

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 Three Months Ended June 30, 2024 [IFRS]

August 8, 2024

Company name: DeNA Co., Ltd.

Stock exchange listing: Tokyo Stock Exchange

Code number: 2432

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

Representative: Shingo Okamura, President & CEO

Contact: Keigo Watanabe, Director and Executive Officer, Head of the Corporate Unit

Phone: +81-3-6758-7200

Scheduled date to commence dividend payments: —

Availability of supplementary briefing material on financial results: Yes

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

(Amounts are rounded to the nearest million yen.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(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	%
Three months ended June 30, 2024	33,982	(6.0)	1,917	10.5	4,489	(24.8)	2,846	(37.6)
Three months ended June 30, 2023	36,150	4.0	1,735	(56.2)	5,971	(44.2)	4,559	(39.2)

	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
Three months ended June 30, 2024	3,052	(34.2)	5,154	(61.8)	27.40	27.38
Three months ended June 30, 2023	4,639	(35.1)	13,509	357.9	41.66	41.62

(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 June 30, 2024	333,435	222,912	212,133	63.6
As of March 31, 2024	335,708	220,025	209,204	62.3

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, 2024	—	0.00	—	20.00	20.00
Fiscal year ending March 31, 2025	—				
Fiscal year ending March 31, 2025 (Forecast)		—	—	—	—

(Notes) 1. Revisions to recently announced dividend forecast: No

2. The dividend forecast for the fiscal year ending March 31, 2025 has not been determined at this time.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

The consolidated financial results forecast for the fiscal year ending March 31, 2025 cannot be provided due to the difficulty of reasonably and accurately estimating the figures. However, the Company aims to achieve a year-on-year increase in revenue and operating profit with the exception of one-off gains and losses. For the main factors assumed to impact business performance including the trends of each business, please refer to “1. Overview of Operating Results and Financial Position (1) Overview of Operating Results for Fiscal 2023 (Outlook for Fiscal 2024),” in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 [IFRS],” announced on May 8, 2024.

* Notes

(1) Significant Changes in the Scope of Consolidation during the Period: None
Newly included: Excluded:

(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 June 30, 2024	122,145,545 shares
As of March 31, 2024	122,145,545 shares

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

As of June 30, 2024	10,791,902 shares
As of March 31, 2024	10,794,938 shares

3) Average number of shares during the period:

Three months ended June 30, 2024	111,352,124 shares
Three months ended June 30, 2023	111,341,939 shares

(Note) The 164,771 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 June 30, 2024, and the 167,812 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, 2024.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: No

* 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.

(2) Dividend Forecast

The Company plans to set the cash dividend forecast for the fiscal year ending March 31, 2025 considering the overall progress in performance and other factors, and promptly announce said expected dividend amount.

(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 August 8, 2024. The briefing materials for this session are scheduled to be posted on the Company's website after the timely disclosure of the Consolidated Financial Results for the Three Months Ended June 30, 2024. 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.

Appendix

1. Overview of Operating Results and Financial Position	2
(1) Overview of Operating Results	2
(2) Overview of Financial Position and Cash Flows	3
(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information	4
 2. Condensed Consolidated Financial Statements and Principal Notes	 5
(1) Condensed Consolidated Statement of Financial Position	5
(2) Condensed Consolidated Income Statement	7
(3) Condensed Consolidated Statement of Comprehensive Income	8
(4) Condensed Consolidated Statement of Changes in Equity	9
(5) Condensed Consolidated Statement of Cash Flows	10
(6) Notes on Going Concern Assumption	11
(7) Notes to Condensed Consolidated Financial Statements	11
1. Segment information	11
2. Earnings per share	14
3. Significant subsequent events	14

1. Overview of Operating Results and Financial Position

(1) Overview of Operating Results

The Group is engaged in various businesses across the entertain and serve approaches. With the aim to enhance corporate value, the Group has been working to form an earnings base by taking advantage of the strengths of each approach, developing business groups that are set to structurally and sustainably grow, and encouraging synergies between businesses.

During the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024), revenue was ¥33,982 million, down 6.0% year-on-year. The factors for the year-on-year fluctuations are explained below in business performance by segment.

Cost of sales was ¥17,783 million, down 6.5% year-on-year. Commission fees declined, reflecting the trends and performance of the Live Streaming and Game Businesses.

Selling, general and administrative expenses were ¥14,236 million, down 7.4% year-on-year. Commission fees declined, mainly reflecting the performance of the Live Streaming and Game Businesses.

