



Consolidated Financial Results for FY04/2025 [J-GAAP]

June 12, 2025

Company Name: Macbee Planet, Inc. ("the Company") Listing: Tokyo Stock Exchange Prime Market
Securities Code: 7095 URL: <https://macbee-planet.com/ir/en/index.html>
Representative: (Title) Representative Director and President (Name) Tomohiro Chiba
Scheduled Date of Annual General Meeting of Shareholders: July 30, 2025
Scheduled Date of Filing of Securities Report: July 31, 2025 *Japanese only
Scheduled Date of Dividends Payment Commencement: July 31, 2025
Preparation of Supplementary Materials on Financial Results: Yes
Financial Results Briefing: Yes (financial results presentation video planned) *Japanese only

(Amounts are rounded down to the nearest million yen.)

1. Consolidated financial results for FY04/2025 (May 1, 2024 to April 30, 2025)

(1) Consolidated operating results (Percentages represent changes from the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY04/2025	51,675	31.1	4,639	26.4	4,576	24.8	2,770	21.4
FY04/2024	39,405	101.2	3,670	69.7	3,668	74.0	2,282	45.7

(Note) Comprehensive income FY04/2025 2,939 million yen, 35.9% FY04/2024 2,163 million yen, 43.7%

	Profit per share	Diluted profit per share	Return on equity	Return on asset	Operating profit margin
	Yen	Yen	%	%	%
FY04/2025	195.85	-	26.2	22.0	9.0
FY04/2024	158.77	155.63	25.3	19.4	9.3

(Ref.) Equity in earnings of affiliates FY04/2025 - million yen FY04/2024 - million yen

(Note 1) On June 1, 2024, a 4-for-1 stock split of common shares was conducted. "Profit per share" and "Diluted profit per share" have been calculated based on the assumption that the stock split had taken place at the beginning of the previous fiscal year.

(Note 2) Diluted profit per share for FY04/2025 is not presented because there are no dilutive shares.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY04/2025	21,446	11,261	52.2	806.15
FY04/2024	20,228	10,031	49.2	686.63

(Ref.) Net worth FY04/2025 11,185 million yen FY04/2024 9,956 million yen

(Note) On June 1, 2024, a 4-for-1 stock split for common shares was conducted. "Net assets per share" have been calculated based on the assumption that the stock split had taken place at the beginning of the previous fiscal year.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY04/2025	(517)	(1,037)	(2,266)	7,506
FY04/2024	4,720	(1,704)	(1,350)	11,327

2. Cash dividends

	Annual dividends					Total dividends (Total)	Dividend payout ratio (Consolidated)	Dividend on net assets ratio (Consolidated)
	End of Q1	End of Q2	End of Q3	End of Q4	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY04/2024	-	56.00	-	0.00	56.00	201	35.3	8.9
FY04/2025	-	18.00	-	18.00	36.00	500	18.2	4.8
FY04/2026 (Forecast)	-	0.00	-	55.00	55.00		20.3	

(Note) On June 1, 2024, a 4-for-1 stock split for common shares was conducted. FY04/2024 represent the actual amount before the stock split.

3. Forecasts of consolidated financial results for FY04/2026 (May 1, 2025 to April 30, 2026)

(Percentages represent changes from the previous fiscal year.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of the parent		Basic profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY04/2026	61,000	-	5,600	-	5,580	-	3,760	-	270.99

(Note) The Company voluntarily adopts International Financial Reporting Standards (IFRS) for the consolidated financial statements, starting from the Annual Securities Report (*Japanese only) for FY04/2025. Therefore, the consolidated financial results forecasts for FY04/2026 have been prepared based on IFRS, and the percentage change from the financial results of FY04/2025, prepared under J-GAAP, is not shown. For details, please refer to "1. Overview of operating results, (4) Forecasts for the next fiscal year".

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.

