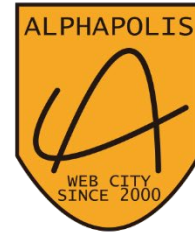


Note: This document has been translated from the Japanese original for reference purposes only.  
In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

**Fiscal Year Ended  
March 31, 2025  
Financial Results  
Briefing Material**



A L P H A P O L I S  
アルファポリス

**AlphaPolis Co., Ltd.**  
**(Tokyo Stock Exchange  
Growth Market : 9467)**

**May 15, 2025**

## Management Philosophy

### Pursuing Entertainment for a New Era

Under the mission of “not being constrained by conventional methods or common sense” and “thoroughly pursuing what is good, interesting and desired,” we aim to become the strongest entertainment company, creating and providing new entertainment centered on the Internet.

## Corporate Slogan

***E*ntertainment & *E*ngineering**  
Entertainment & Engineering

There are two things of great importance to the Company.  
We believe that by combining these two Es, we can create new ideas, strengthen and evolve the Company and everything around it, and that this will enable us to realize our management philosophy.

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- 1. Summary of Financial Results**
- 2. Status of Business Initiatives (Fourth Quarter)**
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## Operating Results Highlights (4Q cumulative: April 2024 – March 2025)

- Net sales (Against revised budget + 4.0%)  
(Year-on-year + 31.8%)

13,620 million yen

- Ordinary profit (Against revised budget + 4.4%)  
(Year-on-year + 42.0%)

3,236 million yen

## Topics Highlights (4Q: January 2025 – March 2025)

- Quarterly net sales and profits reached record highs due to strengthening of sales expansion measures for e-books, as well as the strong performance of new titles, etc. In particular, net sales broke record high level for four consecutive quarters.
- Revised earnings and dividend forecasts upward for the fiscal year ended March 2025 due to strong performance of E-book sales and popular series, etc. (Feb. 13)
- The anime adaptation of the blockbuster novel “A Gatherer's Adventure in Isekai” has been decided. (Mar 10)





# Overview of the Statement of Income -Summary

In addition to the fact that overall sales were boosted by price revisions and sales expansion measures of e-books in the first half of the fiscal year, sales of anime adaptations and new titles were also strong, resulting in a major year-on-year increase in net sales of 31.8%. Ordinary profit also increased significantly by 42.0% year on year, as a result of an improvement in the profit margin accompanying sales expansion.

Unit: Million yen	Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2024		Year-on-year	
	4Q cumulative	Composition ratio	4Q cumulative	Composition ratio	Rate	Amount
Net sales	13,620	100.0%	10,334	100.0%	+ 31.8%	+ 3,286
Gross profit	10,206	74.9%	7,584	73.4%	+ 34.6%	+ 2,621
Operating profit	3,222	23.7%	2,272	22.0%	+ 41.8%	+ 949
Ordinary profit	3,236	23.8%	2,279	22.1%	+ 42.0%	+ 957
Profit	2,019	14.8%	1,403	13.6%	+ 43.9%	+ 616



# Breakdown of Net Sales

With regard to net sales by genre, net sales increased in all genres.  
“(1) Light novels” and “(2) Manga” grew significantly mainly due to strong sales of e-books.

Unit: Million yen	Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2024		Year-on-year	
	4Q cumulative	Composition ratio	4Q cumulative	Composition ratio	Rate	Amount
Net Sales	13,620	100.0%	10,334	100.0%	+ 31.8%	+ 3,286
(1) Light novels	3,168	23.3%	2,476	24.0%	+ 28.0%	+ 692
(2) Manga	10,200	74.9%	7,621	73.7%	+ 33.8%	+ 2,579
(3) Paperback	214	1.6%	205	2.0%	+ 4.0%	+ 8
(4) Other	37	0.3%	30	0.3%	+ 20.0%	+ 6



# Breakdown of Selling, General and Administrative Expenses

“(1) Sales commissions, etc.” are mainly commissions related to sales of e-books and increased in proportion to the growth in sales of e-books.

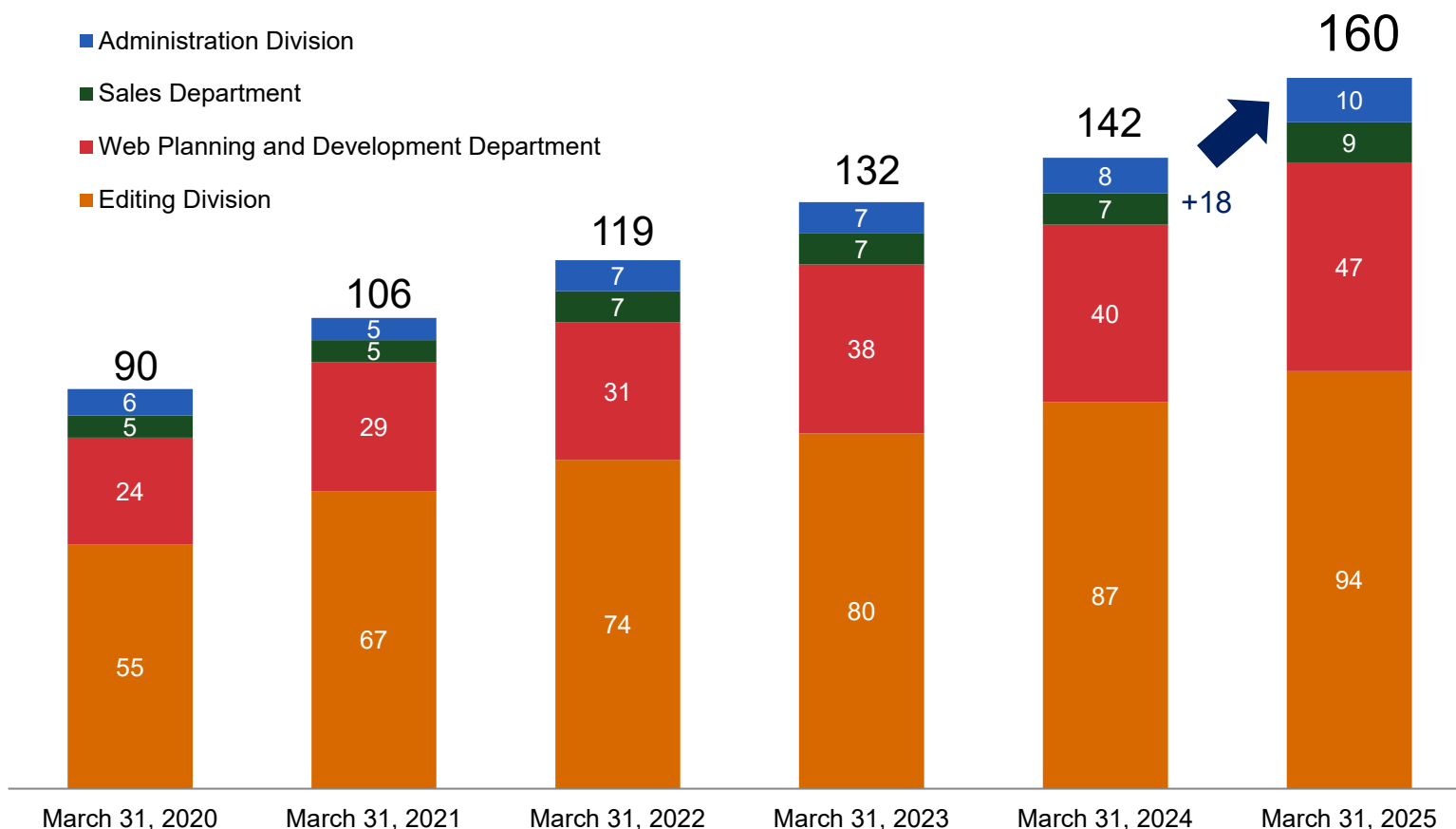
“(4) Promotion and advertising expenses” increased mainly due to the strengthening of promotions for the Company’s content and website for posting, and the recording of advertising expenses related to TV anime.

Unit: Million yen	Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2024		Year-on-year		Remarks
	4Q cumulative	Composition ratio	4Q cumulative	Composition ratio	Rate	Amount	
Selling, general and administrative expenses	6,983	100.0%	5,312	100.0%	+ 31.5%	+ 1,671	
(1) Sales commissions, etc.	5,445	78.0%	4,030	75.9%	+ 35.1%	+ 1,414	Increased mainly in line with growth in sales of e-books.
(2) Personnel expenses (including provisions and remuneration for officers)	726	10.4%	615	11.6%	+ 18.1%	+ 111	Increased due to an increase in the number of employees and an improvement in wage levels.
(3) Recruiting expenses	29	0.4%	20	0.4%	+ 46.0%	+ 9	
(4) Promotion and Advertising expenses	289	4.1%	224	4.2%	+ 29.2%	+ 65	Expenses related to strengthening promotions and TV anime increased.
(5) Other	492	7.1%	421	7.9%	+ 16.8%	+ 70	

# Changes in the Number of Employees

Actively recruited personnel in each division to further expand the business.

The number of employees at the end of March 2025 is 160, up 18 from the end of the previous fiscal year.



\* The number of employees includes the average number of part-time workers per year.

## Percentage of women in management positions

Target: 50.0% by the fiscal year ending March 31, 2029

Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
37.5%	41.1%	39.5%

## Rate of male employees taking childcare leave

Target: 80.0% or more on average by the fiscal year ending March 31, 2029

Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Average for period at left
100.0%	100.0%	100.0%

\* The average rate of male employees taking childcare leave will be calculated by aggregating the figures for each fiscal year from the fiscal year ended March 31, 2024 to the fiscal year ending March 31, 2029.

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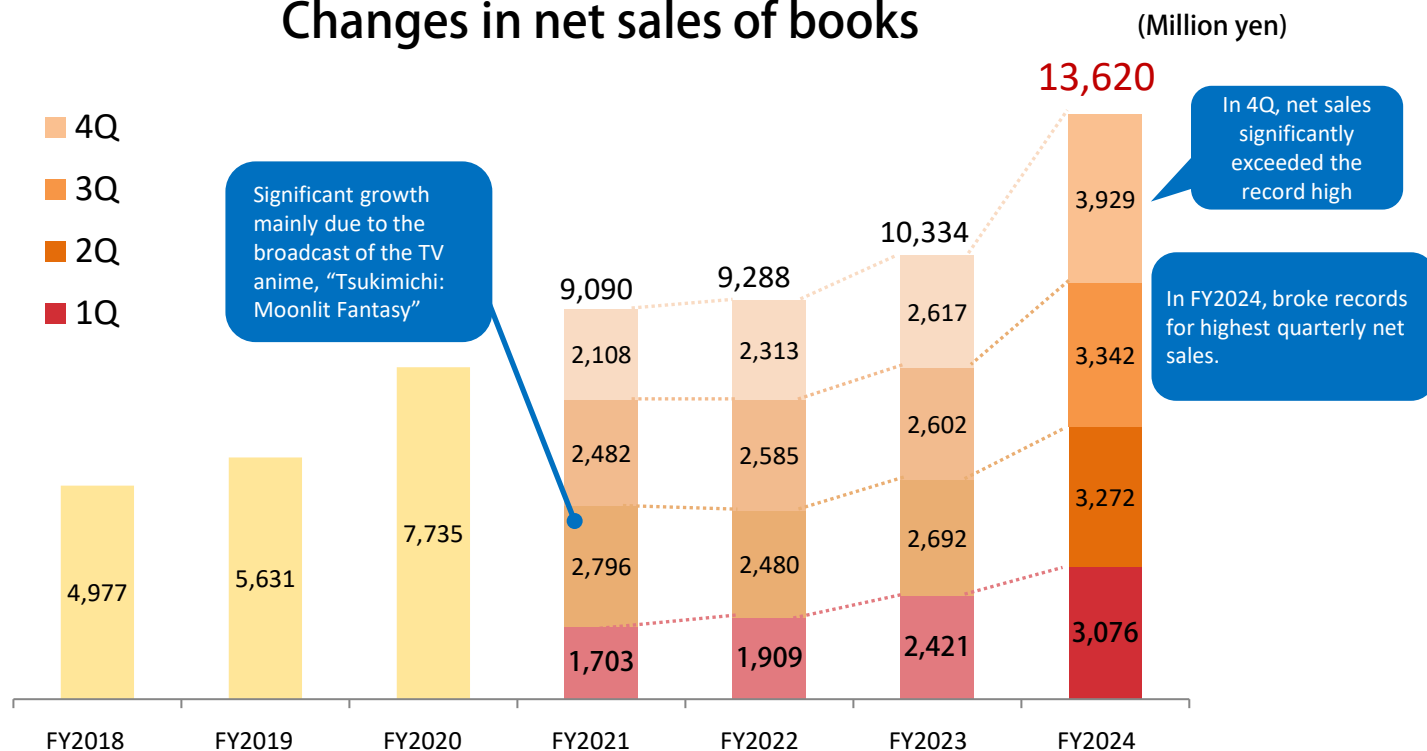


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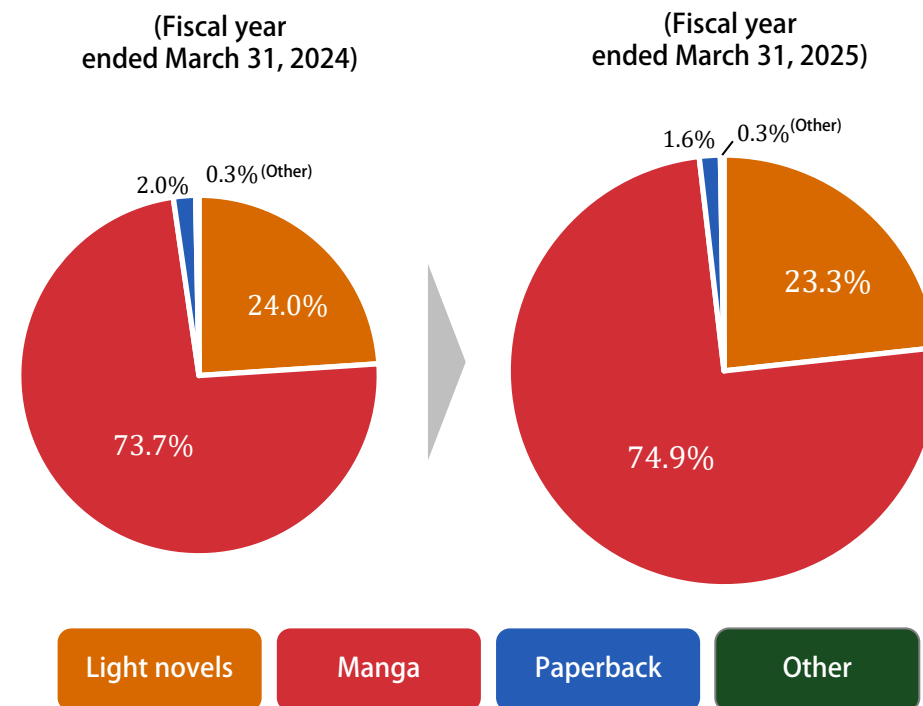
# (1) Book Publishing Business

Net sales for the fourth quarter of the current fiscal year reached 3.92 billion yen, significantly exceeding the record high of 3.34 billion yen in the third quarter, breaking the record for highest quarterly net sales for the fourth consecutive quarter.

