

information

cloud input

big data

media

Web3.0

infonyoid

artificial intelligence

solution

information

technology

FY2024 Q2 Financial Results
MINKABU THE INFONOID, Inc
November 14, 2023

Disclaimer

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- The forward-looking information contained in this presentation is subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information.
- The Company’s actual future business and its performance would differ from the prospects described in this material.
- The updated information is to be disclosed in late June, and each progress is also disclosed in the supplementary materials for the quarterly financial results.

big data

media

index

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technology

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artificial intelligence

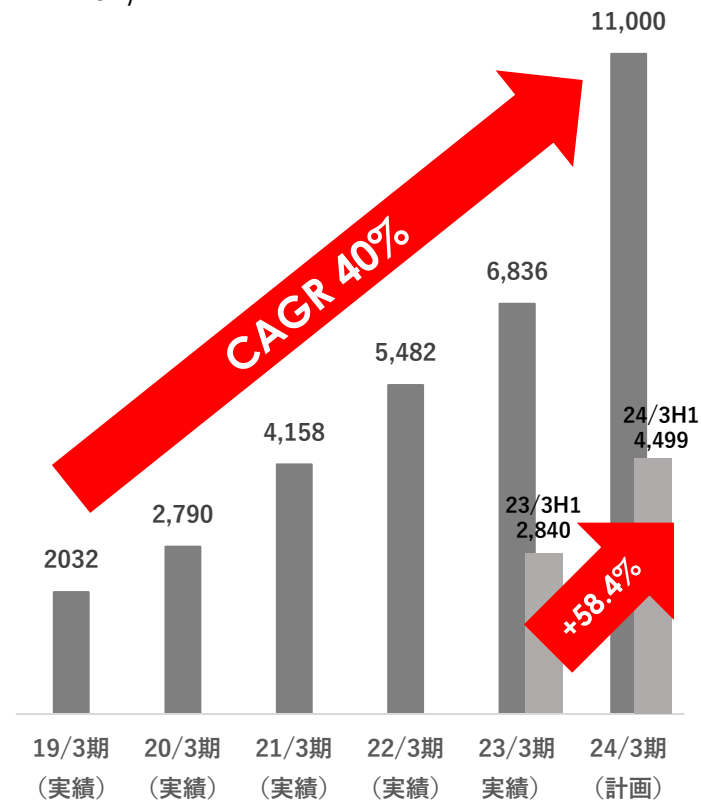
information

Significant **58.4% UP** YoY in sales
with revenue increased from both media and solution businesses

Sales

High sales growth rate maintained on the back of existing businesses growth and business scope expansion

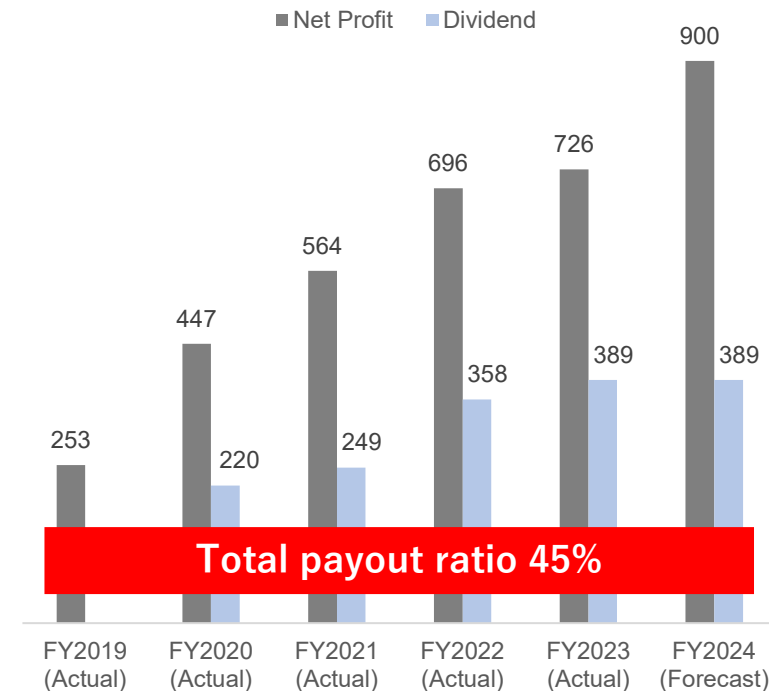
(JPY in million)



Net Profit & Dividends

Growing continuously since listing, while maintaining profitability and shareholder returns

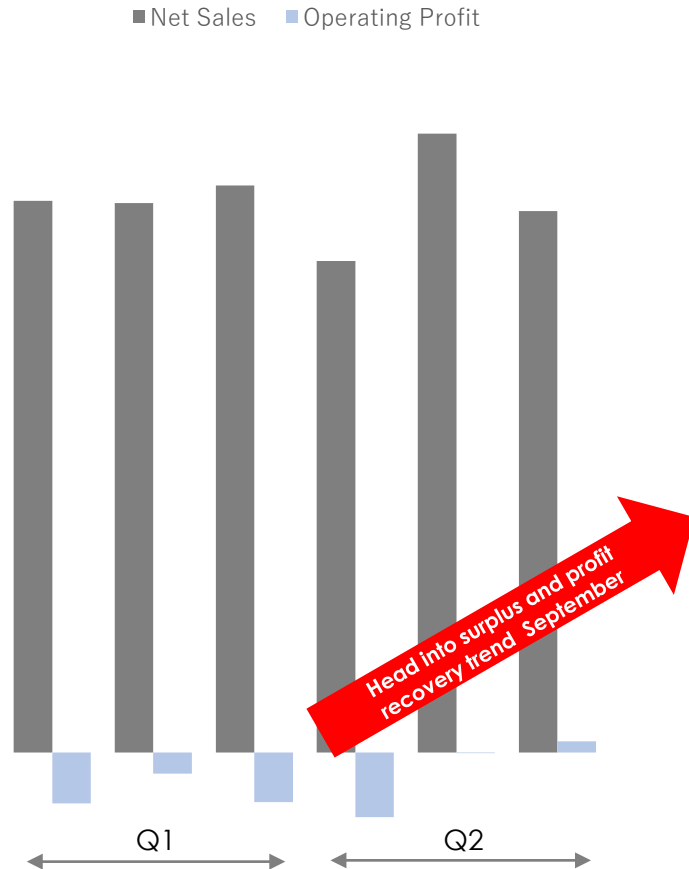
(JPY in million)



Promoting PMI and business model transformation, **profits are on the recovery road**

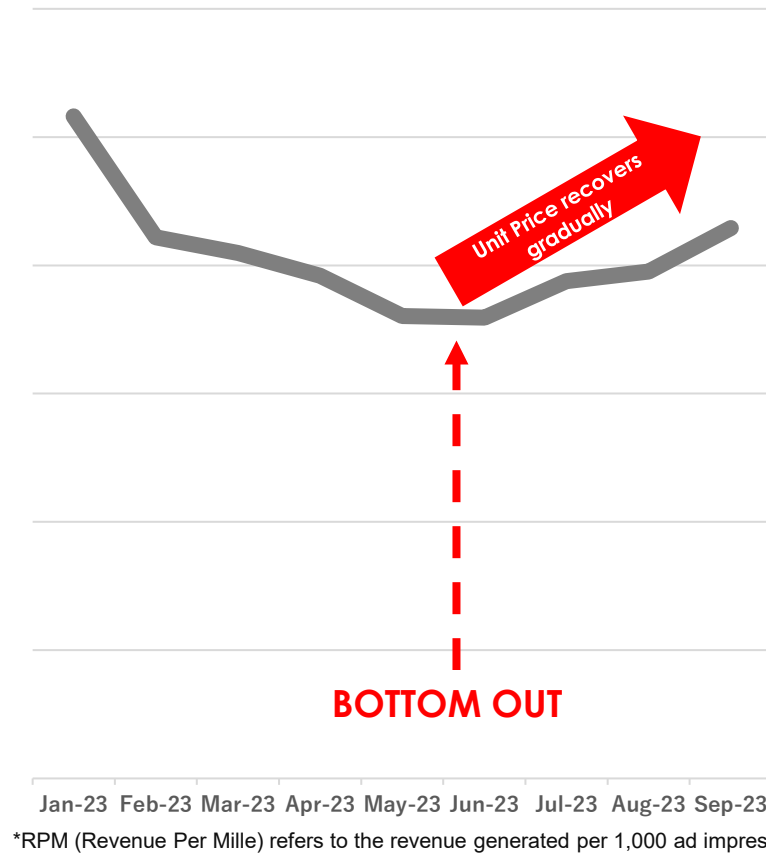
Recent earnings

Profitability back on track due to bottoming out of ad market condition, elimination of cannibalization, and cost reductions



RPM

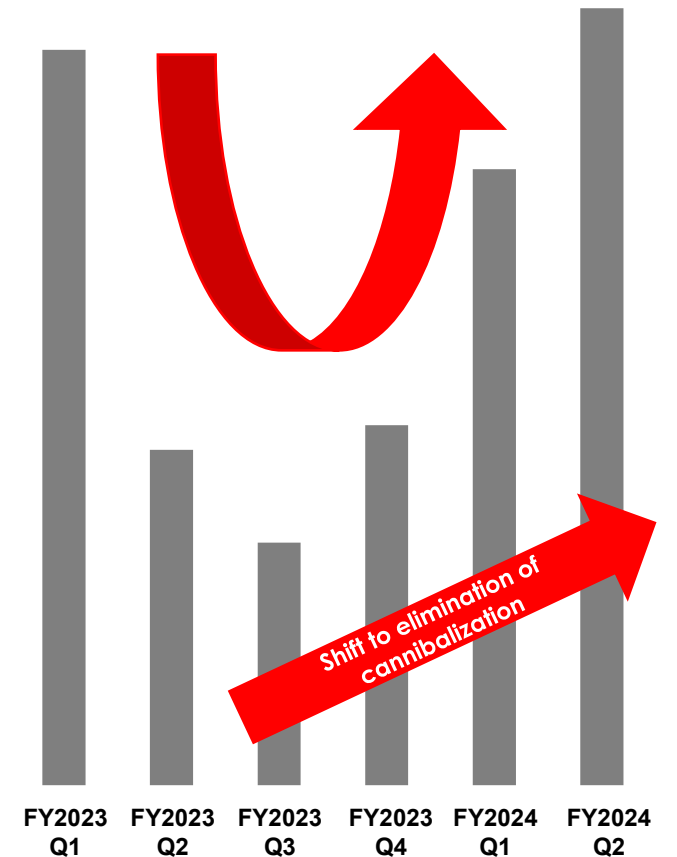
Bottomed out of price decline trends in network ads since the beginning of the year has confirmed



*RPM (Revenue Per Mille) refers to the revenue generated per 1,000 ad impressions.

