-current assets		
Property, plant and equipment		
Buildings, net	175,696	172,966
Tools, furniture and fixtures, net	41,257	53,176
Other	5,746	5,219
Total property, plant and equipment	222,700	231,362
Intangible assets		
Software	794	704
Other	1,662	1,662
Total intangible assets	2,456	2,367
Investments and other assets		
Investment securities	108,991	105,651
Deferred tax assets	501,916	653,259
Leaschold and guarantee deposits	288,812	335,494
Insurance funds	375,892	405,431
Other	27,154	23,579
Total investments and other assets	1,302,767	1,523,418
Total non-current assets	1,527,925	1,757,147
Total assets	11,253,664	11,430,963

(Thousands of yen)

	FY8/23 (As of Aug. 31, 2023)	First Quarter of FY8/24 (As of Nov. 30, 2023)
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	130,402	127,006
Current portion of long-term borrowings	183,324	183,324
Accounts payable - other	1,417,198	2,433,509
Income taxes payable	500,088	398,715
Accrued consumption taxes	541,648	448,740
Provision for bonuses	1,105,938	563,668
Other	300,343	258,357
Total current liabilities	4,178,943	4,413,321
Non-current liabilities		
Long-term borrowings	61,122	52,791
Retirement benefit liability	102,318	99,781
Other	7,063	6,504
Total non-current liabilities	170,503	159,076
Total liabilities	4,349,447	4,572,398
<b>Net assets</b>		
Shareholders' equity		
Share capital	307,006	307,006
Capital surplus	504,756	504,756
Retained earnings	6,052,693	6,208,007
Treasury shares	(199)	(200,152)
Total shareholders' equity	6,864,256	6,819,617
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	33	33
Remeasurements of defined benefit plans	3,656	2,742
Total accumulated other comprehensive income	3,690	2,776
Share acquisition rights	36,270	36,171
Total net assets	6,904,217	6,858,565
<b>Total liabilities and net assets</b>	11,253,664	11,430,963

## (2) Quarterly Consolidated Statements of Income and Comprehensive Income

### Quarterly Consolidated Statement of Income

(First three-month period)

(Thousands of yen)

	First three months of FY8/23 (Sep. 1, 2022 – Nov. 30, 2022)	First three months of FY8/24 (Sep. 1, 2023 – Nov. 30, 2023)
Net sales	5,030,379	5,364,245
Cost of sales	3,762,274	4,054,148
Gross profit	1,268,105	1,310,097
Selling, general and administrative expenses	773,611	784,971
Operating profit	494,493	525,126
Non-operating income		
Interest and dividend income	391	393
Subsidy income	140,781	3,820
Other	1,270	819
Total non-operating income	142,443	5,033
Non-operating expenses		
Interest expenses	747	225
Other	–	181
Total non-operating expenses	747	407
Ordinary profit	636,190	529,752
Extraordinary income		
Gain on reversal of share acquisition rights	100	98
Total extraordinary income	100	98
Extraordinary losses		
Loss on valuation of investment securities	–	3,339
Total extraordinary losses	–	3,339
Profit before income taxes	636,290	526,511
Income taxes-current	342,114	376,659
Income taxes-deferred	(111,377)	(150,940)
Total income taxes	230,737	225,719
Profit	405,553	300,792
Profit attributable to owners of parent	405,553	300,792

## Quarterly Consolidated Statement of Comprehensive Income

(First three-month period)

(Thousands of yen)

	First three months of FY8/23 (Sep. 1, 2022 – Nov. 30, 2022)	First three months of FY8/24 (Sep. 1, 2023 – Nov. 30, 2023)
Profit	405,553	300,792
Other comprehensive income		
Valuation difference on available-for-sale securities	(63)	—
Remeasurements of defined benefit plans, net of tax	(977)	(914)
Total other comprehensive income	(1,040)	(914)
Comprehensive income	404,512	299,878
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	404,512	299,878

### (3) Notes to Quarterly Consolidated Financial Statements

#### Going Concern Assumption

Not applicable.

#### Additional Information

##### Acquisition of Treasury Shares

The Company is in the process of repurchasing treasury shares following the resolution concerning the acquisition thereof, which the Board of Directors passed at a meeting held on November 15, 2023 based on the provisions of Article 156 of the Companies Act applied under the provisions of Article 165, Paragraph 3 of the Act.

##### 1. Reason for the acquisition of treasury shares

The Company has decided to acquire shares of its own stock to implement flexible capital policy measures in response to changes in the management environment, and to use these shares for M&A activities, shareholder incentive plans and/or returns to shareholders.

