[Notes of caution] **This document is an English translation of the Japanese original. In the event of any differences or inconsistencies between the Japanese and English versions, the Japanese language version shall take precedence.**

February 13, 2025

Summary of Consolidated Financial Results (IFRS) for the Third Quarter of Current Consolidated Fiscal Year Ending March 31, 2025

Listed company name: CHANGE Holdings, Inc.
Listed share exchange: Tokyo Stock Exchange
Securities Code: 3962
URL: https://www.changeholdings.co.jp/
Representative: Hiroshi Fukudome, Representative Director and President
For Inquiry: Yutaka Yamada, Director, Executive Officer and CFO TEL: 03-6435-7347
Scheduled commencement date of dividend payments: None
Preparation of explanatory materials for quarterly financial results: Yes
Holding of a briefing on financial results: Yes (For institutional investors, personal investors and analysts)

(Amounts less than one million are rounded down.)

1. Consolidated Financial Results for the Third Quarter of the Current Consolidated Fiscal Year Ending March 31, 2025 (April 1, 2024 to December 31, 2024)

(1) Consolidated Operating Results (Cumulative Period)

(Percentages indicate changes from the same period of the previous fiscal year)

	Revenue		Operating profit		Profit before taxes		Quarterly profit		Quarterly profit attributable to owners of the parent		Total quarterly comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
3Q of FY ending March 31, 2025	34,937	21.3	13,121	28.6	12,589	23.5	8,534	23.2	8,260	18.8	8,527	24.2
3Q of FY ended March 31, 2024	28,798	85.6	10,199	96.6	10,194	98.8	6,927	97.3	6,951	92.6	6,866	95.5

	Basic earrings per share	Diluted earnings per share
	Yen	Yen
3Q of FY ending March 31, 2025	117.61	116.66
3Q of FY ended March 31, 2024	96.07	94.47

(Note) In the interim consolidated fiscal year ended March 31, 2025, provisional accounting procedures related to business combinations were fixed, so each figure for the cumulative 3Q of the fiscal year ended March 31, 2024 reflects such fixed treatment of provisional accounting procedures.

(2)Consolidated Financial Position

	Total assets	Total shareholders' equity	Profit attributable to owners of parent	Percentage of interests attributable to owners of parent
	Millions of yen	Millions of yen	Millions of yen	%
3Q of FY ending Mar, 2025	144,882	50,098	41,978	29.0
Previous FY ended Mar, 2024	93,681	49,900	39,483	42.1

(Note) In the interim consolidated fiscal year ended March 31, 2025, provisional accounting procedures related to business combinations were fixed, so each figure for the fiscal year ended March 31, 2024 reflects such fixed treatment of provisional accounting procedures.

2.Dividend Status

	Annual dividends				
	End of first quarter	End of 3Q	End of 3Q	End of the fiscal year	Total
	Yen	Yen	Yen	Yen	Yen
FY ended Mar, 2024	-	0.00	-	18.70	18.70
FY ending Mar, 2025	-	0.00			
FY ending Mar, 2025 (forecast)			-	14.50	14.50

(Note) 1. Any change since the most recently made forecast: No
2. Breakdown of FY ending Mar.2024: Ordinary Distribution: JPY12.00 Special Distribution: JPY6.70

[Notes of caution] **This document is an English translation of the Japanese original. In the event of any differences or inconsistencies between the Japanese and English versions, the Japanese language version shall take precedence.**

3.Forecasts for the Current Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes for the full year.)

	Revenue		Operating profit		Profit before taxes		Profit		Profit attributable to owners of parent		Basic profit per share
	￥Mil	%	￥Mil	%	￥Mil	%	￥Mil	%	￥Mil	%	Yen
Full year	45,000	21.6	13,000	71.9	12,815	72.5	8,792	95.4	8,069	86.5	111.52

(Note) 1. Revisions from the most recently published performance forecast: No

※ Notes

(1) Changes in specified subsidiaries resulting in changes in scope of consolidation during the cumulative third quarter of the current consolidated fiscal year: Yes

New company (company name) 2 companies,(TOKO COMPUTER SERVICE Co.,LTD., fundbook, Inc.)