Affiliate Revenue

Sales have recovered to their original levels as a result of elimination of cannibalization



In addition to **PMI and cost-saving introduced measures to leverage a customer base** of 100million
Controlling the Influence of the external environment and **entering a profit expansion phase**

Nonbudgeted plan for cost saving and revenue increase

Nonbudgeted cost saving
during the last half

JPY70 mil. over

- PMI of LD is expected to run its course during this fiscal year except for the multi-year planned system transfer
- JPY70 mil. or more cost-saving is anticipated in the last half of this fiscal year through the review of business structure including the accelerated implementation of operation transfers

Nonbudgeted revenue
during the last half

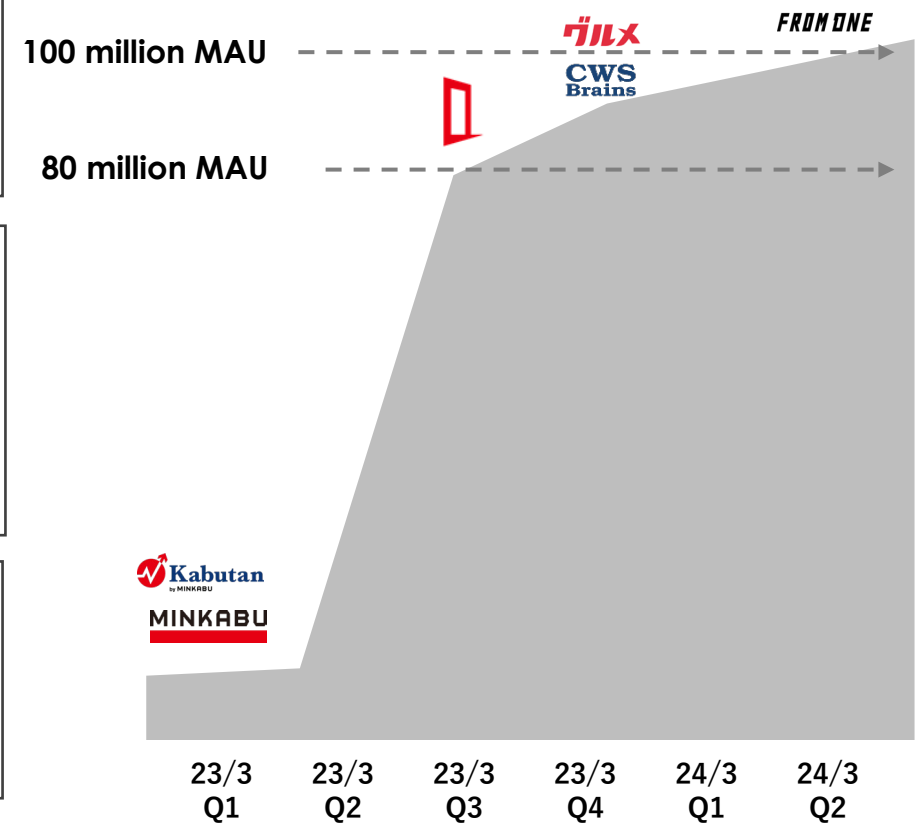
JPY380 mil. over

- Driving optimization through PMI, i.e., affiliate business expanded product lineup to non-financials utilizing LD media, unified sales force for pure ad business
- JPY140 mil. or more sales is anticipated in the last half of this fiscal year, B2B ads on synergies with financial media and services leveraged with financial information DB

- JPY240 mil or more sales is anticipated in the last half of this fiscal year through the addition of various contents and functions, promotional tweets to major e-commerce sites and introducing applications of LD blog/news

MAU*

MAU have expanded tenfold over the past year by leveraging large-scale customer base, moving into a revenue expansion phase by increasing in customer unit price



Information solutions sector continues to expand its market share,
SI and consulting solutions sector **resolves issues through in-house use and package deployment.**

Information Solution

- Implemented a price increase for existing customer (contribution starts from the last half of the FY)
- Launched "Kabutan Professional," a bundled service of the popular "Kabutan Premium" for individual investors and financial professionals, and "Sales-Cue," an information terminal for financial institution sales staff.
- Expanding U.S. stock information solutions. the number of installation is increasing

**Despite being affected by consolidation among clients, we have no replacements by other companies
The market share expansion continues due to the ability to flexibly respond to various customer needs**

SI consulting Solution

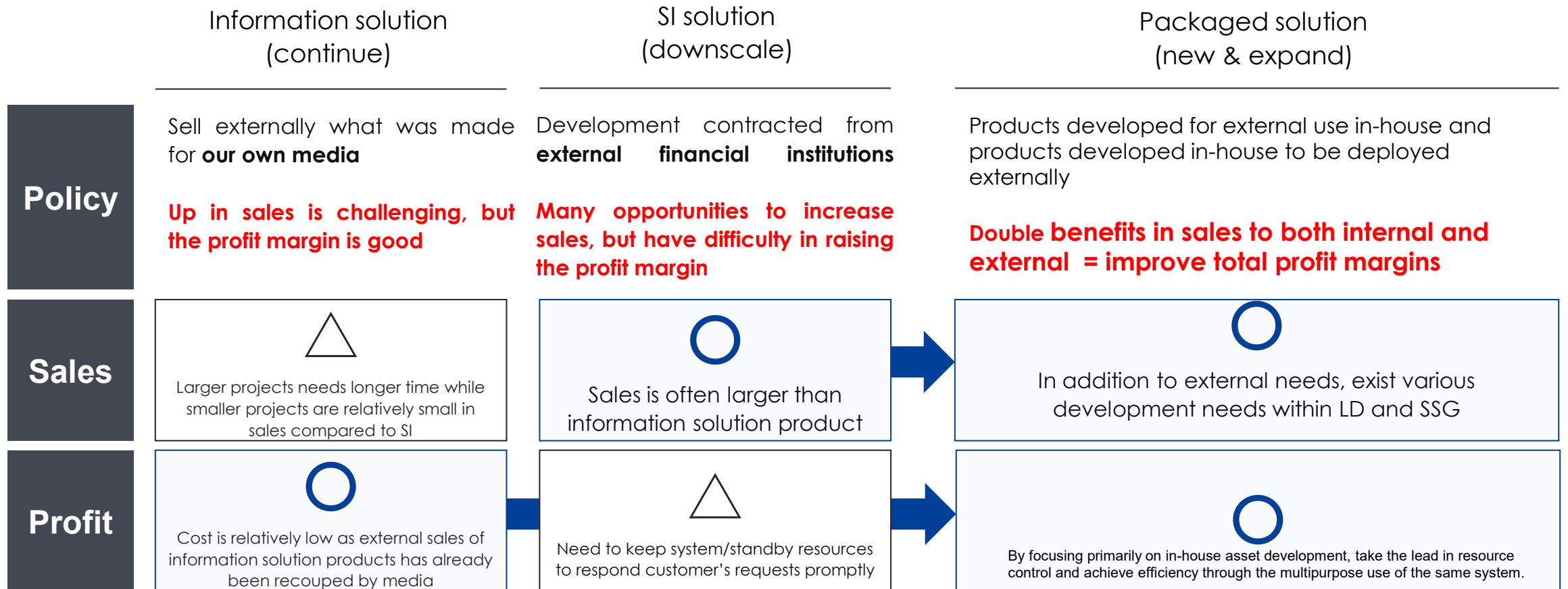
- Project acquisition is proceeding well.
- Resource management issue is improving, but will change the business model to address fundamental issues
- Aim to achieve high profitability by accelerating horizontal deployment and promotion of in-house use through package deployment

**Aim to expand and stabilize earnings
by accelerating horizontal deployment via package rollout and evolving to a SaaS business model
In addition, accelerate synergies with the group's media business**

03 Profit Expansion Strategy : Evolution from SI Consulting to Packaged solution business

<How to solve the issue>

With the improvement of development capabilities in SI consulting and the expansion of TAM¹ and MAUs² through the participation of LD & SSG, we will **shift the SI business model to a packaged solution business** with a focus on both in-house use and external sales, and switch the leadership of resource control **from customer requests to in-house planning to promote the improvement of profit margins**

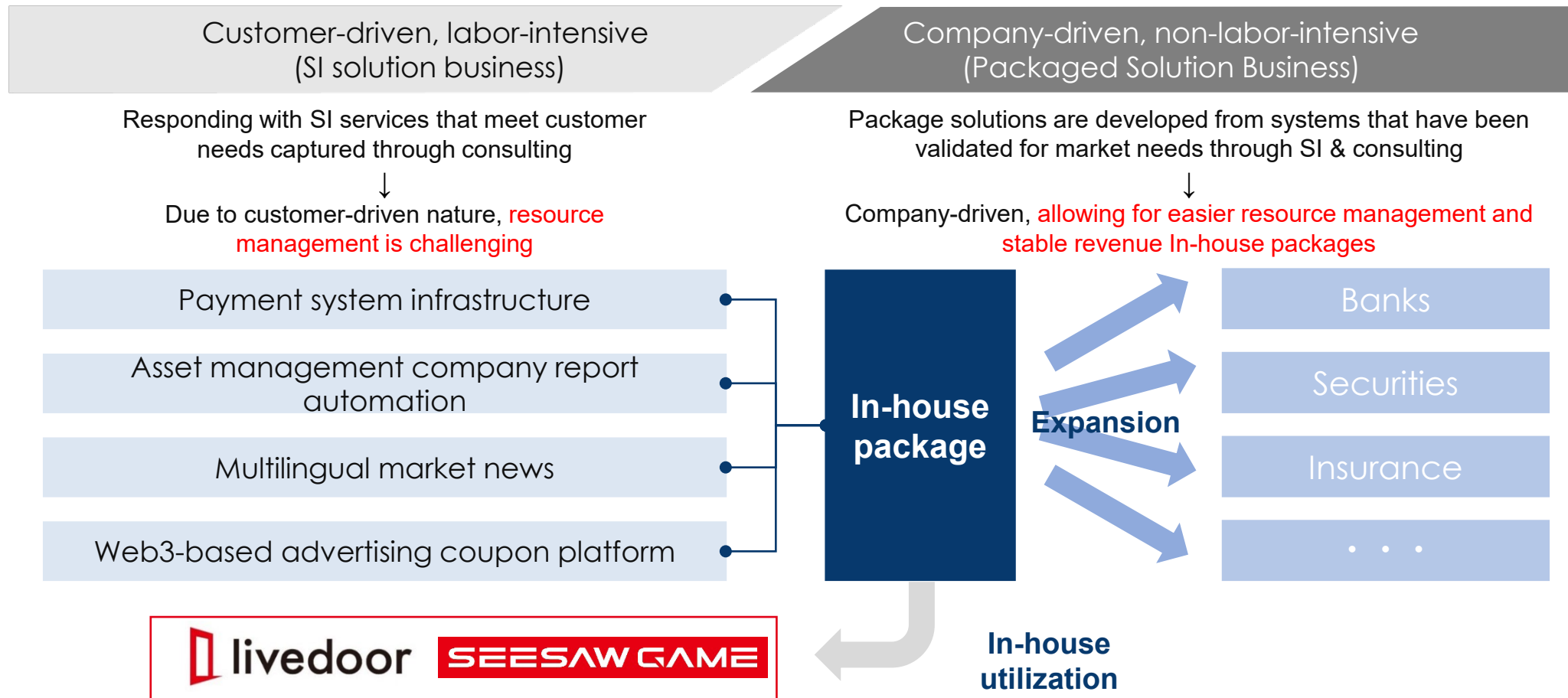


1 TAM : Total Addressable Market
2 MAU : Monthly Active Users

<How to promote>

Promote **in-house use aggressively and packaging for external sales** from systems already developed by SI

To address the risk of cost management due to increases/decreases in required resources at the customers' request, which has been an issue in the SI business, we aim to "stabilize business earnings by optimizing development resources" and "maximize customer benefits through the realization of short lead-time implementation" by shifting to a package solution business model (custom development + license & maintenance) led by the company itself.



<History of Transformation>

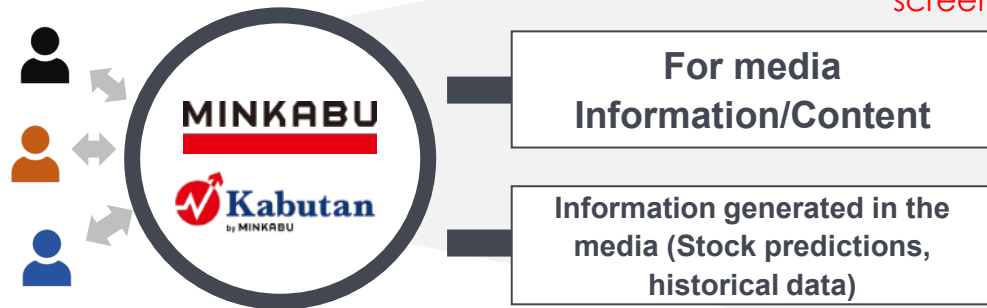
Grow with diversification/stabilization of revenue sources met to customer characteristics of financial specialized media.

