



Consolidated Financial Report for the Second Quarter (Semi-annual) of Fiscal Year Ending March 31, 2025 [IFRS]

November 1, 2024

BIPROGY Inc.

Stock Listing:	Tokyo Stock Exchange, Prime Market
Stock Code:	8056
URL:	https://www.biprogy.com/e/
Representative:	Noboru Saito, Representative Director, President & CEO
Scheduled Submission Date for Semi-annual Securities Report	November 14, 2024
Scheduled Starting Date for Dividend Payment:	December 3, 2024
Earnings Supplementary Explanatory Documents:	yes
Earnings Results Briefing:	yes (for institutional investors, analysts and the press)

(Amounts are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the second quarter (semi-annual) FY2025 (from April 1, 2024 to September 30, 2024)

(1) Consolidated Results of Operations

(Percentage below represents increase (decrease) from previous year)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Comprehensive income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
First half of FY2025	186,032	7.5	17,945	7.9	17,236	(1.2)	11,769	(8.2)	10,844	(30.5)
First half of FY2024	172,978	11.8	16,635	21.9	17,446	17.2	12,826	26.8	15,606	79.5

(Note) Adjusted operating profit First half of FY2025 : 17,294 Million Yen (4.6%) First half of FY2024 : 16,534 Million Yen (21.6%)

Adjusted operating profit is the result obtained after deducting cost of sales and selling, general and administrative expenses from revenue.

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
First half of FY2025	118.25	117.97
First half of FY2024	127.61	127.26

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of owners' equity to gross assets
	Millions of Yen	Millions of Yen	Millions of Yen	%
First half of FY2025	291,443	161,935	159,981	54.9%
FY2024	314,219	168,314	166,423	53.0%

2. Dividends

	Dividends Per Share				
	End of Q1	End of Q2	End of Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2024	—	45.00	—	55.00	100.00
FY2025	—	50.00	—	—	—
FY2025 (Forecast)	—	—	—	50.00	100.00

(Note) Revisions to the latest forecast of dividends: No

3. Consolidated Earnings Forecast for FY2025 (from April 1, 2024 to March 31, 2025)

(Percentage below represents increase (decrease) from previous year)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
FY2025	385,000	4.0	35,500	6.6	35,500	3.9	24,500	(3.0)	243.72

(Note1) Revisions to the latest forecast of consolidated earnings: No

(Note2) Adjusted operating profit (Full Year) 35,000 Million Yen (3.5%)

* Notes

(1) Significant changes in the scope of consolidation during the period : No

(2) Changes in accounting policies and accounting estimates

1. Changes in accounting policies required by IFRS : Yes
2. Changes in accounting policies due to other reasons : No
3. Changes in accounting estimates : No

Note: For details, please refer to “2. Condensed Semi-annual Consolidated Financial Statements and Material Notes, (5) Notes about Condensed Semi-annual Consolidated Financial Statements (Change in Material Accounting Policies)” on page 13.

(3) Number of shares outstanding (common stock)

(shares)

1. Total number of issued shares at the end of the period
(including treasury shares)
2. Number of treasury shares at the end of the period
3. Average number of shares outstanding (during the period)

First half of FY2025	100,663,524	FY2024	109,663,524
First half of FY2025	2,505,303	FY2024	9,101,382
First half of FY2025	99,530,501	First half of FY2024	100,513,570

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Comments regarding appropriate usage of earnings forecast, and other special notes

The forward-looking statements such as earnings forecasts contained in this document are based on the information currently available to the Company and certain assumptions which are regarded as legitimate. The Company makes no warranty as to the achievability of what is described in the statements. Actual results may differ from these forecasts due to various factors.

(Appendix)

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1. Summary of Business Operations and Financial Conditions

(1) Summary of Business Operations

In the six-month period of the fiscal year ending March 31, 2025, the Japanese economy continued to show signs of gradual recovery partly based upon companies resuming capital investment.

We have continuously seen companies showing strong investment interests mainly in the field of digital transformation (DX) in the information services industry.

Investments in software products in the fiscal year under review are expected to increase compared with the previous fiscal year, according to the Tankan Survey by Bank of Japan (BOJ) in September.

On the other hand, we are aware of the downturn in the overseas economies possibly exerting downward pressure upon the domestic economy. Furthermore, we foresee price increases and fluctuations in the financial and capital market likely impacting companies' investment appetites in the future.