Excluded company (company name) 2 companies, (Digital Growth Academia, Inc, Logosware Corporation)

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: No

(ii) Changes in accounting policies other than (i): No

(iii) Changes in accounting estimates: No

(3) Number of shares outstanding (ordinary shares)

(i) Number of shares outstanding at the end of the 3Q of FY ending March 2025 (including treasury share)	73,852,362 shares	FY ended March 2024	72,978,762 shares
(ii) Number of treasury shares at the end of the 3Q of FY ending March 2025	4,273,415 shares	FY ended March2024	623,335 shares
(iii) Average number of shares during the 3Q of FY ending March 2025	70,236,710 shares	3Q of FY ended March 2024	72,354,775 shares

※ Financial results here of be (or not) subject to review by certified accountants or audit corporations: No

※ Explanations and other special notes concerning the appropriate use of business performance forecast

The earnings forecast and other forward-looking statements contained in this report are prepared based on information currently available to the Company and on certain assumptions deemed to be reasonable, but they are not promised by the Company regarding future performance. Actual results may differ significantly from these forecasts due to several factors. For future forecasts and assumptions, please refer to "1. Overview of operating results (iii) Explanation for the consolidated earnings forecasts " on page 5 hereof.

[Notes of caution] **This document is an English translation of the Japanese original. In the event of any differences or inconsistencies between the Japanese and English versions, the Japanese language version shall take precedence.**

Accompanying Materials

Index

Overview of operating results 4
(1) Overview of operating results for the third quarter of the current consolidated fiscal year 4
(2) Financial Position 5
(3) Explanation for the consolidated earnings forecasts 5
2. Condensed Quarterly Consolidated Financial Statements and Major Notes 6
(1) Condensed Quarterly Consolidated Statement of Financial Position 6
(2) Condensed Quarterly Consolidated Statements of Income and Summary Consolidated Statements of Comprehensive Income 8
(3) Condensed Quarterly Consolidated Statements of Changes in Equity 10
(4) Condensed Quarterly Consolidated Statements of Cash Flows 12
(5) Notes to Condensed Quarterly Consolidated Financial Statements 13
(Applied Financial Reporting Framework) 13
(Notes on the Going Concern Assumption) 13
(Segment Information) 14

[Notes of caution] **This document is an English translation of the Japanese original. In the event of any differences or inconsistencies between the Japanese and English versions, the Japanese language version shall take precedence.**

Overview of operating results

The forward-looking statements in the text are based on the judgment of the Group as of the last day of the quarterly accounting period of the current consolidated fiscal year.

The accounting treatment for the business combination with E-Guardian Inc., which was conducted in October, 2023, was a provisional one at the end of the previous fiscal year. However, during the cumulative third quarter of the current consolidated fiscal year, such treatment was finally fixed, and the revised amount due to this finalized accounting treatment is used in the following statements for comparison and analysis therewith.

(1) Overview of operating results for the third quarter of the current consolidated fiscal year

In the future, it is predicted that about one out of 2.6 citizens will be older than 65 in 2065, resulting in a world of super-aged society. In recent years, as a result of the spread of new corona viruses, it was found that Japanese digital transformation (hereinafter, “DX”) is becoming increasingly behind the world. Therefore, in the stock market, there is a clear bipolarization between companies adaptive and evolving to DX and other companies. As a result, it is urgently necessary for surviving companies to respond to, transform, and invest in DX. In addition, it is also inevitable for local governments who are facing the challenge of severe financial conditions and population decline and whose workloads are increasing despite the declining number of employees to improve operational efficiency through DX.

Under such circumstances, the Group (or simply, “we”) has been developing businesses such as digitization of business models and business processes and support for the development of digital human resources in order to dramatically improve Japanese productivity with "People multiplied by Technology" and to make Japan a sustainable society with a decreasing population under the vision of "Change Productivity" under the mission of "Change People, Change Business, Change Japan". Since its inception, we have provided solutions to the digitization needs of many customers.

Specifically, we are promoting and expanding these two businesses: NEW-IT Transformation Business, which is responsible for supporting the development of digital human resources, innovating business processes, and digitization, and the Publitech Business, which is headed by the promotion of regionalization through DX.