After listed, **SaaS income in the solutions business expanded to exceed the ad revenue from the media business.**

Advertising Revenue

Phase 1

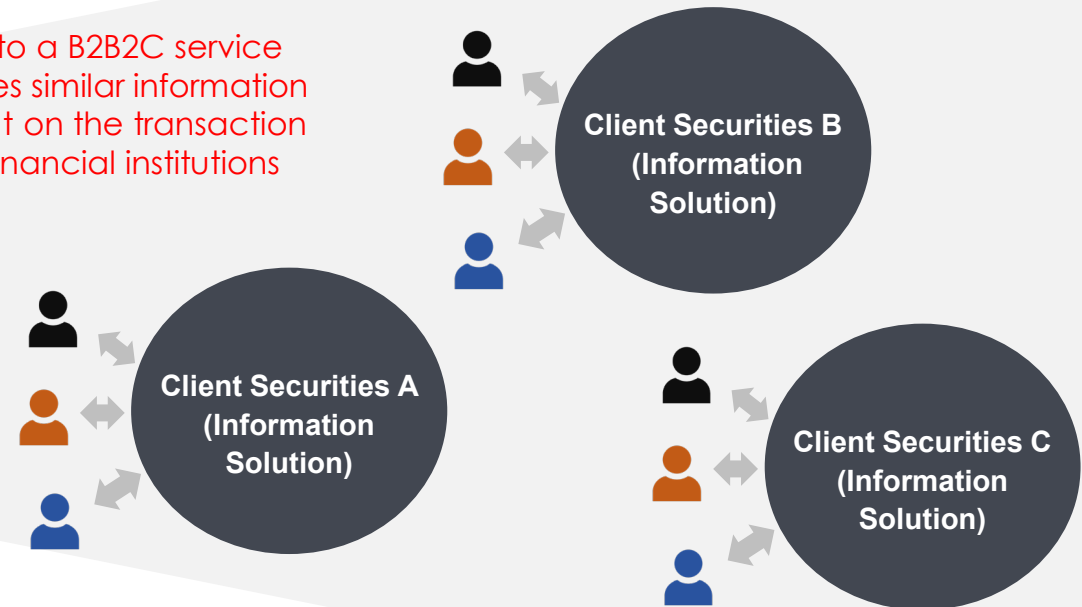
Achieved the No. 1 position as a financial media



Information Solution Revenue (= SaaS Revenue)

Phase 2

Converted to a B2B2C service that provides similar information and content on the transaction screens of financial institutions



- ✓ One user = revenue target is one count
- ✓ Susceptible to market environment impact

- ✓ One user = **multiple revenue targets** (average 2~4 accounts held)
- ✓ **Stable monthly fixed income** corresponding to the number of users for each securities company

<Reproducing Transformation>

Execute strategies of diversification/stabilization of revenue sources
 met to customer characteristics of Korean Entertainment media

Next Kstyle

MAU * 6 million

84% is daily user

Over 95% is female

Initial: Financial

Next: Entertainment (K-POP)

User Characteristics
Focused on

Users typically hold 2 to 4 accounts,
using them according to different
purposes

“Fans” is a center of life

User Base

Grew into the largest domestic scale
(MAU* of 8 million) over a decade

Solidified the position as the No.1 Korean
entertainment media through M&A

Diversification/Stabilization
Strategies for Revenue
Sources

Revenue from information solutions with
SaaS-type B2B income

Subscription model through the
combination with mobile phone services

<How to promote>

Evolve K-style business model with almost no upfront cost

Combine a competitive low-cost plan with the “Oshi Pass“ (fans’ passport) that leverages the strengths of the company's media to create a new cell phone service called “Oshi Pass Keitai” (smart phone for fans’ passport).

 livedoor
MOBILE

+



With virtually zero initial investment, we offer competitive services such as 1GB for 880 yen.

Price

Low Price



Network

NTT docomo

(Our Wi-Fi plan utilizes the networks of NTT Docomo, au, and SoftBank)

Customer support

Online+Shop

(Other budget mobile operators are only online.)

Overseas connection

151 locations worldwide*

(Countries and areas)
*Wi-Fi Plan

The first initiative is in collaboration with 'Kstyle', the No. 1 Korean entertainment media in Japan with 6 million MAUs*, to **strongly support fans’ life activities**(“Oshi-Katsu“) for K-POP.

Option plans to support “Oshi-activities”

Kstyle





<Reproduction of Success>

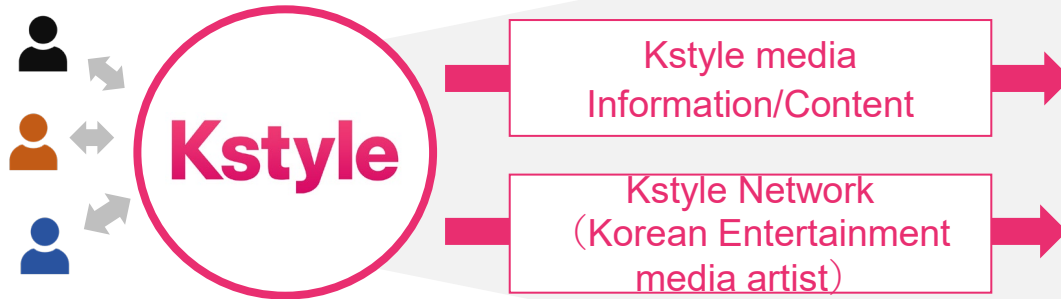
Replicating the success formula through the effective subscription model of media

Similar to finance, **diversify revenue sources with one content** and **stabilize revenue with a monthly fixed fee**

Advertising Revenue

Phase 1

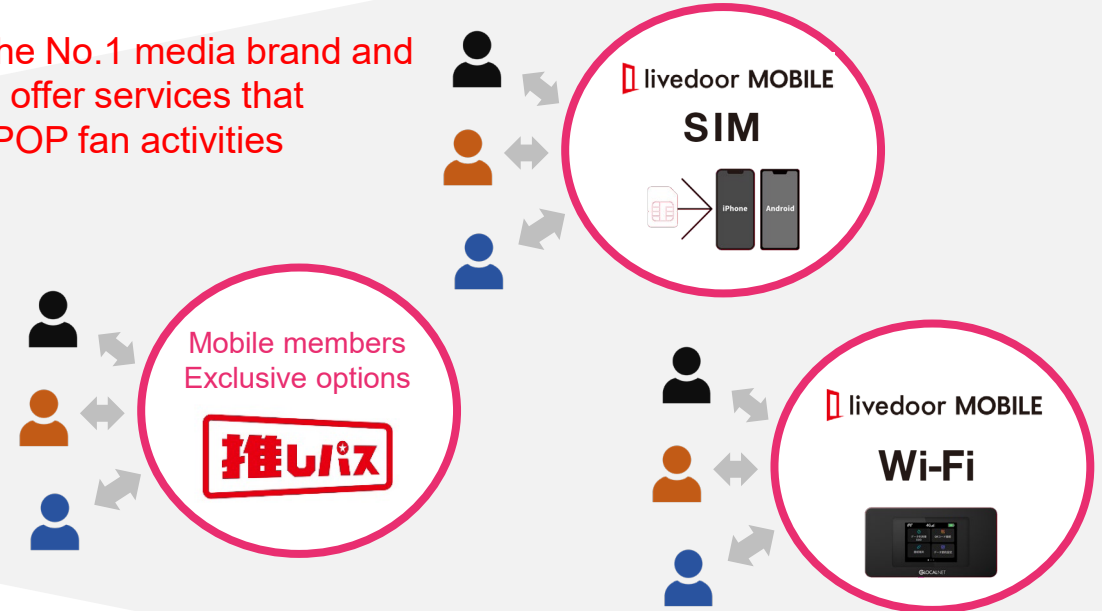
Positioned at No.1 in Korean entertainment media



Mobile phone, option charges (=subscription revenue)

Phase 2

Leverage the No.1 media brand and relations to offer services that support K-POP fan activities

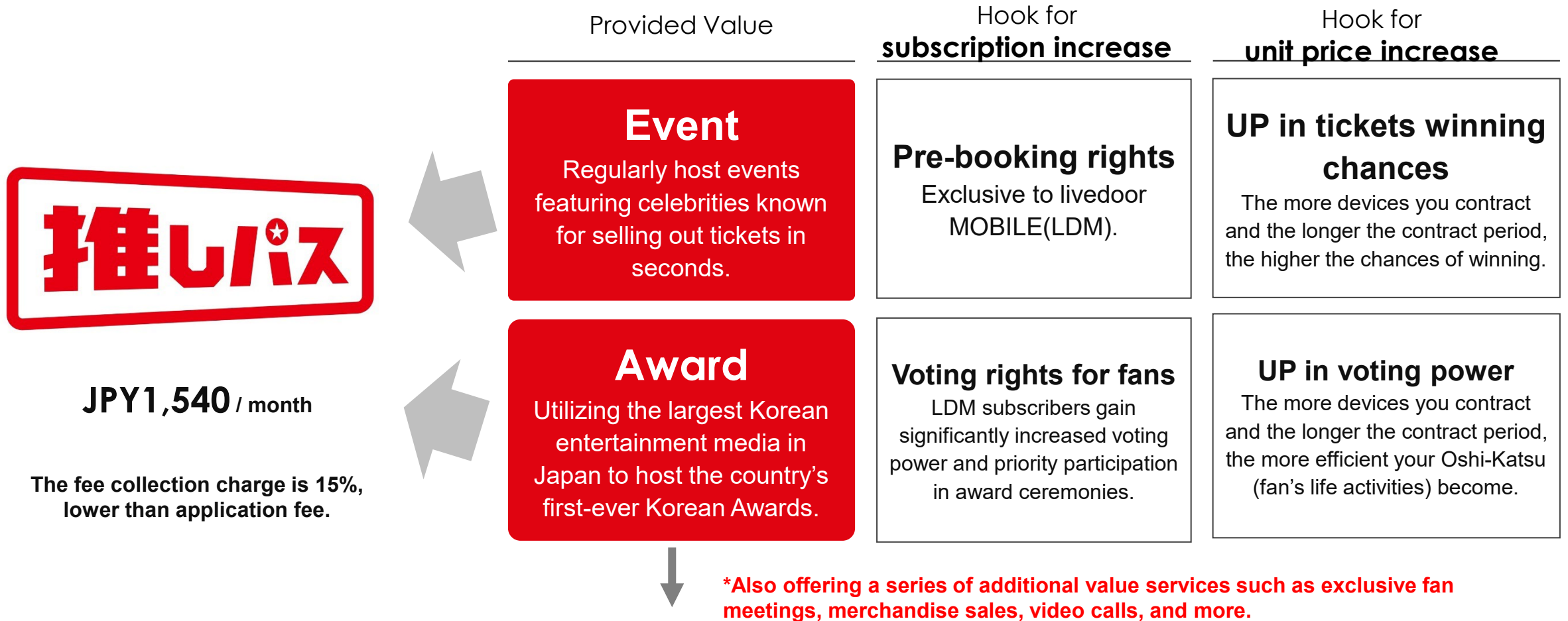


- ✓ One user = One revenue target
- ✓ Susceptible to market environment impact

- ✓ One user = **Multiple revenue targets** (ad + communication charges + options)
- ✓ **Stable monthly fixed income** included in the smartphone bill

<Product design 1>

We offer a variety of benefits to support fans' life of K-POP that
can only be provided by our group, as the No. 1 media in Japan.



<Product design 2>

Bring a competitive pricing plan even for standalone mobile phone services

	1GB PLAN	20GB PLAN	50GBPLAN	Everyday 10G Plan (Mobile Wi-Fi only)
Monthly Fee	880 yen (excluding tax 800 yen)	2,700 yen (excluding tax 2,454 yen)	7,260 yen (excluding tax 6,600 yen)	4,180 yen (excluding tax 3,800 yen)
Data Capacity	1GB	20GB	50GB	280~310GB (up to 10G per day)
Oshi Pass (Option)	1,540 yen (excluding tax 1,400 yen)			

*All plans include a 10-minute unlimited call option (880 yen), and a complete unlimited call option (1,980 yen) available as an additional option.

*Domestic calls are uniformly 22 yen per 30 seconds.

*In terms of equivalent data capacity, the company's pricing is competitive with others in the market. (According to our research)

<Promotion>

Acquire mobile subscribers by utilizing the influence and diffusion power of famous artists.

