

Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending September 30, 2019
(FY9/19) (Six Months Ended March 31, 2019) [IFRS]

May 15, 2019

Company name: Evolvable Asia Corp.

Stock Exchange

Listing:

TSE 1st

Stock code: 6191

URL <http://www.evolvableasia.com>

Representative: Hideaki Yoshimura, CEO

Contact: Yusuke Shibata, Representative Director and CFO

(TEL)03 (3431) 6191

Scheduled date of filing of Quarterly Report: May 15, 2019

Scheduled date of payment of dividend: _

Preparation of supplementary materials for quarterly financial results: Yes

Holding of quarterly financial results briefing: Yes (for institutional investors and securities analysts)

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

1. Consolidated Financial Results for the Second Quarter (October 1, 2018 to March 31, 2019) of FY9/19

(1) Consolidated results of operations

(Percentages represent year-on-year changes.)

	Net sales		Operating income		Profit before income taxes		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended Mar. 31, 2019	10,618	207.8	90	Δ88.5	53	Δ93.3	64	Δ89.1	Δ9	—	57	Δ90.1
Six months ended Mar. 31, 2018	3,449	—	790	—	793	—	595	—	513	—	576	—

	Profit per share	Fully diluted profit per share
	Yen	Yen
Six months ended Mar. 31, 2019	Δ0.51	Δ0.51
Six months ended Mar. 31, 2018	29.71	28.62

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent
	Millions of yen	Millions of yen	Millions of yen	%
As of Mar. 31, 2019	28,658	7,841	7,393	25.8
As of Sep. 30, 2018	24,929	5,557	5,176	20.7

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Sep. 30, 2018	—	0.00	—	10.00	10.00
Fiscal year ending Sep. 30, 2019	—	0.00			
Fiscal year ending Sep. 30, 2019 (Estimated)			—	—	—

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

Evolvable Asia Corp. plans to pay the year-end dividend for the fiscal year ending September 30, 2019, based on a dividend payout ratio of approximately 20%. Evolvable Asia Corp. will not disclose the dividend forecast since the full-year consolidated financial forecasts are not disclosed due to the difficulty of making reasonable estimates.

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

Newly included: – companies Excluded: – companies

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

1) Change of the accounting policy required under IFRS: None

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

3) Changes in accounting-based estimates: None

(3) Numbers of outstanding shares (common stock)

1) Number of shares outstanding as of the end of the period (including treasury shares)

As of Mar. 31, 2019	18,906,600	As of Sep. 30, 2018	17,708,000
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2) Number of treasury shares as of the end of the period

As of Mar. 31, 2019	—	As of Sep. 30, 2018	—
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3) Average number of shares issued during the period

Six months ended Mar. 31, 2019	18,140,989	Six months ended Mar. 31, 2018	17,859,635
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* The current quarterly financial report is exempt from the quarterly review procedures performed by certified public accountants or audit corporations.

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

Consolidated financial forecasts for the current fiscal year are not presented due to the difficulty of calculating reasonable forecasts. For the reasons for this, see “Outlook” on page 5 of the Consolidated Financial Results for the Fiscal Year Ended September 30, 2018 (FY9/18) announced on November 13, 2018.

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1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Explanation of Results of Operations

Evolable Asia Corp. (hereinafter the “Company”) and its consolidated subsidiaries (hereinafter collectively the “Group”) disclosed consolidated financial statements in accordance with IFRS starting from previous fiscal year, and the figures for the first six months of the previous fiscal year have also been restated according to IFRS for comparative analysis.

During the second quarter under review, the global economy maintained a robust performance mainly driven by advanced economies. However, the global economic outlook became increasingly uncertain amid trade tensions between the US and China. The Japanese economy remained on a moderate recovery path, reflecting steady improvement in employment and income conditions. The economy continued to expand at a solid pace, supported by increased domestic demand and inbound tourist demand against the background of the upcoming Tokyo Olympics in 2020 and EXPO 2025 in Osaka.

