

Summary of Consolidated Financial Statement for the Three Months Ended March 31, 2025 [IFRS]

May 12, 2025
Listed Market: TSE

SEPTENI HOLDINGS CO., LTD.

Stock Code: 4293 URL: <https://www.septeni-holdings.co.jp/en>

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Anticipated Dividend Payment Date: —

Supplemental Earnings Presentation Materials: Available

Earnings Presentation Meeting: Held for institutional investors, analysts, media

(All figures of less than 1 million yen are rounded down to the nearest digit)

1. Consolidated Financial Results for the Three Months Ended March 31, 2025 (From January 1, 2025 to March 31, 2025)

(1) Consolidated Financial Result (Cumulative) (% figures represent year-over-year change)

	Revenue		Operating profit		Non-GAAP operating profit		Profit before tax		Profit		Profit attributable to owners of parent	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Three months ended March 31, 2025	8,206	12.5	1,557	23.7	1,571	23.3	2,067	19.0	1,522	-56.2	1,524	-56.3
March 31, 2024	7,292	—	1,259	—	1,274	—	1,736	—	3,471	—	3,489	—

(Note) 1. Non-GAAP operating profit is a profit indicator of constant business performance determined by excluding gain and loss related to acquisition actions such as amortization of acquisition-related intangible assets and M&A expenses, and temporary factors such as share-based payment expenses, impairment loss, and gain or loss on the sales of fixed assets from the IFRS-based operating profit.

2. As the fiscal year ended December 31, 2023 is 15 months due to a change in the fiscal year-end, the first quarter of FY12/23 is from October 1, 2022 to December 31, 2022 and the first quarter of FY12/24 is from January 1, 2024 to March 31, 2024, and the rate of year-over-year change is not stated.

3. As the results of COMISMA INC. and its subsidiaries, etc. have been reclassified as discontinued operations, revenue, operating profit, Non-GAAP operating profit and profit before tax represent the amount of continuing operations, excluding discontinued operations.

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
March 31, 2025	7.35	7.34
March 31, 2024	16.85	16.81

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of	Million Yen	Million Yen	Million Yen	%
March 31, 2025	101,811	64,906	64,875	63.7
December 31, 2024	97,637	69,955	69,880	71.6

2. Dividends

	Dividends				
	End of 1Q	End of 2Q	End of 3Q	Term-end	Total
Fiscal year ended December 31, 2024	Yen —	Yen —	Yen —	Yen 31.35	Yen 31.35
Fiscal year ending December 31, 2025	—	—	—	—	—
Fiscal year ending December 31, 2025 (Estimate)	—	—	—	18.00	18.00

(Note) Revision to the most recently announced dividends estimates: None

3. Consolidated Forecasts for the Fiscal Year Ending December 31, 2025 (From January 1, 2025 to December 31, 2025)

(% figures represent year-over-year change)

	Revenue		Non-GAAP operating profit		Profit for the period attributable to owners of parent		Basic earnings per share
	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Full Year	30,300	7.1	4,000	25.1	3,800	-31.2	18.32

(Note) Revision to the most recently announced consolidated forecasts: None

*Others

(1) Significant changes in the scope of consolidation during the current three months: None

(2) Changes in accounting policies and accounting estimates

- (i) Changes in accounting policies required by IFRS: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None

(3) Number of issued and outstanding shares (common shares)

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

As of March 31, 2025	211,389,654 shares
As of December 31, 2024	211,389,654 shares

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

As of March 31, 2025	3,964,545 shares
As of December 31, 2024	3,964,545 shares

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

Three months ended March 31, 2025	207,425,109 shares
Three months ended March 31, 2024	207,115,109 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

* Notes for using forecasted information and others

(1) Consolidated Forecasts

Any description regarding the future in this material, such as financial results forecasts and an outlook, is based on the available information and certain conditions which the Company believes to be reasonable at the moment, and actual financial results may differ from the forecasts due to various factors.

For the conditions which the forecasts are based on, please refer to “1. Qualitative Information on the Financial Results for the Three Months (3) Explanation of Earnings Forecasts and Other Forward-Looking Information.”

