# Consolidated Financial Results for the Three Months Ended June 30, 2026 [IFRS]

August 5, 2026

Company name: DeNA Co., Ltd.
Stock exchange listing: Tokyo Stock Exchange
Code number: 2432
URL: https://dena.com/intl/
Representative: Tomoko Namba, President & CEO
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Phone: +81-3-6758-7200
Scheduled date of commencing 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, 2026 (from April 1, 2026 to June 30, 2026)**

(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, 2026 | 37,166 | (10.9) | 7,411 | (46.3) | 49,753 | 213.5 | 33,627 | 203.6 |
| Three months ended June 30, 2025 | 41,727 | 22.8 | 13,800 | 620.0 | 15,871 | 253.6 | 11,076 | 289.1 |

| | 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, 2026 | 33,438 | 198.5 | 29,142 | (14.5) | 333.13 | 332.33 |
| Three months ended June 30, 2025 | 11,203 | 267.1 | 34,076 | 561.1 | 100.54 | 100.22 |

(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, 2026 | 304,894 | 226,605 | 218,272 | 71.6 |
| As of March 31, 2026 | 333,244 | 240,787 | 232,622 | 69.8 |

**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, 2026 | – | 0.00 | – | 66.00 | 66.00 |
| Fiscal year ending March 31, 2027 | – | | | | |
| Fiscal year ending March 31, 2027 (Forecast) | | – | – | – | – |

(Notes) 1. Revisions to recently announced dividend forecast: No
2. The dividend forecast for the fiscal year ending March 31, 2027 has not been determined at this time.

**3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (from April 1, 2026 to March 31, 2027)**

(% changes from the previous corresponding period)

| | Revenue | | Operating profit | | Operating profit (Non-GAAP) | |
|---|---|---|---|---|---|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Full year | 154,000 | 4.3 | 15,000 | (19.8) | 15,000 | (46.7) |

(Notes) 1. Revisions to recently announced financial results forecast: No
2. For details on matters relating to the financial results forecast, please refer to “1. Overview of Operating Results and Financial Position, (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” of the Appendix.

Non-GAAP operating profit is an indicator adjusted for non-recurring items and other extraordinary items based on a certain set of rules. It represents IFRS-based operating profit from which the effects of one-time expenses and gains relating to acquisitions, business and organizational changes, etc., and corrections and adjustments relating to the timing of accounting recognition have been eliminated.

*** Notes**

(1) Significant Changes in the Scope of Consolidation during the Period: No
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, 2026 | 122,145,545 shares |
| As of March 31, 2026 | 122,145,545 shares |

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

| | |
|---|---|
| As of June 30, 2026 | 28,504,571 shares |
| As of March 31, 2026 | 14,758,913 shares |

3) Average number of shares during the period:

| | |
|---|---|
| Three months ended June 30, 2026 | 100,375,065 shares |
| Three months ended June 30, 2025 | 111,435,066 shares |

(Note) The 76,226 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, 2026, and the 125,778 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, 2026.

* 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 cash dividend forecast for the fiscal year ending March 31, 2027 is currently undetermined. The Company plans to set the forecast in accordance with its basic dividend policy after closely examining business performance trends and other factors, and will promptly announce it once determined.

(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 5, 2026. 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, 2026 on the same date. In addition, English transcript 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

### (1) Overview of Operating Results

During the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026), revenue was ¥37,166 million, down 10.9% year-on-year. The factors for the year-on-year fluctuations are explained below in business performance by segment.

Cost of sales was ¥17,765 million, up 5.2% year-on-year. While expenses increased in the Sports & Smart City Business, commission fees declined, reflecting the trends and performance of the Live Streaming and Game Businesses.

Selling, general and administrative expenses were ¥11,976 million, down 2.7% year-on-year, primarily because commission fees declined, reflecting the performance of the Game and Live Streaming Businesses.

Finance income was ¥1,839 million, up 144.9% year-on-year. Finance costs were ¥68 million, down 82.5% year-on-year.

Share of profit of associates accounted for using the equity method was ¥40,571 million, up 2,272.7% year-on-year. The increase reflected the sale of a portion of the Company's holdings of common stock in GO Inc. through a secondary offering in connection with its listing on the Tokyo Stock Exchange Growth Market on June 16, 2026. The performance trends of Cygames, Inc. and GO Inc., both major associates accounted for using the equity method, were also factors of the year-on-year change. For details on the impact of the sale, please refer to "2. Condensed Consolidated Financial Statements and Principal Notes, (7) Notes to Condensed Consolidated Financial Statements, 3. Investments accounted for using the equity method."

