

## Consolidated Financial Results for the Fiscal Year Ended April 30, 2025 [Japanese GAAP]



June 10, 2025

Company name: Asukanet Co., Ltd.  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 2438  
 URL: <https://www.asukanet.co.jp>  
 Representative: Daikichiro Murakami, Representative Director & President  
 Contact: Kenya Kono, Managing Director & CFO  
 Phone: +81-82-850-1200  
 Scheduled date of Annual General Meeting of Shareholders: July 29, 2025  
 Scheduled date of commencing dividend payments: July 30, 2025  
 Scheduled date of filing annual securities report: July 25, 2025  
 Availability of supplementary briefing material on annual financial results: Available  
 Schedule of annual financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Fiscal Year Ended April 30, 2025

(May 1, 2024 to April 30, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
April 30, 2025	7,263	3.2	173	(61.2)	178	(62.3)	(263)	-
April 30, 2024	7,038	-	447	-	473	-	214	-

(Note) Comprehensive income: Fiscal year ended April 30, 2025: ¥(269) million [-%]

Fiscal year ended April 30, 2024: ¥241 million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary income to total assets	Operating income to net sales
Fiscal year ended	Yen	Yen	%	%	%
April 30, 2025	(16.30)	-	(4.6)	2.7	2.4
April 30, 2024	13.01	-	3.5	6.7	6.4

(Reference) Equity in earnings of affiliated companies: Fiscal year ended April 30, 2025: ¥- million

Fiscal year ended April 30, 2024: ¥- million

(Note) Since the consolidated financial results are prepared from the fiscal year ended April 30, 2024, percentage changes from the previous corresponding period for the fiscal year ended April 30, 2024 are not shown.

Since the fiscal year ended April 30, 2024 is the first fiscal year for consolidation of accounts, rate of return on equity and ordinary income to total assets for the fiscal year ended April 30, 2024 are calculated based on the equity and the total assets as of the end of the period.

Diluted earnings per share is not presented as there were no potential shares.

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of April 30, 2025	6,349	5,386	84.8	342.98
As of April 30, 2024	7,090	6,156	86.8	374.12

(Reference) Equity: As of April 30, 2025: ¥5,386 million

As of April 30, 2024: ¥6,156 million

### (3) Consolidated Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
Fiscal year ended April 30, 2025	Million yen 863	Million yen (324)	Million yen (516)	Million yen 1,681
April 30, 2024	615	(702)	(301)	1,660

## 2. Dividends

	Annual dividends					Total dividends (Annual)	Dividend payout ratio (Consolid ated)	Dividends to net assets (Consolid ated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended April 30, 2024	-	0.00	-	7.00	7.00	115	53.8	1.9
Fiscal year ended April 30, 2025	-	0.00	-	7.00	7.00	109	-	2.0
Fiscal year ending April 30, 2026 (Forecast)	-	0.00	-	7.00	7.00		42.2	

(Note) Since the fiscal year ended April 30, 2024 is the first fiscal year for consolidation of accounts, dividends to net assets (consolidated) for the fiscal year ended April 30, 2024 is calculated based on the net assets per share at the end of the period.

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending April 30, 2026 (May 1, 2025 to April 30, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
Full year	7,580	4.4	435	150.5	450	151.4	261	-
								16.60

(Note) As the Company manages its financial results at an annual base, the financial results forecast for the first half is not disclosed.

**\* Notes:**

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

Newly included: — company (—)

Excluded: — company (—)

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

April 30, 2025: 17,464,000 shares

April 30, 2024: 17,464,000 shares

2) Total number of treasury shares at the end of the period:

April 30, 2025: 1,759,346 shares

April 30, 2024: 1,007,057 shares

3) Average number of shares during the period:

Fiscal year ended April 30, 2025: 16,138,920 shares

Fiscal year ended April 30, 2024: 16,483,598 shares

\* These financial results are outside the scope of audit by a certified public accountant or an audit corporation.

\* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions that the Company believes are reasonable, and actual results may differ significantly from these forecasts due to a wide range of factors.

