Financial Data and Business Results for the Second Quarter of the Fiscal Year Ending December 31, 2026 (JP GAAP, Consolidated)

August 7, 2026
Listed Exchange: Tokyo Stock Exchange

Company Name: Universal Entertainment Corporation
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Scheduled Submission Date of Semi-annual Report: August 7, 2026
Scheduled Commencement Date of Dividend Payment: -
Supplementary Materials for Financial Results: Yes
Financial Results Briefing: Yes

(Amounts rounded down to nearest million yen)

1. Consolidated Business Results for the Second Quarter of Fiscal Year 2026 (Period from January 1, 2026 to June 30, 2026)

(1) Consolidated Operating Results

(Percentages refer to changes from the previous fiscal year)

	Net Sales		Operating Profit		Ordinary Profit		Net Income Attributable to Owners of Parent	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
2nd Quarter of Fiscal Year 2026	76,566	23.1	10,219	-	3,128	-	62	-
2nd Quarter of Fiscal Year 2025	62,175	(1.2)	847	(74.0)	(14,752)	-	(9,874)	-

(Note) Comprehensive income
2nd Quarter of Fiscal Year 2026: (1,303) million yen (-%) 2nd Quarter of Fiscal Year 2025: (17,421) million yen (-%)

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
2nd Quarter of Fiscal Year 2026	0.81	-
2nd Quarter of Fiscal Year 2025	(127.43)	-

(Note) Diluted net income per share are not presented because there are no dilutive shares.

(2) Consolidated Financial Status

	Total Assets	Net Assets	Ratio of Shareholders' Equity	Net Assets per Share
	Million Yen	Million Yen	%	Yen
As of June 30, 2026	376,935	128,383	34.1	1,656.76
As of December 31, 2025	373,634	129,687	34.7	1,673.58

(Reference) Shareholders' equity
As of June 30, 2026: 128,383 million yen As of December 31, 2025: 129,687 million yen

2. Status of Dividends

	Annual Dividends				
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	End of Fiscal Year	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year 2025	-	0.00	-	0.00	0.00
Fiscal Year 2026	-	0.00			
Fiscal Year 2026 (Forecast)			-	0.00	0.00

(Note) Revision from the dividend forecast most recently announced: None

3. Consolidated Business Results Forecast for Fiscal Year 2026 (Period from January 1, 2026 to December 31, 2026)

(Percentages refer to changes from the previous fiscal year)

	Net Sales		Operating Profit		Ordinary Profit		Net Income Attributable to Owners of Parent		Net Income per Share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Full Fiscal Year	140,000	13.9	16,000	-	2,200	-	2,000	-	25.80

(Note) Revision from the business forecasts most recently announced: None

* Matters of Note

(1) Significant changes in the scope of consolidation during the period : None

(2) Application of accounting procedures specific to the preparation of interim consolidated financial statements : None

(3) Changes in accounting policies, changes in accounting estimates and/or restatements
1) Changes in accounting policies accompanying revision of accounting standards, etc. : None
2) Changes in accounting policies other than 1) : None
3) Changes in accounting estimates : None
4) Restatements : None

(4) Number of outstanding shares (common stock)

1) Shares issued at end of fiscal period (including treasury shares)

As of June 30, 2026:	80,195,000 shares
As of December 31, 2025:	80,195,000 shares

2) Number of treasury shares at end of fiscal period

As of June 30, 2026:	2,704,139 shares
As of December 31, 2025:	2,704,139 shares

3) Average number of shares during fiscal period

2nd Quarter of Fiscal Year 2026:	77,490,861 shares
2nd Quarter of Fiscal Year 2025:	77,490,867 shares

*This quarterly financial results report is not subject to review by certified public accountants or audit firms.

* Explanation on Proper Usage of Business Results Forecast and Other Noteworthy Items

The forward-looking statements regarding business results, etc. as featured herein are based on information that is currently available and certain assumptions that are determined to be reasonable, but are not promises by Universal Entertainment Corporation regarding future performance. Actual business results may vary significantly due to a number of factors. For preconditions for business forecasts, notes on the usage of business forecasts and so forth, please see “1. Qualitative Information on Interim Financial Results, (5) Consolidated Financial Results Forecast” on page 5 of the Attached Materials.