On May 13, 2022, we announced the revised "Digitize & Digitalize Japan (Phase 2)," our Mid-term Business Plan. In March 2022, we entered into a capital and business alliance with SBI Holdings, Inc. to accelerate initiatives for regional revitalization in order to identify priority areas for “Local" × "Social" × "Digital” and lead the Japanese DX and achieve the revised Mid-term Business Plan. At the same time, we are accelerating recruitment and development of human resources, expansion of DX’s growth areas through the establishment of joint ventures with major companies, and growth-oriented investments including M&A. Also, by shifting to a holding company structure on April 1, 2023, we will further strengthen group governance and optimize the allocation of management resources as well as promote the development of next-generation management talents. Our goal is to secure a flexible and robust management structure that can respond quickly to any changes in the management environment.

With E-Guardian Inc., which became a consolidated subsidiary in October 2023 as a foothold, we have been expanding our business into the cyber security field. Also, in December 2024, we acquired fundbook, Inc., a company engaged in M&A brokerage and made it our wholly owned subsidiary. In these ways, we are actively developing our business in order to achieve further growth under the next Mid-term Business Plan.

Operating results for the cumulative third quarter of the current consolidated fiscal year are as follows:

In the NEW-IT Transformation Business, the Group continues to invest in growth-oriented businesses, centered on M&A and capital-and-business alliances. In the area of resolving personnel shortages, we strengthened and expanded training services that incorporated re-skilling and robust generative AI(ChatGPT) related demand and recorded a gain on revaluation of shares due to the conversion of Digital Growth Academia, Inc. into an equity-method affiliate. Further, for the sake of the business succession of regional companies which is a key to regional revitalization, we acquired fundbook, Inc., a company engaged in M&A brokerage, and made it a wholly owned subsidiary in order to create a new added value in the M&A brokerage business by using our DX knowledge, client base, and relationships with them. In the cyber security field, revenue increased significantly compared with the same quarterly consolidated accounting period of the previous fiscal year due to the consolidation of E-Guardian Inc. and IdealRoute Consulting Inc. Cyleague Holdings, Inc. has also signed a basic agreement with Sumitomo Mitsui Financial Group, Inc. and Sumitomo Mitsui Insurance Co., Ltd. to establish a joint venture to support corporate cyber security. In order to continue to reorganize the cyber security industry, we will engage in the integration of solutions and human resources through M&A.

In the Publitech Business, we are promoting DX of local governments and regional revitalization through efforts to promote regional economic cycles. In the regional revitalization business, the expansion of OEM services, such as "JRE MALL Furusato Nozei (hometown tax donation)" operated by East Japan Railway Company and "Kabu & Furusato Nozei" operated by KABU&PEACE,Inc. As a result, the amount of donations handled in the cumulative third quarter of the current fiscal year exceeded that in the same period of the previous fiscal year and grew steadily. As announced on August 14, 2024, Toko Computer Service Co.,Ltd. will become our consolidated subsidiary to promote the development of new businesses such as carbon credits. In the public DX area, LoGo chat and LoGo forms, which are SaaS businesses for local governments, continue to receive a strong reputation from customers, and about total of 1,500 local governments use LoGo chat (including both paid and free). In addition, Govmates, inc. is developing and strengthening business standardization solutions to expand DX of municipal operations.

As a result, revenue for the current quarterly consolidated accounting period was 34,937 million yen (up 21.3% from the same period of the previous fiscal year), operating profit was 13,121 million yen (up 28.6% from the same period), quarterly profit before tax was 12,589 million yen (up 23.5% from the same period), and quarterly profit attributable to owners of parent was 8,260 million yen (up 18.8% from the same period).

Segment operating results are as follows:

(a)NEW-IT Transformation Business

In the NEW-IT Transformation Business, the Group continues to invest in growth-oriented businesses, centered on M&A and capital-and-business alliances. In the area of resolving personnel shortages, we strengthened and expanded training services that incorporated re-skilling and robust generation AI(ChatGPT) related demand, and recorded a gain on revaluation of shares due to the conversion of Digital Growth Academia, Inc. into an equity-method affiliate. Further, for the sake of the business succession of regional companies which is a key to regional revitalization, we acquired fundbook, Inc., a company engaged in M&A brokerage and made it a wholly

owned subsidiary in order to create a new added value in the M&A brokerage business by using our DX knowledge, client base, and relationships with them. In the cyber security field, revenue increased significantly compared with the same quarterly consolidated accounting period of the previous fiscal year due to the consolidation of E-Guardian Inc. and IdealRoute Consulting Inc. Cyleague Holdings, Inc. has also signed a basic agreement with Sumitomo Mitsui Financial Group, Inc. and Sumitomo Mitsui Insurance Co., Ltd. to establish a joint venture to support corporate cyber security. In order to continue to reorganize the cyber security industry, we will engage in the integration of solutions and human resources through M&A.