In the travel industry, the number of Japanese citizens who left Japan in the period from January to March 2019 totaled 4.91 million, increasing about 0.29 million from the same period of the previous fiscal year according to the statistics released by the Japan National Tourism Organization (JNTO). In addition, the number of foreigners who visited Japan from January to March 2019 surpassed 8.05 million. The number is rising steadily toward 40 million, the target for 2020 set in the Tourism Vision to Support the Future of Japan, which the Japanese government adopted in March 2016.

Under these conditions, the Company continued expanding its operations by seeking to diversify its service lines with a focus on sales of domestic airline tickets and international airline tickets as an online travel agency and significantly investing in advertising to raise recognition of its main brand AirTrip. The Company also continued to enhance its services for foreign visitors to Japan, making the most of its online travel business expertise.

In the IT Offshore Development Business, which was launched in 2012, the Company steadily won customers in numerous business categories and increased the number of engineers employed, focusing on the development of lab-type facilities in Vietnam. The number of engineers hired grew to 1,000 as of the end of March 2019. In the Investment Business, which has been developing in earnest since the stock was listed, the Company has been investing in growing companies. As of the end of March 2019, the Company has invested in 54 companies.

In this business environment, the Group achieved consolidated net sales of 10,618 million yen (up 207.8% year on year), a consolidated operating income of 90 million yen (down 88.5% year on year), a consolidated profit before income taxes of 53 million yen (down 93.3% year on year), and a consolidated loss attributable to owners of parent of 9 million yen (compared to consolidated profit attributable to owners of parent of 513 million yen a year earlier) in the first six months of the fiscal year under review.

Operating results by segment are as follows.

(1) Online Travel Agency Business

The Group offers the following four services in the Online Travel Agency Business segment.

- BtoC services (operation of PC and smartphone websites for selling travel commodities directly to general consumers)

The Company made considerable upfront investments in mass marketing, including TV commercials and train advertising, to acquire new customers and build a stable customer base in the future. The Company also improved user interfaces to increase the number of repeat customers. These contributed to a steady increase in the number of service users.

The recognition of the Company’s brand AirTrip increased, and strategic pricing and the active input of branding costs were conducted to acquire customers.

- BtoBtoC services (travel content provision under brands owned by business partners)

The enhanced development of alliances with major partners, the provision of services to match the needs of major partners, and enhanced communication with partners contributed to an increase in service use. In addition, like the BtoC services, measures for marketing and alliances with an emphasis on increasing customer numbers were promoted.

- BtoB services (wholesale to other travel agencies)

Net sales were solid, reflecting trends in the airline industry and policies enforced by business partners.

- BTM services (centralized management of internal approval procedures and arrangements associated with corporate business trips)

These services basically adopt a business model under which net sales expand in a manner that is linked with an increase in the

number of corporate customers and a rise in their usage rate. The services achieved growth attributable to initiatives taken by the Group, including the addition of salespeople and the identification of existing customers who used the services at a relatively low rate.

- Services for foreign visitors (business of providing various BtoC services to visitors to Japan)

The Company offers various services for foreign visitors to Japan, including Wi-Fi rental, camping car rental, currency exchange and web media services. In every business line, net sales and income grew steadily due to an increase in visitors to Japan, multilingual customer service and stronger marketing.

As a result of the factors stated above, net sales for the Online Travel Agency Business segment amounted to 9,475 million yen (up 312.8% year on year), and segment income came to 146 million yen (up 390.9% year on year) in the first six months of the fiscal year under review.

(2) IT Offshore Development Business

In the IT Offshore Development Business segment, the Group offers lab-type facility development services to customers consisting mainly of e-commerce operators, web solution providers, and game and system developers in Ho Chi Minh, Hanoi and Da Nang in Vietnam.

The Company's lab-type facility development model is distinctive in that a team is formed with new dedicated staff members hired for each customer. The model also enables customers to confirm the state of lab-type facility development on demand. The Company assumes the assignment of dedicated staff members to each team on a medium- to long-term basis. For that reason, the success or failure of development depends on employing workers suited to customer demands and motivating the respective engineers more. In addition, these services basically adopt a business model under which customers are billed on the basis of man-months and the number of workers. The number of engineers supplied to clients and the man-months affect net sales for them significantly. An increase in the number of engineers and a rise in the unit cost due to development streamlining contributed to sales growth in the first six months of the fiscal year under review.

