

The following information was originally prepared and published by DeNA Co., Ltd. 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.



February 27, 2026

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Action to Implement Management that is Conscious of Cost of Capital and Stock Price (Update)

On November 10, 2025, DeNA Co., Ltd. has formulated and released the outline of policy for initiatives aimed at improving action to implement management that is conscious of cost of capital and stock price, in order to achieve sustainable growth and enhance corporate value over the medium to long term. DeNA hereby provides an update on the status of the progress of these measures, as detailed in the attached materials.

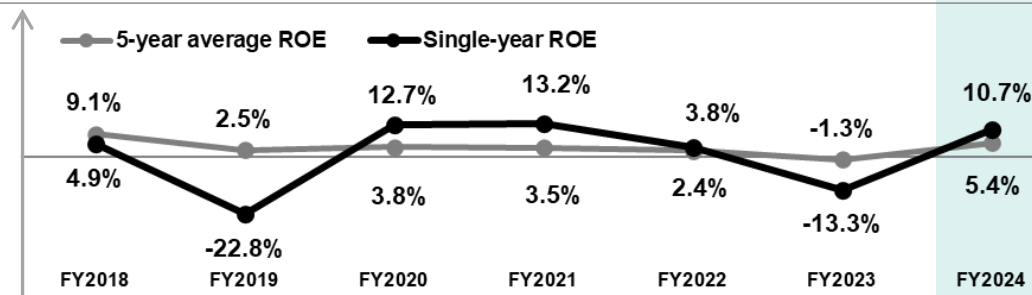
Going forward, specific measures and progress, etc. will be timely and appropriately disclosed and reported, through opportunities including the full year financial announcement for FY2025.

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Action to Implement Management that is Conscious of Cost of Capital and Stock Price (Background)

- Based on the progress of the mid term strategy, performance trends, and the voices and requests from the capital markets, a review of the capital structure is being advanced
- Address challenges, such as performance volatility and establishing a structure that maintains ROE above a certain level

	Previous Mid Term Strategy Period (FY2021–FY2023)	Current Mid Term Strategy Period (FY2024–FY2026)
Business	- Focus on enhancing business portfolio and structural shift - Growth in revenue scale for group of businesses other than Game Business	- Setting a Non-GAAP operating profit commitment of 15.0 billion yen for FY2026 based on the key focuses - Significant profit increase in FY2024, largely exceeding expectations due to a major hit title, etc.
Finance	- Investment in new growth and initiatives - Increasing capital efficiency and shareholder returns: Reviewing strategic shareholdings (decrease to half), share buybacks (total over 3 fiscal years: 25.9 billion yen), continued dividends at each fiscal year-end in accordance with dividend policy, and leveraging borrowings	In FY2024, in addition to the regular cash dividend, special cash dividend was paid (consolidated payout ratio of 30%)



- Achieving substantive and structural improvement in capital efficiency
- Setting the ROE target in addition to the conventional commitments
- Comprehensive review from both business and financial perspectives

Action to Implement Management that is Conscious of Cost of Capital and Stock Price (Outline Policy)

- Comprehensive approach from both business and financial perspectives; promotion of the initiatives listed below toward target achievement

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- Aim for phased increase of the ROE target
 - Reinforce balance sheet management and agilely establishment of a structure capable of consistently achieving ROE of 8% or more, targeting the current mid term strategy period (FY2024–FY2026)
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| Business | <ul style="list-style-type: none"> ● Achieve the Non-GAAP operating profit commitment of 15.0 billion for FY2026 ● Major game hits and other matters difficult for reasonable forecast positioned as upside potential ● Aiming for further enhancement of the long term profit level beyond FY2026: <ul style="list-style-type: none"> - Continued emphasis on forming structural strengths in each business and accelerating initiatives for business development capturing significant changes in the business environment (AI trends) - Simultaneously specifying plans for business portfolio and business creation for mid to long term sustainable growth |
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| Finance | <ul style="list-style-type: none"> ● Reinforcement of balance sheet management to achieve capital efficiency improvement ● Re-examination of the policy and level of shareholder returns including share buybacks ● Scrutiny of growth investments from a profitability perspective, and allocation of investments based on business strategy and business portfolio strategy |
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Basic Approach to Capital Allocation

- Capital allocation follows the priorities below to agilely establish a structure capable of consistently achieving ROE of 8% or more
- Updates of the growth strategy will be continuously shared with the capital market through opportunities including the full year financial announcement for FY2025