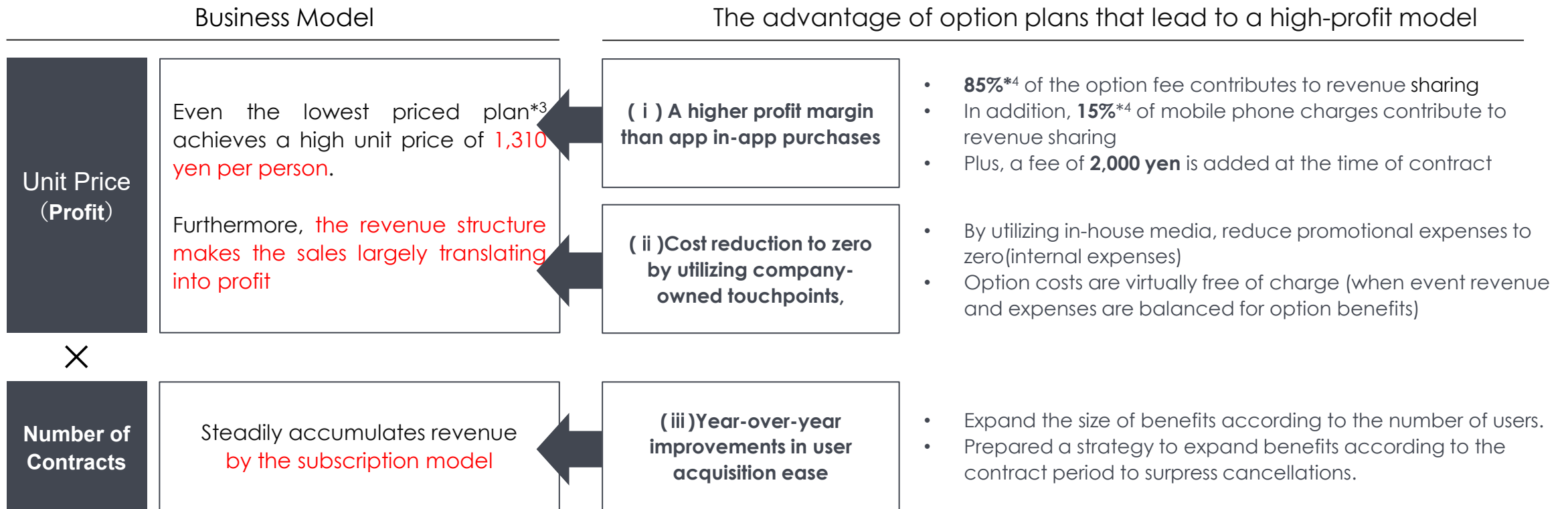
Total number of SNS followers of Kstyle Party Scheduled artist : **Over 60 million**

Unit : 10,000people (As of November)

Artist Name	X	X Japan official	Instagram	TikTok	Facebook	Youtube	Total (By Artist)
fromis_9	49.8	7.4	152	170	51	115	545
YENA	22.6	1.5	259.7	90.2	2.9	32.4	409
TEMPEST	25.9	2.2	39.8	130	16	45.1	259
EVERGLOW	31	-	262.7	220	100	194	808
Weeekly	28.9	-	124.5	140	13	32	338
BOYNEXTDOOR	26.6	9	91.3	120	3.8	57	308
&TEAM	31.9	-	84.1	210	-	75.8	402
XG	34.8	-	162.3	320	15	234	766
DXTEEN	4.5	-	4.7	8.2	-	3.62	21
COMING SOON	3.8	-	41.5	33.8	1	17.4	98
COMING SOON	121.8	-	386.5	330	347	878	2,063
COMING SOON	40.6	-	229.3	160	6.7	56.5	493
Total (By SNS Category)	422	20	1,838	1,932	556	1,741	6,510

<Business Model>

Realize a High-Profit Model Through the Utilization of In-house Content and Customer Touchpoints
Monthly revenue is JPY78.6mil at 1% signing up assumption of Kstyle's MAU *¹ (JPY940 mil. /annual),
 and **JPY157 mil. at 2%** (JPY1.88 bil. /annual*²).



*1 MAU Monthly Active Users

*2 Assuming profit from the lowest priced plan = 1,310 yen (*3), estimate 78.6 million yen per month for 1% of Kstyle's 6 million MAUs (60,000 users) and 157.2 million yen for 2% (120,000 users)

*3 The lowest priced plan is defined as the lower limit of ¥1,310-1,982 (option fee ¥1,190 (85% of ¥1,400/month) + basic cellular phone fee ¥120-792 (15% of ¥800-5,278/month) = ¥1,310-1,982).

*4 Our share of the revenue sharing ratio with X-Mobile, with the ratio improving in stages (from 15% to 20%) in accordance with the number of subscribers.

<Strategy>

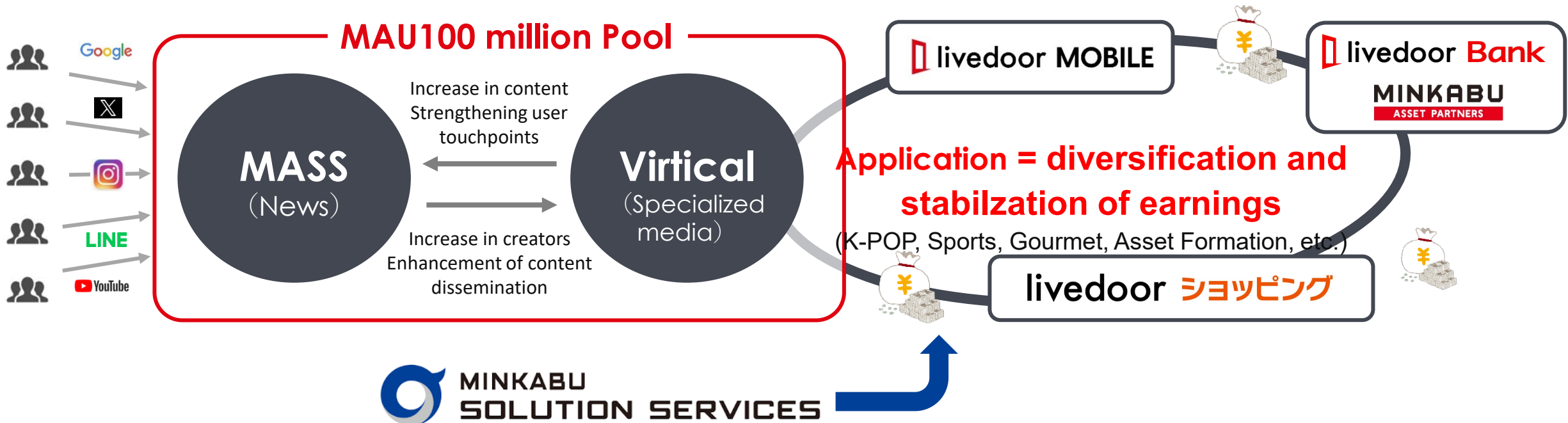
Creation and application of a **Revenue Recovery Engine** through the utilization of our customer assets and development skillset. Entry into 3 New businesses for the purpose of Revenue Recovery Engine

Before: Expansion of surface area & establishment of a growth cycle

After: Value UP of surface area (addition of revenue sources)

MAU is expanding favorably through the synergistic effect of mass x vertical media
Ad-dependent revenue model is susceptible to market conditions

Materializing media value by introducing 3 engines that diversify and stabilize revenue sources met to the characteristics of each media customer, reproduction of the transformation



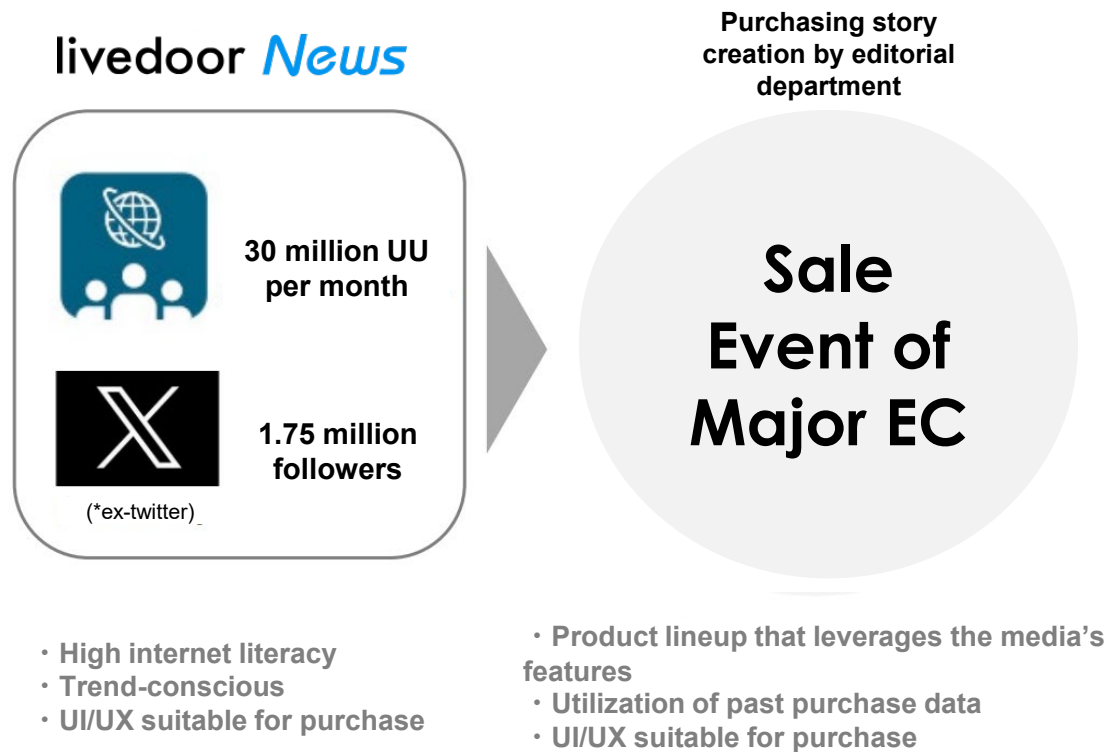
Supporting development and operations with the **technical expertise and know-how** cultivated through SI business

<Replication of Success>

Achieved record high of gross merchandise value (GMV*) through a major sale in collaboration with a major e-commerce company

Replicate the success and make it permanent by horizontally expand to livedoor shopping deploying the know-how gained through this initiative in services

The EC business "livedoor Shopping" is brought to the market in this fiscal year



Findings So Far

- ✓ **Accumulated sales data for trending products** through the Major EC sites × Livedoor News collaboration.
- ✓ **Our unique knowledge is the key for the success**, including data utilization and the creation of purchase STORIES by our editorial department
- ✓ Expansion into group media beyond news has not yet been implemented, **leaving room for further growth**

<How to promote>

Enhance appeal by deploying distinctive products that match the customer characteristics of each media, and **promote continued use through rewards**

"livedoor Shopping" is planning to launch in March, 2024



livedoor *News*

**Blowout deals on
trending products!**

livedoor *Blog*

**Blogger original
merchandise**

Kstyle

**Not yet released in Japan! Best-
selling products from Korea**

SEESAW GAME

**Collaboration with
club teams
Official Shop**

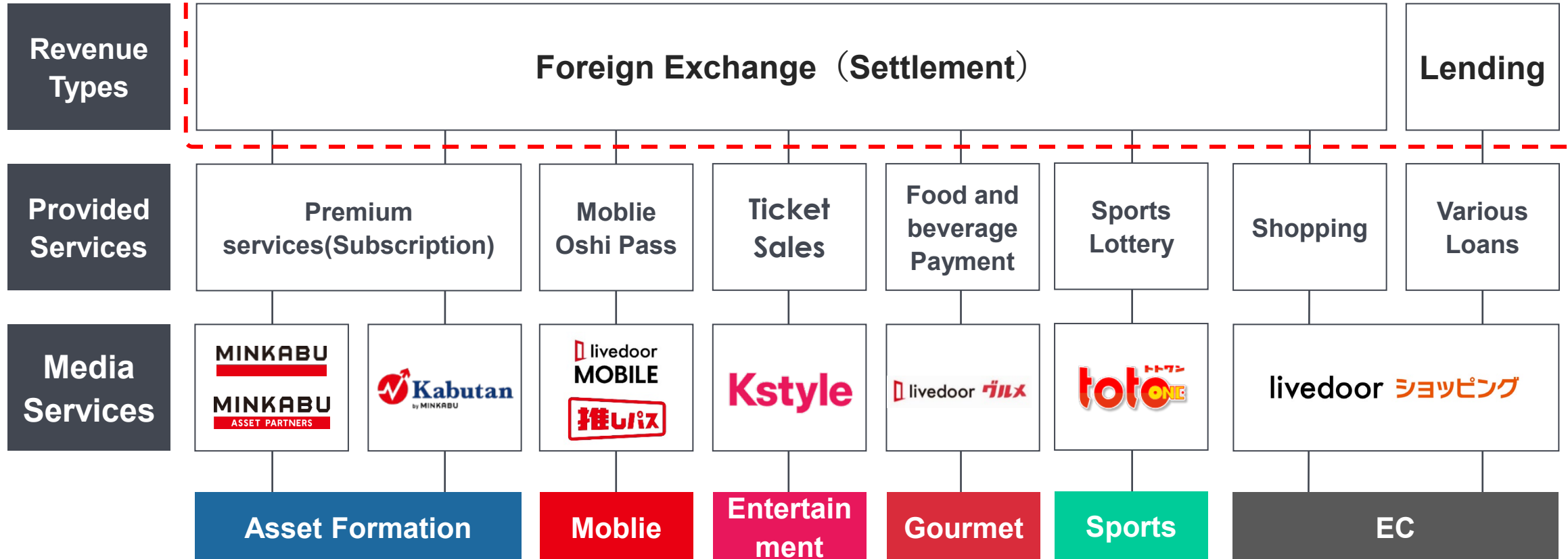
**Additionally, discounts and points are available
with the use of LD Bank (Pay) and LD MOBILE!**