Consequently, revenue in the NEW-IT Transformation Business for the current quarterly consolidated accounting period was 13,639 million yen (up 89.1% from the same period of the previous fiscal year), and segment profit was 4,097 million (up 190.9% from the same period).

(b) Publitech Business

In the Publitech Business, we are promoting DX of local governments and regional revitalization through efforts to promote regional economic cycles. In the regional revitalization business, the expansion of OEM services such as "JRE MALL Furusato Nozei (hometown tax donation)" operated by East Japan Railway Company and "Kabu & Furusato Nozei" operated by KABU&PEACE,Inc. As a result, the amount of donations handled in the cumulative third quarter of the current fiscal year exceeded that in the same period of the previous fiscal year and grew steadily. On October 17, 2024, we began collaboration with “JRE MALL Furusato Nozei (hometown tax donation)”, which is operated by East Japan Railway Company, and expanded OEM services. As announced on August 14, 2024, Toko Computer Service Co.,Ltd. will become our consolidated subsidiary to promote the development of new businesses such as carbon credits. In the public DX area, LoGo chat and LoGo forms, which are SaaS businesses for local governments, continue to receive a strong reputation from customers, and about total of 1,500 local governments, use LoGo chat (including both paid and free). In addition, Govmates, inc. is developing and strengthening business standardization solutions to expand DX of municipal operations.

As a result, revenue in the Publitech Business for the current quarterly consolidated accounting period was 21,704 million yen (up 1.0% from the same period of the previous fiscal year) and segment profit was 12,958 million yen (up 13.3% from the same period).

(2) Financial Position

(i) Assets, Liabilities, and Shareholder Equity

(Assets)

Current assets at the end of the third quarter of the current consolidated fiscal year were 89,580 million yen, an increase of 33,488 million yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 43,512 million in trade and other receivables coming from an increase in the amount of donations handled in December 2024 for OEM services of the hometown tax donation platform. Non-current assets were 55,301 million, an increase of 17,711 million yen from the end of the previous fiscal year. This was mainly due to an increase of 11,075 million yen in goodwill due to the acquisition of shares of fundbook, Inc. etc.

As a result of the above, total assets increased by 51,200 million yen from the end of the previous fiscal year to 144,882 million yen.

(Liabilities)

Current liabilities at the end of the third quarter of the current consolidated fiscal year were 72,613 million yen, an increase of 51,714 million yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 35,445 million yen in trade and other payables coming from an increase in the handling of donations in December 2024 for OEM services of the hometown tax donation platform. Non-current liabilities decreased by 712 million yen from the end of the previous fiscal year to 22,170 million yen. This was mainly due to a decrease of 2,613 million in bonds and borrowings.

As a result of the above, total liabilities increased by 51,002 million yen from the end of the previous fiscal year to 94,783 million yen.

(Equity)

Equity at the end of the third quarter of the current consolidated fiscal year was 50,098 million yen, an increase of 197 million yen from the end of the previous consolidated fiscal year. This was mainly due to the recording of quarterly profit attributable to owners of the parent of 8,260 million yen and an increase of 4,476 million yen in treasury share, which is a deduction for shareholders' equity.

(ii) Cash Flows

Cash and cash equivalents at the end of the third quarter of the current consolidated fiscal year were 30,832 million yen, a decrease of 7,571 million yen from the end of the previous fiscal year.

The status of each cash flow and main factors are as follows.

(Cash flows from operating activities)

The decrease in cash from operating activities during the third quarter of the current consolidated fiscal year was 238 million yen (an increase of 5,749 million yen for the same period of the previous fiscal year). This was mainly due to an net increase/decrease△ 42,049 million yen (△means increase) in trade and other receivables, 35,228 million yen in trade and other payables and 5,053 million yen of the payment of the income tax.