## Changes in net sales of books

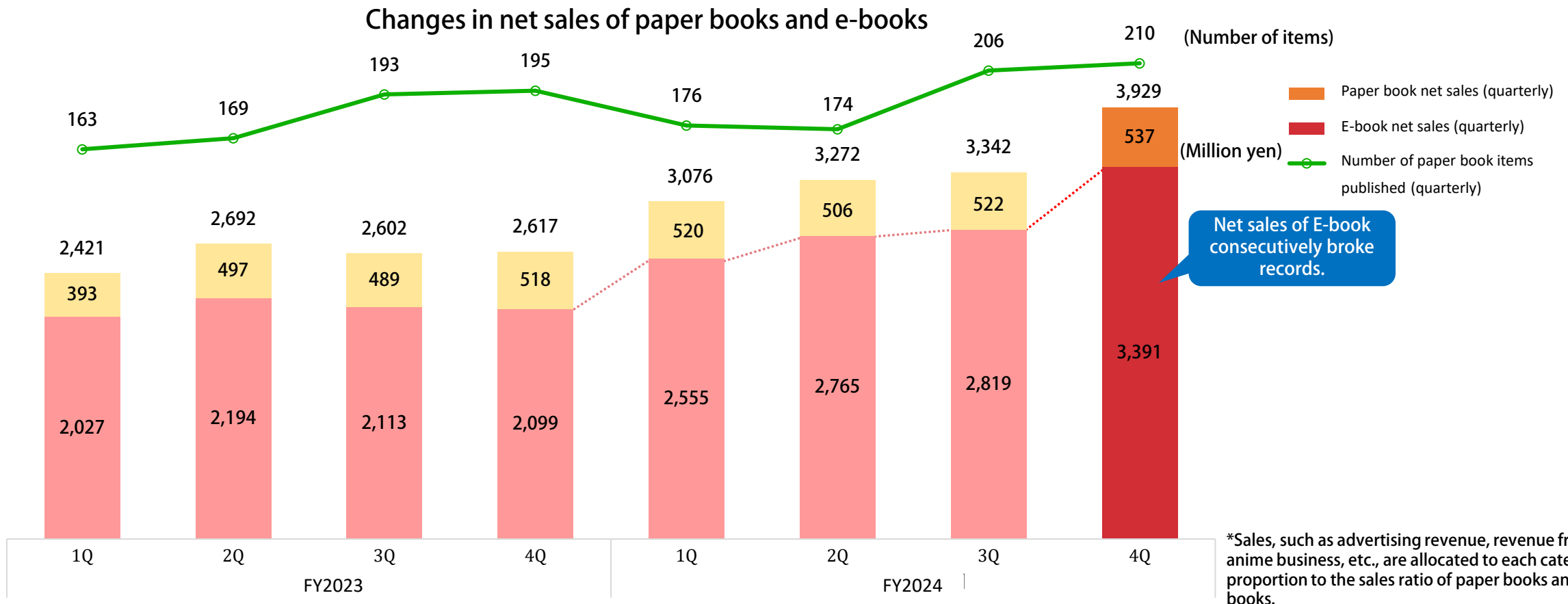


## Net sales by genre



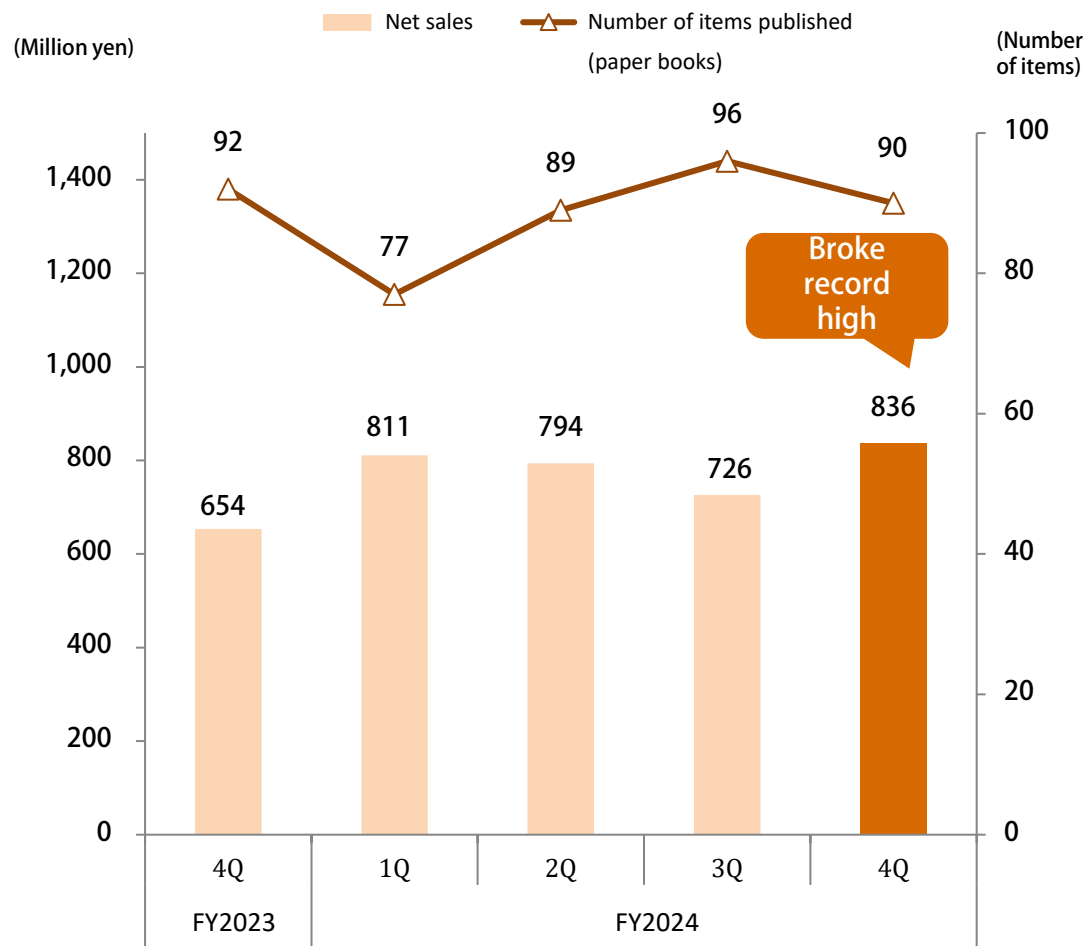
# (1) Book Publishing Business

Sales of paper books remained high, despite the severe market conditions, due to strategic efforts to increase sales of content adapted into anime and strong performance of new titles, etc. Sales of e-books broke records for highest quarterly net sales for the fourth consecutive quarter, significantly exceeding the sales in the third quarter, mainly due to continued successful sales expansion measures at e-book stores.



# (1) Book Publishing Business - Light Novels

## Light novels



## Fourth quarter topics

- Significant growth in sales of the original novel of “Mamahaha no Kokoro,” whose Volume 1 comic adaptation has performed exceptionally well, drove net sales.
- Began selling single volumes of novels at major e-book stores. Sales were strong from immediately after launch, succeeding in pushing up net sales of the genre.
- Quarterly net sales reached 830 million yen, breaking the previous record high.

## Main hits published in the fourth quarter

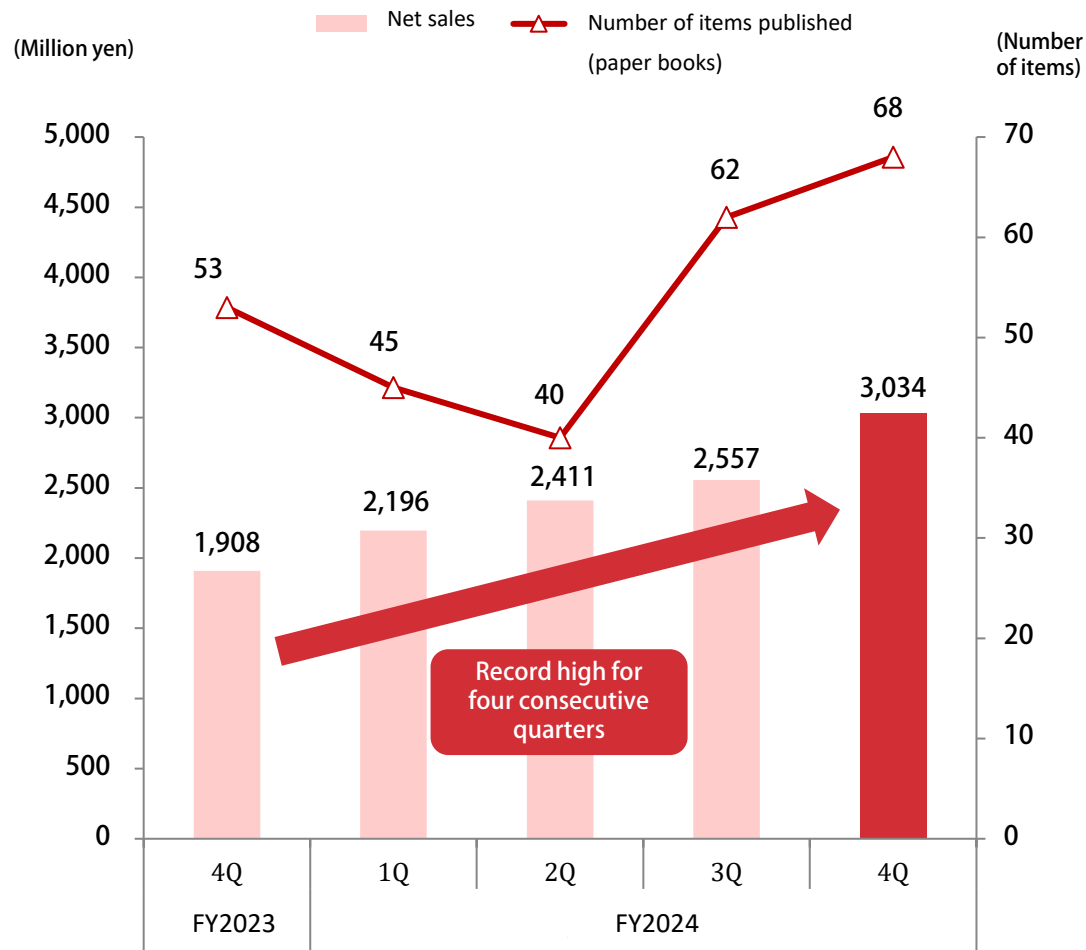


\*The figures in  are the number of copies of the latest print edition of paper books (as of the date of publication of this document).



# (1) Book Publishing Business - Manga

## Manga



## Fourth quarter topics

- Published a record high 68 new titles, focusing on popular series such as “Tsukimichi: Moonlit Fantasy” and “The Unaware Atelier Meister,” which have been adopted for anime.
- Published the latest volume of “I’m Going to Show Them With A Gorgeous Divorce!,” which was a winner in the *Isekai* category of the E-comic Grand Prix 2025. This series performed well, including existing titles, mainly in e-book sales.
- Quarterly net sales **broke record high levels for four consecutive quarters**.

