

English Translation

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FY2024 Consolidated Financial Results [Japanese GAAP]

October 30, 2024

Listed company name: CyberAgent, Inc.(herein referred as the "Company") Listed stock exchange: TSE Prime Market

Code No.: 4751

URL <https://www.cyberagent.co.jp/en/>

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Scheduled date of the Annual General Meeting of Shareholders: December 13, 2024

Scheduled date of dividend payment start: December 16, 2024

Scheduled filing date of the Annual Securities Report: December 13, 2024

Preparation of supplementary references regarding financial results: Yes

Holding the briefing of financial results: Yes (streaming only)

(Amounts less than ¥1 million are rounded down)

1. Consolidated Financial Results for the Year Ended September 30, 2024 (October 1, 2023 - September 30, 2024)

(1) Consolidated Results of Operations

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Comprehensive income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥ million	%
FY2024	802,996	11.5	41,843	70.4	41,475	66.5	16,246	204.7	26,070	105.5
FY2023	720,207	1.4	24,557	(64.5)	24,915	(64.1)	5,332	(78.0)	12,687	(64.7)
	Basic earnings per share		Diluted earnings per share		Return on shareholders' equity		Ordinary income on total assets		Operating income margin	
	¥		¥		%		%		%	
FY2024	32.09		29.48		10.7		8.3		5.2	
FY2023	10.53		9.60		3.7		5.8		3.4	

(Reference)Equity in gains/losses of associated companies FY2024 -¥ 251million FY2023 -¥ 91million

(2) Consolidated Financial Position

	Total assets	Equity	Shareholders' equity	Shareholders' equity ratio	Equity per share
	¥ million	¥ million	¥ million	%	¥
FY2024	520,417	254,235	159,365	30.6	314.73
FY2023	477,826	231,911	144,422	30.2	285.31

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the year
	¥ million	¥million	¥ million	¥ million
FY2024	53,231	(38,331)	(5,195)	211,135
FY2023	20,822	(40,290)	53,491	201,780

2. Dividends

	Dividends per share					Amount of dividends (Total)	Dividend ratio (Consolidated)	Dividend on equity (Consolidated)
	1Q	2Q	3Q	Year-End	Annual			
	¥	¥	¥	¥	¥	¥ million	%	%
FY 2023	—	0.00	—	15.00	15.00	7,592	142.5	5.3
FY 2024	—	0.00	—	16.00	16.00	8,101	49.9	5.3
FY 2025 (forecast)	—	—	—	17.00	17.00		—	

3. Forecast of the Consolidated Results for the Fiscal Year Ending September 30, 2025

(October 1, 2024 - September 30, 2025)

(% = Year-on-Year Change)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Basic earnings per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Full year	820,000	2.1	42,000	0.4	42,000	1.3	21,000	29.3	41.47

(Note) For detailed information related to the forecast, please refer to "1. Results of Operations (4) Forecast" on page 3.

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* Notes

(1) Significant changes in the scope of consolidation during the Period: None

New : — (Company name: —)

Excluded : — (Company name: —)

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

i) Changes associated with revisions of accounting standards: None

ii) Changes other than those included in i) : None

iii) Changes in accounting estimates: None

iv) Restatements: None

(3) Number of shares issued (common stock)

(1) Number of shares issued at end of year (including treasury stock)	
FY2024: 506,344,400	FY2023: 506,191,200
(2) Number of shares of treasury stock issued end of period	
FY2024: 1,098	FY2023: 1,040
(3) Average number of shares during the year	
FY2024: 506,261,873	FY2023: 506,048,563

(Reference)

Non-consolidated Results for the Fiscal Year Ended September 30, 2024

(October 1, 2023 - September 30, 2024)

(1) Non-consolidated Results of Operations

(% = Year-on-Year Change)

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
FY2024	435,124	8.0	5,665	17.9	12,553	30.0	10,544	44.6
FY2023	403,045	11.0	4,806	(60.3)	9,658	(33.4)	7,292	(27.2)

	Basic earnings per share	Diluted earnings per share
	¥	¥
FY2024	20.82	19.08
FY2023	14.41	13.23

(2) Non-consolidated Financial Position

	Total assets	Equity	Shareholders' equity	Shareholders' equity ratio	Equity per share
	¥ million	¥ million	¥ million	%	¥
FY2024	213,799	47,220	44,643	20.9	88.16
FY2023	197,808	37,536	35,498	17.9	70.12

* The Consolidated Financial Results is not subject to audit by independent certified public accountants or audit.

