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## Summary of Financial Statements for the First Quarter of the Fiscal Year Ending December 31, 2019 [IFRS] (Consolidated)

May 10, 2019

Broadleaf Co., Ltd.

Stock Listing: Tokyo Stock Exchange 1st Section

Representative: Kenji Oyama, Representative Director, President & CEO

Scheduled Starting Date for Dividend Payment: –

Earnings Supplementary Explanatory Documents: Yes

Earnings Results Briefing: Yes (For institutional investors and analysts)

(Amounts are rounded off to the nearest million yen.)

### 1. Consolidated Financial Results for the 1st Quarter of the FY2019 (from January 1, 2019 to March 31, 2019)

#### (1) Consolidated Results of Operations

(Percentage below represents increase (decrease) from the same period of previous year)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Q1 FY2019	4,925	11.1	420	63.1	423	58.8	274	92.8	274	92.8	228	125.3
Q1 FY2018	4,433	34.5	258	–	267	–	142	–	142	–	101	–

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Q1 FY2019	3.13	3.09
Q1 FY2018	1.61	1.60

(Note) The Company conducted a 2-for-1 common stock split effective April 1, 2018. The basic earnings per share and the diluted earnings per share for Q1 FY2018 are calculated on the assumption that the said stock split was implemented at the beginning of the previous fiscal year.

#### (2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Percentage of equity attributable to owners of parent
	Millions of Yen	Millions of Yen	Millions of Yen	%
End of Q1 FY2019	28,019	20,793	20,793	74.2
End of FY2018	29,413	21,033	21,033	71.5

### 2. Dividends

	Dividends Per Share				
	End of Q1	End of Q2	End of Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2018	–	5.50	–	6.50	12.00
FY2019	–	–	–	–	–
FY2019 (Forecast)	–	6.50	–	6.50	13.00

(Note) Revisions to the latest forecast of dividends: No

### 3. Earnings Forecast for FY2019 (from January 1, 2019 to December 31, 2019)

(Percentages below represent increases (decreases) from the same period of the previous fiscal year.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
1 <sup>st</sup> Half of FY2019	10,600	5.1	1,700	10.2	1,700	9.8	1,000	0.2	11.45
FY2019	22,000	3.4	4,500	9.4	4,500	9.6	2,800	5.4	32.07

(Note 1) Revisions to the latest forecast of earnings: No

\* Notes

(1) Changes in significant subsidiaries during the three months ended March 31, 2019 (changes of specified subsidiaries with change of the scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates

1. Changes in accounting policies required by IFRS: Yes
2. Other changes in accounting policies: No
3. Changes in accounting estimates: No

(Note) For details, see “2. Summary Consolidated Financial Statements and Major Notes, (6) Notes regarding the summary consolidated financial statements (Changes in accounting policies)” on page 12 of the attached material.

(3) Number of shares outstanding (common stock)

1. Number of shares outstanding (including treasury stock)
2. Number of shares of treasury stock
3. Average number of shares outstanding (during the period)

Q1 FY2019	97,896,800	FY2018	97,896,800
Q1 FY2019	10,588,336	FY2018	10,588,336
Q1 FY2019	87,308,464	Q1 FY2018	88,023,946

(Note) The Company conducted a 2-for-1 stock split effective April 1, 2018. The average number of shares for the first quarter of the fiscal year ending December 2018 is calculated on the assumption that the stock split was conducted at the beginning of the previous period.

\* The quarterly earnings report is outside the scope of audit procedures by certified public accountants and audit firm.

\* Comment regarding appropriate usage of earnings forecast, and other special notes

(Note on forward-looking statements)

The forward-looking statements such as earnings forecasts contained in this document are based on the information currently available to the Company and certain assumptions which are regarded as legitimate. The Company makes no warranty as to the achievability of what is described in the statements. Actual results may differ from these forecasts due to various factors.

(Availability of earnings supplementary explanatory documents and information on earnings results briefings)

The Company will hold a results briefing for institutional investors and analysts on Friday, May 10, 2019.

A document to be used in the briefing will be posted on the website.