Notes

(1) Significant changes in the scope of consolidation during the period : None

New company: None Excluded company: None

(2) Changes in accounting policies, changes in accounting estimates, and restatements

- (a) Changes in accounting policies due to revisions of accounting standards, etc. : Yes
(b) Changes in accounting policies other than (a) above : None
(c) Changes in accounting estimates : None
(d) Restatements : None

(3) Number of shares issued (common shares)

Number of shares issued at the end of the period
(including treasury shares)

Number of treasury shares at the end of the period

Average number of shares outstanding during the
period

FY04/2025	14,654,272 shares	FY04/2024	14,654,272 shares
FY04/2025	779,143 shares	FY04/2024	153,088 shares
FY04/2025	14,146,960 shares	FY04/2024	14,378,966 shares

(Note) On June 1, 2024, a 4-for-1 stock split of common shares was conducted. "Number of shares issued at the end of the period," "Number of treasury shares at the end of the period," and "Average number of shares outstanding during the period" are calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(Ref.) Summary of non-consolidated financial results

1. Non-consolidated financial results for FY04/2025 (May 1, 2024 to April 30, 2025)

(1) Non-consolidated operating results (Percentages represent changes from the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY04/2025	4,065	-	2,169	-	2,133	-	1,935	-
FY04/2024	12,071	-	1,823	-	1,792	-	1,227	-

	Profit per share		Diluted profit per share	
	Yen		Yen	
FY04/2025	136.82		-	
FY04/2024	85.37		83.68	

(Note 1) On June 1, 2024, a 4-for-1 stock split of common shares was conducted. "Profit per share" and "Diluted profit per share" are calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(Note 2) Due to the Company's transition to a holding company structure on November 1, 2023, there is a difference between the figures of current fiscal year and the previous year. The percentage changes from the previous year for FY04/2024 and FY04/2025 have been omitted, as appropriate comparative data for the previous fiscal year are unavailable.

(Note 3) Diluted profit per share for FY04/2025 is not presented because there are no dilutive shares.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY04/2025	14,797	7,787	52.6	561.26
FY04/2024	11,481	7,393	64.4	509.89

(Ref.) Net worth FY04/2025 7,787 million yen FY04/2024 7,393 million yen

(Note) On June 1, 2024, a 4-for-1 stock split of common shares was conducted. "Net assets per share" is calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

* Consolidated financial results are exempt from review by a certified public accountant or an auditing firm

* Explanation of the appropriate use of earnings forecasts and other special notes

(Cautionary statement regarding forward-looking statements)

The forward-looking statements in the document are based on information currently available to the Company and certain assumptions that are judged to be reasonable. Due to uncertainties inherent in the judgments and assumptions, as well as changes in business operations and internal and external conditions, actual results may differ materially from those forecasted. The Company does not guarantee the certainty of any forward-looking statements.

(How to obtain supplementary material on financial results)

Supplementary material for financial results is disclosed on the TD-net on the same day. The supplementary material is also posted on the Company's website on the same day.

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1. Overview of operating results

(1) Overview of operating results for the current fiscal year

During the current fiscal year, the Japanese economy continued to recover at a moderate pace, supported by progress in the normalization of economic activities, inbound demand increasing due to the weak yen, and improvements in the employment and income environment. Although corporate earnings improved and capital investment rebounded, due to factors such as the continued rise in raw material and energy prices and overall inflation, personal consumption lacked momentum, and a significant improvement in consumer sentiment has not yet materialized. As a result, the outlook remains uncertain.

In the Internet advertising market, where Macbee Planet Group ("the Group")'s core businesses operate, a wave of DX (digital transformation) is sweeping across the world, and the full-fledged digital age is about to arrive. The Internet advertising market increased by 9.6% year-on-year, reaching 3,651.7 billion yen (*) by 2024. Globally, digital media spending tends to account for about half of all advertising expenditures, due in part to its cost efficiency compared to offline media, and the trend is taking shape in Japan as well, providing a tailwind for the Group.

* From "Advertising Expenditures in Japan in 2024" by Dentsu Inc.

Under such circumstances, the Group promoted LTV marketing, an advanced form of Internet advertising, and focused on developing proprietary technologies to expand its business. As a result, the Group's operating results were as follows.

