

Consolidated Financial Report for the First Six Months of the Fiscal Year Ending October 31, 2022 (Japanese GAAP)

June 14, 2022

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Scheduled day of submission of a financial report : June 14, 2022
 Scheduled day of commencing dividend payment : –
 Preparation of supplementary financial data : Yes
 Information meeting for financial results to be held : Yes, only in Japanese (For institutional investors and analysts)

(Figures are rounded down to the nearest one million yen)

1. Overview of the First Six Months of Fiscal Year Ending October 31, 2022 (November 1, 2021 – April 30, 2022)

(1) Consolidated Operating Results (Figures in percentages denote the year-on-year change)

	Net sales		Operating profit		Recurring profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
April 30, 2022	135,891	11.5	5,556	–	3,948	–	-630	–
April 30, 2021	121,865	-16.3	-6,515	–	-8,998	–	-8,960	–

(Note) Comprehensive income: Term ended April 30, 2022: -2,746million yen –%
 Term ended April 30, 2021: -11,200million yen –%

	Net income per share	Net income per share after dilution
Six months ended	Yen	Yen
April 30, 2022	-4.08	–
April 30, 2021	-57.99	–

(Note) Net income per share after dilution is not shown in the above table, because net income per share was negative although there are residual shares.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of April 30, 2022	309,382	38,792	12.5
As of October 31, 2021	319,628	16,432	5.1

(Reference) Shareholders' equity: As of April 30, 2022: 38,729million yen
 As of October 31, 2021: 16,369million yen

2. Dividend status

	Dividend per share				
	End of 1Q	End of 2Q	End of 3Q	End of term	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal 2021	–	0.00	–	0.00	0.00
Fiscal 2022	–	0.00			
Fiscal 2022 (forecasts)			–	0.00	0.00

(Note) Revisions to dividend projection published most recently: None

3. Consolidated Forecasts for the Fiscal Year ending October 31, 2022 (November 1, 2021 - October 31, 2022)

(The percentages indicate the rates of increase or decrease compared with the same period of the previous year)

	Net sales		Operating profit		Recurring profit		Profit attributable to owners of parent	Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
Full year	283,000	12.7	13,500	—	8,500	—	2,500	—

(Note) Revisions to consolidated results projection published most recently: None

*Notes

(1) Changes in important subsidiaries during the term :No
New: -- company () Eliminated: -- company ()

(2) Adoption of special accounting methods for preparation of quarterly consolidated financial statements :No

(3) Changes in accounting policies and changes or restatement of accounting estimates
1) Changes in accounting policies caused by revision of accounting standards :Yes
2) Changes in accounting policies other than 1) :No
3) Changes in accounting estimates :No
4) Restatement :No

(4) Number of shares issued (common stock)

1) Number of shares issued at the end of the period (including treasury stock)	Six Months ended April 30, 2022	171,048,369 Shares	Fiscal year ended October 31, 2021	155,048,369 Shares
2) Number of treasury stock at the end of the period	Six Months ended April 30, 2022	528,393 Shares	Fiscal year ended October 31, 2021	528,313 Shares
3) Average number of shares during the term (consolidated cumulative period)	Six Months ended April 30, 2022	154,785,209 Shares	Six Months ended April 30, 2021	154,504,036 Shares

* This financial summary falls outside the scope of audit procedures of certified public accountant or audit corporation

* Explanations and other special notes concerning the appropriate use of business performance forecasts

The consolidated business performance forecasts given in this document are based on assumptions, prospects, and future business plans, currently available on the date this document was published. Actual results may differ from these forecasts for a variety of reasons. For other matters relating to the forecasts, please refer to "1. Qualitative Data, Financial Statements and Other Information (3) Information on the future outlook, including consolidated business performance forecasts"

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1. Qualitative Data, Financial Statements and Other Information