## Main hits published in the fourth quarter

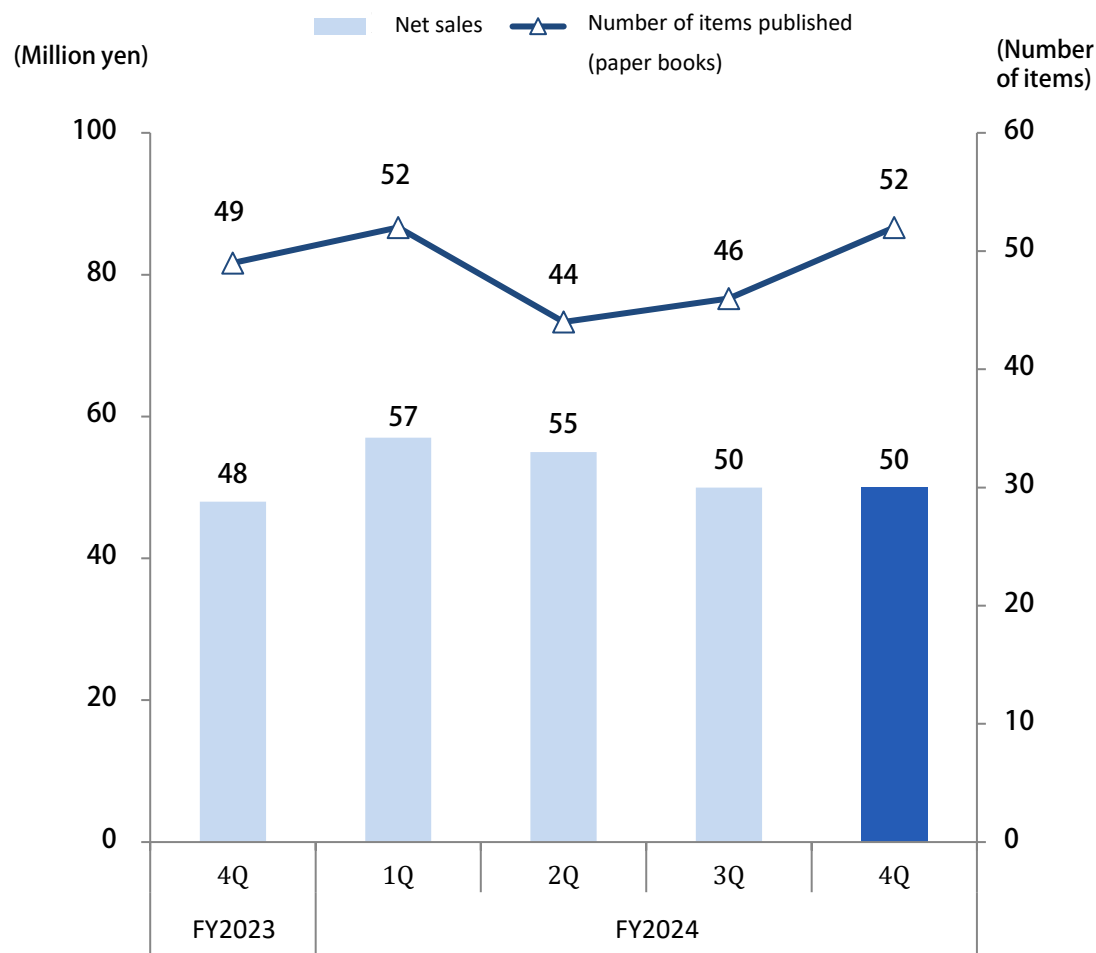


\*Comic CMOA (operator: NTT Solmare Corporation) “Readers’ Choice E-comic Grand Prix 2025”

\*The figures in are the number of copies of the latest print edition of paper books (as of the date of publication of this document).

# (1) Book Publishing Business - Paperback

## Paperback




## Fourth quarter topics

- Continued our efforts to expand and strengthen the book genre, including publishing “#Kietaiboku wa Kimi ni 150 ji no Ai wo Ageru,” a Grand Prize winner in the “Youth Novel × Vocaloid Producer Cup”
- Released low-priced paperback editions of popular novels. Aim is to attract new readers and maximize profitability.

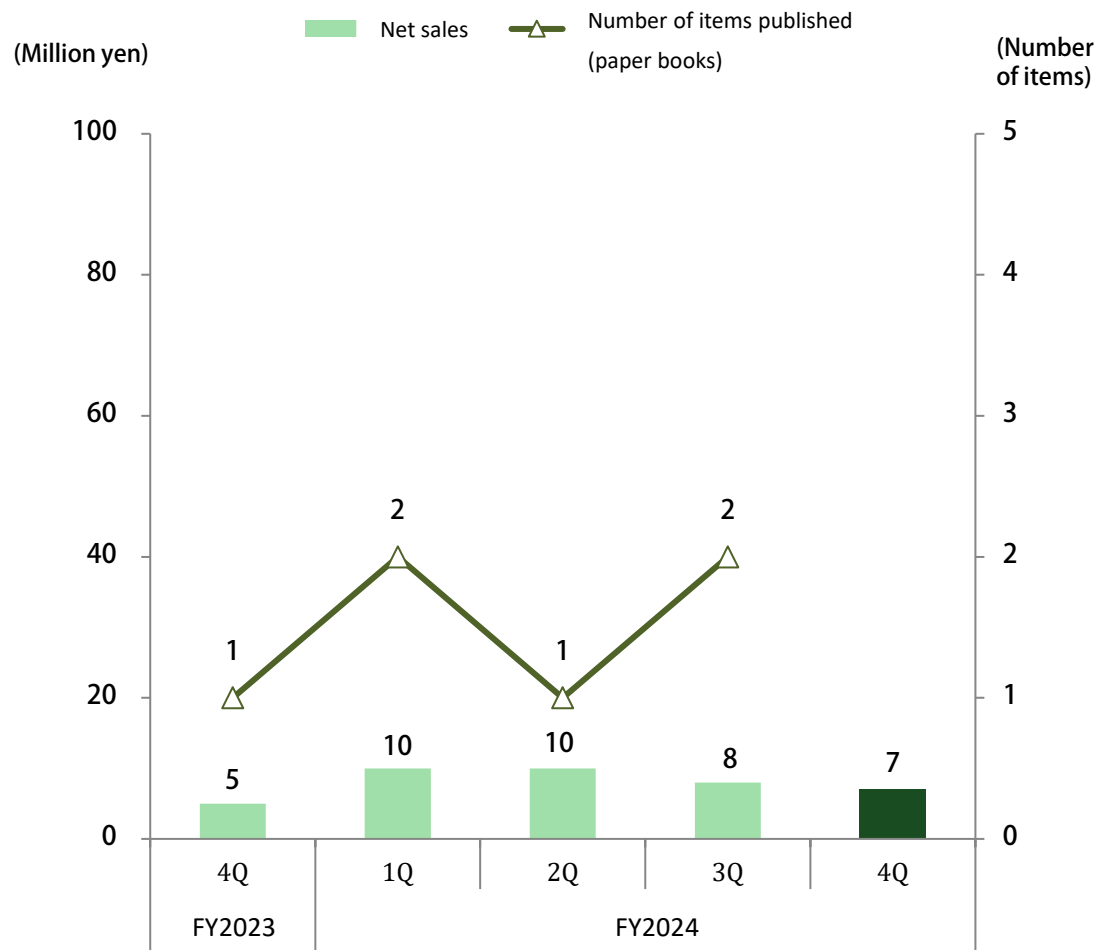
## Main hits published in the fourth quarter



\*The figures in  are the number of copies of the latest print edition of paper books (as of the date of publication of this document).

# (1) Book Publishing Business - Other

## Other



## Fourth quarter topics

- Due to the publishing schedule, there were no books published in the fourth quarter. From the perspectives of further expansion of business results and portfolio optimization, continued to promote publishing of books in a wide range of genres.
- Launched two new business series on our website. Focused efforts on strengthening “business books.”

## Business series launched on website in the fourth quarter



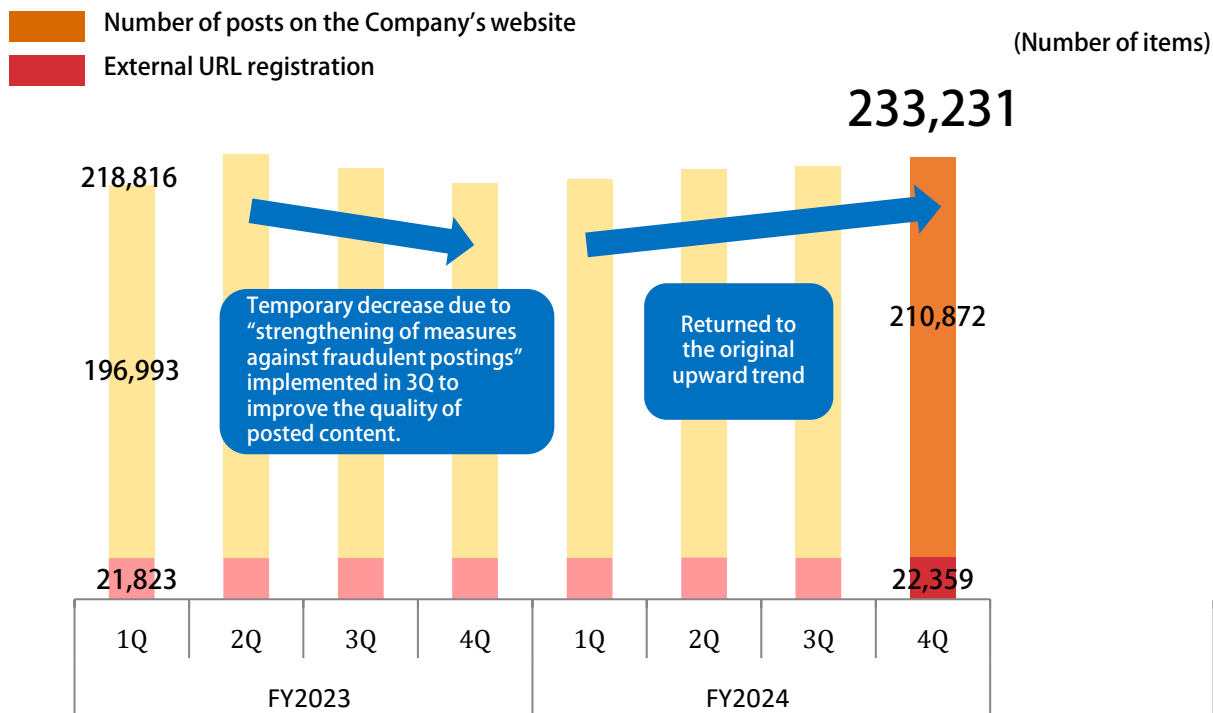
## (2) Website Operation - Changes in KPIs

The number of posts on the Company's website has completely stabilized after a decrease due to the strengthening of measures against fraudulent postings and has returned to its original upward trend.

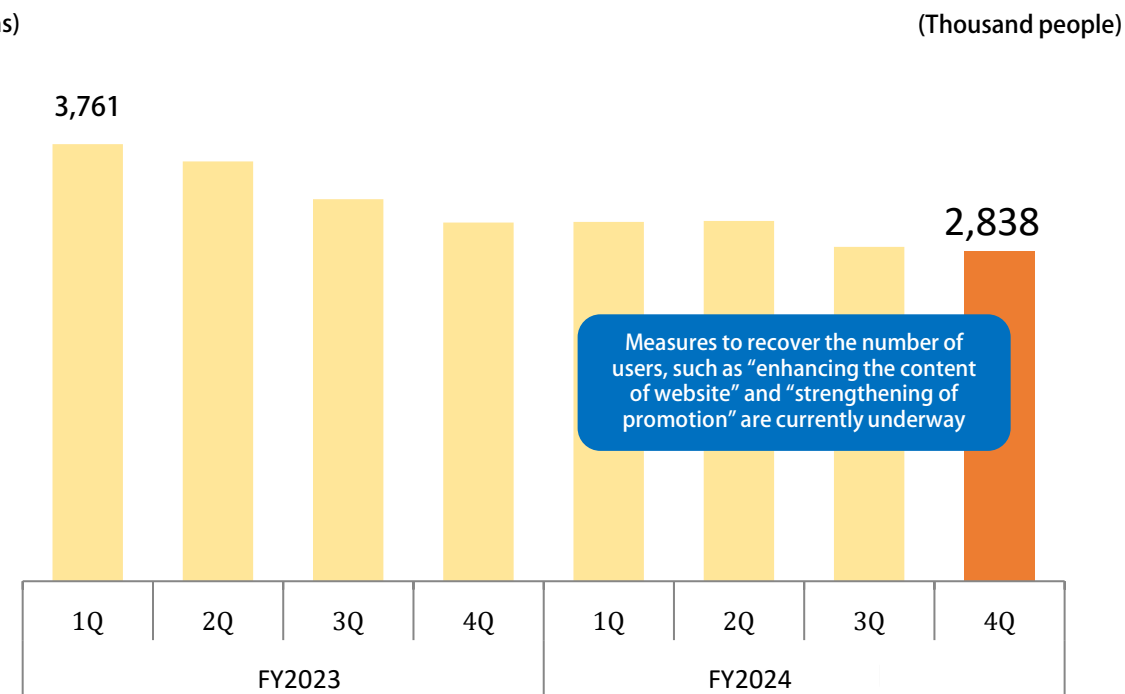
The number of monthly unique users continued to struggle, resulting in 2.83 million, the same level as in the previous quarter.

We aim to recover the number of users through measures such as enhancing the content of the website.

