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**Consolidated Financial Results**  
**for the First Quarter Ended June 30, 2024**  
**[Japanese Standards]**  
(Summary of Japanese announcement)

August 14, 2024

Company name: Japan Asia Investment Co., Ltd.  
Listed on: Tokyo Stock Exchange, Standard Market (Stock code: 8518) URL: <https://www.jaic-vc.co.jp/>  
Head office: Tokyo  
Representative: Shun Maruyama, Representative Director, President & CEO  
Contact: Kenji Kishimoto, Board Director, Managing Executive Officer CFO  
Tel: +81-3-3221-8518 (main)  
Scheduled date for start of payment of dividends: —  
The additional materials of the Financial Results: Yes  
The briefing session of the Financial Results: None

(Throughout this report, fractional amounts have been rounded down to the nearest one million yen.)

**1. Consolidated business results for the first quarter ended June 30, 2024 (April 1, 2024 to June 30, 2024)**

(1) Consolidated results of operations (cumulative total)

(Percentages indicate year-on-year increase or decrease)

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change
For three months ended June 30, 2024	822	(6.8)	211	31.8	195	51.6	180	—
For three months ended June 30, 2023	882	125.0	160	—	129	—	(100)	—

(Note) Comprehensive Income

For three months ended June 30, 2024: 211 millions of yen (—%)

For three months ended June 30, 2023: (468) millions of yen (—%)

	Net income per share	Diluted net income per share
	Yen	Yen
For three months ended June 30, 2024	10.11	10.05
For three months ended June 30, 2023	(5.70)	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2024	18,593	7,239	36.4	304.74
As of March 31, 2024	16,796	6,132	33.0	312.71

(Reference) Total shareholders' equity As of June 30, 2024: 6,767 millions of yen As of March 31, 2024: 5,536 millions of yen

## 2. Dividends

(Base date)	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	End of year	Year
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	—	0.00	—	0.00	0.00
Year ending March 31, 2025	—				
Year ending March 31, 2025(forecast)		0.00	—	0.00	0.00

(Note) Revision of dividends forecast during the current quarterly period: None

## 3. Outlook for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

The overall private equity investment business conducted by the Group (including investment partnerships) is significantly affected by changing factors such as stock markets, given the characteristics of the business. In addition, it has been difficult to forecast results reasonably in the rapidly changing environment. Therefore, we do not disclose the results forecast. For the convenience of investors and shareholders, however, we disclose “result forecast consolidated under the Previous Accounting Standard” even though it doesn’t have enough rationality. For details, please refer to “2. Outlook for the fiscal year ending March 31, 2025 (April 1, 2024 to March 31, 2025)” on page 15 in this report.

The “result forecast consolidated under the Previous Accounting Standard” and any other forward-looking statements in this document are based upon the information currently available to JAIC at the time of writing and certain assumptions. The achievement is not promised. Numerous factors could cause actual results to differ materially from these result forecasts. For details, please refer to “3. Business Performance and Financial Condition (3) Result forecast consolidated under the Previous Accounting Standard” on page 23 in “Consolidated Financial Results for the Year Ended March 31, 2024 [Japanese Standards]” disclosed on May 15, 2024.

## 4. Other matters

(1) Significant changes in the scope of consolidation during the period: Yes

[New - company (company name: -) Excluded 1 company (company name: 1 Investment Fund)]

(2) Adoption of specific accounting methods for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting principles, accounting estimates and correction of prior period errors

(i) Changes in accounting principles due to revisions to accounting standards: Yes

(ii) Changes other than shown in (i) above: None

(iii) Changes in accounting estimates: None

(iv) Correction of prior period errors: None

(Note) For details, please refer to “3. Consolidated Financial Statements (4) Notes on Quarterly Consolidated Financial Statements” on page 12 of the attached documents for detailed information.