Attached Materials: Table of Contents

1. Qualitative Information on Interim Financial Results

(1) Explanation of Operating Results

The current global economy remains in a situation where close attention must be paid to trends in inflationary pressures and the impact of monetary tightening; combined with ongoing geopolitical tensions, this has resulted in a persistently high level of uncertainty. Commodity prices are highly susceptible to the external environment, and these trends are affecting national economies. Furthermore, global economic growth is expected to continue slowing, and downside risks are a concern. In the Japanese economy, the economy continues to show a moderate recovery trend against the backdrop of improvements in the employment and income environment; however, it is necessary to remain fully vigilant regarding the impact of the situation in the Middle East and fluctuations in financial and capital markets. While signs of a recovery are evident in personal consumption and capital investment, a cautious outlook persists regarding the future, given the influence of the external environment. Under these economic conditions, the Universal Entertainment Group (the “Group”) recognizes that the business environment surrounding the Group remains uncertain.

In the Amusement Equipments Business, total unit sales for the cumulative second quarter of fiscal year 2026 were 87,915 units. The Group secured stable sales results by launching products in response to changes in the market environment and strengthening sales initiatives. In the Integrated Resort (IR) Business, although the recovery in inbound demand in Entertainment City, where OKADA MANILA is located, has been delayed, the number of visitors to the property and non-gaming revenue remained firm due to various promotional initiatives, including strengthening the customer base centered on the mass market and enhancing the offerings of our membership program “REWARD CIRCLE.” At the same time, the Group has been rapidly advancing various initiatives since the beginning of the fiscal year, including the development of the premium mass segment to reduce dependence on VIP customers and the strengthening of marketing activities targeting Japan and other key Asian countries. In addition, in the hotel and food and beverage fields, the Group is strengthening its foundation to capture future demand by leveraging events and enhancing brand value.

As a result, for the cumulative second quarter of fiscal year 2026, net sales were 76,566 million yen, an increase of 23.1% year on year; operating profit was 10,219 million yen, compared with operating profit of 847 million yen in the same period of the previous fiscal year; ordinary profit was 3,128 million yen, compared with an ordinary loss of 14,752 million yen in the same period of the previous fiscal year; and net income attributable to owners of parent was 62 million yen, compared with net loss attributable to owners of parent of 9,874 million yen in the same period of the previous fiscal year.

(i) Amusement Equipments Business

Net sales in the Amusement Equipments Business for the cumulative second quarter of fiscal year 2026 were 45,926 million yen, an increase of 69.1% year on year, and operating profit was 14,166 million yen, an increase of 173.7% year on year. Adjusted EBITDA[(1)] was 15,156 million yen, an increase of 148.3% year on year.

In the amusement equipment industry, sales of new smart pachislot machines have remained strong, and they have also gained popularity in terms of utilization as a key driver of the overall market. As a result, the pachislot market continues to enjoy favorable conditions. In the pachinko market, the sales market continues to contract due to overall sluggish utilization.

Under these circumstances, in pachislot machines, the Group sold “SMART PACHISLOT MILLION GOD -KAMIGAMI NO KISEKI-,” the legitimate successor to the MILLION GOD series after an interval of 11 years; “SMART PACHISLOT BIOHAZARD RE:3,” manufactured by Enterrise Co., Ltd., for which the Group serves as the general distributor; and “SMART PACHISLOT BIRDIE WING -Golf Girls’ Story-,” a new IP content themed around women’s golf. In particular, “SMART PACHISLOT MILLION GOD -KAMIGAMI NO KISEKI-” has received strong market recognition and has become one of the machines driving the pachislot market. In pachinko machines, the Group sold two models equipped with Lucky Trigger (LT) 3.0 Plus: “e Ragnador Ayashiki koutei to shuuen no yashahime” and “e MEIHITENSEI.”

(1) Adjusted EBITDA = Operating profit/loss + Depreciation + Other adjustments

(ii) Integrated Resort (IR) Business

Net sales(1) in the Integrated Resort (IR) Business for the cumulative second quarter of fiscal year 2026 were 30,126 million yen, a decrease of 13.0% year on year, and operating loss was 1,368 million yen, compared with an operating loss of 1,318 million yen in the same period of the previous fiscal year. Adjusted EBITDA(2) was 2,736 million yen, a decrease of 62.5% year on year.