(2) Way of getting supplemental material of annual results

The Company will hold a financial results briefing as below. The briefing materials will be available on the website after the summary of consolidated financial statements is disclosed. The transcript of the briefing will be also available on the website.

May 12, 2025 (Mon.) – FY12/2025 First Quarter Financial Results Briefing for Institutional Investors, Analysts and the Press

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1. Qualitative Information on the Financial Results for the Three Months

(1) Explanation of Financial Results

For the three months ended March 31, 2025 (hereinafter “the current three months”), in the main Marketing Communication Segment, the Company expanded existing projects and acquired new projects, mainly for large-scale clients, as well as promoting the alliance with the Dentsu Group. It also appropriately controlled expenses, and as a result, both revenue and operating profit increased year on year. In the Direct Business Segment, revenue increased but operating profit decreased due to an increase in expenses, despite an expansion centered on TV projects. In the Data & Solutions Segment, revenue and operating profit declined due to the impact of the termination of some projects that had been granted in advance, despite efforts to expand into the marketing DX area and acquire projects by strengthening the sales structure that had been promoted since the previous fiscal year.

As a result, revenue was ¥8,206 million (up 12.5% year on year), operating profit was ¥1,557 million (up 23.7% year on year), Non-GAAP operating profit was ¥1,571 million (up 23.3% year on year), and profit attributable to owners of parent was ¥1,524 million (down 56.3% year on year).

Also, excluding one-time factor that a record of a gain on the partial transfer of shares of COMISMA INC. in the previous fiscal year, profit from continuing operations increased year on year.

The Group discloses consolidated financial results in terms of both its internal measures which management relies upon in making decisions (hereinafter the “Non-GAAP financial measures”) and those under IFRS. Non-GAAP operating profit is a profit indicator of constant business performance determined by excluding gains and losses related to acquisition actions and temporary factors from the IFRS-based operating profit. Management believes that the disclosure of Non-GAAP financial measures facilitates comparison between the Group and industry peers and year-on-year comparisons by stakeholders and can provide useful information in understanding the underlying financial results and outlook of the Group. Gain and loss related to acquisition actions refer to amortization of acquisition-related intangible assets and M&A expenses, and temporary factors refer to one-off items, such as share-based payment expenses, impairment losses, and gains or losses on sales of fixed assets, which the Group believes shall be excluded for the purposes of preparing an outlook based on certain rules.

Adjustments from operating profit to Non-GAAP operating profit are as follows.

(Million yen)

	The previous three months (Three months ended March 31, 2024)	The current three months (Three months ended March 31, 2025)	Change of amount	Rate of change
Operating profit	1,259	1,557	298	23.7%
Adjustment (Amortization of acquisition-related intangible assets)	10	10	—	
Adjustment (Others)	4	4	-0	
Non-GAAP operating profit	1,274	1,571	297	23.3%

Operating results by reportable segment are as follows.

Reportable segments are changed from the current three months. The comparison and analysis of the current three months are made based on the reportable segments after the change.

For the details, please refer to “2. Consolidated Financial Statements for the Three Months and Key Notes (5) Notes on Consolidated Financial Statements for the Three Months (iii) Information on Reportable Segments b. Change in reportable segments.”

(i) Marketing Communication Segment

The Marketing Communication Segment provides comprehensive DX support through integrated marketing services centered on digital advertising sales and operations.

In the current three months, the Company expanded existing projects and acquired new projects, mainly for large-scale clients, as well as promoting the alliance with the Dentsu Group. It also appropriately controlled expenses, and as a result, both revenue and operating profit increased year on year.

As a result, revenue was ¥6,107 million (up 12.6% year on year), and Non-GAAP operating profit was ¥2,044 million (up 27.2% year on year).

(ii) Direct Business Segment

The Direct Business Segment provides integrated client support by seamlessly executing everything from business strategy planning to direct response promotions and CRM in both B2C and B2B areas, thereby unifying offline media and digital strategies.

In the current three months, revenue increased but operating profit decreased due to an increase in expenses, despite an expansion centered on TV projects.

