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## Consolidated Summary Report under Japanese GAAP for the first quarter of the fiscal year ending June 30, 2021

October 30, 2020

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 Code Number: 3836  
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Securities report issue date: November 12, 2020 Dividend payment date: -  
 Supplementary information for financial statements: Available  
 Explanatory meeting to be held: No

### 1. Consolidated results for the first quarter of the fiscal year ending June 30, 2021

(Millions of yen, rounded down to the nearest unit)  
 (Percentages indicate year-on-year changes)

#### (1) Consolidated results of operations

	Revenue		EBITDA		Operating income		Ordinary income		Profit attributable to shareholders of parent company	
		%		%		%		%		%
First quarter of the fiscal year ending June 30, 2021	3,601	(3.0)	537	(3.6)	478	(7.0)	482	(7.2)	303	(9.1)
ended June 30, 2020	3,714	16.8	557	33.5	514	35.3	520	36.6	334	40.7

Comprehensive income (loss) for the 1Q of the fiscal year ending June 30, 2021 338 million yen (-9.3%) for the 1Q of the fiscal year ended June 2020 373 million yen (+47.6%)

	Net profit per share	Diluted net profit per share
First quarter of the fiscal year ending June 30, 2021	yen 8.08	yen -
ended June 30, 2020	8.89	-

(Notes) EBITDA is derived by adding depreciation and amortization of goodwill to operating income.

The Company conducted a 2-for-1 common stock split on December 1, 2019. Net income per share is calculated as if this stock split had taken place at the beginning of the previous fiscal year.

#### (2) Consolidated financial condition

	Total Assets	Net Assets	Equity Ratios
As of	Unit: million yen	Unit: million yen	%
September 30, 2020	11,121	7,194	64.7
June 30, 2020	11,780	7,194	61.1

(Reference) Net assets attributable to the company's shareholders As of September 30, 2020 7,194 million yen As of June 30, 2020 7,194 million yen

### 2. Dividends on common stock

	Dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Annual
Fiscal Year Ended	yen	yen	yen	yen	yen
June 30, 2020	-	0.00	-	9.00	9.00
June 30, 2021	-	-	-	-	-
June 30, 2021 (Forecast)	-	0.00	-	10.00	10.00

Revisions to the most recently announced dividend forecast: None

### 3. Consolidated earnings forecasts for the fiscal year ending June 30, 2021

(Percentages indicate year-on-year changes)

	Revenue		Operating income		Ordinary income		Profit attributable to owners of parent company		Net profit per share
	Unit: million yen	%	Unit: million yen	%	Unit: million yen	%	Unit: million yen	%	yen
Fiscal Year ending June 30, 2021	16,110	2.7	2,330	2.3	2,330	2.1	1,561	1.5	41.52

(Notes) Revisions to the most recently announced earnings forecast: None

Since the Company conducts annual business management, the consolidated financial forecast for the second quarter (cumulative total) is omitted.

## Notes

(1) Changes in significant subsidiaries during the period (changes in “Specified Subsidiaries” (Tokutei Kogaisha) accompanying changes in scope of consolidation): No

Newly added to the scope of consolidation: nil

Newly deleted from the scope of consolidation: nil

(2) Application of accounting procedures specific to the preparation of quarterly consolidated financial statements: none

(3) Changes in accounting policies, accounting estimates and correction of past errors:

(i) Changes in accounting policies due to revision of accounting standards: No

(ii) Changes in accounting policies due to reasons other than item (i) above: No

(iii) Changes in accounting estimates: No

(iv) Correction of past errors: No

(4) Number of shares outstanding (common stock)

(i) Total shares outstanding including treasury stock

(ii) Shares of treasury stock held

(iii) Average outstanding shares

As of September 30, 2020	37,586,982 shares	As of June 30, 2020	37,586,982 shares
As of September 30, 2020	2,911 shares	As of June 30, 2020	2,911 shares
First quarter of the fiscal year ending June 30, 2021	37,584,071 shares	First quarter of the fiscal year ended June 30, 2020	37,567,346 shares

\*This report is exempt from the audits of CPAs or Audit firms.

Forward-looking statements in this report, including earnings forecasts, are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements are not promises by the Company regarding future performance. Actual results may differ materially from the forecast depended on a range of factors. Please refer to "Earnings Forecasts" on page 8 for the assumptions for earnings forecasts and notes for using earnings forecasts.

The Company conducted a 2-for-1 common stock split on December 1, 2019. Net income per share is calculated as if this stock split had taken place at the beginning of the previous fiscal year.