## 4. Overview of Business Results

### (1) Overview of Business Results

During this consolidated fiscal year, the Japanese economy continued on its moderate recovery due to improvements in the employment and income environments and an increase in inbound demand as personal consumption showed signs of picking up. On the other hand, the outlook remains uncertain due to increased uncertainty in the global economy, as evidenced by fears of a leveling off of consumer spending and rising prices, and the tariff policies of the U.S. administration.

Under these circumstances, Asukanet operates three business areas, each with different positioning and characteristics. They are (1) the funeral business, which adds digital processing and remote output services for photos of the deceased to a funeral business that is largely unaffected by economic trends, (2) the photo book business, which provides ideas for new photo output methods that allow users to create complete photo collections beginning from just a single book, and (3) the aerial display business, which is utilizing unique, recently-developed technologies aiming to create a new market and achieve dreams.

Following is an overview of the business results for each segment. The result figures for each segment include internal inter-segment sales.

#### (Funeral business)

In this business segment, revenue from processing of portrait photographs, the mainstay of the business, increased steadily as the company steadily accumulated new contracts through its own sales activities. In line with this, sales of funeral service production services and frames also grew.

Regarding “tsunagoo,” a DX service for the funeral industry, awareness of the service increased along with an increase in contracts, and the increase in the number of obituaries stimulated the use of flowers, offerings, and condolence telegrams, leading to an increase in fee income.

In terms of profit, despite higher operator personnel costs in the image processing division and usage fees for various cloud services, segment profit increased due to an improved gross profit margin for supplies and higher productivity in image processing operations.

As a result, net sales totaled 3,389,901 thousand yen (103.3% year-on-year) and segment income totaled 801,799 thousand yen (106.6% year-on-year).

#### (Photo book business)

This business operates *AsukaBook* for the professional photography market in Japan, and *MyBook* for the general Japanese consumer market. We are also engaged in OEM supply of photo albums and photo prints based on photos that were taken with smartphones.

In the domestic market for professional photographers, sales to studios remained strong due to the introduction of new products, but the mainstay wedding market struggled due to the trend toward smaller weddings and declining photo-related expenditures. We implemented measures such as strengthening our sales planning function, enhancing online seminars, and reinforcing sales support for freelancers.

In the domestic consumer market, both *MyBook*, our own brand, and the OEM division continued to face difficult conditions, affected by a delayed recovery from the decline in photographic output. Under these difficult conditions, we have implemented measures such as proposals to OEM customers, various campaigns and contests, implementation of *MyBook* Gallery, and strengthening of customized support.

In the virtual field, our subsidiary BET Inc. conducted effective events and joint planning of goods while facing rising costs of acquiring virtual lives. In addition, we held two VTuber festivals in Hiroshima and Tokushima, achieving a certain level of success as a regional revitalization initiative.

In terms of profit, despite efforts to improve production efficiency, segment profit suffered due to a lower capacity utilization rate caused by sluggish sales growth and higher raw material prices.

As a result, net sales totaled 3,734,489 thousand yen (103.2% year-on-year) and segment income was 601,542 thousand yen (88.8% year-on-year).

#### (Aerial display business)

This business is aiming to create a market through new image and video expressions utilizing aerial imaging technologies. We are developing, manufacturing, and selling both glass and plastic “ASKA3D plates” that utilize our original technologies to project images in mid-air.

In terms of sales, we have been promoting sales mainly through our own sales in Japan and through distributors in overseas markets. In Japan, in addition to our own sales activities, we have achieved a certain level of installations through the spread of case studies, webinars, e-mail newsletters, and other information dissemination. Overseas, we sold glass plates mainly in Asian markets, but failed to create an aerial display market, and sales results remained at the same level as the same period last year.

Overseas, in China, our distributor is actively working to develop the product for industrial applications, but this is taking a certain amount of time. In addition, the supply of sensors for signage applications has not been as expected, which has delayed the acquisition of projects via overseas distributors in general, including in the Middle East, but we are now on track to supply sensors. We have been supporting newly established distributors in Singapore, Korea, and Thailand in their efforts to acquire new projects. In addition, we have been commissioned to conduct initial prototype development using our existing active system technology, and are continuing research into this area.