1. Growth investments and strategic investments including M&A, to achieve sustainable mid to long term growth

- Based on the guidelines regarding investments conscious of the cost of capital, particularly for large-scale investments, ensure a decision-making process with maximum awareness of capital efficiency, taking into account the specific degree of contribution toward ROE targets

2. Enhance shareholder returns to optimize capital levels and improve capital efficiency

- Starting from FY2025, adopting a basic dividend policy of targeting a DOE based approx. 3% and continuing to pay stable dividends
- Share buybacks will be responded flexibly with the intent of improving capital efficiency, without being limited to the program announced on February 27, 2026

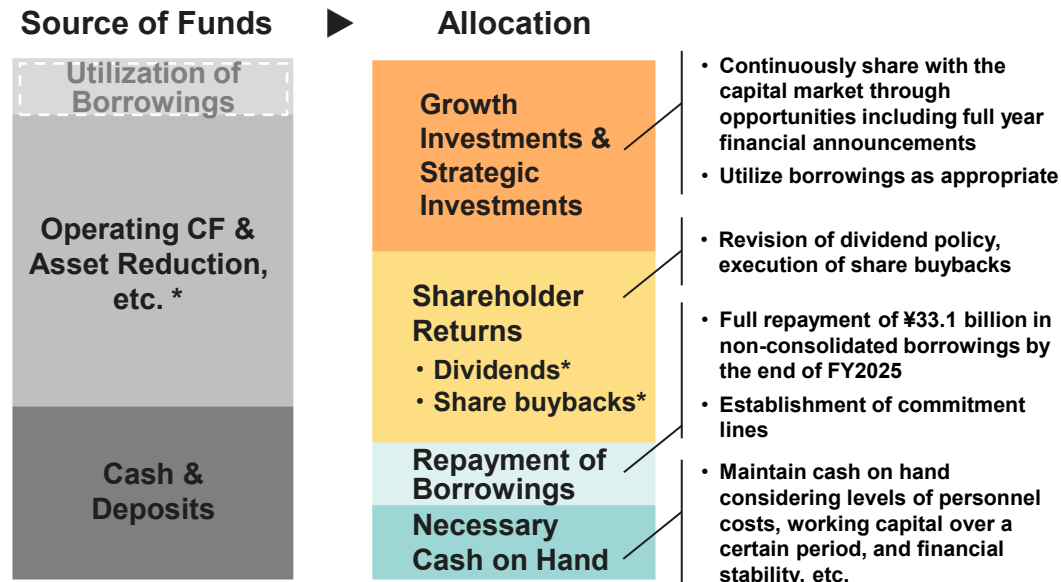
3. Flexible utilization of borrowings for future growth investments depending on their characteristics

- To reduce surplus cash and deposits and create future borrowing capacity, full repayment of non-consolidated borrowings (33.1 billion yen) is planned by the end of FY2025
- Establishment of new commitment lines to enable more flexible utilization

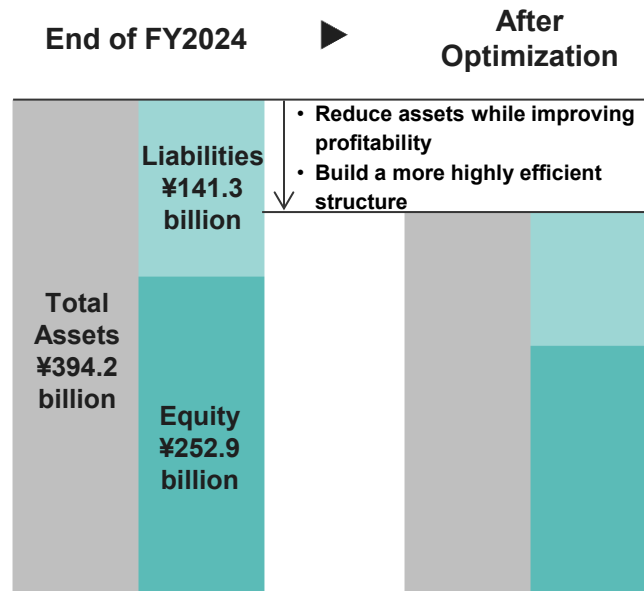
Basic Approach to Capital Allocation

- Optimize the balance sheet and improve capital efficiency through capital allocation based on the aforementioned priorities
- The specific actions for items marked with an asterisk (*) in the chart below have been determined and announced, with details provided on the following pages

Source of Funds and Allocation Over the Next 3 Years



Balance Sheet Optimization



Initiatives for Reduction of Policy Shareholdings

- To improve asset efficiency through a review of policy shareholdings, the sale of the following investment securities has been determined

Summary of the Sale of Investment Securities

(Announced on February 27, 2026)