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## 1. Qualitative Information on Financial Results for the Current Quarter

### (1) Management's Discussion on Business Operations

Consolidated financial results for the first quarter of the current fiscal year are as follows.

(millions of yen, rounded down to the nearest unit)

	Fiscal Year ended June 30, 2020 First quarter	Fiscal Year ending June 30, 2021 First quarter	Year on Year Change	
			Amount	%
Revenue	3,714	3,601	(112)	(3.0)
Operating income	514	478	(36)	(7.0)
Ordinary income	520	482	(37)	(7.2)
Profit attributable to owners of parent company	334	303	(30)	(9.1)

At the end of the previous fiscal year, domestic companies began to postpone IT investment (frozen in some industries which underwent significant impacts) due to the spread of the new corona viral infectious diseases (COVID-19), and that began to affect orders received for the Group. As a result, we had a cautious outlook for the results particularly during the first half of the fiscal year under review.

Consolidated revenues decreased to 3,601 million yen (down 3.0% from the same quarter of the previous year) due to the impact of the decrease in revenues in the Consolidated Accounting-related Business segment and the Business Intelligence Business segment, but are within the scope of this forecast.

As for the increase in the ratio of recurrent revenue (such as software maintenance fees, etc.), which is one of the management targets in the Medium-Term Management Plan, the ratio increased to 38.6%, up 5.9 percentage points from the same quarter of the previous fiscal year. This was due to the growth in the Outsourcing Business segments, which has consistently maintained a recurrent revenue ratio of around 90%, and the improvement in the ratio in the Consolidated Accounting-Related Business segment and the Business Intelligence Business segment due to the increase in cloud sales and others. The total recurrent revenue was 14.3% higher than the same quarter of the previous year.

With regard to profits, while the Group focused on the improvement in profitability of projects through the increase in the ratio of in-house process and other factors including reduction in general expenses that have been promoted since the expansion of the COVID-19, the Group recognized a provision for bonuses, which was deferred in the same quarter of the previous year because Consolidated Accounting-related Business failed to meet the internal criteria for the payment of performance-based bonuses to officers and employees. As a result, operating income was 478 million yen (down 7.0% from the same quarter of the previous year), ordinary income was 482 million yen (down 7.2% from the same quarter of the previous year), and profit attributable to owners of parent was 303 million yen (down 9.1% from the same quarter of the previous year), all of which were lower than the same quarter of the previous year.

The status of each reportable segment is as follows.

#### (i) Revenues

(millions of yen, rounded down to the nearest unit)

	Fiscal Year ended June 30, 2020 First quarter	Fiscal Year ending June 30, 2021 First quarter	Year on Year Change	
			Amount	%
Consolidated Accounting-related Businesses	1,922	1,801	(121)	(6.3)
Business Intelligence Business	1,429	1,382	(46)	(3.2)
Outsourcing Business	504	569	65	13.0
Elimination of inter-segment transactions	(141)	(152)	(10)	-
Consolidated Revenues	3,714	3,601	(112)	(3.0)

## (ii) Operating income

(millions of yen, rounded down to the nearest unit)

	Fiscal Year ended June 30, 2020 First quarter	Fiscal Year ending June 30, 2021 First quarter	Year on Year Change	
			Amount	%
Consolidated Accounting-related Businesses	330	323	(6)	(2.0)
Business Intelligence Business	180	115	(65)	(36.3)
Outsourcing Business	118	130	12	10.4
Corporate Expenses and Elimination of inter-segment transactions	(114)	(90)	23	-
Consolidated operating income	514	478	(36)	(7.0)

In the Consolidated Accounting-related Business segment, the Group made a cautious outlook for the first half of the fiscal year under review due to the impact of a slowdown in customers' IT investment due to the expansion of COVID-19 and the stagnation of economic activities due to the declaration of an emergency situation. Revenues for the first quarter of the current fiscal year were 1,801 million yen, a decrease of 6.3% from the same quarter of the previous fiscal year and it fell within the scope of the forecast. On the other hand, as a result of efforts to improve project profitability by raising the ratio of in-house process and promoting cost reductions of nonurgent operations, operating income decreased only slightly to 323 million yen (down 2.0% from the same quarter of the previous year), and the operating income margin improved. The Group recorded a provision for performance-based bonuses to officers and employees which the Group deferred in the same quarter of the previous fiscal year because the Company did not meet the internal criteria for the payment of bonuses. Meanwhile, recurrent revenue ratio significantly improved from the previous fiscal year due to increased sales of cloud product and maintenance support options.

