

This is an English translation of the official announcement in Japanese that was released on August 7, 2025. The translation is prepared for the readers' convenience only. All readers are strongly recommended to refer to the original Japanese version for complete and accurate information. Should there be any inconsistency between the translation and the official Japanese text, the latter shall prevail.



**Summary of Financial Data and Business Results for
the Second Quarter of the Fiscal Year Ending December 31, 2025
(JP GAAP, Consolidated)**

August 7, 2025

Listed Exchange: Tokyo Stock Exchange

Company Name: Universal Entertainment Corporation

Code No.: 6425 URL: <https://www.universal-777.com>

Representative: (Name) Tomohiro Okada (Title) Representative Director and President

Contact: (Name) Nobuki Sato (Title) Senior Executive Officer & CFO

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Scheduled Submission Date of Semi-annual Report: August 7, 2025

Scheduled Commencement Date of Dividend Payment: -

Supplementary Briefing Materials for Settlement of Accounts: Yes

Briefing on Settlement of Accounts: None scheduled

(Amounts rounded down to nearest million yen)

1. Consolidated Business Results for the Second Quarter of Fiscal Year 2025 (Period from January 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results

(Percentages refer to changes from the previous fiscal year)

	Net Sales		Operating Profit		Ordinary Profit		Net Income Attributable to Owners of Parent	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
2nd Quarter of Fiscal Year 2025	62,175	(1.2)	847	(74.0)	(14,752)	-	(9,874)	-
2nd Quarter of Fiscal Year 2024	62,907	(20.7)	3,264	(69.6)	5,567	(80.4)	525	(97.5)

(Note) Comprehensive income

2nd Quarter of Fiscal Year 2025: (17,421) million yen (-%)

2nd Quarter of Fiscal Year 2024: 5,881 million yen (down 85.1%)

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
2nd Quarter of Fiscal Year 2025	(127.43)	-
2nd Quarter of Fiscal Year 2024	6.78	6.78

(Note) Diluted net income per share for the 2nd Quarter of Fiscal Year 2025 is not presented because a net loss per share was posted despite the existence of latent shares with a dilution effect.

(2) Consolidated Financial Status

	Total Assets	Net Assets	Ratio of Shareholders' Equity	Net Assets per Share
	Million Yen	Million Yen	%	Yen
As of June 30, 2025	594,410	352,309	59.3	4,546.47
As of December 31, 2024	632,795	369,731	58.4	4,771.28

(Reference) Shareholders' equity

As of June 30, 2025: 352,309 million yen

As of December 31, 2024: 369,731 million yen

2. Status of Dividends

	Annual Dividends				
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	End of Fiscal Year	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year 2024	-	30.00	-	0.00	30.00
Fiscal Year 2025	-	0.00	-	-	-
Fiscal Year 2025 (Forecast)	-	-	-	0.00	0.00

(Note) Revision from the dividend forecast most recently announced: Yes

3. Consolidated Business Results Forecast for Fiscal Year 2025 (Period from January 1, 2025 to December 31, 2025)

(Percentages refer to changes from the previous fiscal year)

	Net Sales		Operating Profit		Ordinary Profit		Net Income Attributable to Owners of Parent		Net Income per Share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Full Fiscal Year	150,000	18.7	16,000	429.1	1,000	-	800	-	10.32

(Note) Revision from the business forecasts most recently announced: None

* Matters of Note

- (1) Significant changes in the scope of consolidation during the period : None
- (2) Application of accounting procedures specific to the preparation of the interim consolidated financial statements : None
- (3) Changes in accounting policies, changes in accounting estimates and/or restatements
- 1) Changes in accounting policies accompanying revision of accounting standards, etc. : None
 - 2) Changes in accounting policies other than 1) : None
 - 3) Changes in accounting estimates : None
 - 4) Restatements : None
- (4) Number of outstanding shares (common stock)
- 1) Shares issued at end of fiscal period (including treasury shares)
 - As of June 30, 2025: 80,195,000 shares
 - As of December 31, 2024: 80,195,000 shares
 - 2) Number of treasury shares at end of fiscal period
 - As of June 30, 2025: 2,704,139 shares
 - As of December 31, 2024: 2,704,096 shares
 - 3) Average number of shares during fiscal period
 - 2nd Quarter of Fiscal Year 2025: 77,490,867 shares
 - 2nd Quarter of Fiscal Year 2024: 77,490,904 shares

* The current financial report is not subject to review by certified public accountants or auditing firms.