(1) Qualitative data on the consolidated financial results

During the first six months of the fiscal year ending October 31, 2022 (November 1, 2021, to April 30, 2022), the outlook for the global economy grew uncertain due to the impact of surges in energy and raw material prices caused by the aggravation of the Russia-Ukraine conflict, while many countries sought ways to simultaneously resume economic activities and reduce the number of COVID-19 cases. Activities in the Japanese economy resumed moderately at the beginning of the fiscal year under review thanks to a significantly low level of new COVID-19 cases backed by progress in COVID-19 vaccination. However, a new COVID-19 variant began to emerge in January 2022, and the nationwide enforcement of the Priority Preventive Measures resulted in another slowdown in the economic recovery. Subsequently, the Priority Preventive Measures were lifted in March 2022 and the economic activity has been on a recovery trend. The countries in which the PARK24 GROUP companies (the "Group") operate has been generally recovering despite the continuous impact of COVID-19 in some regions.

In this environment, the Group set the goal of achieving absolute profitability, while assuming that the impact of COVID-19 will continue to a certain extent in the fiscal year under review, and is working to strengthen its business base to make it profitable even under such circumstances and to develop a foundation for future growth.

In terms of financial results, both operations in Japan and overseas were affected by restrictions on activities due to COVID-19, but in general, the business remained steady.

As a result, in the first six months of the consolidated fiscal year under review, the Group posted net sales of 135,891 million yen (+11.5% year on year), an operating profit of 5,556 million yen (operating loss of 6,515 million yen in the same period of the previous year), and a recurring profit of 3,948 million yen (recurring loss of 8,998 million yen in the same period of the previous year), and loss attributable to owners of parent stood at 630 million yen (loss attributable to owners of parent of 8,960 million yen in the same period of the previous year).

Results by business segment are as follows:

Parking Business Japan

The traffic volume rose to a near pre-COVID-19 level at the beginning of the fiscal year under review thanks to a continuous decrease in new COVID-19 cases, and the parking site occupancy remained steady. Subsequently in mid-January 2022, the Priority Preventive Measures took effect across Japan in response to a resurgence in COVID-19 cases. This caused a fall in traffic volume and parking site occupancy, which began recovering again in mid-March and remained on a recovery trend as of April.

The Company continues to reduce unprofitable parking sites and carefully selects and develops sites capable of turning a profit while being affected by COVID-19 in an effort to streamline the business. In addition, as part of efforts to improve profitability going forward, the Company is diversifying payment methods using applications and other means, and is building a next-generation parking service that enables easier entry and exit of parking spaces.

As a result, in the first six months of the consolidated fiscal year under review, the numbers of Times PARKING sites and parking spaces managed were 17,569 (-1.7% of the end of the previous fiscal year), and 553,517 (-1.5% of the end of the previous fiscal year). The total number of parking sites managed, including monthly parking and facility management services, was 25,272 (-1.1% of the end of the previous fiscal year), and the total number of parking spaces managed was 740,127 (-0.7% of the end of the previous fiscal year). Net sales in this segment (including intersegment sales) stood at 77,314 million yen (+2.7% year on year), and operating profit amounted to 15,340 million yen (+85.3% year on year).

Parking Business International

The consolidation period of the Parking Business International during the first six months of the fiscal year under review was from October 1, 2021, to March 31, 2022. With regards to the situation in the major countries of deployment, the parking site occupancy in Australia remained strong as the city lockdown and activity restrictions enforced at the beginning of the fiscal year under review were gradually eased despite the impact of flooding in some regions caused by torrential rains. Parking site occupancy resumed in the UK in line with a recovery in people flow following the lifting of regulations in England in February 2022, despite activity regulations such as stay-at-home advisory issued in December 2021. In other countries, too, operation remained steady according to the level of deregulation, and the international business as a whole was stable during the first six months of the fiscal year under

review.

In new parking site development as part of business restructuring, the Group developed short-term contract parking sites, Localized Times PARKING, in line with the conditions in each country based on the "small, distributed, and dominant" features of Times PARKING in Japan. In the UK, the Group reduced cost by terminating contracts and revising rents through individual negotiations with land owners. In other countries, the Group aggressively worked to reduce the parking site management cost by, for instance, raising operation and maintenance efficiency to streamline the business.

