

Summary of Consolidated Financial Results
for the Third Quarter of the Fiscal Year Ending March 31, 2025
(Nine Months Ended December 31, 2024)

[Japanese GAAP]

Company name: Uluru Co., Ltd.
 Stock code: 3979
 Representative: Tomoya Hoshi, Representative Director and President
 Contact: Yasuaki Uchimaru, Executive Officer, Co-CFO
 Tel: +81-3-6221-3069

Listing: Tokyo Stock Exchange
 URL: <https://www.uluru.biz/>

Scheduled date of payment of dividend: –
 Preparation of supplementary materials for financial results: Yes
 Holding of financial results meeting: None

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the First Nine Months (April 1, 2024 – December 31, 2024) of the Fiscal Year Ending March 31, 2025

(1) Consolidated operating results (Percentages represent year-on-year changes)

	Net sales		EBITDA*		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended Dec. 31, 2024	4,761	15.7	592	(41.0)	422	(51.1)	446	(47.9)	282	(48.7)
Nine months ended Dec. 31, 2023	4,115	17.3	1,002	792.2	864	–	857	–	551	–

*EBITDA = Operating profit + Depreciation + Amortization of goodwill

Note: Comprehensive income (million yen) Nine months ended Dec. 31, 2024: 283 (-48.8%)

Nine months ended Dec. 31, 2023: 553 (-%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended Dec. 31, 2024	40.87	–
Nine months ended Dec. 31, 2023	79.77	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Dec. 31, 2024	5,742	2,853	49.7
As of Mar. 31, 2024	6,051	2,811	46.5

Reference: Shareholders' equity (million yen) As of Dec. 31, 2024: 2,853 As of Mar. 31, 2024: 2,811

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2024	–	0.00	–	35.00	35.00
Fiscal year ending Mar. 31, 2025	–	0.00	–		
Fiscal year ending Mar. 31, 2025 (forecast)				10.00	10.00

Note: Revisions to the most recently announced dividend forecast: None

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(Percentages represent year-on-year changes)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	7,130	20.1	1,000	(34.1)	750	(43.4)	700	(45.7)	450	(37.5)	65.03

Note: Revisions to the most recently announced consolidated forecast: None

Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

Note: Please refer to page 10 “2. Quarterly Consolidated Financial Statements and Notes, (3) Notes to Quarterly Consolidated Financial Statements, Changes in Accounting Policies” for details.

(4) Number of issued shares (common stock)

1) Number of shares issued at the end of period (including treasury shares)

As of Dec. 31, 2024:	6,925,400 shares	As of Mar. 31, 2024:	6,925,400 shares
----------------------	------------------	----------------------	------------------

2) Number of treasury shares at the end of period

As of Dec. 31, 2024:	5,951 shares	As of Mar. 31, 2024:	5,951 shares
----------------------	--------------	----------------------	--------------

3) Average number of shares during the period

Nine months ended Dec. 31, 2024:	6,919,449 shares	Nine months ended Dec. 31, 2023:	6,916,205 shares
----------------------------------	------------------	----------------------------------	------------------

* Review by certified public accountants or auditing firms of the attached quarterly consolidated financial statements: None

* Explanation of appropriate use of earnings forecasts, and other special items

Note concerning forward-looking statements

Forecasts of future performance in this report are based on assumptions judged to be valid and information available to the Uluru's management at the time the materials were prepared but are not promises by Uluru regarding future performance.

Actual results may differ significantly from these forecasts for a number of reasons. Please refer to “1. Overview of Results of Operations, (3) Explanation of Consolidated Forecast and Other Forward-looking Statements” on page 6 for forecast assumptions and notes of caution for usage.

Contents of Attachments

1. Overview of Results of Operations	2
(1) Results of Operations.....	2
(2) Financial Position	5
(3) Explanation of Consolidated Forecast and Other Forward-looking Statements	6
2. Quarterly Consolidated Financial Statements and Notes	7
(1) Quarterly Consolidated Balance Sheet	7
(2) Quarterly Consolidated Statements of Income and Comprehensive Income	8
Quarterly Consolidated Statement of Income	8
For the Nine-month Period.....	8
Quarterly Consolidated Statement of Comprehensive Income	9
For the Nine-month Period.....	9
(3) Notes to Quarterly Consolidated Financial Statements	10
Changes in Accounting Policies	10
Segment and Other Information	10
Significant Changes in Shareholders' Equity	11
Going Concern Assumption.....	11
Consolidated Statement of Cash Flows.....	11

