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May 12, 2025

Consolidated Financial Results for the Three Months Ended March 31, 2025 (Under IFRS)

Company name: Integral Corporation
Listing: Tokyo Stock Exchange
Securities code: 5842
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Scheduled date to commence dividend payments: —
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended March 31, 2025 (from January 1, 2025 to March 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating income		Profit before income taxes		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
March 31, 2025	1,003	(80.0)	25	(99.3)	30	(99.2)	(273)	—
March 31, 2024	5,008	344.6	3,659	655.6	3,643	685.5	2,521	689.7

	Profit attributable to owners of the parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
Three months ended						
March 31, 2025	(272)	—	(273)	—	(8.08)	—
March 31, 2024	2,521	689.7	2,521	689.7	76.06	71.10

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Millions of yen	Millions of yen	Millions of yen	%
As of				
March 31, 2025	73,515	56,645	56,636	77.0
December 31, 2024	79,050	57,634	57,624	72.9

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2024	—	12.00	—	22.00	34.00
Fiscal year ending December 31, 2025	—				
Fiscal year ending December 31, 2025 (Forecast)		17.00	—	17.00	34.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated Earnings Forecasts for the Fiscal Year Ending December 31, 2025 (January 1, 2025 to December 31, 2025)

Private equity investments, the Group's primary business, are significantly affected by market conditions such as the stock market and interest rates, as well as by opportunities to invest and dispose of investments.

In addition, Profit/(Loss) on fair value movements on investment calculated in accordance with International Financial Reporting Standards (IFRS) as adopted by the Group are highly dependent on estimates. Therefore, it is difficult to make reasonable earnings forecasts, and we do not make any business forecasts.

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 2 companies (Integral GlobalTech Partners Corporation,
Innovation GlobalTech Partners Alpha GP Ltd)
Excluded: 1 company (Integral OS Corporation)

- (2) Changes in accounting policies and changes in accounting estimates
- (i) Changes in accounting policies required by IFRS: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None

- (3) Number of issued shares (ordinary shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	34,975,000 shares
As of December 31, 2024	34,975,000 shares

- (ii) Number of treasury shares at the end of the period

As of March 31, 2025	1,125,249 shares
As of December 31, 2024	1,226,949 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2025	33,784,131 shares
Three months ended March 31, 2024	33,155,965 shares

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

- * Proper use of earnings forecasts, and other special matters
(Caution regarding forward-looking statements and others)

The forward-looking statements contained in this document, including the financial results forecasts, are based on information currently available to the Company and certain assumptions deemed to be reasonable, and the Company does not promise achievement. Actual results may differ significantly from these forecasts due to a wide range of factors.

(Method of accessing supplementary material on financial results)

The Company does not plan to hold a briefing in the first quarter of the current fiscal year. Financial results presentation materials and video will be disclosed on the Company's website on Monday, May 12, 2025.

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1. Overview of Operating Results and Financial Position

In this Consolidated Financial Results, the funds the Group manages are collectively referred to as follows.

Fund Series	Fund Name	Status *1
Fund II Series	Integral 2 Limited Partnership Integral Fund II (A) L.P.	After Investment Period (Harvesting Period)
Fund III Series	Integral 3 Limited Partnership Innovation Alpha L.P.	After Investment Period (Harvesting Period)
Fund IV Series	Integral 4 Limited Partnership Innovation Alpha IV L.P. Initiative Delta IV L.P.	Investment Period
Fund V Series	Integral 5 Limited Partnership Innovation Alpha V L.P. Initiative Delta V L.P. Infinity Gamma V L.P.	Investment Period

* The investment period is the period during which the partnership agreement allows each fund to make new investments, which is approximately 5 years after the start of the fund.

(1) Overview of Operating Results

For the three months ended March 31, 2025, the Group's business activities are as follows.

In private equity (hereinafter "PE") investment fund business, which is the group's main business, Fund IV Series made investment in Yamane Holdings Co., Ltd. and Japan Animal Care Holdings Inc. (formerly Buddy Holdings Co., Ltd.), which is an existing portfolio company of Fund IV Series, made investment in DPC Co., Ltd. Additionally, the investment period for Fund V Series commenced in January 2025.

In real estate investment fund business, Integral Real Estate Fund I acquired eight residential properties in major cities (including Tokyo, Nagoya, and Sendai) and an office building in Tokyo, and executed a purchase agreement for a hotel property in Fukuoka Prefecture. Going forward, the Group will try to maximize property values while pursuing the acquisition of additional premium properties.