For FY04/2025, net sales were 51,675 million yen (up 31.1% year-on-year), operating profit was 4,639 million yen (up 26.4% year-on-year), ordinary profit was 4,576 million yen (up 24.8% year-on-year), and profit attributable to owners of parent was 2,770 million yen (up 21.4% year-on-year).

Operating results by segment are as follows.

(LTV Marketing)

Regarding the segment, net sales were 50,717 million yen (up 29.4% year-on-year) and profit was 6,716 million yen (up 25.0% year-on-year) as a result of continued expansion of existing business, steady acquisition of new clients, and the success of measures using proprietary data acquisition technologies.

(2) Overview of financial position for the current fiscal year

(Assets)

Total assets at the end of the current fiscal year increased by 1,218 million yen from the end of the previous fiscal year to 21,446 million yen. The main factors were an increase of 2,747 million yen in accounts receivable-other due to the provision of ancillary functions which allow installment payments of advertising expenses, an increase of 1,347 million yen in accounts receivable-trade, an increase of 212 million yen in goodwill, an increase of 199 million yen in investment securities, and an increase of 365 million yen in other current assets, while cash and deposits decreased by 3,820 million yen.

(Liabilities)

Total liabilities at the end of the current fiscal year decreased by 12 million yen from the end of the previous fiscal year to 10,185 million yen. The main factors were a decrease of 653 million yen in income taxes payable and a decrease of 427 million yen in long-term borrowings, while accounts payable increased by 1,169 million yen.

(Net assets)

Total net assets at the end of the current fiscal year increased by 1,230 million yen from the end of the previous fiscal year to 11,261 million yen. The main factor was an increase in retained earnings resulting from the posting of 2,770 million yen in profit attributable to owners of parent, which offset a decrease of 1,438 million yen in retained earnings due to the repurchase of treasury shares.

(3) Overview of cash flows for the current fiscal year

Cash and cash equivalents ("cash") at the end of the current fiscal year decreased by 3,820 million yen from the end of the previous fiscal year to 7,506 million yen. The status of each cash flow and their factors during the current fiscal year are as follows.

(Cash flows from operating activities)

Cash used in operating activities totaled 517 million yen (4,720 million yen generated in the previous fiscal year). The main factors were an increase of 2,747 million yen in accounts receivable-other, an increase of 1,266 million yen in trade receivables, and income taxes-paid of 2,563 million yen, while profit before income taxes of 4,370 million yen, trade payables of 1,127 million yen and amortization of goodwill of 563 million yen were recorded.

(Cash flows from investing activities)

Cash used in investing activities totaled 1,037 million yen (1,704 million yen used in the previous fiscal year). The main factors were 661 million yen for purchase of shares of subsidiaries resulting in change in scope of consolidation and 297 million yen for loan advances.

(Cash flows from financing activities)

Cash used in financing activities amounted to 2,266 million yen (1,350 million yen used in the previous fiscal year). The main factors were 1,622 million yen for repurchase of treasury shares and 455 million yen for repayments of long-term borrowings.

(4) Forecasts for the next fiscal year

Outlook of the Japanese economy remains uncertain due to rising domestic price and the potential impact of U.S. tariff measures. However, the Company will continue to focus on acquiring new clients and increasing transaction volume with existing clients.

Based on the above, for the FY04/2026, the Company estimates that revenue will be 61,000 million yen, operating profit will be 5,600 million yen, profit before tax will be 5,580 million yen, and profit attributable to owners of the parent will be 3,760 million yen.

The above forecast has been prepared based on International Financial Reporting Standards (IFRS), and the consolidated financial forecasts under J-GAAP are not prepared. The forecasts are based on information currently available, and actual results may differ from the forecasts due to various factors.

2. Policy for the selection of accounting standards

The Group voluntarily adopts IFRS in place of J-GAAP for the consolidated financial statements, starting from the Annual Securities Report (*Japanese only) for FY04/2025, for the purpose of improving the international comparability of financial information.

