



## Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2021 (IFRS)

November 12, 2020

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(Figures are rounded to the nearest million yen)

### 1. Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2021 (April 1, 2020 to September 30, 2020)

#### (1) Consolidated Financial Results

(Millions of yen, % of change from same quarter in previous year)

	Net sales		Operating income		Pre-tax income		Net income		Net income attributable to owners of parent		Comprehensive net income	
	Yen	% change	Yen	% change	Yen	% change	Yen	% change	Yen	% change	Yen	% change
Second Quarter of the Fiscal Year Ending March 31, 2021	1,340	2.1	337	—	326	966.9	237	—	238	—	224	—
Second Quarter of the Fiscal Year Ended March 31, 2020	1,312	-18.1	21	8.7	31	-57.5	14	146.0	6	5.8	-212	—

(Yen, %)

	Basic net income per share	Diluted net income per share
Second Quarter of the Fiscal Year Ending March 31, 2021	14.46	14.46
Second Quarter of the Fiscal Year Ended March 31, 2020	0.37	0.36

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

#### (2) Consolidated Financial Position

(Millions of yen)

	Total assets	Total equity	Total equity attributable to owners of parent	Ratio of equity attributable to owners of parent
Second Quarter of the Fiscal Year Ending March 31, 2021	7,754	5,004	4,862	62.7%
Fiscal Year Ended March 31, 2020	8,061	4,872	4,720	58.6%

### 2. Cash Dividends

(Yen, %)

	Annual cash dividends				
	End-Q1	End-Q2	End-Q3	Year-end	Total
Fiscal Year Ended March 31, 2020	—	0.00	—	4.00	4.00
Fiscal Year Ending March 31, 2021	—	0.00			
Fiscal Year Ending March 31, 2021 (Forecast)			—	—	—

(Note) Revisions to the forecast of cash dividends since the latest announcement: None

Year-end dividend for the fiscal year ending March 31, 2021 currently undetermined.

### 3. Forecast of Consolidated Results for Fiscal Year Ending March 31, 2021 (April 1, 2020 to March 31, 2021)

Owing to the current difficulty of assessing the impact on the Group's earnings of disruption to global economic activity and domestic production from COVID-19, the Company intends to monitor conditions closely and disclose its forecast of consolidated results for the fiscal year ending March 31, 2021 as soon as a reasonable estimation is possible.

\* Notes

(1) Changes in significant subsidiaries during the fiscal period

(Changes in specified subsidiaries that caused a change in the scope of consolidation): None

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

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

a) Changes in accounting policies due to IFRS requirements: Yes

b) Changes in accounting policies other than (2) a) above: None

c) Changes in accounting estimation: Yes

(3) Number of issued shares (Common Stock)

a) Total number of issued shares at the end of the period (including treasury stock)	Q2 Fiscal Year Ending March 31, 2021	17,491,265 shares	Fiscal Year Ended March 31, 2020	17,491,265 shares
b) Number of shares of treasury stock at the end of the period	Q2 Fiscal Year Ending March 31, 2021	715,286 shares	Fiscal Year Ended March 31, 2020	721,757 shares
c) Average number of shares during the period	Q2 Fiscal Year Ending March 31, 2021	16,464,308 shares	Q2 Fiscal Year Ended March 31, 2020	16,459,775 shares

\* These consolidated financial results are not subject to audit.

\* Cautionary statement on appropriate use of business results forecasts and other matters.

(Note on forward-looking statements)

This report contains forward-looking statements on future performance and other matters that are based on information currently available to the company and certain reasonable assumptions. These forward-looking statements are not guarantees of future performance. A variety of factors may cause actual performance to be materially different from that expressed or implied by these forward-looking statements. For notes on the assumptions used in business forecasts and use of these forecasts, please refer to “1. Qualitative information for results, (3) Explanation of forward-looking statements for consolidated business results, etc.”

(Access to supplementary materials for results and content from the results briefing)

The company plans to hold an online results briefing from 6.00pm-7.00pm on Thursday, November 12, 2020. The materials used in the briefing will be posted on our official website, while the briefing video itself will be streamed live on YouTube Live and will also be available on our website at a later date.