### Total number of content items



### Number of monthly unique users

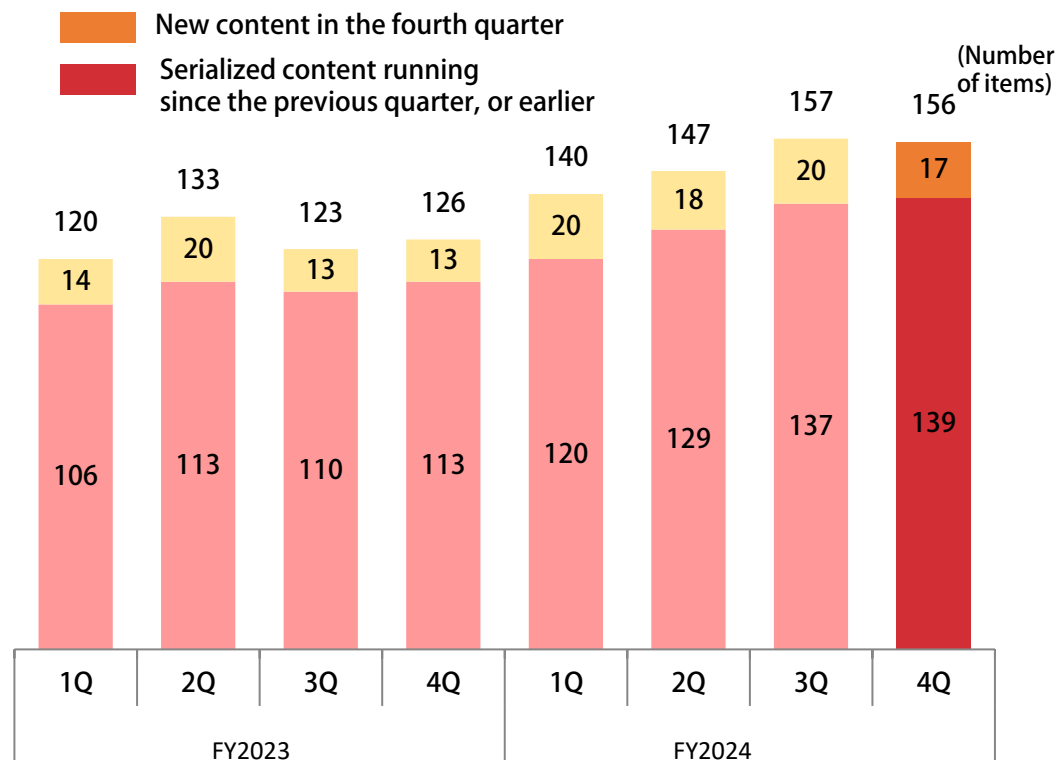




## (2) Website Operation – Manga Web Series

17 new series have been started, including manga adaptations of 10 light novels and 7 original manga. The number of serialized manga titles, which will form the basis for the number of manga published in the future, has reached 156.

Number of manga web series



Main new serialized manga in the fourth quarter



\*The number of accesses is the number of accesses on the day the latest episode was published.

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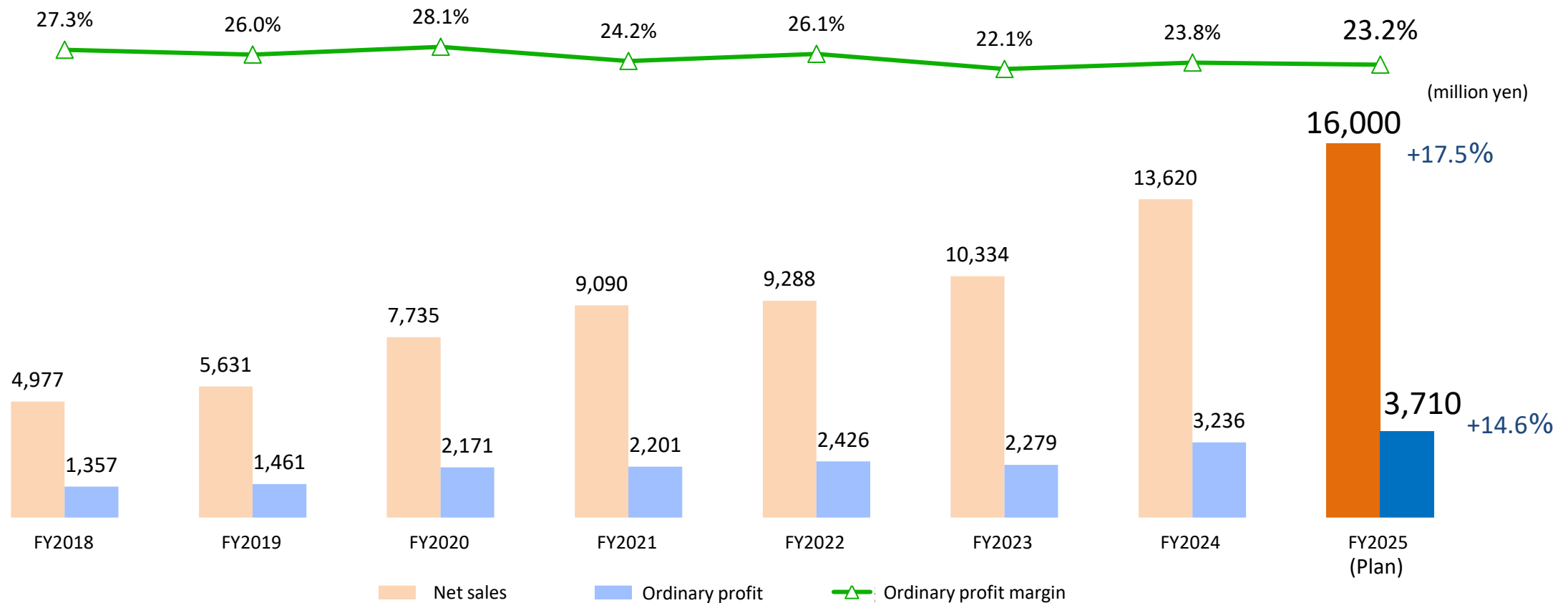


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# FY2025 Plan — Trends in Net Sales and Profit —

We will focus our efforts on the further expansion of already strong e-book sales, with a plan for a 17.5% increase in net sales to 16.0 billion yen.

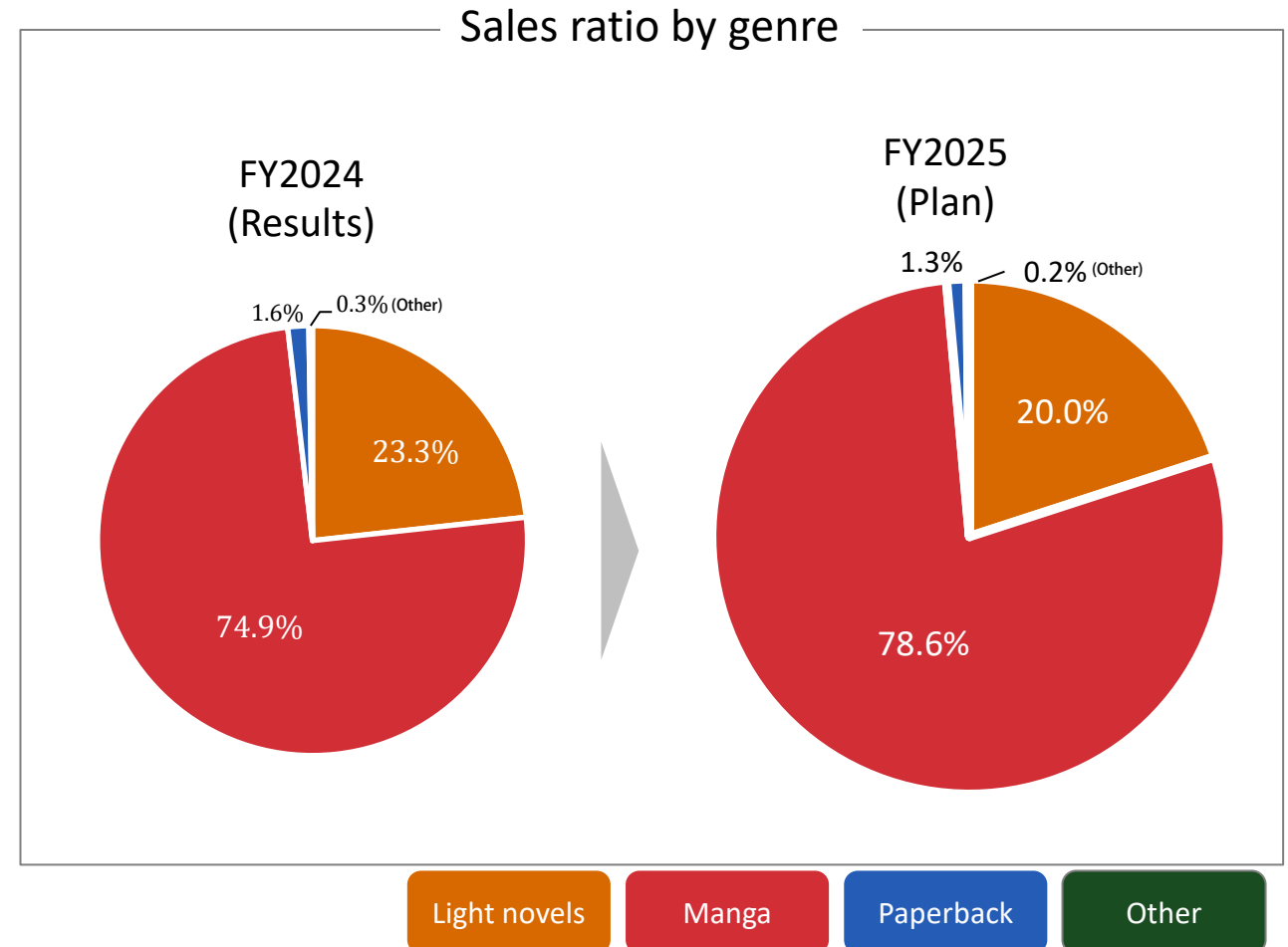
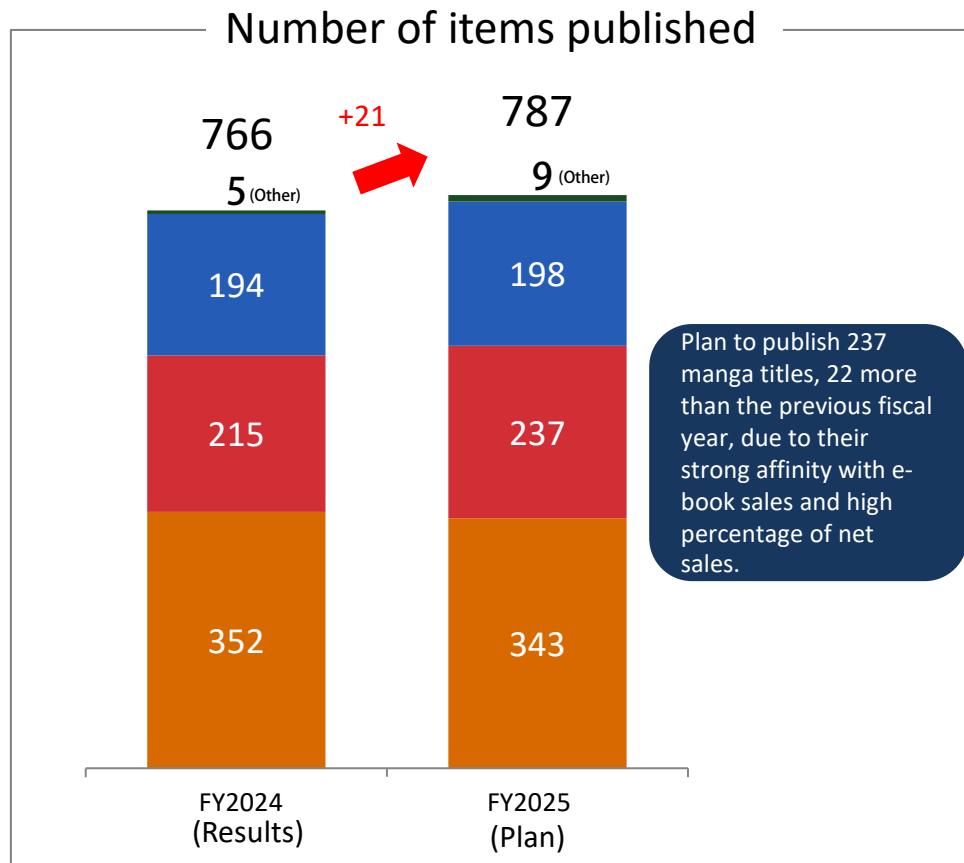
There will be no major movements in variable costs, and in SG&A expenses, we are planning investments related to workforce reinforcements and the use of AI. Our plan is for an increase in ordinary profit of 14.6% to 3.71 billion yen. We aim to achieve record high levels of both net sales and profit .





## FY2025 Plan — Number of items published / Sales ratio by genre —

Plan to publish 787 items, 21 more than the previous fiscal year.  
Continue efforts to grow sales in each genre, including light novels and manga.





Plan to issue dividends as shareholder returns from FY2024.

In FY2025, from the perspective of further enhancement of shareholder returns, we plan a dividend increase of 10 yen from the previous fiscal year.

Our policy is to issue ongoing, stable dividends going forward, after taking business results, enhancement of internal reserves, and other factors into account.

