

The following information was originally prepared and published by the Company in Japanese as it contains timely disclosure materials to be submitted to the Tokyo Stock Exchange. This English translation is for your convenience only. To the extent there is any discrepancy between this English translation and the original Japanese version, please refer to the Japanese version.

Consolidated Financial Results for the Six Months Ended September 30, 2015 [IFRS]

November 11, 2015

Company name: DeNA Co., Ltd.

Stock exchange listing: Tokyo Stock Exchange

Code number: 2432

URL: <http://dena.com/intl/>

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Scheduled date of filing quarterly securities report: November 12, 2015

Scheduled date of commencing dividend payments: —

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes (for institutional investors, analysts and the press)

(Amounts of less than one million yen are rounded off.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2015 (from April 1, 2015 to September 30, 2015)

(1) Consolidated Operating Results (% changes from the previous corresponding period)

	Revenue		Operating profit		Profit before tax		Profit for the period	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2015	74,866	4.2	11,379	(24.0)	12,005	(24.3)	7,067	(27.9)
Six months ended September 30, 2014	71,826	(28.0)	14,980	(53.3)	15,856	(51.6)	9,795	(48.7)

	Profit for the period attributable to owners of the parent		Total comprehensive income for the period		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
Six months ended September 30, 2015	6,777	(26.7)	16,223	50.4	47.48	47.37
Six months ended September 30, 2014	9,251	(50.0)	10,786	(47.5)	71.39	71.18

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Millions of yen	Millions of yen	Millions of yen	%
As of September 30, 2015	257,502	200,578	192,927	74.9
As of March 31, 2015	218,529	164,502	157,210	71.9

2. Dividends

	Dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	End of year	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2015	—	0.00	—	20.00	20.00
Fiscal year ending March 31, 2016	—	0.00			
Fiscal year ending March 31, 2016 (Forecast)			—	—	—

(Note) The dividend forecast for the fiscal year ending March 31, 2016 has not been determined at this time.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

(% changes from the previous corresponding period)

	Revenue		Operating profit		Profit for the period attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Nine months ending December 31, 2015	108,200	1.8	14,400	Δ28.5	8,300	Δ33.7	58.15
Full year	—	—	—	—	—	—	—

(Note) The financial results forecast for the following quarter is disclosed in lieu of the full-year financial results forecast. For details, please refer to “1. Qualitative Information on Consolidated Financial Results for the Period under Review (3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information” on page 5 of the Appendix.

* Notes

(1) Changes in Significant Subsidiaries during the Period under Review (changes in specified subsidiaries accompanying changes in scope of consolidation): No

(2) Changes in Accounting Policies and Changes in Accounting Estimates

1) Changes in accounting policies required by IFRS: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

(3) Number of Shares Issued (common stock)

1) Total number of shares issued at the end of the period (including treasury stock):

As of September 30, 2015	150,810,033 shares
As of March 31, 2015	150,810,033 shares

2) Total number of shares of treasury stock at the end of the period:

As of September 30, 2015	5,808,083 shares
As of March 31, 2015	21,136,868 shares

3) Average number of shares during the period:

Six months ended September 30, 2015	142,746,630 shares
Six months ended September 30, 2014	129,575,663 shares

(Note) The 512,495 shares of the Company’s stock owned by the Stock Grant ESOP Trust account are included in the “Total number of shares of treasury stock at the end of the period” as of September 30, 2015, and the 556,284 shares of the Company’s stock owned by the same trust account are included in the “Total number of shares of treasury stock at the end of the period” as of March 31, 2015.

* Presentation regarding the Implementation Status of the Quarterly Review Process

This quarterly financial report is outside the scope of quarterly review procedures under the Financial Instruments and Exchange Act. At the time of disclosure of this quarterly financial report, review procedures for the Condensed Consolidated Financial Statements are in progress.

* Explanation of the Proper Use of Financial Results Forecast and Other Notes

(1) Consolidated Financial Results Forecast

The forward-looking statements herein are based on information available to the Company and certain assumptions deemed reasonable as of the date of publication of this document. They are not intended as the Company's commitment to achieve such forecasts, and actual results may differ significantly from these forecasts due to a wide range of factors. For conditions prerequisite to the financial results forecast, etc., please refer to "1. Qualitative Information on Consolidated Financial Results for the Period under Review (3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information" on page 5 of the Appendix.