As a result, revenue was ¥1,555 million (up 31.7% year on year), and Non-GAAP operating profit was ¥274 million (down 5.0% year on year).

(iii) Data & Solutions Segment

The Data & Solutions Segment leverages long-standing expertise in digital marketing to provide data collection, integration, and utilization services, develop and deliver data- and AI-driven solutions, support client development, and dispatch engineering personnel.

In the current three months, revenue and operating profit declined due to the impact of the termination of some projects that had been granted in advance, despite efforts to expand into the marketing DX area and acquire projects by strengthening the sales structure that had been promoted since the previous fiscal year.

As a result, revenue was ¥741 million (down 4.6% year on year), and Non-GAAP operating profit was ¥87 million (down 36.1% year on year).

(2) Explanation of Financial Positions

As of March 31, 2025, total assets increased by ¥4,174 million compared to the previous fiscal year and reached ¥101,811 million. This is mainly due to a decrease of ¥1,180 million in investment accounted for using equity method, while an increase of ¥3,491 million in trade receivables and ¥1,636 million in other financial assets (current).

Total liabilities increased by ¥9,222 million compared to the previous fiscal year and reached ¥36,905 million. This is mainly due to an increase of ¥8,405 million in trade payables and ¥1,569 million in other financial liabilities (current).

Total equity decreased by ¥5,048 million compared to the previous fiscal year and reached ¥64,906 million. This is mainly due to a record of profit of ¥1,522 million and dividends paid of ¥6,503 million.

(3) Explanation of Earnings Forecasts and Other Forward-Looking Information

There is no change in the consolidated earnings forecasts for the fiscal year ending December 31, 2025 from the estimates revealed on February 12, 2025.

2. Consolidated Financial Statements for the Three Months and Key Notes

(1) Consolidated Statement of Financial Position for the Three Months

(Thousand yen)

	Fiscal year ended December 31, 2024 (As of December 31, 2024)	Three months ended March 31, 2025 (As of March 31, 2025)
Assets		
Current assets		
Cash and cash equivalents	23,730,478	23,110,947
Trade receivables	20,721,228	24,212,698
Inventories	15,818	12,637
Other financial assets	721,696	2,357,861
Other current assets	788,470	787,071
Total current assets	45,977,690	50,481,214
Non-current assets		
Property, plant, and equipment	331,425	450,673
Right-of-use assets	1,418,157	1,285,591
Goodwill	4,693,055	4,693,055
Intangible assets	887,843	993,985
Investments accounted for using equity method	36,012,726	34,832,853
Other financial assets	7,252,691	8,010,537
Other non-current assets	10,449	5,440
Deferred tax assets	1,053,254	1,057,640
Total non-current assets	51,659,600	51,329,775
Total assets	97,637,290	101,810,989

Liabilities and Equity

Liabilities

Current liabilities

Trade payables	18,870,184	27,274,930
Other financial liabilities	4,631,603	6,201,005
Income taxes payable	806,696	782,734
Other current liabilities	1,902,559	1,571,667
Total current liabilities	26,211,042	35,830,337

Non-current liabilities

Other financial liabilities	893,394	744,660
Provisions	163,095	161,945
Deferred tax liabilities	415,069	167,651
Total non-current liabilities	1,471,557	1,074,256

Total liabilities	27,682,599	36,904,592
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Equity

Equity attributable to owners of parent

Share capital	18,430,174	18,430,174
Capital surplus	25,424,005	25,428,258
Treasury shares	-1,396,624	-1,396,624
Retained earnings	27,693,471	22,715,035
Other components of equity	-270,747	-301,644

Total equity attributable to owners of parent	69,880,279	64,875,198
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Non-controlling interests	74,413	31,198
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Total equity	69,954,691	64,906,396
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Total liabilities and equity	97,637,290	101,810,989
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(2) Consolidated Statement of Profit or Loss for the Three Months and Consolidated Statement of Comprehensive Income for the Three Months

(Consolidated Statement of Profit or Loss for the Three Months)

(Thousand yen)