* Appropriate Use of Earnings Forecast and Other Matters.

The earnings forecast and forward-looking statements in this reports are based on the Company's expectations and assumptions as of the date of this report. Actual results may differ materially due to various factors and uncertainties.

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1. Results of Operations

(1) Overview of Results of Operations

The CyberAgent Group has taken advantage of the growth of the internet advertising market and the gaming market. At the same time, the group has been investing in ABEMA, a new TV of the future, that aims to be a social infrastructure that can be connected anytime, anywhere, with the concept of innovating TV to grow it in the medium to long-term mainstay.

As a result, during this consolidated fiscal year, net sales grew 11.5% year-on-year to ¥802,996 million, and operating income amounted to ¥41,843 million (70.4% increase). Ordinary income amounted to ¥41,475 million (66.5% increase), and net income attributable to owners of the parent increased 204.7% to ¥16,246 million.

Earnings by business segments are discussed below.

(a) Media Business

The Media Business includes "ABEMA" and "WINTICKET", etc.

Resulted from steady growth in related sales of "ABEMA", a new TV of the future, net sales grew and amounted to ¥170,849 million for the period, a 21.0% year-on-year increase. Operating loss amounted to ¥1,927 million, compared to operating loss of ¥11,523 million for the same period in the prior fiscal year.

(b) Internet Advertisement Business

The Group's Internet Advertisement Business includes Internet Advertising Division and AI Division, etc.

Sales growth continues to outpace the internet advertising market*, demonstrating our market share gains, Internet Advertisement Business recorded ¥436,372 million of net sales, up 7.6% year-on-year. With the improvement of productivity using AI, etc, operating income amounted to ¥22,217 million, a 21.3% year-on-year increase.

*Internet market growth: forecast to increase by 5.9% year-on-year in FY2024.

Source: NIKKEI Advertising Research Institute / Forecast for Advertising Expenditure in FY2024
(Published in July 2024)

(c) Game Business

The Game Business includes Cygames, Inc., Colorful Palette Inc., QualiArts, Inc., Sumzap, Inc., and Applibot, Inc. etc.

Driven by new hit titles and strengthening operations of existing titles, net sales amounted to ¥195,985 million, a 9.4% year-on-year increase. Operating income amounted to ¥30,569 million, a 34.6% year-on-year increase.

(d) Investment Development Business

The Investment Development Business consists of the CyberAgent corporate venture capital business and the fund operations of CyberAgent Capital, Inc. The Investment Development Business recorded net sales of ¥6,342 million (98.3% year-on-year increase) and operating income of ¥426 million (a year-on-year decrease of 76.8%).

(e) Other Businesses

The Other Businesses segment includes Makuake, Inc., and REALGATE INC., etc.

This segment reported net sales of ¥30,934 million, a 6.8% year-on-year increase. Operating income amounted to ¥478 million (33.6% year-on-year increase)

(2) Overview of Financial Position

Total assets at the end of this fiscal year have increased by ¥ 42,590 million compared to the end of the previous fiscal year and amounted to ¥520,417 million. It is mainly due to the increase in cash and deposits in line with sales increase.

Total liabilities have increased by ¥20,266 million compared to the end of the previous fiscal year and amounted to ¥266,181 million. It is mainly due to the increase in income tax payable in line with sales increase.

Total Equity has increased by 22,324 million compared to the end of the previous fiscal year and amounted to ¥254,235 million. It is mainly due to the increase in retained earnings owing to the recording of Net income attributable to owners of the parent.

(3) Overview of Cash Flow

As of the end of this fiscal year, Cash and cash equivalents increased by ¥9,354 million from the end of the previous fiscal year to ¥211,135 million.

