



May 15, 2025

CyberAgent, Inc.
Susumu Fujita
Representative Director, CEO, and President
TSE Prime: 4751

(Corrections / Corrections of Numerical Data) Partial Correction to FY2021 Consolidated Financial Results [Japanese GAAP]

CyberAgent, Inc. today announced a correction to part of the "FY2021 Consolidated Financial Results [Japanese GAAP]," which was disclosed on October 27, 2021. The details of the correction are as follows.

Additionally, the corrected numerical data provided reflects the corrections made to certain numerical values.

1. Reason for corrections

The details of the correction and the reasons for it have been disclosed separately in the "Notice on Submission of Correction Reports of Past Annual Securities Reports and Amendments of Financial Statements for Past Fiscal Years" dated today, May 15, 2025, for further information.

2. Details of corrections

The corrections are underlined. Since there are numerous corrections, only the revised full text is provided.

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

(Revised)

FY2021 Consolidated Financial Results [Japanese GAAP]

October 27, 2021

Listed company name: CyberAgent, Inc.

Listed stock exchange: TSE 1st section

Code No.: 4751

URL <https://www.cyberagent.co.jp/en/>

Representative: President

Susumu Fujita

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Scheduled date of the Annual General Meeting of Shareholders: December 10, 2021

Scheduled date of dividend payment start: December 13, 2021

Scheduled filing date of the Annual Securities Report: December 10, 2021

Preparation of supplementary references regarding financial results: Yes

Holding the briefing of financial results: Yes (live stream only)

(Amounts less than ¥1 million rounded down)

1. Consolidated Financial Results for the Year Ended September 30, 2021 (October 1, 2020 - September 30, 2021)

(1) Consolidated Results of Operations

	Net sales		Operating income		Ordinary income		Profit attributable to shareholders of parent	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
FY2021	<u>666,149</u>	<u>39.2</u>	<u>104,070</u>	<u>207.5</u>	<u>104,382</u>	<u>208.6</u>	<u>41,242</u>	<u>527.9</u>
FY2020	<u>478,526</u>	<u>5.5</u>	<u>33,839</u>	<u>9.8</u>	<u>33,822</u>	<u>10.9</u>	<u>6,567</u>	<u>287.5</u>

(Note) Comprehensive income FY2021: ¥65,064 million (+223.3%) FY2020: ¥20,126 million (+255.0%)

	Basic earnings per share	Diluted earnings per share	Return on shareholders' equity	Return on assets	Operating income margin
	¥	¥	%	%	%
FY2021	<u>81.68</u>	<u>77.31</u>	<u>37.8</u>	<u>32.5</u>	<u>15.6</u>
FY2020	<u>13.02</u>	<u>12.20</u>	<u>7.8</u>	<u>13.9</u>	<u>7.1</u>

(Reference) Equity in earnings of affiliates FY2021: ¥314 million FY 2020: ¥367 million

(Note) The Company conducted a four-for-one stock split of common stocks as of April 1, 2021. The "Basic earnings per share" and "Diluted earnings per share" are calculated assuming that the said stock split was conducted at the beginning of the previous consolidated fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	¥ million	¥ million	%	¥
FY2021	<u>382,225</u>	<u>193,792</u>	<u>33.6</u>	<u>254.28</u>
FY2020	<u>260,725</u>	<u>127,637</u>	<u>34.3</u>	<u>177.37</u>

(Reference) Equity capital: As of September 30, 2021 ¥128,531 million, as of September 30, 2020: ¥89,488 million

(Note) The Company conducted a four-for-one stock split of common stocks as of April 1, 2021. The "Net assets per share" is calculated assuming that the said stock split was conducted at the beginning of the previous consolidated fiscal year.

(3) Consolidated Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at the end of the period
	¥ million	¥million	¥ million	¥ million
FY2021	<u>109,609</u>	<u>(28,537)</u>	<u>374</u>	<u>184,082</u>
FY2020	<u>37,028</u>	<u>(16,621)</u>	<u>(2,590)</u>	<u>102,368</u>

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2. Dividends

	Dividends per share					Amount of dividends (Total)	Dividend ratio (Consolidated)	Dividend on equity (Consolidated)
	1Q	2Q	3Q	Year-End	Annual			
	¥	¥	¥	¥	¥	¥ million	%	%
FY 2020	—	0.00	—	8.50	8.50	4,288	<u>65.3</u>	5.1
FY 2021	—	0.00	—	11.00	11.00	5,560	<u>13.5</u>	5.1
FY 2022 (forecast)	—	0.00	—	—	—		—	

(Note1) The Company conducted a four-for-one stock split of common stocks as of April 1, 2021. The year-end dividends for FY2020 and FY2021 are stated in an amount that reflects this stock split. If the stock split is not considered, the year-end dividend for FY2021 would be 44 yen.