1. Overview of Results of Operations

(1) Results of Operations

Japan's working age population is forecast to decrease by about 16 million between 2017 and 2040 according to the 2018 White Paper on Information and Communications in Japan. This outlook points to serious social and economic issues as a labor shortage reduces the size of the economy and makes Japan less competitive in global markets. In this situation, with the commitment toward becoming a "leading company for solutions to labor shortages" under its corporate vision of "Solve the labor shortage and enrich people and companies," the Uluru Group has many activities centered on the software-as-a-service (SaaS) model for providing alternative solutions for labor shortages in a broad range of fields, and through such activities, it has been taking actions to deal with these social issues.

In November 2003, we started the Business Process Outsourcing (BPO) Business to meet the outsourcing needs of companies by establishing the standard for employees working at home rather than at the workplace. The diversity of our customers' needs increased along with the volume of orders we received. We responded by launching a crowdsourcing business called Shufti in February 2007. Shufti increases the efficiency of the BPO Business by facilitating direct matching of the requirements of client companies and the availability of crowdworkers, chiefly housewives, without using the Uluru Group. In addition, we used knowledge acquired from BPO operations and the resources of the crowdsourcing business to start the Crowd Generated Service (CGS) Business, which allows the Uluru Group itself to utilize crowdworkers. In September 2008, we started the NJSS (Nyusatsu Joho Sokuho Service) business, an up-to-date bid solicitations database service about bids and winning bids for public-sector tenders in Japan. This business currently accounts for about the half of our sales and the majority of earnings. In October 2014, we launched en-photo, a photo sales system for nursery schools and kindergartens. In February 2019, we started fondesk, a telephone call answering service that uses crowdworkers. To benefit from synergies with en-photo, we made OurPhoto Co., Ltd. a wholly owned subsidiary in December 2020. This company operates a matching service for its members and professional photographers. In January 2023, we acquired all of the stock of Brainfeed, Inc., which operates the nSearch public-sector contract bidding information service for the purpose of linking this business with the NJSS business. The current business portfolio of the Uluru Group consists of these operations.

NJSS, fondesk, en-photo and nSearch are all SaaS operations, which makes the SaaS category the basis for the growth of the Uluru Group. According to "Software Business New Markets 2024" by Fuji Chimera Research Institute, Inc., Japan's SaaS market is estimated to be 2,021.8 billion yen in fiscal 2024 and is expected to grow to 2,907.8 billion yen in fiscal 2028.

Net sales for the first nine months of the current fiscal year under review increased 15.7% year-on-year to 4,761 million yen, and EBITDA (operating profit + depreciation + amortization of goodwill) decreased 41.0% year-on-year to 592 million yen. Operating profit was 422 million yen, down 51.1% year-on-year, ordinary profit decreased 47.9% year-on-year to 446 million yen, and profit attributable to owners of parent was 282 million yen, down 48.7% year-on-year. Total annual recurring revenue (ARR) surpassed 4.9 billion yen and continued to increase. This is the sum of revenue for NJSS, nSearch, en-photo and fondesk, which all use a SaaS business model.

Business segment sales were as follows.

(Million yen)

Segment	First nine months of FY2024 (Apr. 1, 2023 – Dec. 31, 2023)		First nine months of FY2025 (Apr. 1, 2024 – Dec. 31, 2024)		YoY change in net sales (%)
	Net sales	Comp. (%)	Net sales	Comp. (%)	
CGS Business	3,220	78.3	3,679	77.3	14.2
NJSS	2,105	51.1	2,378	49.9	13.0
fondesk	622	15.1	733	15.4	17.8
Photo	493	12.0	567	11.9	15.1
Others	–	–	–	–	–
BPO Business	873	21.2	1,064	22.3	21.8
Crowdsourcing Business	20	0.5	18	0.4	(12.3)
Total	4,115	100.0	4,761	100.0	15.7

1) CGS NJSS

The number of fee-paying contracts for NJSS, which is the main SaaS in the CGS Business, increased to 7,028 at the end of December 2024, an increase of 461 from the end of March 2024. The service continued to grow with a twelve-month average churn rate based on the number of fee-paying contracts of 1.55% and the annual recurring revenue (ARR) surpassing 3.2 billion yen. Under the Uluru Sustainable Growth management policy, we made growth investments, including investments in human capital and marketing initiatives, leading to an increase in costs.