In this environment, we have established the “Management Policies (2024-2026)” with an eye on realizing the “Vision 2030” ^{Note 1}.

We have been performing business pursuant to the basic policies to: increase corporate value by establishing a sustainable business portfolio; optimize an allocation of management resources; and strengthen the Group's management base. We have been enhancing business through core businesses (the existing revenue sources) in tandem with growth businesses (the new foundations of revenue).

We have defined five focus areas in the core business: Financial, Retail, Energy, Mobility, OT Infrastructure ^{Note 2} where we can utilize our excellent customer base and our operational knowledge.

In the Financial focus area among the focus areas, we launched a public-cloud service of BankVision[®] on Azure for the Norinchukin Bank in July 2024.

The Norinchukin Bank became the nation's first financial institution that operates a full-banking system in a public-cloud environment.

Also, we launched service for the Kagoshima Bank, Ltd. in a hybrid configuration composed of BankVision in a production environment and BankVision on Azure in a disaster recovery environment in September 2024.

This will quickly strengthen platform resources in a disaster recovery environment. Furthermore, it will enable a cost advantage through the system operating in a public-cloud environment. Thus, the entire system of this configuration will be optimized.

Our endeavors in the focus area of Mobility are exemplified in our launching an initiative to verify safety of self-driving vehicles in Chiba city through the use of digital twin ^{Note 3} with an eye on social implementation of automated driving services.

We aim to bring about a near-futuristic mobility partly through a joint effort about driverless buses in Chiba City in cooperation with our partner companies.

We aim to enable a high-quality safety verification through simulating in a virtual space towards conducting a Level 4 ^{Note 4} demonstration experiment of self-driving services.

This is an initiative that we were entrusted to work on by Chiba City. It is the nation's first project to verify self-driving service safety through virtual reality simulations under the aegis of the local government.

We have set forth the three areas, Market Development, Business Development and Global Initiatives for growth businesses. This is in line with our aiming to establish new revenue bases and provide value.

Our initiatives in the Business Development focus area are directed towards enabling a smart life. One example is our executing an alliance agreement with Canon IT Solutions Inc. for the purpose of supporting salary payment in digital money.

Companies that use SuperStream-NX of Canon IT Solutions Inc. can reduce workloads about implementing the scheme of payment of salaries in digital money if they use doreca[®] ^{Note 5} platform for value exchange that operates in collaboration with the finance & accounting and human resources system.

Receiving all or part of salaries in digital money is conducive to improving convenience of employees in the current environment where cashless payment is widespread.

We are enabling payment in digital money to meet the needs of numerous customers in a variety of areas such as digital salaries, insurance and costs, with the use of enhanced functions of doreca and in collaboration with other business operators through doreca. Thus, we are working on spreading the experience of seamless cashless payments.

We have been promoting human resources strategy, technical strategy, investment strategy, and financial strategy, in collaboration with the business strategies, and also willingly investing management resources in areas where we have strength and towards providing new value in order to strengthen market competitiveness, as indicated in the Management Policies (2024-2026).

We will evolve value chains for our group in order to cope with changes in the environments at home and abroad and improve value that we provide to customers.

(Notes)

1. For more information on Vision 2030, and the Management Policies (2024-2026), please refer to the Group's web page below.
https://www.biprogy.com/e/about/management_policy.html
2. OT is an abbreviation of Operational Technology. It refers to information system platform that supports design and manufacture processes mainly for factories and plants.
3. Technology to reproduce in virtual spaces based upon data collected partly via sensors from within physical spaces
4. Phase where self-driving system takes the lead in operating vehicles and implementing controls under specific conditions mainly in terms of location, weather and speed
5. Please refer to the Group's web page below about doreca, value exchange platform.
<https://doreca.net/> (only in the Japanese language)
6. Names of companies or products herein described are trademarks or registered trademarks of their respective organizations.

In the six-month period of the fiscal year ending March 31, 2025, customers continuously showed strong interests in DX investment. Revenue growth was enabled mainly by outsourcing and product sales. It amounted to ¥186,032 million, an increase of ¥13,053 million or 7.5% compared with the same period of the previous fiscal year.

Gross profit was driven by the revenue increase. It absorbed an increase in SG&A costs mainly due to renewing core systems and revising personnel system.

As a result, operating income was ¥17,945 million, an increase of ¥1,310 million or 7.9% on a year-over-year basis.

