



Consolidated Financial Results for the Fiscal Year Ended September 30, 2025 (under Japanese GAAP)

November 5, 2025

Name of the Listed Company: COLOPL, Inc.

Security code: 3668

Representative: Takashi Miyamoto, President and CEO

Contact: Yoshiaki Harai, Director and CFO

Scheduled date of ordinary general meeting of shareholders: December 23, 2025

Scheduled date to commence dividend payments: December 25, 2025

Scheduled date to submit securities report: December 17, 2025

Preparation of supplementary materials on financial results: Yes

Holding of financial results presentation meeting: Yes (for institutional investors and analysts)

Listed Stock Exchanges: Tokyo Stock Exchange

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(Figures of less than one million are rounded down.)

1. Consolidated financial results for the fiscal year ended September 30, 2025 (from October 1, 2024 to September 30, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended September 30, 2025	million yen 25,933	% (0.2)	million yen 1,002	% —	million yen 1,805	% —	million yen (306)	% —
September 30, 2024	25,975	(15.7)	(1,208)	—	(947)	—	(1,866)	—

Note: Comprehensive income

Fiscal year ended September 30, 2025: 77 million yen (—%)

Fiscal year ended September 30, 2024: (2,144) million yen (—%)

	Basic earnings per share	Diluted earnings per share	Return on equity	Return on assets	Operating margin
Fiscal year ended September 30, 2025	yen (2.39)	yen —	% (0.4)	% 2.3	% 3.9
September 30, 2024	(14.55)	—	(2.5)	(1.2)	(4.7)

Reference: Share of profit (loss) of entities accounting for using equity method

Fiscal year ended September 30, 2025: - million yen

Fiscal year ended September 30, 2024: - million yen

Note: Diluted earnings per share are not shown in the above table, as there were no residual shares.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of September 30, 2025	million yen 75,742	million yen 68,940	% 91.0	yen 536.66
September 30, 2024	79,805	71,387	89.4	556.07

Reference: Shareholder's equity

As of September 30, 2025: 68,934 million yen

As of September 30, 2024: 71,380 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended September 30, 2025	million yen 2,645	million yen (3,285)	million yen (3,232)	million yen 45,648
September 30, 2024	237	(8,087)	(896)	49,454

2. Cash dividends

	Dividend per share					Total dividend payments (total)	Dividend payout ratio (consolidated)	Dividend on equity (consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Annual			
Fiscal year ended September 30, 2024	yen —	yen 0.00	yen —	yen 20.00	yen 20.00	million yen 2,567	% (137.5)	% 3.5
September 30, 2025	—	0.00	—	20.00	20.00	2,569	(837.9)	3.7
Fiscal year ending September 30, 2026 (forecast)	—	—	—	—	—	—	—	—

Note: Dividends for the fiscal year ending September 30, 2026 are not yet decided.

3. Consolidated financial forecasts for the fiscal year ending September 30, 2026 (from October 1, 2025 to September 30, 2026)

Due to the fact that the business environment surrounding our group is subject to rapid changes in the short term, it is difficult to calculate appropriate and reasonable figures for the outlook of our group's business performance, and therefore we do not disclose our business forecast.

Notes:

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - (ii) Changes in accounting policies due to other than (i): None
 - (iii) Change in accounting estimates: None
 - (iv) Restatement: None

(Note) For details, please refer to “3. Consolidated Financial Statements and Major Notes (5) Notes to Consolidated Financial Statements (Notes on change in accounting policy)” on page 12 of the attached materials.

