November 9, 2018

Company Name: ITmedia Inc.
Representative: Toshiki Otsuki, President and CEO
Head Office: 3-12 Kioicho, Chiyoda-ku, Tokyo
Code No.: 2148 Tokyo Stock Exchange (Mothers)

[Updated] Correction in "Summary of Financial Results for the second quarter 2019"

ITmedia Inc. hereby announces certain corrections in its "Summary of Financial Results for the second quarter 2019" which was released on October 31, 2018 as shown in the appendix. These errors were only in English summary.

（Appendix）

・Correction (The correction is underlined.)

[Summary of Financial Results for the second quarter 2019]

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1. Financial Highlights

(1) Results of Operations

＜Before correction＞

	Revenue		Operating income		Income before income tax		Net income		Net income attributable to owners of the parent		Total comprehensive income	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Six-month period ended September 30, 2018	¥2,293	9.4	¥308	21.5	¥288	13.1	¥175	15.9	¥181	6.4	¥312	108.1
Six-month period ended September 30, 2017	¥970	(4.9)	¥79	(33.5)	¥80	(30.8)	¥42	(36.7)	¥51	(22.8)	¥41	(37.1)

＜After correction＞

	Revenue		Operating income		Income before income tax		Net income		Net income attributable to owners of the parent		Total comprehensive income	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Six-month period ended September 30, 2018	¥2,293	9.4	¥308	21.5	¥288	13.1	¥175	15.9	¥181	6.4	¥312	108.1
Six-month period ended September 30, 2017	¥2,096	(3.3)	¥254	(22.5)	¥255	(21.1)	¥151	(28.8)	¥170	(20.8)	¥150	(28.9)

＜Before correction＞

	Basic earnings per share (yen)	Diluted earnings per share (yen)
Six-month period ended September 30, 2018	¥9.33	¥9.20
Six-month period ended September 30, 2017	¥2.68	¥2.63

＜After correction＞

	Basic earnings per share (yen)	Diluted earnings per share (yen)
Six-month period ended September 30, 2018	¥9.33	¥9.20
Six-month period ended September 30, 2017	¥8.80	¥8.66

2. Dividends

＜Before correction＞

	Dividends per share				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
	(yen)	(yen)	(yen)	(yen)	(yen)
Fiscal year ended March 31, 2018	－	5.00	－	5.00	10.00
Fiscal year ending March 31, 2019	－				
Fiscal year ending March 31, 2019 (Forecasted)		5.00	－	5.00	10.00

＜After correction＞

	Dividends per share				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
	(yen)	(yen)	(yen)	(yen)	(yen)
Fiscal year ended March 31, 2018	－	5.00	－	5.00	10.00
Fiscal year ending March 31, 2019	－	5.00			
Fiscal year ending March 31, 2019 (Forecasted)			－	5.00	10.00

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(3) Number of shares issued (common stock)

[3] Number of average stock during six-month period (April-September):

＜Before correction＞

As of September 30, 2018: 0 shares

＜After correction＞

As of September 30, 2018: 19,489,612 shares

ITmedia Inc.
Consolidated Financial Report
For the six-month period ended September 30, 2018 (IFRS)

Tokyo, October 31, 2018

1. Financial Highlights

(Millions of yen; amounts less than one million yen are omitted)

(1) Results of Operations

(Percentages are shown as year-on-year changes)

	Revenue		Operating income		Income before income tax		Net income		Net income attributable to owners of the parent		Total comprehensive income	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Six-month period ended September 30, 2018	**¥2,293**	**9.4**	**¥308**	**21.5**	**¥288**	**13.1**	**¥175**	**15.9**	**¥181**	**6.4**	**¥312**	**108.1**
Six-month period ended September 30, 2017	**¥2,096**	**(3.3)**	**¥254**	**(22.5)**	**¥255**	**(21.1)**	**¥151**	**(28.8)**	**¥170**	**(20.8)**	**¥150**	**(28.9)**

	Basic earnings per share (yen)	Diluted earnings per share (yen)
Six-month period ended September 30, 2018	**¥9.33**	**¥9.20**
Six-month period ended September 30, 2017	**¥8.80**	**¥8.66**

(2) Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets (%)
As of September 30, 2018	**¥6,197**	**¥5,317**	**¥5,313**	**85.7**
As of March 31, 2018	¥6,178	¥5,102	¥5,091	82.4

2. Dividends

	Dividends per share				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
	(yen)	(yen)	(yen)	(yen)	(yen)
Fiscal year ended March 31, 2018	—	5.00	—	5.00	10.00
Fiscal year ending March 31, 2019	—	5.00			
Fiscal year ending March 31, 2019 (Forecasted)			—	5.00	10.00