Furthermore, the Group launched GlobalTech Growth investment fund business in March 2025, through which the Group plans to invest in and provide management support to growth companies in Japan, Asia, and the United States. In this business, the Group has decided to set up a JV, Granite Integral Capital Pte. Ltd. together with Granite Asia Capital Pte. Ltd., Asia's leading multi-asset growth investment platform and to start growth investment business and management of a growth fund, Granite Integral Investments. The Group have also initiated an alliance with Touring Capital LLC, which invests in software and AI-related startups in the United States. Moving forward, the Group will actively pursue investment opportunities in the global technology growth sector.

For the three months ended March 31, 2025, the details of revenue and expenses are as follows.

Changes in fair value of investees are as follows. The fair value of listed investees decreased due to the changes in the stock prices of each investee. The overall fair value of unlisted investees has decreased as multiple investees experienced declines in fair value, primarily due to the plateauing of business performance improvements and deterioration of indicators based on financial metrics of comparable listed companies used in valuation. The fair value change in all investees decreased compared to the same period of the previous year.

Fund management fee increased compared to the same period of the previous year due to the commencement of the investment period for Fund V Series in January 2025.

Operating expenses decreased compared to the same period of the previous year, despite increases in personnel expenses due to growth in the Group's employee headcount and increased costs associated with office expansion, as the one-time expenses related to fundraising activities for Fund V Series occurred in the previous year.

Regarding Income taxes, based on the enactment of the "Act for Partial Amendment to the Income Tax Act" (Act No. 13 of 2025) by the Diet on March 31, 2025, which introduces the "Special Defense Corporate Tax" for fiscal years beginning April 2026 and thereafter, Deferred tax liabilities related to

future temporary differences expected to be reversed in and after the said fiscal year have been recalculated using the new statutory effective tax rate. As a result, Income taxes for the three months ended March 31, 2025 include an additional increase in income tax adjustments arising from this tax rate change.

As a result of the above, Revenue for the three months ended March 31, 2025 was ¥1,003 million (down 80.0% year-on-year), Operating income was ¥25 million (down 99.3% year-on-year), Profit before income taxes was ¥30 million (down 99.2% year-on-year), and Loss for the period attributable to owners of the parent was ¥272 million (Profit for the period attributable to owners of the parent was ¥2,521 million in the same period of the previous year).

(2) Overview of Financial Position

a. Analysis of financial position

Assets, liabilities and equity at the end of first quarter ended March 31, 2025 were as follows:

(Assets)

Total assets decreased by ¥5,535 million from the end of the previous fiscal year to ¥73,515 million. Total current assets decreased by ¥13,477 million to ¥19,592 million, mainly due to a ¥5,226 million decrease in Cash and cash equivalents and a ¥8,258 million decrease in Trade and other receivables. Non-current assets increased by ¥7,942 million to ¥53,922 million, mainly due to a ¥6,101 million increase in Investment portfolio and a ¥2,093 million increase in Investment in subsidiaries measured at fair value.

(Liabilities)

Total liabilities decreased by ¥4,546 million from the end of the previous fiscal year to ¥16,869 million. Current liabilities decreased by ¥4,425 million to ¥3,770 million, mainly due to a ¥4,610 million decrease in Income taxes payable despite a ¥1,256 million increase in Advances received. Non-current liabilities decreased by ¥121 million to ¥13,098 million, mainly due to a ¥402 million decrease in Loans despite a ¥301 million increase in Deferred tax liabilities.

(Equity)

Total equity decreased by ¥988 million from the end of the previous fiscal year to ¥56,645 million, mainly due to a ¥1,015 million decrease in Retained earnings by the recording of Loss for the period attributable to the owner of the parent and the payment of dividends.

b. Cash flows

Cash flows for the three months ended March 31, 2025 were as follows:

(Cash flows from operating activities)

Cash flows used by operating activities for the three months ended March 31, 2025 was a ¥3,589 million (¥3,632 million used in the same period of the previous year). This was mainly due to an increase of ¥6,101 million in Investment portfolio, an increase of ¥2,093 million in Investment in subsidiaries measured at fair value and a payment of ¥4,616 million in Income taxes despite the record of Profit before income taxes of ¥30 million and a decrease of ¥8,258 million in Trade and other receivables.

