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Consolidated Financial Results for the Fiscal Year Ended September 30, 2024 (under Japanese GAAP)

November 6, 2024

Name of the Listed Company: COLOPL, Inc.
Listed Stock Exchanges: Tokyo Stock Exchange
Security code: 3668
URL: https://colopl.co.jp/en/
Representative: Takashi Miyamoto, President
Contact: Yoshiaki Harai, Executive Director
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Scheduled date of ordinary general meeting of shareholders: December 20, 2024
Scheduled date to commence dividend payments: December 24, 2024
Scheduled date to submit securities report: December 23, 2024
Preparation of supplementary materials on financial results: Yes
Holding of financial results presentation meeting: Yes (for institutional investors and analysts)

(Figures of less than one million are rounded down.)

1. Consolidated financial results for the fiscal year ended September 30, 2024 (from October 1, 2023 to September 30, 2024)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	million yen	%	million yen	%	million yen	%	million yen	%
September 30, 2024	25,975	(15.7)	(1,208)	—	(947)	—	(1,866)	—
September 30, 2023	30,806	(5.3)	2,648	(38.5)	3,066	(46.5)	1,746	(27.7)

Note: Comprehensive income Fiscal year ended September 30, 2024: (2,144) million yen (—%)
Fiscal year ended September 30, 2023: 2,003 million yen (down37.0% year on year)

	Basic earnings per share	Diluted earnings per share	Return on equity	Return on assets	Operating margin
Fiscal year ended	yen	Yen	%	%	%
September 30, 2024	(14.55)	—	(2.5)	(1.2)	(4.7)
September 30, 2023	13.61	—	2.3	3.7	8.6

Reference: Share of profit (loss) of entities accounting for using equity method Fiscal year ended September 30, 2024: - million yen
Fiscal year ended September 30, 2023: - million yen

Note: Diluted earnings per share is not shown in the above table, as there were no residual shares.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	million yen	million yen	%	yen
September 30, 2024	79,805	71,387	89.4	556.07
September 30, 2023	81,464	76,060	93.4	592.90

Reference: Shareholder's equity As of September 30, 2024: 71,380 million yen
As of September 30, 2023: 76,054 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	million yen	million yen	million yen	million yen
September 30, 2024	237	(8,087)	(896)	49,454
September 30, 2023	1,159	8,237	(2,567)	58,167

2. Cash dividends

	Dividend per share					Total dividend payments (total)	Dividend payout ratio (consolidated)	Dividend on equity (consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Annual			
Fiscal year ended	yen	yen	yen	yen	yen	million yen	%	%
September 30, 2023	–	0.00	–	20.00	20.00	2,565	146.9	3.4
September 30, 2024	–	0.00	–	20.00	20.00	2,567	(137.5)	3.5
Fiscal year ending September 30, 2025 (forecast)	–	–	–	–	–		–	

Note: Dividends for the fiscal year ending September 30, 2025 are not yet decided.

3. Consolidated financial forecasts for the fiscal year ending September 30, 2025 (from October 1, 2024 to September 30, 2025)

Due to the fact that the business environment surrounding our group is subject to rapid changes in the short term, it is difficult to calculate appropriate and reasonable figures for the outlook of our group's business performance, and therefore we do not disclose our business forecast.

Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

Newly consolidated: 2 companies (Company name) Colopl Next Korea, Inc., Digital Gemstone Fund 1

Excluded: 1 company (Company name) COLOPL NEXT Listed Shares No. 1 Fund Investment Partnership

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other than (i): None

(iii) Change in accounting estimates: None

(iv) Restatement: None

(3) Number of shares issued (common shares)

(i) Total number of shares issued at the end of the period (including treasury shares)

As of September 30, 2024	130,144,640 shares	As of September 30, 2023	130,055,005 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2024	1,778,834 shares	As of September 30, 2023	1,778,684 shares