Note:
Revisions of the forecast from recentry announced figures : None

3. Consolidated forecasts for the fiscal year ending March 31, 2019 (April 1, 2018 to March 31, 2019)

(Millions of yen)
(Percentages are shown as year-on-year changes)

	Revenue		Operating income		Net income attributable to owners of the parent		Basic earnings par share (yen)
	Amount	%	Amount	%	Amount	%	Amount
Fiscal year ending March 31, 2019	¥5,000	8.5	¥780	4.6	¥470	(4.9)	¥24.12

Note:
Revisions of the forecast from recentry announced figures : None

*** Notes**

(1) Significant changes in scope of consolidation (changes in scope of consolidation of specified subsidiaries): None
Newly consolidated : None
Excluded from consolidation : None

(2) Changes in accounting policies and accounting estimates
[1] Changes in accounting policies required by IFRSs : Yes
[2] Changes in accounting policies other than those in [1] : None
[3] Changes in accounting estimates : None

(3) Number of shares issued (common stock)
[1] Number of shares issued (including treasury stock):
As of September 30, 2018 : 20,202,900 shares
As of March 31, 2018 : 20,201,700 shares
[2] Number of treasury stock:
As of September 30, 2018 : 712,999 shares
As of March 31, 2018 : 712,999 shares
[3] Number of average stock during six-month period (April-September):
As of September 30, 2018 : 19,489,612 shares
As of September 30, 2017 : 19,399,332 shares

*** This interim consolidated financial report is not subject to interim review procedures.**

*** Notes to forecasts on the consolidated results of operations and other items**

The descriptions regarding the future are estimated based on the information that the Company is able to obtain at the present point and assumptions which are deemed to be reasonable. However, actual results may be different due to various factors.

(1) Condensed Interim Consolidated Statements of Financial Position

(Thousands of yen)

	As of March 31, 2018	As of September 30, 2018
Asset		
Current aseets		
Cash and cash equivalents	3,111,133	3,156,153
Trade and other receivables	800,795	678,368
Other finacial assets	500,221	500,023
Inventories	13,402	9,976
Other current assets	69,369	85,811
Total current aseets	4,494,922	4,430,333
Non-current asset		
Property and equipment	191,997	187,980
Goodwill	480,463	480,463
Intangible assets	439,621	439,311
Investments accounted for using the equity method	—	97,718
Other financial assets	390,415	472,825
Deferred tax assets	173,566	83,271
Other non-current assets	7,346	5,502
Total non-current assets	1,683,411	1,767,073
Total assets	6,178,334	6,197,407
Liabilities and equity		
Current liabilities		
Trade and other payables	246,465	187,830
Interest-bearing debt and other financial liabilities	4,628	4,415
Income tax payables	185,644	85,025
Other current liabilities	562,723	529,928
Total current liabilities	999,462	807,199
Non-current liabilities		
Interest-bearing debt and other financial liabilities	9,705	7,615
Provisions	38,600	38,600
Other non-current liabilities	28,174	26,295
Total non-current liabilities	76,480	72,510
Total liabilities	1,075,942	879,710
Equity		
Equity attributable to owners of the parent		
Common stock	1,708,712	1,708,810
Capital surplus	1,797,642	1,797,737
Retained earnings	1,861,367	1,956,510
Treasury stock	(344,414)	(344,414)
Accumulated other comprehensive income	68,481	194,396
Total equity attributable to owners of the parent	5,091,789	5,313,040
Non-controlling interests	10,602	4,656
Total equity	5,102,391	5,317,696
Total liabilities and equity	6,178,334	6,197,407

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

Condensed Interim Consolidated Statements of Income (Thousands of yen)

	Six-month period ended September 30, 2017	Six-month period ended September 30, 2018
Revenue	2,096,922	2,293,031
Cost of sales	(906,724)	(1,036,419)
Gross profit	1,190,197	1,256,612
Selling, general and administrative expenses	(936,181)	(948,735)
Other operating income (loss)	137	981
Operating income	254,153	308,858
Other non-operating income (loss)	1,035	1,999
Income (loss) on equity method investments	—	(22,281)
Income before income tax	255,188	288,576
Income taxes	(103,512)	(112,773)
Net income	151,676	175,802
Net income attributable to		
Owners of the parent	170,760	181,748
Non-controlling interests	(19,084)	(5,946)
	151,676	175,802
Earning per share attributable to owners of the parent		
Basic earning per share (yen)	8.80	9.33
Diluted earning per share (yen)	8.66	9.20

Condensed Interim Consolidated Statements of Comprehensive Income (Thousands of yen)