(4) No. of shares issued and outstanding (common stock)

(i) Shares issued and outstanding at the end of each period (including treasury stock)	Three months ended June 30, 2024:	22,284,392 shares	Year ended March 31, 2024:	17,884,392 shares
(ii) Shares of treasury stock at the end of each period	Three months ended June 30, 2024:	78,009 shares	Year ended March 31, 2024:	181,009 shares
(ii) Average number of shares during the period (cumulative quarterly consolidated period)	Three months ended June 30, 2024:	17,851,834 shares	Three months ended June 30, 2023:	17,703,383 shares

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

\*Cautionary Statements with Respect to Forward-looking Statements and Other Notes

The additional materials of the financial results for the first quarter ended June 30, 2024 will be released on our website on August 14, 2024 (Japanese-language only).

The “result forecast consolidated under the Previous Accounting Standard” and any other forward-looking statements in this document are based upon the information currently available to the Group at the time of writing and certain assumptions. The achievement is not promised. Numerous factors could cause actual results to differ materially from these

result forecasts. For details, please refer to “2. Outlook for the fiscal year ending March 31, 2025 (April 1, 2024 to March 31, 2025)” on page 15 in this report and “3. Business Performance and Financial Condition (3) Result forecast consolidated under the Previous Accounting Standard” on page 23 in “Consolidated Financial Results for the Year Ended March 31, 2024 [Japanese Standards]” disclosed on May 15, 2024.

## 1. Business Performance and Financial Condition

### (1) Breakdown of operating revenue and operating cost

(Millions of yen)

	For three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)	For three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)	For the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Total operating revenue	882	822	2,444
Management fees	30	30	123
Proceeds of sales of operational investment securities	600	71	1,244
Fund interests income and Income gains etc.	243	709	1,023
Other operating revenue	7	10	53
Total operating cost	411	292	2,279
Cost of securities sold	67	75	621
Investment write-offs & Provision for allowance for possible investment losses	161	0	777
Fund interests losses etc.	179	212	863
Other operating cost	3	4	16
Operating gross profit	470	529	165

### (2) Breakdown of Loans payable and bonds

(Millions of yen)

	As of June 30, 2023	As of June 30, 2024	As of March 31, 2024
Total of loans payable and bonds	8,682	10,291	9,833
Loans payable; Non-consolidated base	4,825	3,996	4,314
Loans payable by project finance and bonds; Consolidated projects	3,857	6,295	5,519

## 2. Business Position

### (1) JAIC-Backed IPOs (JAIC+Funds)

#### i) Number of IPOs

	For three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)	For three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)	For the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Number of IPOs (total of Japan & overseas)	1 company	—	1 company
First price multiple (average of Japan & overseas)	1.4 times	—	1.4 times

Note: First price multiple = Market value of shares held by the Group calculated at first price/Total our acquisition cost.  
We do not include listed shares those we acquired by equity swaps when we calculate the first price multiple.

#### ii) JAIC-Backed IPOs

For three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

No applicable items

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

Company Name	Date of IPO	Market	Business	Head quarters
JAPAN SYSTEMBANK CORPORATION	14-Apr-23	NSE Main	Operation of coin-operated parking lots, sales and maintenance of parking equipment	Japan

#### iii) Unrealized gains and losses on listed operating investment stocks (Note)

(Millions of yen)

	For three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)	For three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)	For the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Unrealized gain (loss)	152	1	(0)

Note: “Unrealized gain (loss)” shows the amount attributable to the Group of the difference between the acquisition cost and the amount recorded on the quarterly consolidated balance sheet or consolidated balance sheet of the stock listed on the stock exchange among the stocks held as operating investment securities by the Group and by the investment funds managed under the Group.