3. Consolidated financial statements and notes

(1) Consolidated balance sheet

(Millions of yen)

	End of FY04/2024 (April 30, 2024)	End of FY04/2025 (April 30, 2025)
Assets		
Current assets		
Cash and deposits	11,327	7,506
Accounts receivable	4,185	5,532
Accounts receivable - other	9	2,757
Other	334	699
Allowance for doubtful accounts	(33)	(23)
Total current assets	15,823	16,472
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings, net	62	65
Tools, furniture and fixtures, net	19	19
Total property, plant and equipment	82	85
Intangible assets		
Software	29	11
Goodwill	2,203	2,416
Customer-related intangible assets	520	455
Total intangible assets	2,753	2,882
Investments and other assets		
Investment securities	954	1,153
Deferred tax assets	500	324
Long-term loans receivable	747	900
Other	114	249
Allowance for doubtful accounts	(747)	(622)
Total investments and other assets	1,569	2,005
Total intangible assets	4,404	4,974
Total assets	20,228	21,446

(Millions of yen)

	End of FY04/2024 (April 30, 2024)	End of FY04/2025 (April 30, 2025)
Liabilities		
Current liabilities		
Accounts payable	4,487	5,657
Short-term borrowings	1,088	1,150
Current portion of long-term borrowings	427	427
Income taxes payable	1,629	975
Provision for bonuses	11	25
Other	908	863
Total current liabilities	8,553	9,098
Non-current liabilities		
Long-term borrowings	1,513	1,086
Deferred tax liabilities	130	-
Total non-current liabilities	1,644	1,086
Total liabilities	10,197	10,185
Net assets		
Shareholders' equity		
Share capital	2,635	2,635
Capital surplus	2,629	2,629
Retained earnings	5,507	8,007
Treasury shares	(693)	(2,131)
Total shareholders' equity	10,079	11,140
Accumulated other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities	(122)	44
Total accumulated other comprehensive income	(122)	44
Non-controlling interests	74	76
Total net assets	10,031	11,261
Total liabilities and net assets	20,228	21,446

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

	FY04/2024 (May 1, 2023 to April 30, 2024)	FY04/2025 (May 1, 2024 to April 30, 2025)
Net sales	39,405	51,675
Cost of sales	31,452	42,438
Gross profit	7,953	9,236
Selling, general and administrative expenses	4,282	4,597
Operating profit	3,670	4,639
Non-operating income		
Interest income	21	6
Dividend income	1	-
Other	27	2
Total non-operating income	51	8
Non-operating expenses		
Interest expenses	28	37
Share issuance costs	5	-
Loss on valuation of investment securities	12	8
Other	8	25
Total non-operating expenses	53	71
Ordinary profit	3,668	4,576
Extraordinary losses		
Loss on valuation of investment securities	24	205
Contract cancellation fee	12	-
Total extraordinary losses	37	205
Profit before income taxes	3,630	4,370
Income taxes - current	1,666	1,625
Income taxes - deferred	(321)	(27)
Total income taxes	1,344	1,597
Profit	2,285	2,772
Profit attributable to non-controlling interests	2	2
Profit attributable to owners of parent	2,282	2,770

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Consolidated statement of comprehensive income

(Millions of yen)

	FY04/2024 (May 1, 2023 to April 30, 2024)	FY04/2025 (May 1, 2024 to April 30, 2025)
Profit	2,285	2,772
Other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities	(122)	167
Total other comprehensive income	(122)	167
Comprehensive income	2,163	2,939
(Breakdown)		
Comprehensive income attributable to owners of parent	2,160	2,937
Comprehensive income attributable to non-controlling interests	2	2

(3) Consolidated statement of changes in equity

FY04/2024 (May 1, 2023 to April 30, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the period	2,340	2,331	3,425	(0)	8,097
Changes during the period					
Issuance of new shares	295	295			590
Dividends of surplus			(201)		(201)
Profit attributable to owners of parent			2,282		2,282
Purchase of treasury shares				(693)	(693)
Restricted stock payment					-
Transfer of loss on disposal of treasury shares					
Change in ownership interest of parent due to transactions with non-controlling interests		2			2-
Net changes in items other than shareholders' equity					
Total changes during the period	295	298	2,081	(693)	1,981
Balance at the end of the period	2,635	2,629	5,507	(693)	10,079