As a result of the factors stated above, net sales for the IT Offshore Development Business segment reached 1,142 million yen (up 8.4% year on year), and segment income totaled 111 million yen (up 6.8% year on year).

(3) Investment Business

In the Investment Business segment, the Group emphasizes synergies with the existing businesses and expands service lines through aggressive M&A and capital alliances. The Group is pursuing investment in growing companies to improve profitability. At the end of the second quarter under review, the Group had increased the number of companies in which it invests to 54. As a result, net sales for the Investment Business segment stood at 0 million yen (down 99.0% year on year), and segment income was 237 million yen (down 74.2% year on year) in the first six months of the fiscal year under review.

(2) Explanation of Financial Position

(Assets)

Total assets increased 3,729 million yen from the end of the previous fiscal year, to 28,658 million yen at the end of the second quarter under review. This result was mainly due to an increase of 1,612 million yen in cash and deposits, and an increase of 1,159 million yen in notes and accounts receivable – trade and other receivables.

(Liabilities)

Liabilities increased 1,446 million yen from the end of the previous fiscal year, to 20,817 million yen at the end of the second quarter under review. This result primarily reflected an increase of 933 million yen in operating and other payables, and an increase of 704 million yen in interest-bearing debt.

(Equity)

Net assets rose 2,283 million yen from the end of the previous fiscal year, to 7,841 million yen at the end of the second quarter under review. This result was mainly attributable to an increase of 1,196 million yen in capital stock and a rise of 1,019 million yen

in share premium.

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

Consolidated financial forecasts for the current fiscal year are not presented due to the difficulty of calculating reasonable forecasts as explained in the Consolidated Financial Results for the Fiscal Year Ended September 30, 2018 (FY9/18) announced on November 13, 2018.

2. Condensed Consolidated Financial Statements and Notes to the Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statement of Financial Position

(Millions of yen)

	FY9/18 (as of Sep. 30, 2018)	Second Quarter of FY9/19 (as of March 31, 2019)
Assets		
Current assets		
Cash and cash equivalents	5,320	6,932
Notes and accounts receivable – trade and other receivables	4,442	5,601
Other financial assets	3,889	4,547
Inventories	87	231
Income taxes receivable	132	151
Other current assets	1,331	1,223
Total current assets	15,202	18,689
Non-current assets		
Property, plant and equipment	1,111	1,311
Goodwill	5,091	5,039
Intangible assets	2,302	2,453
Other financial assets	1,055	996
Other non-current assets	83	70
Deferred tax assets	82	97
Total non-current assets	9,726	9,969
Total assets	24,929	28,658
Liabilities and equity		
Liabilities		
Current liabilities		
Operating payables and other operating payables	4,333	5,267
Interest-bearing debt	6,802	7,142
Other financial liabilities	428	439
Accrued income taxes	80	160
Other current liabilities	3,281	3,084
Total current liabilities	14,926	16,094
Non-current liabilities		
Interest-bearing debt	4,009	4,374
Other financial liabilities	61	47
Provisions	76	78
Deferred tax liabilities	288	213
Other non-current liabilities	8	9
Total non-current liabilities	4,444	4,722
Total liabilities	19,371	20,817
Equity		
Capital stock	1,100	2,297
Share premium	2,117	3,137
Retained earnings	1,953	1,944
Other items of equity	5	14
Total equity attributable to owners of parent	5,176	7,393
Non-controlling interests	380	447
Total equity	5,557	7,841
Total liabilities and equity	24,929	28,658

(2) Condensed Consolidated Statement of Income and Condensed Consolidated Statement of Comprehensive Income
Condensed Consolidated Statement of Income
For the First Six-month Period

(Millions of yen)

