

Consolidated Financial Results for the Fiscal Year Ended April 30, 2024 [Japanese GAAP]



June 10, 2024

Company name: Asukanet Co., Ltd.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 2438
 URL: <https://www.asukanet.co.jp>
 Representative: Yuji Matsuo, Representative Director & President
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 Scheduled date of Annual General Meeting of Shareholders: July 26, 2024
 Scheduled date of commencing dividend payments: July 29, 2024
 Scheduled date of filing annual securities report: July 29, 2024
 Availability of supplementary briefing material on annual financial results: Available
 Schedule of annual financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended April 30, 2024

(May 1, 2023 to April 30, 2024)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended April 30, 2024	7,038	-	447	-	473	-	214	-
April 30, 2023	-	-	-	-	-	-	-	-

(Note) Comprehensive income: Fiscal year ended April 30, 2024: ¥241 million [-%]
 Fiscal year ended April 30, 2023: ¥ - million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary income to total assets	Operating income to net sales
Fiscal year ended	Yen	Yen	%	%	%
April 30, 2024	13.01	-	3.5	6.7	6.4
April 30, 2023	-	-	-	-	-

(Reference) Equity in earnings of affiliated companies: Fiscal year ended April 30, 2024: ¥- million
 Fiscal year ended April 30, 2023: ¥- million

(Note) Since the consolidated financial results are prepared from the fiscal year ended April 30, 2024, percentage changes from the previous corresponding period for the fiscal year ended April 30, 2024, figures for the fiscal year ended April 30, 2023 and percentage changes from the previous corresponding period are not shown.

Since this is the first fiscal year for consolidation of accounts, rate of return on equity and ordinary income to total assets are calculated based on the equity and the total assets as of the end of the fiscal year ended April 30, 2024.

Diluted earnings per share is not presented as there were no potential shares.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of April 30, 2024	7,090	6,156	86.8	374.12
As of April 30, 2023	-	-	-	-

(Reference) Equity: As of April 30, 2024: ¥6,156 million
 As of April 30, 2023: ¥- million

(Note) Since the consolidated financial results are prepared from the fiscal year ended April 30, 2024, figures as of April 30, 2023 are not shown.

(3) Consolidated Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
Fiscal year ended April 30, 2024	Million yen 615	Million yen (702)	Million yen (301)	Million yen 1,660
April 30, 2023	-	-	-	-

(Note) Since the consolidated financial results are prepared from the fiscal year ended April 30, 2024, figures as of April 30, 2023 are not shown.

2. Dividends

	Annual dividends					Total dividends (Annual)	Dividend payout ratio (Consolidated)	Dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended April 30, 2023	Yen -	Yen 0.00	Yen -	Yen 9.00	Yen 9.00	Million yen 149	% -	% -
Fiscal year ended April 30, 2024	-	0.00	-	7.00	7.00	115	53.8	1.9
Fiscal year ending April 30, 2025 (Forecast)	-	0.00	-	7.00	7.00		35.5	

(Note) Since the consolidated financial results are prepared from the fiscal year ended April 30, 2024, dividend payout ratio (consolidated) and dividends to net assets (consolidated) for the fiscal year ended April 30, 2023 are not shown.

Since this is the first fiscal year for consolidation of accounts, dividends to assets (consolidated) are calculated based on the net assets per share as of the end of the fiscal year ended April 30, 2024.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending April 30, 2025

(May 1, 2024 to April 30, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
Full year	Million yen 7,720	% 9.7	Million yen 520	% 16.2	Million yen 535	% 12.9	Million yen 324	% 51.4	Yen 19.73

(Note) As the Company manages its financial results at an annual base, the financial results forecast for the first half is not disclosed.

*** Notes:**

- (1) Changes in significant subsidiaries during the period: No
(Changes in specified subsidiaries resulting in the change in scope of consolidation)
Newly included: — company (—)
Excluded: — company (—)

- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No

- (3) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
April 30, 2024: 17,464,000 shares
April 30, 2023: 17,464,000 shares

 - 2) Total number of treasury shares at the end of the period:
April 30, 2024: 1,007,057 shares
April 30, 2023: 842,257 shares

 - 3) Average number of shares during the period:
Fiscal year ended April 30, 2024: 16,483,598 shares
Fiscal year ended April 30, 2023: 16,672,047 shares

* These financial results are outside the scope of audit by a certified public accountant or an audit corporation.

* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions that the Company believes are reasonable, and actual results may differ significantly from these forecasts due to a wide range of factors.

4. Overview of Business Results

Because the Asukanet Group is creating consolidated financial statements beginning from this fiscal year, we have not performed comparative analysis with the same period in the previous consolidated fiscal year.

(1) Overview of Business Results for this Consolidated year

During this consolidated fiscal year, although the economy of Japan saw a recovery in corporate results, centered on surging inbound demand backed by the continuing weak yen and on export businesses, factors such as the unstable international situation in Ukraine and the Middle East, and soaring energy and raw material prices, continue to make the future unpredictable.

Asukanet operates three business areas, each with different positioning and characteristics. They are (1) the funeral business, which adds digital processing and remote output services for photos of the deceased to a funeral business that is largely unaffected by economic trends, (2) the photo book business, which provides ideas for new photo output methods that allow users to create complete photo collections beginning from just a single book, and (3) the aerial display business, which is utilizing unique, recently-developed technologies aiming to create a new market and achieve dreams.

In December 2023, we acquired shares in BET Co., Ltd., which operates a virtual “liver” (online streamer) business, and it became a subsidiary of our company. Because the deemed acquisition date for BET Co., Ltd. is December 31, 2023, it is consolidated only for three months from January 1st 2024 to March 31st 2024 for this consolidated fiscal year.

Following is an overview of the business results for each segment. The result figures for each segment include internal inter-segment sales.

(Funeral business)

In this business, having passed through the coronavirus pandemic, funerals continue to be smaller in size. Despite a rebound decrease in the number of funerals held from the previous year, income from our primary business of processing photos of the deceased showed strong growth due to a steady increase in new contracts resulting from our company’s sales activities. As a result, sales of frames, paper, and other supplies also increased steadily.

We also focused on expanding sales of our “tsunagoo” DX service for the funeral industry. It was affected by the reduction in the number of mourners resulting from smaller funeral sizes, and although the pace of new contracts has been slower than expected, the service has been highly rated by the users and use is steadily increasing.

In terms of income, we faced rising procurement prices for consumable supplies and frames, an increase in Cloud service fees, and an increase in personnel costs due to active recruitment of operators in the understaffed Image Processing Division. However our training in processing technologies proceeded well, and operations grew starting from the third quarter, which is the busy period for this business, resulting in segment income that exceeded expectations.

As a result, sales were 3,281,718 thousand yen, and segment income was 752,180 thousand yen.

(Photo book business)

This business operates *AsukaBook* for the professional photography market in Japan, and *MyBook* for the general Japanese consumer market. We are also engaged in OEM supply of photo albums and photo prints based on photos that were taken with smartphones.

In the professional photographers’ market, after the third quarter we saw the effects from a rebound decline in demand for our primary business of wedding photo albums, following an increase in ceremonies that had been put off due to the coronavirus pandemic during the previous year. However, due to strong sales of studio photo albums such as for family photos and photos of children, sales were higher than the same period in the previous fiscal year. Initiatives included holding online seminars and “Baby Photo Award”, and launch of new products.

In the general consumer market, due to the weak yen negatively impacting the recovery of overseas travel and a slow recovery from the decline in photo output, conditions continued to be difficult, particularly in the OEM division. Under these difficult conditions, we carried out proposals to OEM vendors, a variety of campaigns and contests, a program for “My Book New Year’s Cards,” and promotions for calendars and graduation albums as seasonal products.

In terms of income, although we carried out improvements to production efficiency, rising raw material prices and a decline in the operating rate on the OEM line compounded the slow growth in sales, and we faced a difficult struggle for segment income.

With the acquisition of BET Co., Ltd. as a subsidiary and the deployment of a virtual “liver” (online streamer) business, we have also started plans for providing photo goods and other products. We also recorded expenses related to advisors and other matters that were generated as a result of acquiring a subsidiary during this consolidated year. Because the deemed acquisition date for BET Co., Ltd. is December 31, 2023, sales and profit are included in the results for three months from January 1, 2024 to March 31, 2024.

