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**Consolidated financial results
for the year ended March 31, 2025 (Japan GAAP - Unaudited)**

Date of issue: May 13, 2025

Company name: CAPCOM Co., Ltd.

Stock listing: Tokyo

Code number: 9697

URL : <https://www.capcom.co.jp/>

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Ordinary general shareholders' meeting : June 20, 2025

Dividend payment date: June 23, 2025

Filing date for financial report : June 23, 2025

Earnings supplementary explanatory materials :

Yes

Earnings presentation :

Yes (For institutional investors)

Note: Numbers are rounded down to the nearest 1 million yen.

1. Results for the year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

(1) Financial results

Note: Percentage represents change from the same period of the previous fiscal year.

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2025	169,604	11.3	65,777	15.2	65,635	10.5	48,453	11.7
Year ended March 31, 2024	152,410	21.0	57,081	12.3	59,422	15.7	43,374	18.1

Note: Comprehensive income: Year ended March 31, 2025: 47,843 million yen (-0.8%) Year ended March 31, 2024: 48,206 million yen (23.0%)

	Earnings per share	Diluted earnings per share	Return on equity	Return (ordinary income) on assets	Operating margin
	yen	yen	%	%	%
Year ended March 31, 2025	115.85	115.84	23.0	23.6	38.8
Year ended March 31, 2024	103.71	—	24.4	25.8	37.5

Reference: Equity in earnings (losses) of affiliates Year ended March 31, 2025 — million yen Year ended March 31, 2024 — million yen

Note: With an effective date of April 1, 2024, Capcom (the "Company") performed a 2-for-1 split of its common stock.

The Company calculated "Earnings per share" and "Diluted earnings per share," assuming that the stock split was implemented with an effective date of April 1, 2023.

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio	Net asset value per share
	Millions of yen	Millions of yen	%	Yen
Year ended March 31, 2025	312,982	226,303	72.3	540.68
Year ended March 31, 2024	243,476	195,081	80.1	466.44

Reference: Shareholders' equity: Year ended March 31, 2025: 226,148 million yen Year ended March 31, 2024: 195,081 million yen

Note: With an effective date of April 1, 2024, the Company performed a 2-for-1 split of its common stock.

The Company calculated "Net asset value per share," assuming that the stock split was implemented with an effective date of April 1, 2023.

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Ending balance of cash and cash equivalents
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2025	67,618	(7,273)	(18,735)	150,426
Year ended March 31, 2024	36,921	(5,962)	(15,969)	109,091

2. Dividends

	Dividend per share					Dividend paid	Payout ratio (Consolidated)	Dividend on equity (Consolidated)
	1st Quarter-end	2nd Quarter-end	3rd Quarter-end	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2024	—	27.00	—	43.00	70.00	14,917	33.7	8.2
Year ended March 31, 2025	—	18.00	—	22.00	40.00	17,048	34.5	7.9
Year ending March 31, 2026 (Forecast)	—	20.00	—	20.00	40.00		32.8	

Note: 1. As for the Year-end dividend for the fiscal year ended March 31, 2025, please refer to the "Capcom Announces Revision of Full-Year Consolidated Earnings Forecast, Variances Between its Non-Consolidated Estimated Earnings and the Previous Fiscal Year's Actual Results, and a Dividend Forecast Revision (Upward)" announced on April 24, 2025.

2. The amount of "Dividend paid" includes dividends from the Company's shares held by the Master Trust Bank of Japan, Ltd.

(Stock Grant ESOP Trust Account 76744) (279 million yen for the year ended March 31, 2024 and 318 million yen for the year ended March 31, 2025, respectively)

3. With an effective date of April 1, 2024, the Company performed a 2-for-1 split of its common stock.

For dividends for the year ended March 31, 2024, the above dividends paid were the actual amounts before the stock split.

For dividends for the year ended March 31, 2025 and the year ending March 31, 2026 (forecast), the Company took the stock split into consideration.

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3. Earnings forecast for the fiscal year ending March 31, 2026 (From April 1, 2025 to March 31, 2026)

Note: Percentage represents change from the same period of the previous fiscal year.

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending March 31, 2026	190,000	12.0	73,000	11.0	70,000	6.6	51,000	5.3	121.93

Note: The Company discloses a full year business forecast, as it manages its business performance on an annual basis.

(1) Changes in significant consolidated subsidiaries during the period: Yes

Newly included: 2 companies (Company name) Leostar Co., Ltd., and Minimum Studios Co., Ltd.

(2) Changes in accounting principles, accounting estimates and retrospective restatement for consolidated financial statements

- ① Changes in accounting principles resulting from amendment of the accounting standard: No
- ② Changes in accounting principles other than ①: No
- ③ Changes in accounting estimates: No
- ④ Retrospective restatement: No

(3) Number of shares outstanding (Common stock):

- ① Number of shares outstanding (including treasury stock)
Year ended March 31, 2025: 533,011,246 Year ended March 31, 2024: 533,011,246
- ② Number of treasury stock
Year ended March 31, 2025: 114,743,194 Year ended March 31, 2024: 114,772,206
- ③ Average number of shares outstanding
Year ended March 31, 2025: 418,254,366 Year ended March 31, 2024: 418,232,447

Note: 1. The number of treasury stock at the end of the current fiscal year and the number of treasury stock deducted when calculating the average number of shares outstanding during the period under review include the Company's shares held by the Stock Grant ESOP trust.

2. With an effective date of April 1, 2024, the Company performed a 2-for-1 split of its common stock. The Company calculated "Number of shares outstanding," "Number of treasury stock" and "Average number of shares outstanding" assuming that the stock split was implemented with an effective date of April 1, 2023.

*Explanation about the appropriate usage of business prospects and other special notes

- The above-mentioned business forecasts were based on the information available as of the date of the release of this report.
- Future events may cause the actual results to be significantly different from the forecasts.
- Please refer to 1. Operating results overview (4) Outlook on page 5 for more details.
- The Company is scheduled to hold an earnings presentation for institutional investors on May 13, 2025. Video and audio of the presentation will be posted along with the presentation materials on Company's web page shortly after the presentation.