* Explanation on Proper Usage of Business Results Forecast and Other Noteworthy Items

The forward-looking statements regarding business results, etc. as featured herein are based on information that is currently available and certain assumptions that are determined to be reasonable, but are not promises by Universal Entertainment Corporation regarding future performance. Actual business results may vary significantly due to a number of factors. For preconditions of business forecasts and notes on the usage of business forecasts and so forth, please see "1. Qualitative Information Pertaining to Interim Settlement of Accounts, (5) Forecast of Consolidated Business Results" on page 5 of the Attached Materials.

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1. Qualitative Information Pertaining to Interim Settlement of Accounts

(1) Explanation of Operating Results

In the Amusement Equipments Business, the total number of units sold during this interim consolidated fiscal period was 55,589. In the Integrated Resort Business, the overall Entertainment City, where Okada Manila is located, experienced sluggish inbound customer traffic. Additionally, the decline in gaming revenue from the VIP market could not be offset by revenue from the mass market, and the hotel and F&B businesses also underperformed, which was directly reflected in the financial results.

Regarding foreign exchange, during this interim consolidated fiscal period, the appreciation of Japanese yen against US dollar resulted in the position of a foreign exchange loss of 8,020 million yen. This was one of the major factors contributing to the ordinary loss. In the same period of the previous year, foreign exchange gain of 11,101 million yen was positioned due to the depreciation of Japanese Yen against US dollar, and the reversal effect of this loss was substantial in the current period. Furthermore, with respect to interest on notes, which are mainly on US dollar-denominated notes, remained at a high level and pushed up overall financing costs, despite the effect of debt reduction due to the appreciation of Japanese Yen against US dollar.

As a result, net sales in the first half of fiscal year 2025 totaled 62,175 million yen (downed 1.2% year-on-year), operating profit was 847 million yen (downed 74.0% year-on-year), ordinary loss was 14,752 million yen (ordinary profit was 5,567 million yen in the same period of fiscal year 2024), and net loss attributable to owners of parent was 9,874 million yen (net income attributable to owners of parent was 525 million yen in the same period of fiscal year 2024). Business segment performance are as follows. The figures for each business segment are before adjustment for inter-segment sales or transfers.

(i) Amusement Equipments Business

In the first half of fiscal year 2025, the Amusement Equipments Business posted net sales of 27,159 million yen (upped 30.8% year-on-year) and an operating profit of 5,175 million yen (upped 37.6% year-on-year).

In the amusement equipment industry, the market environment for Pachislot machines is favorable because of the steadily progressing diffusion of smart Pachislot machines as well as the high utilization rate of these machines in the Pachinko parlors that meets the expectation from the parlor operators. In the pachinko machine market, although progress was seen in the diffusion of smart pachinko machines, such as the appearance of hit models from smart pachinko machines equipped with Lucky Trigger (LT) function, utilization of pachinko machines remained somewhat sluggish.

For Pachislot machines, we introduced "SMART PACHISLOT Magia Record: Puella Magi Madoka Magica Side Story", which features the gameplay reminiscent of the original "SLOT Puella Magi Madoka Magica", "SMART PACHISLOT MIDORIDON VIVA! JONETSUNAMBEIHEN REVIVAL", a revival and evolution of the classic "MIDORIDON VIVA! JONETSUNAMBEIHEN", and "SMART PACHISLOT GUILTY CROWN 2", boasting the highest-tier A+AT-type specifications, to the market. For Pachinko machines, we introduced "P ANOTHER GOD HADES: GOKUEN", which features the lucky trigger function, to the market.

(ii) Integrated Resort Business

The Integrated Resort Business posted net sales⁽¹⁾ of 34,641 million yen (downed 16.9% year-on-year), and an operating loss of 1,318 million yen (operating profit was 3,280 million yen in the same period of fiscal year 2024) in the first half of fiscal year 2025. Adjusted segment EBITDA⁽²⁾ was 7,298 million yen in the first half of fiscal year of 2025 (downed 37.7% year-on-year).