**(2) Management of Investment Funds (Funds for which JAIC and its Group are responsible for management and provision of essential information)**

i) Balance of funds under management

	For three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)			For three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)			For the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)		
	Number of funds	Commitment amount of investment funds (Millions of yen)	Net asset value of investment funds (Millions of yen)	Number of funds	Commitment amount of investment funds (Millions of yen)	Net asset value of investment funds (Millions of yen)	Number of funds	Commitment amount of investment funds (Millions of yen)	Net asset value of investment funds (Millions of yen)
During operation period	6	11,712	3,957	7	12,596	3,887	6	12,612	3,928
Maturity is being exte nded	—	—	—	—	—	—	—	—	—
During liquidation procedure	3	4,685	2,238	—	—	—	2	2,885	881
Total [Total commitment amount of JAIC group]	9	16,397 [3,404]	6,195	7	12,596 [1,544]	3,887	8	15,497 [2,428]	4,809

ii) Funds during operation period (as of June 30, 2024)

Name of fund	Inception	Maturity	Total commitment amount (Millions of yen)	Features
JAIC Venture Capital Investment L.P.	Feb. 2016	Feb. 2026	2,000	Secondary investment fund targeting mainly venture companies in Japan. Domestic leading financial institution invested in this fund.
Succession Investment Limited Partnership, I	Jun. 2017	Jun. 2027	3,000	General partner of the Fund is a joint venture between JAIC and Aozora Bank, Ltd. an affiliated company not covered by the equity method. Supporting the business succession needs of SMEs in Japan.
JAIC-Solar Fund, L.P., II	Mar. 2020	Dec. 2039	1,359	Investment target of the Fund is mega solar projects in operation.
Hokkaido SME Global Fund, L.P.	Apr. 2020	Dec. 2026	100	JAIC and Asian Market Planning Co., Ltd. jointly manage the Fund as Co-GP. Investing in SMEs in Hokkaido that operate or aim to operate in oversea market and that promote business to meet inbound demand

Name of fund	Inception	Maturity	Total commitment amount (Millions of yen)	Features
AJC Venture Capital Investment Limited Partnership	Jun. 2021	Jun. 2031	1,001	Secondary investment fund targeting mainly venture companies in Japan. General partner of the Fund is a joint venture between JAIC and Aozora Bank, Ltd. an affiliated company not covered by the equity method.
Succession Investment Limited Partnership, II	Aug. 2022	Aug. 2032	5,101	Supporting the business succession needs of SMEs in Japan. Managed by AJ Capital Co., Ltd, a joint venture between JAIC and Aozora Bank, Ltd.
JAIC Wealth Fund, L.P	Jun. 2024	Dec. 2033	35	Venture capital fund targeting mainly venture companies in Japan assuming that private banks and wealthy individuals are the main investors

Notes:

1. The amounts stated for funds denominated in foreign currencies are calculated based on the exchange rate prevailing on the final day of the fiscal year-end. Therefore, changes in assets under management include the amount affected by exchange rates.
2. The total amount of fund is listed as the amount of commitment base.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2024	As of June 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	2,544	3,568
Operational investment securities	7,067	6,636
Allowance for possible investment loss	(1,136)	(840)
Operating loans	218	218
Other	358	676
Allowance for doubtful accounts	(103)	(103)
Total current assets	<u>8,948</u>	<u>10,157</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,711	2,049
Accumulated depreciation	(141)	(166)
Buildings and structures, net	<u>1,570</u>	<u>1,882</u>
Machinery and equipment	3,807	4,850
Accumulated depreciation	(720)	(788)
Machinery and equipment, net	<u>3,086</u>	<u>4,062</u>
Vehicles, tools, furniture and fixtures	240	228
Accumulated depreciation	(76)	(78)
Vehicles, tools, furniture and fixtures, net	<u>164</u>	<u>149</u>
Land	369	399
Construction in progress	786	141
Total property, plant and equipment	<u>5,977</u>	<u>6,634</u>
Intangible assets		
Power production facilities concessions	1,195	1,147
Other	132	124
Total intangible assets	<u>1,328</u>	<u>1,271</u>
Investments and other assets		
Investment securities	75	62
Distressed receivables	103	103
Other	466	466
Allowance for doubtful accounts	(103)	(103)
Total investments and other assets	<u>542</u>	<u>529</u>
Total non-current assets	<u>7,847</u>	<u>8,435</u>
<b>Total assets</b>	<u><u>16,796</u></u>	<u><u>18,593</u></u>



