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August 10, 2023

Consolidated Financial Results for the Three Months Ended June 30, 2023 (Under IFRS)

Company name: YUKIGUNI MAITAKE CO., LTD.
Listing: Tokyo Stock Exchange
Securities code: 1375
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Scheduled date to file quarterly securities report: August 14, 2023
Scheduled date of dividend payment commencement: -
Preparation of supplementary material on quarterly financial results: Yes
Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the First Three Months Ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(1) Consolidated Operating Results (Cumulative)

(Percentages indicate year-on-year changes.)

	Total income		Operating profit		Profit before tax		Profit	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2023	8,274	0.9	−315	-	−413	-	−283	-
June 30, 2022	8,201	−8.2	−163	-	−258	-	−158	-

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Three months ended	Millions of yen	%	Millions of yen	%	Yen	Yen
June 30, 2023	−283	-	−280	-	−7.11	−7.11
June 30, 2022	−159	-	−158	-	−4.00	−4.00

(Reference)

	Core operating profit		Core EBITDA		Core EBITDA margin
Three months ended	Millions of yen	%	Millions of yen	%	%
June 30, 2023	−181	-	352	−47.6	5.4
June 30, 2022	174	−68.9	672	−35.3	10.6

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
June 30, 2023	33,366	9,892	9,892	29.6
March 31, 2023	33,304	10,409	10,409	31.3

2. Cash Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	–	14.00	–	6.00	20.00
Fiscal year ending March 31, 2024	–				
Fiscal year ending March 31, 2024 (Forecast)		1.00	–	1.00	2.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Percentages indicate year-on-year changes.)

	Total income		Operating profit		Profit before tax		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Full year	42,389	0.4	673	−69.3	228	−87.3	121	−89.7

	Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Yen
Full year	121	−89.7	3.05

Note: Revisions from financial results forecasts announced most recently: None

(Reference)

	Core Operating Profit		Core EBITDA		Core EBITDA Margin
	Millions of yen	%	Millions of yen	%	%
Full year	995	−61.1	3,182	−31.8	9.6

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
Excluded 1 (Company name) Mitsukura Norin Co, Ltd.
Note: Mitsukura Norin Co., Ltd. was dissolved in an absorption-type merger with the Company as the surviving company as of April 1, 2023.

(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 issued shares (ordinary shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2023	39,910,700 shares
As of March 31, 2023	39,910,700 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2023	28,070 shares
As of March 31, 2023	27,311 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2023	39,871,093 shares
Three months ended June 30, 2022	39,870,700 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Caution concerning forward-looking statements)

The forward-looking statements, such as forecasts of financial results, included in this document are based on information available to the management as of the date of the document and certain assumptions that the management considers reasonable. The Company does not promise that forecasts will be achieved. Actual results may differ significantly due to a range of factors.

(Other special comments)

(1) The Company and its consolidated subsidiaries (together, "the Group") apply the International Financial Reporting Standards (hereinafter "IFRS").

(2) Core operating profit = Operating profit – IAS41 "Agriculture" applying effects – Other income and expenses – One-time income and expenses

(3) Core EBITDA = Core operating profit + Depreciation + Amortization

(4) Core EBITDA margin = Core EBITDA / Revenue

(5) The effect of applying IAS 41 "Agriculture" is to apply IAS 41 "Agriculture" to the production process of mushrooms, from preparation to harvest, and to measure the mushrooms as biological assets at fair value less costs to sell. The gains or losses from the changes in fair value are considered as the impact amount.

(6) Other income and expenses are mainly impairment losses and loss on disposal of fixed assets.

(7) One-time income and expenses are income and expenses that are not incurred in the normal course of business. There are no one-time income and expenses incurred during the three months ended June 30, 2022 or the three months ended June 30, 2023.