(iii) Average number of shares during the period

Fiscal year ended September 30, 2024	128,343,486 shares	Fiscal year ended September 30, 2023	128,258,663 shares

Reference: Summary of non-consolidated results

1. Non-consolidated financial results for the fiscal year ended September 30, 2024 (from October 1, 2023 to September 30, 2024)

(1) Non-consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net profit	
Fiscal year ended	million yen	%	million yen	%	million yen	%	million yen	%
September 30, 2024	19,174	(17.2)	18	(99.4)	20	(99.4)	(2,624)	―
September 30, 2023	23,157	(2.6)	2,856	(26.0)	3,237	(28.1)	2,389	50.1

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	yen	yen
September 30, 2024	(20.45)	―
September 30, 2023	18.63	―

Note: Diluted earnings per share is not shown in the above table, as there were no residual shares.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	million yen	million yen	%	yen
September 30, 2024	73,430	67,675	92.2	527.21
September 30, 2023	77,560	73,279	94.5	571.26

Reference: Equity As of September 30, 2024: 67,675 million yen

As of September 30, 2023: 73,279 million yen

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

Descriptions and statements concerning estimates and forecasts in this material are judgments and assumptions based on information currently available to the Company. Due to the uncertainties inherent in these judgments and assumptions, as well as changes in business management and internal or external conditions, actual results may differ substantially from predictions, and the Company does not guarantee the certainty of any details regarding these future predictions.

As announced in the “Notice of Partial Correction of Past Fiscal Year Financial Results, etc.” released today, it has been discovered that there were errors in the consolidated financial statements, etc. that the Company had previously released. The figures for the previous consolidated fiscal year (the fiscal year ended September 30, 2023) have been amended.

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1. Overview of Operating Results, etc.

(1) Summary of Operating Results for the Fiscal Year Ended September 30, 2024

With the Group's mission, "'Entertainment in Real Life': Making everyday more enjoyable and wonderful through entertainment", the Group has been working to enrich people' s everyday lives through entertainment. The Entertainment Business has been keeping in mind the need to enhance engagement with users in conjunction with existing titles, while also focusing on developing new titles. The Investment and Development Business has been investing mainly in IT-related and entertainment companies in Japan and overseas.

As a result, consolidated results for the fiscal year under review were Net sales of 25,975 million yen (down 15.7% year on year), Operating loss of 1,208 million yen (Operating profit of 2,648 million yen in the previous fiscal year), Ordinary loss of 947 million yen (Ordinary profit of 3,066 million yen in the previous fiscal year), and Loss attributable to owners of the parent of 1,866 million yen (Profit attributable to owners of the parent of 1,746 million yen in the previous fiscal year).

As announced in the "Notice of Partial Correction of Past Fiscal Year Financial Results, etc." released today, it has been discovered that there were errors in the consolidated financial statements, etc. that the Company had previously released. The figures for the previous consolidated fiscal year (the fiscal year ended September 30, 2023) have been amended.

Operating results by business segment are as follows:

a. Entertainment Business

The Entertainment Business is responsible primarily for the development and operation of games for smartphones.

In games for smartphones, new title "FESTIBATTLE" was released. As for existing titles, "DRAGON QUEST WALK (planning and production: SQUARE ENIX CO., LTD., Development: COLOPL, Inc.)" continued to drive consolidated performance. Our original IP titles, "Shironeko Project," "Quiz RPG: The World of Mystic Wiz" and "Alice Gear Aegis" held anniversary events and collaborative events with popular IPs. Although the Group focused on operating services to increase user engagement, sales of existing titles declined. In addition, some titles were discontinued.

The new blockchain game "Brilliantcrypto" was released and the Initial Exchange Offering (IEO) (Note) of "Brilliantcrypto Token (BRIL)", a cryptocurrency that can be used in the game, was conducted. The funds raised through the IEO will be gradually recognized in Net sales as BRIL is used in the game, but upfront development and marketing costs and one-time costs associated with the IEO were incurred.