○ Index of attached materials

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## 1. Qualitative information for business results

### (1) Explanation of business results

Consolidated Asteria Group (hereinafter Group) results through the second quarter of the fiscal year ended March 31, 2021 (April 1, 2020-September 30, 2021, hereinafter Q2 FY2020) saw year over year (hereinafter YoY) increase in both net sales and income despite the global impact of the COVID-19 pandemic.

Although the effects of COVID-19 overseas caused a YoY fall in net sales in the Design business unit, which operates the This Place brand, sales of mainstay product ASTERIA Warp grew strongly, and there was also solid sales of Handbook despite an impact from COVID-19. As a consequence, consolidated net sales increased.

In income, because of the cost structure reforms driving at turn to profit at wholly-owned subsidiary This Place, which operates mainly in overseas markets, there were increases of Yen 317mn in operating income (an operating income margin of 25.2%, up 1,536.8% YoY), Yen 296mn in pre-tax income (up 966.9% YoY), and Yen 232mn in net income attributable to the owners of the parent (up 3,795.4% YoY). Income increased significantly at all levels, reaching the highest levels since the listing.

#### <Group business initiatives>

The Group is proactively implementing measures to prevent COVID-19, which began to have a global impact in the last quarter of FY2019. At all subsidiaries, we have moved decisively to teleworking in line with conditions in each operating region to ensure both the smooth running of business and the safety of our employees.

Moreover, we have moved all events and seminars for our products and services online in order to prevent the spread of the COVID-19 at client companies, while promptly implementing the following initiatives for individual products and services:

- ASTERIA Warp: Holding webinars on enabling links with a variety of cloud services in support of teleworking
- Handbook: Releasing illustrative examples to support schools during closure and remote training camps
- Platio: Releasing mobile illustrative examples to support users in adapting to new lifestyles
- Gravio: Releasing illustrative examples of how automation that uses sensors can help users avoid the 3Cs that facilitate COVID-19 infections
- Blockchain: Providing virtual annual general shareholders' meetings that enable voting
- This Place: Issuing a white paper on COVID-19 responses for the e-commerce retail sector

Going forward, in a bid to grow amid the tough business conditions of COVID-19, the Group will focus its investments on the C.A.R. (Cloud, Automation and Remote) domains that we believe offer significant expansion prospects in the "new normal" era.

Consolidated results for Q2 FY2020 were as follows.

(Millions of yen)

	Q2 FY2019	Q2 FY2020	YoY growth
Net sales	1,311.908	1,339.799	2.1%
Operating income	20.600	337.181	1,536.8%
Pre-tax income	30.585	326.312	966.9%
Net income attributable to owners of parent	6.113	238.105	3,795.4%

Net sales by business unit were as follows.

Enterprise business unit

(Millions of yen)

	Q2 FY2019	Q2 FY2020	YoY growth
Net sales	790.058	908.167	14.9%

<Sales performance>

As in Q1, our telework-based marketing structure enabled proactive online marketing activities, and the resulting limited impact from COVID-19 facilitated solid growth in ASTERIA Warp, including subscription-based service ASTERIA Warp Core. As a result, sales of ASTERIA Warp increased a robust 28% YoY.

Thanks to “an integrated system for CO<sub>2</sub> concentration visibility and notification,” which uses the concentration of CO<sub>2</sub> to assess and provide warnings on the 3Cs that facilitate COVID-19 infections, there were strong inquiries for AI-equipped IoT integration edge\_ware Gravio for use in public spaces such as medical institutions and employee cafeterias. In addition, we responded to growing needs at factories in a wide variety of industries for remote monitoring of production equipment as teleworking spread by increasing our proposals of Gravio as a solution enabling “unmanned, remote, and automated” operations.

Cloud Services business unit

(Millions of yen)

	Q2 FY2019	Q2 FY2020	YoY growth
Net sales	152.698	158.000	3.5%

<Sales performance>

As well as solid sales of Handbook, we secured a number of new clients for Platío via a special COVID-19 campaign offering the product free of charge. The launch of an Android version of Platío in June 2020 also increased the number of target smartphones, leading to new orders from companies in a variety of different sectors, and this drove overall sales in the Cloud Services business unit. Platío sales more than tripled YoY.