(8) Core operating profit, Core EBITDA and Core EBITDA margin are not indicators defined by IFRS, but the Group assumes these indicators are useful for investors to evaluate the Group's performance. These financial indicators exclude the effect of non-recurring gains / losses and items that do not adequately present the Group's performance relative to its competitors. Core operating profit, Core EBITDA, Core EBITDA should not be considered as indicators to replace the other indicators shown in accordance with IFRS because they do not include some of the items that affect the profit for the period, so they are subject to significant restrictions as means of analysis. Core operating profit, Core EBITDA, Core EBITDA margin disclosed by the Group may be less useful in comparison with the same or similar indicators of other competitors because they are calculated according to a different method from those of such other companies.

(How to obtain supplementary financial results briefing materials and financial results briefing details)

Supplementary financial results briefing materials are posted on our website on August 10, 2023.

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I. Qualitative Information for the First Three-Months Period of the Fiscal Year Ending March 31, 2024

1. Analysis of Operating Results

During the first quarter of the current consolidated fiscal year (April 1, 2023 to June 30, 2023), the domestic economy in general is returning to its pre-coronavirus situation in terms of social activities, following the change in the status of new coronavirus infections to "Category V Infectious Diseases" under the Infectious Diseases Act. On the other hand, food prices continue to rise as a result of the unstable international situation caused by Russia's invasion of Ukraine with no end in sight, soaring energy prices and rising procurement costs due to the yen's depreciation, and consumers' thrifty attitude toward daily consumption activities remains high.

In such an economic environment, the Group has also faced squeezing profit due to cost increases such as soaring utility unit prices and the impact of raw material price hikes.

In accordance with its medium-term business plan, the Group is working to establish a foundation as a comprehensive premium mushroom manufacturer by leveraging the Company's production technology, know-how, and sales capabilities that have been cultivated over the years. In addition to this, we have developed and promoted the functional properties of mushrooms, especially maitake mushrooms, to contribute to the health of consumers through the provision of safe and secure products and to develop our business in order to contribute to the realization of a healthy society.

As for the progress of new business based on the medium-term business plan, as announced in the "New Business Development (Alternative Meat)" dated June 20, 2023, the Company has successfully developed alternative meat using mushrooms as the main ingredient.

While the current alternative meat market is dominated by products made primarily from soy-derived ingredients, the product we have developed is a new health-conscious product that takes advantage of the low calorie, low fat, and dietary fiber characteristics of the mushrooms used as ingredients, while pursuing a natural taste. Also, since the main ingredient is our mushrooms produced under strict quality control, we believe the product will be widely supported from the standpoint of food safety. Preparations are currently underway with the goal of launching the first product during the current consolidated fiscal year. We will continue to leverage our unique strengths as a mushroom manufacturer to engage in various types of new businesses.

Total income for the first quarter of the current consolidated cumulative period was ¥8,274 million (+0.9% year-on-year), of which revenue was ¥6,578 million (+3.3% year-on-year). Gross profit was ¥1,578 million (-3.1% year-on-year). Selling, general and administrative (SG&A) expenses were ¥1,883 million (+5.4% year-on-year).

As a result of the above, operating loss was ¥315 million (operating loss of ¥163 million in the same period of the previous year) and loss attributable to owners of the parent was ¥283 million (loss attributable to owners of the parent of ¥159 million in the same period of the previous year). In the current consolidated cumulative period, gains arising from changes in fair value related to the application of IFRS Agricultural Accounting (IAS 41) were included in total income of ¥1,696 million (-7.5% year-on-year) and the cost of sales of ¥1,766 million (-17.4% year-on-year).

[Business results for the three months ended June 30, 2023]

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023	% Change year-on-year
Revenue	6,367	6,578	3.3
Gains arising from changes in fair value	1,833	1,696	(7.5)
Total income	8,201	8,274	0.9
Operating (loss)	(163)	(315)	-
(Loss) before tax	(258)	(413)	-
(Loss) attributable to owners of parent	(159)	(283)	-

The status of revenue by business segment during the current consolidated fiscal year is as follows.