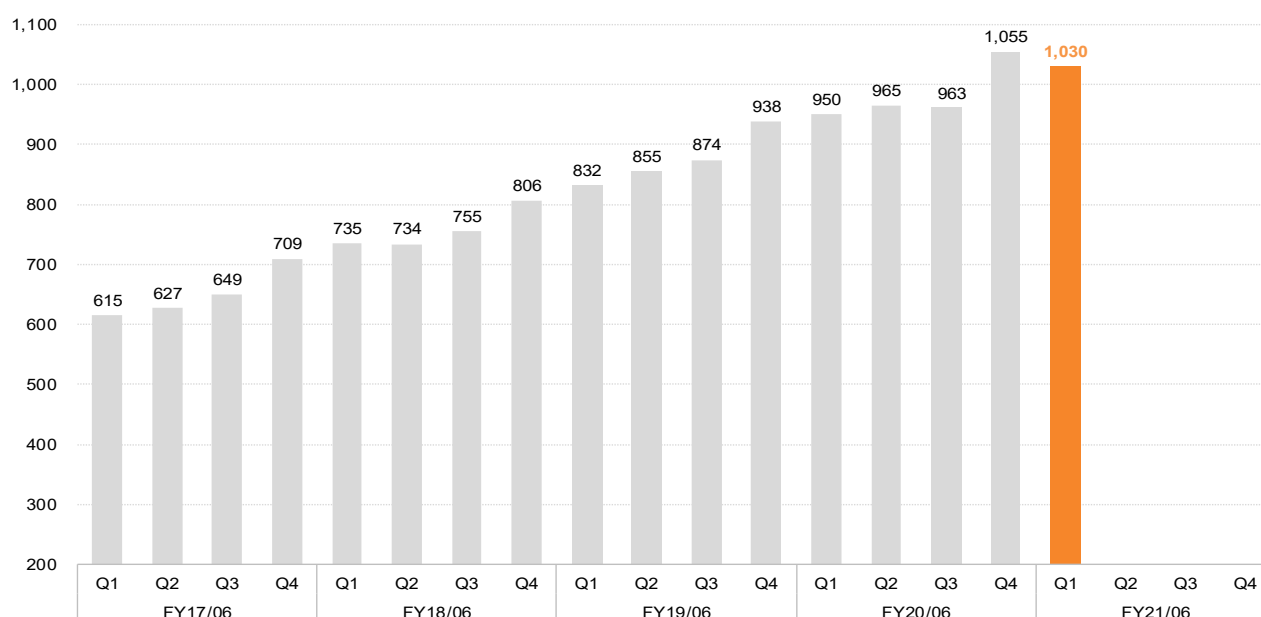
In the Business Intelligence Business segment, we believe that this business can particularly contribute to the promotion of digital transformation in the management of domestic companies and their needs will increase in medium term in the future. However, during the first quarter of the fiscal year under review, as was in the Consolidated Accounting-related segment, the impact of the expansion of COVID-19 and the declaration of an emergency has been observed, and segment revenue decreased to 1,382 million yen (down 3.2% from the same quarter of the previous fiscal year). Operating income also declined, exceeding the decrease in revenues, to 115 million yen (down 36.3% from the same quarter of the previous year), due to an increase in fixed-type expenses, such as office-related expenses opened in the previous fiscal year.

The Outsourcing Business segment achieved double-digit increases in revenues and profits, with segment revenue of 569 million yen (up 13.0% year-on-year) and operating income of 130 million yen (up 10.4% year-on-year), as a result of avid proposal activities with creativity and ingenuity. Market conditions were not optimistic, as evidenced by a trend of more cautious decision-making than in the past due to the uncertainty caused by the impact of COVID-19.

The number of employees on a consolidated basis was 1,030 at the end of the first quarter, down 25 from the end of the previous fiscal year.

### Quarterly trends of number of employees of the Group

(person)



The status of orders received and sales by segment in the first quarter of the fiscal year under review is as follows.