<Transfer of Value>

Bring transactions existed outside the group **into the group and monetize them**

The banking agency* service "livedoor Bank" will start offering services from March 2024.

livedoor Bank

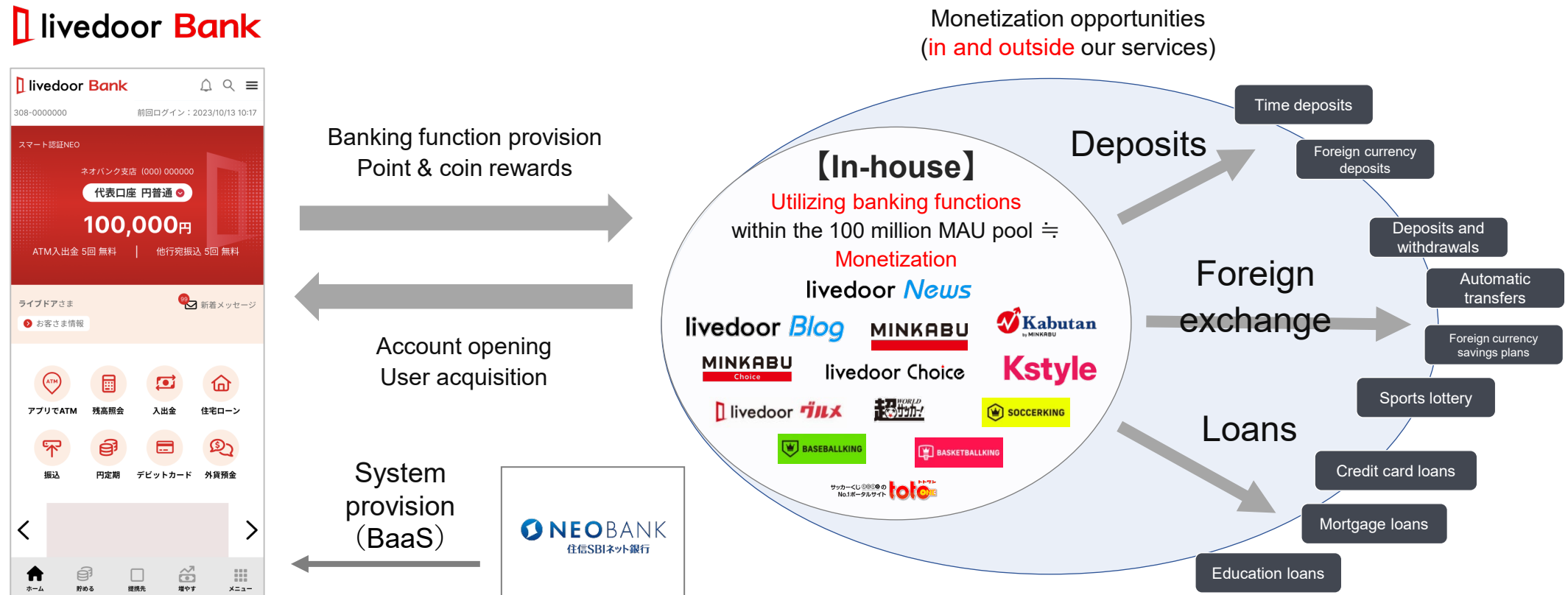


etc...

<How to promote>

Low-risk entry through bank agency scheme. **Creating new revenue streams both in and outside of our services.**

- **Within** our services: Financial earnings are captured through account openings and payment activities associated with the use of paid services.
- **Outside** our services: Financial earnings are also captured through the use of LD Bank accounts with third-party services.

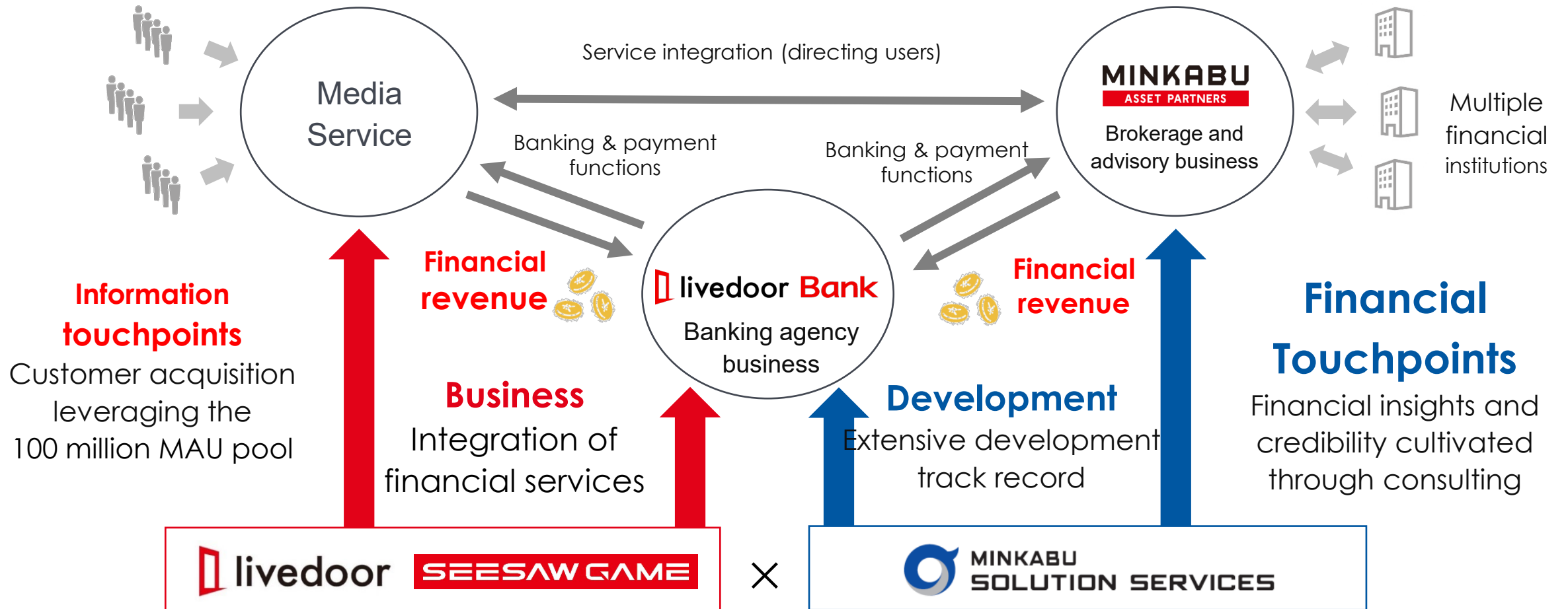


Profit Expansion Strategy : Leveraging a Customer Asset Base of 100 Million (Customer Touchpoints), and utilization of financial solution know-how within the group

<Strategy>

Virtually eliminate acquisition costs by sending customers through media services
Expand in-house use of technical capabilities and know-how acquired through Si consulting business

Utilize the powerful synergy created by **the volume of LD & SSG touchpoints** × **development capabilities of MSS**

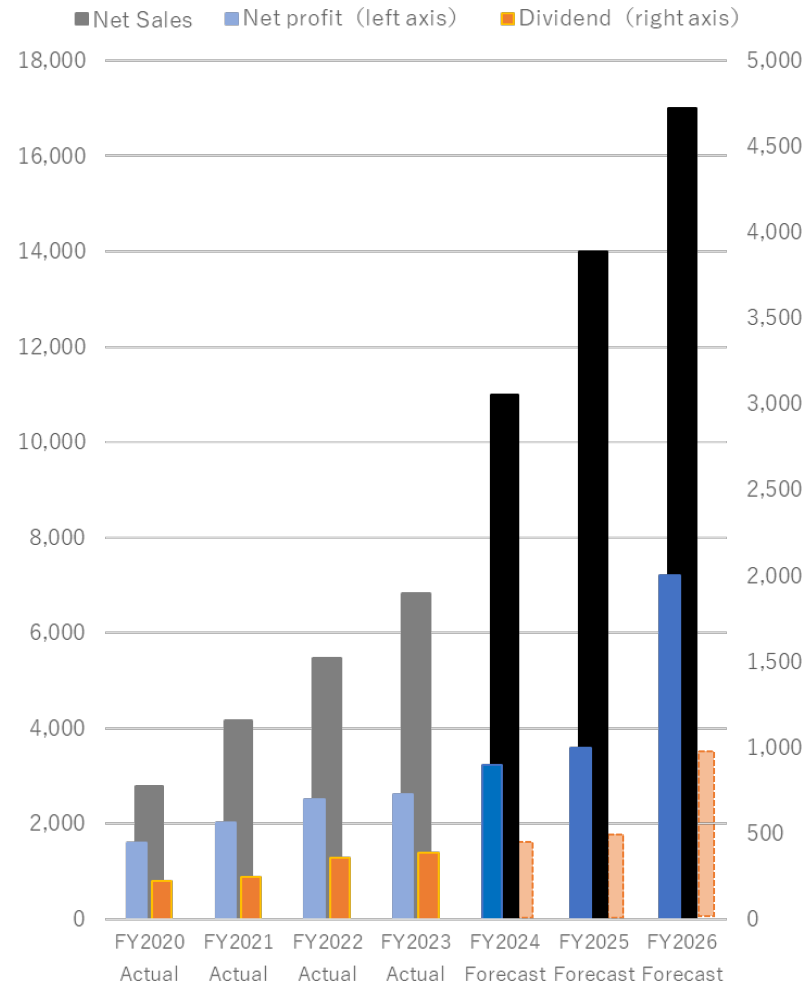


*In order to start the service, it is necessary to obtain permission from the authorities.

Promote the establishment of a structure aimed at achieving our mid-term plan, moving towards a phase of **top-line autonomous growth and profit recovery**

Transition of Sales, Final Profit, and Total Dividends

(JPY in million)



- To achieve our mid-term plan, we will continue autonomous sales growth and aim to increase profits through the optimization of our media customer assets, including 100 million MAUs* (customer touchpoints), and other group-owned assets, including our solution know-how.

- The dividend for the fiscal year ending March 2024 is planned to sustain 26 yen per share, as initially forecasted, and we will continue to balance high growth with enhanced sales and profits and an aggressive shareholder return policy in the following years.