As a result, in the first six months of the consolidated fiscal year under review, the numbers of international parking sites and parking spaces managed were 2,298 (+3.8% of the end of the previous fiscal year), and 570,985 (-3.5% of the end of the previous fiscal year). The total numbers of parking sites and parking spaces managed worldwide, including Japan were 27,570 (-0.7% of the end of the previous fiscal year), and 1,311,112 (-1.9% of the end of the previous fiscal year). Net sales in this segment (including intersegment sales) were 25,641 million yen (+46.4% year on year). Operating loss was 3,437 million yen (operating loss of 7,649 million yen in the same period of the previous year).

Mobility Business

In the Times CAR (combination of car sharing and rental car services) segment, the operation of the Mobility Business vehicles remained steady at the beginning of the fiscal year under review as in the case of Parking Business Japan. However, the strong impact of the Priority Preventive Measures taken nationwide in March 2022 in response to a resurgence in COVID-19 caused the occupancy rate to remain low. The business gradually recovered from late March to April following the lifting of the preventive measures.

In the first six months of the fiscal year under review, the Group sold vehicles ahead of schedule and worked on building an operation system to meet demand more flexibly. More specifically, the Group has been building an operation system to provide the optimal number of vehicles for consumer demand through a variable model (renting out multiple vehicles from a single parking space) of the mobility service, Times CAR. In addition, the Group opened 307 renting stations to strengthen the network and added functions to the Times CAR mobile application to allow the user to use the service from reservation to unlocking and locking of a car and payment without presenting a membership card in an effort to raise convenience and maximize profitability per vehicle.

As a result, in the first six months of the consolidated fiscal year under review, the total number of vehicles in Mobility Business as a whole was 52,083 (-0.9% of the end of the previous fiscal year), and the number of members was 1,845,260 (+7.0% of the end of the previous fiscal year). With regard to the number of vehicles, the Company intends to maintain the level at the end of FY2021, and increase the occupancy rate per vehicle during the fiscal year under review. Net sales of this segment (including intersegment sales) were 35,381 million yen (+12.3% year on year), and operating loss was 98 million yen (operating loss of 836 million yen in the same period of the previous year).

(2) Qualitative data on the consolidated financial position

(i) Assets, liabilities and net assets

Total assets at the end of the first six months of the fiscal year under review decreased 10,245 million yen from the end of the previous fiscal year, to 309,382 million yen. The main decreases in assets were cash and deposits of 8,577 million yen and machinery, equipment and vehicles of 5,032 million yen.

Total liabilities decreased 32,605 million yen, to 270,590 million yen. The decrease was caused primarily by long- and short-term borrowings of 23,929 million yen and other current liabilities including accounts payable-other of 8,415 million yen.

Net assets increased 22,359 million yen to total 38,792 million yen as a result chiefly of an increase of 25,136 million yen in share capital and capital surplus received by issuing new shares offered internationally, which more than offset a decrease of 630 million yen due to the posting of a loss attributable to owners of parent and a decrease of 1,362 million yen in re-measurements of defined benefit plans.

< Issuance of new shares through an overseas offering >

The Group had set a medium- to long-term growth target, the expansion and seamless connection of four networks," prior to the breakout of COVID-19 and maintained this policy through the pandemic.

The Group performance turned a profit in each quarter from the fourth quarter of the fiscal year ended October 31,

2021, after serious damage suffered due to the pandemic, and all businesses are on a recovery trend.

On April 12, 2022, the Group passed a resolution to issue new shares through an overseas offering for the purpose of making flexible growth investments and consistently implementing medium- to long-term growth targets in expectation of a full recovery in all businesses in the coming months. Approximately 10 billion yen will be appropriated for the development of mobile applications to increase the convenience of services provided by the Group and operation efficiency required for seamless networks, and investment in digital technologies, including reforms of business infrastructure system, and approximately 15 billion yen for the purchase of Mobility Business vehicles (including electric cars) required for the expansion of Mobility services among the “expansion of four networks.”