At the integrated resort “OKADA MANILA” operated by the Group, we worked to diversify our revenue base by advancing an omnichannel strategy that integrates online and land-based operations, despite facing changes in the competitive landscape of the Philippine gaming market and the impact of macroeconomic conditions. In particular, in the online gaming sector, we partnered with PhilWeb Corporation this past May to launch “OKADA PLAY,” a new online platform for the Philippine market. This initiative aims to mitigate the impact of fluctuations in visitor numbers while strengthening our efforts to attract new customer segments. We also intensified our efforts to improve the overall profitability of the facility, including expanding non-gaming revenue through the hosting of large-scale events. Although we were significantly affected by changes in the market environment, we are steadily advancing initiatives to improve our revenue structure by promoting cost optimization and prioritizing the allocation of management resources. While some expenses increased in the second quarter, these include strategic investments aimed at future growth and strengthening our business foundation. Furthermore, external recognition—including winning two categories at the “Travel + Leisure Luxury Awards Asia Pacific 2026”—demonstrates steady progress in enhancing our brand value.

(1) Net sales represent gross revenue less gaming taxes and jackpot expenses.
(2) Adjusted segment EBITDA = Operating profit/loss + Depreciation + Other adjustments

(iii) Others

Net sales in the Others segment for the cumulative second quarter of fiscal year 2026 were 511 million yen, an increase of 72.2% year on year, and operating profit was 279 million yen, an increase of 138.0% year on year.

In the Media Content Business, simulator applications for “SMART PACHISLOT HANABI,” “SMART PACHISLOT Magia Record: Puella Magi Madoka Magica Side Story,” and “SMART PACHISLOT THUNDER V” were distributed on the App Store and Google Play. In particular, “SMART PACHISLOT Magia Record: Puella Magi Madoka Magica Side Story” has been highly praised by many users, including ranking first in the paid (all games) rankings on the App Store and Google Play. In addition, for the subscription-based application “Universal Kingdom” and the free-to-play social casino game “Slots Street,” the Group has continued to hold various in-game events and has worked to acquire new users and improve customer satisfaction. In music distribution, the Group distributed “SMART PACHISLOT MILLION GOD ORIGINAL SOUND TRACK I,” “SMART PACHISLOT MILLION GOD ORIGINAL SOUND TRACK II,” and “MEIHITENSEI ORIGINAL SOUND TRACK” on 24 major sites, including Apple Music, Spotify, and YouTube Music.

Please note that, effective from the first quarter of fiscal year 2026 the classification of revenue from cultural activities has been changed from “company-wide revenue” to “Other.” Accordingly, the figures for the same period of fiscal year 2025 have been reclassified to reflect these changes.

(2) Explanation of Financial Position

Total assets as of the end of the second quarter of fiscal year 2026 period were 376,935 million yen, an increase of 3,300 million yen from the end of the fiscal year 2025. The main factors included an increase of 3,448 million yen in cash and deposits, an increase of 1,888 million yen in securities, an increase of 322 million yen in merchandise and finished goods, an increase of 311 million yen in work in process, a decrease of 1,901 million yen in raw materials and supplies, and a decrease of 2,042 million yen in buildings and structures, mainly due to steady progress in the development and sales of new models in the Amusement Equipments Business.

Liabilities were 248,551 million yen, an increase of 4,604 million yen from the end of the fiscal year 2025. This was mainly due to an increase of 2,769 million yen in foreign-currency-denominated bonds payable as a result of the depreciation of the yen against the U.S. dollar.

Net assets were 128,383 million yen, a decrease of 1,303 million yen from the end of the fiscal year 2025. The main factors included the recording of net income attributable to owners of parent of 62 million yen and a decrease of 1,308 million yen in foreign currency translation adjustment, mainly because U.S. dollar-denominated receivables from subsidiaries increased due to the depreciation of the yen against the U.S. dollar, while the Philippine peso, the local currency of the subsidiaries, did not move in line with the U.S. dollar.

(3) Status of Cash Flows

Cash flows during the cumulative second quarter of fiscal year 2026 were as follows.

Cash Flows from Operating Activities
Net cash inflow from operating activities during the cumulative second quarter of fiscal year 2026 was 7,635 million yen, compared with net cash inflow of 7,180 million yen in the same period of the previous fiscal year. This was mainly due to the recording of income before income taxes of 3,173 million yen, a decrease of 1,266 million yen in inventories, mainly in the Amusement Equipments Business, and depreciation of 5,067 million yen for equipment held in the Amusement Equipments Business and the Integrated Resort (IR) Business, partially offset by income taxes paid of 2,687 million yen.