(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
<b>Liabilities</b>		
Current liabilities		
Short-term borrowings	901	1,690
Current portion of bonds payable	8	8
Accrued expenses	158	398
Income taxes payable	55	31
Provision for bonuses	45	27
Other	160	168
Total current liabilities	1,330	2,325
Non-current liabilities		
Bonds payable	162	162
Long-term borrowings	8,761	8,430
Deferred tax liabilities	13	14
Retirement benefit liability	127	129
Asset retirement obligations	254	290
Other	13	—
Total non-current liabilities	9,333	9,028
Total liabilities	10,663	11,353
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,426	5,925
Capital surplus	3,631	3,966
Retained earnings	(3,576)	(3,396)
Treasury shares	(353)	(152)
Total shareholders' equity	5,126	6,343
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	71	77
Deferred gains or losses on hedges	(13)	9
Foreign currency translation adjustment	351	336
Total accumulated other comprehensive income	409	423
Share acquisition rights	36	—
Non-controlling interests	560	472
Total net assets	6,132	7,239
Total liabilities and net assets	16,796	18,593

(2) Consolidated Statements of Income

	(Millions of yen)	
	For three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)	For three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)
Operating revenue	882	822
Operating costs	411	292
Operating gross profit	470	529
Selling, general and administrative expenses	310	318
Operating profit	160	211
Non-operating income		
Interest income	1	0
Dividend income	0	0
Foreign exchange gains	11	41
Rental income from facilities	1	1
Miscellaneous income	0	0
Total non-operating income	15	43
Non-operating expenses		
Interest expenses	44	46
Share issuance costs	—	12
Miscellaneous losses	1	0
Total non-operating expenses	46	59
Ordinary profit	129	195
Extraordinary income		
Subsidy income	34	—
Total extraordinary income	34	—
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Loss on tax purpose reduction entry of non-current assets	34	—
Total extraordinary losses	34	0
Profit before income taxes	128	195
Income taxes - current	1	1
Total income taxes	1	1
Profit	127	194
Profit attributable to non-controlling interests	228	13
Profit (loss) attributable to owners of parent	(100)	180

(3) Consolidated Statements of Comprehensive Income

	(Millions of yen)	
	For three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)	For three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)
Profit	127	194
Other comprehensive income		
Valuation difference on available-for-sale securities	(628)	9
Deferred gains or losses on hedges	—	22
Foreign currency translation adjustment	26	22
Share of other comprehensive income of entities accounted for using equity method	5	(37)
Total other comprehensive income	(596)	17
Comprehensive income	(468)	211
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(251)	194
Comprehensive income attributable to non-controlling interests	(217)	16

#### (4) Notes on Quarterly Consolidated Financial Statements

##### (Changes in accounting policies)

(Application of "Accounting Standards for Corporate Tax, Resident Tax, Business Tax, etc.")

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27 revised on October 28, 2022, Accounting Standards Board of Japan (ASBJ); hereinafter the "Revised Accounting Standard of 2022") and other relevant ASBJ regulations from the beginning of the current first quarter consolidated accounting period.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of Paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of Paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28 revised on October 28, 2022, ASBJ; hereinafter the "Revised Application Guidance of 2022"). There is no impact for the quarterly consolidated financial statements because of this change in accounting policy.

Regarding the revision related to revised treatment on consolidated financial statements when deferring gains or losses on sale of shares of subsidiaries, etc. conducted among consolidated companies for tax purposes, the Revised Application Guidance of 2022 has been adopted from the beginning of the current first quarter consolidated accounting period. There is no impact for the quarterly consolidated financial statements because of this change in accounting policy.

##### (Notes on Segment Information, etc.)

###### Segment Information

Segment information is not provided as the Group has single segment; Investment business.