The following is a summary of the major factors affecting the cash flow in this fiscal year.

(1) Cash flows from operating activities

Net cash provided by operating activities was ¥53,231 million of inflow (¥20,822 million of inflow in the previous fiscal year). The major inflow included net income gains, and the major outflow included income tax payments.

(2) Cash flows from investing activities

Net cash used in investing activities was ¥38,331 million of outflow (¥40,290 million of outflow in the previous fiscal year). Major outflow included acquisition of Non-current assets and Subsidiary shares.

(3) Cash flows from financing activities

Net cash provided by financing activities was ¥5,195 million of outflow (¥53,491 million of inflow in the previous fiscal year). Major outflow included Dividend payment.

(4) Forecast

With respect to earnings forecasts for the next fiscal year (ending September 2025), due to increased revenue in Internet Advertisement Business and Media Business, consolidated sales is expected to be ¥820 billion (up 2.1% from the previous fiscal year). Considering one-time profit from console games recorded in FY2024, Consolidated operating income is expected to be ¥42 billion (up 0.4% from the previous fiscal year). The Company expects the Media Business to turn profitable in full year and contribute to consolidate profits, and the Advertising Business to increase profits with revenue growth. Also, the Game Business to continuously release new titles and extend the lifespan of existing titles. And, consolidated ordinary income is expected to be ¥42 billion and Net income attribute to owners of the parent is expected to be ¥21 billion (up 29.3% from the previous fiscal year).

Also, the Company recognizes that the return of profits to shareholders is an important management priority and intends to continue to pay dividends along with increasing the value of our shares over a medium to long-term through business growth and improving capital efficiency.

The year-end dividend forecast of the fiscal year 2025 is ¥17 yen to achieve the DOE of 5% or more.

We will submit this matter to the 28th Annual General Meeting of Shareholders to be held in December 2025.

The forecast is based on our expectations and assumptions as of the date the forecast was made. Our actual results could differ from those listed in this forecast because of various factors.

2. Basic Policy for the Selection of Accounting Standards

The Group has adopted the generally accepted accounting standards in Japan, considering the comparability of consolidated financial statements as to comparison with other periods and other companies.

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3. Consolidated Financial Statements and Key Notes

(1) Consolidated Balance Sheets

(Unit: ¥ million)

	FY2023 (As of September 30, 2023)	FY2024 (As of September 30, 2024)
Assets		
Current assets		
Cash and deposits	199,579	210,041
Trade notes and accounts receivable, and contract assets	83,372	85,261
Inventories	8,977	11,594
Operational investment securities	19,034	18,206
Other	40,768	37,624
Allowance for doubtful receivables	(489)	(363)
Total current assets	351,242	362,363
Non-current assets		
Property and equipment		
Buildings and structures, net	12,250	12,697
Tools, furniture and fixtures, net	8,358	8,334
Land	3,505	5,682
Other	472	563
Total property and equipment	24,586	27,278
Intangible assets		
Goodwill	7,084	14,778
Software	6,053	5,000
Software in progress	16,313	20,543
Other	4,106	8,975
Total intangible assets	33,557	49,297
Investments and other assets		
Investment securities	36,749	43,467
Long-term bank loans	108	863
Deferred tax assets	7,540	9,332
Other	24,053	28,456
Allowance for doubtful receivables	(77)	(691)
Total investments and other assets	68,375	81,428
Total non-current assets	126,519	158,005
Deferred assets	64	48
Total assets	477,826	520,417

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(Unit: ¥ million)