Cash Flows from Investing Activities
Net cash outflow from investing activities during the cumulative second quarter of fiscal year 2026 was 2,992 million yen, compared with net cash outflow of 4,902 million yen in the same period of the previous fiscal year. This was mainly due to expenditures of 3,064 million yen for the purchase of property, plant and equipment associated with capital investment, maintenance and renewal in the Amusement Equipments Business and the Integrated Resort (IR) Business, proceeds of 550 million yen from the collection of short-term loans receivable, and other payments of 402 million yen.

Cash Flows from Financing Activities
Net cash outflow from financing activities during the cumulative second quarter of fiscal year 2026 was 1,163 million yen, compared with net cash outflow of 351 million yen in the same period of the previous fiscal year. This was mainly due to repayments of 1,106 million yen of long-term borrowings for capital expenditure in the Integrated Resort (IR) Business.

As a result of the above, together with the effect of exchange rate changes on cash and cash equivalents of negative 32 million yen, cash and cash equivalents increased by 3,448 million yen. After adjusting for other changes in cash and cash equivalents of negative 2,478 million yen, cash and cash equivalents at the end of the second quarter of fiscal year 2026 increased by 969 million yen from the end of the previous fiscal year to 37,248 million yen.

(4) Explanation of Forward-looking Information, including Consolidated Financial Results Forecast

(i) Amusement Equipments Business

In the amusement equipment industry, smart pachislot machines continue to expand their installation share against a backdrop of solid utilization. In addition, the introduction of new IP content with strong topical appeal and successor machines to popular series is planned, and the pachislot market is expected to continue expanding. Meanwhile, although overall utilization of pachinko machines remains sluggish, models with diverse game features equipped with Lucky Trigger (LT) 3.0 Plus have been introduced. Some of these models have gained market recognition, and the market is expected to be revitalized as companies continue to release machines developed through repeated trial and refinement.

For amusement equipment sales in the third quarter, in pachislot machines, the Group, as the general distributor, has sold and launched “SMART PACHISLOT SENGOKU COLLECTION 6,” manufactured by Konami Amusement Co., Ltd.; “SMART PACHISLOT YAJIKITA DOCHUKI MAIRU!,” the latest title in the YAJIKITA DOCHUKI series, which is popular for its comical effects; and “SMART PACHISLOT TACO SLOT” from A PROJECT, which returns to the origins of pachislot. In pachinko machines, the Group has started sales of “PA Crash Landing on You 99sweet ver.”

The Group will continue striving to create distinctive and appealing amusement machines, contribute to the revitalization of the overall amusement equipment industry, and expand its sales share.

(Reference) Pachislot and Pachinko Unit Sales for the Fiscal Year Ending December 31, 2026

	1st Quarter	2nd Quarter	3rd Quarter (Orders Received)	4th Quarter
Units Sold	26,378	61,537	26,000	To be determined

(Note) For actual results through the 2nd quarter, please refer to the “Financial Results Presentation Materials for the 2nd Quarter (Interim Period) of the Fiscal Year Ending December 31, 2026.”
(https://www.universal-777.co.jp/ir/library/result/)

(ii) Integrated Resort (IR) Business

Although the Philippine gaming market is expected to be affected by changes in the competitive environment and macroeconomic conditions, the Group recognizes that growth opportunities will continue to exist over the medium to long term, supported by the recovery of tourism demand and growth in the online gaming field. Under this environment, the Group will promote a dual strategy of strengthening both online and land-based operations to maximize revenue opportunities. While further capturing the expanding online gaming market, the Group will aim to recover revenue from land-based operations by enhancing the customer experience and strengthening customer attraction measures. In addition, based on the current market environment, the Group will continue working to optimize its cost structure and build an efficient operating framework. At the same time, from a medium- to long-term growth perspective, the Group will make selective investments in priority areas and further enhance brand value and competitiveness. Through these initiatives, the Group aims to establish a foundation for sustainable growth while responding flexibly to changes in the external environment.

(iii) Others

In the Media Content Business, the Group will continue distributing high-quality simulator applications and music on the App Store and Google Play. In addition, for the subscription-based application “Universal Kingdom” and the free-to-play social casino game “Slots Street,” the Group will work to improve user satisfaction and acquire new users through improvements to various services and in-game initiatives. In music distribution, the Group has started providing “PACHI-SLOT YAJIKITA ORIGINAL SOUND TRACK INSTRUMENT TRACKS” and “PACHI-SLOT YAJIKITA ORIGINAL SOUND TRACK SONGS” starting from August.