In terms of manufacturing and development, we have been developing manufacturing using materials with superior environmental performance, and our own technical development center has been improving quality and stabilizing manufacturing of medium-size products, achieving certain results. In addition, we have continued to strengthen our quality control system for mass production projects.

In terms of profit and loss, we promoted the improvement of profitability for each project and controlled expenses by decreasing advertising expenses due to participation in fewer exhibitions and reducing R&D expenses by narrowing down themes, but we were forced to record a large loss on revaluation of inventories due to a review of inventory valuation.

As a result, net sales totaled 144,387 thousand yen (99.0% year-on-year) and segment loss was 533,104 thousand yen (compared to a loss of 316,966 thousand yen during same period in the previous year).

As a result of the above, net sales were 7,263,016 thousand yen (103.2% year-on-year). Profit and loss were affected by the segment profit struggle in the photobook business, loss on valuation of inventories in the aerial display business recorded as cost of sales, impairment loss recorded as extraordinary loss, and loss on valuation of investment securities recorded as extraordinary loss. Ordinary income was 178,805 thousand yen (37.7% year-on-year), and net loss attributable to owners of the parent was 263,056 thousand yen (compared to 214,441 thousand yen of income in the same period of the previous year), mainly due to the recording of loss on valuation of investment securities as extraordinary loss.

## (2) Overview of financial conditions

### (Overall)

Total assets at the end of the current consolidated fiscal year decreased 741,217 thousand yen from the previous consolidated fiscal year to 6,349,226 thousand yen. This was mainly due to decreases of 268,616 thousand yen in merchandise and finished goods, 239,980 thousand yen in investment securities, and 94,533 thousand yen in machinery, equipment and vehicles, respectively. The equity ratio decreased 2.0 percentage points from the previous consolidated fiscal year to 84.8%.

### (Current assets)

Current assets at the end of the current consolidated fiscal year were 3,073,565 thousand yen, a decrease of 384,342 thousand yen from the previous consolidated fiscal year. The main factors were decreases of 268,616 thousand yen in merchandise and finished goods and 76,859 thousand yen in accounts receivable-trade.

### (Fixed assets)

Fixed assets at the end of the current consolidated fiscal year decreased 356,875 thousand yen from the previous consolidated fiscal year to 3,275,661 thousand yen. The main factors were an increase of 114,972 thousand yen in deferred tax assets, while investment securities decreased by 239,980 thousand yen and machinery, equipment, and vehicles decreased by 94,533 thousand yen.

### (Current liabilities)

Current liabilities at the end of the current consolidated fiscal year increased 31,042 thousand yen from the previous consolidated fiscal year to 957,331 thousand yen. The main factor was a 36,753 thousand yen increase in accounts payable-other.

### (Noncurrent liabilities)

Noncurrent liabilities at the end of the current consolidated fiscal year decreased by 1,799 thousand yen from the previous consolidated fiscal year to 5,541 thousand yen.

### (Net assets)

Net assets as of the end of the current consolidated fiscal year decreased by 770,460 thousand yen from the previous consolidated fiscal year to 5,386,354 thousand yen. The main factor was a 378,255 thousand yen decrease in retained earnings, while treasury stock increased 384,428 thousand yen.

### (3) Summary of Cash Flows for the Current Fiscal Year

Cash and cash equivalents (hereinafter referred to as “funds”) at the end of the current consolidated fiscal year increased by 21,858 thousand yen from the previous consolidated fiscal year to 1,681,873 thousand yen due to an increase in cash flow provided by operating activities, despite the acquisition of treasury stock and payment of dividends.

(Cash flows from operating activities)

Funds earned from operating activities in the current consolidated fiscal year amounted to 863,027 thousand yen (615,744 thousand yen in the previous consolidated fiscal year). This was mainly due to an increase in funds from depreciation and amortization of 375,855 thousand yen, a decrease in inventories of 310,948 thousand yen, and loss on valuation of investment securities of 230,492 thousand yen, despite a decrease in funds from loss before income taxes and minority interests of 258,282 thousand yen and income taxes paid of 145,564 thousand yen.