(Cash flows from investing activities)

The decrease in cash from investing activities in the third quarter of the current consolidated fiscal year was 13,264 million yen (a decrease of 10,729 million yen for the same period of the previous fiscal year). This was mainly due to the purchase of shares of subsidiaries resulting in change in the scope of consolidation of 12,585 million yen.

(Cash flows from financing activities)

The increase in cash from financing activities in the third quarter of the current consolidated fiscal year was 9,226 million yen (an increase of 17,089 million yen for the same period of the previous fiscal year). This was mainly due to a net increase/decrease in short-term borrowings of 18,500 million yen.

The main change factor other than the above is a decrease of 4,068 million yen in cash and cash equivalents due to exclusion of consolidated entities. This was due to the change of Digital Growth Academia, Inc., to an equity-method affiliate.

(3) Explanation for the consolidated earnings forecasts

Regarding earnings forecasts, there are no changes from the consolidated financial forecast announced on May 15, 2024.

[Notes of caution] **This document is an English translation of the Japanese original. In the event of any differences or inconsistencies between the Japanese and English versions, the Japanese language version shall take precedence.**

2. Condensed Quarterly Consolidated Financial Statements and Major Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	End of the previous consolidated fiscal year (As of March 31, 2024)	End of the third quarter of the current consolidated fiscal year (As of December 31, 2024)
Assets		
Current assets		
Cash and cash equivalents	38,403	30,832
Trade and other receivables	13,699	57,212
Inventories	402	486
Other financial assets	34	6
Other current assets	870	1,043
Subtotal current assets	53,410	89,580
Assets held for sale	2,681	-
Total current assets	56,091	89,580
Non-current assets		
Property, plant, and equipment	1,080	1,380
Right- of- use assets	1,070	1,839
Goodwill	18,278	29,353
Intangible assets	9,022	8,758
Investments accounted for using the equity method	731	4,684
Other financial assets	5,229	6,688
Deferred tax assets	2,141	2,499
Other non-current assets	35	98
Total non-current assets	37,590	55,301
Total assets	93,681	144,882

[Notes of caution] **This document is an English translation of the Japanese original. In the event of any differences or inconsistencies between the Japanese and English versions, the Japanese language version shall take precedence.**

(Millions of yen)

	End of the previous consolidated fiscal year (As of March 31, 2024)	End of the third quarter of the current consolidated fiscal year (As of December 31, 2024)
Liabilities and Equity		
Liabilities		
Current liabilities		
Trade and other payables	7,929	43,375
Short-term borrowings	3,652	22,402
Lease liabilities	633	1,322
Other financial liabilities	388	301
Accrued income taxes	3,234	2,067
Provisions	557	32
Other current liabilities	4,459	3,110
Subtotal current liabilities	20,854	72,613
Liabilities directly associated with assets held for sale	44	-
Total current liabilities	20,898	72,613
Non-current liabilities		
Bonds and borrowings	19,286	16,673
Lease liabilities	447	2,020
Provisions	260	413
Deferred tax liabilities	2,277	2,488
Other non-current liabilities	609	574
Total non-current liabilities	22,882	22,170
Total liabilities	43,781	94,783
Equity		
Share capital	1,006	1,042
Capital surplus	22,048	22,079
Retained earnings	17,937	24,844
Treasury shares	△1,405	△5,882
Other components of equity	△102	△106
Total equity attributable to owners of parent (total)	39,483	41,978
Non-controlling interests	10,416	8,120
Total equity	49,900	50,098
Total liabilities and equity	93,681	144,882

[Notes of caution] **This document is an English translation of the Japanese original. In the event of any differences or inconsistencies between the Japanese and English versions, the Japanese language version shall take precedence.**

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

[Condensed Quarterly Consolidated Statements of Income]

(Millions of yen)