(5) Consolidated Financial Results Forecast

There are no changes to the full-year consolidated financial results forecast for the fiscal year ending December 31, 2026, which was announced on February 12, 2026.

2. Interim Consolidated Financial Statements and Notes

(1) Interim Consolidated Balance Sheet

(Million yen)

	Fiscal Year 2025 (as at December 31, 2025)	The 2nd Quarter of Fiscal Year 2026 (as at June 30, 2026)
Assets		
Current assets		
Cash and deposits	40,000	43,448
Notes and accounts receivable - trade	5,041	2,555
Electronically recorded receivables	1,536	4,387
Securities	121	2,009
Merchandise and finished goods	2,673	2,996
Work in process	15,442	15,753
Raw materials and supplies	12,533	10,631
Other	17,381	16,915
Allowance for doubtful accounts	(1,314)	(1,229)
Total current assets	93,415	97,469
Non-current assets		
Property, plant and equipment		
Buildings and structures	152,939	150,896
Machinery, equipment and vehicles	10,489	10,685
Construction in progress	4,388	4,355
Leased assets, net	19,102	18,797
Other	11,236	11,061
Total property, plant and equipment	198,155	195,796
Intangible assets		
Other	1,466	1,423
Total intangible assets	1,466	1,423
Investments and other assets		
Investment securities	9,955	10,021
Long-term deposits	9,630	9,980
Long-term deposits paid to subsidiaries and associates	23,868	24,754
Long-term accounts receivable from subsidiaries and associates	7,553	6,474
Other	35,795	37,341
Allowance for doubtful accounts	(6,876)	(6,902)
Total investments and other assets	79,927	81,669
Total non-current assets	279,549	278,889
Deferred assets	670	576
Total assets	373,634	376,935

(Million yen)

	Fiscal Year 2025 (as at December 31, 2025)	The 2nd Quarter of Fiscal Year 2026 (as at June 30, 2026)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,205	2,351
Electronically recorded payables	3,063	562
Current portion of long-term borrowings	2,533	3,543
Accounts payable - other	4,521	6,947
Accrued expenses	8,505	9,471
Income taxes payable	2,086	3,441
Provision for bonuses	95	745
Other	17,628	18,589
Total current liabilities	41,639	45,653
Non-current liabilities		
Bonds	62,999	65,769
Long-term borrowings	67,884	66,030
Retirement benefit liability	1,474	1,600
Lease liabilities	60,949	61,380
Other	8,999	8,118
Total non-current liabilities	202,307	202,898
Total liabilities	243,947	248,551
Net assets		
Shareholders’ equity		
Share capital	98	98
Capital surplus	18,828	18,828
Retained earnings	111,189	111,251
Treasury shares	(7,299)	(7,299)
Total shareholders’ equity	122,816	122,878
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(33)	(91)
Foreign currency translation adjustment	6,894	5,586
Remeasurements of defined benefit plans	10	10
Total accumulated other comprehensive income	6,871	5,504
Total net assets	129,687	128,383
Total liabilities and net assets	373,634	376,935

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

(Million yen)

	The Cumulative 2nd Quarter of Fiscal Year 2025 (January 1 to June 30, 2025)	The Cumulative 2nd Quarter of Fiscal Year 2026 (January 1 to June 30, 2026)
Net sales	62,175	76,566
Cost of sales	25,829	34,299
Gross profit	36,345	42,266
Selling, general and administrative expenses	35,497	32,047
Operating profit	847	10,219
Non-operating income		
Interest income	378	360
Dividend income	16	24
Foreign exchange gains	-	446
Share of profit of entities accounted for using equity method	1,324	577
Gain on sale of goods	-	40
Compensation income	-	35
Other	136	119
Total non-operating income	1,854	1,604
Non-operating expenses		
Interest expenses	4,380	5,063
Interest expenses on bonds	3,382	3,511
Foreign exchange losses	8,020	-
Commission expenses	4	3
Provision of allowance for doubtful accounts	1,521	0
Other	145	115
Total non-operating expenses	17,455	8,695
Ordinary profit (loss)	(14,752)	3,128
Extraordinary income		
Gain on sale of non-current assets	28	24
Compensation income	3,512	40
Other	2	-
Total extraordinary income	3,544	64
Extraordinary losses		
Loss on sale and retirement of non-current assets	83	4
Loss on valuation of shares of subsidiaries and associates	4	8
Loss on litigation	350	-
Impairment loss	-	7
Total extraordinary losses	437	20
Income (loss) before income taxes	(11,645)	3,173
Income taxes - current	117	4,042
Income taxes - deferred	(1,889)	(932)
Total income taxes	(1,771)	3,110
Net income (loss)	(9,874)	62
Net income attributable to non-controlling interests	-	-
Net income (loss) attributable to owners of parent	(9,874)	62