##### 2. Details of matters concerning the acquisition

- |  |  |
|--|--|
| (1) Class of shares to be acquired:        | Common shares of the Company   |
| (2) Total number of shares to be acquired: | 400,000 shares (maximum)<br>(2.86% of the total number of outstanding shares (excluding treasury shares))  |
| (3) Total purchase value of shares:        | 400,000,000 yen (maximum)  |
| (4) Acquisition period:                    | November 16, 2023 to October 31, 2024  |
| (5) Acquisition method                     | (i) Purchase through the Off-Auction Treasury Share Repurchase Trading System (ToSTNeT-3)<br>(ii) Purchase on the market of the Tokyo Stock Exchange |

##### 3. Matters concerning transactions with controlling shareholder

- (1) Applicability to transactions with a controlling shareholder and compliance with the policy on measures for the protection of minority shareholders

Regarding this acquisition of treasury shares, the acquisition through acquisition method (i) is a transaction with Representative Director Tatsumi Miyasaki, the controlling shareholder of the Company, and Mr. Hiromi Miyazaki, his close relative who is a Senior Executive Director, planning to participate as sellers. Therefore, the acquisition is considered to be a transaction with controlling shareholders.

The following is the policy on measures for the protection of minority shareholders when conducting transaction with a controlling shareholder which the Company disclosed on February 15, 2023.

The basic policy for transactions with a controlling shareholder is to conduct transactions under the proper conditions as in other general transactions, taking market prices and other factors into account. With this in mind, the Company takes appropriate measures to ensure that minority shareholders are not disadvantaged. In addition, based on laws and regulations and internal rules, it engages in these transactions after the Special Committee reports on the transaction and the Board of Directors approves it while simultaneously monitoring the transactions through audits by Auditing Officers to ensure they are being carried out properly. The details of this acquisition of treasury shares were determined according to the above policy.

- (2) Matters regarding measures to ensure fairness and avoid conflicts of interest

As a measure to ensure fairness, the Company plans to use the Off-Auction Own Share Repurchase Trading System (ToSTNeT-3) to conduct this acquisition of treasury shares at the Company's stock price on the close of the day before the acquisition date. Regarding the measures to avoid conflicts of interest, the discussions and decisions of the Board of Directors regarding the acquisition of treasury shares have involved only three Directors (including two Outside Directors), excluding Mr. Tatsumi Miyazaki and Mr. Hiromi Miyazaki who are Directors with an interest in the Company.

(3) Outline of opinions obtained from a person who has no interest in the controlling shareholder regarding that the transaction will not damage the interests of its minority shareholders

In conjunction with the resolution made by the Board of Directors regarding the subject acquisition of treasury shares, the Company requested the preparation of an opinion letter from the Special Committee consisting of three members who have no special interest in the controlling shareholder, namely, Mr. Kouji Nishimura and Mr. Shuntaro Serizawa, independent executive officers, and Mr. Tomoharu Kozeki, a full-time executive officer, and it received on the same day an opinion to the effect that the subject acquisition of treasury shares was not disadvantageous to minority shareholders because measures had been taken to ensure fairness and avoid the conflict of interest as described below.

- (i) In light of the timing and method of the acquisition and other factors, the acquisition of treasury shares enables the Company to implement flexible capital policy measures in response to changes in the management environment, and to use the acquired shares for M&A activities, shareholder incentive plans and/or returns to shareholders, and the intent of its implementation is not to disadvantage minority shareholders.
- (ii) Decisions regarding this acquisition of treasury shares have been made only by the directors after the exclusion of Mr. Tatsumi Miyazaki and Mr. Hiromi Miyazaki, who are the interested parties. Therefore, measures to ensure fairness and avoid conflicts of interest in the decision-making process are deemed to have been taken.
- (iii) The Tokyo Stock Exchange Trading Network Off-Auction Own Share Repurchase Trading System (ToSTNeT-3) is used to ensure the fairness of the price and to equally provide an equal chance for other shareholders to engage in transactions, and therefore it is deemed that equal opportunities have been secured regarding the trading conditions.