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Total accumulated other comprehensive income			
Balance at the beginning of the period	-	-	0	69	8,167
Changes during the period					
Issuance of new shares					590
Dividends of surplus					(201)
Profit attributable to owners of parent					2,282
Purchase of treasury shares					(693)
Restricted stock payment					-
Transfer of loss on disposal of treasury shares					-
Change in ownership interest of parent due to transactions with non-controlling interests					2
Net changes in items other than shareholders' equity	(122)	(122)	(0)	4	(117)
Total changes during the period	(122)	(122)	(0)	4	1,863
Balance at the end of the period	(122)	(122)	-	74	10,031

FY04/2025 (May 1, 2024 to April 30, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the period	2,635	2,629	5,507	(693)	10,079
Changes during the period					
Issuance of new shares					-
Dividends of surplus			(250)		(250)
Profit attributable to owners of parent			2,770		2,770
Purchase of treasury shares				(1,622)	(1,622)
Restricted stock payment		(20)		184	163
Transfer of loss on disposal of treasury shares		20	(20)		-
Change in ownership interest of parent due to transactions with non-controlling interests					-
Net changes in items other than shareholders' equity					
Total changes during the period	-	-	2,499	(1,438)	1,061
Balance at the end of the period	2,635	2,629	8,007	(2,131)	11,140

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Total accumulated other comprehensive income			
Balance at the beginning of the period	(122)	(122)	-	74	10,031
Changes during the period					
Issuance of new shares					-
Dividends of surplus					(250)
Profit attributable to owners of parent					2,770
Purchase of treasury shares					(1,622)
Restricted stock payment					163
Transfer of loss on disposal of treasury shares					-
Change in ownership interest of parent due to transactions with non-controlling interests					-
Net changes in items other than shareholders' equity	167	167	-	2	169
Total changes during the period	167	167	-	2	1,230
Balance at the end of the period	44	44	-	76	11,261

(4) Consolidated statement of cash flows

(Millions of yen)

	FY04/2024 (May 1, 2023 to April 30, 2024)	FY04/2025 (May 1, 2024 to April 30, 2025)
Cash flows from operating activities		
Profit before income taxes	3,630	4,370
Depreciation	48	43
Amortization of goodwill	395	563
Amortization of customer-related intangible assets	65	65
Share-based compensation	14	62
Increase (decrease) in allowance for doubtful accounts	766	(151)
Increase (decrease) in provision for bonuses	(8)	13
Interest and dividend income	(23)	(6)
Interest expenses	28	37
Share issuance costs	5	-
Loss (gain) on valuation of investment securities	37	214
Decrease (increase) in trade receivables	(318)	(1,266)
Increase (decrease) in trade payables	548	1,127
Decrease (increase) in accounts receivable - other	11	(2,747)
Other	(76)	(249)
Subtotal	5,124	2,075
Interest and dividends received	23	8
Interest paid	(28)	(37)
Income taxes refund	226	-
Income taxes paid	(626)	(2,563)
Cash flows from operating activities	4,720	(517)
Cash flows from investing activities		
Purchase of property, plant and equipment	(11)	(30)
Purchase of investment securities	(912)	(172)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(117)	(661)
Payments of leasehold and guarantee deposits	(1)	(20)
Proceeds from refund of leasehold and guarantee deposits	83	-
Loan advances	(850)	(297)
Proceeds from collection of loans receivable	102	143
Proceeds from distributions from investment partnerships	2	0
Cash flows from investing activities	(1,704)	(1,037)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(593)	61
Repayments of long-term borrowings	(452)	(455)
Proceeds from issuance of shares	585	-
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	4	-
Repurchase of treasury shares	(693)	(1,622)
Dividends paid	(201)	(249)
Cash flows from financing activities	(1,350)	(2,266)
Net increase (decrease) in cash and cash equivalents	1,664	(3,820)
Cash and cash equivalents at beginning of the period	9,663	11,327
Cash and cash equivalents at end of the period	11,327	7,506

(5) Notes to consolidated financial statements

(Going-concern assumptions)

Not applicable.