As a result, revenue of the DeNA Group was ¥37,166 million, down 10.9% year-on-year, operating profit was ¥7,411 million, down 46.3% year-on-year, profit before tax was ¥49,753 million, up 213.5% year-on-year, and profit for the period attributable to owners of the parent was ¥33,438 million, up 198.5% year-on-year.

Business performance by segment is as follows.

1) Game Business

Revenue of the Game Business was ¥12,120 million, down 33.2% year-on-year, and segment profit was ¥3,826 million, down 62.0% year-on-year.

Both revenue and segment profit decreased year-on-year due to factors including trends in *Pokémon Trading Card Game Pocket*, which was newly released on October 30, 2024.

2) Live Streaming Business

Revenue of the Live Streaming Business was ¥9,725 million, down 2.5% year-on-year, and segment profit was ¥994 million, down 0.8% year-on-year.

The continued solid performance of Pococha in Japan and the first quarterly profit recorded by IRIAM in Japan resulted in segment profit remaining largely flat year-on-year.

3) Sports & Smart City Business

Revenue of the Sports & Smart City Business was ¥13,216 million, up 16.0% year-on-year, and segment profit was ¥4,551 million, up 24.4% year-on-year.

YOKOHAMA DeNA BAYSTARS BASEBALL CLUB, INC., continued to perform strongly despite hosting fewer home games during the three months ended June 30, 2026 than in the same period of the previous year. The opening of two directly operated facilities in BASEGATE YOKOHAMA KANNAI, which had its grand opening on March 19, 2026, also contributed to the segment's performance.

4) Healthcare & Medical Business

Revenue of the Healthcare & Medical Business was ¥1,610 million, down 3.9% year-on-year, and segment loss was ¥748 million, compared with segment loss of ¥1,353 million for the same period of the previous fiscal year.

In the Healthcare & Medical Business, the Company continues to carefully examine and promote initiatives for future growth.

In the Healthcare area, both data use and data health businesses are working toward the peak demand season in the second half of the fiscal year. In the Medical area, the focus has been on three initiatives since the fiscal year ended March 31, 2026: the expansion in Japan of the medical professional communication app "Join," its global expansion, and the Join Mobile Clinic, which combines Join with portable medical devices. Fixed cost reductions are steadily delivering results.

5) New Businesses and Others

Revenue of the New Businesses and Others was ¥621 million, down 7.7% year-on-year, and segment loss was ¥570 million, compared with segment loss of ¥310 million for the same period of the previous fiscal year.

This section includes initiatives involving AI, as well as various initiatives that aim to reinforce the Group's growth and business portfolio over the medium to long term, etc.

(2) Overview of Financial Position and Cash Flows

1) Financial Position

Total assets at the end of the three months ended June 30, 2026 decreased by ¥28,350 million compared to the end of the previous fiscal year to ¥304,894 million.

Total current assets decreased by ¥29,981 million compared to the end of the previous fiscal year to ¥114,695 million. This was due mainly to a decrease in cash and cash equivalents by ¥18,616 million and a decrease in trade and other current receivables by ¥10,856 million.

Total non-current assets increased by ¥1,631 million compared to the end of the previous fiscal year to ¥190,198 million. This was due mainly to an increase in other non-current financial assets by ¥4,799 million and an increase in goodwill by ¥2,364 million, partially offset by a decrease in investments accounted for using the equity method by ¥5,193 million.

Total liabilities at the end of the three months ended June 30, 2026 decreased by ¥14,168 million compared to the end of the previous fiscal year to ¥78,288 million.

Total current liabilities decreased by ¥15,671 million compared to the end of the previous fiscal year to ¥48,687 million. This was due mainly to a decrease in trade and other current payables by ¥7,662 million and a decrease in other current liabilities by ¥3,070 million.

Total non-current liabilities increased by ¥1,503 million compared to the end of the previous fiscal year to ¥29,601 million. This was due mainly to an increase in deferred tax liabilities by ¥964 million.

Total equity at the end of the three months ended June 30, 2026 decreased by ¥14,182 million compared to the end of the previous fiscal year to ¥226,605 million. This was primarily attributable to a decrease in total equity attributable to owners of the parent by ¥14,350 million.