Design business unit

(Millions of yen)

	Q2 FY2019	Q2 FY2020	YoY growth
Net sales	365.827	269.641	-26.3%

<Sales performance>

The impact of COVID-19 forced a reassessment of customer projects in tourism-related industries. However, due in part to progress in attracting new customers, particularly in the US, we were able to record sales of roughly the same level as in Q1 and thereby to minimize the impact of factors such as COVID-19 lockdowns.

Other business unit

(Millions of yen)

	Q2 FY2019	Q2 FY2020	YoY growth
Net sales	3.324	3.992	20.1%

<Sales performance>

Sales in this business unit come from a variety of service areas, including SnapCal, lino, and blockchain technology consulting.

## (2) Explanation of financial situation

### ① Explanation of assets and liabilities

#### (Assets)

Total assets as of the end of Q2 FY2020 were Yen 7,754.476mn, down Yen 306.533mn from end-FY2019. Current assets increased Yen 158.450mn to Yen 3,108.052mn, and noncurrent assets decreased Yen 464.983mn to Yen 4,646.424mn. This owed mainly to increase of Yen 187.826mn in cash and cash equivalents within current assets, and to decrease of Yen 518.593mn in tangible fixed assets (mainly right-of-use assets) against increase of Yen 50.340mn in other financial assets within noncurrent assets.

#### (Liabilities)

Total liabilities as of Q2 FY2020 were Yen 2,750.243mn, down Yen 439.231mn from end-FY2019. Current liabilities increased Yen 7.623mn to Yen 1,315.993mn, and noncurrent liabilities decreased Yen 446.854mn to Yen 1,434.250mn. This owed mainly to decrease of Yen 71,400 in borrowings and decrease of Yen 554.538mn in other financial liabilities (lease liabilities), respectively.

#### (Capital)

Capital as of the end of Q2 FY2020 was Yen 5,004.233mn, up Yen 132.698mn from end-FY2019. This owed mainly to increase of Yen 159.235 million in retained earnings against decrease of Yen 9.105mn in other equity components.

### ② Explanation of cash flows

The balance of cash and cash equivalents (hereafter "cash") as of Q2 FY2020 was Yen 2,665.147mn, up Yen 187.825mn from end-FY2019.

Change in each cash flow item during the period and the reasons for the changes were as follows.

#### (Cash flow from operating activities)

As a result of operating activities, cash of Yen 495.478mn was created (compared to cash created of Yen 362.707mn in Q2 FY2019). This owed mainly to the booking of Yen 326.312mn in pre-tax profit, increase of Yen 115.427mn in depreciation and amortization and increase of Yen 118.529mn in deferred revenues.

#### (Cash flow from investment activities)

As a result of investment activities, cash of Yen 122.863mn was used (compared to cash used of Yen 304.418mn in Q2 FY2019). This owed mainly to Yen 106.930mn used for investment purchases and Yen 8.636mn used for tangible fixed asset purchases.

#### (Cash flow from financial activities)

As a result of financial activities, cash of Yen 203.673mn was used (compared to cash used of Yen 118.905mn in Q2 FY2019). This owed mainly to Yen 66.811mn used for the payment of dividends, Yen 71.400mn used for the repayment of long-term debt, and Yen 67.595mn used for the repayment of lease liabilities.

## (3) Explanation of forward-looking statements for consolidated business results, etc.

Owing to the current difficulty of assessing the impact on the Group's earnings of disruption to global economic activity and domestic production from COVID-19, the Company intends to monitor conditions closely and disclose its forecast of consolidated results for the fiscal year ending March 31, 2021 as soon as a reasonable estimation is possible.