The shareholder's equity as of the end of the first six months of the fiscal year under review was 49,651 million yen, and the equity ratio was 16.0% respectively.

(ii) Cash flow condition

The balance of cash and cash equivalents at the end of the first six months under review decreased 8,613 million yen from the end of the previous consolidated fiscal year, to 82,872 million yen. The cash flow situation by category for the first six months under review was as follows:

(Net cash from operating activities)

Net cash provided by operating activities decreased 10,668 million yen year on year, to 4,985 million yen. This primarily reflected the total of profit before income taxes and depreciation of 17,625 million yen, a decrease of accounts payable - of 6,972 million yen and a decrease of accrued expenses of 5,081 million yen.

(Net cash from investing activities)

Net cash used in investing activities increased 97 million yen year on year, to 7,535 million yen. This was mainly attributable to capital expenditures for Times PARKING and purchase of Mobility vehicles.

(Net cash from financing activities)

Net cash used in financing activities was 7,414 million yen (increased 42,706 million yen year on year). This was attributable primarily to proceeds from issuance of shares, which were more than offset by expenditure for the repayments of long-term borrowings and lease obligations.

(3) Information on the future outlook, including consolidated business performance forecasts

The consolidated earnings forecasts for the fiscal year ending October 31, 2022 have not been changed from the figures announced on December 15, 2021 in the Consolidated Financial Report for the Fiscal Year Ended October 31, 2021.

2. Consolidated Financial Statements and Notes

(1) Consolidated balance sheet

(Unit: million yen)

	As of October 31, 2021	As of April 30, 2022
Assets		
Current assets		
Cash and deposits	92,044	83,135
Notes and accounts receivable - trade	18,605	19,221
Inventories	1,997	2,183
Other	27,778	27,259
Allowance for doubtful accounts	-1,242	-1,194
Total current assets	139,183	130,605
Non-current assets		
Property, plant and equipment, net		
Buildings and structures, net	30,407	29,770
Machinery, equipment and vehicles, net	32,902	30,418
Land	25,746	25,747
Leased assets, net	10,336	8,775
Right of use assets, net	22,388	22,108
Other, net	6,046	5,973
Total property, plant and equipment	127,827	122,795
Intangible assets		
Goodwill	17,005	18,110
Contract-based intangible assets	9,196	9,621
Other	4,975	5,705
Total intangible assets	31,177	33,437
Investments and other assets		
Other	21,439	22,185
Total investments and other assets	21,439	22,185
Total non-current assets	180,445	178,417
Deferred assets		359
Total assets	319,628	309,382
Liabilities		
Current liabilities		
Notes and accounts payable - trade	560	542
Short-term borrowings	16,034	16,974
Current portion of long-term borrowings	30,533	20,900
Lease obligations	12,058	11,507
Income taxes payable	3,163	4,242
Provision for bonuses	2,196	2,381
Other	53,362	44,947
Total current liabilities	117,910	101,497
Non-current liabilities		
Bonds with share acquisition rights	35,000	35,000
Long-term borrowings	111,989	96,753
Lease obligations	22,679	21,190
Retirement benefit liability	22	—
Asset retirement obligations	9,453	9,455
Deferred tax liabilities	1,618	1,708
Other	4,523	4,985
Total non-current liabilities	185,285	169,092
Total liabilities	303,195	270,590

(Unit: million yen)

	As of October 31, 2021	As of April 30, 2022
Net assets		
Shareholders' equity		
Share capital	20,171	32,739
Capital surplus	15,758	28,326
Retained earnings	-9,498	-10,158
Treasury shares	-1,255	-1,255
Total shareholders' equity	25,175	49,651
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	130	122
Deferred gains or losses on hedges	-82	-37
Revaluation reserve for land	-1,035	-1,035
Foreign currency translation adjustment	-5,954	-6,744
Remeasurements of defined benefit plans	-1,864	-3,227
Total accumulated other comprehensive income	-8,806	-10,922
Share acquisition rights	63	63
Total net assets	16,432	38,792
Total liabilities and net assets	319,628	309,382