In terms of liquidity, the liquidity ratio and ratio of equity attributable to owners of the parent were 235.6% and 71.6%, respectively, at the end of the three months ended June 30, 2026.

2) Cash Flows

Cash and cash equivalents (collectively, "cash") at the end of the three months ended June 30, 2026 decreased by ¥18,616 million compared to the end of the previous fiscal year to ¥84,430 million. Cash flows in each area of activity and their respective contributing factors are as follows.

(Operating activities)

Net cash used in operating activities for the three months ended June 30, 2026 was ¥4,941 million, compared to a cash inflow of ¥6,950 million in the same period of the previous fiscal year. The principal cash outflow factor was ¥15,459 million in income tax refund (paid).

(Investing activities)

Net cash provided by investing activities for the three months ended June 30, 2026 was ¥31,534 million, compared to a cash outflow of ¥1,295 million in the same period of the previous fiscal year. The principal cash inflow factor was ¥36,569 million in proceeds from sales of shares of associates.

(Financing activities)

Net cash used in financing activities for the three months ended June 30, 2026 was ¥45,161 million, compared to a cash outflow of ¥9,268 million in the same period of the previous fiscal year. The principal cash outflow factor was ¥36,306 million in purchase of treasury stock.

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

There have been no changes to the consolidated financial results forecast announced in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 [IFRS],” released on May 12, 2026: revenue of ¥154,000 million (up 4.3% year-on-year), operating profit (IFRS) of ¥15,000 million (down 19.8% year-on-year), and operating profit (Non-GAAP) of ¥15,000 million (down 46.7% year-on-year).

Profit for the period attributable to owners of the parent has not been disclosed, as it is difficult to provide a reasonable estimate, given that the Company is giving top priority to updating strategies regarding its business portfolio and business creation.

The Company is comprehensively updating its strategies and plans, and will promptly disclose any matters that require public announcement in a timely manner, based on the progress of its strategic review and business developments.

## 2. Condensed Consolidated Financial Statements and Principal Notes

### (1) Condensed Consolidated Statement of Financial Position

(Millions of yen)

| | As of March 31, 2026 | As of June 30, 2026 |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 103,046 | 84,430 |
| Trade and other current receivables | 31,678 | 20,822 |
| Income taxes receivable | 629 | 59 |
| Other current financial assets | 570 | 679 |
| Other current assets | 8,754 | 8,705 |
| Total current assets | 144,677 | 114,695 |
| Non-current assets | | |
| Property and equipment | 12,344 | 12,454 |
| Investment property | 5,022 | 5,032 |
| Right-of-use assets | 23,711 | 23,100 |
| Goodwill | 20,747 | 23,110 |
| Intangible assets | 20,510 | 20,619 |
| Investments accounted for using the equity method | 58,802 | 53,609 |
| Other non-current financial assets | 46,770 | 51,569 |
| Deferred tax assets | 549 | 556 |
| Other non-current assets | 112 | 151 |
| Total non-current assets | 188,567 | 190,198 |
| Total assets | 333,244 | 304,894 |

(Millions of yen)

| | As of March 31, 2026 | As of June 30, 2026 |
|---|---|---|
| Liabilities and equity | | |
| Liabilities | | |
| Current liabilities | | |
| Trade and other current payables | 22,924 | 15,262 |
| Borrowings | 2,420 | 920 |
| Lease liabilities | 2,677 | 1,806 |
| Income tax payables | 15,330 | 12,723 |
| Provisions | 2,659 | 1,761 |
| Other current financial liabilities | 1,384 | 2,321 |
| Other current liabilities | 16,965 | 13,895 |
| Total current liabilities | 64,359 | 48,687 |
| Non-current liabilities | | |
| Borrowings | 70 | 40 |
| Lease liabilities | 10,266 | 10,830 |
| Provisions | 1,113 | 1,118 |
| Other non-current financial liabilities | 281 | 261 |
| Deferred tax liabilities | 16,159 | 17,124 |
| Other non-current liabilities | 208 | 228 |
| Total non-current liabilities | 28,098 | 29,601 |
| Total liabilities | 92,456 | 78,288 |
| Equity | | |
| Common stock | 10,397 | 10,397 |
| Capital surplus | 11,476 | 11,438 |
| Retained earnings | 228,842 | 255,193 |
| Treasury stock | (31,063) | (67,121) |
| Other components of equity | 12,970 | 8,366 |
| Total equity attributable to owners of the parent | 232,622 | 218,272 |
| Non-controlling interests | 8,165 | 8,333 |
| Total equity | 240,787 | 226,605 |
| Total liabilities and equity | 333,244 | 304,894 |