(Note2) The year-end dividend for FY2022 is to be determined.

3. Forecast of the Consolidated Results for the Fiscal Year Ending September 30, 2022

(October 1, 2021 - September 30, 2022)

The Company has continuously disclosed the earnings forecast in the rapidly evolving internet industry. However, the game business expects that the operation status of the existing games and launch dates of upcoming games may cause large fluctuations in the business performance in the near future. This makes it difficult to calculate appropriate and reasonable figures for the consolidated earnings forecast for the fiscal year ending September 30, 2022. Thus, the Company decided to refrain from disclosing the forecast for fiscal 2022 at this time.

The Company will closely monitor the progress and disclose the forecast as soon as it becomes possible to calculate it.

For detailed information related to the forecast, please refer to "1. Results of Operations (4) Forecast" on page 3.

* Notes

(1) Changes in Significant Subsidiaries during the Period: None

(Changes in specified subsidiaries due to changes in the scope of consolidation)

New : —(Company name: —)

Excluded : —(Company name: —)

(2) Changes in accounting policies, changes in accounting estimates, restatements

i) Changes associated with revisions of accounting standards: None

ii) Changes other than those included in i) : None

iii) Changes in accounting estimates: None

iv) Restatements: None

(3) Number of shares issued (common stock)

(1) Number of shares issued and outstanding at end of period (including treasury stock)	
FY2021: 505,706,400	FY2020: 505,706,400
(2) Number of shares of treasury stock issued and outstanding at end of period	
FY2021: 251,404	FY2020: 1,190,968
(3) Average number of shares during the period (cumulative period)	
FY2021: 504,905,332	FY2020: 504,273,941

(Note) The Company conducted a four-for-one stock split of common stocks as of April 1, 2021. Number of shares issued is calculated, assuming that the said stock split was conducted at the beginning of the previous consolidated fiscal year.

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(Reference)

Non-consolidated Results for the Fiscal Year Ended September 30, 2021

(October 1, 2020 - September 30, 2021)

(1) Non-consolidated Results of Operations

(% = Year-on-Year Change)

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
FY2021	314,857	20.8	18,158	28.6	25,657	13.8	(69,028)	—
FY2020	260,611	6.0	14,122	(3.9)	22,554	(5.1)	17,723	9.9

	Basic earnings per share	Diluted earnings per share
	¥	¥
FY2021	(136.71)	—
FY2020	35.14	33.19

(Note) The Company conducted a four-for-one stock split of common stocks as of April 1, 2021. The "Basic earnings per share" and "Diluted earnings per share" are calculated assuming that the said stock split was conducted at the beginning of the previous fiscal year.

(2) Non-consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	¥ million	¥ million	%	¥
FY2021	124,633	34,972	27.0	66.63
FY2020	189,322	108,741	56.9	213.62

(Reference) Equity capital: As of September 30, 2021: ¥33,683 million, as of September 30, 2020: ¥107,777 million

(Note) The Company conducted a four-for-one stock split of common stocks as of April 1, 2021. The "Net assets per share" is calculated assuming that the said stock split was conducted at the beginning of the previous fiscal year.

* The Consolidated Financial Results is not subject to audit by independent auditors.

* Appropriate Use of Earnings Forecast and Other Matters.

The earnings forecast and other information written in this statement are based on our expectations and assumptions as of the date the statement was made. Our actual results could differ materially from those listed in this statement because of various risks and uncertainties.

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1. Results of Operations

(1) Overview of Results of Operations

The CyberAgent Group has taken advantage of the growth of the smartphone market. At the same time, the group has been investing in ABEMA, to grow it in the medium to long-term mainstay.

As a result, during this consolidated fiscal year, net sales grew 39.2% year on year to ¥666,149 million, and operating income amounted to ¥104,070 million (207.5% increase). Ordinary income amounted to ¥104,382 million (208.6% increase), and profit attributable to shareholders of parent increased 527.9% to ¥41,242 million.

Earnings by business segments are discussed below.

(a) Media Business

The Media Business includes "ABEMA", "WINTICKET" and "Ameba" , etc.

While investing in "ABEMA", the TV for the future, net sales grew and amounted to ¥82,869 million for the period, a 45.1% year-on-year increase. Operating loss amounted to ¥15,141 million, compared to operating loss of ¥18,267 million for the same period in the prior fiscal year.