## 2. Outline consolidated financial statements and main notes

### (1) Outline consolidated financial statement

(Thousands of yen)

	End-FY2019 (March 31, 2020)	End-Q2 FY2020 (September 30, 2020)
Assets		
Current assets		
Cash and cash equivalents	2,477,322	2,665,147
Operating receivables and other claims	342,701	314,137
Inventory assets	20,619	302
Other current assets	108,962	128,466
Total current assets	<u>2,949,603</u>	<u>3,108,052</u>
Noncurrent assets		
Tangible fixed assets	1,082,509	563,916
Goodwill	889,870	906,873
Intangible assets	75,994	66,307
Investments treated as equity method investment	331,092	321,806
Other financial assets	2,599,818	2,650,158
Other noncurrent assets	132,124	137,363
Total noncurrent assets	<u>5,111,407</u>	<u>4,646,424</u>
Total assets	<u><u>8,061,009</u></u>	<u><u>7,754,476</u></u>

(Thousands of yen)

	End-FY2019 (March 31, 2020)	End-Q2 FY2020 (September 30, 2020)
Liabilities and capital		
Liabilities		
Current liabilities		
Borrowings	242,800	242,800
Operating payables and other payables	169,137	150,591
Corporate income tax payable	31,702	101,195
Other financial liabilities	284,241	96,016
Other current liabilities	580,490	725,390
Total current liabilities	1,308,370	1,315,993
Noncurrent liabilities		
Provisions	19,393	14,125
Borrowings	785,800	714,400
Deferred income taxes	42,804	32,983
Other financial liabilities	1,032,413	670,783
Other noncurrent liabilities	694	1,959
Total noncurrent liabilities	1,881,104	1,434,250
Total liabilities	3,189,474	2,750,243
Capital		
Shareholders' equity	2,275,343	2,275,343
Capital surplus	2,474,701	2,458,837
Treasury stock	-537,645	-530,821
Other equity components	-250,314	-259,419
Retained earnings	758,336	917,571
Total equity attributable to owners of parent	4,720,420	4,861,511
Non-controlling interests	151,115	142,723
Total capital	4,871,535	5,004,233
Total liabilities and capital	8,061,009	7,754,476



## (2) Outline consolidated income statement

(Thousands of yen)

	Q2 FY2019 (April 1 2019-September 30, 2019)	Q2 FY2020 (April 1 2020-September 30, 2020)
Net sales	1,311,908	1,339,799
Cost of goods sales	388,697	250,927
Gross income	923,211	1,088,872
Selling, general and administrative expenses	899,429	796,410
Other income	3,058	45,212
Other expenses	6,240	493
Operating income	20,600	337,181
Financial income	18,931	26,937
Financial expenses	9,277	35,929
Equity in earnings of affiliates (Figures in negative represent loss)	331	-1,877
Pre-tax income	30,585	326,312
Provision for corporate income taxes	16,376	89,763
Net income	14,210	236,549
Attributable net income		
Net income attributable to owners of parent	6,113	238,105
Attributable to non-controlling interests	8,097	-1,556
Net income	14,210	236,549
Net income per share		
Basic net income per share (Yen)	0.37	14.46
Diluted net income per share (Yen)	0.36	14.46

## (3) Outline consolidated comprehensive income statement

(Thousands of yen)

	Q2 FY2019 (April 1 2019-September 30, 2019)	Q2 FY2020 (April 1 2020-September 30, 2020)
Net income	14,210	236,549
Other comprehensive income		
Items not transferrable to net income		
Financial assets assessed by fair value from other comprehensive income	12,829	-22,078
Total items not transferrable to net income	12,829	-22,078
Items transferrable to net income		
Translation difference for overseas business units	-239,167	9,278
Total items transferrable to net income	-239,167	9,278
Total other comprehensive income	-226,338	-12,800
Net comprehensive income	-212,128	223,750
Attributable comprehensive net income		
Attributable to owners of parent	-220,225	228,999
Attributable to non-controlling interests	8,097	-5,250
Net comprehensive income	-212,128	223,750

(4) Outline consolidated statement of changes in equity

	Attributable to owners of the parent					Total
	Capital stock	Capital surplus	Treasury stock	Other equity components		
				Translation difference for overseas business units	Financial assets assessed by fair value from other comprehensive income	
Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen	
Balance as of April 1, 2019	2,275,343	2,577,710	-578,558	124,081	-123,658	423
Cumulative effect of changes in accounting policies	—	—	—	—	—	—
Balances at the beginning of period restated for changes in accounting policies	2,275,343	2,577,710	-578,558	124,081	-123,658	423
Net income	—	—	—	—	—	—
Other comprehensive income	—	—	—	-239,167	12,829	-226,338
Total net comprehensive income	—	—	—	-239,167	12,829	-226,338
Dividends paid	—	—	—	—	—	—
Treasury stock disposals	—	-110,615	170,981	—	—	—
Share-based payment transactions	—	19,925	—	—	—	—
Transactions with non-controlling interests	—	536	—	—	—	—
Incorporation of a new subsidiary	—	—	—	—	—	—
Change from transactions with owners	—	-90,154	170,981	—	—	—
Balance as of September 30, 2019	2,275,343	2,487,556	-407,578	-115,086	-110,829	-225,914