As a result, consolidated Net sales and Operating loss for the fiscal year under review stood at 24,474 million yen (down 18.2% year on year), and 1,302 million yen (Operating profit of 3,320 million yen in the previous fiscal year), respectively.

(Note) Initial Exchange Offering (IEO) is a mechanism whereby cryptocurrency exchanges take the initiative in screening projects and conducting public offerings and distribution of cryptocurrency in accordance with Japanese domestic laws and regulations.

b. Investment and Development Business

The Group conducts the Investment and Development Business with a focus on investments in IT-related and entertainment companies in particular.

The Group's funds generated income from the sale of operational investment securities for the fiscal year under review. In addition, impairment losses were recorded on a portion of operational investment securities held.

As a result, consolidated Net sales and the Operating profit for the fiscal year under review stood at 1,500 million yen (up 68.3% year on year) and 91 million yen (Operating loss of 674 million yen in the previous fiscal year under review), respectively.

(2) Overview of Financial Position for the Fiscal Year under Review

(Assets)

Current assets at the end of the fiscal year under review totaled 67,267 million yen, down 7,391 million yen from the end of the previous fiscal year. This was mainly due to a decrease in Cash and Deposits.

Non-current assets totaled 12,537 million yen, up 5,732 million yen from the end of the previous fiscal year. This was mainly due to an increase in Investment securities.

As a result, Total assets decreased 1,659 million yen from the end of the previous fiscal year, to 79,805 million yen.

(Liabilities)

Current liabilities at the end of the fiscal year under review totaled 6,567 million yen, up 2,284 million yen from the end of the previous fiscal year. This was mainly due to an increase in Advances received.

Non-current liabilities totaled 1,849 million yen, up 728 million yen from the end of the previous fiscal year. This was mainly due to an increase in Long-term borrowings.

As a result, total liabilities increased 3,013 million yen from the end of the previous fiscal year, to 8,417 million yen.

(Net assets)

Net assets at the end of the fiscal year under review totaled 71,387 million yen, down 4,672 million yen from the end of the previous fiscal year. This was mainly due to a decrease in Retained earnings resulting from the payment of dividends and recording of Loss attributable to owners of parent.

(3) Overview of Cash Flows for the Fiscal Year under Review

The balance of cash and cash equivalents (hereinafter, "cash") at the end of the fiscal year under review decreased 8,712 million yen from the end of the previous fiscal year, to 49,454 million yen. The status of each of the cash flow segments and contributing factors for changes during the fiscal year under review are as follows.

(Cash flows from operating activities)

Net cash increased by 237 million yen in operating activities during the fiscal year under review (compared to an increase of 1,159 million yen during the previous fiscal year). The main cash inflow was 1,269 million yen in increase (decrease) in advances received.

(Cash flows from investing activities)

Net cash decreased by 8,087 million yen in investing activities during the fiscal year under review (compared to an increase of 8,237 million yen during the previous fiscal year). The main cash outflow was 7,776 million yen in purchase of investment securities.

(Cash flows from financing activities)

Net cash decreased by 896 million yen in financing activities during the fiscal year under review (compared to a decrease of 2,567 million yen during the previous fiscal year). The main cash outflow was 2,566 million yen in dividends paid.

Reference: Changes in cash flow-related indicators

	Fiscal year ended September 30, 2020	Fiscal year ended September 30, 2021	Fiscal year ended September 30, 2022	Fiscal year ended September 30, 2023	Fiscal year ended September 30, 2024
Shareholders' equity ratio (%)	88.3	93.7	91.9	93.4	89.4
Shareholders' equity ratio at market value (%)	133.7	127.5	104.7	92.9	85.4
Ratio of interest-bearing debt to operating cash flow (number of years)	–	–	–	–	7.0
Interest coverage ratio (times)	–	–	–	–	32.7

Shareholders' equity ratio (%): shareholders' equity / total assets

Shareholders' equity ratio at market value: total market capitalization / total assets

Ratio of interest-bearing debt to cash flows: interest-bearing debt / cash flows

Interest coverage ratio: cash flows / interest expenses paid

Notes: 1. Market capitalization is calculated based on the number of shares outstanding, excluding treasury shares.