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1. Operating results overview

(1) Operating results for the fiscal year under review

In the fiscal year ended March 31, 2025, Capcom Co., Ltd. (the “Company”) actively pursued investments for growth focused on the ongoing enhancement of digital sales in order to further evolve and expand within the global market. Moreover, the Company made further efforts in its human resources investment strategy, which is one of its top priorities, with the aim of stable and sustainable growth. In line with these kinds of management strategies, the Company worked to enhance corporate value over the medium to long term by continuing to strengthen its development and technological capabilities; this included acquiring a 3D computer graphics production company with prowess in the creation of animation in consumer game development as a subsidiary.

Regarding business performance, the Company made efforts to increase global sales in its core Digital Contents business by launching *Monster Hunter Wilds*, a major new title in its flagship series, while pursuing catalog sales of major titles released in the previous fiscal years. These efforts brought sales volumes in the Digital Contents business in the fiscal year under review to 51.87 million units, exceeding the previous fiscal year’s figure of 45.89 million units. In addition, with the Company’s efforts to promote its digital sales strategies, sales volumes of catalog titles were 39.49 million units, up from 36.29 million units in the previous fiscal year. As a result, the Company sold 248 titles in 227 countries and regions, contributing to enhancing the value of its brands.

The Company also aimed to enhance the brand value of its intellectual properties (IPs) by coordinating the activities of its major content with film and television productions, licensed merchandise, and esports. It also worked to increase earnings: in Arcade Operations this was through the steady operation of amusement arcades and the promotion of store openings in new store formats; in Amusement Equipments, the Company continued to release smart pachislo machines and utilize its popular IPs.

As a result, net sales for the fiscal year under review were 169,604 million yen (up 11.3% year on year), operating income was 65,777 million yen (up 15.2% year on year), ordinary income was 65,635 million yen (up 10.5% year on year), and net income attributable to owners of parent was 48,453 million yen (up 11.7% year on year). This was the Company’s twelfth consecutive year of increased operating income.

Status of business by operating segment

① Digital Contents business

In the Digital Contents business, the Company released *Monster Hunter Wilds* (for PlayStation 5, Xbox Series X|S, and PC), the latest title in the series, in February 2025. As a result of both satisfying the strong expectations of fans and successful measures to build awareness through various events and other activities, worldwide sales surpassed 10 million units, which contributed to earnings.

Regarding catalog titles, anticipation for *Monster Hunter Wilds* provided momentum for ongoing growth in the sales of *Monster Hunter World: Iceborne* and *Monster Hunter Rise*; as a result, cumulative sales of the series overall surpassed 100 million units worldwide, helping to enhance the brand value of *Monster Hunter*. In addition, the Company conducted proactive promotional campaigns to build wider awareness of its IPs and acquire new fans, focusing primarily on the sales of series titles, such as *Resident Evil 4*. Furthermore, the Company continued to strengthen coordination between its games and esports activities to pursue wider brand recognition and an expanded user base for *Street Fighter 6*, the major new title in its flagship series released in the previous fiscal year.

In Mobile Contents, *Monster Hunter Now*, which was released in the previous fiscal year, continued to gain popularity among a wide base of users, as cumulative downloads exceeded 15 million, contributing to greater penetration and increased value for the *Monster Hunter* brand. In addition, the Company released *Monster Hunter Puzzles: Felyne Isles* (for iOS and Android) globally in June 2024, which has achieved over 1 million downloads.

As a result, the segment earned net sales of 125,128 million yen (up 4.4% year on year), and operating income of 65,172 million yen (up 8.9% year on year).

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② Arcade Operations business

In Arcade Operations, in addition to trends in inbound tourism and post-COVID-19 out-of-home spending, consumer lifestyle habits are undergoing change. As such, factors such as steady operations at existing stores and store openings in new formats led to an increase in the number of visitors, which contributed to earnings expansion. Moreover, the Company worked to maximize the appeal of its brick-and-mortar stores and create synergies with other businesses by holding live events and other activities.

During the fiscal year under review, the Company opened Plaza Capcom Oyabe (Toyama Prefecture) in April 2024, and a new area at Plaza Capcom Ikebukuro (Tokyo) in May 2024. Additionally, the Company opened Capcom Store Annex Marine Pia Kobe (Hyogo Prefecture), a retail store that sells merchandise featuring the Company's popular characters, in November 2024, as well as Capsule Lab Kobe Nankin-machi (Hyogo Prefecture), a capsule toy specialty store, in February 2025. Altogether, the Company opened 5 stores while closing 1 store, bringing the total number of stores to 53.

As a result, the segment earned net sales of 22,750 million yen (up 17.6% year on year), and operating income of 2,432 million yen (up 30.2% year on year).

③ Amusement Equipments business

In Amusement Equipments, the pachislo market remained solid, driven by customer demand for smart pachislo machines. *Street Fighter V Chosensha no Michi*, released in June 2024, sold 5 thousand units, while *Onimusha 3*, released in October 2024, sold 11 thousand units. Further, *Monster Hunter Rise*, released in November 2024, garnered acclaim from the market, leading to sales of 21 thousand units. Moreover, *Resident Evil 5*, released in March 2025, sold 12 thousand units, demonstrating the contribution of new models to earnings. Sales of *Strike the Blood*, which was released in March 2024, also grew.

As a result, the segment earned net sales of 15,613 million yen (up 73.1% year on year), and operating income of 6,701 million yen (up 62.8% year on year).

④ Other Businesses

In Other Businesses, beginning in April 2024, the Company bolstered its structure by integrating internal organizations to facilitate collaboration with its eSports and Character businesses, with the aim of improving the brand value of its titles.

With this structure in place, the Company utilized its popular title *Street Fighter 6* and began the global Capcom Pro Tour 2024 in June, while also holding the team-league Street Fighter League: Pro-JP 2024 in Japan from August, followed by league contests in the United States and Europe, leading to heated battles unfolding across these various competitions. In addition, the Company held championship tournaments, Capcom Cup 11 and Street Fighter League: World Championship 2024, at Japan's famous National Sumo Arena, *Ryogoku Kokugikan*, in March 2025. The two events were a great success, drawing much attention for being the first time they were held in Japan, and attracting a total of 14,000 visitors and recording more than 10 million views online. Through such measures, the Company has aimed to further promote esports on a global scale.