## (2) Condensed Consolidated Income Statement

(Millions of yen)

| | Three months ended June 30, 2025 | Three months ended June 30, 2026 |
|---|---|---|
| Revenue | 41,727 | 37,166 |
| Cost of sales | (16,890) | (17,765) |
| Gross profit | 24,837 | 19,401 |
| Selling, general and administrative expenses | (12,312) | (11,976) |
| Other income | 1,515 | 104 |
| Other expenses | (240) | (120) |
| Operating profit | 13,800 | 7,411 |
| Finance income | 751 | 1,839 |
| Finance costs | (390) | (68) |
| Share of profit (loss) of associates accounted for using the equity method | 1,710 | 40,571 |
| Profit before tax | 15,871 | 49,753 |
| Income tax expense | (4,796) | (16,125) |
| Profit for the period | 11,076 | 33,627 |
| | | |
| Attributable to: | | |
| Owners of the parent | 11,203 | 33,438 |
| Non-controlling interests | (128) | 189 |
| Profit (loss) for the period | 11,076 | 33,627 |

(Yen)

| | | |
|---|---|---|
| Earnings per share attributable to owners of the parent: | | |
| Basic earnings per share | 100.54 | 333.13 |
| Diluted earnings per share | 100.22 | 332.33 |

## (3) Condensed Consolidated Statement of Comprehensive Income

(Millions of yen)

| | Three months ended June 30, 2025 | Three months ended June 30, 2026 |
|---|---|---|
| Profit for the period | 11,076 | 33,627 |
| 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 | 22,959 | (4,319) |
| Total other comprehensive income that will not be reclassified to profit or loss, net of tax | 22,959 | (4,319) |
| Components of other comprehensive income that may be reclassified to profit or loss, net of tax | | |
| Foreign currency translation adjustments, net of tax | 111 | (163) |
| Cash flow hedges | (71) | (3) |
| Other | 1 | – |
| Total other comprehensive income that may be reclassified to profit or loss, net of tax | 41 | (166) |
| Other comprehensive income, net of tax | 23,000 | (4,485) |
| Total comprehensive income for the period | 34,076 | 29,142 |
| Attributable to: | | |
| Owners of the parent | 34,116 | 28,951 |
| Non-controlling interests | (40) | 191 |
| Total comprehensive income for the period | 34,076 | 29,142 |

(4) Condensed Consolidated Statement of Changes in Equity

For the three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

(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, 2025 | 10,397 | 14,796 | 184,544 | (20,653) | 52,651 | 241,734 | 11,142 | 252,875 |
| Profit (loss) for the period | - | - | 11,203 | - | - | 11,203 | (128) | 11,076 |
| Other comprehensive income | - | - | - | - | 22,913 | 22,913 | 88 | 23,000 |
| Total comprehensive income for the period | - | - | 11,203 | - | 22,913 | 34,116 | (40) | 34,076 |
| Dividends recognized as distributions to owners | - | - | (7,241) | - | - | (7,241) | (20) | (7,261) |
| Increase (decrease) through treasury stock transactions | - | (83) | - | 182 | (28) | 71 | - | 71 |
| Increase (decrease) through share-based payment transactions | - | (62) | - | - | 79 | 17 | - | 17 |
| Acquisition, disposal and other changes of non-controlling interests | - | 13 | - | - | - | 13 | - | 13 |
| Changes resulting from loss of control of subsidiaries | - | - | - | - | - | - | (1,673) | (1,673) |
| Increase (decrease) through transfers and other changes | - | 118 | - | - | (38) | 80 | (13) | 67 |
| As of June 30, 2025 | 10,397 | 14,782 | 188,506 | (20,471) | 75,577 | 268,791 | 9,395 | 278,186 |

For the three months ended June 30, 2026 (From April 1, 2026 to June 30, 2026)