#### (i) Orders Received

(millions of yen, rounded down to the nearest unit)

	Fiscal Year ended June 30, 2020		Fiscal Year ending June 30, 2021		Year on Year Change	
	First quarter		First quarter		Amount	
	Orders Received	Outstanding Orders	Orders Received	Outstanding Orders	Orders Received	Outstanding Orders
Consolidated Accounting-related Business	1,893	2,143	1,721	1,920	(171)	(223)
Business Intelligence Business	1,565	1,340	1,379	850	(185)	(489)
Outsourcing Business	599	948	651	1,031	51	83
Elimination of inter-segment transactions	(102)	(264)	(149)	(206)	(47)	57
Total	3,955	4,168	3,603	3,596	(352)	(571)

#### (ii) Sales

(millions of yen, rounded down to the nearest unit)

	Fiscal Year ended June 30, 2020		Fiscal Year ending June 30, 2021		Year on Year Change	
	First quarter		First quarter		Amount	%
Consolidated Accounting-related Businesses		1,922		1,801	(121)	(6.3)
Business Intelligence Business		1,429		1,382	(46)	(3.2)
Outsourcing Business		504		569	65	13.0
Elimination of inter-segment transactions		(141)		(152)	(10)	-
Total		3,714		3,601	(112)	(3.0)

(Note) Consumption taxes are not included in the amounts shown in the tables in (i) and (ii) above.

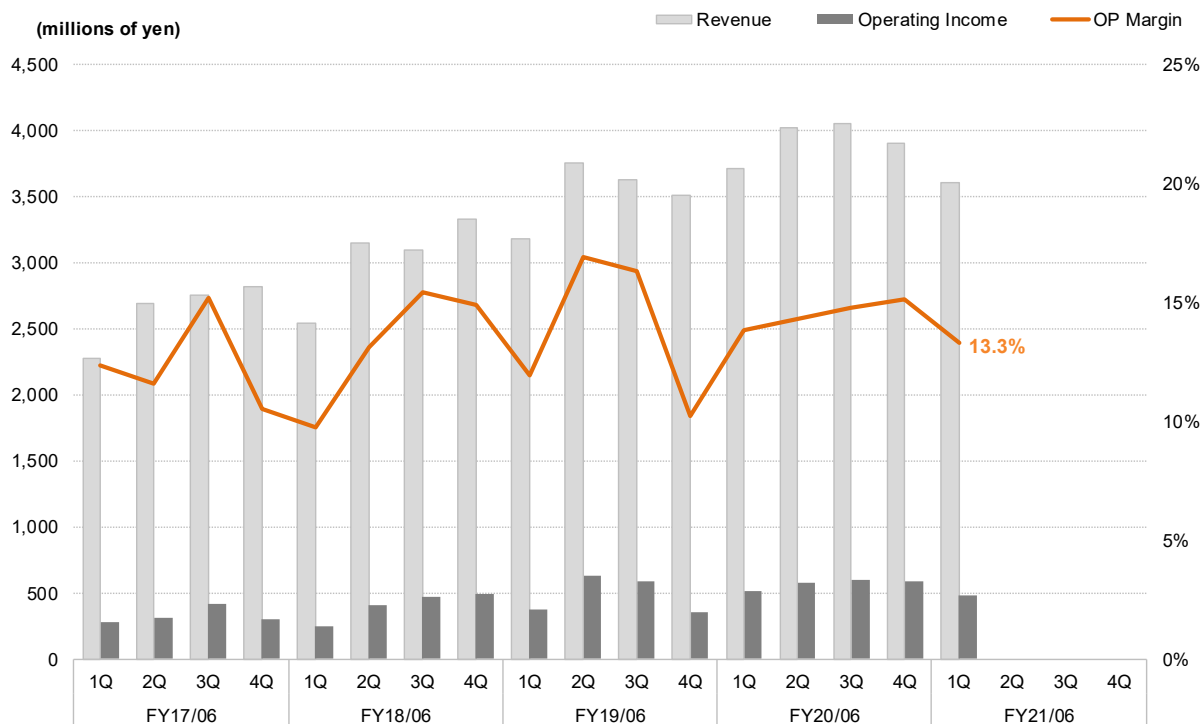
Quarterly trends in revenues and operating income are as follows:

Revenues and Operating Income for the Last four quarters

(millions of yen, rounded down to the nearest unit)

	Fiscal Year ended June 30, 2020			Fiscal Year ending June 30, 2021
	Second quarter	Third quarter	Fourth quarter	First quarter
Revenue	4,019	4,050	3,906	3,601
Operating income	574	598	591	478
Operating income margin (%)	14.3	14.8	15.1	13.3

Quarterly trends of revenue, operating income and operating margins



## **(2) Discussion on Financial Position**

### **(i) Financial position**

Total assets at the end of the first quarter amounted to 11,121 million yen (down 659 million yen from the end of the previous fiscal year). This was mainly due to a decrease of 541 million yen in current assets resulting from a decrease of 667 million yen in notes and accounts receivable-trade.