(Cash flows from investing activities)

Cash flows used by investing activities for the three months ended March 31, 2025 was a ¥49 million (There were no cash flows in investing activities in the same period of the previous year). This was mainly due to the Purchase of property, plant and equipment.

(Cash flows from financing activities)

Cash flows used by financing activities for the three months ended March 31, 2025 was ¥1,587 million (¥1,841 million provided in the same period of the previous year). This was mainly due to Repayment of loans of ¥831 million and Dividend paid of ¥733 million.

As a result, Cash and cash equivalents decreased by ¥5,226 million, and Cash and cash equivalents at the end of the period was ¥16,910 million (¥22,137 million at the end of the previous fiscal year).

(3) Explanation of Information on Future Forecasts Including Consolidated Earnings Forecast

Private equity investments, the Group's business, are significantly affected by market conditions such as the stock market and interest rates, as well as by opportunities to invest and dispose of investments.

In addition, Gain/(Loss) on fair value movements of investees calculated in accordance with International Financial Reporting Standards (IFRS) as adopted by the Group are highly dependent on estimates. Therefore, it is difficult to make reasonable earnings forecasts, and we do not make any business forecasts. However, for the convenience of investors and shareholders, instead of earnings forecasts, we disclose the recurring profit/loss forecasts as reference information. The recurring profit/loss forecasts for the fiscal year ending December 31, 2025 (January 1, 2025 to December 31, 2025) are as follows.

(Reference information)

(Unit: million yen, %)

	Year ended December 31, 2024 (Actual)	Three-month period ended March 31, 2025 (Actual)	Year ending December 31, 2025 (Forecast)	
				Percentage change from the previous year
Fund management fees	3,494	1,659	7,430	112.7%
Management support fees	250	74	286	14.2%
Recurring expenses (A-B)	3,324	961	4,222	27.0%
Operating expenses (A)	5,212	978	4,415	(15.3)%
One-time expenses (B)	1,888	16	192	(89.8)%

【Assumptions for Recurring Profit/Loss Forecast for the year ending December 31, 2025 (Consolidated)】

1. Outlook for the Group as a whole

We are an independent private equity management company that invest in both listed and unlisted companies in Japan. We seek to provide investors with superior returns by investing at appropriate valuations in mid-cap Japanese companies with potential for earnings growth.

Our company name “Integral” originates from “integral calculus - accumulation among relations over time”, meaning that we strive to establish a relationship of deep trust and accumulation of the highest wisdom. As a result of this accumulation, we aim to contribute to the realization of Japanese-style business improvement as “Trusted Investor”, which is our corporate mission.

Our Group has established a business model with diversified earning opportunities utilizing our principal capital. The Company's subsidiaries, affiliates, and investees are managed as an investment portfolio, and under this structure, the Group earns fund management fees, management support fees, and carried interest. In this situation, we aim to continuously increase the rate of earnings growth by expanding assets under management (“AUM”) over the medium to long term by increasing the value of equity of investees, to maximize the carried interest received through the realization of investment income, and to continuously grow the fair value (“FV”) of principal investments.

It is difficult to reasonably forecast future AUM, realization of investment income, and FV of principal investments, so we do not forecast these results. These actual figures are as follows.

The real estate investment fund business and global tech growth investment fund business are not included in the following as these businesses are relatively small in proportion to the Group's overall business.

[Reference for actual results]

(Unit: 100 million yen)

	As of and for the year ended December 31, 2023	As of and for the year ended December 31, 2024	As of and for the three months period ended March 31, 2025
AUM *1	2,185	1,999	5,439
Fee-Earning AUM *2	1,797	1,645	3,933
FV of principal investments *3	327	381	376
Acquisition value of principal investments *3, 4	82	70	73
FV of fund investments *3	2,244	2,878	2,929
Unrealized carried interest *5			
Fund II Series *6	20	6	5
Fund III Series *7	144	80	72
Fund IV Series	53	150	149
UCAT (Unrealized Carried Interest After Tax) *8	151	164	156
Economic net worth *9	549	740	722

Note: *1 AUM is calculated based on capital commitment amounts for funds for which the investment period has not ended or for funds without a defined investment period, and based on the fair value of the remaining investments for funds for which the investment period has ended. However, while Fund IV Series has not ended its investment period as of the end of March 2025, due to the commencement of the investment period for Fund V Series, the fair value of the investment portfolio is included rather than the capital commitment amounts.

AUM includes only the funds for which we receive management fee, and excludes funds in which co-investors make investments for specific investees.