(Cash flows from investing activities)

Funds used in investing activities in the current consolidated fiscal year amounted to 324,626 thousand yen (702,731 thousand yen in the previous consolidated fiscal year). This was mainly due to a decrease in funds resulting from purchase of property, plant, and equipment of 201,690 thousand yen and purchase of intangible assets of 105,599 thousand yen.

(Cash flows from financing activities)

Funds used in financing activities in the current consolidated fiscal year amounted to 516,542 thousand yen (301,050 thousand yen used in the previous consolidated fiscal year). This was mainly due to a 400,072 thousand yen outlay for the purchase of treasury stock and a 115,032 thousand yen decrease in cash due to cash dividends paid.

### (4) Outlook

As for the economic outlook for the next fiscal year, while a turnaround in personal consumption and inbound demand is expected, uncertainties are increasing, including the Ukraine issue and the extreme tariff policies of the Trump administration.

We aim to capture stable demand by developing a business that is in line with the times, providing customized services for each and every customer starting from a single minimum lot. Although we have established solid business models in both the funeral and photo book businesses, we recognize that the environment is by no means unpredictable, with the trend toward smaller weddings and funerals and the delayed recovery of photo output after the COVID-19 pandemic. With regard to the aerial display business, which we have been working on as a challenge to create a new market, we will change our organizational structure, revise our business strategy, develop new technologies, and aim to recover our posture in light of the situation that forced us to record a large inventory write-down and impairment loss in the fiscal year ending April 30, 2025. In addition, we will continue to develop new technologies in an effort to improve the business structure.

Under these circumstances, the assumptions and measures for the forecast of business results for the fiscal year ending April 30, 2026 are as follows.

In the funeral business, the environment surrounding the funeral market is not optimistic, as there are signs that the trend toward smaller funeral services, which has been seen in the past, is accelerating after the experience of the COVID-19 pandemic. On the other hand, there is a growing need for funeral service providers to improve operational efficiency and create new sources of revenue, and we are promoting the spread of our funeral DX service “tsunagoo” as a response to this need. In addition, we aim to increase the unit price of the service by developing and releasing new functions. We will also introduce new DX services such as snapCINEMA, which utilizes AI technology, and XR technology. With regard to the processing of portrait photographs, our processing technology and support system have been highly evaluated, and we expect the business to continue to grow steadily in the fiscal year ending April 2026. In addition, we will continue to improve “Aska Cloud,” a cloud-based ordering and receiving system for services, aiming to increase the ratio of its use and improve operational efficiency by linking ordering and receiving data on “Aska Cloud” with the core system.

In the photobook business, the mainstay wedding photo book for the professional photography market has been affected by the sluggish growth in the number of weddings and the trend toward digital-oriented events. At the same time, we will strengthen our structure by hiring career professional (executive officers), and expand our market share by emphasizing our strengths, such as our quality and diverse product lineup. Sales to studios have been steady, and we will further strengthen them by introducing new products suitable for studio photography. In addition, we will execute our strategy of having customers outsource the digital processing part of their business to us by enhancing the functionality of our own tool, “My Layout,” to meet the challenges they face, such as labor shortages. In addition, we have completed the requested functional improvements of our retouching software for professionals, and we will promote sales activities to make it a constant source of revenue. In the consumer market, we expect the business environment to remain challenging in the fiscal year ending April 2026 due to sluggish overseas travel caused by the weak yen and a delayed recovery in the photo output market. In this environment, we will implement community marketing and develop fan goods for the virtual field in order to promote the creation of new fans.

BET Corporation, which has been made a consolidated subsidiary, will deepen cooperation with us and promote business expansion as a VTuber office, as well as take on the challenges of establishing a new office, overseas marketing, and other new initiatives.

