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May 15, 2025

Consolidated Financial Results for the Nine Months Ended March 31, 2025 (Under Japanese GAAP)

Company name: Bleach, Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 9162
 URL: <http://bleach.co.jp> (in Japanese)
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 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended March 31, 2025 (from July 1, 2024 to March 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended March 31, 2025	12,660	—	370	—	375	—	252	—
March 31, 2024	—	—	—	—	—	—	—	—

Note: Comprehensive income For the nine months ended March 31, 2025: ¥240 million [—%]
 For the nine months ended March 31, 2024: ¥— million [—%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended March 31, 2025	9.89	9.42
March 31, 2024	—	—

Note: Bleach, Inc. (the “Company”) has been preparing quarterly consolidated financial statements from the third quarter of the fiscal year ending June 30, 2025. Therefore, the figures and the year-on-year percentage changes for the nine months ended March 31, 2024 and the year-on-year percentage changes for the nine months ended March 31, 2025 are not presented.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of March 31, 2025	13,258	9,474	71.5
June 30, 2024	—	—	—

Reference: Equity
 As of March 31, 2025: ¥9,473 million
 As of June 30, 2024: ¥— million

Note: The Company has been preparing quarterly consolidated financial statements from the third quarter of the fiscal year ending June 30, 2025. Therefore, the figures for the fiscal year ended June 30, 2024 are not presented.

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 30, 2024	—	0.00	—	0.00	0.00
Fiscal year ending June 30, 2025	—	0.00	—		
Fiscal year ending June 30, 2025 (Forecast)				0.00	0.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending June 30, 2025 (from July 1, 2024 to June 30, 2025)

The non-consolidated earnings forecasts for the fiscal year ending June 30, 2025 have not yet been determined, as it is difficult to calculate reasonable earnings forecasts at the present time. The earnings forecasts will be promptly disclosed when it becomes possible to do so.

Note: Revisions to the earnings forecasts most recently announced: None

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 1 company (Aurum Tech, Inc)
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
(ii) Changes in accounting policies due to other reasons: None
(iii) Changes in accounting estimates: None
(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of March 31, 2025	25,484,200 shares
As of June 30, 2024	25,479,200 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	—
As of June 30, 2024	—

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended March 31, 2025	25,480,295 shares
Nine months ended March 31, 2024	25,348,716 shares

- * Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None

* Proper use of earnings forecasts, and other special matters

Please refer to “1. Overview of operating results and others, (3) Explanation of consolidated earnings forecasts and other forward-looking information” on page 2 of the attached material for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

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1. Overview of operating results and others

(1) Overview of operating results for the period under review

Bleach, Inc. (the “Company”) has been preparing quarterly consolidated financial statements from the third quarter of the current fiscal year. Therefore, the Company has not carried out a comparative analysis with the end of the previous fiscal year and the same period of the previous fiscal year.

During the nine months ended March 31, 2025, the Japanese economy was on a path of modest recovery amid the normalization of economic activities, despite concern over a continuing rise in the price of goods and downside risks concerning the strength of global economies.

In the online advertising market, which is the Company’s business area, amid a backdrop of companies shifting to digital operations, the demand for video advertising rose and the digital promotion market expanded. As a result, advertising expenditures for 2023 grew to ¥3.3 trillion (up 7.8% year on year). (Source: “FY2023 E-Commerce Market Survey,” Ministry of Economy, Trade and Industry)

Under these circumstances, the Company worked to expand its new product categories and marketing methods, and to acquire new clients. In addition, in order to implement these measures, the Company strengthened its recruitment and training of human resources, mainly marketers, and expanded the scale of its business.

During the nine months ended March 31, 2025, the Company achieved earnings growth with steady progress in the expansion of new products and new genres, which has been a focus of efforts since the previous fiscal year. There were, however, negative effects from changes in the external environment, such as the product life cycle reaching the later stage, changes in sales strategies by some customers and the rule changes in some advertising media.

As a result, operating results for the nine months ended March 31, 2025 were net sales of ¥12,660,406 thousand, operating profit of ¥370,912 thousand, ordinary profit of ¥375,413 thousand, and profit attributable to owners of parent of ¥252,003 thousand.

Segment information is not presented because the Company operates a single segment of “sharing-type integrated marketing business.”

(2) Overview of financial position for the period under review

Assets

Total assets as of March 31, 2025 were ¥13,258,046 thousand. The main breakdown was cash and deposits of ¥9,131,864 thousand, accounts receivable - trade of ¥1,725,885 thousand, advance payments to suppliers of ¥1,153,673 thousand, and merchandise of ¥390,874 thousand.

Liabilities

Total liabilities as of March 31, 2025 were ¥3,783,868 thousand. The main breakdown was accounts payable - trade of ¥1,127,783 thousand and long-term borrowings (including current portion) of ¥1,980,000 thousand.

Net assets

Total net assets as of March 31, 2025 were ¥9,474,178 thousand. The main breakdown was share capital of ¥3,375,677 thousand, capital surplus of ¥3,300,677 thousand, and retained earnings of ¥2,784,010 thousand.