2. Cash flow is based on operating cash flow.

3. Interest-bearing debt refers to all debt that is listed on the consolidated balance sheet and for which interest is paid.

(4) Future Outlook

Looking ahead to the fiscal year ending September 30, 2025, the Group will continue to keep in mind the need to enhance engagement with users in conjunction with existing titles, while also achieving sustainable growth by developing new titles on a yearly basis. It will also invest actively with a focus on IT-related and entertainment companies in particular.

Due to the fact that the business environment surrounding our group is subject to rapid changes in the short term, it is difficult to calculate appropriate and reasonable figures for the outlook of our group's business performance, and therefore we do not disclose our business forecast.

2. Basic Stance on the Selection of Accounting Standards

The Group is watching trends in the adoption of the Internal Financial Reporting Standards (IFRS) to make proper decisions on the timing of adoption, etc. No decision therefore has been made on the adoption of the Standards in the foreseeable future.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

(million yen)

	As of September 30, 2023	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	57,960	50,250
Accounts receivable - trade, and contract assets	4,635	4,206
Operational investment securities	9,750	10,166
Merchandise	74	35
Work in process	362	498
Supplies	5	6
Advance payments	461	269
Prepaid expenses	673	941
Other	756	908
Allowance for doubtful accounts	(21)	(17)
Total current assets	74,658	67,267
Non-current assets		
Property, plant and equipment		
Buildings and structures	2,146	2,097
Accumulated depreciation and impairment	(517)	(580)
Buildings and structures, net	1,628	1,516
Tools, furniture and fixtures	754	781
Accumulated depreciation and impairment	(608)	(658)
Tools, furniture and fixtures, net	146	123
Construction in progress	5	―
Other	―	2
Accumulated depreciation and impairment	―	(1)
Other, net	―	0
Total property, plant and equipment	1,780	1,641
Intangible assets		
Software	20	15
Total intangible assets	20	15
Investments and other assets		
Investment securities	2,833	7,588
Shares of subsidiaries and associates	212	3
Investments in capital of subsidiaries and associates	129	104
Leasehold and guarantee deposits	1,654	1,611
Deferred tax assets	120	124
Other	55	1,460
Allowance for doubtful accounts	(0)	(11)
Total investments and other assets	5,004	10,880
Total non-current assets	6,805	12,537
Total assets	81,464	79,805

(million yen)

	As of September 30, 2023	As of September 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	67	72
Accounts payable - other	2,226	2,734
Accrued expenses	610	508
Income taxes payable	336	245
Accrued consumption taxes	183	204
Advances received	574	1,844
Deposits received	228	200
Provision for business restructuring	—	57
Other	56	700
Total current liabilities	4,283	6,567
Non-current liabilities		
Long-term borrowings	—	999
Asset retirement obligations	745	759
Deferred tax liabilities	349	72
Other	26	17
Total non-current liabilities	1,121	1,849
Total liabilities	5,404	8,417
Net assets		
Shareholders' equity		
Share capital	6,610	6,635
Capital surplus	6,350	6,373
Retained earnings	66,210	61,764
Treasury shares	(4,645)	(4,645)
Total shareholders' equity	74,526	70,128
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,179	814
Foreign currency translation adjustment	348	437
Total accumulated other comprehensive income	1,528	1,251
Non-controlling interests	5	7
Total net assets	76,060	71,387
Total liabilities and net assets	81,464	79,805

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

(Consolidated Statements of Income)

(million yen)