	FY2023 (As of September 30, 2023)	FY2024 (As of September 30, 2024)
Liabilities		
Current liabilities		
Trade accounts payable	71,597	74,235
Other payables	20,682	23,503
Short-term bank loans	3,142	600
Income taxes payable	3,115	9,709
Current portion of convertible bonds	—	20,016
Other	34,824	40,160
Total current liabilities	133,362	168,226
Non-current liabilities		
Convertible bonds	60,584	40,439
Long-term bank loans	43,355	45,722
Provision for long service rewards for employees	3,401	3,452
Asset retirement obligation	2,406	2,626
Deferred tax liabilities	1,040	2,802
Other	1,763	2,911
Total non-current liabilities	112,552	97,955
Total liabilities	245,915	266,181
Equity		
Shareholders' equity		
Common stock	7,369	7,440
Capital surplus	12,218	12,296
Retained earnings	117,448	126,435
Treasury stock	(1)	(1)
Total shareholders' equity	137,034	146,170
Accumulated other comprehensive income		
Unrealized gain on available-for-sale securities	7,196	12,917
Foreign currency translation adjustments	191	277
Total other comprehensive income	7,388	13,194
Stock acquisition rights	2,092	2,644
Non-controlling interests	85,396	92,226
Total Equity	231,911	254,235
Total liabilities and equity	477,826	520,417

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(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income Consolidated Statements of Income

(Unit: ¥ million)

	FY2023 (Oct.1, 2022 to Sep.30, 2023)	FY2024 (Oct.1, 2023 to Sep.30, 2024)
Net sales	720,207	802,996
Cost of sales	527,802	582,472
Gross profit	192,404	220,524
Selling, general and administrative expenses	167,847	178,680
Operating income	24,557	41,843
Non-operating income		
Interest income	189	369
Dividends income	374	381
Rent income	525	623
Other	175	378
Total non-operating income	1,263	1,753
Non-operating expenses		
Interest expenses	127	245
Equity in losses of associated companies accounted for by the equity method	91	251
Foreign exchange losses	191	474
Provision for allowance for doubtful accounts	—	599
Other	494	550
Total non-operating expenses	904	2,121
Ordinary income	24,915	41,475
Extraordinary income		
Gain on sales of investment securities	—	71
Gain on transfer of business	100	117
Other	1,370	124
Total extraordinary gains	1,470	313
Extraordinary loss		
Impairment loss	1,453	5,602
Loss on withdrawal from business	55	1,758
Other	* 2,345	* 3,603
Total extraordinary loss	3,854	10,963
Income before income taxes	22,532	30,825
Income taxes-current	12,006	14,398
Income taxes-deferred	(417)	(4,218)
Total income tax	11,588	10,179
Net income	10,943	20,645
Net income attributable to non-controlling interests	5,611	4,398
Net income attributable to owners of the parent	5,332	16,246

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Consolidated Statements of Comprehensive Income

(Unit: ¥ million)

	FY2023 (Oct. 1, 2022 to Sep. 30, 2023)	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)
Net income	10,943	20,645
Other comprehensive income		
Unrealized gain on available-for-sale securities	1,829	5,383
Foreign currency translation adjustments	50	56
Share of other comprehensive income(loss) of associated companies accounted for by the equity method	(136)	(14)
Total other comprehensive income	1,743	5,425
Comprehensive income	12,687	26,070
(Comprehensive income attributable to)		
Owners of the parent	6,534	22,053
Non-controlling interests	6,152	4,017

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(3) Consolidated Statements of Changes in Equity

FY2023 (Oct. 1, 2022 to Sep. 30, 2023)

(Unit: ¥ million)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of year	7,239	11,636	119,204	(1)	138,079
Change in the year					
Issuance of new shares (Exercise of stock acquisition rights)	130	130			260
Cash dividends			(7,082)		(7,082)
Purchase of treasury stock				(0)	(0)
Change in the parent's ownership interest due to transactions with noncontrolling interests		451			451
Change in scope of consolidation			(5)		(5)
Net income attributable to owners of the parent			5,332		5,332
Net changes in the year					
Total changes of items in the year	130	581	(1,756)	(0)	(1,044)
Balance at the end of year	7,369	12,218	117,448	(1)	137,034

	Accumulated other comprehensive income			Stock acquisition rights	Non-controlling interests	Total Equity
	Unrealized gain on available-for sales securities	Foreign currency translation adjustments	Total other comprehensive income			
Balance at the beginning of year	5,887	298	6,185	1,747	76,903	222,915
Change in the year						
Issuance of new shares (Exercise of stock acquisition rights)						260
Cash dividends						(7,082)
Purchase of treasury stock						(0)
Change in the parent's ownership interest due to transactions with noncontrolling interests						451
Change in scope of consolidation						(5)
Net income attributable to owners of the parent						5,332
Net change in the year	1,308	(106)	1,202	345	8,492	10,040
Total changes of items in the year	1,308	(106)	1,202	345	8,492	8,996
Balance at the end of year	7,196	191	7,388	2,092	85,396	231,911