- To improve corporate value (market capitalization), we will ensure the penetration of our growth strategy/shareholder return strategy and realize the reconstitution of corporate value corresponding to the improvement in performance.

infonyoid

<Current>

The "expansion of surface area" triggered by the acquisition of livedoor is completed

MAUs grew to over 100 million after the acquisition of livedoor (**acquired 70 million users at JPY100 CPA¹**) at the end of 2022. Monetization phase shifted to that on significantly expanded TAM including non-financial and consumer areas

MAU **100,000,000** users



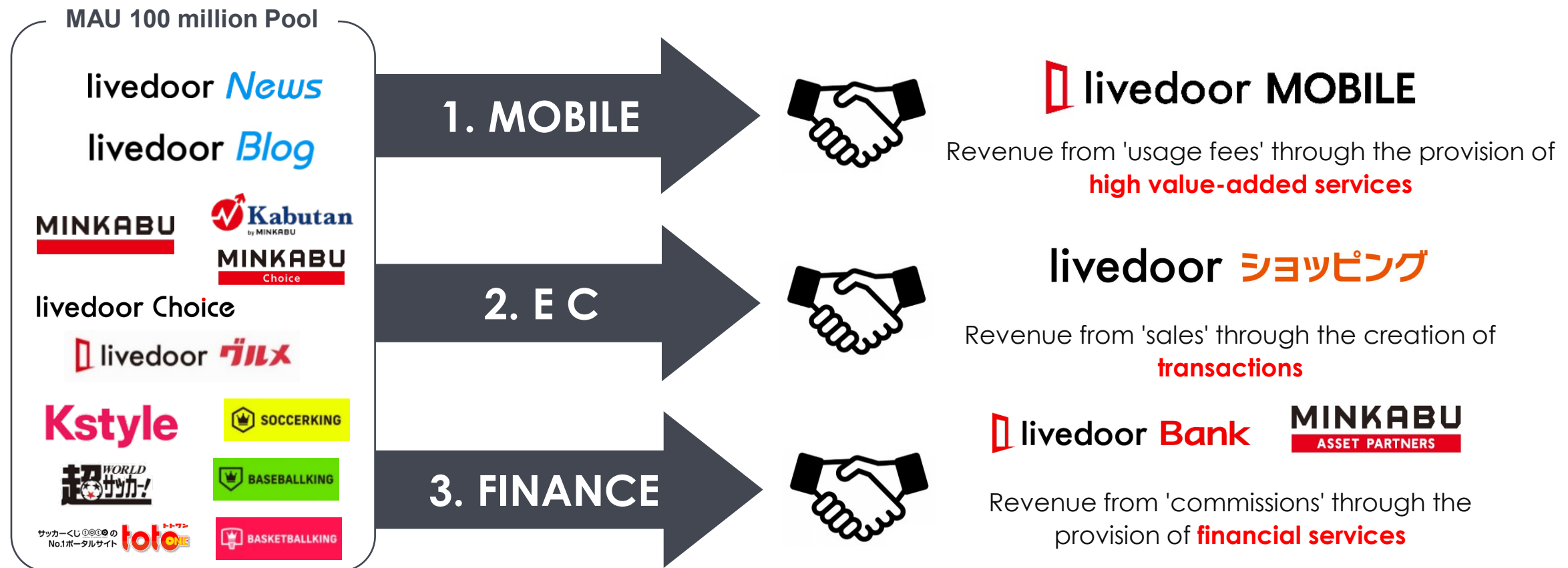
*1 CPA Cost per acquisition

*2 MAU Monthly active users

*3 TAM Total addressable market

<Future>

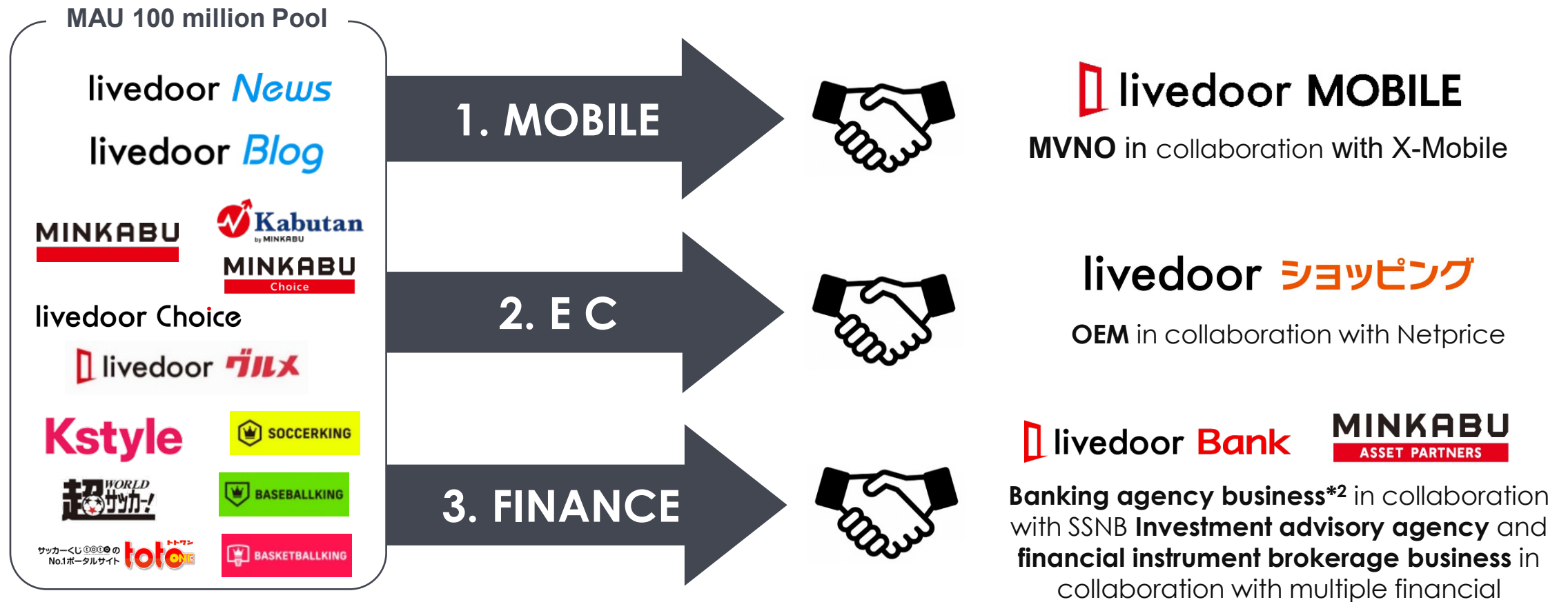
Construction of an ecosystem for 100 million people (≒ Full-scale monetization)

Entry into services with **large target markets** and **easy synergy creation across various domains** for 100 million people

<Future>

Construction of an ecosystem for 100 million people (≒ Full-scale monetization)

The internalization of promotional costs allows low-risk collaborative strategies with a certain amount of profit being generated



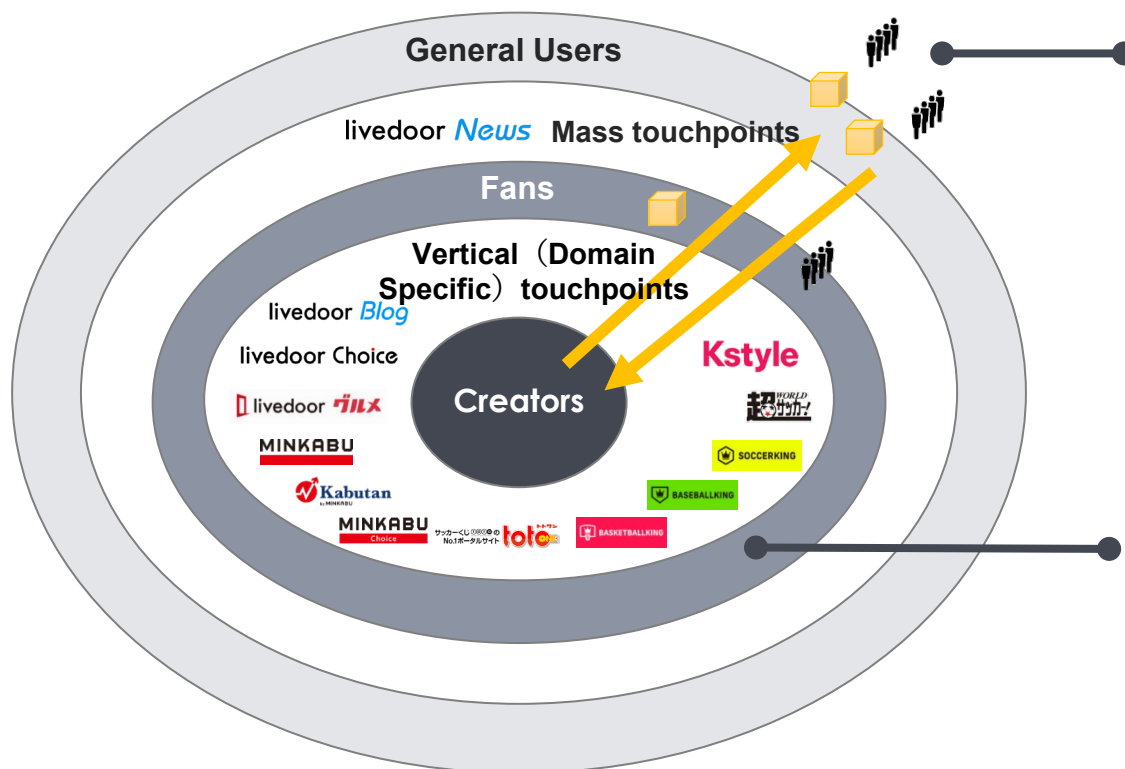
*1 MAU Monthly Active Users

*2 Permission from the authorities is required to start the service

<Strength 1>

Coexistence of a Cyclical Growth Cycle and Strong User Touchpoints

Our ability to maintain both the **diffusion power** of news and the **strong user touchpoints** of vertical media allows us to **construct a cyclical growth cycle**. This ensures the value of media by **continuous provision of content demanded by users** across various layers.



Cyclical Growth Cycle

- The more quality content supplied from vertical media, the more news users increase.
- The diffusion power of news continually offers exposure to creators, ensuring an uninterrupted supply of content = **the spread of produced quality content** (e.g., X's view count is among the top in the world).


Strong User Touchpoints

- Content with the specificity and unique value characteristic of vertical media receives high engagement from fans passionate about specific fields or themes (e.g., Kstyle has 84% of users visiting daily).
- Such content is less likely to be provided by mass media.

<Strength 2>

"Inherent Added Value Exists" in Each Vertical Media

Simply carving out the unique added value that already exists in each genre instantly becomes serviceable

	Unique Value (Media)	1. MOBILE	2. EC	3. FINANCE
K-POP	Kstyle	Priority ticket reservation rights Fan voting rights	Best-selling products from Korea not yet released in Japan	Charging for services Mobile contract fees EC payment processing fees
Sports		Ticket acquisition rights Rare merchandise lottery rights	Collaboration with club teams Official Shop	Mobile contract fees TOTO purchase fees EC payment processing fees
Gourmet	livedoor ｸﾞﾙﾂ	Wi-Fi for stores Equipped with dedicated CRM as standard	Livedoor Gourmet partner stores Popular mail-order products	Mobile contract fees Preferential payment terms for partner stores



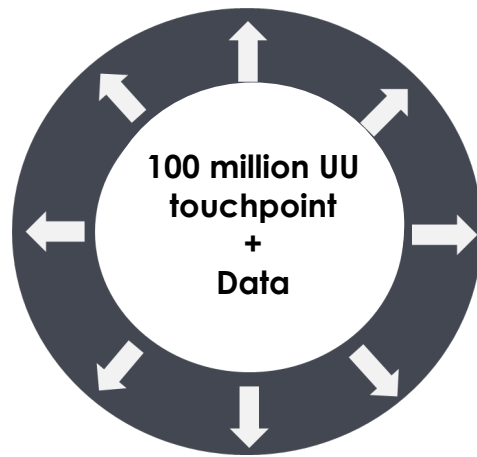
*The above are examples. Additionally, monetization services can be applied to all vertical media including finance, blogs, rankings, etc.