On the other hand, total liabilities were 3,926 million yen (down 659 million yen from the end of the previous fiscal year). This was mainly due to a decrease of 479 million yen in provision for bonuses and a decrease of 122 million yen in income taxes payable.

In addition, total net assets were 7,194 million yen (up 0 yen from the end of the previous fiscal year), mainly due to the recording of profit attributable to owners of parent of 303 million yen and the payment of dividends of surplus of 338 million yen. As a result, the equity ratio was 64.7% (61.1% at the end of the previous fiscal year), an increase of 3.6% from the previous fiscal year. On the other hand, we believe that we are maintaining a stable financial balance without interest-bearing debt.

### **(ii) Cash Flow**

Cash and cash equivalents (hereinafter referred to as "funds") at the end of the first quarter of the current fiscal year decreased by 316 million yen from the end of the previous fiscal year to 6,054 million yen. The status of each cash flow and their factors are as follows.

#### <Cash flows from operating activities>

Net cash provided by operating activities amounted to 72 million yen. (941 million yen used for the same quarter of the previous year)

The main components of the increase were income before income taxes and minority interests of 482 million yen, a decrease in notes and accounts receivable-trade of 667 million yen, and an increase in accounts payable-other and accrued expenses of 130 million yen. The main components of the decrease were a decrease in provision for bonuses of 479 million yen, an increase in inventories of 130 million yen, a decrease in unearned income of 212 million yen, and income taxes paid of 545 million yen.

#### <Cash flows from investing activities>

Net cash used in investing activities was 45 million yen. (108 million yen used for the same quarter of the previous year)

The main breakdown of expenditures is 70 million yen for the acquisition of tangible fixed assets due to the expansion of offices, etc. and 40 million yen for the acquisition of intangible fixed assets due to the improvement of the IT infrastructure environment, etc. The main breakdown of income is 68 million yen for the collection of lease and guarantee deposits.

#### <Cash flows from financing activities>

Net cash used in financing activities was 341 million yen. (283 million yen used for the same quarter of the previous year)

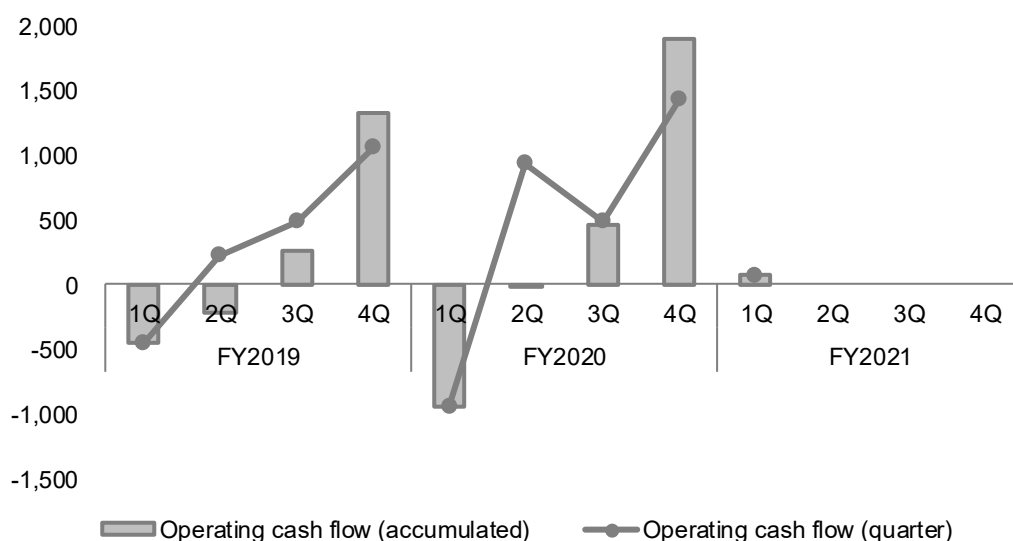
The main components of cash outflow were cash dividends paid of 338 million yen.



In our group, cash flow from operating activities in the first quarter was at a low level due to the payment of income taxes and the payment of performance-based bonuses to officers and employees, and it gradually increases from the second quarter onward, and is typically positive for the full fiscal year.

Maintenance fees and commissions paid for the outsourcing business in the consolidated accounting-related business are prepaid for the year in advance of the provision of services. As a result, the business model has almost no need for working capital than the original. In the business intelligence business, on the other hand, as outsourcing costs and other expenses are paid in advance, working capital demand will increase as sales grow. However, by concentrating the excess funds of the Group as a whole in the holding company, the Group is able to smoothly extend funds across the Group. In addition to the total amount of cash held, the Group has established a commitment line totaling 3.5 billion yen with each bank with which it does business. Accordingly, at present there are no concerns about funding, and rather, we intend to use the excess funds for strategic investment in the future.