Finance income was ¥2,808 million, down 3.6% year-on-year, and finance costs were ¥64 million, up 51.4% year-on-year.

Share of loss of associates accounted for using the equity method was ¥173 million, compared with share of profit of associates accounted for using the equity method of ¥1,366 million in the same period of the previous fiscal year. The same period of the previous fiscal year was impacted by the one-time gain from the capital increase of GO Inc., a major associate accounted for using the equity method, through a third-party allotment.

As a result, revenue of the DeNA Group was ¥33,982 million, down 6.0% year-on-year, operating profit was ¥1,917 million, up 10.5% year-on-year, profit before tax was ¥4,489 million, down 24.8% year-on-year, and profit for the period attributable to owners of the parent was ¥3,052 million, down 34.2% year-on-year.

Business performance by segment is as follows.

1) Game Business

Revenue of the Game Business was ¥11,215 million, down 10.0% year-on-year, and segment profit was ¥866 million, up 307.4% year-on-year.

Operations were centered on existing titles and despite the year-on-year decrease in virtual currency consumption, profit increased year-on-year, thanks to the decrease in expenses reflecting the significant downsizing of the Company's office in China from the previous fiscal year.

2) Live Streaming Business

Revenue of the Live Streaming Business was ¥10,197 million, down 5.7% year-on-year, and segment loss was ¥576 million, compared with segment loss of ¥182 million for the same period of the previous fiscal year.

During the three months ended June 30, 2024, marketing initiatives including TV commercials were carried out for Pococha in Japan. IRIAM continued to grow.

3) Sports Business

Revenue of the Sports Business was ¥10,026 million, down 2.0% year-on-year, and segment profit was ¥3,335 million, down 2.6% year-on-year.

During the three months ended June 30, 2024, despite fewer professional baseball home games compared to the same period of the previous fiscal year, the number of spectators, etc., remained high.

4) Healthcare & Medical Business

Revenue of the Healthcare & Medical Business was ¥1,841 million, down 6.1% year-on-year, and segment loss was ¥1,376 million, compared with segment loss of ¥1,172 million for the same period of the previous fiscal year.

In the Healthcare area, revenue decreased year-on-year primarily since the current fiscal year is not the data health plan formulation year. As for data use, the Company is making steady progress in the number of clients and other leading indicators ahead of the demand period in the second half of the fiscal year. In the Medical area, the number of facilities adopting “Join,” the communication app for medical practitioners, continues to climb and discussions are ongoing for various projects including the Join Mobile Care initiative combining portable medical devices with Join to ensure their contribution in the current fiscal year.

5) New Businesses and Others

Revenue of the New Businesses and Others was ¥820 million, up 15.6% year-on-year, and segment loss was ¥272 million, compared with segment loss of ¥336 million for the same period of the previous fiscal year.

This section comprises various initiatives that aim to reinforce the Group’s business portfolio over the mid to long term as well as services of the E-commerce Business, etc.

(2) Overview of Financial Position and Cash Flows

1) Financial Position

Total assets at the end of the three months ended June 30, 2024 decreased by ¥2,273 million compared to the end of the previous fiscal year to ¥333,435 million.

Total current assets decreased by ¥10,760 million compared to the end of the previous fiscal year to ¥103,300 million. This was due mainly to a decrease in trade and other current receivables by ¥10,458 million.

Total non-current assets increased by ¥8,487 million compared to the end of the previous fiscal year to ¥230,135 million. This was due mainly to an increase in other non-current financial assets by ¥4,819 million and an increase in right-of-use assets by ¥2,508 million.

Total liabilities at the end of the three months ended June 30, 2024 decreased by ¥5,160 million compared to the end of the previous fiscal year to ¥110,523 million.

Total current liabilities decreased by ¥8,568 million compared to the end of the previous fiscal year to ¥40,645 million. This was due mainly to a decrease in trade and other current payables by ¥4,490 million.

Total non-current liabilities increased by ¥3,408 million compared to the end of the previous fiscal year to ¥69,878 million. This was due mainly to an increase in lease liabilities by ¥2,632 million.

Total equity at the end of the three months ended June 30, 2024 increased by ¥2,886 million compared to the end of the previous fiscal year to ¥222,912 million. This was primarily attributable to an increase in total equity attributable to owners of the parent by ¥2,929 million.

