

Summary of Consolidated Financial Results
for the First Quarter of the Fiscal Year Ending March 31, 2025
(Three Months Ended June 30, 2024)

[Japanese GAAP]

Company name: Uluru Co., Ltd. Listing: Tokyo Stock Exchange
 Stock code: 3979 URL: <https://www.uluru.biz/>
 Representative: Tomoya Hoshi, Representative Director and President
 Contact: Yasuaki Uchimaru, Executive Director, Co-CFO
 Tel: +81-3-6221-3069
 Scheduled date of payment of dividend: -
 Preparation of supplementary materials for quarterly financial results: Yes
 Holding of quarterly financial results meeting: None

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

1. Consolidated Financial Results for the First Three Months (April 1, 2024 – June 30, 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	%
Three months ended Jun. 30, 2024	1,485	15.0	107	(61.5)	59	(74.9)	82	(66.9)	48	(69.2)
Three months ended Jun. 30, 2023	1,292	21.6	280	-	237	-	248	-	156	-

*EBITDA = Operating profit + Depreciation + Amortization of goodwill

Note: Comprehensive income (million yen) Three months ended Jun. 30, 2024: 48 (- 69.2%)

Three months ended Jun. 30, 2023: 156 (-%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Jun. 30, 2024	6.99	-
Three months ended Jun. 30, 2023	22.70	22.68

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Jun. 30, 2024	5,686	2,618	46.0
As of Mar. 31, 2024	6,051	2,811	46.5

Reference: Shareholders' equity (million yen) As of Jun. 30, 2024: 2,618 As of Mar. 31, 2024: 2,811

2. Dividends

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

Notes: 1. Revisions to the most recently announced consolidated forecast: None

2. There is no first half forecast because ULURU manages performance on a fiscal year basis.

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 Jun. 30, 2024:	6,925,400 shares	As of Mar. 31, 2024:	6,925,400 shares
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2) Number of treasury shares at the end of period

As of Jun. 30, 2024:	5,951 shares	As of Mar. 31, 2024:	5,951 shares
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3) Average number of shares during the period

Three months ended Jun. 30, 2024:	6,919,449 shares	Three months ended Jun. 30, 2023:	6,911,557 shares
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* Review of the attached quarterly consolidated financial statements by a certified public accountant or auditing firm: 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. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Consolidated Forecast and Other Forward-looking Statements” on page 6 for forecast assumptions and notes of caution for usage.

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1. Qualitative Information on Quarterly Consolidated Financial Performance

(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. 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.

We are reaffirming our commitment to becoming a "leading company for labor shortage solutions" as we work even harder in taking actions that target these social issues under our corporate vision of "Solve the labor shortage and enrich people and companies."

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 crowd-sourcing 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 crowd workers, chiefly housewives, without using the ULURU Group. In addition, we used knowledge acquired from BPO operations and the resources of the crowd-sourcing business to start the Crowd Generated Service (CGS) Business, which allows the ULURU Group itself to utilize crowd workers. In September 2008, we started the NJSS (Nyusatsu Joho Sokuho Service) business, an up-to-date bid solicitations database service on 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 management system for nursery schools and kindergartens. In February 2019, we started fondesk, a telephone call answering service that uses crowd workers. 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 2023" by Fuji Chimera Research Institute, Inc., Japan's SaaS market was expected to be 1,412.8 billion yen in fiscal 2023 and is expected to grow to 2,099.0 billion yen in fiscal 2027.

During the first three months of the current fiscal year, we made disciplined growth investments centered on human capital investment across the Group under the ULURU Sustainable Growth management policy. As a result, net sales for the first three months of the current fiscal year increased 15.0% year on year to 1,485 million yen, and EBITDA (operating profit + depreciation + amortization of goodwill) decreased 61.5% to 107 million yen. Meanwhile, operating profit was 59 million yen, down 74.9% year on year, and ordinary profit decreased 66.9% to 82 million yen, and profit attributable to owners of parent was 48 million yen, down 69.2% year on year. Total annual recurring revenue (ARR) continued to increase, amounting to around 4,500 million yen. 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 three months of FY3/24 (Apr. 1, 2023 – Jun. 30, 2023)		First three months of FY3/25 (Apr. 1, 2024 – Jun. 30, 2024)		YoY change in net sales (%)
	Net sales	Comp. (%)	Net sales	Comp. (%)	
CGS Business	1,030	79.8	1,166	78.5	13.2
NJSS	672	52.1	761	51.3	13.2
fondesk	201	15.6	236	15.9	17.5
Photo	156	12.1	168	11.3	7.6
Others	-	-	-	-	-
BPO Business	255	19.7	313	21.1	22.7
Crowd-Sourcing Business	6	0.5	5	0.4	(4.8)
Total	1,292	100.0	1,485	100.0	15.0