(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, 2026 | 10,397 | 11,476 | 228,842 | (31,063) | 12,970 | 232,622 | 8,165 | 240,787 |
| Profit (loss) for the period | - | - | 33,438 | - | - | 33,438 | 189 | 33,627 |
| Other comprehensive income | - | - | - | - | (4,487) | (4,487) | 2 | (4,485) |
| Total comprehensive income for the period | - | - | 33,438 | - | (4,487) | 28,951 | 191 | 29,142 |
| Dividends recognized as distributions to owners | - | - | (7,088) | - | - | (7,088) | (20) | (7,108) |
| Increase (decrease) through treasury stock transactions | - | (167) | - | (36,058) | (22) | (36,247) | - | (36,247) |
| Increase (decrease) through share-based payment transactions | - | 30 | - | - | - | 30 | - | 30 |
| Increase (decrease) through transfers and other changes | - | 98 | - | - | (96) | 3 | (3) | (0) |
| As of June 30, 2026 | 10,397 | 11,438 | 255,193 | (67,121) | 8,366 | 218,272 | 8,333 | 226,605 |

## (5) Condensed Consolidated Statement of Cash Flows

(Millions of yen)

| | Three months ended June 30, 2025 | Three months ended June 30, 2026 |
|---|---|---|
| Operating activities | | |
| Profit before tax | 15,871 | 49,753 |
| Depreciation and amortization | 1,712 | 1,911 |
| Loss (gain) on sale of shares of subsidiaries and associates | (1,296) | – |
| Increase (decrease) in provision for bonuses | (1,836) | (899) |
| Loss (gain) on investments in securities | 47 | (1,045) |
| Interest and dividend income | (751) | (499) |
| Interest expenses | 106 | 67 |
| Share of loss (profit) of associates accounted for using the equity method | (1,710) | (40,571) |
| Decrease (increase) in trade and other current receivables | 17,332 | 10,812 |
| Increase (decrease) in trade and other current payables | (9,595) | (7,557) |
| Increase (decrease) in accrued consumption taxes | (2,113) | 633 |
| Increase (decrease) in advances received | (2,569) | (4,297) |
| Other, net | (342) | 1,721 |
| Subtotal | 14,857 | 10,029 |
| Interest and dividends received | 811 | 499 |
| Interest paid | (53) | (9) |
| Income tax refund (paid) | (8,666) | (15,459) |
| Net cash flows from (used in) operating activities | 6,950 | (4,941) |
| Investing activities | | |
| Acquisition of subsidiaries or other businesses, net of cash acquired | – | (2,340) |
| Proceeds from sales of subsidiaries or other businesses | 318 | – |
| Sales of subsidiaries or other businesses, net of cash acquired | (82) | – |
| Proceeds from sales of shares of associates | – | 36,569 |
| Purchase of shares of associates | (125) | (100) |
| Purchases of investment securities | (144) | (1,236) |
| Acquisition of property and equipment and investment property | (1,475) | (297) |
| Acquisition of intangible assets | (1,348) | (1,150) |
| Proceeds from distribution of residual assets | 1,419 | – |
| Other, net | 141 | 87 |
| Net cash flows from (used in) investing activities | (1,295) | 31,534 |
| Financing activities | | |
| Net increase (decrease) in short-term borrowings | (1,500) | (1,523) |
| Proceeds from long-term borrowings | – | 30 |
| Repayments of long-term borrowings | (205) | (60) |
| Repayments of lease liabilities | (502) | (540) |
| Cash dividends paid | (7,115) | (6,933) |
| Cash dividends paid to non-controlling shareholders | (121) | (20) |
| Proceeds from disposition of treasury stock | 176 | 191 |
| Purchase of treasury stock | (0) | (36,306) |
| Net cash flows from (used in) financing activities | (9,268) | (45,161) |
| Net increase (decrease) in cash and cash equivalents | (3,613) | (18,568) |
| Cash and cash equivalents at beginning of period | 92,803 | 103,046 |
| Effect of exchange rate changes on cash and cash equivalents | (76) | (47) |
| Cash and cash equivalents at end of period | 89,114 | 84,430 |

(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 & Smart City 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)<br>Principal services: Distribution of game apps, Mobage, etc. |
| Live Streaming Business | Live streaming-related services (provided in Japan and internationally)<br>Principal services: Pococha, IRIAM, etc. |
| Sports & Smart City Business | Sports-related services (provided in Japan)<br>Real estate leasing and operation of complexes (Japan)<br>Principal services: Yokohama DeNA BayStars Baseball Club, operation of the Yokohama Stadium, Kawasaki Brave Thunders, S.C. Sagamihara, leasing and operation of facilities at BASEGATE YOKOHAMA KANNAI, etc. |
| Healthcare & Medical Business | Healthcare and medical-related services (provided in Japan and internationally)<br>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)<br>Principal business domains: AI-related new businesses, etc. |

The Smart City Business, which was included in the New Businesses and Others segment in the three months ended June 30, 2025, has been integrated into an existing reportable segment, Sports Business, and is now presented as the Sports & Smart City Business. This change reflects revisions in management methods resulting from the increased strategic importance of the Smart City Business following the opening of BASEGATE YOKOHAMA KANNAI in March 2026.