Profit attributable to owners of parent was ¥11,769 million, a decrease of ¥1,057 million or 8.2 % compared with the same period of the previous fiscal year. This resulted partly from a decrease in profit due to loss in valuation of foreign funds and impacts of exchange rates as well as an increase in income taxes.

Adjusted operating profit* that is used by the Company group as an index for managing performance was ¥17,294 million, up by ¥760 million or 4.6% on a year-over-year basis.

(*) Adjusted operating profit is the result obtained after deducting cost of sales and selling, general and administrative expenses from revenue.

(2) Summary of Financial Conditions

① Summary of Assets, Liabilities and Equity

In the six-month period of the fiscal year under review, partly due to a decrease in cash & cash equivalents, total assets were ¥291,443 million, a decrease of ¥22,775 million compared with the end of the previous fiscal year.

Liabilities were ¥ 129,508 million, a ¥16,396 million decrease from the end of the previous fiscal year, partly due to a decrease in trade payables.

Equity was ¥161,935 million. Ratio of owners' equity to gross assets was 54.9%, up by 1.9 pts. from the end of the previous fiscal year.

② Summary of Cash Flows

Cash and cash equivalents at the end of the six-month period of the fiscal year under review were ¥41,291 million, a decrease of ¥17,971 million compared with the end of the previous fiscal year. The cash flow situations and relevant factors are stated below.

(Cash flows from operating activities)

Net cash provided by operating activities totaled ¥11,768 million (a decrease of ¥10,214 million in proceeds compared with the same period of the previous period).

This reflects proceeds of ¥17,236 million in profit before income taxes, the elements of increasing the proceeds and the elements of decreasing the proceeds.

The factors increasing proceeds include ¥9,064 million in depreciation and amortization, non-cash expenses, and a decrease of ¥16,657 million in trade and other receivables.

The factors decreasing the proceeds include a decrease of ¥9,264 million in trade and other payables.

(Cash flows from investing activities)

Net cash used in investing activities was ¥7,076 million (an increase of ¥4,816 million in expenditures compared with the same period of the previous fiscal year).

This includes: expenditures of ¥1,158 million as a result of purchasing property, plant and equipment such as computers for business activities, expenditures of ¥4,813 million due to the acquisitions of intangible assets such as the investments in software for outsourcing, and expenditures of ¥1,124 million due to acquiring investment securities.

(Cash flows from financing activities)

Net cash used in the financing activities was ¥22,830 million (an increase of ¥14,378 million in expenditures from the same period of the previous fiscal year). This expenditure includes ¥4,660 million repayments of lease liabilities, ¥11,187 payment due to acquiring treasury stock and dividends payment of ¥5,528 million.

(3) Comments on the Consolidated Earnings Forecasts and Other Forecasts

The performance forecast on a consolidated basis has not been revised since it was announced on April 30, 2024.

2. Condensed Semi-annual Consolidated Financial Statements and Material Notes

(1) Condensed Semi-annual Consolidated Statements of Financial Position

(Millions of Yen)

	FY2024	Semi-annual Consolidated
	(As of March 31, 2024)	Accounting Period of FY2025 (As of September 30, 2024)
Assets		
Current assets		
Cash and cash equivalents	59,263	41,291
Trade and other receivables	87,449	70,952
Contract assets	10,799	12,411
Inventories	13,015	18,655
Other financial assets	1,214	990
Other current assets	16,172	20,286
Total current assets	187,914	164,588
Non-current assets		
Property, plant and equipment	13,486	13,060
Right-of-use assets	13,438	10,643
Goodwill	1,926	2,691
Intangible assets	31,212	32,648
Investments accounted for using equity method	5,691	5,420
Other financial assets	41,944	40,186
Deferred tax assets	8,844	9,307
Retirement benefit asset	2,584	2,603
Other non-current assets	7,176	10,293
Total non-current assets	126,304	126,854
Total assets	314,219	291,443

(Millions of Yen)