(Change in accounting policies)

(Application of “Accounting Standard for Current Income Taxes”)

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the “Revised Accounting Standard of 2022”) and other relevant ASBJ regulations from the beginning of the fiscal year ending April 30, 2025.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of paragraph 65-2(2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; the “Revised Guidance of 2022”). This has no impact on the consolidated financial statements.

In addition, regarding the revisions related to revised treatment in the consolidated financial statements of the deferral for tax purposes of gains or losses arising from the sale of shares of subsidiaries, etc. between consolidated companies, the Company has applied the Revised Guidance of 2022 from the beginning of the fiscal year ending April 30, 2025. This change in accounting policy has been applied retrospectively, and the new accounting policy is reflected in the quarterly consolidated financial statements for the same period of the previous fiscal year and in the consolidated financial statements for the previous fiscal year. There is no impact from such application on the quarterly consolidated financial statements for the same period of the previous fiscal year and on the consolidated financial statements for the previous fiscal year.

(Additional information)

(Application of Japanese Group Relief System)

Effective from the current fiscal year, the Company and some of its consolidated subsidiaries have transitioned from a stand-alone tax system to the Japanese Group Relief System.

In addition, in accordance with the “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (PITF No. 42, August 12, 2021), the Company accounts for income taxes and local income taxes or tax effect accounting related to these taxes and disclosures.

(Change in presentation method)

(Consolidated balance sheet)

Accounts receivable, which were included in “Other” under “Current assets” in the previous fiscal year, are presented separately from the current fiscal year due to their increased materiality. In order to reflect the change in presentation method, the consolidated financial statements for the previous fiscal year have been reclassified. As a result, 344 million included in “Other” under “Current assets” in the consolidated balance sheet for the previous fiscal year has been reclassified as 9 million yen of “Accounts receivable - other” and 334 million yen of “Other”.

(Consolidated statement of cash flows)

In the previous fiscal year, “Decrease (increase) in accounts receivable - other” included in “Other” in “Cash flows from operating activities” is presented separately from the current fiscal year due to its increased materiality. In order to reflect the change in presentation method, the consolidated financial statements for the previous fiscal year have been reclassified. As a result, (65) million yen included in “Other” under “Cash flows from operating activities” in the consolidated statement of cash flows for the previous fiscal year has been reclassified to 11 million yen of “Decrease (increase) in accounts receivable - other” and (76) million yen of “Other.”

(Segment information)

(Segment Information)

1. Overview of the reportable segment

The LTV Marketing provides data-driven digital marketing services aimed at maximizing user spending and retention periods, thereby optimizing advertising efficiency. Specifically, by utilizing the Group's proprietary data analysis platform "Honeycomb," we centrally manage internet advertisements deployed across multiple media channels, select appropriate websites that match the client's marketing objectives from many advertisement media (including ASPs), and provides strategic planning and operational support for the client's marketing activities. The Group receives fee from clients according to the outcome of the advertisements and pays a portion to the media partners based on the same performance-based model. In addition to affiliate advertising, the Group integrates ad operations using ad technologies and offline media, while also leveraging and developing the Group's proprietary products to deliver more efficient and effective marketing solutions. In addition, by utilizing the web customer service tool "Robee," we collect data on entry paths and behavioral patterns of users from clients' websites to conduct machine learning and predict consumer actions, enabling us to increase traffic to those websites and conduct highly effective marketing that generates outcome.

Furthermore, we expand the strategic scope of marketing by optimizing website creatives such as wording, images, and videos, as well as chatbots and measures focused on maintaining relationships with existing clients (retention marketing).

Reportable segments are components of the Group for which separate financial information is available and are subject to periodic review by the Board of Directors for the purpose of determining the allocation of management resources and evaluating business performance.

2. Calculation method of net sales, profit or loss, assets, liabilities and other items by reportable segment

The accounting methods used for the reportable segments are generally the same as those used for the preparation of the consolidated financial statements.

Profit by reportable segment is based on operating profit.