	FY2024	FY2025 (Plan)
Basic earnings per share	69.49 yen	79.14 yen
Dividend per share (Year-end dividend)	14 yen	24 yen
		Plan dividend increase of 10 yen ➡
Payout ratio	20.1%	30.3%
		Plan to increase by 10.2% ➡

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# (1) Book Publishing Business - Publication Plan (1/3)

We plan to continuously publish popular content with series totals of over 200,000 copies, etc.

## Light Novels

<p><b>1Q</b></p> <p><b>New Saga 11</b></p> <p>Series total 0.88 million</p> <p>Anime broadcast in July 2025</p>  <p>5 thousand</p>	<p><b>2Q</b></p> <p>A Journey Through Another World ~Raising Kids While Adventuring~ 18</p> <p>Series total 1.58 million</p> <p>9th Fantasy Novel Grand Prix Special Award Winner</p>  <p>17 thousand</p>	<p><b>2Q</b> <b>4Q</b></p> <p>A Playthrough of a Certain Dude's VRMMO Life 32, 33</p> <p>Series total 2.08 million</p> <p>6th Fantasy Novel Grand Prix Reader's Award Winner</p>  <p>9 thousand</p>
<p><b>1Q</b></p> <p>A Surplus Off-Worlder Lives His Life Freely 9</p> <p>Series total 0.3 million</p> <p>13th Fantasy Novel Grand Prix Special Award Winner</p>  <p>10 thousand</p>	<p><b>2Q</b></p> <p>A Gatherer's Adventure in Isekai 17</p> <p>Series total 1.73 million</p> <p>9th Fantasy Novel Grand Prix Grand Prize/ Readers' Award Double award winner</p> <p>Anime broadcast in October 2025</p>  <p>8 thousand</p>	<p><b>4Q</b></p> <p>The Unaware Atelier Meister 12</p> <p>Series total 0.95 million</p> <p>11th Fantasy Novel Grand Prix Reader's Award Winner</p> <p>Anime been on air since April 2025</p>  <p>4 thousand</p>
<p><b>1Q</b></p> <p>May I Ask for One Final Thing? 6</p> <p>Series total 1.54 million</p> <p>Anime broadcast in autumn of 2025</p>  <p>6 thousand</p>	<p><b>1Q</b></p> <p>Juyoku na Fukushacho ha Tsurenai Hisho wo Tsukamaetai</p> <p>17th Romance Novel Grand Prix Eternity Award Winner</p>  <p>4 thousand</p>	<p><b>3Q</b></p> <p>Saioishi no Gikei wo Mederutame Nagaikishimasu! 6</p> <p>9th BL Novel Grand Prix Reader's Award Winner</p>  <p>11 thousand</p>

- (Notes)
- The figures in  are the planned first print circulation for paper books as of the end of the fourth quarter.
  - Series total circulation includes sequels, as well as manga and paperback editions of the same title, and circulation includes e-book sales.
  - Publication timing is the schedule as of the date of publication of this document.
  - The illustration shows the latest volume as of the date of publication of this document.

# (1) Book Publishing Business - Publication Plan (2/3)

We plan to continuously publish hit titles with the first edition of over 30,000 copies. Also, we are focusing on expanding into other genres.

Manga

Manga	1Q	Anime broadcast in July 2025	New Saga 11	Series total 0.88 million	16 thousand
	2Q		GATE: Where the JSDF Fought 27	Series total 7.3 million	45 thousand
	3Q		Tsukimichi: Moonlit Fantasy 16	Series total 5 million	68 thousand
	2Q	Anime broadcast in October 2025	A Gatherer's Adventure in Isekai 9	Series total 1.73 million	35 thousand
	3Q		A Journey Through Another World ~Raising Kids While Adventuring~ 11	Series total 1.58 million	35 thousand
	3Q	Anime has been on air since April 2025	The Unaware Atelier Meister 9	Series total 0.95 million	25 thousand
	1Q 4Q		Hanma no Ryukishi wa Henkyohaku ni Shuchaku Sareru 3, 4	Series total 0.19 million	13 thousand
	2Q		Mamahaha no Kokoroe 2	Series total 0.26 million	58 thousand
	2Q 3Q	Anime broadcast in autumn of 2025	May I Ask for One Final Thing? 10, 11	Series total 1.54 million	32 thousand

- (Notes)
- The figures in ( ) are the planned first print circulation for paper books as of the end of the fourth quarter.
  - Series total circulation includes sequels, as well as separate volumes of the original version and paperback editions of the same title, and circulation includes e-book sales.
  - Publication timing is the schedule as of the date of publication of this document.
  - The illustration shows the latest volume as of the date of publication of this document (if the manga was not yet published, it shows the first volume of the separate volume of the original version).



# (1) Book Publishing Business - Publication Plan (3/3)

We plan to publish titles in a wide range of genres, including period novels, character literature, picture books, and business books.

Paperback

1Q

History/Period

Kiyo no Oedoryori Nikki 6



12 thousand

1Q

Horror and mystery

Sakurako San to Shoseitantei

6th Horror Mystery Novel Grand Prix Grand Prize Winner



6 thousand

1Q

Youth novel

Ichizuni Sukinara Shinette luna

Youth Novel x Vocaloid Producer Cup Contemporary Fantasy/SF Award Winner



6 thousand

1Q

Character literature

Kokyu no Nisehanahime

7th Character Literature Grand Prix Imperial Harem Award Winner



7 thousand

1Q



Garakutaya Fushigido no Himitsu 1

1st Kizuna Children's Book Grand Prix Excellence Award Winner



4 thousand

Other

Business

1–3 items, titles to be decided

Picture books

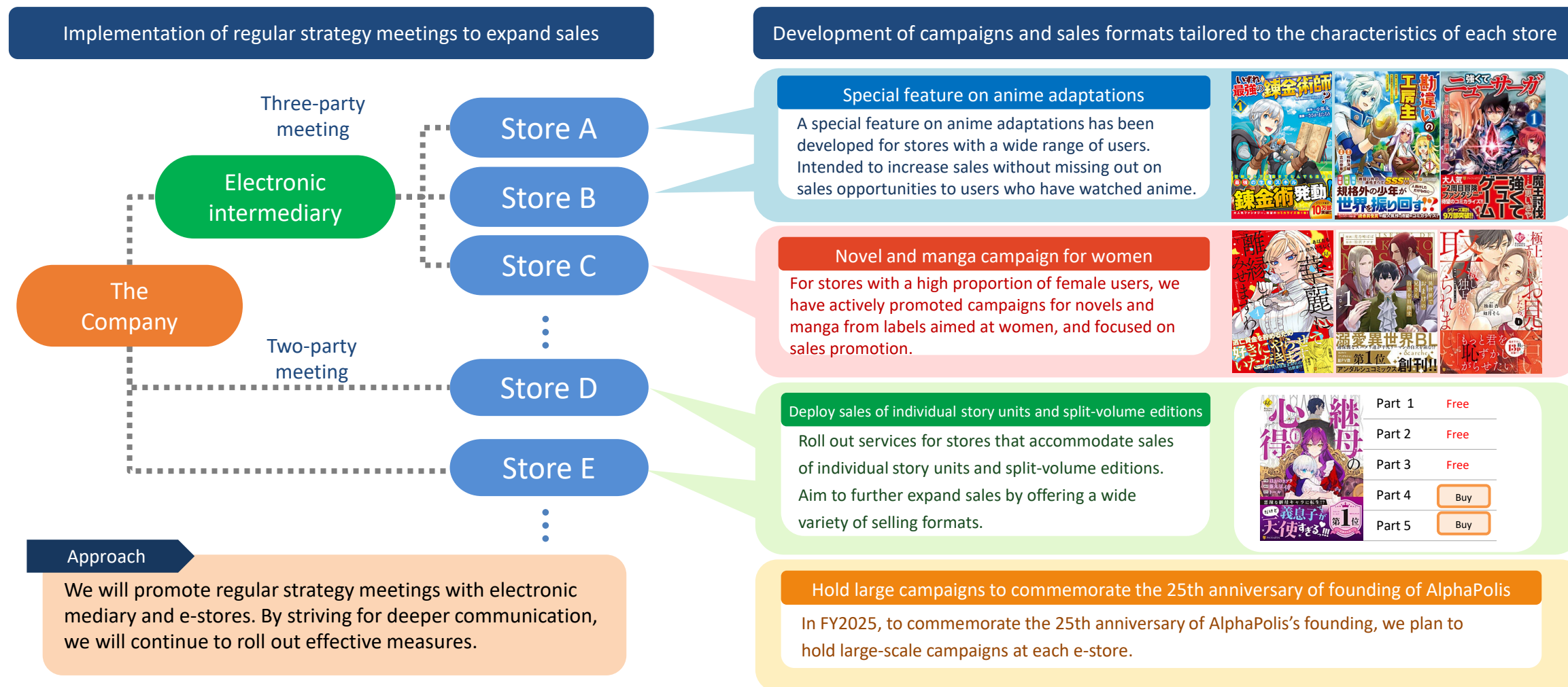
Picture Book/Children's Book Grand Prix Grand Prize Winner, entry content, etc. x 2–4 items

(Notes)

- The figures in 6 are the planned first print circulation for paper books as of the end of the second quarter.
- Series total circulation includes sequels, as well as manga and separate volumes of the original version and manga of the same title, and circulation includes e-book sales.
- Publication timing is the schedule as of the date of publication of this document.
- The illustration shows the latest volume as of the date of publication of this document (if the manga was not yet published, it shows the first volume of the separate volume of the original version).

# (1) Book Publishing Business - E-Books

We plan to strengthen our sales division's personnel and structure, and roll out a series of sales expansion measures that are tailored to the unique characteristics of individual e-store, with the aim of further expansion of e-book sales.





## (2) Website Operation - Service Development Using AI

We will continue to consider and develop services related to the effective business use of AI.

We will commence preliminary testing of a new service, “Novel AI Proofreading.” Our aim is to release the service before the end of 2025.

### Development and release of new service using AI

“Novel AI Proofreading” – Function that uses AI to correct incorrect and missing characters and incorrect word usage

✓ 誤字脱字をしっかりチェック!

Plan to release  
before end of  
2025

# 小説AI校正

## クローズドβテスト参加者募集!

※本機能のご利用にあたり、原稿内容がAIの学習に利用されることはありません

**募集期間** 2025年5月7日(水)～5月13日(火)

**実施期間** 2025年6月2日(月)～6月9日(月)

- Uses AI to correct incorrect and missing characters, and misused words and phrases before publishing
- Installation of this function will provide strong support for authors' creative activities.
- Expect it to lead to increase in number of writers and improvement of quality of works.

### Services using AI already available on our website

“Novel Search AI Assistant β” - Novel search function using generative AI

アルファポリス



おすすめの小説をAIが回答!

## 小説検索AIアシスタントβ

Released on  
November 11, 2024

“Recommended novels for you” - High-precision recommendation function service

## レコメンド機能リリース!

あなたにおすすめの小説



Webサイト

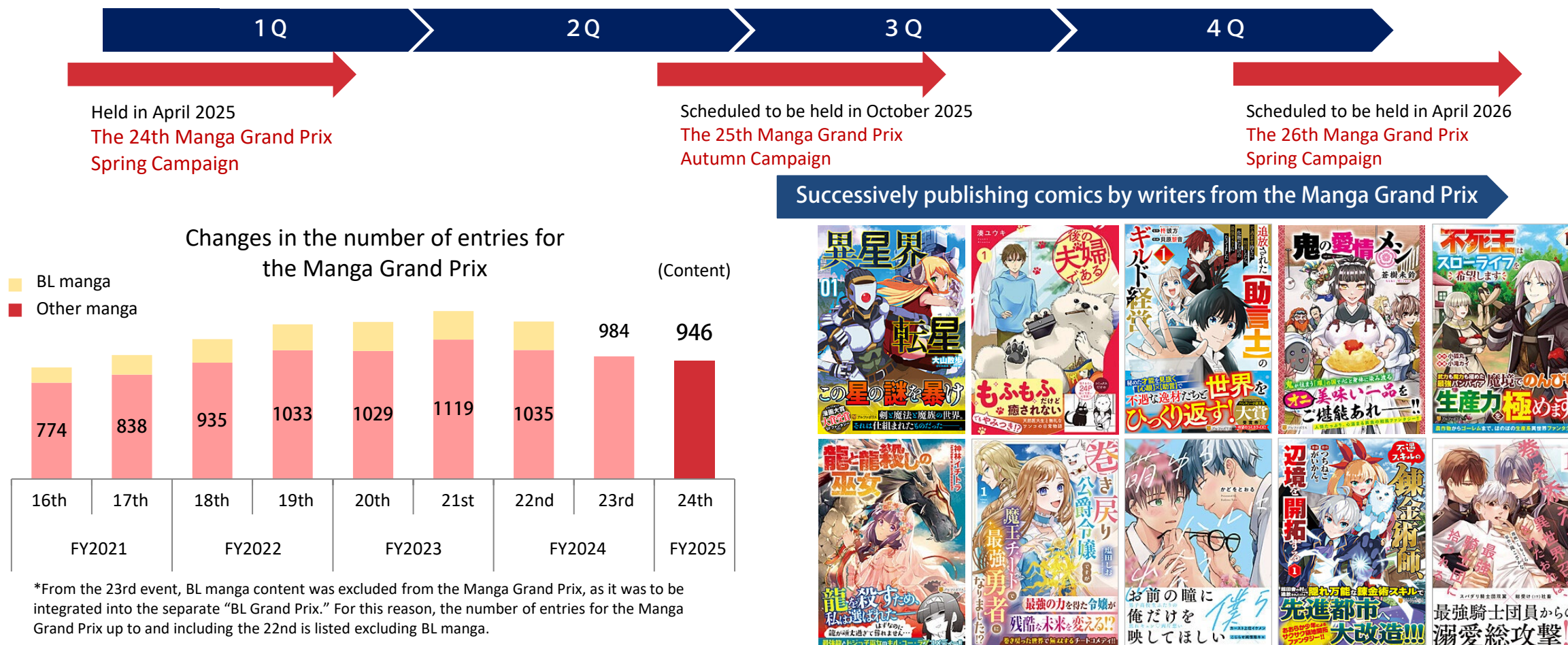
アプリ

Released on October  
30, 2024



## (2) Website Operation - Strengthening of Manga

The number of entries for the “Manga Grand Prix” has remained at a high level. We will aim to achieve further business growth by continuing to discover promising content and artists, and strengthening the media power of our manga website and manga app.