	Six months ended March 31, 2018 (Oct. 1, 2017 – Mar. 31, 2018)	Six months ended March 31, 2019 (Oct. 1, 2018 – Mar. 31, 2019)
Net sales	3,449	10,618
Cost of sales	Δ1,219	Δ4,735
Gross profit	2,230	5,883
Selling, general and administrative expense	Δ2,376	Δ6,243
Gain and loss on investments	939	264
Other income	2	220
Other expenses	Δ5	Δ34
Operating income	790	90
Finance income	15	8
Finance costs	Δ12	Δ46
Profit before income taxes	793	53
Corporate income tax expenses	Δ198	11
Profit	595	64
Profit attributable to		
Owners of parent	513	Δ9
Non-controlling interests	Δ81	74
	595	64
Profit per share		
Profit (loss) per share (Yen)	29.71	Δ0.51
Fully diluted profit (loss) per share (Yen)	28.62	Δ0.51

For the Second Quarter Period

(Millions of yen)

	Note	Second quarter of FY9/18 (January 1, 2018 – March 31, 2018)	Second quarter of FY9/19 (January 1, 2019 – March 31, 2019)
Net sales	8	1,825	5,882
Cost of sales		Δ728	Δ2,746
Gross profit		1,096	3,136
Selling, general and administrative expense		Δ1,246	Δ3,158
Gain and loss on investments		814	158
Other income		0	211
Other expenses		Δ4	Δ12
Operating income		660	336
Finance income		12	5
Finance costs		Δ7	Δ21
Profit before income taxes		665	320
Corporate income tax expenses		Δ172	Δ42
Profit		492	277
Profit attributable to			
Owners of parent		445	255
Non-controlling interests		47	22
		492	277
Profit per share			
Profit (loss) per share (Yen)		25.69	13.84
Fully diluted profit (loss) per share (Yen)		24.79	13.39

Condensed Consolidated Statement of Comprehensive Income
For the First Six-month Period

(Millions of yen)

	Six months ended March 31, 2018 (Oct. 1, 2017 – Mar. 31, 2018)	Six months ended March 31, 2019 (Oct. 1, 2018 – Mar. 31, 2019)
Profit	595	64
Other comprehensive income, net of tax		
Translation adjustments of foreign operations	Δ26	Δ6
Cash flow hedge	Δ1	Δ0
Total of items that may be reclassified as profit or loss	Δ28	Δ6
Total of other comprehensive income, net of tax	Δ28	Δ6
Comprehensive income	566	57
Comprehensive income attributable to		
Owners of parent	498	Δ13
Non-controlling interests	68	70

For the Second Quarter Period

(Millions of yen)

	Note	Second quarter of FY9/18 (January 1, 2018 – March 31, 2018)	Second quarter of FY9/19 (January 1, 2019 – March 31, 2019)
Profit		492	277
Other comprehensive income, net of tax			
Items that may be reclassified as profit or loss			
Translation adjustments of foreign operations		Δ21	2
Cash flow hedge		Δ1	0
Total of items that may be reclassified as profit or loss		Δ22	2
Total of other comprehensive income, net of tax		Δ22	2
Comprehensive income		470	280
Comprehensive income attributable to			
Owners of parent		433	256
Non-controlling interests		36	24

(3) Condensed Consolidated Statement of Changes in Equity

Six months ended March 31, 2018 (Oct. 1, 2017 – Mar. 31, 2018)

(Millions of yen)

	Equity attributable to owners of parent					Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Other items of equity	Total		
As of October 1, 2017	1,031	815	1,139	5	2,992	402	3,394
Profit	-	-	513	-	513	81	595
Other comprehensive income	-	-	-	Δ14	Δ14	Δ13	Δ28
Total comprehensive income	-	-	513	Δ14	498	68	566
Dividends of surplus	-	-	Δ118	-	Δ118	-	Δ118
Issuance of new shares	9	9	-	-	18	-	18
Increase (decrease) by share exchanges	-	809	-	-	809	Δ112	697
Equity transactions with non-controlling interests	-	Δ0	-	-	Δ0	Δ1	Δ2
Increase (decrease) through transfers and other changes	-	-	-	6	6	Δ8	Δ1
Total transactions with owners	9	817	Δ118	6	715	Δ121	593
As of March 31, 2018	1,040	1,633	1,534	Δ1	4,205	349	4,555

Six months ended March 31, 2019 (Oct. 1, 2018 – Mar. 31, 2019)

(Millions of yen)

