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February 13, 2024

**Summary of Financial Results
for the Second Quarter of Fiscal Year 2024
[Japanese GAAP] (Consolidated)**

Company name: Bushiroad Inc.
 Stock exchange listing: Tokyo
 Securities code: 7803 URL: <https://bushiroad.co.jp/en/>
 Representative: President and CEO Takaaki Kidani
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 Scheduled date to submit quarterly securities report: February 13, 2024
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the first two quarters of FY2024 (July 1, 2023 – December 31, 2023)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
2Q of FY2024	22,139	-8.1	406	-70.6	462	-69.3	13	-98.4
2Q of FY2023	24,090	23.1	1,382	-18.8	1,506	-41.7	829	-54.9

(Note) Comprehensive income 2Q of FY2024 96 million yen (-83.0%)
 2Q of FY2023 567 million yen (-68.2%)

	Quarterly profit per share	Diluted quarterly profit per share
	yen	yen
2Q of FY2024	0.19	0.19
2Q of FY2023	11.79	11.39

(Note) The Company carried out share splitting to split one share into two shares on October 1, 2022. Quarterly profit per share and diluted quarterly profit per share were calculated assuming that such share splitting had been carried out at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
2Q of FY2024	47,332	22,045	44.7
FY2023	46,335	22,399	46.6

(Reference) Shareholders equity 2Q of FY2024 21,138 million yen
 FY2023 21,585 million yen

2. Cash dividends

	Annual dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	yen	yen	yen	yen	yen
FY2023	—	0.00	—	4.50	4.50
FY2024	—	0.00			
FY2024 (forecast)			—	4.50	4.50

(Note) Revisions to dividend forecasts published most recently: No

3. Consolidated performance forecast for FY2024 (July 1, 2023 – June 30, 2024)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full-term	51,000	4.5	2,000	-40.9	2,300	-48.9	1,234	-39.8	17.32

(Note) Revisions to performance forecasts published most recently: No

*** Notes**

- (1) Change in significant subsidiaries during the current quarter (cumulative) (changes in specified subsidiaries resulting in the change in scope of consolidation): No
Newly consolidated company N/A; deconsolidated company N/A
- (2) Application of special accounting methods to the preparation of quarterly financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
 - i. Changes in accounting policies due to revisions to accounting standards and other regulations: No
 - ii. Changes in accounting policies due to reasons other than i: No
 - iii. Changes in accounting estimates: No
 - iv. Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

i. Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2023	71,308,550 shares	As of June 30, 2023	71,256,550 shares
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ii. Number of treasury shares at the end of the period

As of December 31, 2023	441,145 shares	As of June 30, 2023	27 shares
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iii. Average number of shares during the period (quarterly cumulative)

2Q of FY2024	71,034,780 shares	2Q of FY2023	70,385,900 shares
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(Note) The Company carried out share splitting to split one share into two shares on October 1, 2022. "Average number of shares during the period" was calculated assuming that such share splitting had been carried out at the beginning of the previous fiscal year.

- * Quarterly summary of financial results is not included in a quarterly audit by a certified public accountant or auditing firm.
- * Explanation regarding appropriate use of the earnings forecast and other special notes
Descriptions about the future, such as performance forecasts contained in this document, are based on information currently available to the Company and certain presumptions considered as reasonable, and those are not intended to indicate the Company should assure that it would realize such forecasts. Meanwhile, actual performance in the future may differ substantially, influenced by a wide variety of factors.

(How to obtain materials for quarterly financial results briefing)

Materials for financial results briefing are disclosed along with this document. Financial results briefing for institutional investors and analysts will be held on Tuesday, February 13, 2024.

○ Table of Contents: Appendix

1. Qualitative Information regarding the Current Quarter	2
(1) Descriptions regarding operating results	2
(2) Descriptions regarding financial position.....	3
(3) Cash flow status	4
(4) Descriptions regarding future prospects such as consolidated performance forecasts	4
2. Quarterly Consolidated Financial Statements and Principal Notes.....	5
(1) Quarterly Consolidated Balance Sheets	5
(2) Quarterly Consolidated Statements of Income and Statements of Comprehensive Income	7
(Quarterly Consolidated Statements of Income)	7
(For the first two quarters)	7
(Quarterly Consolidated Statements of Comprehensive Income)	8
(For the first two quarters)	8
(3) Quarterly Consolidated Statements of Cash Flows	9
(4) Notes on Quarterly Consolidated Financial Statements	10
(Going Concern Assumption)	10
(Notes in Case of Significant Changes in the Amount of Shareholders' Equity)	10
(Application of Special Accounting Methods to the Preparation of Quarterly Consolidated Financial Statements)	10
(Change in Accounting Principles)	10
(Segment Information, etc.)	11
(Per Share Data).....	12

1. Qualitative Information regarding the Current Quarter

(1) Descriptions regarding operating results

It should be noted that descriptions concerning the future in the text are based on judgement of the Company as of the end of the current quarter under review.