At OKADA MANILA, an integrated resort operated by the Universal Entertainment Group, the second quarter performance in fiscal year 2025 fell below the previous year's results. In the gaming category, in the continuing downtrend of the whole gaming market in Entertainment City, although gross gaming revenue of the VIP segment increased from the previous quarter, revenue of the mass market segment declined year-on-year and quarter-on-quarter. The hotel and F&B business also saw a decline in revenue.

(1) Net sales are gross revenues minus gaming taxes and jackpots.

(2) Adjusted segment EBITDA= Operating profit/loss + Depreciation + Other adjustments

(iii) Other

Other Business posted net sales of 297 million yen (upped 46.6% year-on-year), and an operating profit of 232 million yen (upped 37.0% year-on-year) in the first half of fiscal year 2025.

In the Media Content Business, we have launched the distribution of the simulator application for "OKIDOKI! GORGEOUS" on App Store and Google Play. For "Universal Kingdom", the subscription-based application, and "Slots Street", the free-to-play social casino game, we constantly holding in-game events to acquire new users and enhance user satisfaction. For digital music distribution, we are providing the "P ANOTHER GOD HADES: GOKUEN Original Soundtrack" to 24 platforms, including major sites such as Apple Music, Spotify, and YouTube Music.

(2) Explanation of Financial Status

Financial status for the second quarter of fiscal year 2025 is as follows.

Total assets at the end of the second quarter of fiscal year 2025 amounted to 594,410 million yen, a decrease of 38,384 million yen from the end of fiscal year 2024. The decrease was mainly due to the depreciation of Philippine peso and US dollar against Japanese yen, and an increase in long-term allowance for doubtful accounts, while there were increases in cash and deposits, and marketable securities.

Total liabilities at the end of second quarter of fiscal year 2025 amounted to 242,101 million yen, a decrease of 20,963 million yen from the end of fiscal year 2024. The decrease was mainly due to the depreciation of Philippine peso and US dollar against Japanese yen and a decrease in other current liabilities.

Total net assets at the end of second quarter of fiscal year 2025 amounted to 352,309 million yen, a decrease of 17,421 million yen from the end of fiscal year 2024. This was partly the result of a decrease in retained earnings due to net loss attributable to owners of parent and foreign currency translation adjustment due to the depreciation of Philippine peso against Japanese yen.

(3) Status of Cash Flows

As of the end of the first half of fiscal year 2025, cash and cash equivalents totaled 22,397 million yen, an decrease of 1,398 million yen compared to the end of fiscal year 2024. There were increases due to depreciation, interest expenses on leases and borrowings, interest on notes, and foreign exchange losses (gains) due to the depreciation of US dollar against Japanese yen. Cash was reduced by interest expenses paid for bonds, leases and borrowings, payments for the purchase of property, plant and equipment and intangible assets, partly including construction advance payments, and repayments of long-term borrowings at consolidated subsidiaries.

<Cash Flows from Operating Activities>

Operating cash flows for the first half of fiscal year 2025 was positive 7,180 million yen. Although a net loss before income taxes of 11,645 million yen was positioned, significant amount of non-cash factors such as depreciation of 9,793 million yen and foreign exchange loss of 7,764 million yen were included in the calculation, and it was actually an improvement in real terms compared to the same period last year. On the other hand, interest expenses amounted to 5,463 million yen, indicating that the burden of financial expenses remains heavy.

<Cash Flows from Investing Activities>

The investing cash flows for the first half of fiscal year 2025 was negative 4,902 million yen. The main reason was expenditures related to the acquisition of tangible and intangible fixed assets (a total of 3,962 million yen). This was due to ongoing expenditures for capital investment, maintenance, and renewal in the Amusement Equipments Business and the Integrated Resort Business, which are mainly upfront investments aimed at business expansion and securing future earnings. Other investment activities were limited, with no significant cash inflows from asset sales or loan collections during the period, resulting in a net cash outflow from investing activities overall. Other investment activities were limited, with no significant cash inflows from asset sales or loan collections during the period, resulting in a net cash outflow from investing activities overall.

<Cash Flows from Financing Activities>

Financing cash flows for the first half of fiscal year 2025 was negative 351 million yen. The main factor was repayments of long-term loans amounting to 299 million yen by consolidated subsidiaries. There were minimal new financing activities, and cash management during the period was primarily supported by existing cash on hand and operating cash flows. As a result, the movement in financing cash flows remained small.