	Equity attributable to owners of parent					Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Other items of equity	Total		
As of October 1, 2018	1,100	2,117	1,953	5	5,176	380	5,557
Profit	-	-	Δ9	-	Δ9	74	64
Other comprehensive income	-	-	-	Δ3	Δ3	Δ3	Δ6
Total comprehensive income	-	-	Δ9	Δ3	Δ13	70	57
Dividends of surplus	-	Δ177	-	-	Δ177	-	Δ177
Issuance of new shares	1,196	1,196	-	-	2,393	-	2,393
Increase (decrease) through transfers and other changes	-	-	-	12	12	Δ3	8
Total transactions with owners	1,196	1,019	-	12	2,229	Δ3	2,225
As of March 31, 2019	2,297	3,137	1,944	14	7,393	447	7,841

(4) Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended March 31, 2018 (Oct. 1, 2017 – Mar. 31, 2018)	Six months ended March 31, 2019 (Oct. 1, 2018 – Mar. 31, 2019)
Cash flows from operating activities		
Profit (loss) before tax	793	53
Depreciation and amortization expense	128	446
Investment income (loss)	△939	△264
Increase in allowance	△3	△32
(Increase) decrease in trade and other receivables	△538	△1,025
Increase (decrease) in trade and other payables	275	570
Decrease (increase) in accounts receivable-other	△46	98
Increase (decrease) in guarantee deposits received	△58	14
Decrease (increase) in investment securities for sale	△322	△365
Other	△14	14
Subtotal	△725	△489
Interest and dividend income received	2	6
Interest expenses paid	△14	△45
Income taxes paid	△175	△7
Net cash provided by (used in) operating activities	△912	△536
Cash flows from investing activities		
Purchase of property, plant and equipment	△57	△102
Purchase of intangible assets	△318	△615
Payments for lease deposits	△48	△49
Collection of lease deposits	21	82
Purchase of shares of subsidiaries resulting in change in scope of consolidation	△355	-
Payments for transfer of business	-	△136
Other	17	24
Net cash provided by (used in) investing activities	△740	△795
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	906	333
Proceeds from long-term loans payable	2,100	1,401
Repayments of long-term loans payable	△96	△970
Proceeds from issuance of common shares	19	2,366
Dividends paid to owners of the parent company	△117	△176
Other	△4	△4
Net cash provided by (used in) financing activities	2,807	2,949
Effect of exchange rate change on cash and cash equivalents	△14	△4
Net increase (decrease) in cash and cash equivalents	1,139	1,612
Cash and cash equivalents at beginning of period	2,078	5,320
Cash and cash equivalents at end of period	3,218	6,932

(5) Notes to Condensed Consolidated Financial Statements

(Notes on going concern assumptions)

Not applicable.

(Significant changes in shareholders' equity)

During the first six months of the fiscal year under review, exercise of the Second Series, Third Series, Fourth Series, Fifth Series and Thirteenth Series of Stock Acquisition Rights caused shares outstanding to increase by 18,906,600 shares and caused capital stock and share premium to each increase by 1,196 million yen.

(Segment information, etc.)

(1) Summary of reportable segments

The Company's reportable segments are its business units that have separate financial information available and that are subject to periodical examinations by the Board of Directors for the purpose of determining the allocation of management resources and evaluating performance.

Under its "One Asia" vision, the Group aims to serve as a bridge connecting various opportunities and engineers in Asia. With the Online Travel Agency Business, IT Offshore Development Business and Investment Business as its three mainstay businesses, the Group classifies these businesses, with their highly unique business models, as its main reportable business segments and draws up and determine Group strategies accordingly.

The businesses and main products belonging to each reportable segment are as follows:

Online Travel Agency Business: Online general travel agency service

IT Offshore Development Business: Lab-type offshore development services and BPO services

Investment Business: Investment in growing companies and turnarounds

(2) Calculation method of segment income (loss) and segment performance

The accounting process for the reportable business segments is the same as that used for the preparation of the condensed consolidated financial statements.

Transactions between reportable segments are conducted based on the same general terms and conditions that apply to external customers.

The Group does not allocate assets or liabilities to reportable segments.