1) CGS NJSS

NJSS, the main SaaS in the CGS Business, continued to grow. The number of fee-paying contracts reached 6,756 as of June 30, 2024, an increase of 189 compared with March 31, 2024. The average churn rate during the past 12 months based on fee-paying contracts was 1.41%, the lowest ever. ARR exceeded 3.0 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, there continued to be many activities for generating synergies with the nSearch public-sector contract bidding information service of Brainfeed, Inc., a wholly owned subsidiary, for the BPaaS Bidding BPO, which combines the bid submission knowhow of NJSS and the project execution expertise of ULURU BPO, and for information support tool GoSTEP, which facilitates unified searches and management of information about budgets of public-sector projects, open information and statistics involving these projects, characteristics of local governments based on data on bids received and organizational data required to contact governments in the best ways.

As a result, net sales of NJSS in the CGS Business for the first three months of the current fiscal year increased 13.2% year on year to 761 million yen, segment EBITDA decreased 5.9% year on year to 324 million yen, and segment profit was down 8.4% year on year to 296 million yen.

NJSS KPI	FY3/24				FY3/25			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales (million yen)	672	709	722	769	761	-	-	-
Gross profit (million yen)	620	655	670	709	697	-	-	-
EBITDA (million yen)	344	401	410	426	324	-	-	-
ARR (million yen)	2,654	2,754	2,801	2,875	3,017	-	-	-
NJSS Fee-paying contracts	5,980	6,247	6,377	6,567	6,756	-	-	-
NJSS ARPU (yen)	1,166	1,162	1,158	1,151	1,151	-	-	-
Bidding BPO ARPU (yen)	-	-	11	72	26	-	-	-
NJSS Churn rate (%)	1.44	1.42	1.47	1.53	1.41	-	-	-
NJSS LTV (thousand yen)	2,208	2,255	2,174	2,060	2,236	-	-	-
Bidding BPO LTV (thousand yen)	-	-	22	129	51	-	-	-
nSearch Fee-paying contracts	485	550	565	566	578	-	-	-
Employees (people)	114	111	112	112	134	-	-	-

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): $ARPU \times (1/Churn\ rate) \times Gross\ profit\ margin\ of\ 90\%$

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, benefiting from a tailwind from corporate digital transformation (DX) and other factors, with the number of fee-paying contracts growing to 4,980 as of June 30, 2024 (up 186 from March 31, 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 March 31, 2024) and ARR surpassed 0.9 billion yen. We focused on growth investments, specifically large-scale marketing initiatives such as mass advertising, 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 three months of the current fiscal year increased 17.5% year on year to 236 million yen, segment EBITDA was 4 million yen, down 92.4% year on year, and segment profit decreased 92.7% year on year to 4 million yen.

fondesk KPI	FY3/24				FY3/25			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales (million yen)	201	206	214	211	236	-	-	-
EBITDA (million yen)	62	61	75	69	4	-	-	-
Fee-paying contracts	4,272	4,469	4,682	4,794	4,980	-	-	-
ARPU (yen)	15,725	15,412	15,274	14,676	15,845	-	-	-
Churn rate (%)	1.4	1.3	1.3	1.3	1.2	-	-	-
ARR (million yen)	806	826	858	844	946	-	-	-
Employees (people)	14	15	15	16	18	-	-	-

- 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 sales per kindergarten of 29,685 yen, roughly flat from the first quarter of the previous fiscal year. The number of nursery school and kindergarten contracts grew steadily to 4,845 as of June 30, 2024, 120 more than as of March 31, 2024. As a result, ARR came to approximately 600 million yen, indicating en-Photo's growth from the first quarter of the previous fiscal year. We focused on growth investments, particularly in human capital, under the ULURU Sustainable Growth management policy, resulting in the increase in costs.

In addition, we continued to focus on generating synergies between en-Photo and the OurPhoto on-site photography matching service operated by OurPhoto Co., Ltd., a wholly owned subsidiary.