Additionally, *Mega Man: Start*, part of the Amazon Prime Video animated series *Secret Level*, was made available for streaming worldwide in December 2024. The Company also focused on promoting various events and collaborations in conjunction with the 20th anniversary of the *Monster Hunter* series, as well as developing character merchandise for its popular titles, which progressed favorably. Other measures the Company has taken to enhance corporate value include opening Capcom Creation: Moving Hearts Across the Globe, an exhibition that began running in March 2025 and that showcases the Company's game development process, etc.

As a result, the segment earned net sales of 6,111 million yen (up 45.4% year on year), and operating income of 2,484 million yen (up 181.2% year on year).

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(2) Financial position overview for the fiscal year under review

Total assets as of the end of the fiscal year ended March 31, 2025, increased by 69,505 million yen from the end of the previous fiscal year to 312,982 million yen. The primary increases were 41,592 million yen in cash on hand and in banks, 10,174 million yen in work in progress for game software, as well as 7,957 million yen in accounts receivable - trade.

Total liabilities as of the end of the fiscal year ended March 31, 2025, increased by 38,283 million yen from the end of the previous fiscal year to 86,678 million yen. The primary increases were 19,907 million yen in deferred revenue, 9,599 million yen in accrued income taxes, etc., as well as 1,095 million yen in provision for share awards.

Net assets as of the end of the fiscal year ended March 31, 2025, increased by 31,221 million yen from the end of the previous fiscal year to 226,303 million yen. The primary increases were 48,453 million yen in net income attributable to owners of the parent. The primary decreases were 16,835 million yen in dividends from retained earnings, and 594 million yen in cumulative translation adjustments.

(3) Cash flow overview for the fiscal year under review

Cash and cash equivalents as of the end of the fiscal year ended March 31, 2025, increased by 41,334 million yen from the end of the previous fiscal year to 150,426 million yen.

Cash flow positions of each activity and their factors are described below.

(Cash flows from operating activities)

Net cash gained from operating activities was 67,618 million yen (a 36,921-million-yen net cash gain in the previous fiscal year).

This was primarily due to funds increasing due to 65,651 million yen in net income before income taxes, and a 19,932 million-yen increase in deferred revenue etc., and funds decreasing due to a 10,169 million-yen increase in work in progress for game software, and 8,578 million yen in accrued income taxes, etc.

(Cash flows from investing activities)

Net cash used in investing activities was 7,273 million yen (5,962 million yen in the previous fiscal year).

This was primarily due to funds increasing due to 32,107 million yen in proceeds from withdrawal of time deposits, etc., and funds decreasing due to 32,258 million yen in payments into time deposits, and 5,846 million yen in payments for acquisitions of tangible fixed assets, etc.

(Cash flows from financing activities)

Net cash used in financing activities was 18,735 million yen (15,969 million yen in the previous fiscal year).

This was primarily due to funds decreasing due to 16,823 million yen in dividends paid by parent company, and 1,222 million yen in repayments of lease obligations, etc.

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(4) Outlook

Regarding the outlook going forward, the business environment is undergoing significant changes: the transition to high-speed, high-capacity mobile communication standards, more distribution channels for content, diversification of devices, and the expansion of the global gaming user base. In such an environment, the Company has achieved its medium-term management goal of achieving 10% annual growth in operating income for 10 consecutive fiscal years. Looking ahead, it will strive to captivate people throughout the world with best-in-class entertainment. At the same time, it will seek to further expand the reach of its content in the over 220 countries and regions in which it sells games by enhancing its brand and attracting new users.

For this reason, the Company aims to achieve 100 million units in annual sales in its core Digital Contents business by strengthening its long-term pricing measures and global sales via enhanced marketing attuned to the characteristics of different countries and regions while working to understand user needs.

Moreover, the Company will strive to develop the Arcade Operations and Amusement Equipments businesses by using popular IPs and major content, as well as uncover latent users and maximize profit-earning opportunities by raising awareness of IPs through investment in and leveraging of film and television productions, licensing merchandise, and esports.

In addition to the above strategies, the Company will continue its efforts to achieve its medium-term management goal by promoting its human resources investment strategy, which will be the driving force for the Company's sustainable growth, and by strengthening investments in its development system and environment to increase its product pipeline through the creation of new IPs and utilization of major existing IPs.

On top of its business activities, the Company is also working to contribute to regional, cultural, and technological development by sponsoring and participating in the Osaka Healthcare Pavilion, which is being exhibited by the Osaka Prefectural and City governments at Expo 2025 Osaka, Kansai, Japan from April 2025.

Through various activities, the Company will continue to work toward realizing its management philosophy of being a creator of entertainment culture that stimulates the senses and excites people through game entertainment.

① Strategies by operating segment for the fiscal year ending March 2026

Based on the strategy laid out above, the Company will focus on the following areas in the next fiscal year:

A. Digital Contents business

In the Digital Contents business, in addition to *Capcom Fighting Collection 2* (for Nintendo Switch, PlayStation 4, Xbox One and PC) and *Onimusha 2* (for PlayStation 4, Nintendo Switch, Xbox One and PC) in May this year, the Company will also launch *Street Fighter 6* and *Kunitsu-Gami: Path of the Goddess* for the Nintendo Switch 2 in June. Additionally, the Company will strive to maximize profits and continuously increase its total unit sales volume by strengthening digital sales and promoting sales measures for catalog titles such as *Monster Hunter Wilds*, which was released in the fiscal year under review. Furthermore, the Company will continue to pursue brand enhancement and user growth by continuing efforts in esports with *Street Fighter 6*.

B. Arcade Operations business

In the Arcade Operations business, the Company will continue to expand its new store formats while pursuing steady openings and operation of stores. Moreover, the Company will work to maximize the appeal of its stores and create synergies with other businesses by holding live events and other activities. The Company plans to open 10 new stores in the fiscal year ending March 31, 2026.

C. Amusement Equipments business

In the Amusement Equipments business, the Company will steadily release new models of smart pachislo machines, which are driving the pachislo market, centered on popular IPs.