## (2) Website Operation - Expansion into Other Genres

Prize contests for various genres are held and measures to enhance labels are implemented.

We aim to further expand our range of handled genres and quickly establish a position as a general publisher.

### Hold and enhance Web Content Grand Prixes for various genres

#### 8th Light Literature Grand Prix



Held in May

#### 11th Historical/Period Novel Grand Prix



Held in June

#### 8th Hokkori Jinwari Grand Prix



Held in July

#### 3rd Kizuna Children's Book Grand Prix



Held in August

\* Previous awards' banners used for upcoming Web Content Grand Prixes

### Hold contests for new genres

#### Youth Novels Aoharu Fair



#### 5th Next-Generation Fantasy Cup



### Label enhancement measures

Establish exclusive label for e-books

Kizuna Bunko 3rd anniversary campaign

### (3) Strengthening Media Development (1/2)

The anime of “A Gatherer's Adventure in Isekai,” which has sold a total of 1,730,000 copies as a series, is set to be broadcast in October 2025. The anime of “An Observation Log of My Fiancée Who Calls Herself a Villainess,” which has sold a total of more than 2,450,000 copies as a series, is also set to be broadcast in 2026.

\*Series total circulation includes e-book sales.

#### A Gatherer's Adventure in Isekai

##### 【スタッフ】

原作：木乃子増緒（アルファポリス刊）

原作イラスト：海島千本／黒井ススム

漫画：ともぞ

監督：小高義規

シリーズ構成：市川十億衛門

キャラクターデザイン：渡辺まゆみ

プロデュース：ジェンコ

アニメーション制作：

タツノコプロ × SynergySP

音楽：高木洋

他



©木乃子増緒・アルファポリス／素材採取家の異世界旅行記製作委員会

【アニメ『素材採取家の異世界旅行記』公式サイト】

<https://sozaisaishu-pr.com/>

【『素材採取家の異世界旅行記』アニメ公式X（旧Twitter）】

<https://x.com/sozaisaishu>

#### An Observation Log of My Fiancée Who Calls Herself a Villainess

##### 【スタッフ】

原作：しき（アルファポリス刊）

原作イラスト：八美☆わん

漫画：蓮見ナツメ

監督：山元隼一

キャラクターデザイン：松元美季

シリーズ構成・脚本：井上亜樹子

アニメーション制作：葦プロダクション

他



©しき・アルファポリス／パーティア様を愛でる会

【アニメ『自称悪役令嬢な婚約者の観察記録。』公式サイト】

<https://jisho-akuyaku-anime.jp/>

【『自称悪役令嬢な婚約者の観察記録。』アニメ公式X（旧Twitter）】

[https://x.com/jisho\\_akuyakuPR](https://x.com/jisho_akuyakuPR)



### (3) Strengthening Media Development (2/2)

Our several anime hit titles are scheduled to air. We will continue to focus on activities to create media content, and by accelerating the media development of the Company's IP, we will increase profits in the book and anime businesses.

#### TV anime broadcast schedule

\*The broadcast schedule is the schedule as of the date of publication of this document.

Fiscal year 2025

1Q (Apr. – Jun.)	2Q (Jul. – Sep.)	3Q (Oct. – Dec.)	2025	2026	In production
Been on air since Apr. 2025	Scheduled to air from Jul. 2025	Adapted into TV anime! Scheduled to air from Oct. 2025	Scheduled to air in the autumn of 2025	Adapted into TV anime! Scheduled to air from 2026	Third season of anime in production
『勘違いの工房主』	『強くてニューサーガ』	『素材採取家の 異世界旅行記』	『最後にひとつだけお願い してもよろしいでしょうか』	『自称悪役令嬢な 婚約者の観察記録。』	『月が導く異世界道中 第三幕』
					
©2025時野洋輔・アルファポリス /勘違いの工房主製作委員会	©2025阿部正行・アルファポリス /強くてニューサーガ製作委員会	©木乃子増緒・アルファポリス /素材採取家の異世界旅行記製 作委員会	©鳳ナナ・アルファポリス/最ひと 製作委員会	©しき・アルファポリス/パーティア様を 愛でる会	©あずみ圭・アルファポリス/月が 導く異世界道中第二幕製作委員会

# (4) Promotion of Medium-Term Key Strategies

## 1. Expanding overseas sales

Aiming to expand the overseas market share of mainly digital manga. We will strive to add languages other than English to translations and expand sales regions, with the target of achieving an overseas ratio of 30% of profits related to digital manga by the fiscal year ending March 31, 2030.

Promoting the expansion of translated languages and sales regions

### ALPHA MANGA

Sales of individual story units via in-house apps



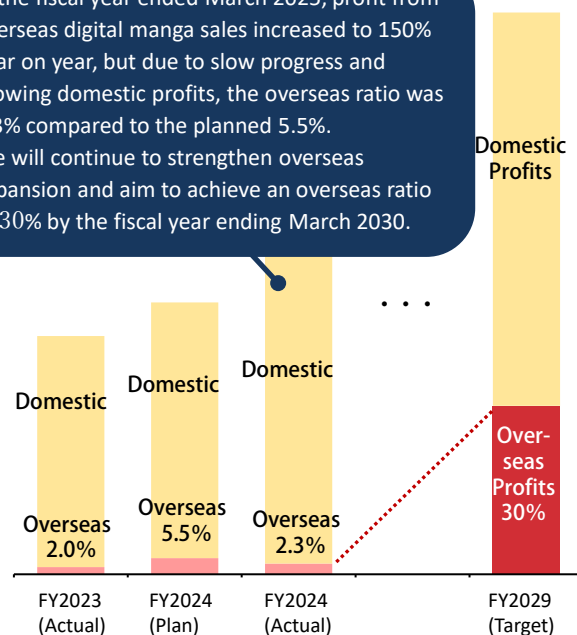
### Overseas e-stores

Sales of volumes in e-stores in each country



### Domestic and overseas ratio of digital manga sales profits

In the fiscal year ended March 2025, profit from overseas digital manga sales increased to 150% year on year, but due to slow progress and growing domestic profits, the overseas ratio was 2.3% compared to the planned 5.5%. We will continue to strengthen overseas expansion and aim to achieve an overseas ratio of 30% by the fiscal year ending March 2030.



## 2. Expanding the anime business

In addition to aiming to increase sales of the original books through small-scale investment, the Company will establish an anime business by investing and committing to the production of anime itself, and aims to increase profits from the anime business by 20 times by the fiscal year ending March 31, 2030. At the same time, the Company aims to significantly raise its own IP capabilities to a much higher level.

### Raising the investment ratio for anime production

Fiscal year 2029 (Target)

Anime A  
Anime B  
Anime C  
...

Fiscal year 2023

Anime A  
Anime B  
Anime C  
...

Investment ratio

5%

30%

50%~

### Expansion of profits from the anime business

By increasing the investment ratio, we will accelerate the growth of stock-type profits through an increase in the number of anime titles.

20 times that of the fiscal year 2023

Actual results for FY2024 were about 1.8 times those for FY2023

FY2023

FY2029 (Target)

# Contents



- 1. Summary of Financial Results**
- 2. Status of Business Initiatives (Fourth Quarter)**
- 3. FY2025 Plan**
- 4. Future Initiatives**
- 5. Appendix**





**Yusuke Kajimoto,**  
Representative Director and President

Mar. 1993 Graduated from the Faculty of Engineering,  
The University of Tokyo  
Apr. 1993 Joined Hakuhodo Inc.  
Aug. 2000 Established the Company  
Representative Director and President (to  
present)



**Akimichi Ohkubo, Director**

Mar. 1996 Graduated from School of Commerce, Meiji University  
Apr. 1996 Joined TOYOTA FINANCE CORPORATION  
Mar. 2010 General Manager, Finance & Accounting Department, SBI  
Mortgage Co., Ltd. (currently SBI ARUHI Corporation)  
Dec. 2012 Joined the Company  
Dec. 2013 Director (to present)  
Jul. 2015 General Manager, Administration Division (to present)

**Hiroyuki Tominaga, Director (Outside)**

Mar. 1971 Graduated from the Faculty of Engineering, The University of Tokyo  
Apr. 1971 Joined Sasebo Heavy Industries Co., Ltd.  
Apr. 1995 Registered as an attorney. Member of the Intellectual Property Law  
Study Group, Tokyo Bar Association  
Apr. 2000 Member of the Tokyo Bar Association Special Committee on Measures  
against Racketeering through Intercession in Civil Disputes  
Feb. 2003 Registered as a patent attorney  
Feb. 2003 Representative, Tominaga Law and Patent Office (to present)  
Jun. 2014 Director, the Company (to present)

**Takuya Shiraishi, Director (Outside)**

Mar. 1996 Completed the Department of Aeronautics and Astronautics, Graduate School of  
Engineering, The University of Tokyo  
Apr. 1996 Joined Future Corporation  
Jan. 2016 President, Lawson Digital Innovation Inc.  
Feb. 2018 Representative Director and President, Digimile, Inc. (to present)  
May 2018 CIO, Walmart Japan Holdings, Inc. / Seiyu GK  
Jun. 2021 Director, the Company (to present)  
May 2023 Executive Manager, Ajinomoto Co., Inc. (to present)

**Takao Ochifuji,**  
Full-time Corporate Auditor (Outside)

Mar. 1977 Graduated from Faculty of Foreign Studies, Sophia  
University  
Apr. 1977 Joined DENTSU INC.  
Jul. 2003 Representative Director, Dentsu EYE Inc.  
Mar. 2006 Representative Director, Wunderman Dentsu Inc.  
Apr. 2012 General Manager, Global Business Center, DENTSU  
INC.  
Apr. 2013 Corporate Auditor, the Company (to present)

**Nobuhiko Ikeda, Corporate Auditor (Outside)**

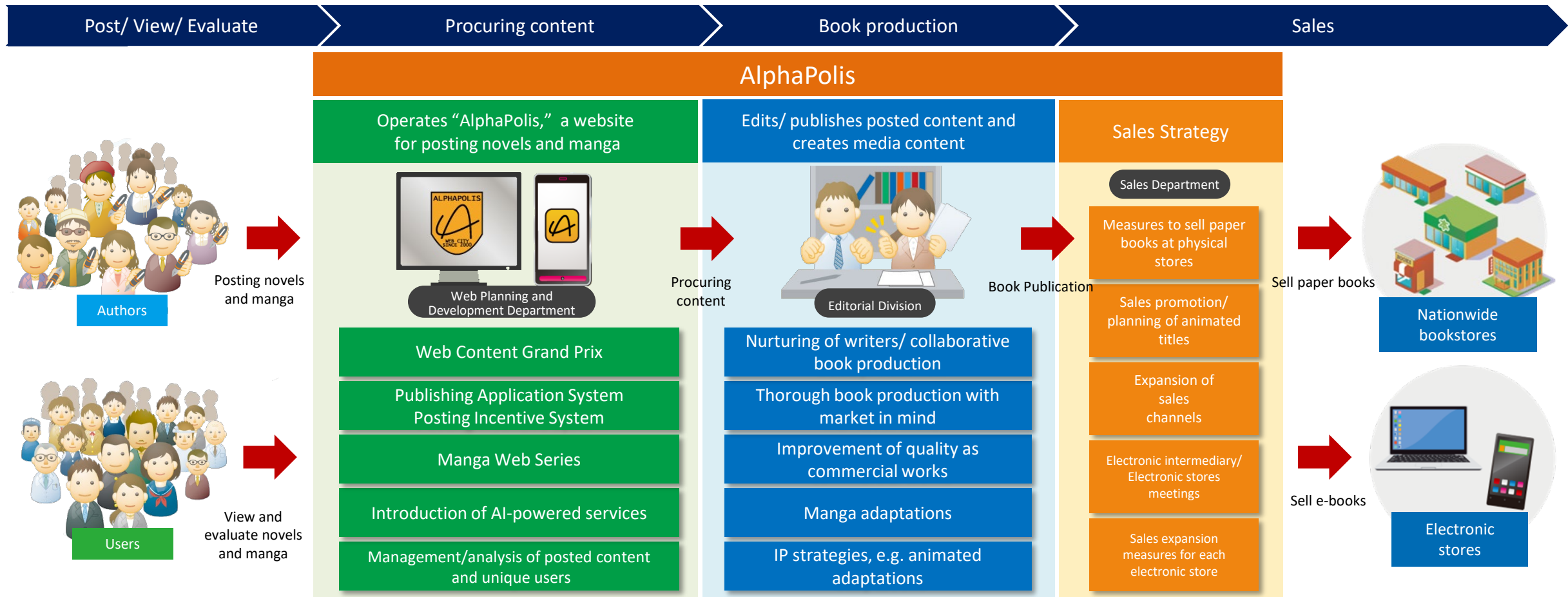
Mar. 1968 Graduated from Faculty of Commerce and Management,  
Hitotsubashi University  
Apr. 1968 Joined The Mitsui Trust and Banking Company, Limited  
Jun. 1999 Director, Mitsuishin Business Co., Ltd.  
Mar. 2006 General Manager, Internal Audit Office, SBI Mortgage Co., Ltd.  
(currently SBI ARUHI Corporation)  
May 2008 Audit and Supervisory Board Member, SBI Mortgage Co., Ltd.  
Mar. 2013 Corporate Auditor, the Company (to present)

**Yoshiaki Amano, Corporate Auditor (Outside)**

Mar. 1972 Graduated from Faculty of Law, Keio University  
Apr. 1972 Joined The Mitsui Trust and Banking Company, Limited  
Jan. 2001 Transferred to Mitsui Mining Co., Ltd.  
Jun. 2005 Representative Director, Mitsui Mining Materials Co., Ltd.  
Jun. 2006 Full-time Corporate Auditor, Sunco Consultants Co., Ltd.  
Jun. 2014 Corporate Auditor, the Company (to present)

# Business Model: Overview

Operates a website for posting novels and manga which anyone can post and view for free. The content posted on the site is edited and published based on user evaluations, etc., and revenue is generated through sales at nationwide bookstores and electronic stores.