3. Net sales, profit or loss, assets and other items by reportable segment and breakdown of earnings

FY04/2024 (May 1, 2023 to April 30, 2024)

(Millions of yen)

	Reportable segment	Other (Note) 1	Adjustment (Note 2)	Total (Note 3)
	LTV Marketing			
Net sales				
Performance-based fee	37,771	29	-	37,801
Fixed fee	1,410	194	-	1,604
Revenue from contracts with customers	39,181	223	-	39,405
Net sales to external customers	39,181	223	-	39,405
Total	39,181	223	-	39,405
Segment profit	5,371	65	(1,765)	3,670
Segment assets	6,992	31	13,204	20,228
Other items				
Depreciation	21	-	27	48
Amortization of goodwill	395	-	-	395
Amortization of customer-related intangible assets	65	-	-	65
Increase in property, plant and equipment and intangible assets	-	-	9	9

(Notes) 1. "Other" category represents business segment not included in the reportable segment and includes DX Solution business.

2. The adjustments are as follows.

- (1) Adjustments to segment profit represent corporate expenses not allocated to the reportable segment, mainly general and administrative expenses not attributable to the reportable segment.
- (2) Adjustments to segment assets mainly represent assets attributable to the company-wide and administrative departments.
- (3) Adjustments to depreciation mainly represents depreciation expense related to company-wide assets.
- (4) Adjustments to increase in property, plant and equipment and intangible assets mainly reflect increase in assets attributable to the company and administrative departments.

3. Segment profit is adjusted with operating profit in the consolidated statement of income.

FY04/2025 (May 1, 2024 to April 30, 2025)

(Millions of yen)

	Reportable segment	Other (Note 1)	Adjustment (Note 2)	Total (Note 3)
	LTV Marketing			
Net sales				
Performance-based fee	49,259	128	-	49,387
Fixed fee	1,458	829	-	2,287
Revenue from contracts with customers	50,717	957	-	51,675
Net sales to external customers	50,717	957	-	51,675
Total	50,717	957	-	51,675
Segment profit	6,716	290	(2,366)	4,639
Segment assets	8,131	3,573	9,741	21,446
Other items				
Depreciation	6	-	37	43
Amortization of goodwill	484	78	-	563
Amortization of customer-related intangible assets	65	-	-	65
Increase in property, plant and equipment and intangible assets	-	-	29	29

(Notes) 1. "Other" category represents business segment not included in the reportable segment and includes Strategic PR business.

2. The adjustments are as follows.

- (1) Adjustments to segment profit represent corporate expenses not allocated to the reportable segment, mainly general and administrative expenses not attributable to the reportable segment.
- (2) Adjustments to segment assets mainly represent assets attributable to the company and administrative departments.
- (3) Adjustments to depreciation mainly represents depreciation related to corporate assets that belong to the company.
- (4) Adjustments to increase in property, plant and equipment and intangible assets mainly reflect increase in assets attributable to the company and administrative departments.

3. Segment profit is adjusted with operating profit in the consolidated statement of income.

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.

(Per share information)

	FY04/2024 (May 1, 2023 to April 30, 2024)	FY04/2025 (May 1, 2024 to April 30, 2025)
Net assets per share	686.63 yen	806.15 yen
Profit per share	158.77 yen	195.85 yen
Diluted profit per share	155.63 yen	-yen

(Note 1) On June 1, 2024, a 4-for-1 stock split of common shares was conducted. “Net assets per share,” “Profit per share” and “Diluted profit per share” are calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(Note 2) Diluted profit per share for FY04/2025 is not presented because there are no dilutive shares.

(Note 3) Basis for calculation of profit per share and diluted profit per share are as follows.

	FY04/2024 (May 1, 2023 to April 30, 2024)	FY04/2025 (May 1, 2024 to April 30, 2025)
Profit per share		
Profit attributable to owners of parent (Millions of yen)	2,282	2,770
Amount not attributable to common shareholders (Millions of yen)	-	-
Profit attributable to owners of parent related to common share (Millions of yen)	2,282	2,770
Average number of common shares during period (Shares)	14,378,966	14,146,960
Diluted profit per share		
Adjustment to profit attributable to owners of parent (Millions of yen)	-	-
Increase in common shares (Shares)	290,684	-
Of which share acquisition rights (Shares)	(290,684)	-
Description of antidilutive shares which were not included in the calculation of diluted profit per share	-	-

(Significant subsequent events)

Not applicable.