

The following information was originally prepared and published by DeNA Co., Ltd. in Japanese as it contains timely disclosure materials to be submitted to the Tokyo Stock Exchange. This English translation is for your convenience only. To the extent there is any discrepancy between this English translation and the original Japanese version, please refer to the Japanese version.



February 7, 2024

Company name: DeNA Co., Ltd.
(TSE Prime Stock Code: 2432)
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Notice Regarding Recognition of Impairment Loss, Etc.

DeNA Co., Ltd. would like to announce that it recognized an impairment loss, etc. in the consolidated financial results for the nine months ended December 31, 2023. For more information, please refer to the “Consolidated Financial Results for the Nine Months Ended December 31, 2023 [IFRS]” disclosed today.

1. Details of Loss

(1) Impact on consolidated results (IFRS)

(i) Impairment losses

In the third quarter ended December 31, 2023, as a result of an impairment test conducted under the International Financial Reporting Standards (IFRS), impairment losses totaling ¥27,628 million were recorded under other expenses. This included an impairment loss on assets (including software) in the Game Business of ¥11,462 million and a goodwill impairment loss of ¥15,526 million.

The main items in the goodwill impairment loss are ¥8,912 million for IRIAM Inc., ¥3,612 million for DATA HORIZON CO., LTD., and ¥1,978 million for Nipponect Systems Co., Ltd.

(ii) Share of loss of associates accounted for using the equity method

In the third quarter ended December 31, 2023, the DeNA Group carried out an impairment test, because signs of impairment losses were identified regarding the investments in SHOWROOM Inc., an associate accounted for using the equity method, and, as a result of reducing the book value to the recoverable amount, ¥5,943 million in share of loss of associates accounted for using the equity method was recorded.

(2) Impact on non-consolidated results (Japanese GAAP)

In connection with the above, DeNA expects to record a loss on valuation of shares of subsidiaries and associates of ¥20,000 million as extraordinary losses in the non-consolidated results for the fiscal year ending March 31, 2024.

2. Future Outlook

The consolidated financial results forecast for the fiscal year ending March 31, 2024 cannot be provided due to the difficulty of reasonably and accurately estimating the figures. However, DeNA expects to record an

increase in revenue compared to the previous fiscal year. As for profit items, while DeNA expects to record losses on all profit levels at the operating profit (loss) level and below, based on the results up to the nine months ended December 31, 2023, etc., it expects to record a profit in operation profit with the exclusion of one-off gains and losses. For more information, see the “Consolidated Financial Results for the Nine Months Ended December 31, 2023 [IFRS]” also made available on February 7, 2024.

If there are any matters to be disclosed regarding the non-consolidated financial results then DeNA will disclose them in a timely manner.

(Reference) Previous fiscal year results

	Revenue	Operating profit	Profit before tax	Profit for the period	Profit for the period attributable to owners of the parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Consolidated financial results (Fiscal year ended March 31, 2023)	134,914	4,202	13,595	8,661	8,857	76.78

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