[Mushroom business]

1) Maitake

Aiming to further expanding demand for maitake mushrooms, we are working on sales measures that take advantage of our extensive product lineup, which is one of our strengths. Among them, "Yukiguni Maitake Kiwami White", which was launched last fall, received favorable reviews for its beautiful appearance and freshness, as well as for its introduction to salad menus such as caprese to increase awareness of how to eat it. As a result, sales volume decreased compared to the same period of the previous year, but unit sales prices remained strong. Thus, revenue of the Maitake business was ¥3,433 million (+0.7% year-on-year).

2) Eringi

The Company maintains supply volume through stable production quality and offers a variety of products, such as convenient large quantity sliced products, in addition to our standard tray products of various quantities. As a result, both sales volume and unit sales prices were significantly higher than those in the same period of the previous year. Thus, revenue of the Eringi business was ¥859 million (+14.1% year-on-year).

3) Buna-shimeji

While keeping a close eye on the fruit and vegetable market and market trends, we flexibly switch the products sales mix with different quantities according to the supply-demand balance and implement a stable supply. As a result, sales volume was almost the same as the same period of the previous year, but unit sales prices remained strong compared to the same period of the previous year. Thus, revenue from the Buna-shimeji business was ¥1,466 million (+9.1% year-on-year).

4) Other mushrooms

In mushrooms, sales were strong compared to the same period of the previous year due to efforts to strengthen business synergies from the absorption-type merger and focus on stabilizing production conditions and strengthening sales. On the other hand, sales of Hon-shimeji mushrooms remained sluggish compared to the same period of the previous year. As a result of the above, revenue from other mushroom businesses was ¥749 million (-2.1% year-on-year).

[Other]

Revenue from the “other” business is mainly derived from sales of health foods and sales of culture medium activators. In the first quarter of the current consolidated fiscal year, sales volume of health foods, and production and sales volume of culture medium activators decreased, respectively. As a result, revenue from other businesses was ¥69 million (-27.6% year-on-year).

Revenue by business segment is as follows.

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023	% Change year-on-year
Mushroom business	6,272	6,509	3.8
Maitake	3,409	3,433	0.7
Eringi	752	859	14.1
Buna-shimeji	1,344	1,466	9.1
Other mushrooms	765	749	(2.1)
Other	95	69	(27.6)
Total Revenue	6,367	6,578	3.3

2. Analysis of Financial Position

[Assets]

Total assets at the end of the first quarter of the current consolidated fiscal year (as of June 30, 2023) were ¥33,366 million (+¥61 million from the end of the previous consolidated fiscal year). Current assets were

¥7,005 million (-¥174 million from the end of the previous consolidated fiscal year). This was mainly due to a decrease of ¥309 million in trade and other receivables and a decrease of ¥193 million in biological assets due to gains arising from changes in fair value, while cash and cash equivalents and inventories increased by ¥168 million and ¥165 million, respectively. Non-current assets were ¥26,360 million (+¥236 million from the end of the previous consolidated fiscal year). This was mainly due to a ¥128 million increase in deferred tax assets and a ¥120 million increase in property, plant and equipment, respectively.

[Liabilities]
Total liabilities at the end of first quarter of the current consolidated fiscal year were ¥23,474 million (+¥578 million from the end of the previous consolidated fiscal year). This was mainly due to increases of ¥1,900 million in short-term borrowings and ¥694 million in trade and other payables, while decreases of ¥692 million in income taxes payable, ¥388 million in other liabilities including accrued expenses and accrued consumption taxes, and ¥217 million in liabilities for employee benefits, respectively. Non-current liabilities were ¥15,591 million (-¥710 million). This was mainly due to a decrease of ¥700 million in borrowings as a result of scheduled repayments.

[Equity]
Total equity at the end of first quarter of the current consolidated fiscal year was ¥9,892 million (-¥517 million from the end of the previous consolidated fiscal year). This was mainly due to a decrease of ¥522 million decrease in retained earnings resulting from the recording of a quarterly loss and the payment of year-end dividends.