As a result, sales were 3,617,021 thousand yen, and segment income was 677,714 thousand yen.

(Aerial display business)

This business is aiming to create a market through new image and video expressions utilizing aerial imaging technologies. We are developing, manufacturing, and selling both glass and plastic “ASKA3D plates” that utilize our original technologies to project images in mid-air.

In terms of sales, we are conducting sales centered on our own company’s sales operations in Japan and on agents overseas. Although we have continued to increase the numbers of large-size plates installed for signage applications in Japan and at financial institutions overseas, the effects of supply delays and problems with the sensors used for operating system applications have contributed to continuing delays in general orders. In the Middle East, the economic slowdown in Dubai has forced a policy change as we shift our marketing targets to Saudi Arabia and Kuwait. As a result, the sales of dies that we recorded in the previous year have fallen off, and sales were below the results of the previous year. We exhibited at two events in Japan and one overseas, and provided exhibition support for our overseas agents, increased the number of sales staff, and strengthened our online seminars, web marketing, and other programs.

In terms of production and development, we are working to increase the size of glass plates at our research and development center, and have delivered some progress. For plastic plates, we are trying for stable production using superior environmentally-friendly materials. We also worked to reinforce the quality management system aimed at ensuring stable supply.

In terms of profit and loss, as a result of fewer mistakes and an effect of foreign exchange rate, gross profit was higher. However, segment loss was larger than expected due to lower sales, increased personnel expenses, and increased patent-related expenses.

As a result, sales were 145,876 thousand yen, and segment loss was 316,966 thousand yen.

As results of the above, consolidated sales were 7,038,347 thousand yen, ordinary income was 473,793 thousand yen and net income attributable to parent company was 214,441 thousand yen due to weak results in the photobook and aerial display businesses, M&A related expenses, and impairment loss on investment securities.

(2) Overview of the Financial Status

Assets, liabilities, and net assets

(Overall situation)

Total consolidated assets at the end of this fiscal year reached 7,090,444 thousand yen. The equity ratio reached 86.8%

(Current assets)

Current assets at the end of this fiscal year reached 3,457,907 thousand yen. This includes 1,665,015 thousand yen in cash and deposits, 901,471 thousand yen in receivables, and 648,580 yen in products for sale.

(Fixed assets)

Fixed assets at the end of this fiscal year reached 3,632,536 thousand yen. This includes 844,060 thousand yen in land, 831,048 thousand yen in buildings, and 571,582 thousand yen in investment securities.

(Current liabilities)

Current liabilities at the end of this fiscal year reached 926,289 thousand yen. This includes 257,203 thousand yen in accounts

payable-other, 184,950 thousand yen as an allowance for bonuses, and 175,134 thousand yen in accounts payable-trade.

(Fixed liabilities)

Fixed liabilities at the end of this fiscal year reached 7,340 thousand yen.

(Net assets)

Net assets at the end of this fiscal year reached 6,156,814 thousand yen. This includes 5,626,124 thousand yen in retained earnings.

(3) Overview of cash flows in this fiscal year

Cash and cash equivalents (hereafter referred to as “Funds”) at the end of this consolidated fiscal year reached 1,660,015 thousand yen mainly due to an increase in net income and a decrease in acquisition of subsidiary stock.

(Cash flows from operating activities)

Net Funds acquired as a result of operating activities during this consolidated fiscal year were 615,744 thousand yen. The primary factors affecting this result were pre-tax net income of 365,976 thousand yen and depreciation expenses of 388,776 thousand yen despite a tax payment of 143,625 thousand yen and increase in inventory of 68,324 thousand yen.

(Cash flows from investing activities)

Net Funds expended as a result of investment activities during this consolidated fiscal year were 702,731 thousand yen. This was primarily due to the acquisition of 329,706 thousand yen in tangible fixed asset, an expenditure for acquisition of a subsidiary of 292,115 thousand yen.

(Cash flows from financing activities)

Net Funds expended as a result of financing activities during this consolidated fiscal year were 301,050 thousand yen. This was primarily due to a payment of 149,865 thousand yen for acquisition of treasury stock and an expenditure for dividend payment of 149,747 thousand yen in dividends.