(2) Dividend Forecast

With regard to the dividend forecast for the fiscal year ending March 31, 2016, as the Company decides the dividend amount by taking into consideration the financial results of and other factors in each fiscal year, an announcement of the expected dividend amount will be made promptly when it is possible to disclose the full-year financial results forecast. Currently, the Company expects to provide a dividend forecast at the time of the announcement of financial results for the third quarter of the fiscal year ending March 31, 2016.

(3) Method of Obtaining Supplementary Briefing Material on Financial Results

The Company is planning to hold a briefing session for institutional investors, analysts and the press on November 11, 2015. The briefing materials to be distributed at the session are scheduled to be posted on the Company's website at the appropriate time for disclosure. In addition, videos and primary Q&A of the briefing session are scheduled to be posted on the Company's website at a later date shortly thereafter.

* Definition of Terms

As used in this consolidated financial results, references to "DeNA" and the "DeNA Group" are to DeNA Co., Ltd. (the "Company") and its subsidiaries (collectively, the "Group") except as the context otherwise requires or indicates.

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* Note

The condensed consolidated financial statements are presented in Japanese yen and rounded off to the nearest million yen. As a result, the totals in yen do not necessarily agree with the sum of the individual amounts.

1. Qualitative Information on Consolidated Financial Results for the Period under Review

(1) Explanation of Operating Results

During the six months ended September 30, 2015 (from April 1, 2015 to September 30, 2015), although there were signs of weakness in some areas, a mild recovery trend continued in the Japanese economy. However, a downswing in overseas economies, including China and other emerging Asian nations, poses a risk of downward pressure on the domestic economy.

Under these conditions, the DeNA Group has positioned the fiscal year ending March 31, 2016 as a year to reinforce the business foundation which continues to enhance corporate value as a global Internet player. The Group made continuing efforts to further increase its competitive advantage in the game business, which is the Group's principal business, as well as to create and nurture businesses with structural strengths for mid- to long-term growth, while conducting thorough cost management.

During the six months ended September 30, 2015, revenue increased on a year-on-year basis. Despite a year-on-year decline in revenue of the Japan game business with a high profit margin, the game business in China where the launch of new titles was pushed forward from the second half of the fiscal year ended March 31, 2015 and the sports business, supported by growing attendance at the Yokohama DeNA Baystars baseball team's games, posted growth in revenue.

Cost of sales and selling, general and administrative expenses increased on a year-on-year basis. Commission fees such as costs related to settlement of in-game fees, software amortization expenses, and others increased due to the expanded development and release of titles for the application market and the growth in their usage.

In other income, gains on sale were recorded in connection with the transfer of the BtoB marketplace business to Aucfan Co., Ltd. as of July 1, 2015. Other expenses principally consisted of temporary expenses including retirement of intangible assets associated with carrying out optimization of the organizational structure and the game portfolio in Europe and the U.S. during the three months ended June 30, 2015.

As a result, revenue of the DeNA Group was ¥74,866 million, up 4.2% year-on-year, operating profit was ¥11,379 million, down 24.0% year-on-year, profit before tax was ¥12,005 million, down 24.3% year-on-year, and profit for the period attributable to owners of the parent was ¥6,777 million, down 26.7% year-on-year.

Business performance by segment is as follows.

Due to changes in the segment classification effective from the three months ended June 30, 2015, the segment results for the period under review are compared and analyzed using the new segment classification. For more details, please refer to "3. Condensed Consolidated Financial Statements (7) Notes to Condensed Consolidated Financial Statements 1. Segment information 1) Outline of reportable segments."

In addition, until the fiscal year ended March 31, 2015, the segment revenue stated in this section represented revenue from external customers after elimination of intersegment revenue. However, from the three months ended June 30, 2015, the segment revenue represents revenue before elimination of intersegment revenue. As a result, for the purpose of comparison and analysis, the segment revenue for the six months ended September 30, 2014 has been revised in the same manner.

1) Game Business

Revenue of the Game Business was ¥55,783 million, up 1.6% year-on-year, and segment profit was ¥13,219 million, down 17.1% year-on-year.