(b) Internet Advertisement Business

The Group' s Internet Advertisement Business includes Internet Advertising Division, AI Division and CyberZ, Inc., etc.

With our strength which maximizes the advertising effectiveness, this segment achieved a record high of Net sales. It reported ¥321,001 million in net sales, up 19.2% year on year. Operating income gained 5.8%, reaching ¥22,258 million.

(c) Game Business

The Game Business includes Cygames, Inc., Craft Egg, Inc., Sumzap, Inc., and Applibot, Inc. etc.

A new game title contributed to the results significantly, Net sales amounting to ¥262,751 million, a 68.6% year-on-year increase. Operating income was posted ¥96,445 million, a 217.9% year-on-year increase.

(d) Investment Development Business

The Investment Development Business consists of the CyberAgent corporate venture capital business and the fund operations of CyberAgent Capital, Inc. The Investment Development Business recorded net sales of ¥6,441 million (57.4% year-on-year increase) and operating income of ¥4,408 million (a year-on-year increase of 43.7%).

(e) Other Businesses

The Other Businesses segment includes Makuake, Inc., CAM, Inc., Zelvía Co., Ltd. and others.

This segment reported net sales of ¥21,744 million, a 10.9% year-on-year increase. Operating income amounted to ¥479 million (year-on-year decrease of 63.1%).

(2) Overview of Financial Position

Total assets at the end of this fiscal year have increased by ¥ 121,500 million compared to the end of the previous fiscal year and amounted to ¥382,225 million. It is mainly due to an increase in Cash and deposits by an increase in the profit.

Total liabilities have increased by ¥55,344 million compared to the end of the previous fiscal year and amounted to ¥188,433 million. This increase is mainly due to an increase in Accounts payable-trade and Income tax payable.

Total net assets have increased by ¥66,155 million compared to the end of the previous fiscal year and amounted to ¥193,792 million. It is mainly due to increase in retained earnings owing to the recording of Profit attributable to shareholders of parent.

(3) Overview of Cash Flow

As of the end of this fiscal year, Cash and cash equivalents increased by 81,714 million from the end of the previous fiscal year to ¥184,082 million.

The following is a summary of the major factor affecting the cash flow in this fiscal year.

(1) Cash flow from operating activities

Net cash provided by operating activities was ¥109,609 million of inflow (¥37,028 million of inflow in the previous fiscal year). The major inflow included net income gains, and the major outflow included income tax payments.

(2) Cash flow from investing activities

Net cash used in investing activities was ¥28,537 million of outflow (¥16,621 million of outflow in the previous fiscal year). Major outflow included acquisition of Investment securities.

(3) Cash flow from financing activities

Net cash provided by financing activities was ¥374 million of inflow (¥2,590 million of outflow in the previous fiscal year). Major outflow included dividend payment, and the major inflow included proceeds from share issuance to non-controlling shareholders.

(4) Forecast

With the purpose "To break through stagnation with new power and the internet," the Group has expanded its business in the internet industry. Our current strategy is to build up profits in the internet advertising and the game business, invest adequately in the media business, and develop ABEMA into a medium to a long-term pillar.

As for the strategy by segment, in the media business, the Company will continue to increase weekly active users of ABEMA and strengthen monetization including the related businesses. In the Internet advertising business, we will strive to expand our market share by leveraging our operational and technical capabilities, and in the game business, we will strengthen the operation of ongoing games and aim to make new games successful.

Regarding the earnings forecast, the game business expects that the operation status of the existing games and launch dates of upcoming games may cause large fluctuations in the business performance in the near future. This makes it difficult to calculate appropriate and reasonable figures for the consolidated earnings forecast for the fiscal year ending September 30, 2022. Thus, the Company decided to refrain from disclosing the forecast for fiscal 2022 at this time. The Company will closely monitor the progress and disclose the forecast as soon as it becomes possible to calculate it. The dividend forecast is also to be determined according to the management guidance of the DOE 5%.

2. Basic Policy for the Selection of Accounting Standards

The Group has adopted the generally accepted accounting standards in Japan, by considering the comparability of periods and firms in consolidated financial statements.