In addition, we continued to focus on expanding the bidding market through the development of peripheral services, including the generation of synergies with the nSearch operated by Brainfeed, Inc., a wholly owned subsidiary, and the operation of the Nyusatsu Shikaku Portal, a bidding qualification management service, and the Chotatsu Info purchasing and procurement service that is offered to public institutions.

As a result, net sales of NJSS in the CGS Business for the first nine months of the current fiscal year under review increased 13.0% year-on-year to 2,378 million yen, segment EBITDA decreased 3.2% year-on-year to 1,119 million yen, and segment profit was down 6.5% year-on-year to 1,020 million yen.

NJSS KPI	FY2024				FY2025			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales (million yen)	672	709	722	769	761	789	827	–
Gross profit (million yen)	620	655	670	709	697	716	750	–
EBITDA (million yen)	344	401	410	426	324	389	405	–
ARR (million yen)	2,654	2,754	2,801	2,875	3,017	3,109	3,231	–
NJSS Fee-paying contracts	5,980	6,247	6,377	6,567	6,756	6,880	7,028	–
NJSS ARPU (yen)	1,166	1,162	1,158	1,151	1,151	1,160	1,174	–
Bidding BPO ARPU (yen)	–	–	11	72	26	21	38	–
NJSS Churn rate (%)	1.44	1.42	1.47	1.53	1.58	1.61	1.55	–
NJSS LTV (thousand yen)	2,208	2,255	2,174	2,060	1,989	1,994	2,085	–
Bidding BPO LTV (thousand yen)	–	–	22	129	46	37	68	–
nSearch Fee-paying contracts	485	550	565	566	578	587	606	–
Employees (people)	114	111	112	112	134	137	140	–

- Notes: 1. ARR: Monthly recurring revenue (MRR) as of the end of each quarter multiplied by 12. Beginning with the first quarter of the current fiscal year, MRR multiplied by 12 that also includes nSearch, GoSTEP and other peripheral subscription businesses.
2. ARPU: Daily sales per fee-paying contracts. Bidding BPO ARPU includes spot net sales.
3. Churn rate: Ratio of cancellations during a month to the number of fee-paying contracts at the end of the previous month; 12-month averages are shown in this table.
4. Customer lifetime value (LTV): $\text{ARPU} \times (1/\text{Churn rate}) \times \text{Gross profit margin of 90\%}$
5. Employees: Including part-time workers and people provided by temporary staffing companies. The number of these employees is converted to an annual average, and includes the employees of Brainfeed, Inc. by the same definition.

2) CGS fondesk

The fondesk SaaS in the CGS Business continued to grow on the back of the promotion of corporate digital transformation (DX), with the number of fee-paying contracts rising to 5,422 at the end of December 2024 (up 628 from the end of March 2024). We also continued measures to improve user convenience, including system upgrades to improve UI/UX. As a result, the average churn rate during the past 12 months based on fee-paying contracts was 1.2%, the lowest ever (1.3% as of the end of March 2024) and ARR surpassed 1.0 billion yen. In addition, Uluru released in December 2024, fondesk IVR, an automatic telephone answering service that can be easily used by anyone. We focused on marketing initiatives as part of growth investments under the Uluru Sustainable Growth management policy, resulting in the increase in costs.

As a result, net sales of fondesk in the CGS Business for the first nine months of the current fiscal year under review increased 17.8% year-on-year to 733 million yen, segment EBITDA declined 46.8% year-on-year to 106 million yen, and segment profit dropped 47.0% year-on-year to 105 million yen.

fondesk KPI	FY2024				FY2025			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales (million yen)	201	206	214	211	236	241	255	–
EBITDA (million yen)	62	61	75	69	4	15	86	–
Fee-paying contracts	4,272	4,469	4,682	4,794	4,980	5,167	5,422	–
ARPU (yen)	15,725	15,412	15,274	14,676	15,845	15,582	15,681	–
Churn rate (%)	1.4	1.3	1.3	1.3	1.2	1.2	1.2	–
ARR (million yen)	806	826	858	844	946	966	1,020	–
Employees (people)	14	15	15	16	18	17	17	–

- Notes: 1. ARPU: Monthly sales per fee-paying contracts
2. Churn rate: Ratio of cancellations during a month to the number of fee-paying contracts at the end of the previous month; 12-month averages are shown in this table.
3. ARR: Sum of subscription sales and recurring sales in each quarter multiplied by four.
4. Employees: Including part-time workers and people provided by temporary staffing companies. The number of these employees is converted to an annual average.