As a result, net sales of photo services in the CGS Business for the first three months of the current fiscal year increased 7.6% year on year to 168 million yen, segment EBITDA was negative 1 million yen compared with 13 million yen one year earlier, and the segment loss came to 3 million yen compared with a 5 million yen profit one year earlier.

Photo KPI	FY3/24				FY3/25			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales (million yen)	156	133	203	233	168	-	-	-
EBITDA (million yen)	13	(15)	20	51	(1)	-	-	-
en-photo: Contracted facilities	4,339	4,525	4,624	4,725	4,845	-	-	-
en-photo: Sales per facility (yen)	29,901	25,164	31,079	45,397	29,685	-	-	-
en-photo: ARR (million yen)	518	455	574	858	575	-	-	-
OurPhoto: Number of photos taken	3,977	2,813	9,257	3,085	3,669	-	-	-
Employees (people)	37	36	37	34	41	-	-	-

- 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 BPaaS area, which provides human resources support to SaaS providers. Under the ULURU Sustainable Growth management policy, we implemented multiple measures for growth, including investments in human capital and website redesigns, resulting in increased costs.

Additionally, we continued to focus on the BPaaS Bidding BPO, which combines the bid submission knowhow of NJSS and the project execution expertise of ULURU BPO.

As a result, net sales of the BPO Business for the first three months of the current fiscal year increased 22.7% year on year to 313 million yen, segment EBITDA came to negative 20 million yen compared with 13 million yen one year earlier, and the segment loss was 36 million yen compared with a 3 million yen profit one year earlier.

BPO KPI	FY3/24				FY3/25			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales (million yen)	255	291	326	602	313	-	-	-
EBITDA (million yen)	13	37	44	147	(20)			
Employees (people)	135	134	134	148	177	-	-	-

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

In the Crowd-Sourcing Business, the number of crowd workers registered in the Shufti business was about 460,000 as of March 31, 2024. To enable this business to function as a platform for supplying resources to the CGS category, we continued to improve services to increase convenience for customers and for strengthening customer support for the stable operation of Shufti.

As a result, net sales of the Crowd-Sourcing Business for the first three months of the current fiscal year decreased 4.8% year on year to 5 million yen, segment EBITDA was negative 1 million yen compared with negative 4 million yen one year earlier, and the segment loss was 1 million yen compared with a 4 million yen loss one year earlier.

Crowd-Sourcing KPI	FY3/24				FY3/25			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales (million yen)	6	7	7	5	5	-	-	-
EBITDA (million yen)	(4)	(1)	(2)	(2)	(1)			
Employees (people)	6	5	5	5	5	-	-	-

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 quarter of the current fiscal year decreased 364 million yen from the end of the previous fiscal year to 5,686 million yen. This was mainly due to a decrease of 153 million yen in cash and deposits, a decrease of 288 million yen in accounts receivable-trade, and an increase of 71 million yen in intangible assets and such.

Total liabilities decreased 170 million yen from the end of the previous fiscal year to 3,068 million yen. This was mainly due to a 371 million yen decrease in income taxes payable, a 249 million yen increase in contract liabilities, and a 10 million yen decrease in long-term borrowings.

Total net assets decreased 193 million yen from the end of the previous fiscal year to 2,618 million yen. This was mainly due to a 48 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 three months of the current fiscal year.

There are no revisions to the full year consolidated earnings forecasts 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)	
	FY3/24 (As of Mar. 31, 2024)	First quarter of FY3/25 (As of Jun. 30, 2024)
Assets		
Current assets		
Cash and deposits	3,589,867	3,436,008
Accounts receivable-trade	613,057	324,967
Work in process	15,173	46,184
Other	155,620	165,164
Allowance for doubtful accounts	(6,502)	(5,015)
Total current assets	4,367,217	3,967,309
Non-current assets		
Property, plant and equipment	219,688	231,498
Intangible assets		
Goodwill	225,630	214,349
Other	460,088	531,091
Total intangible assets	685,719	745,440
Investments and other assets		
Investment securities	464,123	464,074
Other	314,611	278,566
Total investments and other assets	778,734	742,640
Total non-current assets	1,684,142	1,719,579
Total assets	6,051,359	5,686,889
Liabilities		
Current liabilities		
Accounts payable-trade	204,113	147,032
Current portion of long-term borrowings	40,004	40,004
Income taxes payable	380,223	8,538
Contract liabilities	1,596,945	1,846,083
Provision for bonuses	127,260	51,545
Other	721,485	816,285
Total current liabilities	3,070,031	2,909,488
Non-current liabilities		
Long-term borrowings	158,329	148,328
Other	11,128	11,045
Total non-current liabilities	169,457	159,373
Total liabilities	3,239,489	3,068,861
Net assets		
Shareholders' equity		
Share capital	1,037,746	1,037,746
Capital surplus	1,020,046	1,020,046
Retained earnings	753,710	559,899
Treasury shares	(427)	(427)
Total shareholders' equity	2,811,076	2,617,265
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	793	761
Total accumulated other comprehensive income	793	761
Total net assets	2,811,870	2,618,027
Total liabilities and net assets	6,051,359	5,686,889