The Japanese economy showed signs of a pickup in social and economic activities during the first two quarters under review. On the other hand, the future outlook of the economy still remains uncertain due to factors such as prolonged Russian aggression against Ukraine and rise in domestic prices caused by exchange fluctuations.

Under such circumstances, Bushiroad Group has continuously promoted global business development setting the TCG (trading card game) as our pillar under the “IP Developer” strategy. We held “2023 BUSHIROAD EXPO ASIA” in Bangkok in October, Singapore in November and Ilsan, South Korea in December 2023, and had many users and distributors attend the event. We plan to also hold the event in over fourteen locations in 2024 to proactively showcase our IPs globally.

As a result, operating results of the first two quarters under review were as follows: net sales of 22,139,462 thousand yen (down 8.1% year-on-year); operating profit of 406,183 thousand yen (down 70.6% year-on-year); ordinary profit of 462,212 thousand yen (down 69.3% year-on-year); and profit attributable to owners of parent of 13,670 thousand yen (down 98.4% year-on-year).

Operating results of individual business segments are as follows. Meanwhile, segmental net sales include sales to external customers.

The name of a reportable segment, “Sports & Healthcare Business,” has been changed to “Sports Business” from the beginning of the first quarter due to the withdrawal from the healthcare business. This change is only the change in the name of the segment and does not affect the segment information.

1. Entertainment Business

(1) TCG (Trading Card Game) Unit

Sales of both Japanese and English versions of “Weiss Schwarz” have performed steadily. Even though sales of “Cardfight!! Vanguard” was stagnant as it is in a drop-off period before the broadcast of the new animation series, it performed steadily against the plan.

While sales of “Shadowverse: Evolve” remained a little soft against the plan, we will develop sales promotion measures hereafter targeting the second anniversary in April 2024.

(2) Digital Contents Unit

Mobile games continued to perform weakly following the first quarter. While announcing service terminations of some titles and gradually downsizing operation size to improve profitability, we will shift the unit’s resources to console games.

For console games, we have released two titles including a visual novel game “GINKA” developed by our group company Frontwing Lab. Inc. and their sales performed steadily. A new title to be released through FY2025 was announced at the New Year Presentation held on January 6, 2024

(3) BI (Bushiroad International) Unit

BI Unit belongs to both the TCG Unit and the Digital Contents Unit.

In TCG, all TCG brands performed steadily. As with the English version “Weiss Schwarz,” a Booster Pack “Azur Lane” was released, among other games.

In digital contents, business was soft due to the same the harsh environment as in Japan.

As part of an effort to enhance overseas development, we held international exhibition “2023 BUSHIROAD EXPO ASIA” in three Asian cities, Bangkok, Singapore and Ilsan.

(4) Live Entertainment Unit

The Live Entertainment Unit performed solidly due to all three bands, Poppin'Party, MyGO!!!!! and RAISE A SUILEN, showing a great climax at the music live event “BanG Dream! 12th☆LIVE” held at Tokyo Garden Theater in November 2023. In addition, MyGO!!!!! released its first album “MEISEKIHA” in November and is attracting attention not only in Japan, but also in overseas including China.

As for the future development of BanG Dream! project, a new band “Mugendai Mewtype” has started.

(5) MD (Merchandizing) Unit

The MD Unit performed steadily centering on the sales related to “BanG Dream!” including growing sales of related live event goods and character goods with holding of the music live event “BanG Dream! 12th☆LIVE” as well as increased popularity of MyGO!!!!!

In addition, with the aim to strengthen our development structure, we have announced a plan to open a satellite office in Kanazawa City, Ishikawa Prefecture serving as a development base of PalVerse and other figures in April 2024.

(6) Ad Unit

For Bushiroad Move Co., Ltd., while the agency business such as event operation and production slightly struggled with fewer large outsource contracts, the voice actor business increased the working days with voice actors affiliated with the voice actors’ office “HiBiKi” participating in various music live events of Bushiroad as well as other companies, leading to steady performance of the Ad Unit as a whole.