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## 1. Qualitative Information on Operating Results, etc. for the Three Months Ended March 31, 2019

### (1) Qualitative information on financial results

In the first three months of the fiscal year under review (January 1, 2019 through March 31, 2019), the Japanese economy was on a moderate recovery trend due to steady consumer spending and capital expenditure as the improvement of employment and income environment continued despite some weakness in export and production. In the information service segment, to which the Company belongs, investments of companies continue to be steady on the back of diversified investments in strategic areas, such as digital marketing and big data analysis, and in IT systems in order to improve productivity due to the promotion of workstyle reform.

In this situation, the Group set “Acceleration to a package vendor to platformer” in its medium-/long-term management policy. In the first three months of the fiscal year under review, the Group moved forward with the development of the .c (dot c) series, which is a successor of the industry-specific application .NS (dot n s) series to enhance services that run on a digital business platform Broadleaf Cloud Platform. In January 2019, it initiated the provision of the welfare representative service Broadleaf Club VIP Service.

To accelerate the increase in sales of the work analysis/optimization software OTRS, the Company is also currently strengthening sales activities in Japan for a wide range of industries, such as manufacturing, logistics, healthcare/nursing care, agriculture and education. In addition, to strengthen its sales channel overseas, the Company concluded a strategic partnership with Kaizen Global Enterprises (head office: United Arab Emirates), which provides consulting services in more than 60 countries worldwide, in February 2019, enhancing its strategic efforts over the medium-/long term.

As a result, in the first three months of the fiscal year under review (January 1, 2019 through March 31, 2019), the Company posted revenue of 4,925 million yen (up 11.1% year on year), operating profit of 420 million yen (up 63.1% year on year), profit before tax of 423 million yen (up 58.8% year on year), and profit attributable to owners of parent of 274 million yen (up 92.8% year on year).

The Company has a single business segment, which consists of IT services. A breakdown of sales by business domain is shown in the table below.

(Unit: Millions of Yen)

Domain	Q1 FY2018 (From Jan. 1 to Mar. 31, 2018)	Q1 FY2019 (From Jan. 1 to Mar. 31, 2019)	Year-on-year rate of change
Platforms	2,168	2,303	6.2%
Applications	2,265	2,622	15.8%
Total	4,433	4,925	11.1%

(Note) From the first quarter of the consolidated fiscal year under review, based on the Medium-term Management Strategies <2019-2021> described in the “FY12/2018 Business Results Briefing,” which was announced on February 14, 2019, the classification of the revenue by segment is changed in line with the progress of the Group’s growth strategies. The figures for the first three months of the previous fiscal year are also indicated based on this new classification.

## (2) Qualitative information on financial position

### (i) Analysis of financial position

#### (Assets)

Assets at the end of the first quarter of the consolidated fiscal year under review declined 1,394 million yen from the end of the previous consolidated fiscal year, to 28,019 million yen. Current assets fell 3,854 million yen, to 6,765 million yen, and non-current assets increased 2,460 million yen, to 21,254 million yen. The decrease in current assets was mainly attributable to decreases in cash and cash equivalents of 3,368 million yen. The main factor contributing to the increase in non-current assets was 856 million yen in additional property, plant and equipment, 591 additional intangible assets, and 1,020 million yen in additional other non-current financial assets.

#### (Liabilities)

Liabilities at the end of the first quarter of the consolidated fiscal year under review declined 1,154 million yen from the end of the previous consolidated fiscal year, to 7,226 million yen. Current liabilities fell 1,340 million yen, to 6,573 million yen, and non-current liabilities increased by 186 million yen, to 653 million yen. The main factor for the fall in current liabilities was a decrease in income taxes payable of 852 million yen and a decrease in other current liabilities of 499 million yen. The increase in non-current liabilities was mainly attributable to an increase in long-term interest-bearing debt of 161 million yen.

#### (Equity)

Equity at the end of the first quarter of the consolidated fiscal year under review declined 240 million yen from the end of the previous consolidated fiscal year, to 20,793 million yen. The decrease was chiefly attributable to a decrease in retained earnings of 255 million yen.

### (ii) Analysis of cash flows

Cash and cash equivalents (“cash”) at the end of the first quarter of the consolidated fiscal year under review declined 3,368 million yen from the end of the previous consolidated fiscal year, to 2,258 million yen.

