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Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]



August 7, 2025

Company name: NexTone Inc.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 7094
 URL: <https://www.nex-tone.co.jp/en/>
 Representative: Masahiro Anan, President & CEO
 Contact: Fumihiro Watanabe, Managing Director
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 Scheduled date of commencing dividend payments: –
 Availability of supplementary materials on financial results: Available
 Schedule of financial results briefing session: None

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 - June 30, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2025	5,361	11.2	325	46.7	324	36.2	210	26.9
June 30, 2024	4,819	115.7	221	3.1	238	10.6	165	13.2

(Note) Comprehensive income: Three months ended June 30, 2025: ¥222 million [65.6%]
 Three months ended June 30, 2024: ¥134 million [(8.3)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	21.55	—
June 30, 2024	17.00	—

- (Notes) 1. Diluted earnings per share is not stated, as there are no dilutive shares.
 2. In the six months ended September 30, 2024, the Company has finalized the provisional accounting treatment related to business combinations, and has reflected the content of this finalization in the three months ended June 30, 2024.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2025	15,112	5,937	32.9
As of March 31, 2025	14,831	5,715	32.1

(Reference) Equity: As of June 30, 2025: ¥4,968 million
 As of March 31, 2025: ¥4,758 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	0.00	—	0.00	0.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (forecast)		0.00	—	20.00	20.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
Full year	23,000	18.5	1,800	79.1	1,800	75.0	1,200	73.3
								123.00

(Note) Revision to the financial results forecast announced most recently: None

*** Notes:**

- (1) Significant changes in the scope of consolidation during the period: None
Newly included: – ()
Excluded: – ()
- (2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: Yes
(Note): For details, please refer to “2. Quarterly Consolidated Financial Statements and Primary Notes (3) Notes to the Quarterly Consolidated Financial Statements (Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)” on page 8 of the Attachments (available in Japanese).
- (3) Changes in accounting policies, changes in accounting estimates and restatement
1) Changes in accounting policies due to the revision of accounting standards: None
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting estimates: None
4) Restatement: None
- (4) Total number of issued shares (common shares)
1) Total number of issued shares at the end of the period (including treasury shares):
June 30, 2025: 9,940,800 shares
March 31, 2025: 9,940,800 shares

2) Total number of treasury shares at the end of the period:
June 30, 2025: 180,686 shares
March 31, 2025: 180,563 shares

3) Average number of shares during the period:
Three months ended June 30, 2025: 9,760,218 shares
Three months ended June 30, 2024: 9,748,190 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

* Explanation of the proper use of financial results forecast and other notes

(Cautionary notes on forward-looking statements)

Financial results forecast and other forward-looking statements contained herein are based on information currently available to the Group and certain assumptions that are deemed reasonable, and the Company does not in any way guarantee the achievement of the forecasts. Actual results may differ significantly due to various factors. For the assumptions underlying the forecasts herein and cautionary notes on the use of the financial results forecasts, please refer to “1. Overview of Operating Results, etc. (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the Attachments (available in Japanese).

(Obtaining supplementary explanatory materials for financial results and video of the briefing)

The supplementary explanatory materials (available in Japanese) will be disclosed on TDnet and the Company’s website on Thursday, August 7, 2025. The video of the financial results briefing (available in Japanese) is also scheduled to be posted at a later date on the Company’s website.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

(Million yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	9,629	9,954
Notes and accounts receivable - trade	1,744	2,107
Work in process	12	6
Supplies	0	0
Other	886	406
Allowance for doubtful accounts	(1)	(1)
Total current assets	12,272	12,474
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	191	175
Tools, furniture and fixtures, net	41	67
Total property, plant and equipment	232	242
Intangible assets		
Goodwill	13	9
Customer-related intangible assets	239	222
Software	1,397	1,452
Other	139	176
Total intangible assets	1,789	1,861
Investments and other assets		
Deferred tax assets	235	237
Guarantee deposits	258	253
Other	43	43
Total investments and other assets	537	534
Total non-current assets	2,559	2,638
Total assets	14,831	15,112

(Million yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,436	3,699
Accounts payable - other	4,336	4,536
Income taxes payable	310	111
Provision for bonuses	245	107
Provision for bonuses for directors (and other officers)	35	13
Other	206	302
Total current liabilities	8,570	8,771
Non-current liabilities		
Long-term accounts payable - other	283	164
Retirement benefit liability	67	48
Other	195	191
Total non-current liabilities	545	403
Total liabilities	9,116	9,175
Net assets		
Shareholders' equity		
Share capital	1,218	1,218
Capital surplus	758	758
Retained earnings	3,072	3,282
Treasury shares	(288)	(289)
Total shareholders' equity	4,760	4,971
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(2)	(2)
Total accumulated other comprehensive income	(2)	(2)
Non-controlling interests	956	968
Total net assets	5,715	5,937
Total liabilities and net assets	14,831	15,112