	Attributable to owners of the parent		Non-controlling interests	Total capital
	Retained earnings	Total		
	Thousands of yen	Thousands of yen		
Balance as of April 1, 2019	1,106,763	5,381,681	7,772	5,389,453
Cumulative effect of changes in accounting policies	-102,221	-102,221	—	-102,221
Balances at the beginning of period restated for changes in accounting policies	1,004,542	5,279,461	7,772	5,287,233
Net income	6,113	6,113	8,097	14,210
Other comprehensive income	—	-226,338	—	-226,338
Total net comprehensive income	6,113	-220,225	8,097	-212,128
Dividends paid	-67,102	-67,102	—	-67,102
Treasury stock disposals	—	60,365	—	60,365
Share-based payment transactions	—	19,925	—	19,925
Transactions with non-controlling interests	—	536	-824	-288
Incorporation of a new subsidiary	—	—	20,000	20,000
Change from transactions with owners	-67,102	13,725	19,176	32,900
Balance as of September 30, 2019	943,553	5,072,960	35,045	5,108,005

Attributable to owners of the parent

	Capital stock		Capital surplus	Treasury stock	Other equity components	
					Translation difference for overseas business units	Financial assets assessed by fair value from other comprehensive income
	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen
Balance as of April 1, 2020	2,275,343	2,474,701	-537,645	-70,536	-179,778	-250,314
Net income	—	—	—	—	—	—
Other comprehensive income	—	—	—	12,972	-22,078	-9,105
Total net comprehensive income	—	—	—	12,972	-22,078	-9,105
Dividends paid	—	—	—	—	—	—
Treasury stock purchases	—	—	-6,032	—	—	—
Treasury stock disposals	—	-3,443	12,857	—	—	—
Share-based payment transactions	—	-201	—	—	—	—
Transactions with non-controlling interest	—	-12,219	—	—	—	—
Change from transactions with owners	—	-15,863	6,824	—	—	—
Balance as of September 30, 2020	<u>2,275,343</u>	<u>2,458,837</u>	<u>-530,821</u>	<u>-57,563</u>	<u>-201,856</u>	<u>-259,419</u>

	Attributable to owners of the parent		Non-controlling interests	Total capital
	Retained earnings	Total		
	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen
Balance as of April 1, 2020	758,336	4,720,420	151,115	4,871,535
Net income	238,105	238,105	-1,556	236,549
Other comprehensive income	—	-9,105	-3,694	-12,800
Total net comprehensive income	238,105	228,999	-5,250	223,750
Dividends paid	-67,166	-67,166	—	-67,166
Treasury stock purchases	—	-6,032	—	-6,032
Treasury stock disposals	—	9,413	—	9,413
Share-based payment transactions	—	-201	—	-201
Transactions with non-controlling interest	-11,704	-23,923	-3,142	-27,065
Change from transactions with owners	-78,870	-87,909	-3,142	-91,051
Balance as of September 30, 2020	<u>917,571</u>	<u>4,861,511</u>	<u>142,723</u>	<u>5,004,233</u>

## (5) Outline consolidated cash flow statement

(Thousands of yen)