##### (Notes on Significant Changes in Shareholders' Equity)

On June 28, 2024, the Company received a payment from Governance Partners Asia Fund for a third-party allotment of new shares. As a result, capital increased by 499 million yen and capital surplus increased by 499 million yen. In addition, due to the disposal of treasury stock through the exercise of stock acquisition rights on June 28, 2024, capital surplus decreased by 163 million yen and treasury stock decreased by 201 million yen.

As a result, at the end of the current first quarter consolidated accounting period, capital was 5,925 million yen, capital surplus was 3,966 million yen, and treasury stock was 152 million yen.

##### (Notice Concerning Notes on Matters Regarding the Assumption of Going Concern)

No applicable items

##### (Notes on Consolidated Statement of Cash Flows)

The company has not prepared the quarterly consolidated statement of cash flows for the current first quarter consolidated cumulative period. However, depreciation (including amortization of intangible fixed assets except goodwill) related to the first quarter consolidated cumulative period is as follows.

(Millions of yen)

	For three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)	For three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)
Depreciation	11	11

## Information for Reference Purposes:

### Consolidated Financial Results for the First Quarter Ended June 30, 2024

August 14, 2024

#### Consolidated Financial Statements, etc., under the Previous Accounting Standards for the First Quarter Ended June 30, 2024 (As of June 30, 2024)

#### Disclosure of consolidated financial statements, etc., under the Previous accounting standards

As of Fiscal year ended March 31, 2007 the JAIC Group has adopted “Practical Solution on Application of Control Criteria and Influence Criteria to Investment Associations” (Accounting Standards Board of Japan Practical Issues Task Force No. 20 issued on September 8, 2006), and consolidated financial statements, etc., are being prepared with the inclusion in the consolidation of some of the operational investment funds managed by the Group.

Nevertheless, to enable investors and shareholders to have an accurate understanding of the JAIC Group’s business results and financial position, we consider it essential also to disclose financial statements, etc., prepared in accordance with the previous accounting standards. Therefore, for reference purposes, the Group will continue to disclose financial statements, etc., in accordance with the previous accounting standards.

(Throughout this report, fractional amounts have been rounded down to the nearest one million yen.)

#### 1. Consolidated business results for the first quarter ended June 30, 2024 (April 1, 2024 to June 30, 2024)

##### (1) Consolidated results of operations (cumulative total)

(Percentages indicate year-on-year increase or decrease)

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change
For three months ended June 30, 2024	505	48.9	175	—	190	—	188	—
For three months ended June 30, 2023	339	54.5	(87)	—	(94)	—	(95)	—

	Net income per share		Diluted net income per share	
	Yen		Yen	
For three months ended June 30, 2024	10.55		10.49	
For three months ended June 30, 2023	(5.41)		—	

##### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2024	11,281	6,873	60.9	309.47
As of March 31, 2024	10,438	5,670	54.0	318.21

(Reference) Total shareholders' equity As of June 30, 2024: 6,872 millions of yen, As of March 31, 2024: 5,633 millions of yen

**2. Outlook for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)**

The private equity investment business conducted by the Group will be significantly affected by changing factors such as stock markets, given the characteristics of the business. In addition, it has been difficult to forecast results reasonably in the rapidly changing environment. For the convenience of investors and shareholders, however, we disclose “result forecast consolidated under the Previous Accounting Standard” even though it does not have enough rationality.

(Percentages indicate changes from the corresponding period of the previous fiscal year)

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change
For the year ending March 31, 2025	1,600	65.9	150	—	300	—	250	—
	~	~	~	~	~	~	~	~
	2,650	174.7	850	—	1,000	—	950	—

	Net income per share
	Yen
For the year ending March 31, 2025	11.26
	~
	42.78

(Note) Revision from the latest earnings forecast: None

Net income per share in above chart is calculated by the number of shares issued and outstanding excluding the number of shares of treasury stock as of June 30, 2024.