(3) Number of shares issued (common shares)

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

As of September 30, 2025	130,230,769 shares	As of September 30, 2024	130,144,640 shares
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- (ii) Number of treasury shares at the end of the period

As of September 30, 2025	1,778,924 shares	As of September 30, 2024	1,778,834 shares
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- (iii) Average number of shares during the period

Fiscal year ended September 30, 2025	128,430,360 shares	Fiscal year ended September 30, 2024	128,343,486 shares
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Reference: Summary of non-consolidated results

1. Non-consolidated financial results for the fiscal year ended September 30, 2025 (from October 1, 2024 to September 30, 2025)

(1) Non-consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net profit			
Fiscal year ended	million yen	%	million yen	%	million yen	%	million yen	%		
September 30, 2025	19,360	1.0	991	—	1,245	—	(662)	—		
September 30, 2024	19,174	(17.2)	18	(99.4)	20	(99.4)	(2,624)	—		
	Basic earnings per share		Diluted earnings per share							
Fiscal year ended	yen		yen							
September 30, 2025	(5.15)		—							
September 30, 2024	(20.45)		—							

Note: Diluted earnings per share are not shown in the above table, as there were no residual shares.

(2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
As of	million yen		million yen		%		yen	
September 30, 2025	69,833		65,102		93.2		506.82	
September 30, 2024	73,430		67,675		92.2		527.21	

Reference: Equity

As of September 30, 2025: 65,102 million yen

As of September 30, 2024: 67,675 million yen

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

Descriptions and statements concerning estimates and forecasts in this material are judgments and assumptions based on information currently available to the Company. Due to the uncertainties inherent in these judgments and assumptions, as well as changes in business management and internal or external conditions, actual results may differ substantially from predictions, and the Company does not guarantee the certainty of any details regarding these future predictions.

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1. Overview of Operating Results, etc.

(1) Summary of Operating Results for the Fiscal Year Ended September 30, 2025

With the Group's mission, "Entertainment in Real Life": Making everyday more enjoyable and wonderful through entertainment", the Group has been working to enrich people's everyday lives through entertainment. The Entertainment Business has been keeping in mind the need to enhance engagement with users in conjunction with existing titles, while also focusing on developing new titles. The Investment and Development Business has focused primarily on investment and divestment in IT-related and entertainment companies in Japan and overseas.

As a result, consolidated results for the fiscal year under review were Net sales of 25,933 million yen (down 0.2% year on year), Operating profit of 1,002 million yen (Operating loss of 1,208 million yen in the previous fiscal year), Ordinary profit of 1,805 million yen (Ordinary loss of 947 million yen in the previous fiscal year), and Loss attributable to owners of the parent of 306 million yen (Loss attributable to owners of the parent of 1,866 million yen in the previous fiscal year).

Operating results by business segment are as follows:

a. Entertainment Business

The Entertainment Business is responsible primarily for the development and operation of games for smartphones.

In games for smartphones, "DRAGON QUEST WALK (planning and production: SQUARE ENIX CO., LTD., Development: COLOPL, Inc.)" performed well and continued to drive consolidated performance. Additionally, new titles "ISEKAI∞ISEKAI" and "Tsukuyomi: The Divine Hunter" began distribution. However, Net sales decreased due to a decline in sales accompanying the extension of the distribution period for some existing titles. On the other hand, Subcontracting expenses, Advertising expenses, and other items decreased due to a group-wide cost review.

As a result, consolidated Net sales and Operating loss for the fiscal year under review stood at 23,264 million yen (down 4.9% year on year), and 180 million yen (Operating loss of 1,302 million yen in the previous fiscal year), respectively.

b. Investment and Development Business

The Group conducts the Investment and Development Business with a focus on investments in IT-related and entertainment companies in particular.

The main source of profit for the fiscal year under review was the sale of shares in Timee, Inc. and BitStar Inc. In addition, impairment losses were recorded on a portion of operational investment securities held.

As a result, consolidated Net sales and the Operating profit for the fiscal year under review stood at 2,668 million yen (up 77.8% year on year) and 1,180 million yen (up 1,187.7% year on year), respectively.

(2) Overview of Financial Position for the Fiscal Year under Review

(Assets)

Current assets at the end of the fiscal year under review totaled 64,271 million yen, down 2,995 million yen from the end of the previous fiscal year. This was mainly due to a decrease in Operational investment securities and Prepaid expenses.

Non-current assets totaled 11,470 million yen, down 1,067 million yen from the end of the previous fiscal year. This was mainly due to a decrease in Investments and other assets.