English Translation

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3. Consolidated Financial Statements and Key Notes

(1) Consolidated Balance Sheets

(Unit: ¥ million)

	FY2020 (As of September 30, 2020)	FY2021 (As of September 30, 2021)
Assets		
Current assets		
Cash and deposits	102,368	181,451
Accounts and notes receivable-trade	58,501	74,908
Inventories	2,078	3,226
Sales investment securities	24,096	18,969
Other	16,682	22,872
Allowance for doubtful accounts	(93)	(130)
Total current assets	203,633	301,297
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,025	9,761
Tools, furniture and fixtures, net	4,655	5,221
Other	560	1,757
Total property, plant and equipment	13,241	16,740
Intangible assets		
Goodwill	1,192	4,957
Software	8,710	10,814
Software in progress	14,004	8,766
Other	601	1,903
Total intangible assets	24,509	26,442
Investments and other assets		
Investment securities	8,186	22,061
Long-term loans receivable	356	492
Deferred tax assets	5,875	8,454
Other	4,893	6,792
Allowance for doubtful accounts	(14)	(97)
Total investments and other assets	19,296	37,702
Total non-current assets	57,047	80,885
Deferred assets	44	42
Total assets	260,725	382,225

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(Unit: ¥ million)

	FY2020 (As of September 30, 2020)	FY2021 (As of September 30, 2021)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	42,966	56,055
Accounts payable-other	13,519	17,735
Short-term loans payable	1,080	1,037
Income tax payable	9,458	29,723
Other	20,844	36,162
Total current liabilities	87,867	140,714
Non-current liabilities		
Convertible bonds	40,331	40,228
Long-term loans payable	22	1,174
Accrued long service rewards for employees	1,586	1,851
Asset retirement obligation	1,851	1,974
Deferred tax liabilities	1,414	1,293
Other	13	1,196
Total non-current liabilities	45,220	47,718
Total liabilities	133,088	188,433
Net assets		
Shareholders' equity		
Capital stock	7,203	7,203
Capital surplus	8,048	11,198
Retained earnings	63,489	100,442
Treasury stock	(315)	(67)
Total shareholders' equity	78,425	118,775
Other comprehensive income		
Valuation difference on available-for-sale securities	10,952	9,517
Foreign currency translation adjustments	109	237
Total other comprehensive income	11,062	9,755
Subscription rights to shares	977	1,320
Non-controlling interests	37,171	63,940
Total net assets	127,637	193,792
Total liabilities and net assets	260,725	382,225

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

(Unit: ¥ million)

	FY2020 (Oct.1, 2019 to Sep.30, 2020)	FY2021 (Oct.1, 2020 to Sep.30, 2021)
Net sales	<u>478,526</u>	<u>666,149</u>
Cost of sales	337,918	434,465
Gross profit	<u>140,608</u>	<u>231,683</u>
Selling, general and administrative expenses	106,768	127,613
Operating income	<u>33,839</u>	<u>104,070</u>
Non-operating income		
Interest income	135	135
Dividends income	118	341
Foreign exchange gains	—	150
Other	264	234
Total non-operating income	<u>519</u>	<u>861</u>
Non-operating expenses		
Interest expenses	14	17
Equity in losses of affiliates	367	314
Provision for allowance for doubtful accounts	—	84
Other	154	132
Total non-operating expenses	<u>536</u>	<u>548</u>
Ordinary income	<u>33,822</u>	<u>104,382</u>
Extraordinary income		
Gain on sales of subsidiaries and affiliates' stocks	79	1,578
Insurance income	—	429
Other	9	193
Total extraordinary gain	<u>88</u>	<u>2,201</u>
Extraordinary loss		
Impairment loss	4,589	5,102
Other	1,159	1,071
Total extraordinary loss	<u>5,749</u>	<u>6,173</u>
Income before income taxes and not-controlling interests	<u>28,162</u>	<u>100,410</u>
Income taxes-current	15,218	36,523
Income taxes-deferred	(1,272)	(2,472)
Total income tax	<u>13,945</u>	<u>34,051</u>
Net income	<u>14,216</u>	<u>66,359</u>
Profit attributable to non-controlling interests	7,648	25,117
Profit attributable to shareholders of parent	<u>6,567</u>	<u>41,242</u>

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Consolidated Statements of Comprehensive Income

(Unit: ¥ million)

	FY2020 (Oct.1, 2019 to Sep.30, 2020)	FY2021 (Oct.1, 2020 to Sep.30, 2021)
Net income	<u>14,216</u>	<u>66,359</u>
Other comprehensive income		
Valuation difference on available-for-sale securities	5,865	(1,383)
Foreign currency translation adjustment	(58)	183
Share of other comprehensive income of associates accounted for using equity method	102	(95)
Total other comprehensive income	<u>5,909</u>	<u>(1,295)</u>
Comprehensive Income	<u>20,126</u>	<u>65,064</u>
(Comprehensive Income Attributable to)		
Shareholders of parent	<u>12,476</u>	<u>39,934</u>
Non-controlling interests	7,649	25,129