	Previous fiscal year (October 1, 2022 to September 30, 2023)	Fiscal year under review (October 1, 2023 to September 30, 2024)
Net sales	30,806	25,975
Cost of sales	21,614	19,216
Gross profit	9,192	6,758
Selling, general and administrative expenses	6,543	7,966
Operating profit (loss)	2,648	(1,208)
Non-operating income		
Interest income	223	325
Foreign exchange gains	290	—
Gain on sale of investment securities	354	247
Gain on investments in derivatives	—	17
Miscellaneous income	58	130
Total non-operating income	926	720
Non-operating expenses		
Foreign exchange losses	—	289
Loss on valuation of investment securities	—	54
Loss on sale of investment securities	136	34
Loss on investments in derivatives	364	—
Provision for business restructuring	—	57
Miscellaneous losses	7	25
Total non-operating expenses	508	460
Ordinary profit (loss)	3,066	(947)
Extraordinary losses		
Impairment losses	—	276
Total extraordinary losses	—	276
Profit (loss) before income taxes	3,066	(1,224)
Income taxes - current	1,282	654
Income taxes - deferred	39	(11)
Total income taxes	1,321	643
Profit (loss)	1,745	(1,867)
Loss attributable to non-controlling interests	(0)	(0)
Profit (loss) attributable to owners of parent	1,746	(1,866)

(Consolidated Statement of Comprehensive Income)

(million yen)

	Previous fiscal year (October 1, 2022 to September 30, 2023)	Fiscal year under review (October 1, 2023 to September 30, 2024)
Profit (loss)	1,745	(1,867)
Other comprehensive income		
Valuation difference on available-for-sale securities	95	(365)
Foreign currency translation adjustment	162	88
Total other comprehensive income	258	(276)
Comprehensive income	2,003	(2,144)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,004	(2,143)
Comprehensive income attributable to non-controlling interests	(0)	(0)

(3) Consolidated Statement of Changes in Equity

Previous fiscal year (October 1, 2022 to September 30, 2023)

(million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,587	6,328	67,028	(4,645)	75,299
Changes during period					
Issuance of new shares - restricted Stock Compensation	22	22			45
Dividends of surplus			(2,564)		(2,564)
Purchase of treasury shares				(0)	(0)
Profit attributable to owners of parent			1,746		1,746
Net changes in items other than shareholders' equity					
Total changes during period	22	22	(817)	(0)	(772)
Balance at end of period	6,610	6,350	66,210	(4,645)	74,526

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	1,083	186	1,269	6	76,575
Changes during period					
Issuance of new shares - restricted Stock Compensation					45
Dividends of surplus					(2,564)
Purchase of treasury shares					(0)
Profit attributable to owners of parent					1,746
Net changes in items other than shareholders' equity	95	162	258	(0)	257
Total changes during period	95	162	258	(0)	(515)
Balance at end of period	1,179	348	1,528	5	76,060

Fiscal year under review (October 1, 2023 to September 30, 2024)

(million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,610	6,350	66,210	(4,645)	74,526
Changes during period					
Issuance of new shares - restricted Stock Compensation	25	25			51
Dividends of surplus			(2,565)		(2,565)
Purchase of treasury shares				(0)	(0)
Change in scope of consolidation		(2)	(13)		(15)
Profit attributable to owners of parent			(1,866)		(1,866)
Net changes in items other than shareholders' equity					
Total changes during period	25	23	(4,446)	(0)	(4,397)
Balance at end of period	6,635	6,373	61,764	(4,645)	70,128

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	1,179	348	1,528	5	76,060
Changes during period					
Issuance of new shares - restricted Stock Compensation					51
Dividends of surplus					(2,565)
Purchase of treasury shares					(0)
Change in scope of consolidation					(15)
Profit attributable to owners of parent					(1,866)
Net changes in items other than shareholders' equity	(365)	88	(276)	1	(274)
Total changes during period	(365)	88	(276)	1	(4,672)
Balance at end of period	814	437	1,251	7	71,387

(4) Consolidated Statements of Cash Flows

(million yen)