(4) Future Outlook

Regarding the economic outlook for the coming fiscal year, there is growing uncertainty resulting from the situation overseas including Ukraine and the Middle East. However, based on a prolonged weak yen and high prices, and good inbound demand, there is a clear division between the sectors which experience a steady recovery and the sectors where recovery is markedly slower.

Our company is operating a business that is consistent with the current times in which services are customized to meet individual needs even for minimum lot sizes, and aims to capture stable demand. We have constructed strong business models in both the funeral business and photo book business, and despite the effects of the coronavirus pandemic, such as a trend toward holding smaller funerals and a slow recovery of picture output, we are experiencing an ongoing recovery in sales. In the aerial display business where we are challenging ourselves and working to create a new market, more time has been required to achieve profitability than we initially expected. However there has been strong interest in the use of aerial imaging operations, and we will make use of this opportunity to expand this business. We will also continue to challenge ourselves in the development of new business and services including the virtual business field.

The following constitute the basis for the expected effects on each business area and the results forecast for the fiscal year ending April 30, 2025.

In the funeral business, funerals tend to be smaller in size especially due to coronavirus pandemic and sales of funeral production tools and related products have declined. We are anticipating that funeral market will be weak and slow in recovery. However there is growing need among funeral companies to streamline their operations and find new sources of income, and we are working to expand use of our “tsunagoo” DX service as a service that meets those needs. In processing photos of the deceased, our company’s processing technologies and support system have been highly rated, and we expect continued steady growth during the fiscal year ending April 30, 2025. We will also strengthen the functions of Asuka Cloud, which manages orders for Cloud services, and increase its rate of use, and will improve operating efficiency by linking the order data from Asuka Cloud with our core systems.

In the photo book business, our main product of wedding photo albums for the professional photographer market was affected

by the declining numbers of wedding participants, and unit sales are down somewhat. However we will work to strengthen influence among freelance photographers and expand our market share. Sales for photo studios are strong, and we plan to introduce new products suitable for studio photography and further strengthen this business. However in the general consumer market, we expect a continued difficult environment in the fiscal year ending April 30, 2025 as a result of factors including reduced overseas travel due to the weak yen and a delay in recovery in the photo output market. In this sort of environment, we will promote orders of digital materials and operate fan goods targeting virtual fields. We have begun sales of retouch software for professionals, and are planning to expand sales through our company's marketing activities and develop it as a new source of income.

At BET Co., Ltd., which became a subsidiary in December 2023, we will strengthen collaboration with our company and expand its business as a virtual "liver" (online streamer) office, and will also utilize the synergy of our two companies, including providing goods for sale. Centering on our Kaede Lab, we will challenge ourselves in new virtual business areas such as holding V-tuber festivals.

In the aerial display business, business has unfortunately not grown as we had expected. While we have confirmed definite needs for aerial displays, these needs have not taken shape as an aerial display market, and have still not yet made inroads as a new option. In the fiscal year ending April 30, 2025, we will focus particularly on restructuring our overseas agents. In the promising Middle East area, we will shift to expanding sales in Saudi Arabia and Kuwait as the economic environment in Dubai declines. As sales applications, we will focus on signage where high unit prices can be expected, and continue increasing the use cases of our products so that aerial displays can be recognized as a distinct market. In manufacturing areas, we will proceed with manufacturing and development of the resin plates that feature superior environmental performance, and will deliver the glass plates manufactured at our technical development center to the market.

Based on the above, in the forecast for the year ending April 30, 2025, we are forecasting sales of 7,720 million yen, operating income of 520 million yen, ordinary income of 535 million yen, and net income of 324 million yen.

Although we have incorporated the above assumptions regarding changes and effects, there are many uncertain elements, and any change in these assumed conditions potentially may also affect the business forecast. The aerial display business and other new business areas also involve technological research and marketing that we have not engaged in before, and many uncertain elements are involved in their commercialization.

Note: The above forecast was created based on information available at the time this material was released, and actual results may differ from the forecast values due to a variety of factors.