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(3) Consolidated Statements of Changes in Shareholders' Equity

FY2020 (Oct. 1, 2019 to Sep. 30, 2020)

(Unit: ¥ million)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	7,203	6,181	61,090	(459)	74,015
Changes of items during the period					
Dividends from surplus			(4,157)		(4,157)
Disposal of treasury stock		130		144	274
Change in treasury shares of parent arising from transactions with non-controlling shareholders		1,736			1,736
Change of scope of consolidation			(11)		(11)
Profit attributable to shareholders of parent			<u>6,567</u>		<u>6,567</u>
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	1,867	<u>2,398</u>	144	<u>4,409</u>
Balance at the end of current period	7,203	8,048	<u>63,489</u>	(315)	<u>78,425</u>

	Accumulated other comprehensive income			Subscription rights to shares	Non-controlling interests	Total net assets
	Net unrealized gain on securities	Foreign currency translation adjustments	Total other comprehensive income			
Balance at the beginning of current period	5,000	152	5,153	925	30,258	110,352
Changes of items during the period						
Dividends from surplus						(4,157)
Disposal of treasury stock						274
Change in treasury shares of parent arising from transactions with non-controlling shareholders						1,736
Change of scope of consolidation						(11)
Profit attributable to shareholders of parent						<u>6,567</u>
Net changes of items other than shareholders' equity	5,952	(42)	5,909	52	6,913	12,874
Total changes of items during the period	5,952	(42)	5,909	52	6,913	<u>17,284</u>
Balance at the end of current period	10,952	109	11,062	977	37,171	<u>127,637</u>

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FY2021 (Oct. 1, 2020 to Sep. 30, 2021)

(Unit: ¥ million)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	7,203	8,048	<u>63,489</u>	(315)	<u>78,425</u>
Changes of items during the period					
Dividends from surplus			(4,288)		(4,288)
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock		201		247	449
Change in treasury shares of parent arising from transactions with non-controlling shareholders		2,948			2,948
Change of scope of consolidation			(0)		(0)
Profit attributable to shareholders of parent			<u>41,242</u>		<u>41,242</u>
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	3,149	<u>36,953</u>	247	<u>40,350</u>
Balance at the end of current period	7,203	11,198	<u>100,442</u>	(67)	<u>118,775</u>

	Accumulated other comprehensive income			Subscription rights to shares	Non-controlling interests	Total net assets
	Net unrealized gain on securities	Foreign currency translation adjustments	Total other comprehensive income			
Balance at the beginning of current period	10,952	109	11,062	977	37,171	<u>127,637</u>
Changes of items during the period						
Dividends from surplus						(4,288)
Purchase of treasury stock						(0)
Disposal of treasury stock						449
Change in treasury shares of parent arising from transactions with non-controlling shareholders						2,948
Change of scope of consolidation						(0)
Profit attributable to shareholders of parent						<u>41,242</u>
Net changes of items other than shareholders' equity	(1,434)	127	(1,307)	342	26,769	25,805
Total changes of items during the period	(1,434)	127	(1,307)	342	26,769	<u>66,155</u>
Balance at the end of current period	9,517	237	9,755	1,320	63,940	<u>193,792</u>

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(4) Consolidated Statements of Cash Flows

(Unit: ¥ million)

	FY2020 (Oct. 1, 2019 to Sep. 30, 2020)	FY2021 (Oct. 1, 2020 to Sep. 30, 2021)
Cash flow from operating activities		
Income before income taxes and non-controlling interests	28,162	100,410
Depreciation	8,719	10,111
Impairment loss	4,589	5,102
Loss (gain) on sales of stocks of subsidiaries and affiliates	(79)	(1,438)
Decrease (increase) in notes and accounts receivable-trade	(3,571)	(16,182)
Increase (decrease) in notes and accounts payable-trade	4,802	12,778
Increase (decrease) in advances received	3,553	3,396
Increase (decrease) in accounts payable-other	3,119	3,943
Increase (decrease) in accrued consumption taxes	176	10,518
Other, net	1,015	(1,588)
Sub-total	50,487	127,050
Interest and dividends income received	149	373
Interest expenses paid	(14)	(17)
Income taxes paid	(13,594)	(17,797)
Net cash provided by (used in) operating activities	37,028	109,609
Cash flow from investing activities		
Purchase of property, plant and equipment	(4,095)	(3,834)
Purchase of intangible assets	(9,939)	(8,632)
Purchases of investment securities	(501)	(10,999)
Purchases of subsidiaries' shares with a change in the scope of consolidation	—	(5,356)
Proceeds from the sales of subsidiaries' shares with a change in the scope of consolidation	—	1,780
Other, net	(2,084)	(1,495)
Net cash provided by (used in) investing activities	(16,621)	(28,537)
Cash flow from financing activities		
Proceeds from share issuance to non-controlling shareholders	2,001	4,016
Cash dividends paid	(4,157)	(4,290)
Proceeds from the sales of subsidiaries' shares without a change in the scope of consolidation	1,875	1,454
Other, net	(2,309)	(805)
Net cash provided by (used in) financing activities	(2,590)	374
Effect of exchange rate change on cash and cash equivalents	(39)	267
Net increase (decrease) in cash and cash equivalents	17,777	81,714
Cash and cash equivalents at beginning of period	84,563	102,368
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	27	—
Cash and cash equivalents at end of period	102,368	184,082