In the fiscal year ending March 31, 2026, the Company plans to sell 43 thousand units with the launch of 3 new

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models, including the release of *Devil May Cry 5 Stylish Tribe* in June.

D. Other Businesses

In the Other Businesses segment, in its eSports business, which leverages *Street Fighter 6*, the Company has formed a partnership with the Esports World Cup, an international esports tournament to be held in Saudi Arabia in the summer of this year. By establishing a cooperative framework between this tournament and the Company's three tournaments, including the Capcom Pro Tour 2025, the Company will focus on driving wider awareness of *Street Fighter 6* and enacting a variety of other measures to achieve growth in the global market.

In addition, the Company will pursue strategies that maximize its Single Content Multiple Usage strategy on a global scale in order to expand penetration of the Company's IPs globally via activities such as promoting movie and television adaptations of its content and cross-industry collaborations.

Through the above, the Company will continue its efforts to maximize corporate brand value while expanding the branding of its content.

② Sustainability activities

Based on its management philosophy, the Company is working to achieve stable growth and enhance corporate value over the medium-to-long term through its business activities, while also proactively addressing common environmental and social issues in order to create a world in which everyone can enjoy games with peace of mind.

Through these initiatives, the Company aims to create a better future by building trust with all stakeholders, including customers, business partners, and employees, among others.

A. Human resources investment strategy

The Company has positioned initiatives regarding human capital, which is the source of corporate value creation, as one of its priority issues and has therefore established a Chief Human Resources Officer (CHO) to promote its human resources investment strategy.

The Company will continue to enhance its corporate value by implementing the following initiatives:

a. Securing and developing human resources to support the future

In order to enhance its development system—the source of its core competitiveness—and achieve its ongoing medium-term management objective, the Company recognizes the importance of bolstering its development workforce and enhancing productivity through investment in human capital. As such, in addition to continuing efforts to increase its workforce by more than 100 developers every year, the Company implemented various measures from 2022 onward to enhance its ability to recruit and retain employees, such as increasing the average annual base salary of full-time employees by 30%, establishing a more performance-linked bonus system, and introducing a stock-based compensation system for employees. As a result, the Company has secured 2,846 developers in its workforce as of March 31, 2025.

In addition, the Company will continue its efforts to attract top talent by raising the starting monthly salary for new graduates to 300,000 yen in April 2025, which will enhance Capcom's recruitment competitiveness in terms of remuneration, as well as by promoting industry-academia collaboration initiatives and expanding mid-career recruitment channels.

Moreover, the Company has introduced mentor training and other programs for the early development of young employees to foster and strengthen the human resources that underpin its future.

b. Organizing and improving the working environment

In order to expand its development environment and facilities to accommodate the increasing scale of development and sophistication of technology, the Company is expanding its workforce and making growth investments, such as acquiring real estate as business assets.

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In addition, it is focusing on cultivating a corporate culture of respect for human rights and creating a comfortable working environment while raising the awareness of its executives and employees through training and leveraging opportunities for direct dialogue between management and employees. The Company will continue to focus on creating a better working environment to prevent employee turnover and increase engagement.

c. Ensuring human resource diversity

In order for the Company to further expand the number of development personnel in the future, it is necessary to create an environment in which human resources with diverse backgrounds can maximize their abilities.

The Company, therefore, is making efforts to secure and develop diverse human resources through recruitment and evaluation, regardless of gender, nationality, age, and other attributes.

The Company aims to achieve the percentage of male employees taking childcare leave to at least 85%, as well as raising the gender wage gap to at least 88% by the end of March 2029, in addition to introducing a partnership system with more inclusive definitions of spouses and conducting nursing care seminars.

As of March 31, 2025, the Company employs foreign nationals from a total of 36 different countries. It has therefore introduced measures for foreign national employees, such as Japanese language learning and a special leave system for them to visit their home countries.

The Company will continue to promote various initiatives and establish programs to create an environment where employees from various backgrounds can flourish.

(Reference)

	March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025
No. of employees (consolidated)	3,152	3,206	3,332	3,531	3,766
Of which, development personnel	2,285	2,369	2,460	2,675	2,846
Average annual salary (non-consolidated) (thousand yen)	6,034	7,127	7,660	8,328	9,185
Operating income per employee (consolidated) (thousand yen)	10,975	13,384	15,249	16,165	17,466
Turnover rate (non-consolidated) (%)	3.9	5.4	3.5	2.9	2.8
Paternity leave utilization rate (non-consolidated) (%)	21.5	34.5	45.5	66.7	79.7
Gender wage gap (non-consolidated) (%)	79.4	82.9	85.4	83.8	82.8

(Note) All of the above figures are based on full-time employees only. The paternity leave utilization rate is calculated for all employees, including temporary employees.

B. Initiatives for reinforcement of information security

The Company sells its content in more than 220 countries and regions globally and recognizes that information has a significant impact on its corporate activities. As such, while responding to personal information protection legislation, it is also enhancing its response to legislation for the protection of minors being advanced worldwide. In addition, based on an awareness of the need to take measures against compounding cyber risks both in Japan and overseas, the Company is working to strengthen its information security system to comply with laws and regulations related to information security.

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The Security Oversight Committee, an external advisory body, has been meeting regularly, and based on the committee's advice, the Company has been building capabilities for ongoing system operations and monitoring, as well as early response and recovery in the case of emergencies, such as when unexpected security risks materialize. Going forward, the Company will continue to maintain and strengthen its information security structure based on the PDCA cycle.

In addition, the Company will strive to raise awareness of information security by providing education and training to its officers and employees and reporting the results to the Board of Directors.

C. Environmental initiatives

The Company's Digital Contents business accounts for approximately 75% of its total revenue and primarily entails the development and sale of software. This means that the Company's environmental impact and climate-related risks are lower than the general manufacturing industry. Therefore, the Company believes that the impact of climate change risks and profit opportunities on its business activities and earnings will be minimal.

However, the Company views addressing climate change as a challenge that requires the cooperation of everyone living on this planet. Based on this view, the Company leads its peers in the promotion of digital sales of its content, which is part of its efforts to conserve resources and curb CO₂ emissions in manufacturing and transporting physical media, such as game disks. The Company is also working to reduce its environmental impact by implementing power-saving measures and recycling certain parts in the manufacturing and sale of pachislo machines.