The company continues to contribute to the expansion of the entire group business through activities such as investing and participating in animation committees, and operating and producing our events.

As a result, the Entertainment Business recorded net sales of 19,086,522 thousand yen (down 8.7% year-on-year) and segment profit of 266,979 thousand yen (down 80.8% year-on-year).

2. Sports Business

As to New Japan Pro-Wrestling, although the sales decreased quarter-on-quarter due to being in a drop-off period, or between big matches, it performed steadily against the business plan. Profitability of STARDOM’s event business dropped with a combination of flaws in the operating structure and performed softly against the business plan. In order to conduct operation appropriate for the size of the organization that has rapidly expanded, we will implement a fundamental review of the operational structure to make improvements.

For Bushiroad Well-Be, the sales of “Roselia Protein Bar,” which are protein bars with a card created by crossing New Japan Protein x BanG Dream! x Weiss Schwarz and the IP within the group, have been steady, and the plans to commercialize products in collaboration with BanG Dream! and other leading IPs are in progress.

As a result, the Sports Business recorded net sales of 3,052,940 thousand yen (down 3.9% year-on-year) and segment profit of 139,204 thousand yen (segment loss of 9,384 thousand yen in the same period of the previous fiscal year).

(2) Descriptions regarding financial position

(Assets)

Total assets at the end of the current second quarter under review amounted to 47,332,872 thousand yen, an increase of 997,026 thousand yen from the end of the previous fiscal year. This is mainly due to an increase in cash and deposits of 820,756 thousand yen and investment securities of 544,071 thousand yen while accounts receivable - trade decreased by 760,751 thousand yen.

(Liabilities)

Total liabilities at the end of the current second quarter under review amounted to 25,287,632 thousand yen, an increase of 1,351,095 thousand yen from the end of the previous fiscal year. This is mainly due to an increase in current portion of long-term borrowings of 749,695 thousand yen, long-term borrowings of 1,018,276 thousand yen and bonds payable of 1,000,000 thousand yen while accounts payable - trade decreased by 1,009,793 thousand yen and income taxes payable by 580,345 thousand yen.

(Net assets)

Total net assets at the end of the current second quarter under review amounted to 22,045,239 thousand yen, a decrease of 354,068 thousand yen from the end of the previous fiscal year. This is mainly due to an increase in share capital and legal capital surplus of 7,800 thousand yen each from the exercise of share acquisition rights (stock options) and retained earnings of 13,670 thousand yen from the recording of quarterly profit attributable to owners of parent while retained earnings decreased by 320,654 thousand yen from payment of dividends and treasury shares increased by 212,133 thousand yen from purchase of treasury shares.

(3) Cash flow status

Cash and cash equivalents (hereinafter, “business fund”) at the end of the current second quarter under review was 25,073,698 thousand yen, an increase of 1,472,772 thousand yen year-on-year.

Each cash flow status and factors thereof in the current consolidated fiscal period are as follows.

(Cash flows from operating activities)

Business fund used in operating activities was 836,883 thousand yen. Main sources of income were profit before income taxes of 462,212 thousand yen and decrease in trade receivables of 745,124 thousand yen, and main sources of spending were decrease in trade payables of 995,810 thousand yen and income taxes paid of 997,406 thousand yen.

(Cash flows from investing activities)

Business fund used in investing activities was 164,225 thousand yen. Main sources of income were proceeds from withdrawal of time deposits of 778,559 thousand yen, and main sources of spending were purchase of property, plant and equipment of 303,950 thousand yen and purchase of investment securities of 485,267 thousand yen.

(Cash flows from financing activities)

Business fund provided by financing activities was 2,500,176 thousand yen. Main sources of income were proceeds from long-term borrowings of 4,000,000 thousand yen and proceeds from issuance of bonds of 1,490,807 thousand yen, and main sources of spending were repayments of long-term borrowings of 2,232,029 thousand yen.

(4) Descriptions regarding future prospects such as consolidated performance forecasts

In the TCG Unit, the first-phase product of the new TCG, professional baseball card game “DREAM ORDER,” will be released in April 2024 and the second-phase product will be released in June. As were in the previous fiscal year and the fiscal year before that, the sales and profits are expected to peak in the fourth quarter of the fiscal year.

In the Digital Contents Unit, sales are expected to decrease for mobile games because some games whose services will be terminated will be operated with no product sales. For console games, while expenses on development investments will continue to occur, deficit margin is expected to improve with releases of new products.