(2) Consolidated statements of profit and loss, and comprehensive income
(Consolidated statement of profit and loss for the six months of Fiscal 2022)

	(Unit: million yen)	
	Six months ended April 30, 2021 (November 1, 2020- April 30, 2021)	Six months ended April 30, 2022 (November 1, 2021- April 30, 2022)
Net sales	121,865	135,891
Cost of sales	104,655	106,207
Gross profit	17,209	29,684
Selling, general and administrative expenses	23,725	24,128
Operating loss	-6,515	5,556
Non-operating income		
Interest income	5	5
Dividend income	3	3
Foreign exchange gains	40	—
Void ticket	90	92
Subsidy income related to cashlessness	2	—
Subsidy income for labor costs	762	116
Other	183	297
Total non-operating income	1,088	515
Non-operating expenses		
Interest expenses	1,546	1,639
Share of loss of entities accounted for using equity method	112	—
Foreign exchange losses	—	121
Expense incurred for evacuation of parking facilities	211	240
Depreciation	12	—
Commission fee	1,595	0
Other	91	120
Total non-operating expenses	3,570	2,122
Ordinary profit (loss)	-8,998	3,948
Extraordinary income		
Gain on sales of non-current assets	14	0
Gain on reversal of share acquisition rights	89	—
Total extraordinary income	103	0
Extraordinary losses		
Loss on retirement of non-current assets	25	36
Impairment loss	59	—
Loss on temporary closure	230	—
Business restructuring expenses	75	—
Loss on lease contracts	—	1,499
Total extraordinary losses	389	1,536
Profit (loss) before income taxes	-9,283	2,413
Income taxes - current	1,442	4,159
Income taxes - deferred	-1,766	-1,115
Total income taxes	-323	3,044
Loss	-8,960	-630
Loss attributable to owners of parent	-8,960	-630

(Consolidated statement of comprehensive income for the six months of Fiscal 2022)

	(Unit: million yen)	
	Six months ended April 30, 2021 (November 1, 2020- April 30, 2021)	Six months ended April 30, 2022 (November 1, 2021- April 30, 2022)
Loss	-8,960	-630
Other comprehensive income		
Valuation difference on available-for-sale securities	16	-8
Deferred gains or losses on hedges	31	45
Foreign currency translation adjustment	-1,479	-789
Accumulated adjustments for retirement benefits	-843	-1,362
Share of other comprehensive income of entities accounted for using equity method	34	-
Total other comprehensive income	-2,240	-2,115
Comprehensive income	-11,200	-2,746
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	-11,200	-2,746

(3) Consolidated statement of cash flows

	(Unit: million yen)	
	Six months ended April 30, 2021 (November 1, 2020- April 30, 2021)	Six months ended April 30, 2022 (November 1, 2021- April 30, 2022)
Cash flows from operating activities		
Profit (loss) before income taxes	-9,283	2,413
Depreciation	16,349	15,212
Impairment loss	59	-
Amortization of goodwill	544	579
Interest and dividend income	-8	-8
Interest expenses	1,546	1,639
Loss (gain) on sales of non-current assets	-14	-0
Loss on retirement of non-current assets	25	36
Decrease (increase) in trade receivables	19	-289
Decrease (increase) in inventories	3,346	2,081
Increase (decrease) in trade payables	60	-33
Decrease (increase) in accounts receivable - other	939	550
Decrease (increase) in prepaid expenses	2,558	-2,914
Increase (decrease) in accounts payable - other	-2,651	-6,972
Increase (decrease) in accrued expenses	4,523	-5,081
Notes payable, other	69	34
Other, net	2,128	-790
Subtotal	20,211	6,457
Interest and dividends received	8	8
Interest paid	-894	-1,654
Income taxes refund (paid)	-3,671	173
Net cash provided by (used in) operating activities	15,654	4,985
Cash flows from investing activities		
Payments into time deposits	-6	-6
Proceeds from withdrawal of time deposits	6	6
Purchase of property, plant and equipment	-5,734	-5,556
Proceeds from sales of property, plant and equipment	35	7
Purchase of intangible assets	-1,035	-1,338
Purchase of long-term prepaid expenses	-634	-482
Other, net	68	-164
Net cash provided by (used in) investing activities	-7,437	-7,535
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,134	-44
Proceeds from long-term borrowings	49,299	121
Repayments of long-term borrowings	-8,849	-25,585
Repayments of lease obligations	-7,350	-7,032
Proceeds from issuance of shares	60	25,134
Purchase of treasury shares	-0	-0
Dividends paid	-2	-6
Net cash provided by (used in) financing activities	35,292	-7,414
Effect of exchange rate change on cash and cash equivalents	1,066	1,042
Net increase (decrease) in cash and cash equivalents	44,575	-8,922
Cash and cash equivalents at beginning of period	55,269	91,795
Cash and cash equivalents at end of period	99,844	82,872