<Strength 3>

Ability to "Attract Users" Without Expensive Advertising

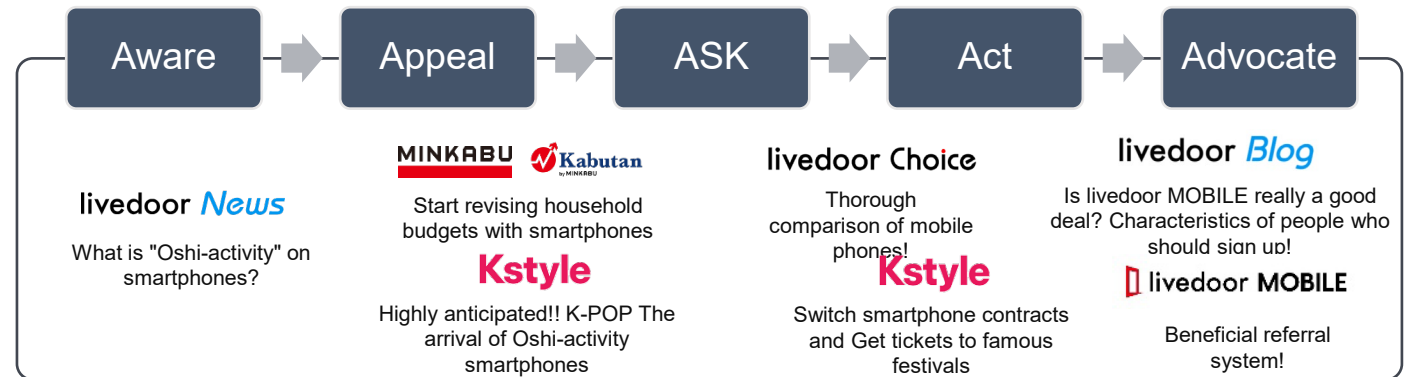
In addition to the "quantity" that can **reach 100 million (MAU)**, we also possess the "quality" of being able to **transmit from both PGC + UGC perspectives across multiple genres.**

Advantage in "Quantity"



Advantage in "Quality" (e.g., the case of livedoor MOBILE)

People are more likely to be influenced by information from multiple sources of different genres and authors.



Furthermore, **all of the above content is disseminated to over 30 million SNS followers.**



LINE



YouTube

TikTok

<Strength 4>

Ability to "construct schemes and systems" efficiently even in new domains.

By leveraging the advantages of partnerships and in-house development, **reduce the uncertainty inherent in new business ventures**



Power to "PARTNER"

Utilize our extensive domestic user touchpoints to build relationships with partners who are experts in various fields

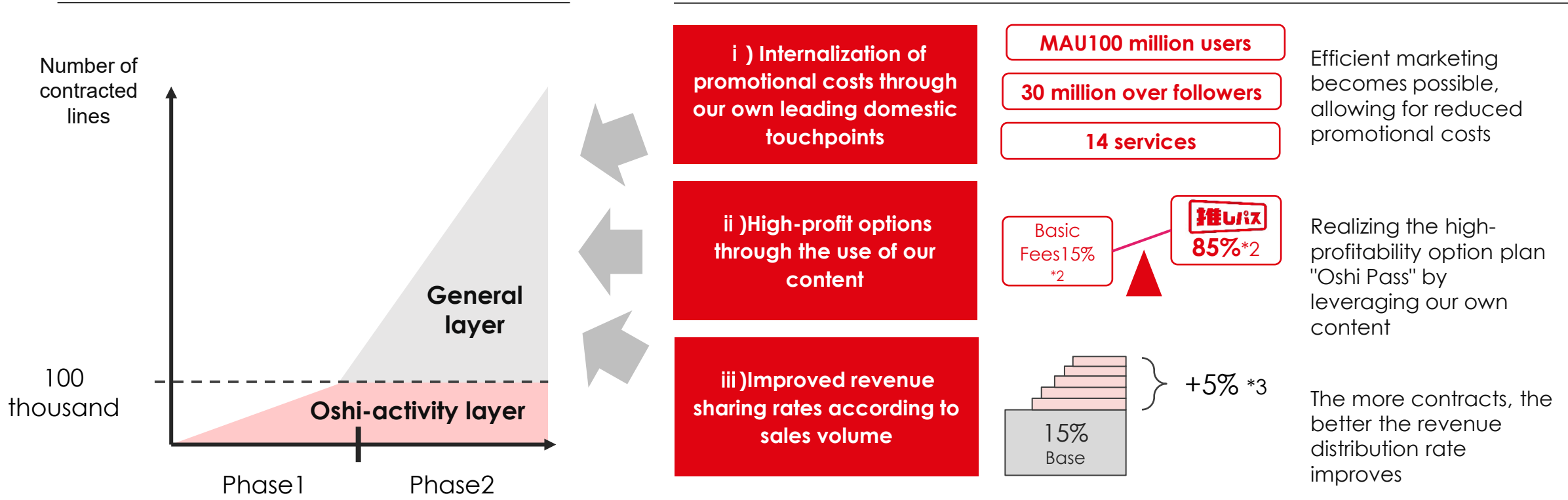
Power to "CREATE"

Capitalize on the benefits of quick decision-making, quality control, and cost reduction within the group

<MOBILE>

Leveraging three advantages for a high-profit MVNO business

high profitability in the MVNO business generated through a combination of user base × content × partnership,
 future diffusion image
 Creating plans for the general layer by leveraging **three advantages**



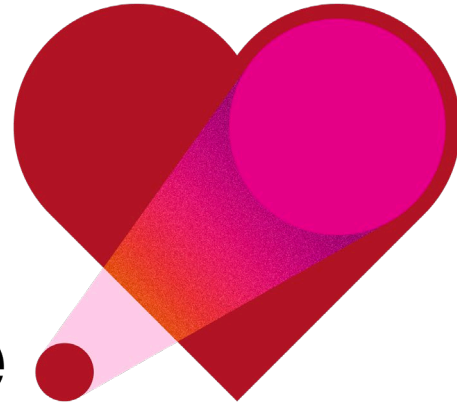
*1 As of May 2023, boasting top-class diffusion power globally
 *2 Our share in the revenue distribution rate with X-Mobile
 *3 The R/S ratio improves as sales volume increases (1% increase per 10,000 lines, with further negotiations beyond 50,000 lines)

<MOBILE>

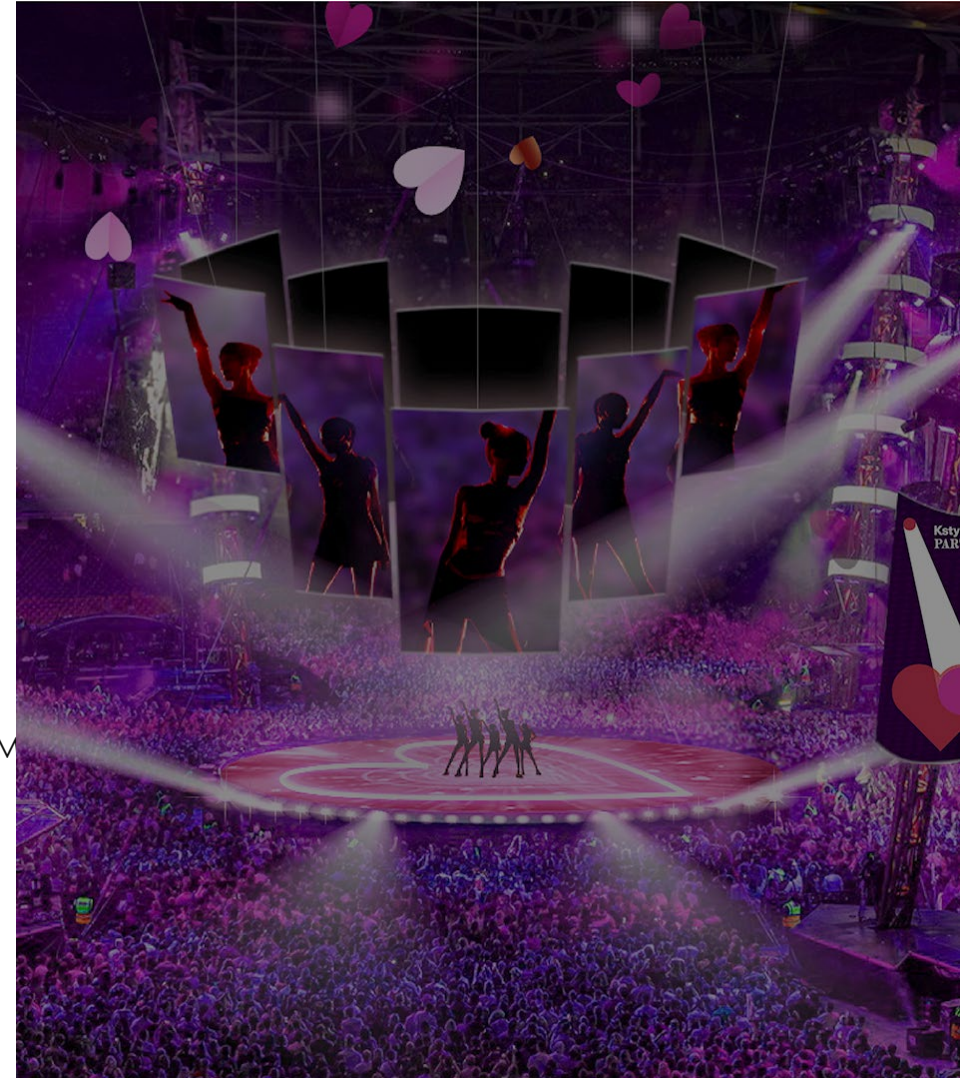
Regularly held "Kstyle PARTY," one of the leading K-POP events in the country

livedoor MOBILE (Minkabu The Infonoid),
Kstyle Party Executive Committee

Kstyle PARTY



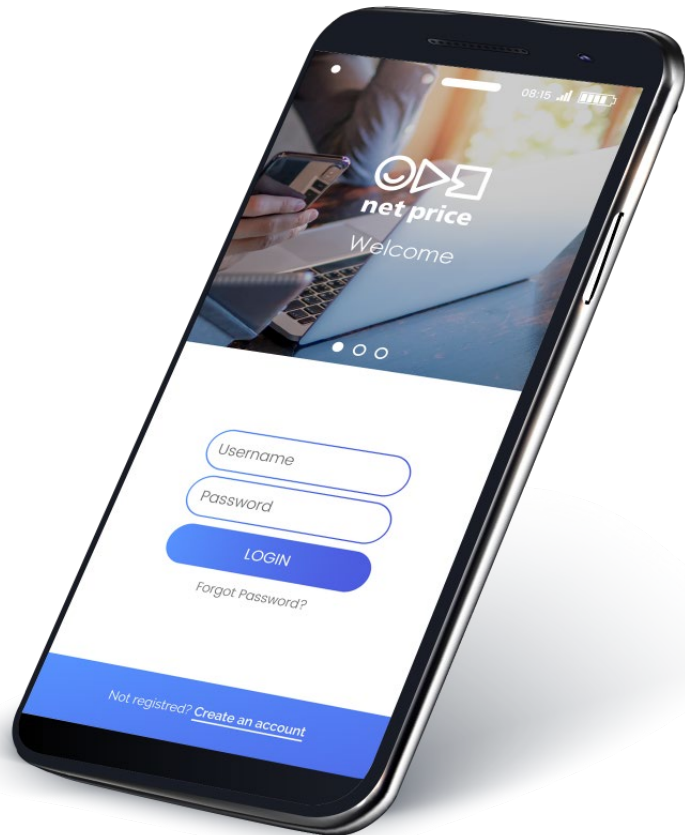
Event Name	Kstyle Party
Date of Event	February 24th and 25th, 2024 (thereafter, held annually)
Venue	Ariake Arena (Main Arena)
Artist (planned)	&TEAM, BOYNEXTDOOR, DXTEEN, EVERGLOW, fromis_9, TEM Weekly, XG, YENA etc.
Ticket Price	All seats reserved 14,080 yen (12,000 yen tax excluded)
Special site	https://news.kstyle.com/ad/kstyleparty2024/index.html
Organizer	livedoor MOBILE (MINKABU THE INFONOID, Inc.) Kstyle Party Executive Committee



<EC>

Tap into the EC business at low risk without burdening in-house resources

Through collaboration with Netprice, we can **enter the basic EC operations at no cost**