As a result, Total assets decreased 4,062 million yen from the end of the previous fiscal year, to 75,742 million yen.

(Liabilities)

Current liabilities at the end of the fiscal year under review totaled 5,644 million yen, down 923 million yen from the end of the previous fiscal year. This was mainly due to a decrease in Accounts payable - other.

Non-current liabilities totaled 1,156 million yen, down 692 million yen from the end of the previous fiscal year. This was mainly due to a decrease in Long-term borrowings.

As a result, total liabilities decreased 1,616 million yen from the end of the previous fiscal year, to 6,801 million yen.

(Net assets)

Net assets at the end of the fiscal year under review totaled 68,940 million yen, down 2,446 million yen from the end of the previous fiscal year. This was mainly due to a decrease in Retained earnings resulting from the payment of dividends.

(3) Overview of Cash Flows for the Fiscal Year under Review

The balance of cash and cash equivalents (hereinafter, “cash”) at the end of the fiscal year under review decreased 3,806 million yen from the end of the previous fiscal year, to 45,648 million yen. The status of each of the cash flow segments and contributing factors for changes during the fiscal year under review are as follows.

(Cash flows from operating activities)

Net cash increased by 2,645 million yen in operating activities during the fiscal year under review (compared to an increase of 237 million yen during the previous fiscal year). The main cash inflow was 1,449 million yen in loss (gain) on valuation of investment securities and 747 million yen in decrease (increase) in operational investment securities.

(Cash flows from investing activities)

Net cash decreased by 3,285 million yen in investing activities during the fiscal year under review (compared to a decrease of 8,087 million yen during the previous fiscal year). The main cash outflow was 2,446 million yen in payments into time deposits.

(Cash flows from financing activities)

Net cash decreased by 3,232 million yen in financing activities during the fiscal year under review (compared to a decrease of 896 million yen during the previous fiscal year). The main cash outflow was 2,568 million yen in dividends paid.

Reference: Changes in cash flow-related indicators

	Fiscal year ended September 30, 2021	Fiscal year ended September 30, 2022	Fiscal year ended September 30, 2023	Fiscal year ended September 30, 2024	Fiscal year ended September 30, 2025
Shareholders' equity ratio (%)	93.7	91.9	93.4	89.4	91.0
Shareholders' equity ratio at market value (%)	127.5	104.7	92.9	85.4	81.4
Ratio of interest-bearing debt to operating cash flow (number of years)	–	–	–	7.0	0.4
Interest coverage ratio (times)	–	–	–	32.7	298.0

Shareholders' equity ratio (%): shareholders' equity / total assets

Shareholders' equity ratio at market value: total market capitalization / total assets

Ratio of interest-bearing debt to cash flows: interest-bearing debt / cash flows

Interest coverage ratio: cash flows / interest expenses paid

Notes: 1. Market capitalization is calculated based on the number of shares outstanding, excluding treasury shares.

2. Cash flow is based on operating cash flow.

3. Interest-bearing debt refers to all debt that is listed on the consolidated balance sheet and for which interest is paid.

(4) Future Outlook

Looking ahead to the fiscal year ending September 30, 2026, the Group will continue to keep in mind the need to enhance engagement with users in conjunction with existing titles, while also achieving sustainable growth by developing new titles on a yearly basis. It will also invest and sell actively with a focus on IT-related and entertainment companies in particular.

Due to the fact that the business environment surrounding our group is subject to rapid changes in the short term, it is difficult to calculate appropriate and reasonable figures for the outlook of our group's business performance, and therefore we do not disclose our business forecast.