3. Analysis of Cash Flows

The balance of cash and cash equivalents at the end of the first quarter of the current consolidated fiscal year increased by ¥168 million from the end of the previous consolidated fiscal year to ¥1,229 million. The status of each cash flow and their factors are as follows:

[Net cash flows from operating activities]
The amount of funds used as a result of operating activities was ¥452 million (the amount used was ¥1,064 million in the same period of the previous year). This was mainly due to a loss before income taxes of ¥413 million and income taxes paid of ¥691 million, while depreciation and amortization expenses of ¥537 million and a decrease in trade and other receivables of ¥310 million were recorded.

[Net cash flows from investing activities]
Funds provided as a result of investment activities were ¥215 million (the amount used was ¥574 million in the same period of the previous year). This was mainly due to the expenditure of ¥201 million for the acquisition of renewed property, plant and equipment related to production of mushrooms.

[Net cash flows from financing activities]
Funds used as a result of financing activities were ¥836 million (the amount used was ¥841 million in the same period of the previous year). This was mainly due to proceeds from short-term borrowings of ¥1,900 million, repayment of long-term borrowings of ¥770 million due to scheduled repayments, and cash dividends paid of ¥236 million.

4. Explanations about Forward-Looking Information Including Forecast of Consolidated Financial Results

The full-year forecasts of the consolidated financial results for the fiscal year ending March 2024 remain unchanged from the forecasts that were announced on May 11, 2023.
The earnings forecast is based on the information available at this time, and the actual financial results may differ due to various factors.

II. Summarized Quarterly Consolidated Financial Statements and Significant Notes

1. Summarized Quarterly Consolidated Statements of Financial Position

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and cash equivalents	1,060	1,229
Trade and other receivables	1,907	1,598
Inventories	1,422	1,588
Biological assets	2,662	2,469
Income taxes receivable	21	21
Other current assets	105	98
Total current assets	7,180	7,005
Non-current assets		
Property, plant and equipment	18,966	19,087
Investment property	95	95
Goodwill and intangible assets	5,285	5,280
Right-of-use assets	238	215
Retirement benefit asset	313	315
Other financial assets	191	204
Deferred tax assets	990	1,119
Other non-current assets	42	40
Total non-current assets	26,124	26,360
Total assets	33,304	33,366

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Trade and other payables	1,877	2,571
Income taxes payable	693	1
Employee benefit accruals	1,683	1,465
Short-term borrowings	-	1,900
Current portion of long-term borrowings	1,509	1,509
Lease liabilities	152	134
Provisions	140	36
Other financial liabilities	21	137
Other current liabilities	515	126
Total current liabilities	6,592	7,882
Non-current liabilities		
Borrowings	16,070	15,370
Lease liabilities	156	146
Provisions	20	20
Other financial liabilities	54	54
Other non-current liabilities	0	0
Total non-current liabilities	16,302	15,591
Total liabilities	22,895	23,474
Equity		
Share capital	100	100
Capital surplus	(6,012)	(6,010)
Retained earnings	16,341	15,818
Treasury shares	(33)	(33)
Other components of equity	14	16
Total equity attributable to owners of parent	10,409	9,892
Non-controlling interests	(0)	(0)
Total equity	10,409	9,892
Total liabilities and equity	33,304	33,366

2. Summarized Quarterly Consolidated Statements of Income and Comprehensive Income

(Summarized Quarterly Consolidated Statements of Income)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Income		
Revenue	6,367	6,578
Gains arising from changes in fair value	1,833	1,696
Total income	8,201	8,274
Cost of sales (*1)	6,572	6,696
Gross profit	1,628	1,578
Selling, general and administrative expenses	1,787	1,883
Other income	23	23
Other expenses	27	32
Operating (loss)	(163)	(315)
Finance income	4	2
Finance expenses	100	100
(Loss) before tax	(258)	(413)
Income tax expense	(100)	(130)
(Loss)	(158)	(283)
(Loss) attributable to		
Owners of parent	(159)	(283)
Non-controlling interests	0	-
(Loss) per share		
Basic (loss) per share (Yen)	(4.00)	(7.11)
Diluted (loss) per share (Yen)	(4.00)	(7.11)

Management believes that the information of “material costs, labor costs, etc.” facilitates comparison between the Group and competitors by users of financial statements. Therefore, we disclose the information voluntarily as a note in the summarized consolidated statements of income. “Material costs, labor costs, etc.” are the production costs of finished goods and purchasing costs of other goods sold by the Group, excluding the gains arising from changes in fair value recognized under IAS 41 “Agriculture”.