	Q2 FY2019 (April 1 2019-September 30, 2019)	Q2 FY2020 (April 1 2020-September 30, 2020)
<b>Cash flow from operating activities</b>		
Pre-tax income	30,585	326,312
Depreciation and amortization	141,729	115,427
Financial income	-11,717	-26,937
Financial expenses	60,889	35,929
Earnings from equity in affiliates (Figures in negative represent profit)	-331	1,877
Change in operating receivables and other claims (Figures in negative represent increase)	372,683	29,721
Change in operating payables and other payables (Figures in negative represent decrease)	21,662	-45,187
Others	-136,491	74,767
Subtotal	479,008	511,909
Interest and dividends received	17,937	12,527
Interest paid	-1,313	-3,217
Corporate taxes paid	-132,927	-25,741
Cash flow for operating activities	362,707	495,478
<b>Cash flow from investment activities</b>		
Payments for tangible fixed asset purchases	-10,965	-8,636
Income from tangible fixed asset sales	—	363
Payments for intangible fixed asset purchases	—	-1,726
Payments for purchase of stock in affiliates	-219,029	—
Payments for purchase of stock in subsidiaries	-67,580	—
Payments for investment purchases	—	-106,930
Others	-6,843	-5,934
Cash flow from investment activities	-304,418	-122,863
<b>Cash flow from financial activities</b>		
Income from incorporation of non-controlling interests	20,000	2,132
Repayment of long-term borrowings	—	-71,400
Repayment of lease liabilities	-72,161	-67,595
Dividends paid	-66,744	-66,811
Cash flow from financial activities	-118,905	-203,673
Net change in cash and cash equivalents (Figures in negative represent decrease)	-60,616	168,942
Cash and cash equivalents at beginning of period	3,277,348	2,477,322
Effect of exchange rate changes on cash and cash equivalents	-119,541	18,884
Cash and cash equivalents at end of period	3,097,190	2,665,147

(7) Main notes to outline consolidated financial statements

(Going concern assumption)

No matters to report.

(Change in accounting policies)

The Group swiftly applied the following standard from the Q2 FY2020 consolidated accounting period.

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

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

For COVID-19-related rent concessions which meet the prescribed requirements, this change allows for the selection of simplified accounting procedures for practical purposes without the necessity to assess whether this equates to a modification of the terms of the lease as defined by IFRS 16.

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

(Changes in accounting estimation)

During Q2 FY2020, the Group decided to cancel contracts for some of the offices it leases in order to reduce office space as it transitions to work styles based around remote work shift patterns, especially working from home.

Owing to changes in the evaluation of future lease fees and the execution of cancellation options resulting from notification of contract cancellations, the Group reassessed its lease liabilities in Q2 FY2020. As a result, there were decreases of Yen 490.522mn in lease liabilities and Yen 453.383mn in right-of-use assets, and an increase of Yen 37.139mn in both operating income and pre-tax income.

(Segment Information)

(1) Overview of reportable segments

The Group's reportable segments are those for which separate financial information is available and for which the Company's board of directors is performing regular evaluation to decide how Group resources are allocated and to appraise performance.

The Group's organizational structure is split into two basic components "Software Business" and "Investment Business" as reportable segments.

"Software Business" is made up of three business units: Enterprise, Cloud Services, and Design.

"Investment Business" is comprised of investments managed by our US-based wholly-owned subsidiary Asteria Vision Fund Inc.

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

Q2 FY2019 (April 1, 2019-September 30, 2019)

Owing to the start of the Investment Business in Q3 FY2019, figures for Q2 FY2019 were available for one segment only.

Q2 FY2020 (April 1, 2020-September 30, 2020)

	Reportable segment			Adjustments* <sup>1</sup>	Consolidated
	Software business	Investment business	Total		
	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)
Net sales					
Sales to external customers	1,339,799	—	1,339,799	—	1,339,799
Inter-segment transactions	32	12,831	12,863	-12,863	—
Total	<u>1,339,831</u>	<u>12,831</u>	<u>1,352,662</u>	<u>-12,863</u>	<u>1,339,799</u>
Segment profit (Figures in negative represent loss) * <sup>2</sup>	<u>301,858</u>	<u>-9,664</u>	<u>292,194</u>	<u>268</u>	<u>292,462</u>
Other income and expenses					44,719
Financial income					26,937
Financial expenses					35,929
Equity in earnings of affiliates					-1,877
(Figures in negative represent loss)					<u>-1,877</u>
Pre-tax income					<u>326,312</u>
Other items					
Depreciation and amortization expenses	115,326	101	115,427	—	115,427

(Notes) \*1 "Adjustments" indicates mainly elimination of inter-segment transactions.

\*2 Segment profit (figure in negative represent loss) calculated by deducting Cost of goods sales and Sales, general and administrative expenses from Net sales.