The following is a description of the situation and major factors of each category of cash flows in the three months ended March 31, 2019.

#### (Net cash from (used in) operating activities)

Net cash used in operating activities stood at 538 million yen (net cash provided of 247 million yen in the same period the previous year), mainly reflecting falls in profit before tax of 423 million yen, depreciation and amortization expenses of 440 million yen, and trade and other receivables of 436 million yen, which partially offset decreases in operating and other payables of 436 million yen, and in employees' bonuses payable of 410 million yen, and income taxes paid of 992 million yen.

#### (Net cash from (used in) investing activities)

Net cash used in investing activities came to 1,888 million yen (up 367.6% year on year), mainly due to the acquisition of intangible assets of 830 million yen and the acquisition of investments of 1,048 million yen.

#### (Net cash from (used in) financing activities)

Net cash used in financing activities came to 942 million yen (down 32.5% year on year), chiefly attributable to the repayments of long-term loans payable of 156 million yen, repayments of lease obligations of 218 million yen, and cash dividends paid of 568 million yen.

## (3) Qualitative Information on consolidated earnings forecast

There have been no changes in the consolidated results forecasts for the six months ending June 30, 2019 and for the fiscal year ending December 31, 2019 announced in the “Summary of Financial Statements for the Fiscal Year Ended December 31, 2018” on February 14, 2019.

## 2. Summary Consolidated Financial Statements and Major Notes

### (1) Summary consolidated statement of financial position

(Unit: Thousands of Yen)

	FY2018 (As of Dec. 31, 2018)	Q1 FY2019 (As of Mar. 31, 2019)
<b>Assets</b>		
Current assets		
Cash and cash equivalents	5,626,723	2,258,460
Operating and other receivables	4,447,390	4,009,651
Inventories	238,461	140,880
Other current financial assets	30	-
Other current assets	306,121	355,964
<b>Total current assets</b>	<b>10,618,726</b>	<b>6,764,955</b>
Non-current assets		
Property, plant and equipment	442,641	1,298,967
Goodwill	11,739,040	11,739,040
Intangible assets	4,633,235	5,224,649
Investments accounted for using equity method	37,152	33,325
Other non-current financial assets	1,405,853	2,425,383
Other non-current assets	115,372	112,578
Deferred tax assets	420,864	419,751
<b>Total non-current assets</b>	<b>18,794,156</b>	<b>21,253,693</b>
<b>Total assets</b>	<b>29,412,881</b>	<b>28,018,648</b>
<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
Current liabilities		
Operating and other payables	3,623,665	3,176,144
Contract liabilities	1,616,791	1,470,294
Short-term interest-bearing debt	378,551	870,943
Income taxes payable	1,004,527	152,735
Other current financial liabilities	72,820	185,108
Other current liabilities	1,216,718	717,616
<b>Total current liabilities</b>	<b>7,913,072</b>	<b>6,572,839</b>
Non-current liabilities		
Long-term interest-bearing debt	84,738	246,224
Net defined benefit liability	196,345	191,405
Non-current provisions	133,207	133,296
Deferred tax liabilities	52,097	81,883
<b>Total non-current liabilities</b>	<b>466,386</b>	<b>652,809</b>
<b>Total liabilities</b>	<b>8,379,457</b>	<b>7,225,648</b>
<b>Equity</b>		
Capital stock	7,147,905	7,147,905
Share premium	7,180,289	7,180,289
Treasury shares	-3,500,454	-3,500,454
Retained earnings	9,759,561	9,504,707
Other components of equity	446,124	460,553
<b>Total equity attributable to owners of parent</b>	<b>21,033,424</b>	<b>20,793,000</b>
<b>Total equity</b>	<b>21,033,424</b>	<b>20,793,000</b>
<b>Total liabilities and equity</b>	<b>29,412,881</b>	<b>28,018,648</b>

## (2) Summary consolidated statement of income

(Unit: Thousands of Yen)