(3) Information about segment income (loss) and segment performance

Six months ended March 31, 2018 (Oct. 1, 2017 – Mar. 31, 2018)

(Millions of yen)

	Reportable segments				Other (Note 1)	Total	Adjustments (Note 2)	Consolidated Total	
	Online Travel Agency Business	IT Offshore Development Business	Investment Business	Total					
External sales revenue	2,295	1,053	101	3,449	0	3,449	-	3,449	
Intersegment revenue	-	80	-	80	-	80	Δ80	-	
Total sales revenue	2,295	1,133	101	3,530	0	3,530	Δ80	3,449	
Segment profits (losses) (Note 3)	29	104	923	1,058	Δ0	1,058	Δ268	790	
Financial income									15
Financial expenses									Δ12
Income before income taxes									793

(Note 1) The category "Other" includes the business segments not included in the reportable segments, such as advertising revenue.

(Note 2) The category “Adjustments” mainly consists of corporate expenses that do not belong to any reportable segment and intersegment transactions.

(Note 3) The segment profit or loss has been adjusted to the operating income stated in the quarterly consolidated statement of income.

Six months ended March 31, 2019 (Oct. 1, 2018 – Mar. 31, 2019)

(Millions of yen)

	Reportable segments				Other (Note 1)	Total	Adjustment s (Note 2)	Consolidate d Total	
	Online Travel Agency Business	IT Offshore Developme nt Business	Investment Business	Total					
External sales revenue	9,475	1,142	0	10,618	0	10,618	-	10,618	
Intersegment revenue	32	308	-	341	-	341	Δ341	-	
Total sales revenue	9,508	1,450	0	10,960	0	10,960	Δ341	10,618	
Segment profits (losses) (Note 3)	146	111	237	496	Δ0	496	Δ405	90	
Financial income									8
Financial expenses									Δ46
Income before income taxes									53

(Note 1) The category “Other” includes the business segments not included in the reportable segments, such as advertising revenue.

(Note 2) The category “Adjustments” mainly consists of corporate expenses that do not belong to any reportable segment and intersegment transactions.

(Note 3) The segment profit or loss has been adjusted to the operating income stated in the quarterly consolidated statement of income.

Second quarter ended March 31, 2018 (Jan. 1, 2018 – Mar. 31, 2018)

(Millions of yen)

	Reportable segments				Other (Note 1)	Total	Adjustments (Note 2)	Consolidated Total	
	Online Travel Agency Business	IT Offshore Development Business	Investment Business	Total					
External sales revenue	1,294	529	0	1,825	0	1,825	-	1,825	
Intersegment revenue	-	40	-	40	-	40	Δ40	-	
Total sales revenue	1,294	569	0	1,865	0	1,865	Δ40	1,825	
Segment profits (losses) (Note 3)	Δ37	40	807	810	0	810	Δ149	660	
Financial income									12
Financial expenses									Δ7
Income before income taxes									665

(Note 1) The category “Other” includes the business segments not included in the reportable segments, such as advertising revenue.

(Note 2) The category “Adjustments” mainly consists of corporate expenses that do not belong to any reportable segment and intersegment transactions.

(Note 3) The segment profit or loss has been adjusted to the operating income stated in the quarterly consolidated statement of income.

Second quarter ended March 31, 2019 (Jan. 1, 2019 – Mar. 31, 2019)

(Millions of yen)

	Reportable segments				Other (Note 1)	Total	Adjustments (Note 2)	Consolidated Total	
	Online Travel Agency Business	IT Offshore Development Business	Investment Business	Total					
External sales revenue	5,351	531	0	5,882	0	5,882	-	5,882	
Intersegment revenue	16	200	-	216	-	216	Δ216	-	
Total sales revenue	5,367	731	0	6,099	0	6,099	Δ216	5,882	
Segment profits (losses) (Note 3)	405	20	140	566	Δ0	566	Δ230	336	
Financial income									5
Financial expenses									Δ21
Income before income taxes									320

(Note 1) The category “Other” includes the business segments not included in the reportable segments, such as advertising revenue.

(Note 2) The category “Adjustments” mainly consists of corporate expenses that do not belong to any reportable segment and intersegment transactions.

(Note 3) The segment profit or loss has been adjusted to the operating income stated in the quarterly consolidated statement of income.

(Important subsequent events)

Not applicable.