Shares to be sold (scheduled)	Nintendo Co., Ltd. Common shares 6,000,000 shares
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- DeNA and Nintendo formed a business and capital alliance in March 2015 resulting in mutually holding shares of equal value based on the valuation at that time
- Based on over 10 years of foundation, the two companies are advancing their partnership including establishing their joint venture, Nintendo Systems to conduct R&D and operations aimed at strengthening the digitalization of Nintendo's business and creating added value
- In May 2022, DeNA sold approx. half of the common shares of Nintendo to improve asset efficiency by reviewing policy shareholdings
- Following continuous discussions, DeNA has decided to sell the above no. of shares, considering significance of the capital alliance unchanged since the start of the partnership and the recent stock prices of both companies
- For further details regarding the outlook, etc., please refer to the "Notice Regarding Sale of Investment Securities" announced on February 27, 2026

Investment securities held for purposes other than pure investment

(Summary of securities as described in the Annual Securities Report for FY2024)

	Number of issues	Carrying amount on consolidated statement of financial position
Unlisted shares	55	¥400 million
Shares other than unlisted shares	1	¥88,938 million

	Shares other than unlisted shares (details)	
Nintendo Co., Ltd.	No. of shares	8,797,000
	Carrying amount on consolidated statement of financial position	¥88,938 million

Enhancing Shareholder Returns*

- Decided to repurchase and cancel own shares as described below with the aim to provide shareholder returns including the share buybacks

Details of the Repurchase

Class of shares subject to repurchase	DeNA common stock
Total number of share to repurchase	Up to 25,000,000 shares (22.4% of the total number of shares issued, excluding treasury stock)
Total cost of stock repurchase	Up to 50.0 billion yen
Repurchase period	March 2, 2026 – February 26, 2027
Repurchase method	Purchase on the Tokyo Stock Exchange

Details of the Cancellation

Class of shares to be cancelled	DeNA common stock
Number of shares to be cancelled	Total number of shares to be repurchased detailed on the left
Scheduled date of cancellation	To be decided with consideration for the repurchase status detailed on the left

*Please also refer to *Notice Regarding DeNA Decision to Repurchase Own Shares and Cancellation of Own Shares (Repurchase of own shares under the provisions of the Articles of Incorporation pursuant to Article 165 (2) of the Companies Act and cancellation of own shares pursuant to Article 178 of the Companies Act)* released on February 27, 2026

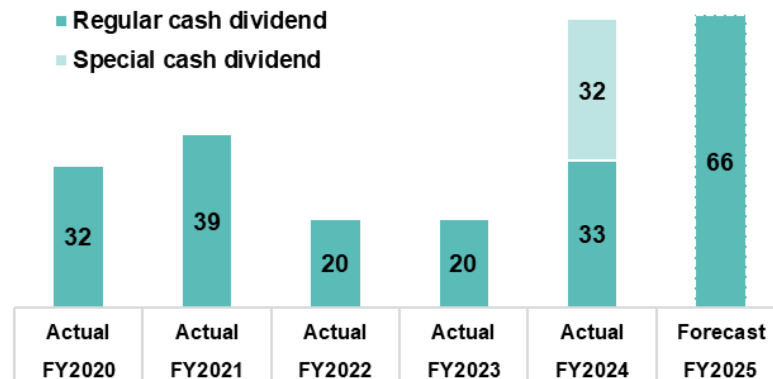
Enhancing Shareholder Returns*

- Based on the outline policy above, a comprehensive review of capital allocation is being promoted to achieve substantial and structural improvements in capital efficiency
- With respect to allocating profit to shareholders through dividends, even while it is essential to consider business attributes such as volatility as well as investments toward achieving growth in the medium to long term, in an effort to secure medium to long term support, changes in the basic policy will be made to a DOE-based approach from FY2025
- Share buybacks will be responded with flexibility as one approach to addressing changes in the stock price and business environment, managing capital policies, and returning profits to shareholders

Revision of Basic Dividend Policy

Previous Policy	- While considering the performance of each fiscal year, DeNA sets as a minimum whichever is higher, a consolidated payout ratio of 15% or an annual dividend of 20 yen per share of DeNA's common stock - Aiming for a consolidated payout ratio of 30% in the future
New Policy	- Change the basic policy to target a DOE (ratio of dividend to equity attributable to owners of parent on a consolidated basis) of approx. 3% - Continue to pay stable dividends

Dividend per share (yen)



*Please also refer to *Notice Regarding Change in the Basic Policy on Dividends and Revision to Dividend Forecast (Dividend Increase)* released on February 5, 2026