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

	(Thousand yen)	
	First three months of FY3/24 (Apr. 1, 2023 – Jun. 30, 2023)	First three months of FY3/25 (Apr. 1, 2024 – Jun. 30, 2024)
Net sales	1,292,386	1,485,963
Cost of sales	326,794	440,540
Gross profit	965,592	1,045,423
Selling, general and administrative expenses	727,806	985,715
Operating profit	237,786	59,707
Non-operating income		
Interest income	2	112
Subsidy income	10,640	21,551
Other	857	1,029
Total non-operating income	11,500	22,693
Non-operating expenses		
Interest expenses	46	183
Other	818	0
Total non-operating expenses	864	183
Ordinary profit	248,422	82,217
Profit before income taxes	248,422	82,217
Income taxes-current	59,089	2,756
Income taxes-deferred	32,430	31,091
Total income taxes	91,519	33,847
Profit	156,902	48,369
Profit attributable to owners of parent	156,902	48,369

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

	(Thousand yen)	
	First three months of FY3/24 (Apr. 1, 2023 – Jun. 30, 2023)	First three months of FY3/25 (Apr. 1, 2024 – Jun. 30, 2024)
Profit	156,902	48,369
Other comprehensive income		
Valuation difference on available-for-sale securities	(115)	(32)
Total other comprehensive income	(115)	(32)
Comprehensive income	156,787	48,337
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	156,787	48,337

(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 current fiscal year.

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 current fiscal year. 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 three months of FY3/24 (Apr. 1, 2023 – Jun. 30, 2023)

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

(Thousand yen)

	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	672,758	201,539	156,668	-	255,226	6,193	1,292,386	-	1,292,386
Inter-segment sales and transfers	-	-	-	-	105	3,451	3,556	(3,556)	-
Total	672,758	201,539	156,668	-	255,331	9,645	1,295,943	(3,556)	1,292,386
Segment profit (loss)	323,661	62,435	5,673	(10,739)	3,046	(4,418)	379,658	(141,872)	237,786

Notes: 1. The negative adjustment of 141,872 thousand yen to segment profit (loss) includes elimination for inter-segment transactions of 298 thousand yen and corporate expenses (mainly selling, general and administrative expenses) of negative 142,171 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 three months of FY3/25 (Apr. 1, 2024 – Jun. 30, 2024)

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

(Thousand yen)

	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	761,689	236,724	168,563	-	313,090	5,895	1,485,963	-	1,485,963
Inter-segment sales and transfers	-	-	-	-	1,228	4,385	5,613	(5,613)	-
Total	761,689	236,724	168,563	-	314,319	10,280	1,491,577	(5,613)	1,485,963
Segment profit (loss)	296,450	4,575	(3,619)	(14,585)	(36,787)	(1,757)	244,276	(184,568)	59,707

Notes: 1. The negative adjustment of 184,568 thousand yen to segment profit (loss) includes elimination for inter-segment transactions of 526 thousand yen and corporate expenses (mainly selling, general and administrative expenses) of negative 185,095 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 three months of FY3/25 has not been prepared. Depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill pertaining to the first three months of each fiscal year is as follows.

	(Thousand yen)	
	First three months of FY3/24 (Apr. 1, 2023–Jun. 30, 2023)	First three months of FY3/25 (Apr. 1, 2024–Jun. 30, 2024)
Depreciation	24,163	36,813
Amortization of goodwill	18,388	11,281

This financial report is solely a translation of ULURU's Kessan 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.