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	4,819	5,361
Cost of sales	3,638	4,034
Gross profit	1,181	1,326
Selling, general and administrative expenses	959	1,001
Operating profit	221	325
Non-operating income		
Dividend income	0	—
Subsidy income	—	0
Surrender value of insurance policies	15	—
Interest on tax refund	—	0
Other	0	0
Total non-operating income	17	0
Non-operating expenses		
Foreign exchange losses	0	1
Other	—	0
Total non-operating expenses	0	1
Ordinary profit	238	324
Extraordinary losses		
Loss on valuation of investment securities	5	—
Total extraordinary losses	5	—
Profit before income taxes	232	324
Income taxes	107	101
Profit	125	222
Profit (loss) attributable to non-controlling interests	(40)	12
Profit attributable to owners of parent	165	210

Quarterly Consolidated Statement of Comprehensive Income
Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	125	222
Other comprehensive income		
Valuation difference on available-for-sale securities	8	(0)
Total other comprehensive income	8	(0)
Comprehensive income	134	222
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	165	210
Comprehensive income attributable to non-controlling interests	4	12

(Segment information, etc.)

[Segment information]

I. For the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

1. Information on net sales and income (loss) by reportable segment

(Million yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Quarterly Consolidated Statement of Income (Note 3)
	Copyright Management Business	Digital Distribution (DD) Business	Digital Music Provider	Total				
Net sales								
Net sales to outside customers	341	2,313	1,886	4,541	278	4,819	—	4,819
Inter-segment net sales or transfers	43	73	—	116	106	222	(222)	—
Total	384	2,386	1,886	4,657	384	5,042	(222)	4,819
Segment income (loss)	186	223	322	733	(121)	611	(389)	221

(Notes) 1. The “Others” category consists of business segments that are not included in reportable segments. These include the Casting & promotion service business; System development, maintenance & operation business; Solutions business; and Agent business.

2. Segment income (loss) adjustment of (389) million yen includes (384) million yen in Company-wide expenses which are not allocated to individual reportable segments and (5) million yen in eliminations of inter-segment transactions.

3. Segment income (loss) includes adjustment to operating profit in the Quarterly Consolidated Statement of Income.

4. The above segment information reflects the significant revision to the initial allocation of the acquisition cost following the finalization of the provisional accounting treatment, which is disclosed in “Notes (Business combinations, etc.).”

2. Information on impairment loss on non-current assets and goodwill by reportable segment

Not applicable.

II. For the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

1. Information on net sales and income (loss) by reportable segment

(Million yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Quarterly Consolidated Statement of Income (Note 3)
	Copyright Management Business	Digital Distribution (DD) Business	Digital Music Provider	Total				
Net sales								
Net sales to outside customers	353	2,502	1,926	4,781	579	5,361	—	5,361
Inter-segment net sales or transfers	41	70	—	111	129	241	(241)	—
Total	394	2,572	1,926	4,893	708	5,602	(241)	5,361
Segment income (loss)	164	247	395	807	(69)	737	(412)	325

(Notes) 1. The “Others” category consists of business segments that are not included in reportable segments. These include the Casting & promotion service business; Reuse product business; System development, maintenance & operation business; Solutions business; and Agent business.

2. Segment income (loss) adjustment of (412) million yen includes (402) million yen in Company-wide expenses which are not allocated to individual reportable segments and (9) million yen in eliminations of inter-segment transactions.

3. Segment income (loss) includes adjustment to operating profit in the Quarterly Consolidated Statement of Income.

2. Information on impairment loss on non-current assets and goodwill by reportable segment

Not applicable.

(Notes on the statement of cash flows)

The Company has not prepared the quarterly consolidated statement of cash flows for the three months ended June 30, 2025. Depreciation (including amortization for intangible assets other than goodwill and customer-related intangible assets), amortization of goodwill, and amortization of customer-related intangible assets for the three months ended June 30, 2025 are as follows.

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Depreciation	58 million yen	74 million yen
Amortization of goodwill	4 million yen	4 million yen
Amortization of customer-related intangible assets	17 million yen	17 million yen

(Business combinations, etc.)

Finalization of the provisional accounting treatment related to business combinations

During the three months ended June 30, 2024, the Company applied provisional accounting treatments related to business combinations with RecoChoku Co., Ltd. implemented on September 28, 2023. The Company finalized the provisional accounting treatment in the six months ended September 30, 2024.

Following the finalization of the provisional accounting treatment, comparative information included in the quarterly consolidated financial statements for the three months ended June 30, 2025 reflects the significant revision to the initial allocation of the acquisition cost.

As a result, 262 million yen of goodwill calculated on a provisional basis decreased by 262 million yen in line with the finalization of the accounting treatment, and customer-related intangible assets and deferred tax liabilities increased by 342 million yen and 80 million yen, respectively. In the Quarterly Consolidated Statement of Income for the three months ended June 30, 2024, selling, general and administrative expenses increased by 4 million yen, operating profit decreased by 4 million yen, and ordinary profit and profit before income taxes decreased by 4 million yen, respectively.