(5) Notes to Consolidated Financial Statements (Notes Regarding the Going Concern Assumption)

No applicable items.

(Changes in Presentation Method)

(Consolidated Balance Sheets)

Accumulated depreciation reported as separate line items in Property, plant and equipment in the previous fiscal year is deducted directly from each asset items from the current fiscal year in order to increase clarity of Consolidated financial statements. The consolidated financial statements of the previous fiscal year were reclassified to reflect this change in presentation.

As a result, ¥9,893 million reported in Buildings and structures and (¥1,867) million reported in Accumulated depreciation in Property, plant and equipment in the previous fiscal year is reclassified to Buildings and structures, net. Also, ¥12,123 million reported in Tools, furniture and fixtures and (¥7,467) million reported in Accumulated depreciation in Property, plant and equipment in the previous fiscal year is reclassified to Tools, furniture and fixtures, net.

(Consolidated Profit and Loss Statement)

Gain on valuation of investment securities and Subsidy income reported as separate line items in Non-operating income in the previous fiscal year is included in Other from the current fiscal year as it is less than 10/100 of total Nonoperating income. The consolidated financial statements of the previous fiscal year were reclassified to reflect this change in presentation.

As a result, ¥132 million reported in Gain on valuation of investment securities and ¥63 million reported in Subsidy income in Non-operating income in the previous fiscal year is reclassified to Other.

Gain on sales of property reported as separate line items in Extraordinary income in the previous fiscal year is included in Other from the current fiscal year as it is less than 10/100 of total Extraordinary income. The consolidated financial statements of the previous fiscal year were reclassified to reflect this change in presentation.

As a result, ¥9 million reported in Gain on sales of property in Extraordinary income in the previous fiscal year is reclassified to Other.

(Consolidated Statement of Cash Flows)

Increase (decrease) in accrued consumption taxes and Loss (gain) on sales of stocks of subsidiaries and affiliates included in Other in Cash Flow from operating activities in the previous fiscal year are reported as a separate line item from the current fiscal year as the importance has increased.

Also, Decrease (increase) in investment securities for sale reported as separate line items in Cash flow from operating activities in the previous fiscal year are included in Other from the current fiscal year as it has little significance. The consolidated financial statements of the previous fiscal year were reclassified to reflect this change in presentation.

As a result, ¥2,359 million reported in Other in Cash Flow from operating activities in the previous fiscal year is reclassified to Increase (decrease) in accrued consumption taxes ¥176 million and Loss (gain) on sales of stocks of subsidiaries and affiliates (¥79) million and Other ¥2,261 million.

Furthermore, (¥1,246) million reported in Decrease (increase) in investment securities for sale is reclassified to Other.

Purchases of investment securities included in Other in Cash Flow from investing activities in the previous fiscal year is reported as a separate line item from the current fiscal year as the importance has increased. The consolidated financial statements of the previous fiscal year were reclassified to reflect this change in presentation.

As a result, (¥2,586) million reported in Other in Cash Flow from investing activities in the previous fiscal year is reclassified to Purchases of investment securities (¥501) million and Other (¥2,084) million.

Purchase of treasury shares of subsidiaries reported as separate line items in Cash flow from financing activities in 11 the previous fiscal year is included in Other from the current fiscal year as it has little significance. The consolidated financial statements of the previous fiscal year were reclassified to reflect this change in presentation.

English Translation

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As a result, (¥1,696) million reported in Purchase of treasury shares of subsidiaries in Cash Flow from financing activities in the previous fiscal year is reclassified to Other.