(*1) Components of cost of sales		
Material costs, labor costs, etc.	4,434	4,930
Gains arising from changes in fair value	2,137	1,766
Total	6,572	6,696

(Summarized Quarterly Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
(Loss)	(158)	(283)
Other comprehensive income (After tax effect deduction)		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(0)	2
Total of items that will not be reclassified to profit or loss	(0)	2
Total other comprehensive income (After tax effect deduction)	(0)	2
Comprehensive income	(158)	(280)
Comprehensive income attributable to		
Owners of parent	(159)	(280)
Non-controlling interests	0	-

3. Summarized Quarterly Consolidated Statement of Changes in Equity

Three months ended June 30, 2022 (From April 1, 2022 to June 30, 2022)

(Millions of yen)

	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total
Balance at beginning of period	100	(6,006)	16,411	(48)	15	10,471	(1)	10,470
(Loss)	-	-	(159)	-	-	(159)	0	(158)
Other comprehensive income	-	-	-	-	(0)	(0)	-	(0)
Comprehensive income	-	-	(159)	-	(0)	(159)	0	(158)
Share-based remuneration transactions	-	-	-	-	-	-	-	-
Dividends of surplus	-	-	(637)	-	-	(637)	-	(637)
Transfer from other components of equity to retained earnings	-	-	2	-	(2)	-	-	-
Total	-	-	(635)	-	(2)	(637)	-	(637)
Balance at end of period	100	(6,006)	15,616	(48)	12	9,674	(0)	9,674

Three months ended June 30, 2023 (From April 1, 2023 to June 30, 2023)

(Millions of yen)

	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total
Balance at beginning of period	100	(6,012)	16,341	(33)	14	10,409	(0)	10,409
(Loss)	-	-	(283)	-	-	(283)	-	(283)
Other comprehensive income	-	-	-	-	2	2	-	2
Comprehensive income	-	-	(283)	-	2	(280)	-	(280)
Share-based remuneration transactions	-	2	-	-	-	2	-	2
Dividends of surplus	-	-	(239)	-	-	(239)	-	(239)
Transfer from other components of equity to retained earnings	-	-	-	-	-	-	-	-
Total	-	2	(239)	-	-	(236)	-	(236)
Balance at end of period	100	(6,010)	15,818	(33)	16	9,892	(0)	9,892

4. Summarized Quarterly consolidated Statements of Cash flows

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Cash flows from operating activities		
(Loss) before tax	(258)	(413)
Depreciation and amortization	500	537
Interest expenses	95	96
Commission for syndicate loan	4	4
Loss (gain) on sale of fixed assets	(0)	-
Loss on retirement of fixed assets	17	27
Decrease (increase) in trade and other receivables	416	310
Decrease (increase) in inventories	(173)	(165)
Decrease (increase) in biological assets	276	193
Increase (decrease) in trade and other payables	94	198
Decrease (increase) in retirement benefit asset	(0)	(2)
Increase (decrease) in employee benefit liabilities	(201)	(217)
Other	(334)	(298)
Subtotal	437	268
Interest paid	(21)	(26)
Payments of commission for syndicate loan	(4)	(3)
Income taxes paid	(1,475)	(691)
Net cash provided by (used in) operating activities	(1,064)	(452)
Cash flows from investing activities		
Purchase of property, plant and equipment	(563)	(201)
Proceeds from sale of property, plant and equipment	0	-
Purchase of intangible assets	(0)	-
Other	(10)	(14)
Net cash provided by (used in) investing activities	(574)	(215)
Cash flows from financing activities		
Proceeds from short-term borrowings	500	1,900
Repayments of long-term borrowings	(674)	(770)
Repayments of lease liabilities	(53)	(57)
Dividends paid	(614)	(236)
Other	(0)	-
Net cash provided by (used in) financing activities	(841)	836
Effect of exchange rate changes on cash and cash equivalents	1	0
Net increase (decrease) in cash and cash equivalents	(2,478)	168
Cash and cash equivalents at beginning of period	3,723	1,060
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(0)	-
Cash and cash equivalents at end of period	1,244	1,229

5. Notes to Summarized Consolidated Financial Statements

(Going Concern Assumptions)
Not applicable.