	Cumulative third quarter of the previous consolidated fiscal year (From April 1, 2023 to December 31, 2023)	Cumulative third quarter of the current consolidated fiscal year (From April 1, 2024 to December 31, 2024)
Revenue from contracts with customers	28,671	34,937
Revenue from investment securities held as part of operations	127	-
Total revenue	28,798	34,937
Cost of sales	9,126	14,247
Gross profit	19,672	20,690
Selling, general and administrative expenses	9,585	9,350
Gain from loss of control of subsidiaries	-	1,569
Other income	99	138
Other costs	6	34
Share of profit of investments accounted for using equity method	20	108
Operating profit	10,199	13,121
Financial income	74	7
Financial cost	80	539
Profit before taxes	10,194	12,589
Income tax expense	3,266	4,054
Quarterly profit	6,927	8,534
Current quarterly profit attributable to:		
Owners of the parent	6,951	8,260
Non-controlling interests	△24	274
Current quarterly profit	6,927	8,534
Current quarterly earnings per share		
Current quarterly basic earnings per share (yen)	96.07	117.61
Current quarterly diluted earnings per share (yen)	94.47	116.66

[Notes of caution] **This document is an English translation of the Japanese original. In the event of any differences or inconsistencies between the Japanese and English versions, the Japanese language version shall take precedence.**

[Condensed Quarterly Consolidated Statements of Comprehensive Income]

(Millions of yen)

	Cumulative third quarter of the previous consolidated fiscal year (From April 1, 2023 to December 31, 2023)	Cumulative third quarter of the current consolidated fiscal year (From April 1, 2024 to December 31, 2024)
Quarterly profit	6,927	8,534
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	△70	△0
Other comprehensive income under the equity method	△0	-
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation adjustments of foreign operations	9	△7
Other comprehensive income, net of tax	△60	△7
Quarterly comprehensive income	6,866	8,527
Quarterly comprehensive income attributable to		
Owner of the parent	6,885	8,257
Non-controlling interests	△19	270
Current quarterly comprehensive income	6,866	8,527

[Notes of caution] **This document is an English translation of the Japanese original. In the event of any differences or inconsistencies between the Japanese and English versions, the Japanese language version shall take precedence.**

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

Cumulative third quarter of the previous consolidated fiscal year (From April 1, 2023, to December 31, 2023)

(Millions of yen)

	Equity attributable to owners of parent				
					Other components of equity
	Share Capital	Capital surplus	Retained earnings	Treasury share	Financial assets measured at fair value through other comprehensive income
Balance on April 1, 2023	1,004	22,480	14,398	△1,405	-
Quarterly profit			6,951		
Other comprehensive income					△70
Quarterly comprehensive income	-	-	6,951	-	△70
Issuance of shares	2	2			
Dividend Paid			△723		
Non-controlling interests related to acquisition of subsidiaries					
Total transactions with owners	2	2	△723	-	-
Balance on December 31, 2023	1,006	22,482	20,626	△1,405	△70

	Equity attributable to owners of the parent company				
	Other components of equity				
	Foreign currency translation adjustments of foreign operations	Total	Total	Non-controlling interests	Total
Balance on April 1, 2023	-	-	36,477	2,854	39,331
Quarterly profit		-	6,951	△24	6,927
Other comprehensive income	4	△65	△65	4	△60
Total quarterly comprehensive income	4	△65	6,885	△19	6,866
Issuance of new shares		-	5		5
Dividends paid		-	△723	△264	△988
Non-controlling interests related to acquisition of subsidiaries		-	-	7,727	7,727
Total transactions with owners	-	-	△718	7,462	6,744
Balance on December 31, 2023	4	△65	42,644	10,298	52,942

[Notes of caution] **This document is an English translation of the Japanese original. In the event of any differences or inconsistencies between the Japanese and English versions, the Japanese language version shall take precedence.**

Cumulative third quarter of the current consolidated fiscal year(from April 1, 2024, to December 31, 2024)

(Millions of yen)

	Equity attributable to owners of parent				
	Share Capital	Capital surplus	Retained earnings	Treasury share	Other components of equity: Financial assets measured at fair value through other comprehensive income
Balance on April 1, 2024	1,006	22,048	17,937	△1,405	△106
Quarterly profit			8,260		
Other comprehensive income					△0
Quarterly comprehensive income	-	-	8,260	-	△0
Issuance of new shares	35	34			
Issuance of share option		2			
Dividend Paid			△1,353		
Purchase of treasury share		△6		△4,476	
Changes due to loss of control of subsidiaries					
Change in ownership interest in controlled subsidiaries		0			
Change in equity in the equity-method applied affiliates					0
Share-based payment transactions of consolidated subsidiaries					
Total transactions with owners	35	31	△1,353	△4,476	0
Balance on December 31, 2024	1,042	22,079	24,844	△5,882	△106