In the Live Entertainment Unit, along with the increase of the number of bands of “BanG Dream!,” the number of music live events is also on the rise. In addition, we are making efforts to expand music software and music publishing.

In the Sports Unit, we have held “WRESTLE KINGDOM 18,” a big game of New Japan Pro-Wrestling on January 4, 2024. Under the new structure, the entire Bushiroad Group will enhance organizational capability of New Japan Pro-Wrestling and STARDOM.

Of the percentage of progress against full year of each item for the first two quarters, revenue items, in particular, have fallen back from the end of the first quarter affected by weak performance of the Digital Contents Unit and is below the business plan, but we aim to recover centering on the TCG Unit, which is prepared to release a new TCG in the fourth quarter and has high sales composition ratio as well as revenue margin.

With the factors mentioned above, the Group’s consolidated performance for FY2024 is forecast as follows (no change from the initial forecast): net sales of 51,000,000 thousand yen (up 4.5% year-on-year), operating profit of 2,000,000 thousand yen (down 40.9% year-on-year), ordinary profit of 2,300,000 thousand yen (down 48.9% year-on-year), and profit attributable to owners of parent of 1,234,000 thousand yen (down 39.8% year-on-year).

(Note) Performance forecasts are based on currently available information. Actual performance may differ from these forecasts due to various factors in the future.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	Previous fiscal year (June 30, 2023)	Current second quarter under review (December 31, 2023)
Assets		
Current assets		
Cash and deposits	26,108,251	26,929,007
Accounts receivable - trade	6,336,390	5,575,639
Merchandise and finished goods	1,270,411	1,357,479
Work in process	2,049,388	2,272,608
Supplies	64,895	56,933
Other	1,854,941	1,864,755
Allowance for doubtful accounts	-96,009	-89,236
Total current assets	37,588,270	37,967,187
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,116,044	1,091,064
Tools, furniture and fixtures, net	121,807	114,853
Vehicles, net	37,830	30,684
Land	1,027,220	1,027,220
Leased assets, net	23,561	31,811
Other, net	142,130	206,018
Total property, plant and equipment	2,468,594	2,501,653
Intangible assets		
Software	146,612	181,958
Software in progress	28,076	27,853
Goodwill	1,434	928
Other	127,354	124,750
Total intangible assets	303,477	335,491
Investments and other assets		
Investment securities	4,144,268	4,688,340
Long-term loans receivable	37,250	37,427
Deferred tax assets	1,260,107	1,248,072
Other	550,048	575,454
Allowance for doubtful accounts	-26,768	-28,784
Total investments and other assets	5,964,906	6,520,509
Total non-current assets	8,736,978	9,357,654
Deferred assets		
Share issuance costs	10,597	8,030
Total deferred assets	10,597	8,030
Total assets	46,335,845	47,332,872

(Thousand yen)

	Previous fiscal year (June 30, 2023)	Current second quarter under review (December 31, 2023)
Liabilities		
Current liabilities		
Accounts payable - trade	5,575,977	4,566,184
Accounts payable - other	1,527,242	1,287,148
Income taxes payable	1,163,973	583,627
Advances received	866,699	895,015
Current portion of long-term borrowings	4,212,493	4,962,188
Current portion of bonds payable	400,000	700,000
Provision for bonuses	101,390	103,862
Other	912,724	1,024,557
Total current liabilities	14,760,500	14,122,583
Non-current liabilities		
Long-term borrowings	7,476,622	8,494,898
Bonds payable	1,400,000	2,400,000
Provision for retirement benefits for directors (and other officers)	89,064	75,422
Retirement benefit liabilities	114,833	120,883
Deferred tax liabilities	2,541	2,541
Other	92,975	71,304
Total non-current liabilities	9,176,036	11,165,049
Total liabilities	23,936,537	25,287,632
Net assets		
Shareholders' equity		
Share capital	5,760,533	5,768,333
Capital surplus	5,697,303	5,705,103
Retained earnings	9,342,523	9,035,539
Treasury shares	-23	-212,157
Total shareholders' equity	20,800,337	20,296,819
Accumulated other comprehensive income		
Valuation difference on available-for- sale securities	-240,554	-99,711
Foreign currency translation adjustment	1,025,224	940,971
Total accumulated other comprehensive income	784,670	841,259
Share acquisition rights	155,903	222,442
Non-controlling interests	658,396	684,717
Total net assets	22,399,308	22,045,239
Total liabilities and net assets	46,335,845	47,332,872