5. Financial Statements for the Fiscal Year

(1) Consolidated Balance sheet

(Units: 1,000s yen)

	Current fiscal year (Ended April 30, 2024)
Assets	
Current assets	
Cash and deposits	1,665,015
Bills receivable	539
Accounts receivable-trade	901,471
Merchandise and products	648,580
Work in progress	68,847
Raw materials and supplies	102,728
Others	80,576
Allowance for doubtful accounts	(9,851)
Total current assets	3,457,907
Fixed assets	
Tangible fixed assets	
Buildings, net	831,048
Machinery and equipment, net	493,357
Land	844,060
Others net	177,497
Total tangible fixed assets	2,345,964
Intangible fixed assets	
Goodwill	298,891
Others	204,950
Total intangible fixed assets	503,842
Total investments and other assets	
Investment securities	571,582
Deferred tax asset	111,514
Others	99,632
Total investment and others	782,730
Total fixed assets	3,632,536
Total assets	7,090,444

(Units: 1,000s yen)

Current fiscal year
(Ended April 30, 2024)

Liabilities	
Current liabilities	
Accounts payable-trade	175,134
Accounts payable-other	257,203
Income taxes payable	85,473
Advance payment	17,490
Provision for bonuses	184,950
Others	206,037
Total of current liabilities	926,289
Fixed liabilities	
Provision for retirement benefits	4,704
Others	2,635
Total fixed liabilities	7,340
Total liabilities	933,629
Net assets	
Shareholders' equity	
Capital stock	490,300
Capital surplus	626,380
Retained earnings	5,626,124
Treasury stock	(627,799)
Total shareholders' equity	6,115,005
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	41,808
Total accumulated other comprehensive income	41,808
Total net assets	6,156,814
Total liabilities and net assets	7,090,444

(2) Consolidated Profit and loss statement for the fiscal year

(Units: 1,000s yen)

	Current fiscal year (May 1, 2023-April 30, 2024)
Net sales	7,038,347
Cost of sales	3,824,005
Gross profit	3,214,342
Selling, general, and administrative expenses	2,766,890
Operating income	447,451
Non-operating income	
Interest received	5,200
Dividends received	1,575
Insurance gain	4,462
Exchange gain	11,870
Subsidy	3,238
Others	3,085
Total non-operating income	29,432
Non-operating expenses	
Loss from investment entity	2,186
Expense for purchasing treasury stocks	448
Compensation for damages	428
Others	27
Total non-operating expenses	3,090
Ordinary income	473,793
Extraordinary losses	
Loss from retirement of fixed assets	7,917
Loss on valuation of investment securities	99,900
Total extraordinary losses	107,817
Net income before taxes	365,976
Income taxes etc.	137,578
Income tax adjustment	13,956
Total income taxes	151,535
Net income	214,441
Net income attributable to parent company	214,441

Consolidated statement of comprehensive income

(Units: 1,000s yen)

Current fiscal year
(May 1, 2023-April 30, 2024)

Net income	214,441
Other comprehensive income	
Valuation difference on available-for-sale securities	26,918
Total other comprehensive income	26,918
Comprehensive income	241,359
(Breakdown)	
Net income attributable to parent company	241,359

(3) Statement of consolidated cash flows

(Units: 1,000s yen)