In the Japan market, the Group's principal market, consumption of the in-game virtual currency coins was ¥72.3 billion, down 3% year-on-year. Coin consumption declined gradually in the browser market, while coin consumption from key titles performed steadily in the application market, where the Group focuses both in Japan and internationally. In addition, new application titles were successfully launched. Coin consumption in titles for the application market for the six months ended September 30, 2015 was ¥21.2 billion, up 233% year-on-year in the Japan market and ¥10.1 billion, up 25% year-on-year in the international market.

2) E-commerce Business

Revenue of the E-commerce Business was ¥9,865 million, down 0.8% year-on-year, and segment profit was ¥1,200 million, down 0.2% year-on-year.

In shopping services, the Group focused efforts on the areas of groceries and daily consumables, centering on the online shopping site DeNA Shopping (including au Shopping Mall), which contributed to an increase in gross merchandise volume of shopping. Transactions increased in processing settlement services provided by Paygent Co., Ltd. and in the travel agency business operated by DeNA Travel Co., Ltd. In auction services, the mobile auction site Mobaoku saw a decrease in the number of paid members.

3) Sports Business

Revenue of the Sports Business was ¥7,742 million, up 20.2% year-on-year, and segment profit was ¥1,883 million, up 77.2% year-on-year. Yokohama DeNA Baystars Baseball Club, Inc. performed strongly, with an increase in attendance at home games.

4) New Businesses and Others

Revenue of the New Businesses and Others was ¥2,340 million, up 76.7% year-on-year, and segment loss was ¥2,381 million, compared with segment loss of ¥2,057 million for the same period of the previous fiscal year.

This section comprises IP-generating platform business for the purpose of creating intellectual properties (IP) and contents structurally such as the smartphone novel site E*Everystar and the digital manga magazine Manga Box, curation platform business (see note 1 below) such as Iemo for housing and interior design, MERY for women's fashion, and Find Travel for travel information, and services in the healthcare business and automotive business (see note 2 below). The Group will press ahead with efforts in multiple fields in order to create businesses with structural strengths for mid- to long-term growth while ensuring thorough cost management and assessing investments appropriately.

Notes 1 A curation platform is a website or application where people called curators can publish articles in which they organize information scattered on the Internet from a specific perspective according to a specific subject of their own interest.

2 Businesses in the automotive field, such as the Robot Taxi service that use autonomous driving technology.

(2) Explanation of Financial Position

1) Financial Position

Total assets at the end of the six months ended September 30, 2015 were ¥257,502 million, an increase of ¥38,973 million compared to the end of the previous fiscal year.

Current assets were ¥120,636 million, an increase of ¥6,509 million, compared to the end of the previous fiscal year. This was due primarily to an increase in cash and cash equivalents by ¥10,025 million and a decrease in trade and other current receivables by ¥2,749 million.

Non-current assets were ¥136,866 million, representing an increase of ¥32,465 million, compared to the end of the previous fiscal year. This was due mainly to an increase in other non-current financial assets by ¥34,184 million.

Total liabilities at the end of the six months ended September 30, 2015 were ¥56,924 million, an increase of ¥2,898 million compared to the end of the previous fiscal year.

Current liabilities were ¥50,126 million, a decrease of ¥1,016 million, compared to the end of the previous fiscal year. This was due primarily to decreases in trade and other current payables by ¥2,329 million and other current liabilities by ¥918 million, as well as an increase in income tax payables by ¥2,446 million.

Non-current liabilities stood at ¥6,799 million, representing an increase of ¥3,914 million, compared to the end of the previous fiscal year. This was due primarily to an increase of ¥3,913 million in other non-current liabilities.

Total equity at the end of the six months ended September 30, 2015 was ¥200,578 million, representing an increase of ¥36,075 million compared to the end of the previous fiscal year. This was primarily attributable to a decrease of ¥31,404 million in treasury stock.

In terms of liquidity, the liquidity ratio and ratio of equity attributable to owners of the parent were 240.7% and 74.9%, respectively, as of the end of the six months ended September 30, 2015.

2) Cash Flows

Cash and cash equivalents (collectively, “cash”) at the end of the six months ended September 30, 2015 increased by ¥10,025 million to ¥78,749 million, compared to the end of the previous fiscal year. Cash flows in each area of activity and their respective contributing factors are as follows.