	Q1 FY2018 (From Jan. 1, 2018 to Mar. 31, 2018)	Q1 FY2019 (From Jan. 1, 2019 to Mar. 31, 2019)
Revenue	4,432,827	4,925,091
Cost of sales	-1,140,085	-1,363,706
Gross profit	3,292,742	3,561,385
Selling, general and administrative expenses	-3,032,114	-3,163,982
Other operating income	4,622	24,704
Other operating expense	-7,724	-2,042
Operating profit	257,526	420,065
Finance income	13,500	10,083
Finance cost	-2,836	-3,524
Equity in loss of affiliates	-1,589	-3,234
Profit before tax	266,602	423,391
Income tax	-124,650	-149,709
Profit	141,951	273,682
Profit attributable to owners of parent	141,951	273,682
Earnings per share		
Basic earnings per share (yen)	1.61	3.13
Diluted earnings per share (yen)	1.60	3.09

## (3) Summary consolidated statement of comprehensive income

(Unit: Thousands of Yen)

	Q1 FY2018 (From Jan. 1, 2018 to Mar. 31, 2018)	Q1 FY2019 (From Jan. 1, 2019 to Mar. 31, 2019)
Profit	141,951	273,682
Other comprehensive income		
Components that will not be reclassified to profit or loss		
Net change in fair value of financial assets of equity nature measured at fair value through other comprehensive income	-19,040	-43,830
Total components that will not be reclassified to profit or loss	-19,040	-43,830
Components that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	-14,747	-1,304
Share of other comprehensive income of associates accounted for using equity method	-6,803	-218
Total components that may be reclassified to profit or loss	-21,551	-1,522
Total other comprehensive income, net of tax	-40,591	-45,352
Comprehensive income	101,360	228,330
Comprehensive income attributable to owners of parent	101,360	228,330



## (4) Summary consolidated statement of changes in equity

Q1 FY2018 (From Jan. 1, 2018 to Mar. 31, 2018)

(Unit: Thousands of Yen)

	Equity attributable to owners of parent			
	Capital stock	Share premium	Treasury shares	Retained earnings
Balance as of January 1, 2018	7,147,905	7,116,269	-2,736,155	8,009,349
Changes in accounting policies	-	-	-	52,729
Balance after restatement of prior period's financial results after error corrections	7,147,905	7,116,269	-2,736,155	8,062,078
Profit	-	-	-	141,951
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	-	141,951
Purchase of treasury shares	-	-	-1,005,603	-
Disposal of treasury shares	-	64,396	239,110	-
Dividends	-	-	-	-487,018
Share-based payment transactions	-	-	-	-
Total transactions with owners	-	64,396	-766,493	-487,018
Balance as of March 31, 2018	7,147,905	7,180,665	-3,502,648	7,717,011

(Unit: Thousands of Yen)

	Equity attributable to owners of parent					Total equity
	Other components of equity				Total	
	Warrants	Exchange differences on translation of foreign operations	Net change in fair value of financial assets of equity nature measured at fair value through other comprehensive income	Total		
Balance as of January 1, 2018	165,866	-36,065	70,255	200,056	19,737,424	19,737,424
Changes in accounting policies	-	-	-	-	52,729	52,729
Balance after restatement of prior period's financial results after error corrections	165,866	-36,065	70,255	200,056	19,790,153	19,790,153
Profit	-	-	-	-	141,951	141,951
Other comprehensive income	-	-21,551	-19,040	-40,591	-40,591	-40,591
Total comprehensive income	-	-21,551	-19,040	-40,591	101,360	101,360
Purchase of treasury shares	-	-	-	-	-1,005,603	-1,005,603
Disposal of treasury shares	-7,069	-	-	-7,069	296,437	296,437
Dividends	-	-	-	-	-487,018	-487,018
Share-based payment transactions	41,148	-	-	41,148	41,148	41,148
Total transactions with owners	34,079	-	-	34,079	-1,155,036	-1,155,036
Balance as of March 31, 2018	199,945	-57,616	51,215	193,545	18,736,478	18,736,478

Q1 FY2019 (From Jan. 1, 2019 to Mar. 31, 2019)

(Unit: Thousands of Yen)

	Equity attributable to owners of parent			
	Capital stock	Share premium	Treasury shares	Retained earnings
Balance as of January 1, 2019	7,147,905	7,180,289	-3,500,454	9,759,561
Changes in accounting policies	-	-	-	38,969
Balance after restatement of prior period's financial results after error corrections	7,147,905	7,180,289	-3,500,454	9,798,530
Profit	-	-	-	273,682
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	-	273,682
Dividends	-	-	-	-567,505
Share-based payment transactions	-	-	-	-
Total transactions with owners	-	-	-	-567,505
Balance as of March 31, 2019	7,147,905	7,180,289	-3,500,454	9,504,707