#### 4. Status of acquisition

- |  |   |
|--|---|
| (1) Class of shares acquired:          | Common shares of the Company  |
| (2) Total number of shares acquired:   | 162,300 shares<br>(Ratio to the total number of shares outstanding (excluding treasury shares) 1.16%)                           |
| (3) Total acquisition value of shares: | 199,953,600 yen   |
| (4) Date of acquisition:               | November 16, 2023   |
| (5) Acquisition method:                | Purchase of shares on the Tokyo Stock Exchange Trading Network Off-Auction Treasury Share Repurchase Trading System (ToSTNeT-3) |

#### 5. Other

The Company is in the process of repurchasing market purchases on the Tokyo Stock Exchange on the condition that the maximum number and value of shares to be purchased shall be calculated by deducting the total number and value of shares acquired through the Tokyo Stock Exchange Trading Network Off-Auction Treasury Share Repurchase Trading System (ToSTNeT-3) from the maximum number and value of shares purchasable decided at a meeting of the Board of Directors held on November 15, 2023.

### **Significant Changes in Shareholders' Equity**

The details are described in "2. Quarterly Consolidated Financial Statements and Notes (3) Notes to Quarterly Consolidated Financial Statements (Additional Information)" on page 8 of the attached document.

## Segment and Other Information

### Segment information

First three months of FY8/23 (Sep. 1, 2022 - Nov. 30, 2022)

Information related to net sales and profit/loss in reportable segments

(Thousands of yen)

	Reportable segment				Adjustment (Note 1)	Amount in the quarterly consolidated statement of income (Note 2)
	Digital Integration	Midori Cloud	Mechanical Design and Engineering	Total		
Net sales						
Sales to external customers	4,791,203	96,577	142,598	5,030,379	–	5,030,379
Inter-segment sales and transfers	–	–	11,792	11,792	(11,792)	–
Total	4,791,203	96,577	154,391	5,042,172	(11,792)	5,030,379
Segment profit (loss)	490,773	(12,165)	15,885	494,493	–	494,493

- Notes: 1. The adjustment to segment profit (loss) includes corporate costs that are not allocated to any of the reportable segments. Corporate costs mainly include general and administrative expense that cannot be attributed to any of the reportable segments. The adjustment to segment profit (loss) includes inter-segment transaction elimination of 11,792 thousand yen.
2. Segment profit (loss) is adjusted with operating profit shown on the quarterly consolidated statement of income.

First three months of FY8/24 (Sep. 1, 2023 - Nov. 30, 2023)

1. Information related to net sales and profit/loss in reportable segments

(Thousands of yen)

	Reportable segment				Adjustment (Note 1, 2)	Amount in the quarterly consolidated statement of income (Note 3)
	Digital Integration	Midori Cloud	Mechanical Design and Engineering	Total		
Net sales						
Sales to external customers	5,141,159	71,716	151,369	5,364,245	–	5,364,245
Inter-segment sales and transfers	–	–	19,001	19,001	(19,001)	–
Total	5,141,159	71,716	170,371	5,383,247	(19,001)	5,364,245
Segment profit (loss)	531,700	(18,185)	8,310	521,826	3,300	525,126

- Notes: 1. The adjustment to segment profit (loss) includes corporate costs that are not allocated to any of the reportable segments. Corporate costs mainly include general and administrative expense that cannot be attributed to any of the reportable segments. The adjustment to segment profit (loss) includes inter-segment transaction elimination of 19,001 thousand yen.
2. The adjustment of segment profit (loss) of 3,300 thousand yen includes differences in the elimination of sales expenses and non-operating income borne by each segment, among other factors.
3. Segment profit (loss) is adjusted with operating profit shown on the quarterly consolidated statement of income.

2. Matters related to changes in reportable segments

Starting with the third quarter of the previous fiscal year, the Company has decided to reclassify its business into three segments, namely, Digital Integration, Midori Cloud, and Mechanical Design and Engineering, instead of the previous four segments consisting of System Integration, Digital Transformation, Midori Cloud and Mechanical Design and Engineering, by integrating System Integration and Digital Transformation into Digital Integration. The segment information for the first quarter of the previous fiscal year has been prepared and presented based on the classification of reportable segments after the change.

### Material Subsequent Events

Not applicable.

### 3. Additional Information

#### Sales results

(Thousands of yen)

	Previous fiscal year		Fiscal year under review		Year-on-year change (%)
	Net sales	Ration to net sales (%)	Net sales	Ration to net sales (%)	
System Integration	3,567,162	70.9	3,530,982	65.8	-1.0
Digital Transformation	1,224,041	24.3	1,610,177	30.0	31.5
Midori Cloud	96,577	1.9	71,716	1.3	-25.7
Mechanical Design and Engineering	142,598	2.8	151,369	2.8	6.2
Total	5,030,379	100.0	5,364,245	100.0	6.6