(Additional Information)

(Adoption of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System)

With respect to items subject to the review of the Non-Consolidated Taxation System conducted to coincide with transition from the Consolidated Taxation System to the Group Tax Sharing System, which was created under the Act on Partial Revision of the Income Tax Act, etc. (Act No. 8 of 2020), the Company and some of its domestic consolidated subsidiaries have not applied the provisions of Paragraph 44 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28 issued February 16, 2018) in accordance with the treatment set out in Paragraph 3 of Practical Solution on the Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System (PITF No.39 issued March 31, 2020) and the amounts of deferred tax liabilities and deferred tax assets are based on the provisions of tax laws before the revision.

(Segment Information)

a. Segment Information

1. Overview of Reportable Segments

The Company's reportable segments are possible to separately acquire financial information among the Company's structural units, and are subject to reviews that are carried out periodically to make a decision on allocations of management resources and to evaluate performance by the board of directors.

The Company has business headquarters and subsidiaries for each product and service, and each business headquarters and subsidiaries develop business activities both within Japan and overseas, with the aim of improving services and increasing sales and profit. Therefore, the Company is comprised of service-specific segments that are based on business headquarters and subsidiaries. We have five reportable segments: Media Business, Game Business, Internet Advertisement Business, Investment Development Business and Other Businesses.

Services provided by each segment are summarized below:

Reportable Segment	Details of Services Belonging to the Segment
Media Business	ABEMA, WINTICKET, Ameba, etc.
Internet Advertisement Business	Advertising business, AI business, Digital Transformation (DX) business etc.
Game Business	Smartphone game business, etc.
Investment Development Business	Corporate venture capital business, Fund operation, etc.
Other Businesses	Smartphone business, Operation of sports business, etc.

2. Method for calculating monetary amounts for net sales and profit/loss for each segment

The profit for each segment is based on operating income. Internal rate of return and transfer to other accounts among segments are based on prevailing market rates.

English Translation

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3. Information concerning monetary amounts for net sales and profit/loss for each reportable segment

FY2020 (Oct. 1, 2019 to Sep. 30, 2020)

(Unit: ¥ million)

	Reportable Segment						Adjustment*	Consolidated statement of Income
	Media Business	Internet Advertisement Business	Game Business	Investment Development Business	Other Businesses	Total		
Net Sales								
Sales to external customers	49,625	<u>251,405</u>	155,517	4,092	17,885	<u>478,526</u>	—	<u>478,526</u>
Inter-segment sales or transfers	7,473	17,949	344	—	1,713	27,481	(27,481)	—
Total	57,098	<u>269,355</u>	155,861	4,092	19,599	<u>506,007</u>	(27,481)	<u>478,526</u>
Segment income (loss)	(18,267)	<u>21,030</u>	30,337	3,068	1,300	<u>37,470</u>	(3,630)	<u>33,839</u>

(Note) Adjustment of -¥3,630 million represents corporate general and administrative expenses are not allocable to a reportable segment.

FY2021 (Oct. 1, 2020 to Sep. 30, 2021)

(Unit: ¥ million)

	Reportable Segment						Adjustment*	Consolidated statement of Income
	Media Business	Internet Advertisement Business	Game Business	Investment Development Business	Other Businesses	Total		
Net Sales								
Sales to external customers	76,128	<u>301,771</u>	262,365	6,441	19,441	<u>666,149</u>	—	<u>666,149</u>
Inter-segment sales or transfers	6,740	19,229	385	—	2,302	28,658	(28,658)	—
Total	82,869	<u>321,001</u>	262,751	6,441	21,744	<u>694,807</u>	(28,658)	<u>666,149</u>
Segment income (loss)	(15,141)	<u>22,258</u>	96,445	4,408	479	<u>108,451</u>	(4,381)	<u>104,070</u>

(Note) The adjustment of -¥4,381 million represents corporate general and administrative expenses are not allocable to a reportable segment.

b. Related information

FY2020 (Oct. 1, 2019 to Sep. 30, 2020)

1. Information on each product and each service

The description is omitted, because the same information is included in the segment information.

2. Information on each region

(1) Sales

The description is omitted, because the sales toward the external customers inside Japan exceeded 90% of the sales in the consolidated profit-and-loss statement.

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(2) Property, plant and equipment

The description is omitted, because the amount of property, plant, and equipment located inside Japan exceeded 90% of the amount of property, plant, and equipment in the consolidated balance sheet.

3. Information on each major client

The description is omitted, because there are no clients that account for over 10% of sales in the consolidated profit-and-loss statement for the sales toward foreign customers.