2. Basic Stance on the Selection of Accounting Standards

The Group is watching trends in the adoption of the Internal Financial Reporting Standards (IFRS) to make proper decisions on the timing of adoption, etc. No decision therefore has been made on the adoption of the Standards in the foreseeable future.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

	(million yen)	
	As of September 30, 2024	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	50,250	50,273
Accounts receivable - trade, and contract assets	4,206	3,805
Operational investment securities	10,166	8,720
Merchandise	35	8
Work in process	498	473
Supplies	6	7
Advance payments	269	118
Prepaid expenses	941	329
Other	908	801
Allowance for doubtful accounts	(17)	(265)
Total current assets	<u>67,267</u>	<u>64,271</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures	2,097	1,916
Accumulated depreciation and impairment	(580)	(523)
Buildings and structures, net	1,516	1,393
Tools, furniture and fixtures	781	696
Accumulated depreciation and impairment	(658)	(591)
Tools, furniture and fixtures, net	123	104
Other	2	2
Accumulated depreciation and impairment	(1)	(1)
Other, net	0	0
Total property, plant and equipment	<u>1,641</u>	<u>1,498</u>
Intangible assets		
Software	15	33
Total intangible assets	<u>15</u>	<u>33</u>
Investments and other assets		
Investment securities	7,588	8,249
Shares of subsidiaries and associates	3	3
Investments in capital of subsidiaries and associates	104	12
Leasehold and guarantee deposits	1,611	1,509
Deferred tax assets	124	121
Other	1,460	42
Allowance for doubtful accounts	(11)	(0)
Total investments and other assets	<u>10,880</u>	<u>9,938</u>
Total non-current assets	<u>12,537</u>	<u>11,470</u>
Total assets	<u>79,805</u>	<u>75,742</u>

(million yen)

	As of September 30, 2024	As of September 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	72	7
Accounts payable - other	2,734	1,810
Accrued expenses	508	462
Income taxes payable	245	767
Accrued consumption taxes	204	89
Advances received	1,844	1,557
Deposits received	200	219
Provision for business restructuring	57	—
Other	700	728
Total current liabilities	6,567	5,644
Non-current liabilities		
Long-term borrowings	999	333
Asset retirement obligations	759	720
Deferred tax liabilities	72	87
Other	17	15
Total non-current liabilities	1,849	1,156
Total liabilities	8,417	6,801
Net assets		
Shareholders' equity		
Share capital	6,635	6,656
Capital surplus	6,373	6,394
Retained earnings	61,764	58,891
Treasury shares	(4,645)	(4,645)
Total shareholders' equity	70,128	67,295
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	814	1,383
Foreign currency translation adjustment	437	255
Total accumulated other comprehensive income	1,251	1,638
Non-controlling interests	7	6
Total net assets	71,387	68,940
Total liabilities and net assets	79,805	75,742

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

(million yen)

	Previous fiscal year (October 1, 2023 to September 30, 2024)	Fiscal year under review (October 1, 2024 to September 30, 2025)
Net sales	25,975	25,933
Cost of sales	19,216	17,946
Gross profit	6,758	7,986
Selling, general and administrative expenses	7,966	6,984
Operating profit (loss)	(1,208)	1,002
Non-operating income		
Interest income	325	371
Foreign exchange gains	—	265
Gain on sale of investment securities	247	68
Gain on investments in derivatives	17	—
Miscellaneous income	130	149
Total non-operating income	720	855
Non-operating expenses		
Interest expenses	7	8
Foreign exchange losses	289	—
Loss on valuation of investment securities	54	—
Loss on sale of investment securities	34	38
Provision for business restructuring	57	—
Miscellaneous losses	18	4
Total non-operating expenses	460	52
Ordinary profit (loss)	(947)	1,805
Extraordinary income		
Gain on sale of investment securities	—	2
Total extraordinary income	—	2
Extraordinary losses		
Impairment losses	276	4
Loss on valuation of investment securities	—	1,449
Total extraordinary losses	276	1,454
Profit (loss) before income taxes	(1,224)	353
Income taxes - current	654	1,002
Income taxes - deferred	(11)	(339)
Total income taxes	643	663
Loss	(1,867)	(309)
Loss attributable to non-controlling interests	(0)	(3)
Loss attributable to owners of parent	(1,866)	(306)

(Consolidated Statement of Comprehensive Income)

(million yen)