In terms of liquidity, the liquidity ratio and ratio of equity attributable to owners of the parent were 254.1% and 63.6%, respectively, at the end of the three months ended June 30, 2024.

2) Cash Flows

Cash and cash equivalents (collectively, “cash”) at the end of the three months ended June 30, 2024 decreased by ¥67 million compared to the end of the previous fiscal year to ¥71,330 million. 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 three months ended June 30, 2024 was ¥7,093 million, compared to a cash outflow of ¥3,970 million in the same period of the previous fiscal year. The principal cash inflow factor was ¥10,512 million in decrease in trade and other current receivables.

(Investing activities)

Net cash used in investing activities for the three months ended June 30, 2024 was ¥2,380 million, compared to a cash outflow of ¥2,250 million in the same period of the previous fiscal year. The principal cash outflow

factor was ¥1,323 million in acquisition of intangible assets.

(Financing activities)

Net cash used in financing activities for the three months ended June 30, 2024 was ¥5,180 million, compared to a cash outflow of ¥4,348 million in the same period of the previous fiscal year. The principal cash outflow factor was ¥2,563 million in net decrease in short-term borrowings.

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

The consolidated financial results forecast for the fiscal year ending March 31, 2025 cannot be provided due to the difficulty of reasonably and accurately estimating the figures. However, the Company aims to achieve a year-on-year increase in revenue and operating profit with the exception of one-off gains and losses.

For the main factors assumed to impact business performance including the trends of each business, please refer to “1. Overview of Operating Results and Financial Position (1) Overview of Operating Results for Fiscal 2023 (Outlook for Fiscal 2024),” in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 [IFRS],” announced on May 8, 2024.

2. Condensed Consolidated Financial Statements and Principal Notes

(1) Condensed Consolidated Statement of Financial Position

	(Millions of yen)	
	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and cash equivalents	71,396	71,330
Trade and other current receivables	30,071	19,612
Income taxes receivable	5,845	5,978
Other current financial assets	408	291
Other current assets	6,340	6,089
Total current assets	114,060	103,300
Non-current assets		
Property and equipment	5,893	6,620
Right-of-use assets	16,021	18,529
Goodwill	33,562	33,562
Intangible assets	17,803	18,422
Investments accounted for using the equity method	56,512	56,366
Other non-current financial assets	91,125	95,944
Deferred tax assets	679	654
Other non-current assets	52	36
Total non-current assets	221,648	230,135
Total assets	335,708	333,435

	(Millions of yen)	
	As of March 31, 2024	As of June 30, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other current payables	21,337	16,847
Borrowings	8,613	6,203
Lease liabilities	1,606	1,283
Income tax payables	601	1,822
Provisions	2,741	2,100
Other current financial liabilities	1,093	1,311
Other current liabilities	13,221	11,079
Total current liabilities	49,213	40,645
Non-current liabilities		
Borrowings	29,151	28,837
Lease liabilities	5,135	7,767
Provisions	254	254
Other non-current financial liabilities	638	537
Deferred tax liabilities	31,113	32,300
Other non-current liabilities	180	183
Total non-current liabilities	66,470	69,878
Total liabilities	115,683	110,523
Equity		
Common stock	10,397	10,397
Capital surplus	15,750	15,752
Retained earnings	162,578	163,398
Treasury stock	(20,757)	(20,747)
Other components of equity	41,237	43,333
Total equity attributable to owners of the parent	209,204	212,133
Non-controlling interests	10,821	10,779
Total equity	220,025	222,912
Total liabilities and equity	335,708	333,435

(2) Condensed Consolidated Income Statement

	(Millions of yen)	
	Three months ended June 30, 2023	Three months ended June 30, 2024
Revenue	36,150	33,982
Cost of sales	(19,022)	(17,783)
Gross profit	17,128	16,200
Selling, general and administrative expenses	(15,370)	(14,236)
Other income	156	199
Other expenses	(179)	(245)
Operating profit	1,735	1,917
Finance income	2,912	2,808
Finance costs	(42)	(64)
Share of profit (loss) of associates accounted for using the equity method	1,366	(173)
Profit before tax	5,971	4,489
Income tax expense	(1,412)	(1,642)
Profit for the period	4,559	2,846
Attributable to:		
Owners of the parent	4,639	3,052
Non-controlling interests	(79)	(205)
Profit (loss) for the period	4,559	2,846
		(Yen)
Earnings per share attributable to owners of the parent:		
Basic earnings per share	41.66	27.40
Diluted earnings per share	41.62	27.38