(4) Explanation of Consolidated Business Results Forecast and Other Forward-looking Statements

(i) Amusement Equipments Business

Regarding to the market environment of amusement equipments industry, the gameplay of Pachislot machines has become more diverse with the introduction of machines with Bonus Trigger (BT) function, and further market revitalization is expected in the future. For Pachinko machines, the introduction of new standard Lucky Trigger (LT) 3.0 Plus-equipped smart Pachinko machines began in July this year. Promising signs of market recovery, such as the appearance of titles recording high utilizing rates, are starting to emerge.

In the third quarter, we start ramping up the production of two major titles: "OKIDOKI! GORGEOUS" and "SMART PACHISLOT Magia Record: Puella Magi Madoka Magica Side Story". We also introduce "AREX BRIGHT", the first smart Pachislot machine from A PROJECT, and "SMART PACHISLOT/SLOT THE TOWER OF DRUAGA", the third title of Family Computer Pachislot from A Project. For Pachinko machines, we ramped up the production of "P HANEMONO Family Stadium", which is very popular among Pachinko parlor operators, and introduce the two titles that are our first smart Pachinko machines with LT 3.0 Plus: "e SHAMAN KING" and "e SHAMAN KING Dekkeena Ver.".

Universal Entertainment will continue striving to develop unique and appealing titles, contribute to the revitalization of the entire amusement equipments industry as a whole, while striving to expand our market share.

(Reference) Number of Pachislot and Pachinko machines sold in fiscal year 2025

	1st Quarter	2nd Quarter	3rd Quarter (orders received)	4th Quarter
No. of machines sold	18,623	36,966	27,000	To be determined

(Note) See "Supplementary Information on the Results of Operations for the Second Quarter of Fiscal Year 2025"

(<https://www.universal-777.co.jp/en/ir/library/result/>) for more details.

(ii) Integrated Resort Business

OKADA MANILA is recruiting and training people to strengthen marketing capabilities in the gaming business. These activities enable allowing us to attract more people living in areas other than Luzon Island of the Philippines, where Manila is located, to serve a broader range of local guests who live in the Philippines as well as tourists from Japan, South Korea and other Southeast Asian countries. While continuing to enhance our ongoing marketing initiatives. During the second quarter, the renovation of the Coral Lounge was completed, and it was reopened aiming to attract more customers to spend a longer time in the casino space.

In the non-gaming business, OKADA MANILA was awarded with its sixth consecutive 5-star rating by a Forbes Travel Guide 5-star rating in the first quarter for the sixth consecutive year. In the second quarter, OKADA MANILA won Corporate Social Responsibility of the Year by Global Gaming Awards Asia Pacific. In addition to regular hotel and food & beverage events, we will continue to increase the number of property visitors to OKADA MANILA by continuing to hold large-scale events using utilizing the hotel's facilities and attracting foreign media to tour the area. We will continue to enhance the overall appeal of our facilities by integrating both gaming and non-gaming operations.

(iii) Other

In the Media Content Business, the distribution of the simulator application for "AREX BRIGHT", the first smart Pachislot title from A PROJECT, is scheduled to begin in late August this year on App Store and Google Play. For "Universal Kingdom", the subscription-based application, and "Slots Street", the free-to-play social casino game, we are continuing enhancing services to increase user satisfaction.

(5) Forecast of Consolidated Business Results

There are no revisions to the Consolidated Business Results Forecast for Fiscal Year 2025 that was announced on February 13, 2025. In consideration of factors such as recent exchange rate fluctuations and status of sales and earnings, an announcement will be made promptly if there is a need to revise this forecast.

2. Interim Consolidated Financial Statements and Notes

(1) Interim Consolidated Balance Sheet

(Million yen)