Furthermore, as part of the Company's environmental response, CO₂-free electricity sourced from renewable energy has been introduced in Company-owned buildings and other facilities in the Kansai area. As a result, approximately 27% of the power consumed by the Company in Japan is now provided by renewable energy. Furthermore, the Company is working to reduce its CO₂ output by introducing green power at its Tokyo branch and expanding the adoption of CO₂-free electricity at its other business locations. Additionally, the Company is making efforts to further reduce its environmental impact with initiatives such as using its own data centers, where power-saving measures are in place, while also using major cloud and data center service providers that promote the use of renewable energy.

③ Initiatives on corporate governance

The Company is continuously working to enhance its corporate governance to enhance the transparency and soundness of management, build a system that can respond to changes in the business environment, and raise its medium- to long-term corporate value.

In addition, it strives to build a relationship of trust and mutual prosperity with its stakeholders.

A. Strengthening corporate governance

The Company is working to strengthen the performance of the Board of Directors by ensuring the diversity of the Board and expanding opportunities for the active participation of external directors to achieve sustainable growth and raise corporate value over the medium to long term, while taking into account the perspective of our stakeholders.

In addition, the Company strives to strengthen the oversight functions of management through information sharing and mutual understanding by ways of the Nomination and Remuneration Committee, which is chaired by an external director (and comprised of a majority of external directors), and meetings to exchange opinions between internal directors and external directors.

The Company has promoted diversity on the Board of Directors by appointing one new female external director in 2024, bringing the number of female directors to two. In addition, with respect to the remuneration system for executive directors, the Company has worked to further share value with shareholders by linking remuneration more closely to its business performance and introducing a performance-linked stock remuneration system.

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B. Strengthening the risk management system

The Company recognizes that it is essential to develop and operate a system that can appropriately assess and manage the risks arising from its business activities in order to achieve sustainable growth. Furthermore, each department should analyze, evaluate, and consider responses to their respective risks, and strive to prevent potential crises from occurring. It is also important to strengthen cross-organizational management systems for risks that could have a significant impact on the Company.

To this end, the Company will work to take organizational measures to develop a structure to assess and oversee risk management across the entire Company and report on the status of risk management to the Board of Directors. Through these efforts, the Company will strive to enhance its internal control system, including internal control initiatives and promotion of compliance, and ensure that corporate governance functions effectively.

2. Basic policy regarding selection of accounting standards

With consideration for providing consolidated financial documents that can be compared over time and between companies, for the foreseeable future the Company will prepare consolidated financial documents according to Japanese standards.

We are currently considering the appropriate time to adopt International Financial Reporting Standards (IFRS), and in preparation of their introduction, we have begun acquiring knowledge of these standards and are carrying out impact studies on their adoption and a gap analysis between these and Japanese standards.

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3. Summary of consolidated financial statements

(1) Consolidated balance sheets

	(Millions of yen)	
	Previous fiscal year (March 31, 2024)	Current fiscal year (March 31, 2025)
Assets		
Current assets		
Cash on hand and in banks	125,191	166,783
Accounts receivable - trade	25,383	33,341
Merchandise and finished goods	1,692	2,798
Work in progress	1,222	917
Raw materials and supplies	847	1,115
Work in progress for game software	39,035	49,209
Other	4,456	7,917
Allowance for doubtful accounts	(2)	(0)
Total current assets	197,826	262,082
Fixed assets		
Tangible fixed assets, net of accumulated depreciation		
Buildings and structures, net	10,938	10,745
Machinery and vehicles, net	14	41
Tools, fixtures and furniture, net	2,198	2,090
Equipment for amusement facilities, net	3,375	3,556
Land	8,996	10,028
Leased assets, net	2,142	2,773
Construction in progress	647	2,598
Other, net	2,154	1,720
Total tangible fixed assets	30,468	33,554
Intangible assets	1,444	1,436
Investments and other assets		
Deferred tax assets	7,893	8,962
Other	5,867	6,968
Allowance for doubtful accounts	(23)	(23)
Total investments and other assets	13,737	15,907
Total fixed assets	45,650	50,899
Total assets	243,476	312,982

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	(Millions of yen)	
	Previous fiscal year (March 31, 2024)	Current fiscal year (March 31, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,603	3,117
Electronically recorded monetary liabilities	1,730	2,505
Short-term borrowings	3,591	3,591
Current portion of long-term borrowings	626	—
Lease obligations	1,265	1,512
Accrued income taxes	5,454	15,053
Accrued bonuses	8,388	9,480
Deferred revenue	683	20,590
Other	8,870	13,626
Total current liabilities	33,213	69,478
Long-term liabilities		
Long-term borrowings	3,000	3,000
Lease obligations	3,676	3,813
Deferred tax liabilities	22	46
Liabilities for retirement benefits for employees	4,379	4,758
Provision for share awards	2,074	3,169
Provision for share-based payments	—	49
Other	2,028	2,361
Total long-term liabilities	15,181	17,200
Total liabilities	48,394	86,678
Net assets		
Shareholders' equity		
Common stock	33,239	33,239
Capital surplus	30,259	30,259
Retained earnings	172,615	204,233
Treasury stock	(50,012)	(49,963)
Total shareholders' equity	186,100	217,768
Accumulated other comprehensive income		
Cumulative translation adjustments	9,197	8,602
Accumulated adjustments for retirement benefits, net of tax	(216)	(222)
Total accumulated other comprehensive income	8,980	8,380
Share award rights	—	155
Non-controlling interests	—	—
Total net assets	195,081	226,303
Total liabilities and net assets	243,476	312,982

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(2) Consolidated statements of income and comprehensive income
Consolidated statements of income