(millions of yen)

	Equity attributable to owners of the parent				
	Other components of equity		Total	Non-controlling interests	Total
	Foreign currency translation adjustments of foreign operations	Total			
Balance on April 1, 2024	3	△102	39,483	10,416	49,900
Quarterly profit			8,260	274	8,534
Other comprehensive income	△3	△3	△3	△3	△7
Quarterly comprehensive income	△3	△3	8,257	270	8,527
Issuance of new shares		-	70		70
Issuance of share option		-	2		2
Dividend paid		-	△1,353	△181	△1,534
Purchase of treasury share		-	△4,482		△4,482
Changes due to loss of control of subsidiaries		-	-	△2,398	△2,398
Change in ownership interest in controlled subsidiaries	0	0	0	△0	△0
Change in equity in the equity-method applied affiliates		0	0		0
Share-based payment transactions of consolidated subsidiaries		-	-	14	14
Total transactions with owners	0	0	△5,762	△2,566	△8,329
Balance on December 31, 2024	0	△106	41,978	8,120	50,098

[Notes of caution] **This document is an English translation of the Japanese original. In the event of any differences or inconsistencies between the Japanese and English versions, the Japanese language version shall take precedence.**

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Cumulative third quarter of the previous consolidated fiscal year (From April 1, 2023 to December 31, 2023)	Cumulative third quarter of the current consolidated fiscal year (From April 1, 2024 to December 31, 2024)
Cash flow from operating activities		
Current quarterly profit before income taxes	10,194	12,589
Depreciation and amortization	1,208	1,669
Gain on loss of control of subsidiaries	-	△1,569
Equity in earnings of affiliates (△ means profit)	△20	△108
Finance income and finance costs	5	532
Increase (decrease) in inventory (△ is increase)	61	△1
Increase (decrease) in trade and other receivables (△ is increase)	△10,669	△42,049
Increase (decrease) in investment securities held as part of operations (△ is increase)	△127	-
Increase (decrease) in trade and other payables (△ is decrease)	5,307	35,228
Other	1,546	△1,322
Subtotal	7,507	4,967
Interest and dividends received	3	4
Interest paid	△51	△156
Income taxes paid	△1,710	△5,053
Net cash provided by (used in) operating activities	5,749	△238
Cash flow from investing activities		
Purchases of property, plant, and equipment	△1,212	△174
Purchase of intangible assets	△612	△716
Purchase of subsidiaries resulting in the change of scope of consolidation	△7,198	△12,585
Gain on purchase of subsidiaries resulting in the change of scope of consolidation	-	420
Gain on sale of subsidiaries resulting in the change of scope of consolidation	-	1,405
Acquisition of investment securities	△2,049	△688
Sale of investment securities	277	-
Other	66	△925
Net cash provided by (used in) investing activities	△10,729	△13,264
Cash flow from financing activities		
Net increase (decrease) in short-term borrowings (△ is decrease)	△50	18,500
Net increase (decrease) in long-term borrowings	20,167	40
Repayments of long-term borrowings	△1,717	△2,761
Repayments of lease liabilities	△328	△700
Proceeds from issuance of shares	5	70
Dividend payment to non-controlling interests	△264	△181
Dividend payment	△714	△1,350
Repurchase of treasury shares	-	△4,485
Others	△7	97
Net cash provided by (used in) financing activities	17,089	9,226
Net increase in cash and cash equivalents (△ is decrease)	12,109	△4,276
Cash and cash equivalents at beginning of period	22,968	38,403
Effect of exchange rate changes on cash and cash equivalents	46	0
Decrease in cash and cash equivalents due to exclusion of consolidated entities	-	△4,068
Net increase in cash and cash equivalents included in assets group for disposal classified as held for sale (△ is decrease)	-	773
Cash and cash equivalents at end of period	35,124	30,832

[Notes of caution]

This document is an English translation of the Japanese original. In the event of any differences or inconsistencies between the Japanese and English versions, the Japanese language version shall take precedence.