(3) Explanation of consolidated earnings forecasts and other forward-looking information

The external business environment surrounding the Company remains uncertain due to the impact of revisions in advertising-related laws and regulations, changes in rules for some advertising media, fluctuations in Internet advertising unit prices, and other factors. In addition, the Company is focusing on expanding new products and aiming to transform its product portfolio to achieve medium- to long-term business expansion.

The profits in the third quarter of the current fiscal year have received a contribution from some new products steadily becoming core products(*1). However, it is still taking longer than expected to launch new products, and it is difficult to reasonably forecast the timing and degree to which these new products will contribute to the Company's earnings.

For these reasons, the Company has not yet determined the consolidated earnings forecasts for the fiscal year ending June 30, 2025, as it is difficult to calculate reasonable consolidated earnings forecasts at the present time.

The consolidated earnings forecasts will be promptly disclosed when it becomes possible to do so.

(*1) Core products are defined as products (products and services of client companies that the Company supports) with an average monthly revenue share amount (the Company's net sales) of at least ¥10 million.

2. Quarterly consolidated financial statements and significant notes thereto

(1) Quarterly consolidated balance sheet

(Thousands of yen)

As of March 31, 2025	
Assets	
Current assets	
Cash and deposits	9,131,864
Accounts receivable - trade	1,725,885
Merchandise	390,874
Supplies	22,257
Advance payments to suppliers	1,153,673
Prepaid expenses	86,430
Accounts receivable - other	56,691
Other	41,428
Total current assets	12,609,106
Non-current assets	
Property, plant and equipment	
Buildings	168,604
Tools, furniture and fixtures	124,253
Vehicles	5,636
Accumulated depreciation	(106,684)
Construction in progress	512
Total property, plant and equipment	192,321
Intangible assets	
Software	5,590
Software in progress	95,375
Total intangible assets	100,966
Investments and other assets	
Investment securities	224,521
Investments in capital	20
Guarantee deposits	100
Leasehold deposits	125,884
Long-term prepaid expenses	3,772
Total investments and other assets	354,298
Total non-current assets	647,586
Deferred assets	
Organization expenses	1,354
Total deferred assets	1,354
Total assets	13,258,046

(Thousands of yen)

As of March 31, 2025

Liabilities	
Current liabilities	
Accounts payable - trade	1,127,783
Current portion of long-term borrowings	720,000
Accounts payable - other	267,273
Accrued expenses	168,022
Income taxes payable	129,706
Accrued consumption taxes	61,897
Provision for bonuses	20,031
Other	22,685
Total current liabilities	2,517,400
Non-current liabilities	
Long-term borrowings	1,260,000
Deferred tax liabilities	6,467
Total non-current liabilities	1,266,467
Total liabilities	3,783,868
Net assets	
Shareholders' equity	
Share capital	3,375,677
Capital surplus	
Legal capital surplus	3,288,177
Other capital surplus	12,500
Total capital surplus	3,300,677
Retained earnings	
Retained earnings brought forward	2,784,010
Total retained earnings	2,784,010
Total shareholders' equity	9,460,366
Valuation and translation adjustments	
Valuation difference on available-for-sale securities	13,245
Total valuation and translation adjustments	13,245
Share acquisition rights	566
Total net assets	9,474,178
Total liabilities and net assets	13,258,046

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income**Quarterly consolidated statement of income (cumulative)**

(Thousands of yen)

	Nine months ended March 31, 2025
Net sales	12,660,406
Cost of sales	10,921,079
Gross profit	1,739,327
Selling, general and administrative expenses	1,368,414
Operating profit	370,912
Non-operating income	
Interest income	5,386
Surrender value of insurance policies	16,479
Miscellaneous income	3,398
Other	433
Total non-operating income	25,697
Non-operating expenses	
Interest expenses	20,304
Miscellaneous losses	67
Other	824
Total non-operating expenses	21,196
Ordinary profit	375,413
Extraordinary income	
Gain on sale of non-current assets	818
Gain on sale of investment securities	92
Total extraordinary income	911
Extraordinary losses	—
Profit before income taxes	376,324
Income taxes - current	124,321
Income taxes - deferred	—
Total income taxes	124,321
Profit	252,003
Profit attributable to owners of parent	252,003

Quarterly consolidated statement of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended March 31, 2025
Profit	252,003
Other comprehensive income	
Valuation difference on available-for-sale securities	(11,895)
Total other comprehensive income	(11,895)
Comprehensive income	240,108
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	240,108

(3) Notes to quarterly consolidated financial statementsNotes on changes in accounting policies*Application of the “Accounting Standard for Current Income Taxes,” Etc.*

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”), etc. from the beginning of the third quarter of the current fiscal year.

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”). These changes in accounting policies do not affect the quarterly consolidated financial statements.

Notes on segment information, etc.*Segment information*

For the nine months ended March 31, 2025

Segment information is omitted because the Company operates a single segment of sharing-type integrated marketing business.

Notes on substantial change in the amount of shareholders’ equity

Not applicable.

Notes on premise of going concern

Not applicable.

Notes to quarterly consolidated statement of cash flows

The Company has not prepared a quarterly consolidated statement of cash flows for the nine months ended March 31, 2025. The amount of depreciation (including amortization of intangible assets) for the nine months ended March 31, 2025 is as follows.

	(Thousands of yen)
	Nine months ended March 31, 2025
Depreciation	31,862