	Previous fiscal year (October 1, 2023 to September 30, 2024)	Fiscal year under review (October 1, 2024 to September 30, 2025)
Loss	(1,867)	(309)
Other comprehensive income		
Valuation difference on available-for-sale securities	(365)	569
Foreign currency translation adjustment	88	(182)
Total other comprehensive income	(276)	386
Comprehensive income	(2,144)	77
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(2,143)	80
Comprehensive income attributable to non-controlling interests	(0)	(3)

(3) Consolidated Statement of Changes in Equity

Previous fiscal year (October 1, 2023 to September 30, 2024)

(million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,610	6,350	66,210	(4,645)	74,526
Changes during period					
Issuance of new shares - restricted Stock Compensation	25	25			51
Dividends of surplus			(2,565)		(2,565)
Purchase of treasury shares				(0)	(0)
Change in scope of consolidation		(2)	(13)		(15)
Profit (loss) attributable to owners of parent			(1,866)		(1,866)
Net changes in items other than shareholders' equity					
Total changes during period	25	23	(4,446)	(0)	(4,397)
Balance at end of period	6,635	6,373	61,764	(4,645)	70,128

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	1,179	348	1,528	5	76,060
Changes during period					
Issuance of new shares - restricted Stock Compensation					51
Dividends of surplus					(2,565)
Purchase of treasury shares					(0)
Change in scope of consolidation					(15)
Profit (loss) attributable to owners of parent					(1,866)
Net changes in items other than shareholders' equity	(365)	88	(276)	1	(274)
Total changes during period	(365)	88	(276)	1	(4,672)
Balance at end of period	814	437	1,251	7	71,387

Fiscal year under review (October 1, 2024 to September 30, 2025)

(million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,635	6,373	61,764	(4,645)	70,128
Changes during period					
Issuance of new shares - restricted Stock Compensation	20	20			40
Dividends of surplus			(2,567)		(2,567)
Purchase of treasury shares				(0)	(0)
Profit (loss) attributable to owners of parent			(306)		(306)
Net changes in items other than shareholders' equity					
Total changes during period	20	20	(2,873)	(0)	(2,832)
Balance at end of period	6,656	6,394	58,891	(4,645)	67,295

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	814	437	1,251	7	71,387
Changes during period					
Issuance of new shares - restricted Stock Compensation					40
Dividends of surplus					(2,567)
Purchase of treasury shares					(0)
Profit (loss) attributable to owners of parent					(306)
Net changes in items other than shareholders' equity	569	(182)	386	(0)	385
Total changes during period	569	(182)	386	(0)	(2,446)
Balance at end of period	1,383	255	1,638	6	68,940

(4) Consolidated Statements of Cash Flows

(million yen)

	Previous fiscal year (October 1, 2023 to September 30, 2024)	Fiscal year under review (October 1, 2024 to September 30, 2025)
Cash flows from operating activities		
Profit (loss) before income taxes	(1,224)	353
Depreciation	283	235
Impairment losses	276	4
Increase (decrease) in allowance for doubtful accounts	7	237
Foreign exchange losses (gains)	297	(264)
Decrease (increase) in operational investment securities	54	747
Loss (gain) on sale of investment securities	(213)	(32)
Loss (gain) on valuation of investment securities	54	1,449
Loss (gain) on investments in derivatives	(17)	—
Decrease (increase) in trade receivables	442	296
Decrease (increase) in inventories	(98)	20
Increase (decrease) in trade payables	5	(65)
Increase (decrease) in accounts payable - other	511	(825)
Increase (decrease) in accrued consumption taxes	20	(114)
Increase (decrease) in income taxes payable - factor based tax	(11)	(3)
Increase (decrease) in advances received	1,269	(278)
Decrease (increase) in prepaid expenses	(217)	650
Other, net	(523)	100
Subtotal	919	2,512
Interest and dividends received	326	348
Interest paid	(7)	(8)
Income taxes refund (paid)	(1,000)	(206)
Net cash provided by (used in) operating activities	237	2,645

(million yen)