With regard to the aerial display business, while we have confirmed a solid need for aerial displays, we have not been able to create from it an aerial display market, and unfortunately, we have not been able to promote the business as expected. As a result, we have been forced to record significant inventory write-downs and impairment losses for the fiscal year ending April 30, 2025. In response, we have replaced the business manager and sales manager and revised our business policy based on a review of our past performance. While continuing to work on embedded projects that can generate large sales, we will promote support by narrowing down areas based on the activities of overseas distributors and aim to acquire strategic partners. In the signage market, we have been selling plates on a stand-alone basis, but by integrating new technologies such as XR and realizing the experiential value of aerial imaging, we will introduce the system as a high value-added package to companies and local governments. In addition, the XR team, which was a separate department, has joined forces to create new business opportunities and develop and offer consumer-oriented products, and we will continue to host VTuber festivals and carry out measures from the perspective of regional development integrating virtual technologies. On the development side, we will work on the development of active technologies.

Since our offices are currently spread across three locations in Tokyo, we plan to integrate them during the fiscal year ending April 2026, and the cost of this integration is included in our forecast.

Based on the above, for the fiscal year ending April 2026, we project net sales of 7,580 million yen, operating income of 435 million yen, ordinary income of 450 million yen, and net income attributable to shareholders of the parent company of 261 million yen.

Although we have made the above assumptions for the forecast for the fiscal year ending April 2026, there are many uncertainties, and changes in these assumptions could affect our earnings forecast. In addition, new businesses, such as the aerial display business, are undergoing unprecedented technological research and marketing, and their commercialization is subject to many uncertainties.

(Note) The above forecasts are based on information available as of the date of publication of this document, and actual results may differ from the forecasts due to various factors.

(5) Significant events regarding the premise of a going concern

Not applicable.

## **5. Basic Policy on Selection of Accounting Standards**

Our policy for the time being is to prepare financial statements in accordance with Japanese GAAP, taking into consideration the comparability of financial statements and other factors. The Company intends to adopt IFRS (International Financial Reporting Standards) as appropriate, taking into consideration various circumstances in Japan and overseas.

## 6. Financial Statements for the Fiscal Year

### (1) Consolidated Balance sheet

(Units: 1,000s yen)

	Previous fiscal year (Ended April 30, 2024)	Current fiscal year (Ended April 30, 2025)
<b>Assets</b>		
Current assets		
Cash and deposits	1,665,015	1,686,873
Bills receivable	539	148
Accounts receivable-trade	901,471	824,611
Merchandise and products	648,580	379,964
Work in progress	68,847	32,350
Raw materials and supplies	102,728	96,893
Others	80,576	62,889
Allowance for doubtful accounts	(9,851)	(10,166)
Total current assets	3,457,907	3,073,565
Fixed assets		
Tangible fixed assets		
Buildings, net	831,048	755,156
Machinery and equipment, net	493,357	398,823
Land	844,060	844,060
Others net	177,497	157,991
Total tangible fixed assets	2,345,964	2,156,032
Intangible fixed assets		
Goodwill	298,891	260,325
Others	204,950	191,325
Total intangible fixed assets	503,842	451,650
Total investments and other assets		
Investment securities	571,582	331,602
Deferred tax asset	111,514	226,487
Others	99,632	109,888
Total investment and others	782,730	667,978
Total fixed assets	3,632,536	3,275,661
Total assets	7,090,444	6,349,226



(Units: 1,000s yen)

	Previous fiscal year (Ended April 30, 2024)	Current fiscal year (Ended April 30, 2025)
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	175,134	172,395
Accounts payable-other	257,203	293,956
Income taxes payable	85,473	62,602
Advance payment	17,490	16,111
Provision for bonuses	184,950	181,640
Others	206,037	230,625
Total of current liabilities	926,289	957,331
Fixed liabilities		
Provision for retirement benefits	4,704	4,343
Others	2,635	1,197
Total fixed liabilities	7,340	5,541
Total liabilities	933,629	962,872
<b>Net assets</b>		
Shareholders' equity		
Capital stock	490,300	490,300
Capital surplus	626,380	624,759
Retained earnings	5,626,124	5,247,868
Treasury stock	(627,799)	(1,012,228)
Total shareholders' equity	6,115,005	5,350,699
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	41,808	35,654
Total accumulated other comprehensive income	41,808	35,654
Total net assets	6,156,814	5,386,354
Total liabilities and net assets	7,090,444	6,349,226