# Business Model: Website Operation

Two systems for collecting good content that will become successful products

## 1. Web Content Grand Prix

### ① Holding prize contests for each genre

- Voting prize contests are held every month for different genres, such as fantasy novels, romance novels, and manga.
- There are awards such as the “Grand Prize” selected by the Editorial Dept. and the “Reader’s Award” for works that were most popular with readers, and the winners receive prize money.
- Many of the works are published as books from these prize contests, centering on award-winning content.

### ② Reader participation type

- Prize money is also presented to readers who voted, through a lottery.  
The prize contests are made more exciting by involving readers.

## 2. Publishing Application System

If the posted content receives a certain level of evaluation, application can be filed with the Company’s Editorial Dept. for consideration for publication.

Applicants can try their hand at publishing at any time.

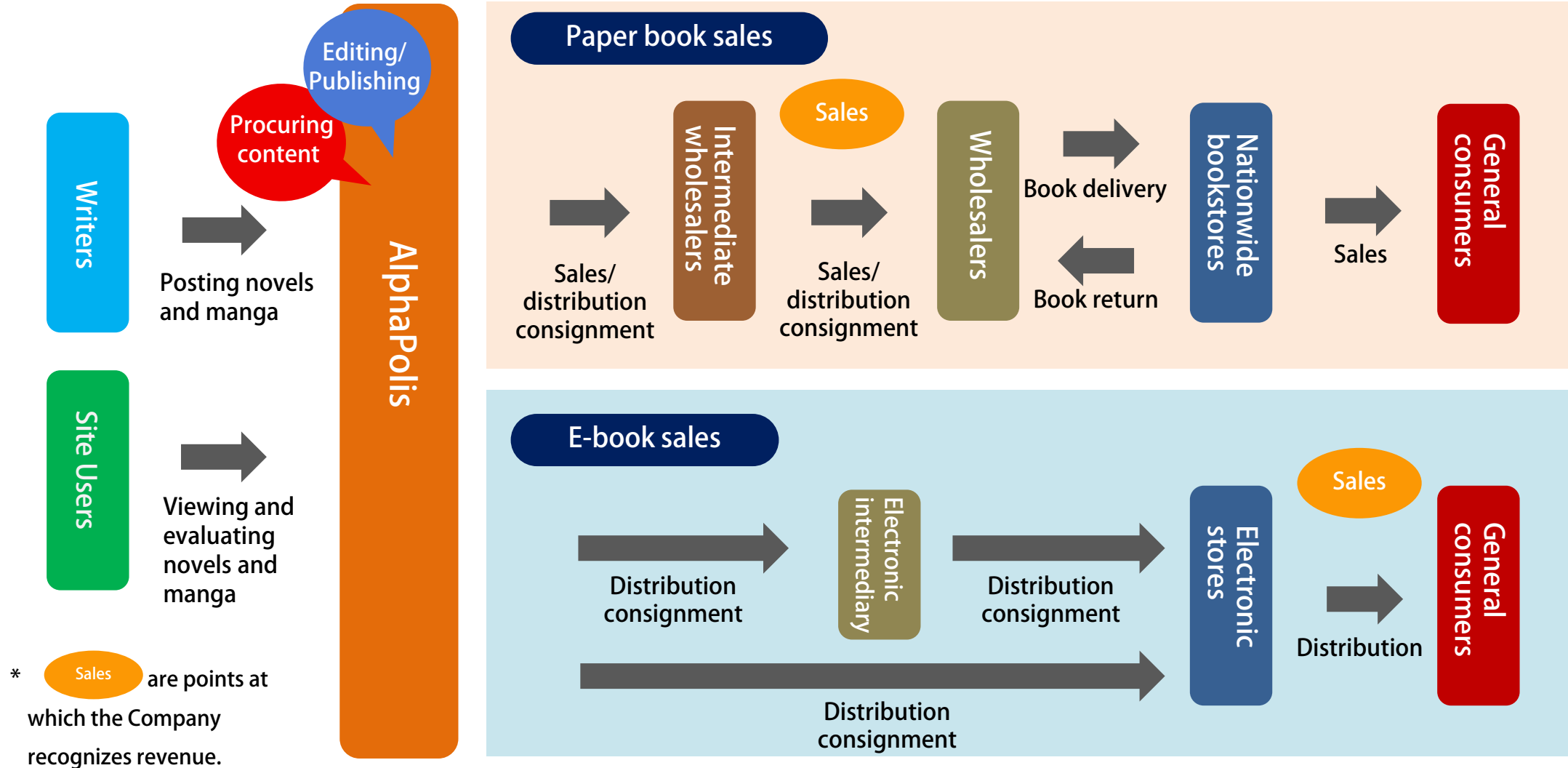
## The Company’s website

The screenshot shows the AlphaPolis website homepage. At the top, there's a navigation bar with links for '小説' (Novels), '公式漫画' (Official Comics), '投稿漫画' (Submitted Comics), 'レンタル' (Rent), 'Webコンテンツ大賞' (Web Content Grand Prix), '絵本ひろば' (Picture Book Plaza), 'ビジネス' (Business), '書籍' (Books), and 'メディア化' (Mediaization). Below the navigation bar, there are several promotional banners. One banner for 'TVアニメ' (TV Anime) features characters from 'Fairy Tail' and mentions '95万部突破' (950,000 copies sold) and '4月6日放送開始!!' (Broadcast starts on April 6th!!). Another banner for 'ライト文芸大賞' (Light Literature Grand Prix) offers a prize of 200,000 yen. Below the banners, there's a '投稿作品 ランキング' (Submitted Works Ranking) section with a table showing rankings for different genres. The table has columns for '小説' (Novels), '漫画' (Comics), '人気タグ' (Popular Tags), and 'その他' (Others). The '小説' column lists 'HOT男性向け' (HOT for men), 'HOT女性向け' (HOT for women), 'ファンタジー' (Fantasy), '恋愛' (Romance), and 'その他' (Others). The '漫画' column lists 'HOT男性向け' (HOT for men), 'HOT女性向け' (HOT for women), '少年・一般男性向け' (For boys/general men), '少女・一般女性向け' (For girls/general women), and 'BL'. The '人気タグ' column lists 'ギャグ・コメディ' (Gag/Comedy), '日常' (Daily), 'ファンタジー' (Fantasy), '恋愛' (Romance), '漫画ダービー' (Comic Derby), 'シリアス' (Serious), 'じんわり' (Slowly), 'エッセイ・日記' (Essay/Diary), '冒険・アドベンチャー' (Adventure/Adventure), and '異世界' (Isekai). The 'その他' column lists '1 呪われた竜殺し' (1. Cursed Dragon Slayer), '2 黒崎さんとぶつちやのお仕事' (2. Mr. Kurosaki and Mr. Bunchiya's Job), and '3 異世界転生したいらしい' (3. I want to be reborn in another world). The 'その他' column also lists '1 後宮の棘4' (1. Spines of the Harem 4), '2 異世界旅行記' (2. Isekai Travel Diary), and '3 異世界転生したいらしい' (3. I want to be reborn in another world). The 'その他' column also lists '1 呪われた竜殺し' (1. Cursed Dragon Slayer), '2 黒崎さんとぶつちやのお仕事' (2. Mr. Kurosaki and Mr. Bunchiya's Job), and '3 異世界転生したいらしい' (3. I want to be reborn in another world).



# Business Model: Sales Flow

The sales flow for the Company is as follows.





## Two strengths of our business model

that differ from conventional publishing

### Creating new markets that reflect trends

Nowadays, trends in reader preferences for novels change very quickly. This trend first emerges in content on the Internet.

We can quickly identify the latest trends in content and commercialize popular books stably and in large quantities.

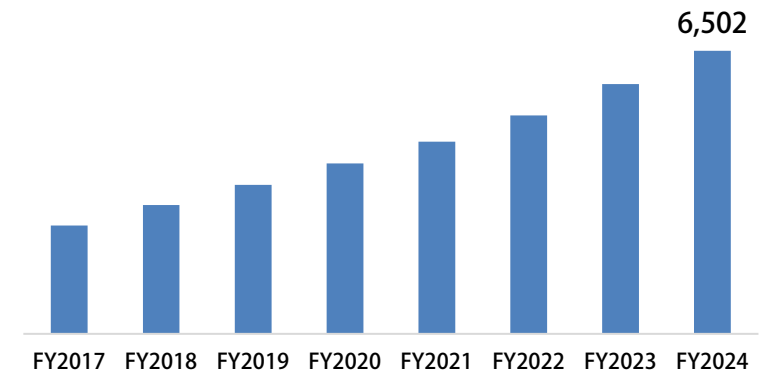
### Avoiding the risk of a big flop

We select content for publication after assessing the needs of a sufficient number of readers based on numerous user evaluations on the Internet.

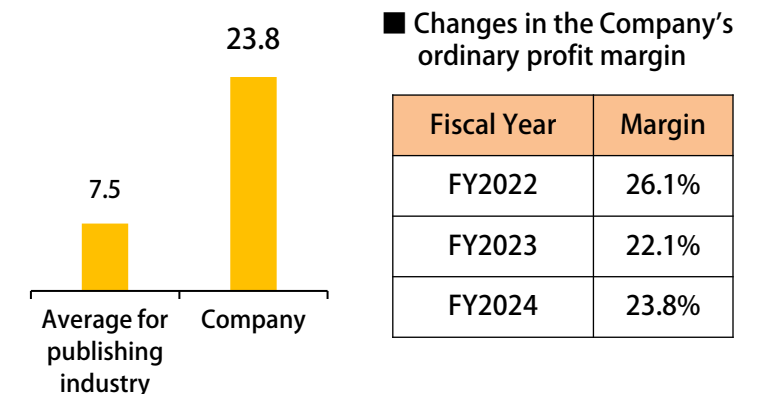
This helps to reduce the risk of not being able to secure enough sales to cover the costs of publishing the book.