3) CGS photo

The en-photo SaaS in the CGS Business saw growth with sales per nursery schools and kindergartens increasing to 34,645 yen (compared with 31,079 yen in the first nine months of the previous fiscal year) and the number of nursery school and kindergarten contracts at the end of December 2024 standing at 5,028 (up 303 from the end of March 2024), resulting in ARR reaching approximately 700 million yen. We conducted growth investments, particularly in human capital, under the Uluru Sustainable Growth management policy, resulting in an increase in costs.

In addition, we added the appearance number function “that automatically counts the number of appearances for each pupil” by using AI in machine learning models, thereby mitigating burdens of kindergarten teachers and staff. We also continued to focus on enhancing functions for the purpose of further demonstrating synergies between OurPhoto, a matching service operated by OurPhoto Co., Ltd., a wholly owned subsidiary, for its members and professional photographers, and en-photo.

As a result, net sales of photo services in the CGS Business for the first nine months of the current fiscal year under review increased 15.1% year-on-year to 567 million yen, segment EBITDA was negative 58 million yen compared with 18 million yen one year earlier, and the segment loss came to 67 million yen compared with a 5 million yen loss one year earlier.

Photo KPI	FY2024				FY2025			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales (million yen)	156	133	203	233	168	163	235	–
EBITDA (million yen)	13	(15)	20	51	(1)	(36)	(20)	–
en-photo: Contracted facilities	4,339	4,525	4,624	4,725	4,845	4,947	5,028	–
en-photo: Sales per facility (yen)	29,901	25,164	31,079	45,397	29,685	28,844	34,645	–
en-photo: ARR (million yen)	518	455	574	858	575	570	696	–
OurPhoto: Number of photos taken	3,977	2,813	9,257	3,085	3,669	2,762	9,051	–
Employees (people)	37	36	37	34	41	43	45	–

- Notes: 1. ARR: The amount of recurring sales in each quarter multiplied by four.
2. Employees: Including part-time workers and people provided by temporary staffing companies. The number of these employees is converted to an annual average.

4) BPO

In the BPO Business, net sales grew due to the strong performance of scanning operations, in line with the growing demand for DX, and business development in the business-process-as-a-service (BPaaS) area, which provides human resources support to SaaS providers. At the same time, costs increased, reflecting investments made for the implementation of a range of growth measures under the Uluru Sustainable Growth Policy, our management policy.

As a result, net sales of the BPO Business for the first nine months of the current fiscal year under review increased 21.8% year-on-year to 1,064 million yen, segment EBITDA decreased 34.1% year-on-year to 62 million yen, and the segment profit decreased 81.6% year-on-year to 10 million yen.

BPO KPI	FY2024				FY2025			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales (million yen)	255	291	326	602	313	353	397	–
EBITDA (million yen)	13	37	44	147	(20)	25	57	–
Employees (people)	135	134	134	148	177	193	201	–

Note: Employees: Including part-time workers and people provided by temporary staffing companies. The number of these employees is converted to an annual average.

5) Crowd Sourcing

The number of crowd workers registered was approximately 470,000 as of the end of December 2024. To enable this business to function as a platform for the supply of resources to the CGS category, we continued to improve services to increase convenience for customers while simultaneously strengthening customer support for stable operation.

As a result, net sales of the Crowd Sourcing Business for the first nine months of the current fiscal year under review decreased 12.3% year-on-year to 18 million yen, segment EBITDA was negative 6 million yen compared with negative 7 million yen one year earlier, and the segment loss was 7 million yen compared with a 7 million yen loss one year earlier.

Crowd Sourcing KPI	FY2024				FY2025			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales (million yen)	6	7	7	5	5	6	6	–
EBITDA (million yen)	(4)	(1)	(2)	(2)	(1)	(3)	(1)	–
Employees (people)	6	5	5	5	5	5	4	–

Note: Employees: Including part-time workers and people provided by temporary staffing companies. The number of these employees is converted to an annual average.

(2) Financial Position

Total assets at the end of the first nine months of the fiscal year under review decreased 308 million yen from the end of the previous fiscal year to 5,742 million yen. This was mainly due to a decrease of 425 million yen in cash and deposits, a decrease of 213 million yen in accounts receivable-trade, and an increase of 200 million yen in other (intangible assets).