## (2) Consolidated Profit and loss statement for the fiscal year

(Units: 1,000s yen)

	Previous fiscal year (May 1, 2023-April 30, 2024)	Current fiscal year (May 1, 2024-April 30, 2025)
Net sales	7,038,347	7,263,016
Cost of sales	3,824,005	4,220,363
Gross profit	3,214,342	3,042,653
Selling, general, and administrative expenses	2,766,890	2,868,990
Operating income	447,451	173,662
Non-operating income		
Interest received	5,200	2,496
Dividends received	1,575	2,125
Rent received	996	996
Foreign exchange gain	11,870	—
Insurance gain	4,462	—
Subsidy	3,238	2,281
Others	2,088	1,845
Total non-operating income	29,432	9,743
Non-operating expenses		
Loss from investment entity	2,186	451
Foreign exchange loss	—	2,999
Expense for purchasing treasury stocks	448	1,136
Compensation for damages	428	—
Others	27	13
Total non-operating expenses	3,090	4,600
Ordinary income	473,793	178,805
Extraordinary losses		
Loss from retirement of fixed assets	7,917	56,682
Loss on valuation of investment securities	99,900	230,492
Impairment loss	—	149,913
Total extraordinary losses	107,817	437,088
Net income before taxes	365,976	(258,282)
Income taxes etc.	137,578	116,081
Income tax adjustment	13,956	(111,307)
Total income taxes	151,535	4,774
Net income	214,441	(263,056)
Net income attributable to parent company	214,441	(263,056)

## Consolidated statement of comprehensive income

(Units: 1,000s yen)

	Previous fiscal year (May 1, 2023-April 30, 2024)	Current fiscal year (May 1, 2024-April 30, 2025)
Net income	214,441	(263,056)
Other comprehensive income		
Valuation difference on available-for-sale securities	26,918	(6,154)
Total other comprehensive income	26,918	(6,154)
Comprehensive income	241,359	(269,211)
(Breakdown)		
Net income attributable to parent company	241,359	(269,211)

## (3) Statement of consolidated cash flows

(Units: 1,000s yen)

	Previous fiscal year (May 1, 2023-April 30, 2024)	Current fiscal year (May 1, 2024-April 30, 2025)
Cash flows resulting from operating activities		
Net income before taxes	365,976	(258,282)
Depreciation expenses	388,776	375,855
Impairment loss	—	149,913
Amortization of goodwill	9,641	38,566
Increase (decrease) in allowance for doubtful accounts	8,419	1,317
Increase (decrease) in provision for bonuses	(9,390)	(3,310)
Interest and dividends received	(6,775)	(4,621)
Impairment loss of investment securities	99,900	230,492
Revenue from investment partnership (gains)	2,186	451
Foreign exchange losses (gains)	(4,026)	—
Loss on disposal of fixed assets	7,917	56,682
Decrease (increase) in notes and accounts receivable-trade	13,764	76,783
Decrease (increase) in inventory assets	(68,324)	310,948
Increase (decrease) in accounts payable-trade	(11,975)	(2,738)
Increase (decrease) in accounts payable	(4,406)	(34,978)
Increase (decrease) in accrued consumption taxes	(50,104)	19,623
Increase (decrease) in retirement benefit obligation	(646)	(361)
Others	12,597	48,455
Subtotal	753,530	1,004,797
Interest and dividends received	5,839	3,794
Income taxes paid	(143,625)	(145,564)
Cash flows due to operating activities	615,744	863,027
Cash flows due to investing activities		
Purchase of tangible fixed assets	(329,706)	(201,690)
Purchase of intangible fixed assets	(55,342)	(105,599)
Purchase of investment securities	(10,000)	—
Withdrawal of loans	(650)	—
Collection of loans receivable	294	650
Payments into time deposits	(5,000)	(5,000)
Proceeds from withdrawal of time deposits	5,000	5,000
Purchase of shares of subsidiary to change in the scope of consolidation	(292,115)	—
Others	(15,211)	(17,987)
Cash flows due to investing activities	(702,731)	(324,626)
Cash flows due to financing activities		
Purchase of treasury stock	(149,865)	(400,072)
Cash dividends paid	(149,747)	(115,032)
Others	(1,437)	(1,437)
Cash flows due to financing activities	(301,050)	(516,542)
Effect of exchange rate on cash and cash equivalents	4,026	—
Net increase (decrease) in cash and cash equivalents	(384,011)	21,858
Balance of cash and cash equivalents at beginning of year	2,044,027	1,660,015
Balance of cash and cash equivalents at end of year	1,660,015	1,681,873

(5) Notes to Consolidated Financial Statements  
(Segment Information, etc.)