(4) Matters Related to Summary Information (Notes)

[Note on going concern assumptions]

Not applicable.

[Note when there is a considerable change in the amount of shareholders' equity.]

Capital stock and capital surplus increased by 12,568 million yen each due to the issuance of new shares by subscription in overseas markets with a payment date of April 27, 2022. As a result, common stock and capital surplus amounted to 32,739 million yen and 28,326 million yen, respectively, in the first six months of the fiscal year under review.

[Changes in accounting policies]

(Application of Accounting Standard for Revenue Recognition, etc.)

The Company has decided to apply the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020; hereinafter the "Revenue Recognition Accounting Standard"), etc. from the beginning of the first quarter of the fiscal year ending October 31, 2022 (hereinafter the "period under review") and recognizes revenue from goods or services which the Company promised to provide at an amount expected to be received in exchange for the goods or services at the time when control over the promised goods or services has been transferred to a customer.

Accordingly, the Company has applied the Revenue Recognition Accounting Standard to its own membership point program, which awards points to customers when it provides relevant services. While the Company previously recognized revenue when it provided services, it has changed the way in which it recognizes revenue by recognizing the points awarded as a performance obligation and allocating the transaction price based on the independent selling price, which is determined in consideration of expected expiration of the points in the future and other factors.

The application of the Revenue Recognition Accounting Standard, etc. follows the transitional treatment prescribed in the proviso of Paragraph 84 of the Revenue Recognition Accounting Standard. The cumulative effect of retrospectively applying the new accounting policy for the periods prior to the beginning of the period under review is added to or subtracted from retained earnings at the beginning of the period under review, so that the new accounting policy is applied from the beginning balance of the period under review. However, in accordance with the method prescribed in Paragraph 86 of the Revenue Recognition Accounting Standard, the new accounting policy is not retrospectively applied to the contracts for which substantially all revenue arising from them was recognized prior to the beginning of the period under review under the previously applied treatment. In addition, in accordance with the method prescribed as the alternate (1) in Paragraph 86 of the Revenue Recognition Accounting Standard, modifications to the contracts that had been made prior to the beginning of the period under review are accounted for based on terms and conditions that reflect all the modifications, and the resulting cumulative effect is added to or subtracted from retained earnings at the beginning of the period under review.

As a result of applying the new accounting policy, net sales for the period under review decreased by 246 million yen cost of sales decreased by 174 million yen and operating profit, recurring profit, and profit before income taxes decreased by 72 million yen, respectively. In addition, retained earnings at the beginning of the period under review decreased by 29 million yen.

Note that, in accordance with the transitional treatment prescribed in Paragraph 28-15 of the Accounting Standards for Quarterly Financial Statements (ASBJ Statement No. 12, March 31, 2020), the Company has not included information on disaggregated revenue from contracts with customers for the six months ended April 30, 2021.

(Application of Accounting Standard for Measurement of Fair Value, etc.)