The “result forecast consolidated under the Previous Accounting Standard” and any other forward-looking statements in this document are based upon the information currently available to JAIC at the time of writing and certain assumptions. The achievement is not promised. Numerous factors could cause actual results to differ materially from these result forecasts.

For details, please refer to “3. Business Performance and Financial Condition (3) Result forecast consolidated under the Previous Accounting Standard” on page 23 in “Consolidated Financial Results for the Year Ended March 31, 2024 [Japanese Standards]” disclosed on May 15, 2024.

### 3. Business Performance and Financial Condition

(1) Breakdown of operating revenue and operating cost

(Millions of yen)

	For three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)	For three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)	For the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Total operating revenue	339	505	964
Management fees	45	34	149
Proceeds of sales of operational investment securities	266	54	654
Fund interests income and Income gains etc.	13	397	74
Other operating revenue	14	20	85
Total operating cost	149	70	1,392
Cost of securities sold	47	57	451
Investment write-offs & Provision for allowance for possible investment losses	80	0	645
Fund interests losses etc.	17	7	279
Other operating cost	3	4	16
Operating gross profit	190	435	(427)



4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2024	As of June 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	1,750	2,476
Operational investment securities	8,612	8,301
Allowance for possible investment loss	(1,087)	(791)
Operating loans	931	997
Other	91	181
Allowance for doubtful accounts	(112)	(111)
Total current assets	10,187	11,054
Non-current assets		
Property, plant and equipment		
Buildings and structures	38	38
Accumulated depreciation	(9)	(10)
Buildings and structures, net	28	28
Vehicles, tools, furniture and fixtures	59	58
Accumulated depreciation	(52)	(51)
Vehicles, tools, furniture and fixtures, net	7	6
Land	0	0
Total property, plant and equipment	35	34
Intangible assets		
Other	110	101
Total intangible assets	110	101
Investments and other assets		
Investment securities	75	62
Other	28	27
Total investments and other assets	104	90
Total non-current assets	250	226
Total assets	10,438	11,281

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
<b>Liabilities</b>		
Current liabilities		
Short-term borrowings	318	824
Accrued expenses	46	39
Income taxes payable	54	31
Provision for bonuses	45	27
Other	164	169
Total current liabilities	630	1,091
Non-current liabilities		
Long-term borrowings	3,996	3,172
Deferred tax liabilities	13	14
Retirement benefit liability	127	129
Total non-current liabilities	4,137	3,316
Total liabilities	4,767	4,408
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,426	5,925
Capital surplus	3,505	3,841
Retained earnings	(3,354)	(3,166)
Treasury shares	(353)	(152)
Total shareholders' equity	5,224	6,448
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	321	296
Deferred gains or losses on hedges	(13)	9
Foreign currency translation adjustment	101	117
Total accumulated other comprehensive income	409	423
Share acquisition rights	36	—
Non-controlling interests	0	0
Total net assets	5,670	6,873
Total liabilities and net assets	10,438	11,281

(2) Consolidated Statements of Income

	(Millions of yen)	
	For three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)	For three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)
Operating revenue	339	505
Operating costs	149	70
Operating gross profit	190	435
Selling, general and administrative expenses	278	260
Operating profit (loss)	(87)	175
Non-operating income		
Interest income	1	0
Dividend income	0	0
Foreign exchange gains	11	41
Rental income from facilities	1	1
Miscellaneous income	0	0
Total non-operating income	15	43
Non-operating expenses		
Interest expenses	20	15
Share issuance costs	—	12
Miscellaneous losses	1	0
Total non-operating expenses	21	28
Ordinary profit (loss)	(94)	190
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit (loss) before income taxes	(95)	190
Income taxes - current	1	1
Total income taxes	1	1
Profit (loss)	(96)	188
Profit (loss) attributable to non-controlling interests	(0)	0
Profit (loss) attributable to owners of parent	(95)	188