	Fiscal Year 2024 (December 31, 2024)	The 2nd Quarter of Fiscal Year 2025 (June 30, 2025)
Assets		
Current assets		
Cash and deposits	23,795	24,768
Notes and accounts receivable - trade	5,804	5,321
Marketable securities	279	1,396
Merchandise and finished goods	2,453	3,519
Work in process	17,952	16,441
Raw materials and supplies	12,944	12,939
Others	16,481	17,529
Allowance for doubtful accounts	(854)	(859)
Total current assets	78,856	81,056
Non-current assets		
Property, plant and equipment		
Buildings and structures	359,800	336,231
Construction in progress	9,665	7,805
Lease assets, net	51,515	47,848
Others	36,229	33,820
Total property, plant and equipment	457,209	425,705
Intangible assets		
Others	2,041	2,075
Total intangible assets	2,041	2,075
Investments and other assets		
Investment securities	10,250	10,807
Long-term deposits	9,735	8,921
Long-term deposits to affiliates	38,351	35,121
Long-term accounts receivable from affiliates	9,967	8,307
Others	30,567	27,937
Allowance for doubtful accounts	(5,041)	(6,285)
Total investments and other assets	93,830	84,809
Total non-current assets	553,082	512,590
Deferred assets	857	763
Total assets	632,795	594,410

(Million yen)

	Fiscal Year 2024 (December 31, 2024)	The 2nd Quarter of Fiscal Year 2025 (June 30, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,290	5,765
Current portion of long-term borrowings	948	1,448
Accounts payable - others	6,020	5,021
Accrued expenses	9,709	10,240
Income taxes payable	43	98
Provision for bonuses	93	565
Others	20,234	16,800
Total current liabilities	43,341	39,940
Non-current liabilities		
Notes	62,913	57,935
Long-term borrowings	62,152	56,041
Retirement benefit liability	1,099	1,262
Long-term deposits received from subsidiaries and affiliates	14,233	13,032
Lease obligations	61,420	58,256
Others	17,902	15,631
Total non-current liabilities	219,723	202,160
Total liabilities	263,064	242,101
Net assets		
Shareholders' equity		
Share capital	98	98
Capital surplus	18,828	18,828
Retained earnings	342,614	332,739
Treasury shares	(7,298)	(7,299)
Total shareholders' equity	354,241	344,366
Accumulated other comprehensive income		
Unrealized loss on marketable securities	(32)	(68)
Foreign currency translation adjustment	15,693	8,135
Remeasurements of defined benefit plans	(170)	(124)
Total accumulated other comprehensive income	15,489	7,942
Total net assets	369,731	352,309
Total liabilities and net assets	632,795	594,410

(2) Interim Consolidated Statement of Income and Interim Consolidated Statement of Comprehensive Income
(Interim Consolidated Statement of Income)

	(Million yen)	
	The Cumulative 2nd Quarter of Fiscal Year 2024 (January 1 to June 30, 2024)	The Cumulative 2nd Quarter of Fiscal Year 2025 (January 1 to June 30, 2025)
Net sales	62,907	62,175
Cost of sales	24,065	25,829
Gross profit	38,842	36,345
Selling, general and administrative expenses	35,577	35,497
Operating profit	3,264	847
Non-operating income		
Interest income	626	378
Dividend income	15	16
Foreign exchange gains	11,101	-
Share of profit of entities accounted for using equity method	-	1,324
Others	450	136
Total non-operating income	12,194	1,854
Non-operating expenses		
Interest expenses	2,226	4,380
Interest on notes	6,892	3,382
Foreign exchange losses	-	8,020
Commission expenses	4	4
Share of loss of entities accounted for using equity method	504	-
Provision of allowance for doubtful accounts	-	1,521
Others	263	145
Total non-operating expenses	9,891	17,455
Ordinary profit (loss)	5,567	(14,752)
Extraordinary income		
Gain on sales of non-current assets	99	28
Compensation income	-	3,512
Others	-	2
Total extraordinary income	99	3,544
Extraordinary losses		
Loss on sales and retirement of non-current assets	4	83
Loss on valuation of shares of subsidiaries and affiliates	149	4
Loss on investments in overseas business	1,099	-
Loss on litigation	-	350
Total extraordinary losses	1,252	437
Income (loss) before income taxes and others	4,414	(11,645)
Income taxes - current	77	117
Income taxes - deferred	3,812	(1,889)
Total income taxes	3,889	(1,771)
Net income (loss)	525	(9,874)
Net income attributable to non-controlling interests	-	-
Net income (loss) attributable to owners of parent	525	(9,874)

(Interim Consolidated Statement of Comprehensive Income)

(Million yen)