	FY2024	Semi-annual Consolidated
	(As of March 31, 2024)	Accounting Period of FY2025 (As of September 30, 2024)
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	33,225	24,085
Contract liabilities	25,781	32,346
Borrowings	6,600	5,000
Lease liabilities	8,584	7,914
Other financial liabilities	2,893	2,573
Income taxes payable	7,815	5,256
Provisions	609	428
Other current liabilities	26,954	21,099
Total current liabilities	112,464	98,704
Non-current liabilities		
Borrowings	14,125	14,126
Lease liabilities	6,235	4,016
Other financial liabilities	207	333
Retirement benefit liability	7,606	7,091
Provisions	4,942	4,916
Deferred tax liabilities	323	319
Other non-current liabilities	1	—
Total non-current liabilities	33,440	30,803
Total liabilities	145,905	129,508
Equity		
Share capital	5,483	5,483
Capital surplus	15,004	14,244
Treasury shares	(13,226)	(5,297)
Other components of equity	8,556	7,647
Retained earnings	150,605	137,903
Total equity attributable to owners of parent	166,423	159,981
Non-controlling interests	1,890	1,954
Total equity	168,314	161,935
Total liabilities and equity	314,219	291,443

(2) Condensed Semi-annual Consolidated Statements of Profit or Loss and Comprehensive Income

(Condensed Semi-annual Consolidated Statements of Profit or Loss)

(Millions of Yen)

	Semi-annual Consolidated Accounting Period of FY2024 (Six months ended September 30, 2023)	Semi-annual Consolidated Accounting Period of FY2025 (Six months ended September 30, 2024)
Revenue	172,978	186,032
Cost of sales	126,780	137,333
Gross profit	46,197	48,698
Selling, general and administrative expenses	29,663	31,404
Share of profit (loss) of investments accounted for using equity method	235	457
Other income	40	237
Other expenses	174	43
Operating profit	16,635	17,945
Finance income	890	256
Finance costs	79	965
Profit before tax	17,446	17,236
Income tax expense	4,532	5,429
Profit	12,914	11,806
Profit attributable to		
Owners of parent	12,826	11,769
Non-controlling interests	87	37
Profit	12,914	11,806
Earnings per share		
Basic earnings per share (Yen)	127.61	118.25
Diluted earnings per share (Yen)	127.26	117.97

(Condensed Semi-annual Consolidated Statements of Comprehensive Income)

(Millions of Yen)

	Semi-annual Consolidated Accounting Period of FY2024 (Six months ended September 30, 2023)	Semi-annual Consolidated Accounting Period of FY2025 (Six months ended September 30, 2024)
Profit	12,914	11,806
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	2,297	(1,378)
Total of items that will not be reclassified to profit or loss	2,297	(1,378)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	287	319
Share of other comprehensive income of investments accounted for using equity method	107	95
Total of items that may be reclassified to profit or loss	394	415
Other comprehensive income, net of tax	2,692	(962)
Comprehensive income	15,606	10,844
Comprehensive income attributable to		
Owners of parent	15,510	10,785
Non-controlling interests	96	58
Comprehensive income	15,606	10,844

(3) Condensed Semi-annual Consolidated Statements of Changes in Equity

Semi-annual Consolidated Accounting Period of FY2024 (Six months ended September 30, 2023)

(Millions of Yen)

	(millions of Yen)					
	Equity attributable to owners of parent					
				Other components of equity		
	Share capital	Capital surplus	Treasury shares	Financial assets measured at fair value through other comprehensive income	Share acquisition rights	Share of other comprehensive income of investments accounted for using equity method
As of April 1, 2023	5,483	14,955	(13,315)	7,447	456	18
Profit						
Other comprehensive income				2,297		107
Comprehensive income	—	—	—	2,297	—	107
Dividends of surplus						
Purchase of treasury shares			(0)			
Disposal of treasury shares		(0)	2		(2)	
Share-based payment transactions		55	40			
Obtaining of control of subsidiaries						
Transfer from other components of equity to retained earnings				(3,146)		
Other						
Total transactions with owners	—	55	41	(3,146)	(2)	—
As of September 30, 2023	5,483	15,011	(13,273)	6,598	453	125

	Equity attributable to owners of parent					
	Other components of equity					
	Exchange differences on translation of foreign operations	Total	Retained earnings	Total	Non-controlling interests	Total equity
As of April 1, 2023	381	8,302	124,460	139,887	1,710	141,597
Profit			12,826	12,826	87	12,914
Other comprehensive income	278	2,683		2,683	8	2,692
Comprehensive income	278	2,683	12,826	15,510	96	15,606
Dividends of surplus			(4,020)	(4,020)	(145)	(4,165)
Purchase of treasury shares				(0)		(0)
Disposal of treasury shares		(2)		0		0
Share-based payment transactions				95		95
Obtaining of control of subsidiaries					136	136
Transfer from other components of equity to retained earnings		(3,146)	3,146			—
Other			(2)	(2)		(2)
Total transactions with owners	—	(3,148)	(876)	(3,927)	(8)	(3,935)
As of September 30, 2023	659	7,838	136,411	151,470	1,798	153,268