Total liabilities decreased 350 million yen from the end of the previous fiscal year to 2,889 million yen. This was mainly due to a 375 million yen decrease in income taxes payable, a 164 million yen increase in contract liabilities, and a 63 million yen decrease in provision for bonuses.

Total net assets increased 41 million yen from the end of the previous fiscal year to 2,853 million yen. This was mainly due to a 282 million yen increase in retained earnings resulting from profit attributable to owners of parent and a 242 million yen decrease in retained earnings resulting from the payment of year-end dividends for the previous fiscal year.

(3) Explanation of Consolidated Forecast and Other Forward-looking Statements

On November 14, 2023, we announced Uluru Sustainable Growth, a new management policy, which targets not only sales growth but also sustainable profit growth through disciplined growth investments centered on human capital investment, M&A, etc. There were no significant changes in the management policy, management strategies, etc. in the first nine months of the current fiscal year under review.

There are no revisions to the full year consolidated earnings forecast for the fiscal year ending March 31, 2025 announced in the *Kessan Tanshin* (“Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2024”) dated May 14, 2024.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheet

	(thousand yen)	
	FY2024 (As of Mar. 31, 2024)	Third quarter of FY2025 (As of Dec. 31, 2024)
Assets		
Current assets		
Cash and deposits	3,589,867	3,164,417
Accounts receivable-trade	613,057	399,302
Work in process	15,173	55,413
Other	155,620	346,761
Allowance for doubtful accounts	(6,502)	(7,908)
Total current assets	4,367,217	3,957,987
Non-current assets		
Property, plant and equipment	219,688	222,152
Intangible assets		
Goodwill	225,630	191,786
Other	460,088	660,163
Total intangible assets	685,719	851,949
Investments and other assets		
Investment securities	464,123	470,237
Other	314,611	240,110
Total investments and other assets	778,734	710,348
Total non-current assets	1,684,142	1,784,450
Total assets	6,051,359	5,742,438
Liabilities		
Current liabilities		
Accounts payable-trade	204,113	191,182
Current portion of long-term borrowings	40,004	40,004
Income taxes payable	380,223	4,251
Contract liabilities	1,596,945	1,761,602
Provision for bonuses	127,260	64,140
Other	721,485	687,140
Total current liabilities	3,070,031	2,748,321
Non-current liabilities		
Long-term borrowings	158,329	128,326
Other	11,128	12,765
Total non-current liabilities	169,457	141,091
Total liabilities	3,239,489	2,889,412
Net assets		
Shareholders' equity		
Share capital	1,037,746	1,037,746
Capital surplus	1,020,046	1,020,046
Retained earnings	753,710	794,322
Treasury shares	(427)	(427)
Total shareholders' equity	2,811,076	2,851,688
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	793	1,337
Total accumulated other comprehensive income	793	1,337
Total net assets	2,811,870	2,853,025
Total liabilities and net assets	6,051,359	5,742,438

(2) Quarterly Consolidated Statements of Income and Comprehensive Income**Quarterly Consolidated Statement of Income****(For the Nine-month Period)**

	(thousand yen)	
	First nine months of FY2024 (Apr. 1, 2023 – Dec. 31, 2023)	First nine months of FY2025 (Apr. 1, 2024 – Dec. 31, 2024)
Net sales	4,115,490	4,761,546
Cost of sales	1,092,426	1,428,688
Gross profit	3,023,064	3,332,858
Selling, general and administrative expenses	2,159,049	2,910,561
Operating profit	864,015	422,296
Non-operating income		
Interest income	16	760
Dividends income	93	98
Gain on investments in investment partnerships	–	118
Subsidy income	10,640	22,051
Other	2,696	1,984
Total non-operating income	13,445	25,011
Non-operating expenses		
Interest expenses	104	832
Loss on investments in investment partnerships	19,462	–
Other	818	–
Total non-operating expenses	20,385	832
Ordinary profit	857,075	446,475
Profit before income taxes	857,075	446,475
Income taxes-current	262,597	63,465
Income taxes-deferred	42,757	100,217
Total income taxes	305,354	163,683
Profit	551,721	282,792
Profit attributable to owners of parent	551,721	282,792

Quarterly Consolidated Statement of Comprehensive Income
(For the Nine-month Period)

(thousand yen)

	First nine months of FY2024 (Apr. 1, 2023 – Dec. 31, 2023)	First nine months of FY2025 (Apr. 1, 2024 – Dec. 31, 2024)
Profit	551,721	282,792
Other comprehensive income		
Valuation difference on available-for-sale securities	1,889	543
Total other comprehensive income	1,889	543
Comprehensive income	553,610	283,336
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	553,610	283,336

(3) Notes to Quarterly Consolidated Financial Statements**Changes in Accounting Policies**

Application of Accounting Standard for Current Income Taxes, etc.