(2) Quarterly Consolidated Statements of Income and Statements of Comprehensive Income

(Quarterly Consolidated Statements of Income)

(For the first two quarters)

(Thousand yen)

	Previous first two quarters (Jul. 1, 2022 - Dec. 31, 2022)	Current first two quarters (Jul. 1, 2023 - Dec. 31, 2023)
Net sales	24,090,600	22,139,462
Cost of sales	16,224,277	14,737,625
Gross profit	7,866,323	7,401,837
Selling, general and administrative expenses	6,483,674	6,995,653
Operating profit	1,382,648	406,183
Non-operating income		
Interest and dividend income	96,102	154,755
Share of profit of entities accounted for using equity method	22,192	18,545
Subsidy income	136,322	47,072
Other	7,652	1,916
Total non-operating income	262,270	222,289
Non-operating expenses		
Interest expenses on borrowings and bonds	44,162	37,752
Foreign exchange losses	73,467	109,359
Bond issuance costs	18,306	9,192
Other	2,878	9,956
Total non-operating expenses	138,814	166,260
Ordinary profit	1,506,104	462,212
Profit before income taxes	1,506,104	462,212
Income taxes	705,332	422,153
Profit	800,771	40,059
Profit (loss) attributable to non-controlling interests	-29,036	26,388
Quarterly profit attributable to owners of parent	829,808	13,670

(Quarterly Consolidated Statements of Comprehensive Income)
 (For the first two quarters)

(Thousand yen)

	Previous first two quarters (Jul. 1, 2022 - Dec. 31, 2022)	Current first two quarters (Jul. 1, 2023 - Dec. 31, 2023)
Profit	800,771	40,059
Other comprehensive income		
Valuation difference on available-for-sale securities	-99,106	140,842
Foreign currency translation adjustment	-136,454	-79,264
Share of other comprehensive income of entities accounted for using equity method	2,220	-5,056
Total other comprehensive income	-233,340	56,521
Comprehensive income	567,431	96,580
(detail)		
Comprehensive income attributable to owners of parent	596,412	70,259
Comprehensive income attributable to non-controlling interests	-28,981	26,321

(3) Quarterly Consolidated Statements of Cash Flows

(Thousand yen)

	Previous first two quarters (Jul. 1, 2022 - Dec. 31, 2022)	Current first two quarters (Jul. 1, 2023 - Dec. 31, 2023)
Cash flows from operating activities		
Profit before income taxes	1,506,104	462,212
Depreciation	230,745	321,070
Amortization of goodwill	506	506
Increase (decrease) in allowance for doubtful accounts	16,757	-4,756
Increase (decrease) in provision for bonuses	-96,965	2,520
Increase (decrease) in retirement benefit liability	6,266	6,050
Interest and dividend income	-96,102	-154,755
Interest expenses on borrowings and bonds	44,162	37,752
Share-based compensation expenses	84,495	66,539
Share of loss (profit) of entities accounted for using equity method	-22,192	-18,545
Subsidy income	-136,412	-47,072
Decrease (increase) in trade receivables	85,471	745,124
Decrease (increase) in inventories	-258,002	-315,239
Increase (decrease) in trade payables	-598,853	-995,810
Increase (decrease) in accounts payable -other	-227,217	-21,554
Other, net	258,226	-129,036
Subtotal	796,988	-44,995
Interest and dividends received	67,165	118,119
Interest paid	-39,889	-34,347
Subsidies received	136,412	47,072
Income taxes paid	-1,485,533	-997,406
Income taxes refund	2,847	74,672
Net cash provided by (used in) operating activities	-522,008	-836,883
Cash flows from investing activities		
Payments into time deposits	-724,174	-149,580
Proceeds from withdrawal of time deposits	718,972	778,559
Purchase of non-current assets	-552,715	-303,950
Purchase of investment securities	-2,064,772	-485,267
Loan advances	—	-2,977
Proceeds from collection of loans receivable	2,700	2,800
Other, net	-30,943	-3,810
Net cash provided by (used in) investing activities	-2,650,933	-164,225
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	1,062,562	—
Proceeds from long-term borrowings	4,000,000	4,000,000
Repayments of long-term borrowings	-2,405,068	-2,232,029
Proceeds from issuance of shares	48,300	15,600
Proceeds from issuance of bonds	1,981,693	1,490,807
Redemption of bonds	—	-200,000
Dividends paid	-290,739	-320,867
Purchase of treasury shares	-550	-212,558
Other, net	-35,801	-40,776
Net cash provided by (used in) financing activities	4,360,396	2,500,176
Effect of exchange rate change on cash and cash equivalents	-25,248	-26,294
Net increase (decrease) in cash and cash equivalents	1,162,206	1,472,772
Cash and cash equivalents at beginning of period	23,102,877	23,600,926
Cash and cash equivalents at end of period	24,265,083	25,073,698