Quarterly trends of operating cash flow (millions of yen)



Accumulated cash flow from operation for the second quarter of fiscal year ending June 30, 2020 was use of 13 million yen.  
 Accumulated cash flow from operation for the first quarter of fiscal year ending June 30, 2021 was 72 million yen.

### (3) Earnings Forecasts

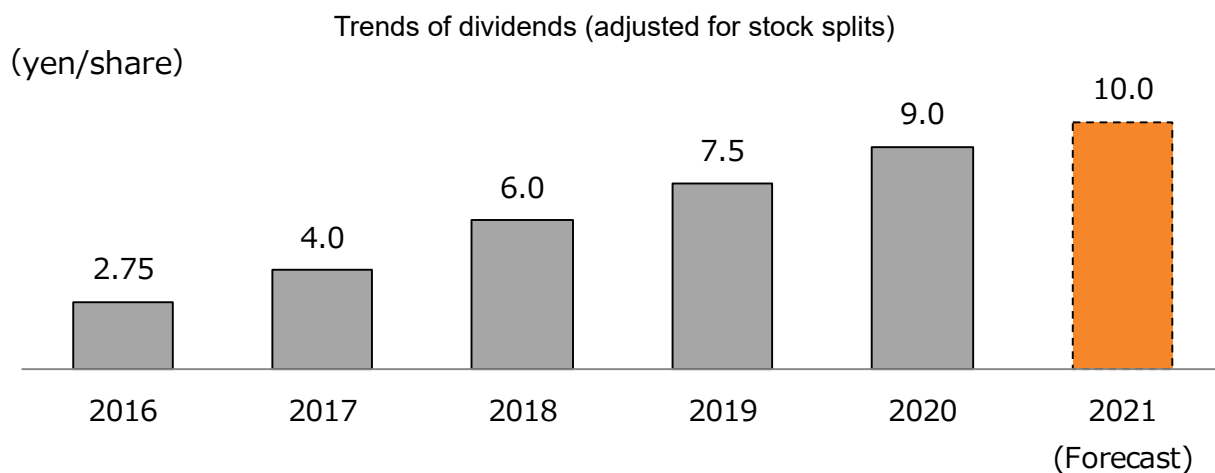
In September 2018, we announced our new medium-term management plan, a five-year plan for the year ending June 2023. In Fiscal Year ending June 2021, the third year of the plan, we plan to sustainably grow our three existing businesses while also promoting a variety of activities aimed at dramatically improving recurrent revenue ratio, which is one of the key goals of our medium-term management plan.

Due to the expansion of COVID-19, there have been moves by domestic companies to postpone IT investment, and there are concerns about the impact on our Group's operating results, particularly in the first half of the fiscal year. Nevertheless, with the exception of certain industries that have significant impacts, there is a growing need for digital transformation (DX), and we believe that the Group's needs for its products and services have not diminished or disappeared, but rather that medium-to long-term needs are rising.

As a result, the Company forecasts a 2.7% increase in net sales to 16,110 million yen and a 2.3% increase in operating income to 2,330 million yen.

This forecast has been formulated on the assumption that the impact of the outbreak of the new Corona contagious disease on IT investment by domestic companies will converge to some extent within 2020 and will gradually become normalized in 2021. If this persists in the future, our Group's results of operations may be worse than anticipated.

With regard to dividends, in accordance with our previous policy, we will raise the dividend on equity ratio while always keeping in mind that it will always exceed the average for all listed companies. At the same time, we will strive to pay a stable dividend (in principle, dividends per share will not fall below the level of the previous fiscal year). In accordance with this policy, the Company forecasts a dividend of 10 yen per share for the fiscal year under review.



## 2. Quarter Consolidated Financial Statements and Major Notes

### (1) Quarterly Consolidated Balance Sheets

	(thousands of yen)	
	End of previous fiscal year (As of June 30, 2020)	End of First quarter of the fiscal year under review (As of September 30, 2020)
<b>Assets</b>		
Current assets		
Cash and deposits	6,335,623	6,019,407
Notes and accounts receivable	2,343,601	1,675,692
Marketable securities	10,783	10,586
Work in process	140,960	223,347
Raw materials and supplies	15,587	63,286
Others	664,284	974,426
Allowance for doubtful accounts	(5,610)	(2,661)
Total current assets	9,505,230	8,964,083
Fixed assets		
Property, plant and equipment	469,392	463,403
Intangible assets		
Software	190,781	219,733
Others	744	735
Total intangible assets	191,526	220,468
Investments and other assets		
Investment securities	428,261	487,350
Lease deposits	674,355	633,009
Deferred tax assets	369,737	216,058
Others	142,101	136,762
Total investments and other assets	1,614,455	1,473,181
Total noncurrent assets	2,275,373	2,157,054
Total assets	11,780,604	11,121,138