	(Millions of yen)	
	Previous fiscal year	Current fiscal year
	April 1, 2023 to March 31, 2024	April 1, 2024 to March 31, 2025
Net sales	152,410	169,604
Cost of sales	67,755	70,846
Gross profit	84,654	98,757
Selling, general and administrative expenses	27,572	32,980
Operating income	57,081	65,777
Non-operating income		
Interest income	1,159	1,118
Dividend income	27	0
Exchange gain, net	2,303	511
Other	116	130
Total non-operating income	3,606	1,761
Non-operating expenses		
Interest expense	60	80
Social contribution activity-related expenses (*)	1,029	1,663
Other	176	158
Total non-operating expenses	1,265	1,902
Ordinary income	59,422	65,635
Special gains		
Gain on sales of fixed assets	1	144
Gain on sales of investment securities	408	—
Total special gains	410	144
Special losses		
Loss on sales and /or disposal of fixed assets	35	128
Loss on sales of Investments securities	13	—
Business restructuring expenses	500	—
Total special losses	549	128
Net income before income taxes	59,282	65,651
Income taxes - current	13,851	18,245
Income taxes - deferred	2,056	(1,039)
Total income taxes	15,908	17,205
Net income	43,374	48,445
Net income attributable to non-controlling interests	—	(7)
Net income attributable to owners of the parent	43,374	48,453

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Consolidated statements of comprehensive income

	(Millions of yen)	
	Previous fiscal year April 1, 2023 to March 31, 2024	Current fiscal year April 1, 2024 to March 31, 2025
Net income	43,374	48,445
Other comprehensive income		
Net unrealized gain or loss on securities, net of tax	(102)	—
Cumulative translation adjustments	4,865	(596)
Adjustments for retirement benefits, net of tax	68	(6)
Total other comprehensive income	4,831	(602)
Comprehensive income	48,206	47,843
Comprehensive income attributable to:		
Owners of the parent	48,206	47,853
Non-controlling interests	—	(9)

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(3) Consolidated statement of changes in net assets
Previous fiscal year from April 1, 2023 to March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of April 1, 2023	33,239	30,259	143,519	(50,037)	156,979
Changes of items during the current fiscal year					
Cash dividends			(14,278)		(14,278)
Net income attributable to owners of the parent			43,374		43,374
Repurchase of treasury stock				(1)	(1)
Disposal of treasury stock				26	26
Net changes of items other than shareholders' equity					
Total changes of items during the current fiscal year	—	—	29,095	25	29,121
Balance as of March 31, 2024	33,239	30,259	172,615	(50,012)	186,100

	Accumulated other comprehensive income				Total net assets
	Net unrealized gain on securities, net of tax	Cumulative translation adjustments	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income	
Balance as of April 1, 2023	102	4,332	(285)	4,149	161,129
Changes of items during the previous fiscal year					
Cash dividends					(14,278)
Net income attributable to owners of the parent					43,374
Repurchase of treasury stock					(1)
Disposal of treasury stock					26
Net changes of items other than shareholders' equity	(102)	4,865	68	4,831	4,831
Total changes of items during the current fiscal year	(102)	4,865	68	4,831	33,952
Balance as of March 31, 2024	—	9,197	(216)	8,980	195,081

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Current fiscal year from April 1, 2024 to March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of April 1, 2024	33,239	30,259	172,615	(50,012)	186,100
Changes of items during the current fiscal year					
Cash dividends			(16,835)		(16,835)
Net income attributable to owners of the parent			48,453		48,453
Repurchase of treasury stock				(2)	(2)
Disposal of treasury stock				51	51
Net changes of items other than shareholders' equity					
Total changes of items during the current fiscal year	—	—	31,617	49	31,667
Balance as of March 31, 2025	33,239	30,259	204,233	(49,963)	217,768

	Accumulated other comprehensive income			Share award rights	Non-controlling interests	Total net assets
	Cumulative translation adjustments	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income			
Balance as of April 1, 2024	9,197	(216)	8,980	—	—	195,081
Changes of items during the previous fiscal year						
Cash dividends						(16,835)
Net income attributable to owners of the parent						48,453
Repurchase of treasury stock						(2)
Disposal of treasury stock						51
Net changes of items other than shareholders' equity	(594)	(6)	(600)	155	—	(445)
Total changes of items during the current fiscal year	(594)	(6)	(600)	155	—	31,221
Balance as of March 31, 2025	8,602	(222)	8,380	155	—	226,303

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(4) Consolidated statements of cash flows

	(Millions of yen)	
	Previous fiscal year April 1, 2023 to March 31, 2024	Current fiscal year April 1, 2024 to March 31, 2025
Cash flows from operating activities		
Net income before income taxes	59,282	65,651
Depreciation and amortization	4,221	4,675
Increase (decrease) in allowance for doubtful accounts	1	(1)
Increase (decrease) in accrued bonuses	2,610	1,094
Increase (decrease) in liabilities for retirement benefits for employees	339	365
Increase (decrease) in provision for share awards	1,055	1,095
Increase (decrease) in provision for share-based payments	—	49
Interest and dividend income	(1,186)	(1,119)
Interest expense	60	80
Exchange (gain) loss, net	(1,134)	(117)
Loss (gain) on sales and/or disposal of fixed assets	34	(15)
Loss (gain) on sales of Investments securities	(395)	—
Business restructuring expenses	500	—
Decrease (increase) in notes and accounts receivable - trade	(71)	(7,976)
Decrease (increase) in inventories	(825)	(1,073)
Decrease (increase) in work in progress for game software	(788)	(10,169)
Increase (decrease) in notes and accounts payable - trade	(1,438)	1,299
Increase (decrease) in deferred revenue	(4,892)	19,932
Other	(1,427)	1,372
Subtotal	55,944	75,142
Interest and dividends received	1,130	1,131
Interest paid	(59)	(77)
Income taxes paid	(20,094)	(8,578)
Net cash provided by operating activities	36,921	67,618
Cash flows from investing activities		
Payments into time deposits	(28,433)	(32,258)
Proceeds from withdrawal of time deposits	26,962	32,107
Payments for acquisitions of tangible fixed assets	(4,838)	(5,846)
Proceeds from sales of tangible fixed assets	1	339
Payments for acquisitions of intangible fixed assets	(297)	(431)
Payments for purchase of investments in securities	(10)	—
Proceeds from sales of investments in securities	936	—
Payments for acquisitions of investments in subsidiaries	(122)	(162)
Payments for other investing activities	(164)	(1,185)
Proceeds from other investing activities	4	163
Net cash used in investing activities	(5,962)	(7,273)
Cash flows from financing activities		
Proceeds from long-term loans borrowings	3,000	—
Repayments of long-term borrowings	(3,685)	(688)
Repayments of lease obligations	(1,017)	(1,222)
Payments for repurchase of treasury stock	(1)	(2)
Dividends paid by parent company	(14,266)	(16,823)
Net cash used in financing activities	(15,969)	(18,735)
Effect of exchange rate changes on cash and cash equivalents	4,631	(274)
Net increase (decrease) in cash and cash equivalents	19,620	41,334
Cash and cash equivalents at beginning of year	89,470	109,091
Cash and cash equivalents at end of year	109,091	150,426