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FY2024 (Oct. 1, 2023 to Sep. 30, 2024)

(Unit: ¥ million)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of year	7,369	12,218	117,448	(1)	137,034
Change in the year					
Issuance of new shares (Exercise of stock acquisition rights)	70	70			141
Cash dividends			(7,592)		(7,592)
Purchase of treasury stock				(0)	(0)
Change in the parent's ownership interest due to transactions with noncontrolling interests		7			7
Change in scope of consolidation			333		333
Net income attributable to owners of the parent			16,246		16,246
Net changes in the year					
Total changes of items in the year	70	78	8,987	(0)	9,136
Balance at the end of year	7,440	12,296	126,435	(1)	146,170

	Accumulated other comprehensive income			Stock acquisition rights	Non-controlling interests	Total Equity
	Unrealized gain on available-for sales securities	Foreign currency translation adjustments	Total other comprehensive income			
Balance at the beginning of year	7,196	191	7,388	2,092	85,396	231,911
Change in the year						
Issuance of new shares (Exercise of stock acquisition rights)						141
Cash dividends						(7,592)
Purchase of treasury stock						(0)
Change in the parent's ownership interest due to transactions with noncontrolling interests						7
Change in scope of consolidation						333
Net income attributable to owners of the parent						16,246
Net change in the year	5,720	85	5,806	551	6,829	13,187
Total changes of items in the year	5,720	85	5,806	551	6,829	22,324
Balance at the end of year	12,917	277	13,194	2,644	92,226	254,235

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(4) Consolidated Statements of Cash Flows

(Unit: ¥ million)

	FY2023 (Oct. 1, 2022 to Sep. 30, 2023)	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)
Cash flows from operating activities		
Income before income taxes	22,532	30,825
Depreciation	8,104	10,436
Impairment loss	1,453	5,602
Loss on withdrawal from business	55	1,758
Decrease (increase) in investment securities for sale	(2,570)	3,160
Decrease (increase) in trade notes and accounts receivable and contract assets	(10,500)	(1,836)
Decrease (Increase) in Inventories	(2,784)	(2,832)
Increase (decrease) in trade notes and accounts payable	10,074	2,382
Increase (decrease) in other payable	2,011	3,342
Increase (decrease) in accrued consumption taxes	(183)	5,987
Other, net	4,383	1,362
Sub-total	32,577	60,187
Interest and dividend income received	418	459
Interest expenses paid	(127)	(245)
Income taxes paid	(12,045)	(7,171)
Net cash provided by (used in) operating activities	20,822	53,231
Cash flows from investing activities		
Purchases of non-current assets and investment property	(13,078)	(6,679)
Purchases of intangible assets	(12,497)	(14,237)
Purchases of investment securities	(11,827)	(1,342)
Payments for purchase of subsidiaries' shares resulting in a change consolidation scope	—	(11,095)
Other, net	(2,887)	(4,976)
Net cash provided by (used in) investing activities	(40,290)	(38,331)
Cash flows from financing activities		
Net increase (decrease) in short-term bank loans	(538)	(2,542)
Proceeds from long-term bank loans	40,928	7,389
Repayment of long-term bank loans	(1,281)	(1,654)
Proceeds from issuance of convertible bonds	40,535	—
Payment for redemption of convertible bonds	(20,000)	—
Cash dividends paid	(7,075)	(7,581)
Other, net	922	(806)
Net cash provided by (used in) financing activities	53,491	(5,195)
Effect of exchange rate change on cash and cash equivalents	(278)	(434)
Net increase (decrease) in cash and cash equivalents	33,745	9,269
Cash and cash equivalents at beginning of year	168,035	201,780
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	—	85
Cash and cash equivalents at end of year	201,780	211,135

(5) Notes to Consolidated Financial Statements

(Notes Regarding the Going Concern Assumption)

No applicable items.