(Unit: Thousands of Yen)

	Equity attributable to owners of parent					Total equity
	Other components of equity				Total	
	Warrants	Exchange differences on translation of foreign operations	Net change in fair value of financial assets of equity nature measured at fair value through other comprehensive income	Total		
Balance as of January 1, 2019	363,850	-49,109	131,383	446,124	21,033,424	21,033,424
Changes in accounting policies	-	-	-	-	38,969	38,969
Balance after restatement of prior period's financial results after error corrections	363,850	-49,109	131,383	446,124	21,072,393	21,072,393
Profit	-	-	-	-	273,682	273,682
Other comprehensive income	-	-1,522	-43,830	-45,352	-45,352	-45,352
Total comprehensive income	-	-1,522	-43,830	-45,352	228,330	228,330
Dividends	-	-	-	-	-567,505	-567,505
Share-based payment transactions	59,782	-	-	59,782	59,782	59,782
Total transactions with owners	59,782	-	-	59,782	-507,723	-507,723
Balance as of March 31, 2019	423,632	-50,631	87,553	460,553	20,793,000	20,793,000

## (5) Summary consolidated statement of cash flow

(Unit: Thousands of Yen)

	Q1 FY2018 (From Jan. 1, 2018 to Mar. 31, 2018)	Q1 FY2019 (From Jan. 1, 2019 to Mar. 31, 2019)
Cash flows from operating activities		
Profit before tax	266,602	423,391
Depreciation and amortization expense	182,726	440,129
Share-based payment expenses	41,148	59,782
Finance income and costs	-10,665	-6,559
Equity in loss (earnings) of affiliates	1,589	3,234
Decrease (increase) in operating and other receivables	693,320	435,661
Decrease (increase) in inventories	-10,266	97,696
Increase (decrease) in operating and other payables	-384,955	-435,605
Increase (decrease) in employees' bonuses payable	-27,595	-409,771
Increase (decrease) in contract liabilities	-87,063	-146,497
Increase (decrease) in consumption taxes payable	9,330	-17,093
Other, net	113,629	10,975
Subtotal	787,801	455,341
Interest received	139	4
Interest expenses paid	-1,401	-1,666
Income taxes refund (paid)	-540,022	-991,574
Cash flows from (used in) operating activities	246,517	-537,895
Cash flows from investing activities		
Acquisition of property, plant and equipment	-13,929	-10,435
Acquisition of intangible assets	-385,642	-829,926
Acquisition of investments	—	-1,048,346
Payments for lease and guarantee deposits	-29,182	-8,358
Proceeds from collection of lease and guarantee deposits	3,331	1,984
Other, net	21,681	7,158
Cash flows from (used in) investing activities	-403,741	-1,887,922
Cash flows from financing activities		
Repayments of long-term loans payable	-185,350	-156,000
Repayments of lease obligations (during the first three months of the previous consolidated fiscal year)	-14,841	-217,814
Cash dividends paid	-487,018	-567,505
Purchase of treasury shares	-1,005,603	—
Proceeds from sales of treasury shares	296,437	—
Other, net	—	-616
Cash flows from (used in) financing activities	-1,396,375	-941,935
Impact of exchange fluctuations for cash and cash equivalents	-6,036	-512
Net increase (decrease) in cash and cash equivalents	-1,559,635	-3,368,264
Cash and cash equivalents at beginning of period	5,970,318	5,626,723
Balance of cash and cash equivalents at the end of the quarter	4,410,682	2,258,460

(6) Notes regarding the summary consolidated financial statements

(Notes on going concern assumption)

Not applicable.

(Changes in accounting policies)

The important accounting policy applied to the Summary Quarterly Financial Statements was also applied to the consolidated financial statements for the previous consolidated fiscal year, excluding the following.

The income tax expense during the first three months of the consolidated fiscal year under review is calculated based on the effective tax rate for the fiscal year of estimate.