	The Cumulative 2nd Quarter of Fiscal Year 2024 (January 1 to June 30, 2024)	The Cumulative 2nd Quarter of Fiscal Year 2025 (January 1 to June 30, 2025)
Net income (loss)	525	(9,874)
Other comprehensive income		
Unrealized gain on marketable securities	(53)	(35)
Foreign currency translation adjustment	5,416	(7,557)
Remeasurements of defined benefit plans, net of tax	(5)	46
Total other comprehensive income	5,356	(7,547)
Comprehensive income	5,881	(17,421)
(Breakdown)		
Comprehensive income attributable to owners of parent	5,881	(17,421)
Comprehensive income attributable to non-controlling interests	-	-

(3) Interim Consolidated Statement of Cash Flows

(Million yen)

	The Cumulative 2nd Quarter of Fiscal Year 2024 (January 1 to June 30, 2024)	The Cumulative 2nd Quarter of Fiscal Year 2025 (January 1 to June 30, 2025)
Cash flows from operating activities		
Income (loss) before income taxes and others	4,414	(11,645)
Depreciation	8,878	9,793
Loss (gain) on sales and retirement of property, plant and equipment and intangible assets	(95)	54
Loss on valuation of shares of subsidiaries and affiliates	149	4
Loss on investments in overseas business	1,099	-
Share of loss (profit) of entities accounted for using equity method	504	(1,324)
Interest and dividend income	(642)	(394)
Interest expenses	2,226	4,380
Interest on notes	6,892	3,382
Foreign exchange losses (gains)	(10,879)	7,764
Increase (decrease) in allowance for doubtful accounts	(288)	1,531
Decrease (increase) in trade receivables	6,456	404
Decrease (increase) in inventories	(1,711)	308
Increase (decrease) in trade payables	(4,070)	(410)
Increase (decrease) in accrued consumption taxes	(2,321)	437
Decrease (increase) in accounts receivable-other	(1,334)	57
Increase (decrease) in accounts payable-other	(1,274)	(859)
Decrease (increase) in other current assets	(793)	60
Increase (decrease) in other current liabilities	16	(1,726)
Increase (decrease) in other non-current liabilities	(605)	39
Others, net	770	768
Subtotal	7,391	12,625
Interest and dividend income received	268	80
Interest expenses paid	(6,701)	(5,463)
Income taxes refund (paid)	(116)	(61)
Net cash provided by (used in) operating activities	842	7,180

	(Million yen)	
	The Cumulative 2nd Quarter of Fiscal Year 2024 (January 1 to June 30, 2024)	The Cumulative 2nd Quarter of Fiscal Year 2025 (January 1 to June 30, 2025)
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,316)	(3,662)
Proceeds from sales of property, plant and equipment	99	-
Purchase of intangible assets	(233)	(300)
Purchase of investment securities	(5)	(5)
Collection of short-term loans receivable	10	60
Payments of long-term loans receivable	(2,900)	-
Collection of long-term loans receivable	-	189
Others, net	(336)	(1,184)
Net cash provided by (used in) investing activities	(7,680)	(4,902)
Cash flows from financing activities		
Repayments of long-term borrowings	(4,820)	(299)
Others, net	(38)	(52)
Net cash provided by (used in) financing activities	(4,858)	(351)
Effect of exchange rate change on cash and cash equivalents	1,683	(938)
Net increase (decrease) in cash and cash equivalents	(10,013)	987
Cash and cash equivalents at beginning of period	44,190	23,795
Increase (decrease) in other cash and cash equivalents	101	(2,385)
Cash and cash equivalents at end of period	34,278	22,397

(4) Notes to Interim Consolidated Financial Statements

(Notes Pertaining to Going Concern)

There is no applicable information.

(Changes in Accounting Policies)

There is no applicable information.

(Notes in Event of Significant Fluctuation in Amount of Shareholders' Equity)

There is no applicable information.

(Notes to Interim Consolidated Statement of Cash Flows)

Reconciliations of cash and cash equivalents at the end of the interim period to the accounts reported in the interim consolidated balance sheets are made as follows.

	(Million yen)	
	The Cumulative 2nd Quarter of 2024 (January 1 to June 30, 2024)	The Cumulative 2nd Quarter of 2025 (January 1 to June 30, 2025)
Cash and deposits	34,286	24,768
Others	(7) ^{*1}	(2,385) ^{*2}
Negotiable certificates of deposit with a deposit period within three months	-	14 ^{*3}
Cash and cash equivalents	34,278	22,397

*1. Some deposit accounts of our consolidated subsidiary, TIGER RESORT, LEISURE AND ENTERTAINMENT, INC., have been frozen. As a result, these deposits no longer qualify as deposits available for withdrawal at any time and no longer meet the definition of cash and cash equivalents in the interim consolidated statement of cash flows. Therefore, the relevant amounts have been reduced accordingly.