(Changes in Presentation)

(Consolidated Balance Sheets)

Land, which were included in "other" in property and equipment section in the previous fiscal year, have been presented separately in the current fiscal year due to increased materiality. The consolidated fiscal statements of the previous fiscal year have been restated to reflect this change in presentation.

As a result, ¥3,977 million of "other" in property and equipment section in the previous fiscal year has been reclassified to "land" of ¥3,505 million and "other" of ¥472 million.

(Consolidated Statement of income)

Depreciation and loss on valuation of investment securities presented separately in non-operating expense section in the previous fiscal year, has been reclassified and aggregated into "other" in the current fiscal year due to decrease materiality. The consolidated fiscal statements of the previous fiscal year have been restated to reflect this change in presentation.

As a result, ¥170 million of "depreciation" and ¥115 million of "loss on valuation of investment securities" in non-operating expense section in the previous fiscal year is reclassified and aggregated into "other".

Gain on transfer of business, which were included in "other" in extraordinary income section in the previous fiscal year, have been presented separately in the current fiscal year due to increased materiality. The consolidated fiscal statements of the previous fiscal year have been restated to reflect this change in presentation.

Also, Gain on sales of investments in subsidiaries and associated companies presented separately in extraordinary income section in the previous fiscal year, has been reclassified and aggregated into "other" in the current fiscal year due to decrease materiality. The consolidated fiscal statements of the previous fiscal year have been restated to reflect this change in presentation.

As a result, ¥470 million of "other" in extraordinary income section in the previous fiscal year has been reclassified to "gain on transfer of business" of ¥100 million and "other" of ¥370 million. Furthermore, ¥1,000 million of "gain on sales of investments in subsidiaries and associated companies" in extraordinary income section in the previous fiscal year is reclassified and aggregated into "other"

Loss on withdrawal from business, which were included in "other" in extraordinary loss section in the previous fiscal year, have been presented separately in the current fiscal year due to increased materiality. The consolidated fiscal statements of the previous fiscal year have been restated to reflect this change in presentation.

Also, loss on payment compensation presented separately in extraordinary loss section in the previous fiscal year, has been reclassified and aggregated into "other" in the current fiscal year due to decrease materiality. The consolidated fiscal statements of the previous fiscal year have been restated to reflect this change in presentation.

As a result, ¥1,772 million of "other" in extraordinary loss section in the previous fiscal year has been reclassified to "loss on withdrawal from business" of ¥55 million and "other" of ¥1,716 million. Furthermore, ¥628 million of "loss on payment compensation" in extraordinary loss section in the previous fiscal year is reclassified and aggregated into "other"

(Consolidated Statement of Cash Flows)

Loss on withdrawal from business and Increase (decrease) in accrued consumption taxes, which were included in "other" in cash flows from operating activities in the previous fiscal year, have been presented separately in the current fiscal year due to increased materiality. The consolidated financial statements of the previous fiscal year have been restated to reflect this change in presentation.

Also, decrease (increase) in prepaid expense, which was presented separately in cash flows from operating activities in the previous fiscal year, have been reclassified and aggregated into "other" in the current fiscal year due to decreased materiality. The consolidated financial statements of the previous fiscal year have been restated to reflect this change in presentation.

As a result, ¥6,434 million of "other" in cash flows from operating activities in the previous fiscal year has been reclassified to "loss on withdrawal from business" of ¥55 million, "Increase (decrease) in accrued consumption taxes" of (¥183) million and "other" of ¥6,561 million. Furthermore, (¥2,178) million of "decrease (increase) in prepaid expense" is reclassified and aggregated into "other".

Net increase (decrease) in short-term bank loans and repayment of long-term bank loans, which were included in "other" in cash flows from financing activities in the previous fiscal year, have been presented separately in the current fiscal year due to increased materiality. The consolidated financial statements of the previous fiscal year have been restated to reflect this change in presentation.

As a result, (¥896) million of "other" in cash flows from financing activities in the previous fiscal year has been reclassified to "net increase (decrease) in short-term bank loans" of (¥538) million, "repayment of long-term bank loans" of (¥1,281) million and "other" of ¥922 million.