(3) Condensed Consolidated Statement of Comprehensive Income

	(Millions of yen)	
	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit for the period	4,559	2,846
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	8,670	2,666
Total other comprehensive income that will not be reclassified to profit or loss, net of tax	8,670	2,666
Components of other comprehensive income that may be reclassified to profit or loss, net of tax		
Foreign currency translation adjustments, net of tax	142	(362)
Cash flow hedges	136	-
Other	2	4
Total other comprehensive income that may be reclassified to profit or loss, net of tax	280	(358)
Other comprehensive income, net of tax	8,950	2,308
Total comprehensive income for the period	13,509	5,154
Attributable to:		
Owners of the parent	13,559	5,144
Non-controlling interests	(50)	11
Total comprehensive income for the period	13,509	5,154

(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, 2023	10,397	15,591	193,586	(20,794)	22,846	221,626	12,367	233,993
Profit (loss) for the period	-	-	4,639	-	-	4,639	(79)	4,559
Other comprehensive income	-	-	-	-	8,920	8,920	30	8,950
Total comprehensive income for the period	-	-	4,639	-	8,920	13,559	(50)	13,509
Dividends recognized as distributions to owners	-	-	(2,227)	-	-	(2,227)	(124)	(2,351)
Increase (decrease) through treasury stock transactions	-	(16)	-	16	-	-	-	-
Increase (decrease) through share-based payment transactions	-	(20)	-	-	26	6	-	6
Transfer to capital surplus from retained earnings	-	7	(7)	-	-	-	-	-
Acquisition, disposal and other changes of non-controlling interests	-	(0)	-	-	-	(0)	7	7
Increase (decrease) through transfers and other changes	-	1	(5)	-	5	1	96	97
As of June 30, 2023	10,397	15,563	195,986	(20,778)	31,797	232,964	12,296	245,260

(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, 2024	10,397	15,750	162,578	(20,757)	41,237	209,204	10,821	220,025
Profit (loss) for the period	-	-	3,052	-	-	3,052	(205)	2,846
Other comprehensive income	-	-	-	-	2,092	2,092	216	2,308
Total comprehensive income for the period	-	-	3,052	-	2,092	5,144	11	5,154
Dividends recognized as distributions to owners	-	-	(2,227)	-	-	(2,227)	(20)	(2,247)
Increase (decrease) through treasury stock transactions	-	(10)	-	10	-	(0)	-	(0)
Increase (decrease) through share-based payment transactions	-	6	-	-	5	11	-	11
Transfer to capital surplus from retained earnings	-	5	(5)	-	-	-	-	-
Acquisition, disposal and other changes of non-controlling interests	-	-	-	-	-	-	(19)	(19)
Increase (decrease) through transfers and other changes	-	1	-	-	-	1	(14)	(12)
As of June 30, 2024	10,397	15,752	163,398	(20,747)	43,333	212,133	10,779	222,912

(5) Condensed Consolidated Statement of Cash Flows

	(Millions of yen)	
	Three months ended June 30, 2023	Three months ended June 30, 2024
Operating activities		
Profit before tax	5,971	4,489
Depreciation and amortization	1,399	1,167
Loss (gain) on investments in securities	(1,123)	(779)
Interest and dividend income	(1,124)	(1,366)
Interest expenses	42	64
Share of loss (profit) of associates accounted for using the equity method	(1,366)	173
Decrease (increase) in trade and other current receivables	8,275	10,512
Increase (decrease) in trade and other current payables	(3,452)	(5,331)
Increase (decrease) in advances received	(2,807)	(2,670)
Other, net	526	(36)
Subtotal	6,341	6,223
Interest and dividends received	1,124	1,191
Interest paid	(35)	(36)
Income tax paid	(11,434)	(349)
Income tax refund	34	65
Net cash flows from (used in) operating activities	(3,970)	7,093
Investing activities		
Purchase of shares of associates	(538)	(1)
Proceeds from sales and redemption of investment securities	6	-
Purchases of investment securities	(333)	(234)
Acquisition of property and equipment	(155)	(828)
Acquisition of intangible assets	(1,749)	(1,323)
Payments for asset retirement obligations	(68)	(2)
Proceeds from refund of leasehold and guarantee deposits	120	8
Other, net	468	1
Net cash flows from (used in) investing activities	(2,250)	(2,380)
Financing activities		
Net increase (decrease) in short-term borrowings	(1,575)	(2,563)
Repayments of long-term borrowings	(39)	-
Repayments of lease liabilities	(443)	(427)
Cash dividends paid	(2,183)	(2,182)
Proceeds from share issuance to non-controlling interests	-	3
Cash dividends paid to non-controlling interests	(124)	(20)
Proceeds from disposition of treasury stock	16	10
Purchase of treasury stock	-	(0)
Other, net	(0)	-
Net cash flows from (used in) financing activities	(4,348)	(5,180)
Net decrease in cash and cash equivalents	(10,568)	(466)
Cash and cash equivalents at beginning of period	97,732	71,396
Effect of exchange rate changes on cash and cash equivalents	926	400
Cash and cash equivalents at end of period	88,090	71,330