	Six-month period ended September 30, 2017	Six-month period ended September 30, 2018
Net income	151,676	175,802
Other comprehensive income, net of tax		
Items that will not be reclassified subsequently to profit or loss		
Equity financial assets at FVTOCI	—	136,889
Total items that will not be reclassified subsequently to profit or loss	—	136,889
Items that may be reclassified subsequently to profit or loss		
Available-for-sale financial assets	(1,471)	—
Debt financial assets at FVTOCI	—	(137)
Total items that may be reclassified subsequently to profit or loss	(1,471)	(137)
Total other comprehensive income, net of tax	(1,471)	136,752
Total comprehensive income	150,205	312,555
Total comprehensive income attributable to		
Owners of the parent	169,289	318,501
Non-controlling interests	(19,084)	(5,946)
	150,205	312,555

(3) Condensed Interim Consolidated Statements of Changes in Equity

For the three-month period ended September 30, 2018

(Thousands of yen)

	Equity attributable to owners of the parent							
	Common stock	Capital surplus	Retained earnings	Treasury stock	Accumulated other comprehensive income	Total	Non-controlling interests	Total equity
As of April 1, 2017	1,699,800	1,814,079	1,561,077	(344,414)	69,963	4,800,506	30,687	4,831,193
Comprehensive income								
Net income	—	—	170,760	—	—	170,760	(19,084)	151,676
Other comprehensive income (loss)	—	—	—	—	(1,471)	(1,471)	—	(1,471)
Total comprehensive income	—	—	170,760	—	(1,471)	169,289	(19,084)	150,205
Transactions with owners and other transactions								
Issuance of new shares	3,555	3,496	—	—	—	7,051	—	7,051
Cash dividends	—	—	(96,894)	—	—	(96,894)	—	(96,894)
Total transactions with owners and other transactions	3,555	3,496	(96,894)	—	—	(89,842)	—	(89,842)
As of September 30, 2017	1,703,355	1,817,575	1,634,943	(344,414)	68,492	4,879,952	11,602	4,891,555

For the three-month period ended September 30, 2018

	Equity attributable to owners of the parent							
	Common stock	Capital surplus	Retained earnings	Treasury stock	Accumulated other comprehensive income	Total	Non-controlling interests	Total equity
As of April 1, 2018	1,708,712	1,797,642	1,861,367	(344,414)	68,481	5,091,789	10,602	5,102,391
Comprehensive income								
Net income (loss)	—	—	181,748	—	—	181,748	(5,946)	175,802
Other comprehensive income	—	—	—	—	136,752	136,752	—	136,752
Total comprehensive income	—	—	181,748	—	136,752	318,501	(5,946)	312,555
Transactions with owners and other transactions								
Issuance of new shares	97	95	—	—	—	193	—	193
Cash dividends	—	—	(97,443)	—	—	(97,443)	—	(97,443)
Transfer from accumulated other comprehensive income to retained earnings	—	—	10,837	—	(10,837)	—	—	—
Total transactions with owners and other transactions	97	95	(86,605)	—	(10,837)	(97,250)	—	(97,250)
As of September 30, 2018	1,708,810	1,797,737	1,956,510	(344,414)	194,396	5,313,040	4,656	5,317,696

(4) Condensed Interim Consolidated Statements of Cash Flows

	Six-month period ended September 30, 2017	Six-month period ended September 30, 2018
Cash flows from operating activities		
Income before income taxes	255,188	288,576
Depriciation and amortization	63,809	63,137
Income (loss) on equity method investments	—	22,281
Increase/decrease in trade and other receivables	78,317	122,427
Increase/decrease in trade and other payables	(33,316)	(76,455)
Other	(27,144)	(46,946)
Subtotal	336,854	373,020
Interest and dividends received	2,460	753
Interest paid	(154)	(102)
Income taxes paid	(19,374)	(185,300)
Net cach provided by operating activities	319,786	188,370
Cash flows from investing activities		
Payment into time deposits	(200,000)	(200,000)
Proceeds from withdrawal of time deposits	200,000	200,000
Purchase of property, equipment, and intangible assets	(110,605)	(40,989)
Proceeds from sales of investment securities	—	17,112
Proceeds from redemption of investment securities	—	100,000
Purchase of interests in investments accounted for using the equity method	—	(120,000)
Other	3,094	—
Net cash used in investing activities	(107,510)	(43,877)
Cash flows from financing activities		
Proceeds from issuance of common shares	7,051	193
Cash dividends paid	(96,612)	(97,363)
Other	(2,479)	(2,303)
Net cash used in financing activities	(92,040)	(99,473)
Increase/decrease in cash and cash equivalents	120,235	45,019
Cash and cash equivalents at the beginning of the period	2,569,660	3,111,133
Cash and cash equivalents at the end of the period	2,689,895	3,156,153