	Current fiscal year (May 1, 2023-April 30, 2024)
Cash flows resulting from operating activities	
Net income before taxes	365,976
Depreciation expenses	388,776
Amortization of goodwill	9,641
Increase (decrease) in allowance for doubtful accounts	8,419
Increase (decrease) in provision for bonuses	(9,390)
Interest and dividends received	(6,775)
Impairment loss of investment securities	99,900
Revenue from investment partnership (gains)	2,186
Foreign exchange losses (gains)	(4,026)
Loss on disposal of fixed assets	7,917
Decrease (increase) in notes and accounts receivable-trade	13,764
Decrease (increase) in inventory assets	(68,324)
Increase (decrease) in accounts payable-trade	(11,975)
Increase (decrease) in accounts payable	(4,406)
Increase (decrease) in accrued consumption taxes	(50,104)
Increase (decrease) in retirement benefit obligation	(646)
Others	12,597
Subtotal	753,530
Interest and dividends received	5,839
Income taxes paid	(143,625)
Cash flows due to operating activities	615,744
Cash flows due to investing activities	
Purchase of tangible fixed assets	(329,706)
Purchase of intangible fixed assets	(55,342)
Purchase of investment securities	(10,000)
Withdrawal of loans	(650)
Collection of loans receivable	294
Payments into time deposits	(5,000)
Proceeds from withdrawal of time deposits	5,000
Purchase of shares of subsidiary to change in the scope of consolidation	(292,115)
Others	(15,211)
Cash flows due to investing activities	(702,731)
Cash flows due to financing activities	
Purchase of treasury stock	(149,865)
Cash dividends paid	(149,747)
Others	(1,437)
Cash flows due to financing activities	(301,050)
Effect of exchange rate on cash and cash equivalents	4,026
Net increase (decrease) in cash and cash equivalents	(384,011)
Balance of cash and cash equivalents at beginning of year	2,044,027
Balance of cash and cash equivalents at end of year	1,660,015

(Business merger issue)

(Business merger resulting from acquisition)

At a board of directors meeting held on November 17, 2023, Asukanet resolved to acquire shares in BET Co., Ltd. and make it a subsidiary of our company. A share transfer agreement was concluded on the same date and we acquired the shares on December 4, 2023.

(1) Overview of business merger

① Name of acquired company and its business areas

Name of acquired company: BET Co., Ltd.

Business areas: Operation of a virtual “liver” (online streaming) studio

② Primary reasons for the business merger

In addition to expected future growth as a virtual “liver” studio, there are advantages gained from synergy, including making use of the company’s knowledge regarding on-demand manufacturing in the Asukanet photo book business, and providing character goods. We also expect that applying our company’s resources including communication planning with fans and media mix development will also create new growth opportunities.

③ Merger date

December 4, 2023 (share acquisition date)

December 31, 2023 (assumed share acquisition date)

④ Legal form of merger

Acquisition of shares paid for with cash

⑤ Name of company after merger

The name will not be changed after the merger.

⑥ Share of voting rights acquired

100%

⑦ Primary basis for deciding the company to acquire

This is based on our company acquiring shares paid for with cash.

(2) Results period of acquired corporation included in the consolidated profit and loss statement

January 1, 2024 – March 31, 2024

(3) Acquisition cost for acquired company breakdown by price type

Acquisition price	Cash and savings	400,000 thousand yen
Acquisition cost		400,000 thousand yen

(4) Details and amounts of primary acquisition-related expenses

Remuneration to advisors, fees, etc. 37,854 thousand yen

(5) Amount of generated goodwill, cause of generation, depreciation method, and depreciation period

① Amount of generated goodwill

308,533 thousand yen

② Cause of generation

Primarily expected excess earning power resulting from future business growth

③ Depreciation method and depreciation period

Straight-line method over eight years

(6) Amount and breakdown of asset on the date of acquisition

Current asset	137,518	Thousand yen
Fixed asset	—	
<hr/>		
Total asset	137,518	
Current liability	46,051	
Fixed liability	—	
<hr/>		
Total liability	46,051	

(Segment information etc.)

Our group includes three business: the funeral business, photobook business, and aerial display business. New business of virtual “liver” business has been included in photo book business segment.

Information related to the amounts of sales, income or loss, assets, liabilities, and other items for each reporting segment is provided.

Current consolidated fiscal year (May 1, 2023 – April 30, 2024)

(Units: 1,000s yen)

	Reporting segment				Adjustments	Amount recorded in profit and loss statement
	Funeral business	Photo book business	Aerial display business	Total		
Sales						
Sales to outside customers	3,281,718	3,611,292	145,336	7,038,347	—	7,038,347
Inter-segment internal sales and transfers	—	5,728	540	6,268	(6,268)	—
Total	3,281,718	3,617,021	145,876	7,044,616	(6,268)	7,038,347
Segment income (loss)	752,180	677,714	(316,966)	1,112,928	(665,476)	447,451
Other items						
Depreciation	46,863	272,663	39,282	358,808	29,967	388,776

This is the summarized translation of released report for your reference.
Please refer to the original Japanese financial document.