(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 four reportable segments of the Group are classified as the “Game Business,” “Live Streaming Business,” “Sports Business” and “Healthcare & Medical 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: Distribution of game apps, Mobage, etc.
Live Streaming Business	Live streaming-related services (provided in Japan and internationally) Principal services: Pococha, IRIAM, etc.
Sports Business	Sports-related services (provided in Japan) Principal services: Yokohama DeNA BayStars Baseball Club, operation of the Yokohama Stadium, Kawasaki Brave Thunders, S.C. Sagami-hara, etc.
Healthcare & Medical Business	Healthcare and medical-related services (provided in Japan and internationally) Principal services: Provision of health big data-related services, Join and other medical digital transformation-related services, etc.
New Businesses and Others	New businesses and other services (provided in Japan) Principal business domains: E-commerce business, other new businesses, etc.

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

Accounting policies for reportable segments are identical to those of the Group in the consolidated financial statements.

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 three months ended June 30, 2023

(From April 1, 2023 to June 30, 2023)

(Millions of yen)

	Game Business	Live Streaming Business	Sports Business	Healthcare & Medical Business	New Businesses and Others *2	Adjustments *3	Total
Revenue							
Revenue from external customers	12,438	10,809	10,235	1,960	709	—	36,150
Intersegment revenue	24	—	1	—	0	(26)	—
Total	12,462	10,809	10,235	1,960	709	(26)	36,150
Segment profit (loss) *1	213	(182)	3,424	(1,172)	(336)	(189)	1,758
Other income (expenses), net							(23)
Operating profit							1,735
Finance income (costs), net							2,870
Share of profit (loss) of associates accounted for using the equity method							1,366
Profit before tax							5,971

(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 E-commerce business and other new businesses.

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 three months ended June 30, 2024
(From April 1, 2024 to June 30, 2024)

(Millions of yen)

	Game Business	Live Streaming Business	Sports Business	Healthcare & Medical Business	New Businesses and Others *2	Adjustments *3	Total
Revenue							
Revenue from external customers	11,183	10,197	9,948	1,836	818	—	33,982
Intersegment revenue	32	—	77	5	2	(116)	—
Total	11,215	10,197	10,026	1,841	820	(116)	33,982
Segment profit (loss) *1	866	(576)	3,335	(1,376)	(272)	(13)	1,963
Other income (expenses), net							(47)
Operating profit							1,917
Finance income (costs), net							2,744
Share of profit (loss) of associates accounted for using the equity method							(173)
Profit before tax							4,489

(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 E-commerce business and other new businesses.

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 (loss) per share attributable to owners of the parent for the three months ended June 30, 2023 and 2024 are as follows:

	Three months ended June 30, 2023 (From April 1, 2023 to June 30, 2023)	Three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)
Profit for the period attributable to owners of the parent (Millions of yen)	4,639	3,052
Profit for the period adjustments		
Adjustments for dilutive shares issued by subsidiaries	—	—
Profit for the period used to calculate diluted earnings per share	4,639	3,052
Weighted average number of common shares outstanding during the period—basic (Shares)	111,341,939	111,352,124
Effect of dilutive potential common shares:		
Stock options, etc. (Shares)	115,930	108,528
Weighted average number of common shares outstanding during the period—diluted (Shares)	111,457,869	111,460,652
Earnings per share attributable to owners of the parent (Yen)		
Basic earnings per share	41.66	27.40
Diluted earnings per share	41.62	27.38
Summary of dilutive shares not included in the calculation of diluted earnings per share due to their anti-dilutive effect	Stock options issued by consolidated subsidiaries (number of subsidiary shares to be issued upon exercise of stock options: 168,900)	—

3. Significant subsequent events

Not applicable.