	Previous fiscal year (October 1, 2023 to September 30, 2024)	Fiscal year under review (October 1, 2024 to September 30, 2025)
Cash flows from investing activities		
Payments into time deposits	(2,224)	(2,446)
Purchase of property, plant and equipment	(145)	(90)
Payments for asset retirement obligations	—	(42)
Purchase of intangible assets	(9)	(27)
Purchase of investment securities	(7,776)	(1,600)
Proceeds from sale of investment securities	1,956	749
Collection of investment in capital of subsidiaries and affiliates	14	92
Payments of leasehold and guarantee deposits	(0)	(2)
Proceeds from refund of leasehold and guarantee deposits	28	80
Proceeds from (payments for) futures settlement	25	—
Other, net	43	2
Net cash provided by (used in) investing activities	(8,087)	(3,285)
Cash flows from financing activities		
Proceeds from long-term borrowings	2,000	—
Repayments of long-term borrowings	(333)	(666)
Dividends paid	(2,566)	(2,568)
Other, net	3	2
Net cash provided by (used in) financing activities	(896)	(3,232)
Effect of exchange rate change on cash and cash equivalents	(150)	66
Net increase (decrease) in cash and cash equivalents	(8,896)	(3,806)
Cash and cash equivalents at beginning of period	58,167	49,454
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	184	—
Cash and cash equivalents at end of period	49,454	45,648

(5) Notes to Consolidated Financial Statements

(Notes on Going Concern Assumptions)

Not applicable.

(Notes on Change in Accounting Policy)

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

“Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the “Revised Accounting Standard 2022”), etc. have been adopted from the beginning of the consolidated fiscal year under review.

The amendment to categories in which current income taxes should be recorded (taxes on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of paragraph 65-2 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the “Revised Implementation Guidance 2022”). This change in accounting policies has no impact on the consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred for the tax purposes, the Revised Implementation Guidance 2022 has been adopted from the beginning of the consolidated fiscal year under review. This change in accounting policies was applied retrospectively. Hence, the consolidated financial statements for the previous fiscal year have been modified retrospectively. This change in accounting policies has no impact on the consolidated financial statements for the previous fiscal year.

(Notes on Segment Information etc.)

[Segment Information]

1. Summary of reporting segments

The Group's reportable segments are the Company's constituent units for which separate financial information is available and periodic reviews are performed by the Board of Directors to determine the allocation of management resources and evaluate financial results.

The Company, which consists of business-based segments, treats two businesses, namely the Entertainment Business and the Investment and Development Business, as reportable businesses. The Entertainment Business is responsible primarily for the development and operation of games for smartphones. The Investment and Development Business is conducted with a focus on investment in IT-related and entertainment companies in particular.

2. Method used to calculate sales, profit (loss), assets, liabilities, and other items by reportable segment

The accounting method of the reported business segments complies with the accounting policy adopted for preparing consolidated financial statements.

The profit of each reportable segment is presented on an operating profit basis.

Intersegment transactions and transfers are based on prevailing market prices.

3. Information regarding sales, income (loss), assets, liabilities, and other items of each reportable segment

Previous fiscal year (October 1, 2023 to September 30, 2024)

(million yen)

	Reportable Segment			Adjustment (Note 1)	Amount recorded in Consolidated Financial Statements (Note 2)
	Entertainment Business	Investment and Development Business	Total		
Net sales					
Sales to external customers	24,474	1,500	25,975	–	25,975
Intersegment sales or transfers	–	–	–	–	–
Total	24,474	1,500	25,975	–	25,975
Segment profit (loss)	(1,302)	91	(1,210)	2	(1,208)
Segment assets	66,648	13,156	79,805	–	79,805
Other items					
Depreciation	281	2	283	–	283
Increase in property, plant and equipment and intangible assets (Note 3)	151	5	156	–	156

Notes: 1. An adjustment in the segment profit (loss) area represents the deduction of intersegment transactions.