	Publishing business of the Company	
Function	Website operation	Book publishing
Content	Operation of a website for posting novels, manga, etc.	Editing and publishing of content collected from the content posting website
Com- petitors	Companies that operate websites for posting content *Includes models similar to ours operated by publishers	Publishers
Com- petitive advan- tage	<ul style="list-style-type: none"> <li>➤ Our content posting website is a pioneer website operated by a publishing company with a wealth of know-how from many years of experience in the business and a track record of numerous publications.</li> <li>➤ We provide attractive services for people who want to become writers, such as “posting incentives” and “publishing application systems.”</li> </ul>	<ul style="list-style-type: none"> <li>➤ Reduction of collection labor and costs by procuring good content from our own content posting website based on user evaluations.</li> <li>➤ The success rate at publication is raised by the large number of user evaluations gathered on the content posting website, and losses due to careless book publication are avoided</li> <li>➤ Through these efforts, we can secure a high profit margin greatly exceeding the average for the publishing industry.</li> </ul>

## Cumulative total of new publications issued by the Company



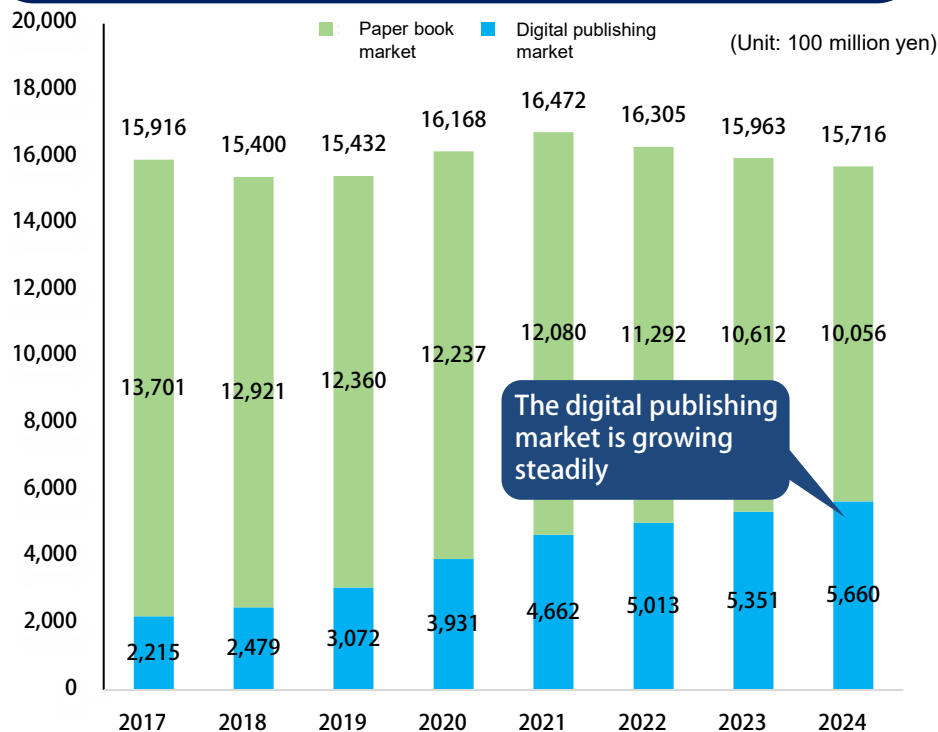
## Ratio of ordinary profit to net sales



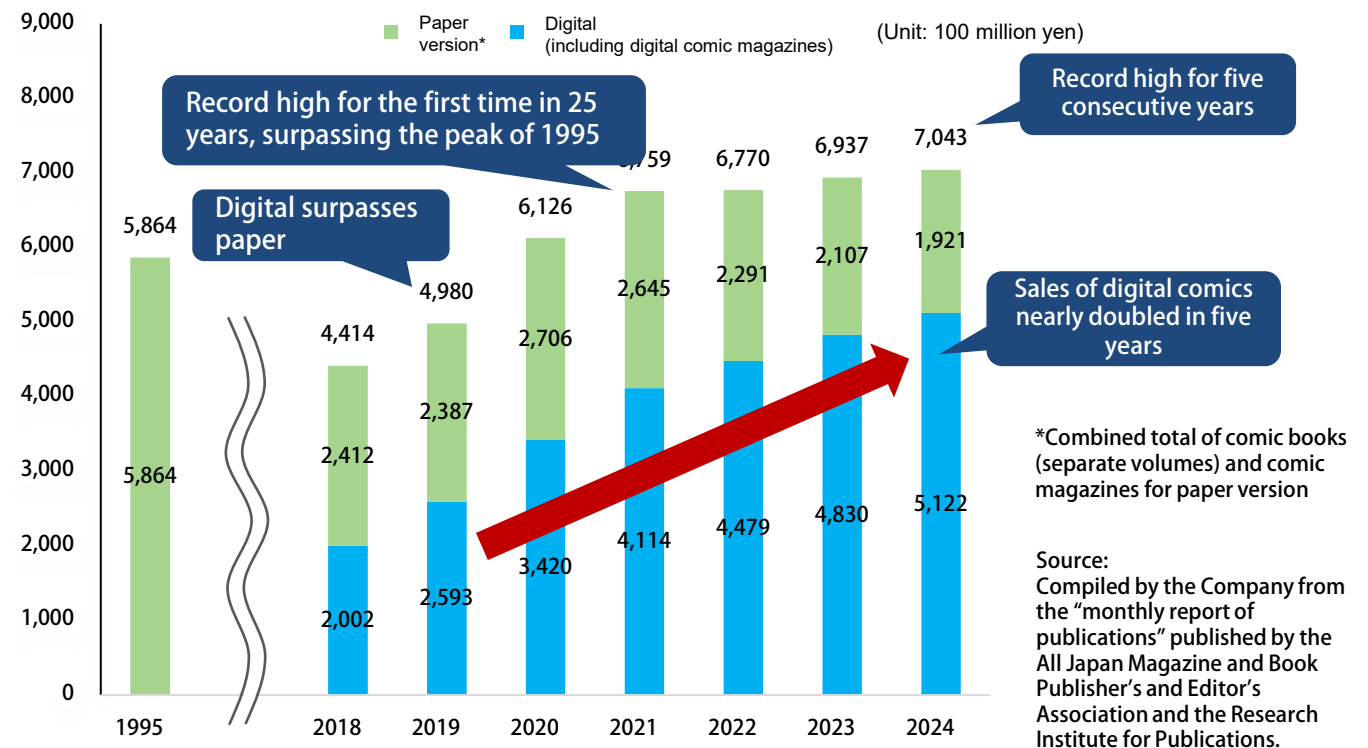
Source: The average for the publishing industry is calculated by the Company based on the sales and ordinary profit for publishers excluding newspapers in the “Preliminary Report on the 2024 Basic Survey of Japanese Business Structure and Activities” by the Ministry of Economy, Trade and Industry.

- In the publishing industry in which we operate, the paper book market continues to face a difficult situation, but the digital publishing market continues to grow steadily.
- The size of the comic market, our main genre, has grown for five consecutive years since 2020. In particular, sales of digital comics topped 500.0 billion yen, nearly doubling in five years.

Changes in estimated sales in the paper book market and the digital publishing market



Changes in estimated sales for the comic market



In addition to strengthening the publishing business, we aim to expand beyond publishing and develop other businesses in the future that utilize the IP we have accumulated in the publishing business as an entertainment company. For this purpose, the business and financial issues that we should address first are as follows.

Item	Business and financial issues to be addressed
Securing and training excellent human resources	<p>Our editors are assigned to each book, and their responsibilities cover all necessary work from production to sales, including planning, editing, producing sales promotion tools, and placing advertisements. Therefore, our system is designed so that the results of each editor's work are easy to see to help maintain their motivation, but at the same time, requires a wide range of knowledge and skills. With that said, the needs of readers are changing very rapidly and the timing of publication is becoming extremely important. Furthermore, as we aim to expand the genres we handle going forward, it will be necessary to increase the number of editors to ensure that content that is expected to be a hit is published without missing the right moment. In addition, in order to expand the genres we handle, we will need to enhance the services on the Company's website, including our smartphone app, and expand the types of content that can be procured. Therefore, we will also need to increase the number of engineers and other web development personnel to ensure prompt response on our website services.</p> <p>In addition to promoting the recruitment of mid-career personnel who can provide an immediate impact, we are also working to secure human resources who will drive dramatic future growth by actively recruiting new graduates. At the same time, we are also working to create a company that attracts applicants by continuously implementing measures to enhance in-house training and improve the name recognition of the Company and its services.</p>
Increasing the number of writers and users	<p>Our business model is based on the premise that we can collect a large amount of high-quality content on the Internet, and that the success rate at publication can be raised in advance through evaluations from multiple perspectives by numerous users. We must therefore continuously secure new content and users.</p> <p>As such, improving the satisfaction of writers and users is important for us, and we aim to achieve this by actively implementing measures such as the "posting incentive," which provides gift certificates or cash depending on the number of views of the posted content, etc. and promotions for publications, as well as responding appropriately to requests from writers and users with respect to the Company's website.</p>
Expanding the genres of handled books	<p>Light novels account for approx. 23% of net sales, and the manga, which accounts for approx. 75% of net sales, includes many comic adaptations of works that were originally light novels, so there is a high degree of dependence on light novels. For this reason, from the perspective of further business expansion and portfolio optimization, we have positioned the expansion of the genres for the books we handle as one of our priority issues, so that we do not depend on specific genres.</p> <p>We are actively working to develop new genres by holding and augmenting the Web Content Grand Prix in a wide range of genres, including the "Character Literature Grand Prix," the "Historical/Period Novel Grand Prix," and the "Picture Book Grand Prix."</p>

Item	Business and financial issues to be addressed
Responding to the digital book market	<p>In the publishing industry, to which the Company belongs, the digital book market has been steadily expanding, and since the Company began full-scale digital book sales in fiscal year 2015, digital book sales have continued to increase steadily. On the other hand, because the market environment for digital books changes more rapidly than that for paper books, it is necessary to take flexible measures in response to changes in the environment that are different from those for conventional paper book content in order to maintain and expand digital book sales.</p> <p>We are working to build a system that will enable us to respond quickly to such changes in the market environment by improving the organizational structure and raising employee awareness as needed.</p>
Securing and expanding new sales channels	<p>Currently, the environment surrounding the Company in the publishing industry has become increasingly severe, and the decline in the number of bookstores is particularly remarkable. In this environment, we need to secure and expand sales channels for the Company's book content, as well as pursue high profitability for those channels.</p> <p>In order to expand sales in the growing digital book market, we are working to expand sales channels by strengthening partnerships with digital distributors and digital stores that serve as sales channels, and are promoting new contracts with overseas digital stores as a way of tapping into the booming overseas manga market. Furthermore, we launched the paid subscription service "Rental" in February 2017 and expanded our services globally by releasing the manga app "Alpha Manga" for overseas users in July 2021 with a view to building and strengthening a system for directly selling book content to general consumers. By enhancing the entire pipeline from our content posting website to our sales website, we are working to fortify and expand our operational backbone.</p>
Business expansion utilizing in-house IP	<p>In order to further expand our business, the Company aims to diversify the business beyond the publishing business, utilizing the in-house IP accumulated through the publishing business. Specifically, the Company aims to expand into media, such as video centered on anime adaptation, goods sales, game business, and new app services for smartphones.</p>
Responding to generative AI	<p>In recent years, the use of generative AI has been rapidly expanding in tandem with the remarkable advancement of AI technology, and this could greatly affect the creative aspects of the Company, so we need to respond quickly to make effective use of this tool. On the other hand, rules regarding copyright for generative AI are yet to be established not only in Japan but also overseas, so we need to prepare for risks arising from copyright issues.</p> <p>In order to address these issues, the Company is constantly gathering information on trends in generative AI and legal regulations, and is working to promptly respond to the emergence of social rules surrounding generative AI.</p>
Strengthening internal control structures	<p>The Company believes that in order to respond quickly to changes in market trends, competitors, customer needs, etc., and to maintain sustainable growth, it is important to standardize and streamline operations through the strengthening of internal control structures. Accordingly, the Company will strive to strengthen internal control structures by developing an environment that enhances the effectiveness of internal controls and improving corporate governance. By doing so, we aim to standardize and streamline our operations while ensuring thorough risk management through systematic control and supervision.</p>

# Recognized Risks and Response Measures (1/2)

We recognize the following main risks that could significantly affect the realization of growth and the execution of the business plan.

Category	Item	Main risk	Likelihood of occurrence/ Timeframe	Degree of impact	Risk response measure
Risks related to the business environment	Entry of competitors	A possibility that other companies will enter the market using a business model similar to ours.	Medium/ Mid-long term	Medium	Continuous implementation of measures to improve the Company's name recognition and the satisfaction of writers and users, to secure a competitive advantage.
	Resale price maintenance system	A possibility that price competition, such as price discounts, will occur due to the abolition of the "resale price maintenance contract system" under the Antimonopoly Act.	Low/ Mid-long term	Medium	Monitoring of system revisions and responses to the revisions by the Administrative Division.
	Copyright, trademark rights, intellectual property rights, etc.	A possibility of copyright-related problems between the Company and the writers, or copyright or trademark right-related problems between the Company and other companies. Also a possibility of significant changes or new provisions in laws and regulations related to copyright, etc., that will affect the Company.	Low/ Mid-long term	Medium	Responding in collaboration with attorneys specializing in intellectual property rights with whom the Company has an advisory contract.



# Recognized Risks and Response Measures (2/2)

Category	Item	Main risk	Likelihood of occurrence/ Timeframe	Degree of impact	Risk response measure
Risks related to the business	Business partners with high dependence	A possibility that the two companies we depend on greatly, Seiunsys Co., Ltd., an intermediate wholesaler of paper books, and MEDIA DO Co., Ltd., a major wholesaler of digital books, will be unable to continue business with us for some reason.	Low/ Unknown	Large	Responding by creating a different sales scheme.
	Stable operation of systems	A possibility of system failure due to a sudden increase in the number of accesses to each service provided by the Company or a server shutdown due to a disaster, etc.	Low/ Unknown	Large	Increasing the number of staff in the Web Planning and Development Department to ensure the stable operation of the system and to respond to unforeseen circumstances.
Risks related to the business structure	Dependence on the Representative Director and President	A possibility that Yusuke Kajimoto, Representative Director and President, who is the founder of the Company and has extensive experience, knowledge, connections, etc. regarding management and plays a central role in promoting the business, may be unable to execute his duties as a manager of the Company for some reason.	Low/ Unknown	Large	Recruitment and training of senior management and business promotion staff. Creation and promotion of a system for division of labor through delegation of authority.

\*Please refer to the “Business risks” section of the Annual Securities Report for information on other risks.

# Disclaimer and Cautionary Note Regarding Forward-looking Statements

This document has been translated from the Japanese original for reference purposes only.

In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

The contents of explanatory materials are based on information available as of the date of announcement of this presentation.

Please be aware that the forward-looking statements contained in this presentation involve a number of uncertainties and that actual results, etc. may differ from these forward-looking statements due to changes in various factors.