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(5) Notes to consolidated financial statements

(Going concern assumptions) Not applicable

(Changes in the scope of consolidation)

Leostar Co., Ltd., newly established on April 1, 2024, has been included in the scope of consolidation from the beginning of the consolidated fiscal year. And on July 1, 2024, the Company has acquired 66.7% of the total issued shares of Minimum Studios Co., Ltd. which is included in the scope of consolidation.

(Changes in presentation method)

(Consolidated balance sheets)

"Investment securities," "Claim in bankruptcy and reorganization," and "Lease deposits," in "Investments and other assets," which were separately presented in the previous fiscal year, are included in "Other" in the current fiscal year because their materiality has become insignificant. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified. As a result, in the consolidated balance sheets of the previous fiscal year, 26 million yen presented in "Investment securities," 12 million yen presented in "Claim in bankruptcy and reorganization," and 4,750 million yen presented in "Lease deposits" in "Investments and other assets" have been reclassified to "Other."

"Asset retirement obligations" in "Long-term liabilities," which was separately presented in the previous fiscal year, is included in "Other" in the current fiscal year because the materiality has become insignificant. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified. As a result, 1,095 million yen, which was presented as "Asset retirement obligations" in "Long-term liabilities" in the consolidated balance sheet for the previous fiscal year, has been reclassified as "Other."

(Consolidated statements of income)

* Social contribution activity-related expenses

Previous fiscal year (April 1, 2023 to March 31, 2024)

The breakdown of "Social contribution activity-related expenses" is "2025 Osaka Expo-related expense" of 783 million yen and "Donation" of 246 million yen.

Current fiscal year (April 1, 2024 to March 31, 2025)

The breakdown of "Social contribution activity-related expenses" is "2025 Osaka Expo-related expense" of 1,499 million yen and "Donation" of 164 million yen.

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(Segment Information)

1. Outline of business reportable segment

(1) Classification of business reportable segment

The business segments the Company reports are the business units for which the Company is able to obtain individual financial information separately in order for the board of directors to conduct periodic investigations to determine the distribution of operational resources and evaluate their business performance.

The Company has several business offices, which plan comprehensive business strategies in domestic and overseas markets for their products and services, and develop its business activities.

Therefore the Company's reportable segments are based on the products and services its operational headquarters deal in and are composed of the following 3 units: "Digital Contents," "Arcade Operations" and "Amusement Equipments."

(2) Product and service line

"Digital Contents" develops and distributes home video games and mobile games for consumers.

"Arcade Operations" operates amusement facilities which house amusement and arcade game machines.

"Amusement Equipments" develops, manufactures and distributes amusement machines etc. to amusement facility operators.

2. Method of calculating sales and income (loss), identifiable assets and liabilities, and other items by reportable segment

The accounting procedure for the reportable segment is in principle the same with that for the consolidated financial statements.

Income by reportable segment is calculated based on operating income.

3. Information on net sales and operating income (loss), identifiable assets and liabilities, and other items by reportable segment

Previous fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Consolidated total (Note 3)
	Digital Contents	Arcade Operations	Amusement Equipments	Total				
Net sales								
(1) Customers	119,841	19,343	9,020	148,205	4,204	152,410	—	152,410
(2) Inter-segment	—	—	—	—	—	—	—	—
Total	119,841	19,343	9,020	148,205	4,204	152,410	—	152,410
Operating income (loss)	59,831	1,868	4,117	65,817	883	66,700	(9,619)	57,081
Identifiable assets	84,255	11,547	10,108	105,912	1,521	107,433	136,043	243,476
Other items								
Depreciation and amortization	1,313	1,542	78	2,934	55	2,989	1,231	4,221
Increase in tangible and intangible fixed assets	1,884	1,971	166	4,022	51	4,073	2,580	6,654

(Note) 1. "Other" incorporates operations not included in business segments reported, including Character Contents business etc.

2. Adjustments are as follows.

(1) Adjustments of operating income (loss) of -9,619 million yen include unallocated corporate operating expenses of -9,619 million yen.

The corporate operating expenses, which do not belong to any reportable segments mainly consist of administrative expenses.

(2) Adjustments of identifiable assets of 136,043 million yen include unallocated corporate identifiable assets of 136,043 million yen.

(3) Adjustments of increase in tangible and intangible fixed assets of 2,580 million yen are capital investment by headquarters.

3. Operating income (losses) for segments are adjusted on operating income on the consolidated statements of income.

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Current fiscal year (From April 1, 2024 to March 31, 2025)

(Millions of yen)								
	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Consolidated total (Note 3)
	Digital Contents	Arcade Operations	Amusement Equipments	Total				
Net sales								
(1) Customers	125,128	22,750	15,613	163,492	6,111	169,604	—	169,604
(2) Inter-segment	—	—	—	—	—	—	—	—
Total	125,128	22,750	15,613	163,492	6,111	169,604	—	169,604
Operating income (loss)	65,172	2,432	6,701	74,306	2,484	76,790	(11,013)	65,777
Identifiable assets	101,746	12,422	14,140	128,309	1,922	130,232	182,749	312,982
Other items								
Depreciation and amortization	1,471	1,621	145	3,238	74	3,313	1,361	4,675
Increase in tangible and intangible fixed assets	898	1,911	81	2,892	90	2,982	5,331	8,313

(Note) 1. "Other" incorporates operations not included in business segments reported, including Character Contents business etc.

2. Adjustments are as follows.

(1) Adjustments of operating income (loss) of -11,013 million yen include unallocated corporate operating expenses of -11,013 million yen.