(Interim Consolidated Statement of Comprehensive Income)

(Million yen)

	The Cumulative 2nd Quarter of Fiscal Year 2025 (January 1 to June 30, 2025)	The Cumulative 2nd Quarter of Fiscal Year 2026 (January 1 to June 30, 2026)
Net income (loss)	(9,874)	62
Other comprehensive income		
Valuation difference on available-for-sale securities	(35)	(58)
Foreign currency translation adjustment	(7,323)	(1,309)
Remeasurements of defined benefit plans	46	-
Share of other comprehensive income of entities accounted for using equity method	(234)	1
Total other comprehensive income	(7,547)	(1,366)
Comprehensive income	(17,421)	(1,303)
(Breakdown)		
Comprehensive income attributable to owners of parent	(17,421)	(1,303)
Comprehensive income attributable to non-controlling interests	-	-

(3) Interim Consolidated Statement of Cash Flows

(Million yen)

	The Cumulative 2nd Quarter of Fiscal Year 2025 (January 1 to June 30, 2025)	The Cumulative 2nd Quarter of Fiscal Year 2026 (January 1 to June 30, 2026)
Cash flows from operating activities		
Income (loss) before income taxes	(11,645)	3,173
Depreciation	9,793	5,067
Impairment Loss	-	7
Loss (gain) on sales and retirement of property, plant and equipment and intangible assets	54	(19)
Loss on valuation of shares of subsidiaries and associates	4	8
Share of loss (profit) of entities accounted for using equity method	(1,324)	(577)
Interest and dividend income	(394)	(385)
Interest expenses	4,380	5,063
Interest on notes	3,382	3,511
Foreign exchange losses (gains)	7,764	(292)
Increase (decrease) in allowance for doubtful accounts	1,531	(81)
Decrease (increase) in trade receivables	404	(368)
Decrease (increase) in inventories	308	1,266
Increase (decrease) in trade payables	(410)	(3,221)
Increase (decrease) in accrued consumption taxes	437	423
Decrease (increase) in accounts receivable-other	57	(786)
Increase (decrease) in accounts payable-other	(859)	2,526
Decrease (increase) in other current assets	60	(732)
Increase (decrease) in other current liabilities	(1,726)	1,588
Increase (decrease) in other non-current liabilities	39	166
Others, net	768	(496)
Subtotal	12,625	15,842
Interest and dividend income received	80	124
Interest expenses paid	(5,463)	(5,643)
Income taxes refund (paid)	(61)	(2,687)
Net cash provided by (used in) operating activities	7,180	7,635

(Million yen)

	The Cumulative 2nd Quarter of Fiscal Year 2025 (January 1 to June 30, 2025)	The Cumulative 2nd Quarter of Fiscal Year 2026 (January 1 to June 30, 2026)
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,662)	(3,064)
Proceeds from sales of property, plant and equipment	-	50
Purchase of intangible assets	(300)	(170)
Purchase of investment securities	(5)	(5)
Collection of short-term loans receivable	60	550
Collection of long-term loans receivable	189	50
Others, net	(1,184)	(402)
Net cash provided by (used in) investing activities	(4,902)	(2,992)
Cash flows from financing activities		
Repayments of long-term borrowings	(299)	(1,106)
Others, net	(52)	(56)
Net cash provided by (used in) financing activities	(351)	(1,163)
Effect of exchange rate change on cash and cash equivalents	(938)	(32)
Net increase (decrease) in cash and cash equivalents	987	3,448
Cash and cash equivalents at beginning of period	23,795	36,279
Increase (decrease) in other cash and cash equivalents	(2,385)	(2,478)
Cash and cash equivalents at end of period	22,397	37,248

(4) Notes to Interim Consolidated Financial Statements

(Notes Pertaining to Going Concern)

There is no applicable information.