2. Segment profit (loss) has been adjusted to be consistent with the operating loss reported in the consolidated statements of income.
3. The increase in property, plant and equipment and intangible assets does not include the increase in assets corresponding to asset retirement obligations.
4. Segment assets in the Investment and Development Business consist mainly of operational investment securities of 10,166 million yen and other funds for investment.
5. Segment liabilities have not been included because they are not subject to periodic reviews performed to decide the allocation of management resources and evaluated financial results.

Fiscal year under review (October 1, 2024 to September 30, 2025)

(million yen)

	Reportable Segment			Adjustment (Note 1)	Amount recorded in Consolidated Financial Statements (Note 2)
	Entertainment Business	Investment and Development Business	Total		
Net sales					
Sales to external customers	23,264	2,668	25,933	–	25,933
Intersegment sales or transfers	–	–	–	–	–
Total	23,264	2,668	25,933	–	25,933
Segment profit (loss)	(180)	1,180	999	2	1,002
Segment assets	64,429	11,312	75,742	–	75,742
Other items					
Depreciation	231	3	235	–	235
Increase in property, plant and equipment and intangible assets (Note 3)	113	–	113	–	113

Notes:

1. An adjustment in the segment profit (loss) area represents the deduction of intersegment transactions.
2. Segment profit (loss) has been adjusted to be consistent with the operating profit reported in the consolidated statements of income.
3. The increase in property, plant and equipment and intangible assets does not include the increase in assets corresponding to asset retirement obligations.
4. Segment assets in the Investment and Development Business consist mainly of operational investment securities of 8,720 million yen and other funds for investment.
5. Segment liabilities have not been included because they are not subject to periodic reviews performed to decide the allocation of management resources and evaluated financial results.

(Notes on Per Share Information)

	Previous fiscal year (October 1, 2023 to September 30, 2024)	Fiscal year under review (October 1, 2024 to September 30, 2025)
Net assets per share (yen)	556.07	536.66
Earnings (loss) per share (yen)	(14.55)	(2.39)

Notes: 1. Diluted earnings per share are not shown in the above table, as there were no residual shares.

2. The basis for calculating net assets per share is as follows:

	Previous fiscal year (September 30, 2024)	Fiscal year under review (September 30, 2025)
Total net assets (million yen)	71,387	68,940
Amount deducted from the total net assets (million yen)	7	6
[Non-controlling interests included (million yen)]	(7)	(6)
Net assets related to common shares at end of period (million yen)	71,380	68,934
Number of common shares at the end of the fiscal year used for the calculation of net assets per share (shares)	128,365,806	128,451,845

3. The basis for calculating basic earnings (loss) per share and diluted earnings per share is as follows.

	Previous fiscal year (October 1, 2023 to September 30, 2024)	Fiscal year under review (October 1, 2024 to September 30, 2025)
Basic earnings (loss) per share		
Profit (loss) attributable to owners of parent (million yen)	(1,866)	(306)
Amount not attributable to common shareholders (million yen)	–	–
Profit (loss) attributable to owners of parent pertaining to common shares (million yen)	(1,866)	(306)
Average number of shares during the period (shares)	128,343,486	128,430,360

(Notes on Significant Subsequent Events)

(Implementation of Career Transition Support Program)

At the Board of Directors meeting held on November 5, 2025, the Company resolved to implement the “Career Transition Support Program.” This initiative aims to support employees in re-evaluating their careers and taking on new challenges, viewing recent changes in the mobile game market environment as an opportunity for new growth.

1. Application Overview

- (1) Eligible Participants: Regular employees aged 26 or older (excluding managerial positions at the Manager level or above)
- (2) Number of positions available: Approximately 70 people
- (3) Application Period: November 24, 2025 to December 12, 2025 (tentative)
- (4) Retirement Date: January 31, 2026
- (5) Preferential Treatment: Handled as company-initiated resignation, including payment of special severance pay and reemployment support for those who wish it.

2. Impact on business performance

The costs associated with the implementation of the career transition support program, including special severance payments, are estimated to be approximately 210 million yen. These costs are scheduled to be recorded as Extraordinary Losses in the first quarter of the fiscal year ending September 2026.