(thousands of yen)

	End of previous fiscal year (As of June 30, 2020)	End of First quarter of the fiscal year under review (As of September 30, 2020)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	428,418	466,898
Lease obligations	14,299	14,306
Accrued expenses	333,436	458,035
Income taxes payable	122,303	-
Deferred revenues	2,075,741	1,863,492
Provision for bonuses	719,089	239,980
Provision for directors' bonuses	120,998	23,980
Accrual for losses on contracts	15,887	30,182
Others	483,988	581,089
<b>Total current liabilities</b>	<b>4,314,163</b>	<b>3,677,964</b>
<b>Long-term liabilities</b>		
Lease obligations	45,297	41,696
Asset retirement obligations	226,810	207,012
<b>Total long-term liabilities</b>	<b>272,107</b>	<b>248,709</b>
<b>Total liabilities</b>	<b>4,586,270</b>	<b>3,926,673</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Paid-in Capital	303,271	303,271
Capital surplus	240,071	240,071
Retained earnings	6,618,666	6,584,023
Treasury stock	(476)	(476)
<b>Total shareholders' equity</b>	<b>7,161,533</b>	<b>7,126,890</b>
<b>Other accumulated comprehensive income</b>		
Valuation difference on securities	35,859	72,923
Deferred gains or losses on hedges	6	(13)
Foreign currency translation adjustments	(3,065)	(5,336)
<b>Total other accumulated comprehensive income</b>	<b>32,800</b>	<b>67,574</b>
<b>Total net assets</b>	<b>7,194,333</b>	<b>7,194,464</b>
<b>Total liabilities and net assets</b>	<b>11,780,604</b>	<b>11,121,138</b>

## (2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

### Consolidated income statement for the quarter

	(thousands of yen)	
	First quarter of previous fiscal year (From July 1, 2019 to September 30, 2019)	First quarter of fiscal year under review (From July 1, 2020 to September 30, 2020)
Net sales	3,714,822	3,601,888
Cost of sales	2,149,784	1,997,919
Gross profit	1,565,038	1,603,968
Selling, general and administrative expenses	1,050,543	1,125,673
Operating income	514,494	478,295
Non-operating income		
Interest income	114	108
Dividends income	1,141	1,057
Gain on investments in partnerships	2,235	-
Foreign exchange gains	32	-
Subsidy income	1,890	2,950
Reversal of allowance for doubtful accounts	-	2,949
Others	920	10
Total non-operating income	6,333	7,075
Non-operating expenses		
Interest expenses	125	275
Loss on investments in partnerships	-	596
Commissions paid	667	1,419
Foreign exchange losses	-	225
Others	-	360
Total non-operating expenses	792	2,877
Ordinary income	520,035	482,492
Current net income for the quarter before income taxes and minority interests	520,035	482,492
Income taxes	3,379	46,059
Income taxes-deferred	182,612	132,819
Total income taxes	185,991	178,878
Net profit	334,044	303,613
Quarter net income attributable to non-controlling interests	-	-
Net profit attributable to owners of parent	334,044	303,613

## Quarter Consolidated Statements of Comprehensive Income

	(thousands of yen)	
	First quarter of previous fiscal year (From July 1, 2019 to September 30, 2019)	First quarter of fiscal year under review (From July 1, 2020 to September 30, 2020)
Net profit	334,044	303,613
Other comprehensive income		
Valuation difference on securities	38,847	37,064
Deferred gains or losses on hedges	1	(19)
Foreign currency translation adjustments	157	(2,271)
Total other comprehensive income	39,005	34,774
Quarterly comprehensive income	373,049	338,388
(Comprehensive income attributable to)		
Quarterly comprehensive income attributable to owners of the parent	373,049	338,388
Quarterly comprehensive income attributable to non-controlling interests	-	-

### (3) Quarterly Consolidated Statements of Cash Flows

(thousands of yen)