*2 Fee Earning AUM consist of the balance of managed assets that are used as the basis in calculating fund management fees. It is calculated based on capital commitment amounts for funds for which the investment period has not ended or for funds without a defined investment period, and based on the investment acquisition cost of the remaining investments for funds for which the investment period has ended. However, while Fund IV Series has not ended its investment period as of the end of March 2025, due to the commencement of the investment period for Fund V Series, the investment acquisition cost of the investment portfolio is a basis of calculation of management fee.

Furthermore, as the capital commitment amounts and investment acquisition cost of each fund series include the Group's commitment and investment as General Partner, equivalent to 2%, these amounts have been excluded from the figures in this Consolidated Financial Result.

*3 As of the end of March 2025, i-Bridge investments (investments utilizing the Group's own funds as bridge finance for agile investment execution) and Fund IV Series' bridge financing were made. However, these amounts have been excluded as they represent temporary investments that are going to be returned to the Group or Fund IV Series after the portfolio companies secure external borrowings.

*4 The acquisition value of principal investments is calculated based on (i) the acquisition cost of shares and bonds based on IFRS and (ii) the amount calculated by subtracting the amounts distributed as investment return from the amount of invested capital and the adjusted amounts based on the sale ratio in partial exit.

*5 Unrealized carried interest is the amount of carried interest that is expected to be received assuming that the relevant funds were terminated and liquidated as of the relevant date and at the estimated fair value of their investments. Unrealized carried interest is calculated as (A) 20% of the sum of (i) the accumulated distribution amounts as of the end of the period, (ii) gain or loss from fair market valuation of the portfolio and (iii) net assets, less (iv) the amount of investments to be made and (B) less the carried interest amounts that have been already realized. Unrealized carried interest shown in the table above consists of the prospective amount that we expect to receive from the unrealized carried interest calculated in accordance with the aforementioned formula, less the GP investments by our directors and employees.

- *6 Fund II Series started its realization of carried interest since the fourth quarter in the year ended December 31, 2023.
- *7 Fund III Series started its realization of carried interest since the third quarter in the year ended December 31, 2024.
- *8 UCAT (Unrealized Carried Interest After Tax) represents the amount of unrealized carried interest after deducting the estimated tax amounts at the time of realization based on the effective tax rate.
- *9 Economic net worth represents the sum of "Equity attributable to owners of parent" in the Consolidated Statement of Financial Position and UCAT, which indicates the estimated amount of Equity that would be attributable to owners of the parent assuming the unrealized carried interest were to be realized.

2. Fund management fees

Fund management fees are recognized as revenue with the passage of time, as the Group, in principle, provides investment management services to the funds over the duration of the funds in accordance with the partnership agreement with the funds that the Group manages. In accordance with the partnership agreement, Fund management fees is calculated in principal based on (i) the amount of capital commitments of the fund currently in the investment period and (ii) the investment acquisition cost of the fund after the end of the investment period. However, while Fund IV Series has not ended its investment period as of the end of March 2025, due to the commencement of the investment period for Fund V Series, the investment acquisition cost of the fund is a basis of calculation of management fee.

3. Carried interest

Under our existing fund agreements, as a general partner, we are entitled to distribution referred to as "carried interest" based on the fund's performance. We record the amount that is up to 20% of cumulative gains on capital invested less the amount that has already been recorded and that will highly probable not to be subject to claw-back as carried interest, when it is certain that the funds will make distributions in excess of the hurdle rate of 8% of the deployment capital set forth in the partnership agreement and that we will be able to receive carried interest.

4. Management support fees

After making an investment, the Company dispatches our employees to the investees and supports its management to realize investees' short to mid strategic goals. Management support fees are paid to us in accordance with the management support agreement and are recognized as revenue over the contract period with the passage of time.

5. Operating expenses

The Group's operating expenses consist primarily of personnel expenses, commissions expenses, depreciation (including depreciation of right-of-use assets).

6. One-time expenses

The Group's one-time expenses are the cost that are not expected to be incurred on an ongoing basis. In the year ended December 31, 2025, the Group primarily anticipates bonuses to employees associated with the realization of carried interest and the expenses in related to the office expansion as one-time expenses. This represents a decrease compared to the fiscal year ended December 31 2024, which included placement agent fees related to fundraising for Fund V Series.