(Operating activities)

Net cash provided by operating activities for the six months ended September 30, 2015 was ¥16,457 million, compared to a cash inflow of ¥23,235 million in the same period of the previous fiscal year. The principal cash inflow factors were ¥12,005 million in profit before tax and ¥5,947 million in depreciation and amortization, which offset the effects of ¥2,877 million in decrease in trade and other current payables and ¥2,478 million in income tax paid.

(Investing activities)

Net cash used in investing activities for the six months ended September 30, 2015 was ¥26,150 million, compared to a cash outflow of ¥12,378 million in the same period of the previous fiscal year. The principal cash outflow factor was ¥22,503 million in purchases of investment securities.

(Financing activities)

Net cash provided by financing activities for the six months ended September 30, 2015 was ¥19,725 million, compared to a cash outflow of ¥4,563 million in the same period of the previous fiscal year. The principal cash inflow factor was ¥22,106 million in proceeds from disposition of treasury stock.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information

In the Game Business, the Group will focus efforts on growth of titles for the application market in Japan and internationally.

In the Japan game business, the Group will focus efforts on reactivating usage of existing leading titles and creating new hit titles for the application market, while carrying out title operation to encourage longer use by users for the browser market.

In the international game business, the Group will continue a strategy of extensive deployment of leading IP assets to develop the Chinese market, where further growth is expected. The Group will press ahead with provision of new titles with the aim of generating further hit titles while maintaining the stable operation of existing leading titles. In Europe and the U.S., the Group will carefully select genres and pursue the provision of higher quality titles under the efficient development and operation structure.

In the E-commerce Business, for shopping services, the Group will make efforts to strengthen the areas of groceries and daily consumables, while taking full advantage of the alliances with its partners. The Group will also continue to strive to expand transactions in processing settlement services and the travel agency business.

In the Sports Business, as the period between October and March is the off-season of professional baseball, revenue during and after the three months ending December 31, 2015 will be limited.

In the New Businesses and Others, the Group will also continue to launch new businesses. When launching new businesses, in addition to in-house development, the Group will make use of methods including M&As and cooperation with other companies, with the aim of first expanding the user base and then linking that to profit-making.

As for selling, general and administrative expenses, the Group will work to appropriately conduct cost control and cut expenses.

With regard to the consolidated financial results forecast, it is difficult to estimate the trend of the market in the Game Business, which is the Group's principal business, for both in Japan and internationally. In addition, revenue is substantially affected by various uncertainties, such as user preferences and the existence of popular titles. Owing to these and other factors, the Group announces the financial results forecast for the following quarter at the time of each quarterly results announcement since it is not feasible to prepare highly reliable financial forecasts for the full year and half year.

Regarding the consolidated financial results forecast for the nine months ending December 31, 2015, the Group expects a moderate increase in revenue on a year-on-year basis. As for coin consumption in titles operated by the Games Business, the Group's principal business, consumption in titles for Japan and international application markets, where the Group particularly focuses on, is expected to increase on a year-on-year basis, while consumption in titles for the profitable browser market in Japan is likely to decline. Operating profit is expected to decrease on a year-on-year basis. On the cost front, the Group forecasts that higher commission fees arising from increased usage of titles for the application market, increased amortization expenses associated with provision of new titles, and the effect of one-off expenses largely associated with structural optimization in Europe and the U.S. recorded in the three months ended June 30, 2015, will push up overall costs on a year-on-year basis.

The forward-looking statements are based on information available and certain assumptions deemed reasonable as of the date of publication of this document, and contain many uncertain factors. Actual results may differ from the forecasts above due to a wide range of uncertain factors.

2. Matters Related to Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Period under Review

Not applicable.

(2) Changes in Accounting Policies and Changes in Accounting Estimates

Not applicable.

3. Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statement of Financial Position

	(Millions of yen)	
	As of March 31, 2015	As of September 30, 2015
Assets		
Current assets		
Cash and cash equivalents	68,724	78,749
Trade and other current receivables	34,958	32,209
Other current financial assets	1,104	1,330
Other current assets	9,342	8,348
Total current assets	114,127	120,636
Non-current assets		
Property and equipment	2,958	2,813
Goodwill	53,111	53,188
Intangible assets	19,241	17,206
Investments accounted for using the equity method	8,761	9,568
Other non-current financial assets	17,720	51,904
Deferred tax assets	2,517	2,132
Other non-current assets	94	56
Total non-current assets	104,401	136,866
Total assets	218,529	257,502

	(Millions of yen)	
	As of March 31, 2015	As of September 30, 2015
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other current payables	22,858	20,529
Income tax payables	2,419	4,866
Other current financial liabilities	13,368	13,152
Other current liabilities	12,497	11,579
Total current liabilities	51,142	50,126
Non-current liabilities		
Non-current provisions	834	836
Other non-current financial liabilities	10	10
Other non-current liabilities	2,040	5,953
Total non-current liabilities	2,885	6,799
Total liabilities	54,027	56,924
Equity		
Common stock	10,397	10,397
Capital surplus	9,650	9,652
Retained earnings	163,229	159,173
Treasury stock	(43,918)	(12,514)
Other components of equity	17,851	26,220
Total equity attributable to owners of the parent	157,210	192,927
Non-controlling interests	7,293	7,650
Total equity	164,502	200,578
Total liabilities and equity	218,529	257,502

(2) Condensed Consolidated Income Statement

	(Millions of yen)	
	Six months ended September 30, 2014	Six months ended September 30, 2015
Revenue	71,826	74,866
Cost of sales	(27,532)	(31,294)
Gross profit	44,294	43,572
Selling, general and administrative expenses	(28,369)	(29,976)
Other income	414	1,427
Other expenses	(1,359)	(3,644)
Operating profit	14,980	11,379
Finance income	878	55
Finance costs	(156)	(171)
Share of profit (loss) of associates accounted for using the equity method	154	742
Profit before tax	15,856	12,005
Income tax expense	(6,061)	(4,938)
Profit for the period	9,795	7,067
Attributable to:		
Owners of the parent	9,251	6,777
Non-controlling interests	545	290
Profit for the period	9,795	7,067
		(Yen)
Earnings per share attributable to owners of the parent:		
Basic earnings per share	71.39	47.48
Diluted earnings per share	71.18	47.37

(3) Condensed Consolidated Statement of Comprehensive Income

	(Millions of yen)	
	Six months ended September 30, 2014	Six months ended September 30, 2015
Profit for the period	9,795	7,067
Other comprehensive income		
Components of other comprehensive income that will not be reclassified to profit or loss, net of tax		
Gains (losses) from investments in equity instruments, net of tax	(1,108)	9,013
Other	(1)	1
Total other comprehensive income that will not be reclassified to profit or loss, net of tax	(1,108)	9,014
Components of other comprehensive income that may be reclassified to profit or loss, net of tax		
Foreign currency translation adjustments, net of tax		
Other	2,080	147
Total other comprehensive income that may be reclassified to profit or loss, net of tax	19	(4)
Other comprehensive income, net of tax	2,099	143
Total comprehensive income for the period	990	9,156
	10,786	16,223
Attributable to:		
Owners of the parent	10,241	15,947
Non-controlling interests	545	276
Total comprehensive income for the period	10,786	16,223

(4) Condensed Consolidated Statement of Changes in Equity

(Millions of yen)

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	Total		
As of April 1, 2014	10,397	10,965	153,072	(44,290)	10,456	140,600	4,955	145,555
Profit for the period	-	-	9,251	-	-	9,251	545	9,795
Other comprehensive income	-	-	-	-	990	990	0	990
Total comprehensive income for the period	-	-	9,251	-	990	10,241	545	10,786
Dividends recognized as distributions to owners	-	-	(4,792)	-	-	(4,792)	(150)	(4,942)
Increase (decrease) through treasury stock transactions	-	(154)	-	219	(54)	12	-	12
Increase (decrease) through share-based payment transactions	-	212	-	-	138	350	-	350
Changes in ownership interests in associates	-	(1,461)	-	-	-	(1,461)	-	(1,461)
As of September 30, 2014	10,397	9,562	157,530	(44,071)	11,531	144,949	5,350	150,299

(Millions of yen)