The Company has adopted the Accounting Standard for Measurement of Fair Value (ASBJ Statement No. 30, July 4, 2019.) and others from the beginning of the first quarter of the fiscal year under review, as stipulated in Paragraph 19 of the Accounting Standard for Fair Value Calculation and Paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019). In accordance with the transitional treatment, the new accounting policies established by the Accounting Standard for Fair Value Calculation will be applied prospectively. There is no impact on the quarterly consolidated financial statements.

[Additional Information]

There has been no significant change in the assumptions, including the timing of convergence of COVID-19, described in [Additional Information] of the annual securities report for the previous fiscal year (only in Japanese).

(Segment Information)

[Segment Information]

I. Six months of fiscal 2021 (from November 1, 2020 to April 30, 2021)

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

(Unit: million yen)

	Reported segments				Adjustment (Note) 2	Amount on consolidated profit (loss) statement (Note) 3
	Parking Business Japan	Parking Business International (Note) 1	Mobility Business	Total		
Sales						
Sales to external customers	72,919	17,514	31,431	121,865	—	121,865
Internal sales or amount of transfer between segments	2,395	—	66	2,461	-2,461	—
Total	75,315	17,514	31,497	124,327	-2,461	121,865
Segment profit (loss)	8,280	-7,649	-836	-204	-6,311	-6,515

(Notes)

1. The segment profit (loss) of minus 7,649 million yen in Parking Business International includes an amortization of goodwill of minus 544 million yen.
2. An adjustment in segment profit (loss) is a company-wide expenses that are not allocated to each reported segment. Those expenses are relating to the administration division, including the general affairs department.
3. Segment profit (loss) is adjusted in accordance with operating profit in the consolidated loss statement.

2. Information about impairment loss for non-current assets or goodwill, etc., by reported segment

(Significant impairment loss for non-current assets)

The Company recognized an impairment loss for parking facilities in the Parking Business Japan segment and Parking Business International segment.

The amount of the impairment loss recognized in the first six months of the consolidated FY2022 is 58 million yen for the Parking Business Japan segment and 0 million yen for the Parking Business International segment.

II. First six months of fiscal 2022 (from November 1, 2021 to April 30, 2022)

1. Information on sales and profit or loss by reported segment

(Unit: million yen)

	Reported segments				Adjustment (Note) 2	Amount on consolidated profit (loss) statement (Note) 3
	Parking Business Japan	Parking Business International (Note) 1	Mobility Business	Total		
Sales						
Sales from contracts with customers	69,071	24,498	34,294	127,864	—	127,864
Other sales	5,857	1,143	1,026	8,027	—	8,027
Sales to external customers	74,929	25,641	35,320	135,891	—	135,891
Internal sales or amount of transfer between segments	2,384	—	60	2,445	-2,445	—
Total	77,314	25,641	35,381	138,337	-2,445	135,891
Segment profit (loss)	15,340	-3,437	-98	11,803	-6,247	5,556

(Notes)

1. The segment profit (loss) of minus 3,437 million yen in Parking Business International includes an amortization of goodwill of minus 579 million yen.
2. An adjustment in segment profit (loss) is a company-wide expenses that are not allocated to each reported segment. Those expenses are relating to the administration division, including the general affairs department.
3. Segment profit (loss) is adjusted in accordance with operating profit (loss) in the consolidated profit (loss) statement.

2. Information about impairment loss for non-current assets or goodwill, etc., by reported segment
Not applicable.

3. Matters related to changes in reportable segments, etc.

As described in "Changes in accounting policies," the Company has changed its accounting method for revenue recognition by applying the Accounting Standard for Revenue Recognition, etc., from the beginning of the first quarter of the fiscal year under review, and has therefore changed the calculation method of profit or loss by business segment in the same manner.

As a result of this change, compared with the previous method, net sales and segment profit of "Parking Business Japan" decreased 58 million yen and segment profit increased 115 million yen, and net sales and segment profit of "Mobility Business" decreased 188 million yen in the second quarter of the current fiscal year.