Segment information for the three months ended June 30, 2025 has also been restated accordingly.

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 for the previous fiscal year.

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, 2025
(From April 1, 2025 to June 30, 2025)

(Millions of yen)

| | Game Business | Live Streaming Business | Sports & Smart City Business | Healthcare & Medical Business | New Businesses and Others *2 | Adjustments *3 | Total |
|---|---|---|---|---|---|---|---|
| Revenue | | | | | | | |
| Revenue from external customers | 18,095 | 9,959 | 11,346 | 1,665 | 663 | – | 41,727 |
| Intersegment revenue | 40 | 12 | 52 | 11 | 10 | (125) | – |
| Total | 18,135 | 9,971 | 11,398 | 1,676 | 673 | (125) | 41,727 |
| Segment profit (loss) *1 | 10,057 | 1,002 | 3,658 | (1,353) | (310) | (529) | 12,525 |
| Other income (expenses), net | | | | | | | 1,275 |
| Operating profit | | | | | | | 13,800 |
| Finance income (costs), net | | | | | | | 361 |
| Share of profit (loss) of associates accounted for using the equity method | | | | | | | 1,710 |
| Profit before tax | | | | | | | 15,871 |

(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 AI-related 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, 2026
(From April 1, 2026 to June 30, 2026)

(Millions of yen)

| | Game Business | Live Streaming Business | Sports & Smart City Business | Healthcare & Medical Business | New Businesses and Others *2 | Adjustments *3 | Total |
|---|---|---|---|---|---|---|---|
| Revenue | | | | | | | |
| Revenue from external customers | 12,081 | 9,725 | 13,158 | 1,610 | 593 | – | 37,166 |
| Intersegment revenue | 38 | 0 | 58 | 0 | 28 | (125) | – |
| Total | 12,120 | 9,725 | 13,216 | 1,610 | 621 | (125) | 37,166 |
| Segment profit (loss) *1 | 3,826 | 994 | 4,551 | (748) | (570) | (628) | 7,426 |
| Other income (expenses), net | | | | | | | (15) |
| Operating profit | | | | | | | 7,411 |
| Finance income (costs), net | | | | | | | 1,771 |
| Share of profit (loss) of associates accounted for using the equity method | | | | | | | 40,571 |
| Profit before tax | | | | | | | 49,753 |

(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 AI-related 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 per share attributable to owners of the parent is as follows:

| | Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025) | Three months ended June 30, 2026 (From April 1, 2026 to June 30, 2026) |
|---|---|---|
| Profit for the period attributable to owners of the parent (Millions of yen) | 11,203 | 33,438 |
| Profit for the period adjustments | | |
| Adjustments for dilutive shares issued by subsidiaries | – | – |
| Profit for the period used to calculate diluted earnings per share | 11,203 | 33,438 |
| Weighted average number of common shares outstanding during the period—basic (Shares) | 111,435,066 | 100,375,065 |
| Effect of dilutive potential common shares: | | |
| Stock options, etc. (Shares) | 348,821 | 241,679 |
| Weighted average number of common shares outstanding during the period—diluted (Shares) | 111,783,887 | 100,616,744 |
| Earnings per share attributable to owners of the parent (Yen) | | |
| Basic earnings per share | 100.54 | 333.13 |
| Diluted earnings per share | 100.22 | 332.33 |

3. Investments accounted for using the equity method

On June 16, 2026, GO Inc. was newly listed on the Tokyo Stock Exchange Growth Market. In connection with the listing, the Company sold a portion of its holdings of GO Inc.'s common stock through a secondary offering, and GO Inc. ceased to be an associate accounted for using the equity method.

Consequently, the Company recognized ¥39,517 million in the condensed consolidated income statement for the three months ended June 30, 2026 under "Share of profit (loss) of associates accounted for using the equity method." This amount comprises the difference between the consideration received from the transfer and the consolidated carrying amount of the transferred shares, as well as a gain arising from measuring the retained interest in GO Inc. at fair value.

4. Significant subsequent events

Not applicable.