The corporate operating expenses, which do not belong to any reportable segments mainly consist of administrative expenses.

(2) Adjustments of identifiable assets of 182,749 million yen include unallocated corporate identifiable assets of 182,749 million yen.

(3) Adjustments of increase in tangible and intangible fixed assets of 5,331 million yen are capital investment by headquarters.

3. Operating income (losses) for segments are adjusted on operating income on the consolidated statements of income.

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(Per share information)

	Previous fiscal year 〔 April 1, 2023 to March 31, 2024 〕 (Yen)	Current fiscal year 〔 April 1, 2024 to March 31, 2025 〕 (Yen)
Net assets per share	466.44	540.68
Earnings per share	103.71	115.85
Diluted earnings per share	—	115.84

- (Note) 1. The diluted earnings per share for the previous fiscal year is omitted as the Company has no residual securities.
2. With an effective date of April 1, 2024, the Company performed a 2-for-1 split of its common stock.
The Company calculated "Net assets per share," "Earnings per share," and "Diluted earnings per share," assuming that the stock split was implemented with an effective date of April 1, 2023.
3. The basis for computation of net assets per share is as follows:

Items	Previous fiscal year (March 31, 2024) (Millions of yen)	Current fiscal year (March 31, 2025) (Millions of yen)
Total amount of net assets	195,081	226,303
Amounts to be deducted from total amount of net assets	—	155
(Of which, share award rights)	—	(155)
(Of which, non-controlling interests)	—	—
Ending balance of net assets attributable to common stock	195,081	226,148
Number of shares of common stocks used for computation of net assets per share (thousand shares)	418,239	418,268

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4. The basis for computation of earnings per share and diluted earnings per share are as follows:

Items	Previous fiscal year 〔 April 1, 2023 to March 31, 2024 〕 (Millions of yen)	Current fiscal year 〔 April 1, 2024 to March 31, 2025 〕 (Millions of yen)
Earnings per share		
Net income attributable to owners of the parent	43,374	48,453
Amount not allocated to common stock	—	—
Net income attributable to owners of the parent allocated to common stock	43,374	48,453
Average number of shares of common stock outstanding during the fiscal year (thousand shares)	418,232	418,254
Diluted earnings per share		
Net income attributable to owners of the parent	—	—
Increase in common stock (thousand shares)	—	43
(Of which, share award rights) (thousand shares)	—	(43)
Outline of potential shares not included in calculation of (diluted) earnings per share because of no dilutive effect	—	—

5. The Company's stock that remains in the Stock Grant ESOP Trust being recorded as "Treasury stock" in net assets is included in the treasury stocks, which are deducted in calculating earnings per share and is included in the treasury stocks, which are deducted from the number of shares of common stocks used for computation of net assets per share.

The numbers of the deducted treasury stocks used for computation of the net assets per share as of the end of the previous fiscal year and the current fiscal year are 7,983,640 and 7,953,888, respectively, and the average numbers of the deducted treasury stocks used for computation of the earnings per share for the previous fiscal year and the current fiscal year are 7,990,497 and 7,967,678, respectively.

(Additional Information)

(Employee Stock Ownership Plan)

In June 2022, the Company established a Stock Grant ESOP trust as an employee incentive plan (the Plan, below) for its permanent employees (excludes employees not living in Japan; eligible employees, below).

1. Overview

The Company established the Plan with the aim of increasing employee motivation and interest in contributing to the enhancement of earnings. Under the Plan, the Company established a Stock Grant ESOP (Employee Stock Ownership Plan) trust (the "ESOP trust," below). The ESOP trust is an employee incentive plan similar to ESOP plans in the U.S. and will grant the Company's stock that has been acquired by the ESOP trust to eligible employees who have satisfied certain requirements, based on predetermined stock transfer rules. Further, the Company will provide all funds for acquisition of the aforementioned stock by the ESOP trust, so none of the cost falls upon the eligible employees.

The Company anticipates that by establishing the ESOP trust eligible employees will be able to reap the economic benefits of increases in the value of the Company's stock, resulting in increasing workplace motivation while at the same time enhancing work performance.

Further, voting rights for the Company's stock held in the ESOP trust will be exercised within a structure that reflects the will of eligible employees who are candidate beneficiaries, and is an effective way to improve corporate value by promoting participation in management planning.

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The remuneration of corporate officers of the Company (excluding those concurrently serving as directors) has been changed to a performance-linked stock remuneration system like the one that was introduced for the Company's directors (excluding external directors and members of the Audit and Supervisory Committee) by a resolution of the Company's 45th Annual General Meeting of Shareholders on June 20, 2024, to promote the sharing of values from the same perspective as shareholders. As such, corporate officers of the Company (excluding those concurrently serving as directors) who were previously eligible for the Plan are therefore no longer eligible.

2. The Company's Stock that Remains in the Trust

The Company's stock that remains in the trust is recorded as treasury stock in net assets based on the book value in the trust (excluding associated expenses). Total book value and the number of shares at the end of the previous fiscal year and at the end of the current fiscal year are 13,791 million yen and 7,983,640 shares, and 13,740 million yen and 7,593,888 shares, respectively. With an effective date of April 1, 2024, the Company performed a 2-for-1 split of its common stock.

The Company calculated the number of shares, assuming that the stock split was implemented with an effective date of April 1, 2023.

(Significant subsequent events)

(Significant capital investment)

The Company entered into a land purchase agreement with Daiwa House Industry Co., Ltd., as described below, on January 23, 2025, and acquired the land on April 24, 2025.

1. Purpose

In order to secure human resources to support the Company's future and to enhance its development system, the Company acquired land for the construction of an office building.

2. Detail

- (1) Location: Bingo-machi, Chuo-ku, Osaka City, Osaka Prefecture
- (2) Use: Land for the construction of an office building for the Company
- (3) Site area: 2,294.91 m²
- (4) Total investment: 9.0 billion yen

3. Schedule

- (1) Transfer of land ownership: April 24, 2025
- (2) Scheduled completion of building construction: TBD

4. Significant impacts on operating activities

The impact on the consolidated financial results for the fiscal year ending March 31, 2026 is expected to be minimal.