	Previous fiscal year (October 1, 2022 to September 30, 2023)	Fiscal year under review (October 1, 2023 to September 30, 2024)
Cash flows from operating activities		
Profit (loss) before income taxes	3,066	(1,224)
Depreciation	335	283
Impairment losses	―	276
Increase (decrease) in allowance for doubtful accounts	(6)	7
Foreign exchange losses (gains)	(296)	297
Decrease (increase) in operational investment securities	644	54
Loss (gain) on sale of investment securities	(218)	(213)
Loss (gain) on valuation of investment securities	―	54
Loss (gain) on investments in derivatives	364	(17)
Decrease (increase) in trade receivables	274	442
Decrease (increase) in inventories	89	(98)
Increase (decrease) in trade payables	(0)	5
Increase (decrease) in accounts payable – other	(17)	511
Increase (decrease) in accrued consumption taxes	82	20
Increase (decrease) in income taxes payable - factor based tax	33	(11)
Increase (decrease) in advances received	122	1,269
Decrease (increase) in prepaid expenses	(167)	(217)
Other, net	(458)	(523)
Subtotal	3,849	919
Interest and dividends received	242	326
Interest paid	―	(7)
Income taxes refund (paid)	(2,933)	(1,000)
Net cash provided by (used in) operating activities	1,159	237

(million yen)

	Previous fiscal year (October 1, 2022 to September 30, 2023)	Fiscal year under review (October 1, 2023 to September 30, 2024)
Cash flows from investing activities		
Payments into time deposits	—	(2,224)
Proceeds from withdrawal of time deposits	10,000	—
Purchase of property, plant and equipment	(124)	(145)
Payments for asset retirement obligations	(0)	—
Purchase of intangible assets	(8)	(9)
Purchase of investment securities	(4,823)	(7,776)
Proceeds from sale of investment securities	3,825	1,956
Purchase of shares of subsidiaries and associates	(209)	—
Payments for investments in capital of subsidiaries and associates	(110)	—
Collection of investment in capital of subsidiaries and affiliates	—	14
Payments of leasehold and guarantee deposits	—	(0)
Proceeds from refund of leasehold and guarantee deposits	40	28
Proceeds from (payments for) futures settlement	(356)	25
Other, net	6	43
Net cash provided by (used in) investing activities	8,237	(8,087)
Cash flows from financing activities		
Proceeds from long-term borrowings	—	2,000
Repayments of long-term borrowings	—	(333)
Dividends paid	(2,567)	(2,566)
Other, net	(0)	3
Net cash provided by (used in) financing activities	(2,567)	(896)
Effect of exchange rate change on cash and cash equivalents	423	(150)
Net increase (decrease) in cash and cash equivalents	7,253	(8,896)
Cash and cash equivalents at beginning of period	50,914	58,167
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	—	184
Cash and cash equivalents at end of period	58,167	49,454

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumptions)

Not applicable.

(Segment information)

[Segment information]

1. Summary of reporting segments

The Group's reportable segments are the Company's constituent units for which separate financial information is available and periodic reviews are performed by the Board of Directors to determine the allocation of management resources and evaluate financial results.

The Company, which consists of business-based segments, treats two business, namely the Entertainment Business and the Investment and Development Business, as reportable businesses. The Entertainment Business is responsible primarily for the development and operation of games for smartphones. The Investment and Development Business is conducted with a focus on investment in IT-related and entertainment companies in particular.

2. Method used to calculate sales, income (loss), assets, liabilities, and other items by reportable segment

The accounting method of the reported business segments complies with the accounting policy adopted for preparing consolidated financial statements.

The profit of each reportable segment is presented on an operating profit basis.

Intersegment transactions and transfers are based on prevailing market prices.