Netprice: Utilizing OEM-style EC construction and operation agency services

0 円

Initial setup fee

0 円

Product procurement
cost

0 円

Distribution
operations

0 円

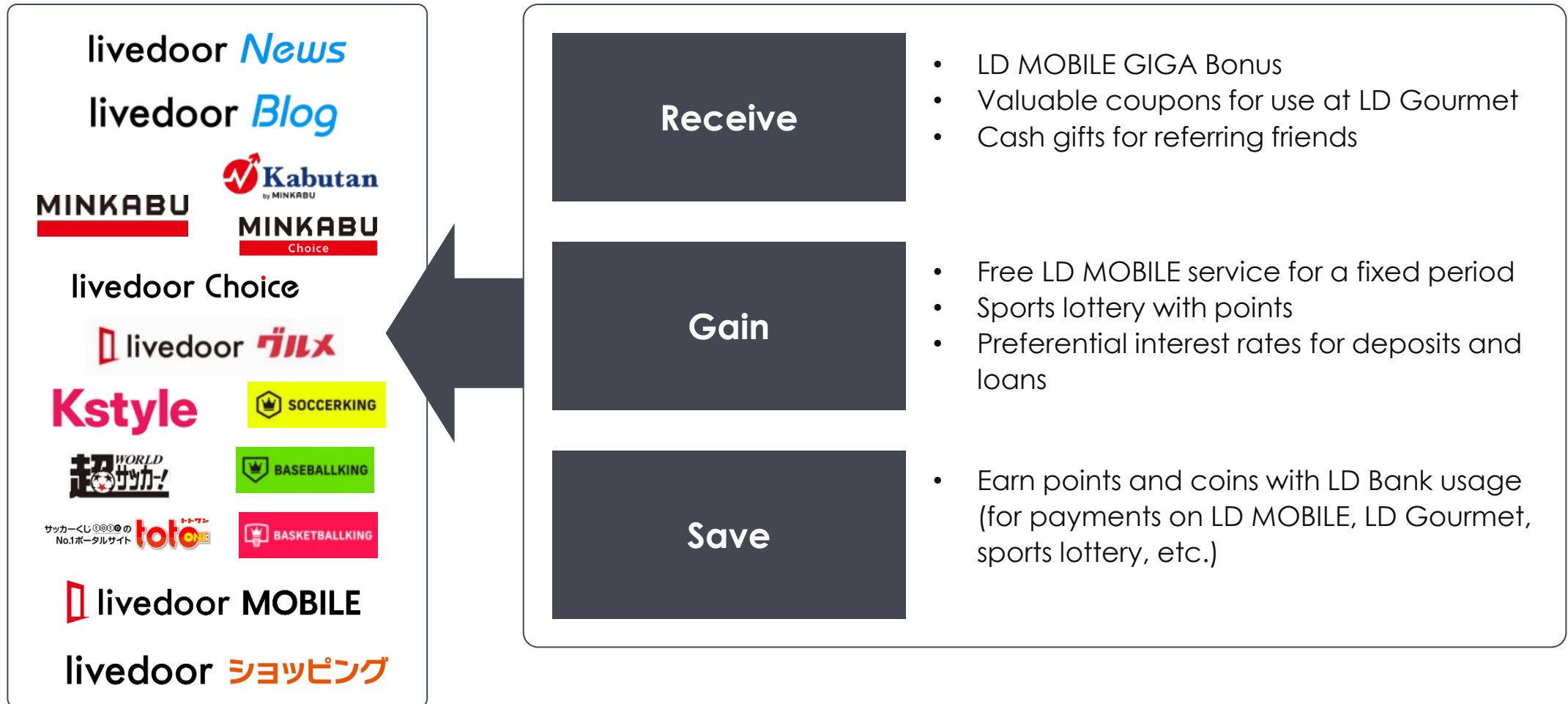
Order processing

Acquiring revenue generated from the sales margin
without incurring the costs associated with EC operations

<FINANCE>

Increase accounts by providing value to users without spending on advertising costs

Examples of value offerings that serve as hooks for account acquisition



<Points & Coins>

Essential for encouraging user behavior and strengthening the ecosystem

Issue and distribute Livedoor common incentives (LDP/LDC), **to those who have generated economic value.**

Cryptocurrency LDC provides “low-cost, high value-added” incentive grants

User Value

High return rate

As it can expect the utility equivalent to points without the need for reserve funds

Potential for substantial returns

LDC: As the Livedoor economic zone grows, the price increases

Abundant utility

Use of LDP/LDC at 570,000 locations nationwide, in addition to our services

Structure of Point Coin Exchange that **adds competitiveness**

stable LDP and **non-stable LDC** exist, and means to exchange the two are gradually provided (users choose which to receive)



Only applicable for the free version



Purchase the paid version upon consumption

Those who want immediate profits choose LDP

Those who believe in the future (returns) of LDC choose LDC

Strategy: Reducing issuance costs through increased selection rates of LDC.

As the proportion of coin selection increases, point usage and reserve funds decrease, resulting in lower total incentive issuance costs.

income statement

The Company has been collecting management fees from various group companies as internal transactions since the second quarter of the current consolidated accounting period. In terms of the table below, **the Company has presented the figures as previously disclosed, excluding management fees**, for the sake of disclosure continuity. The figures including management fees are listed on pages 40-41

(JPY in million)

	Fiscal Year ended	Fiscal Year ended	Consolidated Financial Forecasts Fiscal		FY2023 Q2	FY2024 Q1	FY2024 Q2	
	March 31, 2022	March 31, 2023	Year ending March 31, 2024		Consolidated	Consolidated	Consolidated	Changes
	Consolidated	Consolidated	Consolidated	Changes				
Net Sales	5,482	6,836	11,000	+60.9%	2,840	2,242	4,499	+58.4%
MEDIA	2,353	2,871	6,700	+133.3%	915	1,304	2,679	+192.7%
SOLUTION	3,148	4,005	4,300	+7.3%	1,946	938	1,895	-2.6%
Adjustment (1.)	-20	-41	-	-	-21	-	-74	-
Operating Profit	874	111	1,000	+795.4%	162	-157	-240	-
MEDIA (7.)	747	223	850	+280.3%	258	-90	-35	-
SOLUTION (7.)	786	762	1,050	+37.8%	286	176	217	-24.1%
Adjustment (2.)	-658	-874	-900	-	-382	-243	-421	-
Ordinary Profit	828	-207	940	-	83	-175	-275	-
Profit attributable to Parent Company	696	726	900	+23.9%	5	-164	-223	-
EBITDA (3.)	1,539	1,019	2,200	+115.8%	529	144	340	-35.7%

1. Re-allocation of inter-segment sales
2. Elimination of inter-segment and unallocable operating expenses
3. Calculation formula of EBITDA is Operating income+depreciation+amortization of goodwill
4. Among the media business billing revenue, the billing revenue from Kabutan Premium has been reclassified to the stock revenue of the solution business from the third fiscal year of 2024.
Additionally, the comparisons between the second quarter of the fiscal year ending March 2023 and the second quarter of the fiscal year ending March 2024 are based on the classification after the change
5. Acquired livedoor Co., Ltd on December 28, 2022 and made livedoor Co., Ltd a consolidated subsidiary. Since deemed acquisition date of December 31, 2022 is applied, only the balance sheet was consolidated as of December 31, 2022.
6. Acquired FromOne, Inc. on September 1, 2023 and made FromOne, Inc. a consolidated subsidiary. Since the acquisition date of September 30, 2024, only the balance sheet was consolidated as of September 30, 2023.
7. The Company has been collecting management fees from various group companies as internal transactions since July 1, 2023. If we add this management fee to the segment profit or loss (Δ) of each business segment, the segment loss of the media business after adding the management fee of 136 million yen to the segment loss of 90 million yen is 172 million yen, and the segment profit of the solution business after adding the management fee of 97 million yen to the segment profit of 217 million yen is 119 million yen
8. Figures are all in Japanese Yen and rounded down to the nearest million yen.

sales by segments

The Company has been collecting management fees from various group companies as internal transactions since the second quarter of the current consolidated accounting period. In terms of the table below, **the Company has presented the figures as previously disclosed, excluding management fees**, for the sake of disclosure continuity. The figures including management fees are listed on pages 40-41

(JPY in million)

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MEDIA	2,353	2,871	6,700	+133.3%	915	1,304	2,679	+192.7%
Ad revenue	1,929	2,420	6,170	+154.9%	876	1,250	2,543	+190.2%
Subscription revenue (2.)(3.)	392	412	180	-56.4%	26	35	67	+159.0%
Others	32	38	350	+805.3%	12	18	67	+438.7%
SOLUTION	3,148	4,005	4,300	+7.3%	1,946	938	1,895	-2.6%
Subscription revenue (3.)	2,195	2,751	2,820	+2.5%	1,440	615	1,279	-11.2%
Billing revenue(3.)	–	–	410	–	166	106	213	+27.9%
Initial revenue	953	1,254	1,480	+18.0%	506	322	616	+21.7%
Adjustment (1.)	-20	-41	–	–	-21	–	-74	–
Net Sales	5,482	6,836	11,000	+60.9%	2,840	2,242	4,499	+58.4%

1. Re-allocation of inter-segment sales
2. Subscription revenue includes monthly subscription fees and initial fees and monthly fees for OEM services.
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(JPY in million)

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Operating Profit	874	111	1,000	+795.4%	162	-157	-240	-
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Subscription revenue (2.)(3.)	392	412	180	-56.4%	26	35	67	+159.0%
Others	32	38	350	+805.3%	12	18	67	+438.7%
Others(management fee deduction)	–	–	–	–	–	–	-136	–
SOLUTION	3,148	4,005	4,300	+7.3%	1,946	938	1,798	-7.6%
Subscription revenue (3.)	2,195	2,751	2,820	+2.5%	1,440	615	1,279	-11.2%
Billing revenue(3.)	–	–	410	–	166	106	213	+27.9%
Initial revenue	953	1,254	1,480	+18.0%	506	323	616	+21.7%
Others(management fee deduction)	–	–	–	–	–	–	-97	–
Adjustment	-20	-41	–	–	-21	–	159	–
Adjustment (1.)	-20	-41	–	–	-21	–	-74	–
Adjustment (management fee deduction)	–	–	–	–	–	–	234	–
Net Sales	5,482	6,836	11,000	+60.9%	2,840	2,242	4,499	+58.4%

1. Re-allocation of inter-segment sales
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balance sheet items

(JPY in million)

	Fiscal Year ended March 31, 2022	Fiscal Year ended March 31, 2023	Fiscal Year ended September 30, 2023	
	Consolidated	Consolidated	Consolidated	Changes
Current assets	4,825	6,567	4,547	-30.8%
(Cash and deposit)	3,526	4,463	2,654	-40.5%
Non - current assets	4,932	9,967	10,976	+10.1%
Assets	9,757	16,534	15,524	-6.1%
Current Liabilities	942	1,926	2,152	+11.7%
Non-Current Liabilities	1,372	6,752	6,128	-9.2%
Liabilities	2,314	8,678	8,280	-4.6%
Capital stock	3,514	3,533	3,534	+0.0%
Capital surplus	4,533	4,194	3,804	-9.3%
Retained earnings	-745	-18	-242	—
Others	39	55	52	-5.1%
Non-controlling interests	100	91	94	+2.9%
Net assets	7,443	7,855	7,243	-7.8%

1. Acquired livedoor Co., Ltd on December 28, 2022 and made livedoor Co., Ltd a consolidated subsidiary. Since deemed acquisition date of December 31, 2022 is applied, only the balance sheet was consolidated as of December 31, 2022.
2. Acquired FromOne, Inc. on September 1, 2023 and made FromOne, Inc. a consolidated subsidiary. Since the acquisition date of September 30, 2024, only the balance sheet was consolidated as of September 30, 2023.
3. Figures are all in Japanese Yen and rounded down to the nearest million yen.

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inforoid

The information contained in this document, excluding historical facts, includes information regarding future forecasts. Information on future forecasts is based on predictions, expectations, assumptions, plans, evaluations, etc. at this point, based on the information currently available to us, and it includes risks and uncertainties. We cannot guarantee that the assumptions, expectations, predictions, evaluations, and other information used in the descriptions of future forecasts are accurate or will come to fruition. The information contained in this document was created on the date indicated in the document, reflecting our views at that point in time, and therefore, please be aware that it should be considered in light of the circumstances at that time.