2. Condensed Quarterly Consolidated Financial Statements and Primary Notes

(1) Condensed Quarterly Consolidated Statement of Profit or Loss and Comprehensive Income

Condensed Quarterly Consolidated Statement of Profit or Loss

For the Three-month period ended March 31, 2025

(Unit: million yen)

	Three-month period ended March 31, 2024	Three-month period ended March 31, 2025
Realized profits/(losses) on the disposal of investments	-	-
Fair value movements on investment portfolio	524	(119)
Fair value movements on subsidiaries measured at fair value	3,034	(685)
Dividends	3	21
Interest income from investment portfolio	-	28
Gross investment return	3,562	(755)
Fund management fees	886	1,659
Carried interest	501	24
Management support fees	59	74
Other operating income	0	0
Revenue	5,008	1,003
Operating expenses	(1,349)	(978)
Operating income (loss)	3,659	25
Finance income	17	96
Finance costs	(33)	(92)
Profit (loss) before income taxes	3,643	30
Income taxes	(1,121)	(303)
Profit (loss) for the period	2,521	(273)
Profit (loss) for the period attributable to:		
Owners of the parent	2,521	(272)
Non-controlling interests	-	(0)
Profit (loss) for the period	2,521	(273)
Earnings per share	Yen	Yen
Basic earnings (loss) per share	76.06	(8.08)
Diluted earnings (loss) per share	71.10	-

Condensed Quarterly Consolidated Statement of Comprehensive Income
For the Three-month period ended March 31, 2025

	(Unit: million yen)	
	Three-month period ended March 31, 2024	Three-month period ended March 31, 2025
Profit (loss) for the period	2,521	(273)
Comprehensive income for the period	2,521	(273)
Comprehensive income for the period attributable to:		
Owners of the parent	2,521	(272)
Non-controlling interests	-	(0)
Comprehensive income for the period	2,521	(273)

(2) Condensed Quarterly Consolidated Statement of Financial Position
As of March 31, 2025

(Unit: million yen)

	December 31, 2024	March 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	22,137	16,910
Trade and other receivables	10,779	2,520
Income taxes receivable	1	6
Other current financial assets	1	1
Other current assets	149	153
Total current assets	33,070	19,592
Non-current assets:		
Investments:	42,730	50,926
Investment portfolio	7,534	13,636
Investments in subsidiaries measured at fair value	35,196	37,289
Property, plant and equipment	178	230
Right-of-use assets	420	355
Intangible assets	1	1
Loans	2,387	1,987
Loans to subsidiaries measured at fair value	-	160
Other non-current financial assets	260	261
Total non-current assets	45,979	53,922
Total assets	79,050	73,515

(Unit: million yen)

	December 31, 2024	March 31, 2025
Liabilities and Equity		
Liabilities		
Current liabilities:		
Trade and other payables	897	320
Income taxes payable	4,612	2
Consumption taxes payable	29	95
Advances received	1,406	2,662
Loans	759	369
Lease liabilities	111	84
Provision for bonuses	258	105
Other current liabilities	119	130
Total current liabilities	8,195	3,770
Non-current liabilities:		
Loans	2,389	1,987
Lease liabilities	153	133
Asset retirement obligations	212	212
Deferred tax liabilities	10,465	10,766
Total non-current liabilities	13,220	13,098
Total liabilities	21,415	16,869
Equity		
Share capital	7,634	7,634
Capital surplus	6,421	6,448
Retained earnings	43,574	42,559
Share acquisition rights	0	0
Treasury stock	(6)	(5)
Equity attributable to owners of parent	57,624	56,636
Non-controlling interests	9	9
Total equity	57,634	56,645
Total liabilities and equity	79,050	73,515

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Consolidated Financial Results for the Three Months Ended March 31, 2025

(3) Condensed Quarterly Consolidated Statement of Changes in Equity
For the Three-month period ended March 31, 2024

(Unit: million yen)

	Share capital	Capital surplus	Retained earnings	Share acquisition rights	Treasury stock	Equity attributable to owners of parent	Non-controlling interests	Total equity
Balance as of January 1, 2024	7,634	6,371	25,866	0	(9)	39,864	-	39,864
Profit (loss) for the period	-	-	2,521	-	-	2,521	-	2,521
Other comprehensive income, net of tax	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	2,521	-	-	2,521	-	2,521
Share-based payment transactions	-	-	-	0	-	0	-	0
Exercise of share acquisition rights	-	0	-	(0)	-	-	-	-
Disposal of treasury stock	-	11	-	-	0	11	-	11
Total transactions with owners	-	11	-	(0)	0	11	-	11
Balance as of March 31, 2024	7,634	6,383	28,388	0	(9)	42,398	-	42,398