3. Information regarding sales, income (loss), assets, liabilities, and other items of each reportable segment

Previous fiscal year (October 1, 2022 to September 30, 2023)

(million yen)

	Reportable Segment			Adjustment (Note 1)	Amount recorded in Consolidated Financial Statements (Note 2)
	Entertainment Business	Investment and Development Business	Total		
Net sales					
Sales to external customers	29,914	891	30,806	–	30,806
Intersegment sales or transfers	–	–	–	–	–
Total	29,914	891	30,806	–	30,806
Segment profit (loss)	3,320	(674)	2,646	2	2,648
Segment assets	67,411	14,052	81,464	–	81,464
Other items					
Depreciation	335	–	335	–	335
Increase in property, plant and equipment and intangible assets (Note 3)	139	–	139	–	139

Notes: 1. An adjustment in the segment profit (loss) area represents the deduction of intersegment transactions.

2. Segment profit (loss) has been adjusted to be consistent with the operating profit reported in the consolidated statements of income.

3. The increase in property, plant and equipment and intangible assets does not include the increase in assets corresponding to asset retirement obligations.

4. Segment assets in the Investment and Development Business consist mainly of operational investment securities of 9,750 million yen and other funds for investment.

5. Segment liabilities have not been included because they are not subject to periodic reviews performed to decide the allocation of management resources and evaluated financial results.

Fiscal year under review (October 1, 2023 to September 30, 2024)

(million yen)

	Reportable Segment			Adjustment (Note 1)	Amount recorded in Consolidated Financial Statements (Note 2)
	Entertainment Business	Investment and Development Business	Total		
Net sales					
Sales to external customers	24,474	1,500	25,975	–	25,975
Intersegment sales or transfers	–	–	–	–	–
Total	24,474	1,500	25,975	–	25,975
Segment profit (loss)	(1,302)	91	(1,210)	2	(1,208)
Segment assets	66,648	13,156	79,805	–	79,805
Other items					
Depreciation	281	2	283	–	283
Increase in property, plant and equipment and intangible assets (Note 3)	151	5	156	–	156

Notes: 1. An adjustment in the segment profit (loss) area represents the deduction of intersegment transactions.

2. Segment profit (loss) has been adjusted to be consistent with the operating profit reported in the consolidated statements of income.

3. The increase in property, plant and equipment and intangible assets does not include the increase in assets corresponding to asset retirement obligations.

4. Segment assets in the Investment and Development Business consist mainly of operational investment securities of 10,166 million yen and other funds for investment.

5. Segment liabilities have not been included because they are not subject to periodic reviews performed to decide the allocation of management resources and evaluated financial results.

(Per share information)

	Previous fiscal year (October 1, 2022 to September 30, 2023)	Fiscal year under review (October 1, 2023 to September 30, 2024)
Net assets per share (yen)	592.90	556.07
Earnings (Loss) per share (yen)	13.61	(14.55)

Notes: 1. Diluted earnings per share is not shown in the above table, as there were no residual shares.

2. The basis for calculating net assets per share is as follows:

	Previous fiscal year (September 30, 2023)	Fiscal year under review (September 30, 2024)
Total net assets (million yen)	76,060	71,387
Amount deducted from the total net assets (million yen)	5	7
[Non-controlling interests included (million yen)]	[5]	[7]
Net assets related to common shares at end of period (million yen)	76,054	71,380
Number of common shares at the end of the fiscal year used for the calculation of net assets per share (shares)	128,276,321	128,365,806

3. The basis for calculating basic earnings (loss) per share and diluted earnings per share is as follows.

	Previous fiscal year (October 1, 2022 to September 30, 2023)	Fiscal year under review (October 1, 2023 to September 30, 2024)
Basic earnings (loss) per share		
Profit (loss) attributable to owners of parent (million yen)	1,746	(1,866)
Amount not attributable to common shareholders (million yen)	–	–
Profit (loss) attributable to owners of parent pertaining to common shares (million yen)	1,746	(1,866)
Average number of shares during the period (shares)	128,258,663	128,343,486

(Significant subsequent events)

Not applicable.