Uluru has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the “Revised Accounting Standard 2022”) effective from the beginning of the first quarter of the fiscal year under review.

The amendment to categories in which current income taxes should be recorded (taxes on other comprehensive income) follows the transitional treatment prescribed in the proviso of Paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso of Paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; the “Revised Implementation Guidance 2022”). This change in accounting policies has no impact on the quarterly consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on the sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred for tax purposes, the Revised Implementation Guidance 2022 has been adopted from the beginning of the first quarter of the fiscal year under review. This change in accounting policies is applied retrospectively, and quarterly consolidated financial statements and consolidated financial statements for the previous fiscal year are after retrospective application. This change in accounting policies has no impact on the quarterly consolidated financial statements and the consolidated financial statements for the previous fiscal year.

Segment and Other Information

I First nine months of FY2024 (Apr. 1, 2023 – Dec. 31, 2023)

1. Information related to net sales and profit or loss for reportable segments

	Reportable segment							Adjustment (Note 1)	Amounts shown on quarterly consolidated statement of income (Note 2)
	CGS NJSS	CGS fondesk	CGS photo	CGS others	BPO	Crowd- sourcing	Total		
Net sales									
External sales	2,105,066	622,718	493,030	–	873,750	20,925	4,115,490	–	4,115,490
Inter-segment sales and transfers	–	–	–	–	315	12,098	12,413	(12,413)	–
Total	2,105,066	622,718	493,030	–	874,065	33,023	4,127,904	(12,413)	4,115,490
Segment profit (loss)	1,090,878	199,441	(5,335)	(31,204)	57,054	(7,716)	1,303,118	(439,102)	864,015

Notes: 1. The negative adjustment of 439,102 thousand yen to segment profit (loss) includes elimination for inter-segment transactions of negative 532 thousand yen and corporate expenses (mainly selling, general and administrative expenses) of negative 438,570 thousand yen that are not allocated to any reportable segment.

2. Segment profit (loss) is adjusted to be consistent with operating profit in the quarterly consolidated statement of income.

II First nine months of FY2025 (Apr. 1, 2024 – Dec. 31, 2024)

1. Information related to net sales and profit or loss for reportable segments

	Reportable segment							Adjustment (Note 1)	(thousand yen) Amounts shown on quarterly consolidated statement of income (Note 2)
	CGS NJSS	CGS fondesk	CGS photo	CGS others	BPO	Crowd- sourcing	Total		
Net sales									
External sales	2,378,227	733,331	567,551	–	1,064,094	18,340	4,761,546	–	4,761,546
Inter-segment sales and transfers	–	–	–	–	8,082	17,623	25,706	(25,706)	–
Total	2,378,227	733,331	567,551	–	1,072,176	35,964	4,787,252	(25,706)	4,761,546
Segment profit (loss)	1,020,225	105,615	(67,501)	(59,824)	10,482	(7,163)	1,001,835	(579,538)	422,296

Notes: 1. The negative adjustment of 579,538 thousand yen to segment profit (loss) includes elimination for inter-segment transactions of 580 thousand yen and corporate expenses (mainly selling, general and administrative expenses) of negative 580,118 thousand yen that are not allocated to any reportable segment.

2. Segment profit (loss) is adjusted to be consistent with operating profit in the quarterly consolidated statement of income.

Significant Changes in Shareholders' Equity

Not applicable.

Going Concern Assumption

Not applicable.

Consolidated Statement of Cash Flows

A quarterly consolidated statement of cash flows pertaining to the first nine months of FY2025 has not been prepared. Depreciation (includes amortization related to intangible assets minus goodwill) and amortization of goodwill pertaining to the first nine months of each year is as follows.

	(thousand yen)	
	First nine months of FY2024 (Apr. 1, 2023 – Dec. 31, 2023)	First nine months of FY2025 (Apr. 1, 2024 – Dec. 31, 2024)
Depreciation	83,690	135,865
Amortization of goodwill	55,164	33,844

This financial report is solely a translation of Uluru's Kosan Tanshin (including attachments) in Japanese, which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.