(4) Notes on Quarterly Consolidated Financial Statements

(Going Concern Assumption)

Not applicable

(Notes in Case of Significant Changes in the Amount of Shareholders' Equity)

Based on the resolution by the board of directors held on September 26, 2023, the Company acquired 441,100 shares of its treasury shares. As a result, including the acquisition of fractional shares, treasury shares increased by 212,133 thousand yen during the current first two quarters under review, and the treasury shares are 212,157 thousand yen at the end of current second quarter under review.

(Application of Special Accounting Methods to the Preparation of Quarterly Consolidated Financial Statements)

(Calculation of tax expenses)

Tax expenses are calculated by multiplying the profit before income taxes by a reasonably evaluated effective tax rate on the profit before income taxes for the fiscal year including the current second quarter under review.

(Change in Accounting Principles)

Not applicable

(Segment Information, etc.)

[Segment Information]

I Previous first two quarters (Jul. 1, 2022 - Dec. 31, 2022)

1. Information on net sales and profit/loss of each reportable segment

(Thousand yen)

	Reportable segments			Adjustment	Amount allocated to the quarterly consolidated statements of income (Note)
	Entertainment business	Sports business	Total		
Net sales					
Sales to external customers	20,914,448	3,176,152	24,090,600	—	24,090,600
Inter-segment sales or transfer	21,678	112,613	134,292	-134,292	—
Total	20,936,127	3,288,766	24,224,893	-134,292	24,090,600
Segment profit (loss) (-)	1,392,033	-9,384	1,382,648	—	1,382,648

(Note) Segment profit (loss) (-) has been aligned with the operating profit presented on the Quarterly Consolidated Statements of Income

II Current first two quarters (Jul. 1, 2023 - Dec. 31, 2023)

1. Information on net sales and profit/loss of each reportable segment

(Thousand yen)

	Reportable segments			Adjustment	Amount allocated to the quarterly consolidated statements of income (Note)
	Entertainment business	Sports business	Total		
Net sales					
Sales to external customers	19,086,522	3,052,940	22,139,462	—	22,139,462
Inter-segment sales or transfer	12,344	92,845	105,190	-105,190	—
Total	19,098,867	3,145,785	22,244,653	-105,190	22,139,462
Segment profit	266,979	139,204	406,183	—	406,183

(Note) Segment profit has been aligned with the operating profit presented on the Quarterly Consolidated Statements of Income.

2. Matters relating to changes in reportable segments, etc.

The name of a reportable segment, “Sports & Healthcare Business,” has been changed to “Sports Business” from the beginning of the first quarter due to the withdrawal from the healthcare business. This change is only the change in the name of the segment and does not affect the segment information.

Segment information for the previous first two quarters is also provided using the name after the change.

(Per Share Data)

Profit per share and diluted profit per share, and calculation basis thereof are as follows.

	Previous first two quarters (Jul. 1, 2022 - Dec. 31, 2022)	Current first two quarters (Jul. 1, 2023 - Dec. 31, 2023)
Profit per share (yen)	11.79	0.19
(calculation basis)		
Profit attributable to owners of parent (thousand yen)	829,808	13,670
Amount not attributable to common shareholders (thousand yen)	—	—
Profit attributable to owners of parent for common shares	829,808	13,670
Average number of common shares outstanding during the period (shares)	70,385,900	71,034,780
Diluted profit per share (yen)	11.39	0.19
(calculation basis)		
Adjusted profit attributable to owners of parent	—	—
Increased number of common shares (shares)	2,468,977	593,069
(of which, number of shares with subscription rights)	(2,468,977)	(593,069)
Summary of residual securities with any significant change since the end of the previous fiscal year, among those not included in calculating diluted quarterly profit per share, because of having no dilution effect	—	—

(Note) The Company carried out share splitting to split one share into two shares on October 1, 2022. Profit per share and diluted profit per share were calculated assuming that such share splitting had been carried out at the beginning of the previous fiscal year.