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	Total		
As of April 1, 2015	10,397	9,650	163,229	(43,918)	17,851	157,210	7,293	164,502
Profit for the period	-	-	6,777	-	-	6,777	290	7,067
Other comprehensive income	-	-	-	-	9,170	9,170	(14)	9,156
Total comprehensive income for the period	-	-	6,777	-	9,170	15,947	276	16,223
Dividends recognized as distributions to owners	-	-	(2,593)	-	-	(2,593)	(188)	(2,782)
Increase (decrease) through treasury stock transactions	-	(9,121)	-	31,404	(287)	21,996	-	21,996
Increase (decrease) through share-based payment transactions	-	248	-	-	56	304	-	304
Transfer to capital surplus from retained earnings	-	8,811	(8,811)	-	-	-	-	-
Acquisition, disposal and other changes of non-controlling interests	-	64	-	-	-	64	270	334
Increase (decrease) through transfers and other changes	-	-	572	-	(572)	-	-	-
As of September 30, 2015	10,397	9,652	159,173	(12,514)	26,220	192,927	7,650	200,578

(5) Condensed Consolidated Statement of Cash Flows

	(Millions of yen)	
	Six months ended September 30, 2014	Six months ended September 30, 2015
Operating activities		
Profit before tax	15,856	12,005
Depreciation and amortization	5,110	5,947
Interest and dividend income	(36)	(26)
Interest expenses	6	11
Decrease (increase) in trade and other current receivables	4,866	3,494
Increase (decrease) in trade and other current payables	(3,946)	(2,877)
Increase (decrease) in deposits received	3,661	(515)
Other, net	51	882
Subtotal	25,568	18,920
Dividends received	11	11
Interest paid	(6)	(11)
Interest received	26	16
Income tax paid	(2,364)	(2,478)
Net cash flows from (used in) operating activities	23,235	16,457
Investing activities		
Acquisition of subsidiaries or other businesses, net of cash acquired	(3,431)	—
Proceeds from sales of subsidiaries or other businesses, net of cash disposed of	—	1,250
Proceeds from sales and redemption of investment securities	97	1,834
Purchases of investment securities	(1,032)	(22,503)
Acquisition of property and equipment	(453)	(436)
Acquisition of intangible assets	(7,440)	(6,271)
Other, net	(118)	(24)
Net cash flows from (used in) investing activities	(12,378)	(26,150)
Financing activities		
Proceeds from borrowings	600	600
Repayments of borrowings	(300)	(300)
Cash dividends paid	(4,783)	(2,596)
Cash dividends paid to non-controlling interests	(150)	(188)
Proceeds from disposition of treasury stock	72	22,106
Other, net	(2)	103
Net cash flows from (used in) financing activities	(4,563)	19,725
Net increase (decrease) in cash and cash equivalents	6,294	10,032
Cash and cash equivalents at beginning of period	65,394	68,724
Effect of exchange rate changes on cash and cash equivalents	295	(7)
Cash and cash equivalents at end of period	71,983	78,749

(6) Notes on Going Concern Assumption

Not applicable.

(7) Notes to Condensed Consolidated Financial Statements

1. Segment information

1) Outline of reportable segments

The Group principally provides Internet services for mobile and PC users and organizes business divisions by type of service. Each of these business divisions formulates comprehensive business strategies for the services it provides, and undertakes related business activities.

Therefore, the Group is composed of operating segments classified by the types of services provided. The three reportable segments of the Group are classified as the “Game Business”, “E-commerce Business” and “Sports Business.”

The types of services provided by each segment classification are shown in the table below:

Segment classification	Type of service
Game Business	Game for mobile devices-related services (provided in Japan and internationally) Principal services: Mobage, etc.
E-commerce Business	E-commerce-related services (provided in Japan and internationally) Principal services: DeNA Shopping, DeNA Travel, Mobaoku, and processing settlement services, etc.
Sports Business	Sports-related services (provided in Japan) Principal services: Yokohama DeNA Baystars Baseball Club, DeNA Running Club, etc.
New Businesses and Others	New businesses and other services (provided in Japan and internationally) Principal business domains: IP-generating platform business, curation platform business, healthcare business, automotive business, etc.