For the Three-month period ended March 31, 2025

(Unit: million yen)

	Share capital	Capital surplus	Retained earnings	Share acquisition rights	Treasury stock	Equity attributable to owners of parent	Non-controlling interests	Total equity
Balance as of January 1, 2025	7,634	6,421	43,574	0	(6)	57,624	9	57,634
Profit (loss) for the period	-	-	(272)	-	-	(272)	(0)	(273)
Other comprehensive income, net of tax	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	(272)	-	-	(272)	(0)	(273)
Share-based payment transactions	-	-	-	0	-	0	-	0
Exercise of share acquisition rights	-	0	-	(0)	-	-	-	-
Forfeiture of share acquisition rights	-	-	0	(0)	-	(0)	-	(0)
Dividends	-	-	(742)	-	-	(742)	-	(742)
Disposal of treasury stock	-	26	-	-	0	27	-	27
Total transactions with owners	-	26	(742)	(0)	0	(715)	-	(715)
Balance as of March 31, 2025	7,634	6,448	42,559	0	(5)	56,636	9	56,645

(4) Condensed Quarterly Consolidated Statement of Cash Flows
For the Three-month period ended March 31, 2025

	(Unit: million yen)	
	Three-month period ended March 31, 2024	Three-month period ended March 31, 2025
Cash flows from operating activities:		
Profit (loss) before income taxes	3,643	30
Depreciation and amortization	46	86
Interest and dividend income	(20)	(146)
Interest expenses	33	92
Increase (decrease) in provisions	27	(152)
Decrease (increase) in trade and other receivables	(1,784)	8,258
Decrease (increase) in investment portfolio	(423)	(6,101)
Decrease (increase) in investments in subsidiaries measured at fair value	(1,720)	(2,093)
Decrease (increase) in loans	(2,256)	440
Decrease (increase) in loans to subsidiaries measured at fair value	-	(160)
Decrease (increase) in other financial assets	17	(0)
Decrease (increase) in other assets	(30)	(46)
Increase (decrease) in trade and other payables	30	(532)
Increase (decrease) in consumption taxes payable	23	65
Increase (decrease) in advances received	324	1,256
Increase (decrease) in other liabilities	(19)	10
Others	0	(0)
Subtotal	(2,108)	1,006
Interest and dividends received	4	149
Interest paid	(49)	(128)
Income taxes paid	(1,477)	(4,616)
Cash flows from operating activities	(3,632)	(3,589)
Cash flows from investing activities:		
Purchase of property, plant and equipment	-	(49)
Cash flows from investing activities	-	(49)
Cash flows from financing activities:		
Proceeds from loans from subsidiaries measured at fair value	-	1,500
Repayment of loans from subsidiaries measured at fair value	-	(1,500)
Proceeds from loans	2,255	-
Repayments of loans	(390)	(831)
Repayments of lease liabilities	(35)	(49)
Proceeds from sale of treasury stock	11	27
Dividends paid	-	(733)
Cash flows from financing activities	1,841	(1,587)
Increase (decrease) in cash and cash equivalents	(1,790)	(5,226)
Cash and cash equivalents at the beginning of the period	18,922	22,137
Effect of exchange rate changes on cash and cash equivalents	-	(0)
Cash and cash equivalents at the end of the period	17,132	16,910

(5) Notes to Condensed Quarterly Consolidated Financial Statements

(Notes on Going concern assumptions)

Not applicable.

(Changes in presentation)

(Condensed Quarterly Consolidated Statement of Cash Flows)

“Share-based payment expenses” of “Cash flows from operating activities”, which had previously been presented separately for the three-month period ended March 31, 2024, is currently included in “Others” from the three-month period ended March 31, 2025, due to its decreased quantitative significance. To reflect this change in the presentation, our Condensed Quarterly Consolidated Financial Statements for the three-month period ended March 31, 2024, have been reclassified.

As a result, in the Condensed Quarterly Consolidated Statements of Cash Flows for the three-month period ended March 31, 2024, the ¥0 million included in “Share-based payment expenses” has been reclassified to “Others”.

(Segment information)

The Group’s primary business is the private equity investment fund business. Although the Group launched a real estate investment fund business in November 2024 and a global tech growth investment fund business in March 2025, they are not presented as separate reportable segments, due to their immateriality in relation to the Group as a whole. Accordingly, segment information has not been presented here.