(Segment Information)

(1) Reportable segments

The Group's reportable segments are components of the Group for which separate financial information is available and regular evaluation by the Board of Directors, chief operating decision maker, is being performed in order to make decisions about resources to be allocated and to assess its performance.

The mushroom business is listed as a reporting segment as the Group has a comprehensive strategy for products and services and is expanding its business activities. "Other" includes businesses that are not included in the reportable segment.

The Group aggregates Maitake business, Eringi business, Buna-shimeji business, etc. as a reportable segment, "mushroom business," in terms of similarity of economic characteristics such as revenue trends, and the following features are all similar in this segment: (a) the nature of products and services, (b) the nature of the production processes, (c) the type of customers of the products and the services, (d) the method used to deliver the products or provide the services, and (e) the nature of regulatory environment.

Description of the reportable segment is as follows:

	Description of business
Mushroom business	Production and sales of Maitake, Eringi, Buna-shimeji and other mushrooms

(2) Reportable segments information

The accounting methods of reportable business segments are the same as the Group's accounting policies. Figures reported as segment profit are based on operating profit reported in the summarized consolidated statements of income. Revenues from intersegment transactions are based on the current market prices.

Three months ended June 30, 2022 (From April 1, 2022 to June 30, 2022) (Millions of yen)

	Mushroom business	Others	Total	Adjustment items (*1)	Per consolidated financial statements
Revenue					
Revenue from external customers	6,272	95	6,367	-	6,367
Intersegment revenue	-	-	-	-	-
Total revenue	6,272	95	6,367	-	6,367
Segment profit (loss)	(176)	11	(165)	1	(163)
Finance income					4
Finance expenses					100
Profit (loss) before tax					(258)

(*1) Adjustment items for segment profit (loss) include corporate expenses that are not allocated to each business segment.

Three months ended June 30, 2023 (From April 1, 2023 to June 30, 2023) (Millions of yen)

	Mushroom business	Others	Total	Adjustment items (*1)	Per consolidated financial statements
Revenue					
Revenue from external customers	6,509	69	6,578	-	6,578
Intersegment revenue	-	-	-	-	-
Total revenue	6,509	69	6,578	-	6,578
Segment profit (loss)	(315)	6	(309)	(5)	(315)
Finance income					2
Finance expenses					100
Profit (loss) before tax					(413)

(*1) Adjustment items for segment profit (loss) include corporate expenses that are not allocated to each business segment.

(Earnings per Share)

Calculation of basic loss per share and diluted loss per share are described below.

	(Unit)	Three months ended June 30, 2022	Three months ended June 30, 2023
Basic loss per share			
(Loss) attributable to owners of parent	(Millions of yen)	(159)	(283)
Profit not attributable to common shareholders of parent	(Millions of yen)	-	-
(Loss) used for calculation of basic loss per share	(Millions of yen)	(159)	(283)
Average number of common shares during the period	(Thousand shares)	39,870	39,871
Basic (loss) per share	(Yen)	(4.00)	(7.11)
Diluted loss per share			
(Loss) used for calculation of basic loss per share	(Millions of yen)	(159)	(283)
Adjustment	(Millions of yen)	-	-
(Loss) used for calculation of diluted loss per share	(Millions of yen)	(159)	(283)
Average number of common shares during the period	(Thousand shares)	39,870	39,871
Average number of common shares during the period after dilution	(Thousand shares)	39,870	39,871
Diluted (loss) per share	(Yen)	(4.00)	(7.11)

(Significant Subsequent Events)

Not applicable.