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

(In reference to Consolidated Statement of Income)

* "other" in extraordinary loss includes the following.

(Unit: ¥ million)

	FY2023 (Oct. 1, 2022 to Sep. 30, 2023)	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)
Loss on point	—	2,148
Loss on payment compensation	628	4
Loss on valuation of investment securities	79	294
Other	1,636	1,156

(Segment Information)

a. Segment Information

1. Overview of Reportable Segments

The Company's reportable segments are components of the Group for which separate financial information is available, and whose operating results are reviewed periodically by the Board of Directors to determine allocation of operating resources and evaluate their performance.

The Company has business headquarters and subsidiaries for each product and service which develop their business activities both in Japan and overseas, with the aim of improving services and increasing sales and profits. The Group's services are categorized based on such business headquarters and subsidiaries and are classified into five reportable segments, namely, (1) media business, (2) internet advertisement business, (3) game business, (4) investment development business, and (5) other businesses.

Principal services provided by each reportable segment are summarized below:

Reportable Segment	Details of Services Belonging to the Segment
Media Business	ABEMA and WINTICKET, etc
Internet Advertisement Business	Advertising, AI, etc.
Game Business	Game applications for smartphone, etc.
Investment Development Business	Corporate venture capital and fund operation, etc.
Other Businesses	Crowdfunding service, etc.

2. Calculation of net sales, profit(loss), assets, liabilities and other items of each reportable segment

Segment profit is based on operating income. Intersegment sales and transfers are determined based on prevailing market price.

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

3. Information about net sales, profit (loss), assets, liabilities and other items of each reportable segment, including disaggregation of revenue

FY2023 (Oct. 1, 2022 to Sep. 30, 2023)

(Unit: ¥ million)

	Reportable Segment						Reconciliations*	Consolidated
	Media Business	Internet Advertisement Business	Game Business	Investment Development Business	Other Businesses	Total		
Net Sales								
Revenue from contracts with customers**	132,384	381,206	178,618	3,198	24,799	720,207	—	720,207
Sales to external customers	132,384	381,206	178,618	3,198	24,799	720,207	—	720,207
Inter-segment sales or transfers	8,779	24,166	501	—	4,177	37,624	(37,624)	—
Total	141,163	405,373	179,119	3,198	28,976	757,831	(37,624)	720,207
Segment profit (loss)	(11,523)	18,317	22,708	1,840	358	31,699	(7,142)	24,557

* Reconciliations of ¥7,142 million mainly represents corporate expenses, which comprise general and administrative expenses that are not allocable to a reportable segment.

** Revenue other than those generated from contracts with customers is not separately presented as it is insignificant.

FY2024 (Oct. 1, 2023 to Sep. 30, 2024)

(Unit: ¥ million)

	Reportable Segment						Reconciliations*	Consolidated statement of Income
	Media Business	Internet Advertisement Business	Game Business	Investment Development Business	Other Businesses	Total		
Net Sales								
Revenue from contracts with customers**	160,555	414,781	195,648	6,342	25,668	802,996	—	802,996
Sales to external customers	160,555	414,781	195,648	6,342	25,668	802,996	—	802,996
Inter-segment sales or transfers	10,293	21,590	337	—	5,266	37,487	(37,487)	—
Total	170,849	436,372	195,985	6,342	30,934	840,484	(37,487)	802,996
Segment income (loss)	(1,927)	22,217	30,569	426	478	51,764	(9,921)	41,843

* Reconciliations of ¥ -9,921 million mainly represents corporate expenses, which comprise general and administrative expenses that are not allocable to a reportable segment

** Revenue other than those generated from contracts with customers is not separately presented as it is insignificant.

English Translation

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b. Related information

FY2023 (Oct. 1, 2022 to Sep. 30, 2023)

1. Information on each product and each service

The description is omitted, because the same information is disclosed in the segment information.

2. Geographical information

(1) Sales

The description is omitted, because the sales to external customers in Japan exceeded 90% of the consolidated net sales.