	First quarter of previous fiscal year (From July 1, 2019 to September 30, 2019)	First quarter of fiscal year under review (From July 1, 2020 to September 30, 2020)
<b>Cash flows from operating activities</b>		
Profit before income taxes	520,035	482,492
Depreciation and amortization	42,735	60,446
Stock-based remuneration expenses	1,187	2,478
Increase (decrease) in allowance for doubtful accounts	(8,062)	(2,949)
Increase (decrease) in provision for bonuses	(572,271)	(479,109)
Increase (decrease) in provision for directors' bonuses	(125,981)	(97,018)
Increase (decrease) in provision for loss on order received	(60,058)	14,295
Interest and dividend income	(1,255)	(1,165)
Interest expenses	125	275
Commissions expenses	667	1,419
Gains/(losses) on investments in partnerships	(2,235)	596
Subsidy income	(1,890)	(2,950)
Decrease (increase) in trade receivable	(153,082)	667,917
(Increase) decrease in inventories	9,616	(130,084)
Increase (decrease) in trade payables	33,452	38,430
Increase (decrease) in accounts payable – other, and accrued expenses	19,666	130,504
Increase (decrease) in unearned revenue	(137,075)	(212,249)
Increase (decrease) in deposits received	141,979	216,105
Others, net	(24,117)	(75,563)
Subtotal	(316,564)	613,871
Interest and dividend received	1,431	1,307
Interest paid	(125)	(275)
Proceeds from subsidy income	1,890	2,950
Income taxes paid	(627,913)	(545,270)
Net cash provided by (used in) operating activities	(941,282)	72,582
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(61,281)	(70,340)
Purchase of intangible assets	(16,904)	(40,807)
Purchase of investment securities	-	(10,525)
Payments for lease and guarantee deposits	(33,376)	(72)
Proceeds from collection of lease and guarantee deposits	3,009	68,201
Others, net	49	8,279
Net cash provided by (used in) investing activities	(108,503)	(45,265)
<b>Cash flow from financing activities</b>		
Repayments of finance lease obligations	(1,267)	(3,594)
Dividends paid	(281,755)	(338,256)
Net cash provided by (used in) financing activities	(283,022)	(341,850)
Effect of exchange rate change on cash and cash equivalents	213	(2,285)
Net increase (decrease) in cash and cash equivalents	(1,332,593)	(316,818)
Cash and cash equivalents at beginning of period	5,195,137	6,370,860
Cash and cash equivalents at end of period	3,862,543	6,054,041

**(4) Notes to Quarterly Consolidated Financial Statements**

(Notes on the Going Concern Assumption)

Not applicable.

(Notes on Substantial Changes in the Amount of Shareholders' Equity)

Not applicable.



(Segment information)

Previous quarter (From July 1, 2019 to September 30, 2019)

1. Information on revenues and profits or losses by reported segment

(thousands of yen)

	Reportable segments			Total
	Consolidated Accounting-related Business	Business Intelligence Business	Outsourcing Business	
Revenue				
Sales to customers	1,918,567	1,423,073	373,180	3,714,822
Intersegment sales	4,320	6,141	131,236	141,698
Total	1,922,888	1,429,215	504,417	3,856,520
Segment profit	330,201	180,586	118,140	628,929

2. Difference between the total amount of income (loss) of reportable segments and the amount recorded in the quarterly consolidated statements of income, and major details of said difference (matters related to difference reconciliation)

(thousands of yen)

Profit	Amount
Reportable segments total	628,929
Elimination of transactions between the Company and segments	170,274
Corporate expenses (Note)	(285,088)
Others	379
Operating income in the quarterly consolidated statements of income	514,494

(Note) Corporate expenses are mainly general and administrative expenses not attributable to reportable segments.

Current quarter (From July 1, 2020 to September 30, 2020)

1. Information on net sales and profits or losses by reported segment

(thousands of yen)

	Reportable segments			Total
	Consolidated Accounting-related Business	Business Intelligence Business	Outsourcing Business	
Net sales				
Sales to customers	1,796,933	1,381,504	423,450	3,601,888
Intersegment sales	4,370	1,351	146,406	152,129
Or transfer amount				
Total	1,801,304	1,382,855	569,857	3,754,017
Segment profit	323,453	115,083	130,471	569,007

2. Difference between the total amount of income (loss) of reportable segments and the amount recorded in the quarterly consolidated statements of income, and major details of said difference (matters related to difference reconciliation)

(thousands of yen)

Profit	Amount
Reportable segments total	569,007
Elimination of transactions between the Company and its segments	186,431
Corporate expenses (Note)	(274,574)
Others	(2,569)
Operating income in the quarterly consolidated statements of income	478,295

(Note) Corporate expenses are mainly general and administrative expenses not attributable to reportable segments.