1 Overview of business segment

Our group's reportable segments are components of the group for which separate financial information is available and are subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate their performance.

Our three main businesses are the funeral business, the photobook business, and the aerial display business, and business plans are formulated and developed for the products and services handled by each of these businesses. As a result, the group has three reporting segments: the funeral business, the photobook business, and the aerial display business.

The funeral business is mainly engaged in the digital processing and output of images such as portrait photographs for the funeral service market, and the photobook business is mainly engaged in the creation and sales of photo books for individuals, targeting both general consumers and professional photographers, with the aim of integrating digital photography and on-demand printing. In the aerial display business, we are researching and developing aerial imaging technology as a new method of image/video expression and promoting its commercialization. As a new field in the photobook business, consolidated subsidiary BET Inc. operates a VTuber office.

2 Methods of calculating sales, income or loss, assets, liabilities, and other items by reportable segment

Reported business segments are accounted for in accordance with the accounting policies used to prepare the consolidated financial statements. Inter-segment sales are based on third-party transaction prices.

Information related to the amounts of sales, income or loss, assets, liabilities, and other items for each reporting segment is provided.

Previous consolidated fiscal year (May 1, 2023 – April 30, 2024)

(Units: 1,000s yen)

	Reporting segment				Adjustments	Amount recorded in profit and loss statement
	Funeral business	Photo book business	Aerial display business	Total		
Sales						
Sales to outside customers	3,281,718	3,611,292	145,336	7,038,347	—	7,038,347
Inter-segment internal sales and transfers	—	5,728	540	6,268	(6,268)	—
Total	3,281,718	3,617,021	145,876	7,044,616	(6,268)	7,038,347
Segment income (loss)	752,180	677,714	(316,966)	1,112,928	(665,476)	447,451
Others						
Depreciation	46,863	272,663	39,282	358,808	29,967	388,776

Current consolidated fiscal year (May 1, 2024 – April 30, 2025)

(Units: 1,000s yen)

	Reporting segment				Adjustments	Amount recorded in profit and loss statement
	Funeral business	Photo book business	Aerial display business	Total		
Sales						
Sales to outside customers	3,389,901	3,728,726	144,387	7,263,016	—	7,263,016
Inter-segment internal sales and transfers	—	5,763	—	5,763	(5,763)	—
Total	3,389,901	3,734,489	144,387	7,268,779	(5,763)	7,263,016
Segment income (loss)	801,799	601,542	(533,104)	870,236	(696,573)	173,662
Others						
Depreciation	51,633	258,591	32,363	342,588	33,266	375,855

Related other information

(Impairment loss)

Current consolidated fiscal year (May 1, 2024 – April 30, 2025)

(Units: 1,000s yen)

	Funeral business	Photo book business	Aerial display business	Inter-segment etc.	Total
Impairment loss	—	—	149,913	—	149,913

(Depreciation and year-end balance)

Previous consolidated fiscal year (May 1, 2023 – April 30, 2024)

(Units: 1,000s yen)

	Funeral business	Photo book business	Aerial display business	Inter-segment etc.	Total
Depreciation during this year	—	9,641	—	—	9,641
Year-end balance	—	298,891	—	—	298,891

Current consolidated fiscal year (May 1, 2024 – April 30, 2025)

(Units: 1,000s yen)

	Funeral business	Photo book business	Aerial display business	Inter-segment etc.	Total
Depreciation during this year	—	38,566	—	—	38,566
Year-end balance	—	260,325	—	—	260,325

This is the summarized translation of released report for your reference.  
Please refer to the original Japanese financial document.