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Treasury shares	Other components of equity		
				Financial assets measured at fair value through other comprehensive income	Share acquisition rights	Share of other comprehensive income of investments accounted for using equity method
As of April 1, 2024	5,483	15,004	(13,226)	7,383	413	104
Profit						
Other comprehensive income				(1,378)		95
Comprehensive income	—	—	—	(1,378)	—	95
Dividends of surplus						
Purchase of treasury shares			(11,187)			
Disposal of treasury shares		(7)	40		(33)	
Cancellation of treasury shares		(19,033)	19,033			
Share-based payment transactions		86	43			
Obtaining of control of subsidiaries						
Changes in investments accounted for using equity method interests in their subsidiaries		(644)				
Transfer from retained earnings to capital surplus		18,838				
Transfer from other components of equity to retained earnings				108		
Other						
Total transactions with owners	—	(759)	7,929	108	(33)	—
As of September 30, 2024	5,483	14,244	(5,297)	6,113	379	200

	Equity attributable to owners of parent					
	Other components of equity				Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total	Retained earnings	Total		
As of April 1, 2024	655	8,556	150,605	166,423	1,890	168,314
Profit			11,769	11,769	37	11,806
Other comprehensive income	297	(984)		(984)	21	(962)
Comprehensive income	297	(984)	11,769	10,785	58	10,844
Dividends of surplus			(5,530)	(5,530)	(148)	(5,679)
Purchase of treasury shares				(11,187)		(11,187)
Disposal of treasury shares		(33)		0		0
Cancellation of treasury shares						—
Share-based payment transactions				129		129
Obtaining of control of subsidiaries					153	153
Changes in investments accounted for using equity method interests in their subsidiaries				(644)		(644)
Transfer from retained earnings to capital surplus			(18,838)			—
Transfer from other components of equity to retained earnings		108	(108)			—
Other			5	5		5
Total transactions with owners	—	74	(24,472)	(17,227)	4	(17,222)
As of September 30, 2024	953	7,647	137,903	159,981	1,954	161,935

(4) Condensed Semi-annual Consolidated Statements of Cash Flows

(Millions of Yen)

	Semi-annual Consolidated Accounting Period of FY2024 (Six months ended September 30, 2023)	Semi-annual Consolidated Accounting Period of FY2025 (Six months ended September 30, 2024)
Cash flows from operating activities		
Profit before tax	17,446	17,236
Depreciation and amortization	8,785	9,064
Impairment losses	1	28
Interest and dividend income	(213)	(248)
Interest expenses	68	94
Share of loss (profit) of investments accounted for using equity method	(235)	(457)
Decrease (increase) in trade and other receivables	12,106	16,657
Decrease (increase) in contract assets	2,366	(1,585)
Decrease (increase) in inventories	(1,636)	(5,637)
Increase (decrease) in trade and other payables	(5,326)	(9,264)
Increase (decrease) in contract liabilities	5,486	6,186
Increase or decrease in retirement benefit asset or liability	(915)	(560)
Other	(10,703)	(12,556)
Subtotal	27,231	18,957
Interest and dividends received	215	272
Interest paid	(66)	(97)
Income taxes paid	(5,398)	(7,364)
Net cash provided by (used in) operating activities	21,982	11,768
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,062)	(1,158)
Proceeds from sale of property, plant and equipment	0	2
Purchase of intangible assets	(5,636)	(4,813)
Purchase of investment securities	(1,206)	(1,124)
Proceeds from sale of investment securities	6,547	4
Payments for acquisition of subsidiaries	(930)	(510)
Other	27	524
Net cash provided by (used in) investing activities	(2,260)	(7,076)

(Millions of Yen)