Lease

The Group has applied IFRS 16 Leases (released in January 2016, hereinafter, "IFRS 16") since the first quarter of the consolidated fiscal year under review. For the application of IFRS 16, the transitional provision under C5 (b) is taken, and the cumulative effects of the start of application is recognized as retained earnings on the date of application (January 1, 2019).

During the period of comparison, the Company, as a borrower, classifies the type of lease with which risk and economic value for owning it is transferred effectively as a finance lease, and posts assets/liabilities related to lease transactions. Other types of lease contracts are classified as operating leases, and the lease payment based on the operating lease is recognized as expenses on a straight-line basis during the lease period.

In the transition to IFRS 16, shortcuts on a practical level under IFRS 16 C3 are chosen regarding whether a lease is included in a contract, and the judgment under IAS 17 Leases (hereinafter, "IAS 17") and IFRIC 4 "Judgment on whether a lease is included in a contract" is continued.

Lease liabilities in a lease transaction are initially measured as the present value discounted using a calculated interest rate of the unsettled portion of the total lease payment on the start date of the lease. If calculation of the interest rate of the lease is difficult, the Group's additional borrowing interest rate is used, and the Group generally uses the additional borrowing interest rate as the discount rate.

With regard to the right of use asset, the initial measurement is conducted on the initial measured amount of lease liabilities adjusted by prepaid lease payments, etc. "Depreciation is conducted for the right of use asset on a regular basis during the lease period.

The Group includes the right of use assets in property, plant and equipment and lease liabilities in interest-bearing debt in the summary consolidated statement of financial position.

The Group judges based on the substance of a contract whether the contract is a lease or not, or whether a lease is included in the contract, even if the contract is not a type of lease from the standpoint of the law.

With regard to a lease for which the lease period is terminated within 12 months and a lease with a small amount of underlying assets, the lease fee related to the lease is recognized as expenses during the lease period.

The Group recognizes lease liabilities for leases, to which IAS 17 was applied in the past for classification as operating leases, on the start date of the application of IFRS 16. The lease liabilities are measured with the present value of the remaining lease fee discounted using the borrower's additional borrowing interest rate on the start date of the application. The weighted average of the borrower's additional borrowing interest rate applied to lease liabilities, which is recognized in the Summary Quarterly Financial Statements on the start date of the application, is 0.54%.

For the measurement of the right of use assets, a method is adopted in which the measured amount of lease liabilities is adjusted by prepaid lease fee and unsettled lease fee.

In addition, the Group uses the following shortcut methods on a practical level for the application of IFRS 16.

- A single discount rate is applied to a portfolio of leases with rationally similar characteristics
- With regard to a contract with an extension or cancellation option, ex-post judgment is made for the calculation of the lease period.
- A replacement for impairment loss review is based on the evaluation of the disadvantages of applying IAS 37 "Non-current provisions, contingent liabilities, and contingent assets" to a lease immediately before the start date of the application.
- Initial direct cost is excluded from the right of use assets on the start date of the application.

As a result, in the (beginning-of-year) Summary Quarterly Financial Statements of the first quarter of the consolidated fiscal year under review, property, plant and equipment, and interest-bearing debt increased by 942,455 thousand yen and 886,287 thousand yen, respectively.

The impact on the summary consolidated statement of income is limited.

In addition, in the summary consolidated statement of cash flow, cash flows from financing activities declined by 200,379

thousand yen, while cash flows from operating activities increased by the same amount during the first three months of the consolidated fiscal year under review.

The list of adjustment below indicates the non-cancelable operating lease contract to which IAS 17 was applied, which was disclosed at the end of the previous consolidated fiscal year, and lease liabilities on the start date of the application recognized in the summary consolidated statement of financial position.

(Unit: Thousands of Yen)	
	Amount
Non-cancelable operating lease contract disclosed on December 31, 2018	452,272
Non-cancelable operating lease contract disclosed on December 31, 2018 (after discounting by additional borrowing rate)	429,418
Finance lease obligations (as of December 31, 2018)	147,288
Cancellable lease operating lease contract	418,276
Other	38,592
Lease obligations as of January 1, 2019	1,033,574

(Segment information)

Since the Group has only a single business segment (IT services), the statement is omitted.