Effective from April 1, 2015, the Group changed the classification in the allocation of management resources and the assessment of performance. In the fiscal year ended March 31, 2015, the reportable segments of the Group are classified as the “Social Media Business” and “E-commerce Business,” however, in accordance with the above revision, the segment classification has changed as set out below.

The “Sports Business” segment has been newly established and the sports business such as operations of a professional baseball team, which had been included in “Others” until the previous fiscal year, has been included in the new reportable segment.

The “Others” category has been changed to “New Businesses and Others.” The IP-generating platform business such as E*Everystar and Manga Box, which had previously been included in “Social Media Business,” and new businesses including curation platform business and healthcare business, which had been included in “Others,” have been included in the newly named category. Consequent to these changes, the name of “Social Media Business” has been changed to “Game Business.”

Accordingly, the segment information for the six months ended September 30, 2014 has been restated.

(2) Revenue, profit or loss, and other items by reportable segment

Accounting policies for reportable segments are identical to accounting policies adopted by the Group as stated in the consolidated financial statements for the fiscal year ended March 31, 2015.

Intersegment revenue is calculated based on external market prices.

Revenue, profit or loss, and other items of the Group's reportable segments are as follows:

For the six months ended September 30, 2014

(From April 1, 2014 to September 30, 2014)

						(Millions of yen)
	Game Business	E-commerce Business	Sports Business	New Businesses and Others *2	Adjustments*3	Total
Revenue						
Revenue from external customers	54,883	9,181	6,443	1,320	—	71,826
Intersegment revenue	25	762	0	5	(793)	—
Total	54,908	9,943	6,443	1,324	(793)	71,826
Segment profit (loss) *1	15,953	1,202	1,062	(2,057)	(235)	15,925
Other income (expenses), net						(945)
Operating profit						14,980
Finance income (costs), net						722
Share of profit (loss) of associates accounted for using the equity method						154
Profit before tax						15,856

(Notes) 1. Segment profit (loss) is calculated by deducting cost of sales and selling, general and administrative expenses from revenue.

2. "New Businesses and Others" refer to operating segments that do not fall into any of the reportable segments, including IP-generating platform business, curation platform business and healthcare business.

3. Adjustments in segment profit (loss) represent corporate expenses, which primarily include general and administrative expenses not attributable to any of the reportable segments.

For the six months ended September 30, 2015
(From April 1, 2015 to September 30, 2015)

(Millions of yen)

	Game Business	E-commerce Business	Sports Business	New Businesses and Others *2	Adjustments*3	Total
Revenue						
Revenue from external customers	55,563	9,294	7,742	2,268	—	74,866
Intersegment revenue	220	571	0	73	(864)	—
Total	55,783	9,865	7,742	2,340	(864)	74,866
Segment profit (loss) *1	13,219	1,200	1,883	(2,381)	(325)	13,596
Other income (expenses), net						(2,217)
Operating profit						11,379
Finance income (costs), net						(117)
Share of profit (loss) of associates accounted for using the equity method						742
Profit before tax						12,005

- (Notes) 1. Segment profit (loss) is calculated by deducting cost of sales and selling, general and administrative expenses from revenue.
2. “New Businesses and Others” refer to operating segments that do not fall into any of the reportable segments, including IP-generating platform business, curation platform business, healthcare business and automotive business.
3. Adjustments in segment profit (loss) represent corporate expenses, which primarily include general and administrative expenses not attributable to any of the reportable segments.

2. Earnings per share

The basis for calculating earnings per share attributable to owners of the parent for the six months ended September 30, 2014 and 2015 are as follows:

	Six months ended September 30, 2014 (From April 1, 2014 to September 30, 2014)	Six months ended September 30, 2015 (From April 1, 2015 to September 30, 2015)
Profit for the period attributable to owners of the parent (Millions of yen)	9,251	6,777
Weighted average number of common shares outstanding during the period—basic (Shares)	129,575,663	142,746,630
Effect of dilutive potential common shares: Stock options, etc. (Shares)	386,541	318,322
Weighted average number of common shares outstanding during the period—diluted (Shares)	129,962,204	143,064,952
Earnings per share attributable to owners of the parent (Yen)		
Basic earnings per share	71.39	47.48
Diluted earnings per share	71.18	47.37

(8) Notes on Significant Subsequent Events

Not applicable.