	Semi-annual Consolidated Accounting Period of FY2024 (Six months ended September 30, 2023)	Semi-annual Consolidated Accounting Period of FY2025 (Six months ended September 30, 2024)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	—	(1,600)
Repayments of long-term borrowings	—	(3)
Repayments of lease liabilities	(4,363)	(4,660)
Purchase of treasury shares	(0)	(11,187)
Dividends paid	(4,019)	(5,528)
Dividends paid to non-controlling interests	(145)	(148)
Other	77	299
Net cash provided by (used in) financing activities	(8,451)	(22,830)
Effect of exchange rate changes on cash and cash equivalents	101	167
Net increase (decrease) in cash and cash equivalents	11,371	(17,971)
Cash and cash equivalents at beginning of period	43,645	59,263
Cash and cash equivalents at end of period at end of period	55,016	41,291

(5) Notes about Condensed Semi-annual Consolidated Financial Statements

(Notes on Going Concern Assumption)

None applicable

(Change in Material Accounting Policies)

The material accounting policies adopted for the Condensed Semi-annual Consolidated Financial Statements are the same as those for the Consolidated Financial Statements for the fiscal year ended March 31, 2024, except for the following standard.

The income taxes for the six-month period of the fiscal year ending March 31, 2025 are calculated based on the estimated annual effective tax rate.

Standard Document	Standard Name	New and Revision Contents
IFRS 16	Lease	Clarify accounting after the date of the transaction for a sale and leaseback

There was no material impact on the Condensed Semi-annual Consolidated Financial Statements for the second quarter resulting from the adoption of the standard above.

(Segment Information and Others)

(1) Overview of reportable segments

The reportable segments of the Company are those among the constituent units of the Company for which separate financial statements can be obtained and which are regularly examined by the Board of Directors for decisions on the allocation of management resources and for assessing business performance.

By fully harnessing the collective capabilities of the Group, the Company provides comprehensive IT solution services, from identifying customers' management issues to providing solutions to them.

The Company's operations therefore consist of segments composed of products and services that constitute our IT solution services.

We have five reportable segments: System Services, Support Services, Outsourcing, Software, and Hardware.

Details of the reportable segments are as follows:

- System Services : Software contract development business, system engineer services, and consulting
- Support Services : Software and hardware maintenance, installation support and related services
- Outsourcing : System operation by contract, and related services
- Software : Provision of software based on software license agreements
- Hardware : Provision of hardware partly based on equipment sales agreements

(2) Information about performance by reportable segment

Semi-annual Consolidated Accounting Period of FY2024 (Six months ended September 30, 2023)

	Reportable segment						Other (Note 1)	Total	Adjustment (Note 2)	(Million Yen) Amount recorded in the consolidated financial statements
	System Services	Support Services	Out sourcing	Software	Hardware	Total				
Revenue	60,045	26,556	37,250	17,397	26,326	167,576	5,401	172,978	—	172,978
Segment profits (Note 3)	21,034	8,323	8,321	2,636	4,640	44,956	1,240	46,197	(29,663)	16,534
Share of profit (loss) of investments accounted for using equity method										235
Other income										40
Other expense										174
Operating profit										16,635
Finance income										890
Finance costs										79
Profit before tax										17,446

(Note)

1. The Other category is a business segment that is not included in the reportable segments. It includes network services and installation.
2. The adjustment to segment profits represents selling, general and administrative expenses that have not been distributed to each segment.
3. Segment profits are represented by adjusted operating profit which is the result of deducting cost of sales and selling, general and administrative expenses from revenue.

Semi-annual Consolidated Accounting Period of FY2025 (Six months ended September 30, 2024)

	Reportable segment						Other (Note 1)	Total	Adjustment (Note 2)	(Million Yen) Amount recorded in the consolidated financial statements
	System Services	Support Services	Out sourcing	Software	Hardware	Total				
Revenue	60,603	28,291	42,727	20,058	28,630	180,312	5,719	186,032	—	186,032
Segment profits (Note 3)	20,706	9,540	9,114	2,860	5,059	47,281	1,416	48,698	(31,404)	17,294
Share of profit (loss) of investments accounted for using equity method										457
Other income										237
Other expense										43
Operating profit										17,945
Finance income										256
Finance costs										965
Profit before tax										17,236

(Note)

1. The Other category is a business segment that is not included in the reportable segments. It includes network services and installation.
2. The adjustment to segment profits represents selling, general and administrative expenses that have not been distributed to each segment.
3. Segment profits are represented by adjusted operating profit which is the result of deducting cost of sales and selling, general and administrative expenses from revenue.