(Changes in Accounting Policies)

There is no applicable information.

(Notes in Event of Significant Fluctuation in Amount of Shareholders' Equity)

There is no applicable information.

(Notes to Interim Consolidated Statement of Cash Flows)

*1. The relationship between the balance of cash and cash equivalents at the end of the second quarter and the amount of items posted in the interim consolidated balance sheet is as follows.

(Million yen)

	The Cumulative 2nd Quarter of Fiscal Year 2025 (January 1 to June 30, 2025)	The Cumulative 2nd Quarter of Fiscal Year 2026 (January 1 to June 30, 2026)
Cash and deposit account	24,768	43,448
Other	(2,385) (*2)	(6,199) (*2)
Negotiable certificates of deposit with a deposit period within three months	14 (*3)	- (*3)
Cash and cash equivalents	22,397	37,248

*2. A Debt Service Reserve Account (DSRA) has been established for certain bank loans of our Group; since there are deposits subject to withdrawal restrictions that do not meet the definition of cash and cash equivalents in the consolidated statement of cash flows, the amount has been reduced accordingly.

*3. Negotiable certificates of deposit with a deposit period within three months are included in securities on the interim consolidated balance sheet.

(Notes to Segment Information)

Segment information

I The Cumulative 2nd Quarter of Fiscal Year 2025 (January 1 to June 30, 2025)

1. Information pertaining to amounts of net sales and profit/loss in each reportable segment

(Million yen)

	Reportable Segment				Adjusted Amounts (Note 2)	Amounts Recorded in Interim Consolidated Financial Statements (Note 3)
	Amusement Equipments Business	Integrated Resort (IR) Business	Others (Note 1)	Total		
Net sales						
Sales to external customers	27,159	34,641	372	62,097	1	62,175
Inter-segment sales or transfers	-	-	324	324	(324)	-
Total	27,159	34,641	697	62,422	(323)	62,175
Segment profit (loss)	5,175	(1,318)	117	4,089	(3,127)	847

(Notes)
1. "Others" classification consists of business segments not included in any reportable segment and is inclusive of cultural activities, Media Content Business and others. Please note that, effective from the interim consolidated period of fiscal year 2026 the classification of revenue from cultural activities has been changed from "Company-wide Revenue" to "Other." Accordingly, the figures for the same period of fiscal year 2025 have been reclassified to reflect these changes.
2. The adjustment to segment loss includes 3,127 million yen of corporate expenses that cannot be allocated to any reportable segment. Unallocated expenses are mainly composed of selling, general and administrative expenses which are not attributed to the reportable segments.
3. Segment profit has been reconciled with operating profit in the interim consolidated statement of income.

II The Cumulative 2nd Quarter of Fiscal Year 2026 (January 1 to June 30, 2026)

1. Information pertaining to amounts of net sales and profit/loss in each reportable segment

(Million yen)

	Reportable Segment				Adjusted Amounts (Note 2)	Amounts Recorded in Interim Consolidated Financial Statements (Note 3)
	Amusement Equipments Business	Integrated Resort (IR) Business	Others (Note 1)	Total		
Net sales						
Sales to external customers	45,926	30,126	511	76,564	2	76,566
Inter-segment sales or transfers	-	3	335	339	(339)	-
Total	45,926	30,129	847	76,903	(336)	76,566
Segment profit (loss)	14,166	(1,368)	279	13,077	(2,858)	10,219

(Notes)
1. “Others” classification consists of business segments not included in the reportable segments and is inclusive of cultural activities, Media Content Business and others. Please note that, effective from the interim consolidated period of fiscal year 2026 the classification of revenue from cultural activities has been changed from “Company-wide Revenue” to “Other.” Accordingly, the figures for the same period of fiscal year 2025 have been reclassified to reflect these changes.
2. The adjustment to segment loss includes 2,858 million yen of corporate expenses that cannot be allocated to any reportable segment. Unallocated expenses are mainly composed of selling, general and administrative expenses which are not attributed to the reportable segments.
3. Segment profit has been reconciled with operating profit in the interim consolidated statement of income.

2. Information pertaining to impairment losses on non-current assets, goodwill, etc. for each reportable segment

Significant impairment losses involving non-current assets

The Others segment recorded an impairment loss of 7 million yen for the cumulative 2nd quarter of fiscal year 2026.

(5) Additional Information

There is no applicable information.

(6) Material Subsequent Events

There is no applicable information.