

October 28, 2020

 CyberAgent, Inc.
 Susumu Fujita, President
 TSE: 4751

**Notice on Differences Between FY2020 Earnings Forecast and Actual Results,
and Increase in Dividend of Surplus**

CyberAgent, Inc (TSE:4751) announces differences between the earnings forecast for the fiscal year ended September 2020, released on October 30, 2019, and the actual results of the same period released today. The Board of Directors also resolved to pay a dividend of surplus with a record date of September 30, 2020, and to submit a proposal to the Annual General Meeting of Shareholders to be held on December 11, 2020, at its meeting held today.

1. Differences between FY2020 Earnings Forecast and the Actual Results (October 1, 2019 - September 30, 2020)

(Million yen)	Net Sales	Operating Income	Ordinary Income	Profit attributable to shareholders of the parent	Basic earnings per share
Previous Forecast* of FY2020 (A)	465,000	28,000 ~32,000	28,000 ~32,000	8,000 ~10,000	¥63.44 ~79.30
FY2020 Actual Results (B)	478,566	33,880	33,863	6,608	¥52.41
Difference (B-A)	13,566	5,880 ~1,880	5,863 ~1,863	-1,391 ~-3,391	
Difference (%)	2.9%	21.0% ~5.9%	20.9% ~5.8%	-17.4% ~-33.9%	
FY2019 Actual Results	453,611	30,825	30,493	1,694	¥13.45

*Released on October 30, 2019

2. Reasons for difference

The COVID-19 spread caused a decline in advertising demand and impacted the internet advertising business from March 2020. However, net sales, operating income, and ordinary income exceeded the forecast driven by smartphone advertising and game business. On the other hand, profit attributable to shareholders of the parent fell below the forecast due to recording an extraordinary loss of approximately 5.7 billion yen, including an impairment loss of roughly 4.5 billion yen related to losses on withdrawal from some of the game operations and other factors.

*Profit attributable to shareholders of the parent is affected by the fact that AbemaTV, Inc. is exempted from the consolidated taxation system and non-controlling interests of Cygames, Inc.

Reference: FY2021 Earnings Forecast (October 1, 2020 - September 30, 2021)

(Million yen)	Net Sales	Operating Income	Ordinary Income	Profit attributable to shareholders of the parent	Basic earnings per share
FY2021 Earnings Forecast*	500,000	30,000 ~35,000	30,000 ~35,000	8,000 ~10,000	¥63.42 ~79.28
FY2020 Actual Results	478,566	33,880	33,863	6,608	¥52.41
Change from previous year (%)	4.5%	-11.5% ~3.3%	-11.4% ~3.4%	21.1% ~51.3%	

*Released on October 28, 2020

Regarding the fiscal 2021 earnings forecast, consolidated sales are expected to be ¥500 billion, a 4.5% increase from this fiscal year, as we will continue to take part in the smartphone market growth. We expect internet advertising and the game business to grow steadily and continue to invest in the media business, including "ABEMA," to make it a pillar of medium to long-term. Monetization of "ABEMA" will also be increased. Nevertheless, the volatility of the game business should be considered. Therefore consolidated operating income is expected to be in the range of ¥30-35 billion, consolidated ordinary income to be in the range of 30-35 billion yen, and profit attributable to shareholders of the parent to be in the range of 8-10 billion yen accordingly.

3. Dividend

	FY2020 Year-end Dividend	Most Recent Dividend Forecast (As of October 30, 2019)	Dividend Paid in FY2019
Record Date	September 30, 2020	September 30, 2020	September 30, 2019
Dividend per Share	¥34	¥33	¥33
Total Dividends Paid	¥4,288 million	-	¥4,157 million
Effective Date	December 11, 2020	-	December 13, 2019
Source of Dividend	Retained Earnings	-	Retained Earnings

4. Reasons

CyberAgent considers the return of earnings to shareholders to be a top management priority. In addition to increasing the stock's value over the medium to long-term through business growth and improvements in capital efficiency, we intend to continue to pay dividends. We have made upfront investments in TV & Video Entertainment "ABEMA" since fiscal 2016 to develop it into a future pillar of our business. Still, to ensure that our shareholders can continue to support us over the medium to long-term during the investment period, we have set DOE* of 5% or more as management guidance from fiscal 2017. Therefore, we increase the year-end dividend for fiscal 2020 ended September 2020 from 33 yen to 34 yen to achieve the DOE of 5% or more.

*DOE: Dividend on Equity Ratio (ROE x Dividend Payout Ratio)



Reference: FY2021 Dividend Forecast

Record Date	Dividend per Share		
	First-half	Year-end	Total
FY2021 Dividend Forecast	¥0	¥37	¥37
FY2020 Actual Dividend	¥0	¥34	¥34
FY2019 Actual Dividend	¥0	¥33	¥33

The dividend forecast noted above is based on our current expectations and assumptions subject to risks and uncertainties. Actual results may differ materially because of various factors.