(5) Notes to Condensed Quarterly Consolidated Financial Statements

(Applied Financial Reporting Framework)

Our Condensed Quarterly Consolidated Financial Statements (Condensed Quarterly Consolidated Statement of Financial Position, Condensed Quarterly Consolidated Profit and Loss Statement, Condensed Quarterly Comprehensive Profit Statement, Condensed Quarterly Consolidated Statements of Changes in Equity, Condensed Quarterly Consolidated Statements of Cash Flows and Notes) are prepared in accordance with the standard for preparing the Quarterly Financial Statements, etc. of the Tokyo Stock Exchange, Inc. in accordance with the provision of Section 5, Item 2 (abbreviation of the standard as defined in Section 5, Item 5), and some of the disclosure items and notes required by International Accounting Standards No. 34, "Interim Financial Reports" are omitted.

(Notes on the Going Concern Assumption)

Not applicable.

[Notes of caution]

This document is an English translation of the Japanese original. In the event of any differences or inconsistencies between the Japanese and English versions, the Japanese language version shall take precedence.

(Segment Information)

(1) Description of reportable segments

The Group's reportable segments are the components of the Group for which discrete financial information is available and whose operating results are regularly reviewed by the Company's Board of Directors to make decisions about the allocation of management resources to the segments and assess their performance. No operating segments have been aggregated in determining the reportable segments.

The Group consists of segments categorized by the nature of services. We have three reportable segments: the NEW-IT Transformation Business, the Investment Business, and the Publitech Business.

The NEW-IT Transformation Business provides Japanese companies with solutions that improve productivity and added value by transforming their business operations and business models through the development of innovative technologies and digital human resources. Publitech Business provides a platform service for hometown tax donation and solutions for government agencies.

At the meeting of our Board of Directors held on April 14, 2023, a resolution was made to abolish the "Investment Business" and to change the reportable segments.

(2) Information regarding reportable segments

The accounting policies of the reportable segments are the same as those of the Group.
Segment profit in the reportable segments is based on operating profit.
Inter-segment revenue is based on prevailing market prices.

Cumulative third quarter of the previous consolidated fiscal year (From April 1, 2023, to December 31, 2023)

(Millions of yen)

	Reportable segments				Adjustment (Note) 1	Consolidated
	NEW-IT Transformation Business	Investment Business	Publitech Business	Total		
Revenue						
Revenue from external customers	7,192	127	21,479	28,798	-	28,798
Intersegment revenue	19	-	-	19	△19	-
Total	7,211	127	21,479	28,817	△19	28,798
Segment profit (Note 2)	1,408	126	11,437	12,971	△2,772	10,199
Finance income	-	-	-	-	-	74
Financing cost	-	-	-	-	-	80
Profit before tax	-	-	-	-	-	10,194

(Note)

1. The adjustment △2,772 million yen comprises company-wide expenses not allocable to any reportable segment and mostly consists of general and administrative expenses of 2,772 million yen that are not attributable to the reportable segments.
2. This segment's profit is adjusted for operating income in the condensed quarterly consolidated statements of income.

[Notes of caution]

This document is an English translation of the Japanese original. In the event of any differences or inconsistencies between the Japanese and English versions, the Japanese language version shall take precedence.

Cumulative third quarter of the current consolidated fiscal year (From April 1, 2024, to December 31, 2024)

(Millions of yen)

	Reportable segments				
	NEW-IT Transformation Business	Publitech Business	Total	Adjustment (Note) 1	Consolidated
Revenue					
Revenue from external customers	13,272	21,664	34,937	-	34,937
Intersegment revenue	366	39	406	△406	-
Total	13,639	21,704	35,343	△406	34,937
Segment profit (Note 2)	4,097	12,958	17,056	△3,934	13,121
Finance income	-	-	-	-	7
Financing cost	-	-	-	-	539
Profit before tax	-	-	-	-	12,589

(Note)

1. The adjusted △3,934 million yen for the segment income (△ means loss) is corporate expenses that are not allocated to each reportable segment, and mainly consists of general and administrative expenses of 3,934 million yen that are not attributable to the reportable segment.

2. This segment profit (△ means loss) is adjusted with operating income in the condensed quarterly consolidated statements of income.