FY2021 (Oct. 1, 2020 to Sep. 30, 2021)

1. Information on each product and each service

The description is omitted, because the same information is included in the segment information.

2. Information on each region

(1) Sales

The description is omitted, because the sales toward the external customers inside Japan exceeded 90% of the sales in the consolidated profit-and-loss statement.

(2) Property, plant and equipment

The description is omitted, because the amount of property, plant, and equipment located inside Japan exceeded 90% of the amount of property, plant, and equipment in the consolidated balance sheet.

3. Information on each major client

The description is omitted, because there are no clients that account for over 10% of sales in the consolidated profit-and-loss statement for the sales toward foreign customers.

c. Significant impairment loss for non-current assets

FY2020 (Oct. 1, 2019 to Sep. 30, 2020)

(Unit: ¥ million)

	Reportable Segment						Company-wide/Deletion	Total
	Media Business	Internet Advertisement Business	Game Business	Investment Development Business	Other Businesses	Subtotal		
Impairment loss	85	299	3,942	—	192	4,519	69	4,589

FY2021 (Oct. 1, 2020 to Sep. 30, 2021)

(Unit: ¥ million)

	Reportable Segment						Company-wide/Deletion	Total
	Media Business	Internet Advertisement Business	Game Business	Investment Development Business	Other Businesses	Subtotal		
Impairment loss	1,705	790	2,100	—	447	5,044	57	5,102

English Translation

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d. Significant changes in amount of goodwill and the information on unamortized balance

FY2020 (Oct. 1, 2019 to Sep. 30, 2020)

(Unit: ¥ million)

	Reportable Segment						Company-wide/Deletion	Total
	Media Business	Internet Advertisement Business	Game Business	Investment Development Business	Other Businesses	Subtotal		
Amortization amount for the current term	—	—	59	—	122	182	—	182
Balance at the end of the current term	—	0	389	—	803	1,192	—	1,192

FY2021 (Oct. 1, 2020 to Sep. 30, 2021)

(Unit: ¥ million)

	Reportable Segment						Company-wide/Deletion	Total
	Media Business	Internet Advertisement Business	Game Business	Investment Development Business	Other Businesses	Subtotal		
Amortization amount for the current term	—	—	59	—	127	187	—	187
Balance at the end of the current term	—	—	329	—	4,627	4,957	—	4,957

e. Significant gains on negative goodwill

FY2020 (Oct. 1, 2019 to Sep. 30, 2020)

No applicable items.

FY2021 (Oct. 1, 2020 to Sep. 30, 2021)

No applicable items.

English Translation

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(Information on Value per Share)

	FY2020 (Oct. 1, 2019 to Sep. 30, 2020)	FY2021 (Oct. 1, 2020 to Sep. 30, 2021)
Net assets per share	<u>¥177.37</u>	<u>¥254.28</u>
Basic earnings per share	<u>¥13.02</u>	<u>¥81.68</u>
Diluted earnings per share	<u>¥12.20</u>	<u>¥77.31</u>

(Note)

1. The base for calculating "Basic earnings per share" and "Diluted earnings per share" is as follows.

	FY2020 (Oct. 1, 2019 to Sep. 30, 2020)	FY2021 (Oct. 1, 2020 to Sep. 30, 2021)
Basic earnings per share		
Profit attributable to shareholders of parent (¥ million)	<u>6,567</u>	<u>41,242</u>
Amount not attributable to common shareholders (¥ million)	—	—
Profit attributable to shareholders of parent on common shares (¥ million)	<u>6,567</u>	<u>41,242</u>
Average number of common shares during period (shares)	504,273,941	504,905,332
Diluted earnings per share		
Adjustment of profit attributable to shareholders of parent (¥ million)	-76	-73
(Interest income after tax credit) (¥ million)	(-71)	(-71)
(Adjustment of dilutive shares issued by subsidiaries) (¥ million)	(-5)	(-1)
Increase in common shares (shares)	27,463,293	27,572,361
(Convertible Bond) (shares)	(25,143,068)	(25,143,070)
(Subscription rights to shares) (shares)	(2,320,225)	(2,429,291)
Brief description of dilutive shares excluded from diluted earnings per share, because it does not have the dilutive effect.	—	—

(Note) The Company conducted a four-for-one stock split of common stocks as of April 1, 2021. The Basic earnings per share, Net assets per share and Diluted earnings per share are calculated assuming that the said stock split was conducted at the beginning of the previous consolidated fiscal year.

(Significant Subsequent Events)

No applicable items.