(2) Property and equipment

The description is omitted, because the amount of property and equipment located in Japan exceeded 90% of the amount of property and equipment in the consolidated balance sheet.

3. Information on major customers

The description is omitted, because there are no single customer that accounts for over 10% of consolidated net sales.

FY2024 (Oct. 1, 2023 to Sep. 30, 2024)

1. Information on each product and each service

The description is omitted, because the same information is disclosed in the segment information.

2. Geographical information

(1) Sales

The description is omitted, because the sales to external customers in Japan exceeded 90% of the consolidated net sales.

(2) Property and equipment

The description is omitted, because the amount of property and equipment located in Japan exceeded 90% of the amount of property and equipment in the consolidated balance sheet.

3. Information on each major customers

The description is omitted, because there are no single customers that accounts for over 10% of consolidated net sales.

c. Significant loss on impairment of long-lived assets

FY2023 (Oct. 1, 2022 to Sep. 30, 2023)

(Unit: ¥ million)

	Reportable Segment						Corporate/ Elimination	Total
	Media Business	Internet Advertisemen t Business	Game Business	Investment Developm ent Business	Other Businesses	Subtotal		
Impairment loss	157	261	942	—	81	1,444	9	1,453

FY2024 (Oct. 1, 2023 to Sep. 30, 2024)

(Unit: ¥ million)

	Reportable Segment						Corporate/ Elimination	Total
	Media Business	Internet Advertiseme nt Business	Game Business	Investment Developm ent Business	Other Businesses	Subtotal		
Impairment loss	123	278	5,102	—	87	5,592	10	5,602

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

d. Amortization and remaining balance of goodwill by reportable segments

FY2023 (Oct. 1, 2022 to Sep. 30, 2023)

(Unit: ¥ million)

	Reportable Segment						Corporate/ Elimination	Total
	Media Business	Internet Advertiseme nt Business	Game Business	Investment Development Business	Other Businesses	Subtotal		
Amortization of goodwill	53	—	59	—	234	348	—	348
Remaining balance	2,733	—	209	—	4,140	7,084	—	7,084

FY2024 (Oct. 1, 2023 to Sep. 30, 2024)

(Unit: ¥ million)

	Reportable Segment						Corporate/ Elimination	Total
	Media Business	Internet Advertisement Business	Game Business	Investment Development Business	Other Businesses	Subtotal		
Amortization of goodwill	150	—	59	—	234	445	—	445
Remaining balance	10,722	—	149	—	3,906	14,778	—	14,778

e. Significant gains on negative goodwill

FY2023 (Oct. 1, 2022 to Sep. 30, 2023)

No applicable items.

FY2024 (Oct. 1, 2023 to Sep. 30, 2024)

No applicable items.

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

(Per Share Information)

	FY2023 (Oct. 1, 2022 to Sep. 30, 2023)	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)
Equity per share	¥285.31	¥314.73
Basic earnings per share	¥10.53	¥32.09
Diluted earnings per share	¥9.60	¥29.48

(Note) The basis for calculating "Basic earnings per share" and "Diluted earnings per share" is as follows.

	FY2023 (Oct. 1, 2022 to Sep. 30, 2023)	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)
Basic earnings per share		
Net income attributable to owners of the parent (¥ million)	5,332	16,246
Net income not attributable to common shareholders (¥ million)	—	—
Net income attributable to common shareholders of the parent (¥ million)	5,332	16,246
Weighted-average number of common stock (shares)	506,048,563	506,261,873
Diluted earnings per share		
Adjustment on net income attributable to owners of the parent (¥ million)	-110	-93
(Interest income, net of tax) (¥ million)	(-97)	(-89)
(Dilutive shares issued by subsidiaries) (¥ million)	(-13)	(-4)
Increase in number of common stock (shares)	37,578,241	41,520,169
(Convertible Bond) (shares)	(35,893,905)	(39,311,745)
(Stock acquisition rights) (shares)	(1,684,336)	(2,208,424)
Potential common stock that are anti-dilutive and therefore excluded from the calculation of diluted earnings per share	—	—

(Significant Subsequent Events)

No applicable items.