*2. In the bank loan conducted in August 2024 by our consolidated subsidiary, TIGER RESORT, LEISURE AND ENTERTAINMENT, INC., reserves intended for debt repayment—set aside in case of insufficient cash and deposits—and employee retirement benefit funds deducted from employees' salaries and withdrawable upon employee retirement have ceased to qualify as deposits available for withdrawal at any time and no longer meet the definition of cash and cash equivalents in the interim consolidated statement of cash flows. Accordingly, these amounts have been reduced.

*3. Negotiable certificates of deposit with a deposit period within three months are included in securities on the interim consolidated balance sheet.

(Notes to Segment Information)

Segment information

I The Cumulative Second Quarter of Fiscal Year 2024 (January 1 to June 30, 2024)

1. Information pertaining to amounts of net sales and profit/loss in each reportable segment

(Million yen)

	Reportable Segment		Others (Note)	Total
	Amusement Equipments Business	Integrated Resort Business		
Net sales				
Sales to external customers	20,759	41,678	202	62,640
Inter-segment sales or transfers	-	-	389	389
Total	20,759	41,678	591	63,030
Segment profit	3,760	3,280	169	7,210

(Note) "Others" classification consists of business segments not included in the reportable segments and is inclusive of the Media Content Business and others.

2. Difference between the total amounts of profit/loss in reportable segments and the amounts recorded in the quarterly consolidated statement of income and primary items of such difference (matters pertaining to difference adjustments)

(Million yen)

Profit	Amount
Total of reportable segments	7,041
Profit in "Others" classification	169
Eliminated inter-segment transactions	(334)
Corporate revenue (Note 1)	267
Unallocated expenses (Note 2)	(3,878)
Operating profit in quarterly consolidated statement of income	3,264

(Notes) 1. Corporate revenue is mainly composed of revenue from art museum which is not attributed to the reportable segments.

2. Unallocated expenses are mainly composed of selling, general and administrative expenses which are not attributed to the reportable segments.

3. Information pertaining to impairment losses on non-current assets, goodwill, etc. for each reportable segment

Significant impairment losses involving non-current assets

There is no applicable information.

Significant fluctuations in amount of goodwill

There is no applicable information.

Significant gain on bargain purchase

There is no applicable information.

II The Cumulative Second Quarter of Fiscal Year 2025 (January 1 to June 30, 2025)

1. Information pertaining to amounts of net sales and profit/loss in each reportable segment

(Million yen)

	Reportable Segment		Others (Note)	Total
	Amusement Equipments Business	Integrated Resort Business		
Net sales				
Sales to external customers	27,159	34,641	297	62,097
Inter-segment sales or transfers	-	-	324	324
Total	27,159	34,641	621	62,422
Segment profit (loss)	5,175	(1,318)	232	4,089

(Note) "Others" classification consists of business segments not included in the reportable segments and is inclusive of the Media Content Business and others.

2. Difference between the total amounts of profit/loss in reportable segments and the amounts recorded in the quarterly consolidated statement of income and primary items of such difference (matters pertaining to difference adjustments)

(Million yen)

Profit	Amount
Total of reportable segments	3,857
Profit in "Others" classification	232
Eliminated inter-segment transactions	(201)
Corporate revenue (Note 1)	77
Unallocated expenses (Note 2)	(3,117)
Operating profit in quarterly consolidated statement of income	847

(Notes) 1. Corporate revenue is mainly composed of revenue from art museum which is not attributed to the reportable segments.

2. Unallocated expenses are mainly composed of selling, general and administrative expenses which are not attributed to the reportable segments.

3. Information pertaining to impairment losses on non-current assets, goodwill, etc. for each reportable segment

Significant impairment losses involving non-current assets

There is no applicable information.

Significant fluctuations in amount of goodwill

There is no applicable information.

Significant gain on bargain purchase

There is no applicable information.

(5) Additional Information

There is no applicable information.

(6) Material Subsequent Events

There is no applicable information.