	Three months ended March 31, 2024 (From January 1, 2024 to March 31, 2024)	Three months ended March 31, 2025 (From January 1, 2025 to March 31, 2025)
Continuing operations		
Revenue	7,291,526	8,206,093
Cost of sales	1,309,524	1,842,210
Gross profit	5,982,002	6,363,883
Selling, general and administrative expenses	4,725,398	4,809,866
Other income	7,416	7,802
Other expenses	4,631	4,450
Operating profit	1,259,389	1,557,369
Finance income	1,342	53,763
Finance costs	139,075	85,315
Share of profit of investments accounted for using equity method	614,818	541,403
Profit before tax	1,736,474	2,067,220
Income tax expenses	476,090	545,571
Profit from continuing operations	1,260,384	1,521,649
Discontinued operations		
Profit from discontinued operations	2,210,177	—
Profit	3,470,561	1,521,649
Profit (loss) attributable to:		
Owners of parent	3,489,202	1,524,342
Non-controlling interests	-18,640	-2,692
Total	3,470,561	1,521,649
Earnings per share		
Basic earnings per share (Yen)		
Continuing operations	6.11	7.35
Discontinued operations	10.73	—
Total	16.85	7.35
Diluted earnings per share (Yen)		
Continuing operations	6.10	7.34
Discontinued operations	10.71	—
Total	16.81	7.34

(Consolidated Statement of Comprehensive Income for the Three Months)

(Thousand yen)

	Three months ended March 31, 2024 (From January 1, 2024 to March 31, 2024)	Three months ended March 31, 2025 (From January 1, 2025 to March 31, 2025)
Profit	3,470,561	1,521,649
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net changes in financial assets measured at fair value through other comprehensive income	24,214	-12,919
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	38,748	-18,445
Share of other comprehensive income of investments accounted for using equity method	—	467
Total other comprehensive income, net of tax	62,961	-30,897
Total comprehensive income	<u>3,533,522</u>	<u>1,490,752</u>
Comprehensive income attributable to:		
Owners of parent	3,552,163	1,493,444
Non-controlling interests	-18,640	-2,692
Comprehensive income	<u>3,533,522</u>	<u>1,490,752</u>

(3) Consolidated Statement of Changes in Equity for the Three Months

(Thousand yen)

	Equity attributable to owners of parent					Total	Non-controlling interests	Total equity
	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity			
Balance at January 1, 2024	18,428,004	25,426,993	-1,396,624	23,185,222	-49,731	65,593,864	110,925	65,704,788
Profit	—	—	—	3,489,202	—	3,489,202	-18,640	3,470,561
Other comprehensive income	—	—	—	—	62,961	62,961	—	62,961
Total comprehensive income	—	—	—	3,489,202	62,961	3,552,163	-18,640	3,533,522
Dividends of surplus	—	—	—	-1,076,999	—	-1,076,999	—	-1,076,999
Changes with loss of control of subsidiaries	—	—	—	—	—	—	-35,620	-35,620
Other	—	—	—	—	—	—	-4,426	-4,426
Total transactions with owners	—	—	—	-1,076,999	—	-1,076,999	-40,045	-1,117,044
Balance at March 31, 2024	18,428,004	25,426,993	-1,396,624	25,597,425	13,231	68,069,028	52,239	68,121,267

(Thousand yen)

	Equity attributable to owners of parent					Total	Non-controlling interests	Total equity
	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity			
Balance at January 1, 2025	18,430,174	25,424,005	-1,396,624	27,693,471	-270,747	69,880,279	74,413	69,954,691
Profit	—	—	—	1,524,342	—	1,524,342	-2,692	1,521,649
Other comprehensive income	—	—	—	—	-30,897	-30,897	—	-30,897
Total comprehensive income	—	—	—	1,524,342	-30,897	1,493,444	-2,692	1,490,752
Dividends of surplus	—	—	—	-6,502,777	—	-6,502,777	—	-6,502,777
Changes without loss of control of subsidiaries	—	4,252	—	—	—	4,252	-37,413	-33,161
Other	—	—	—	—	—	—	-3,109	-3,109
Total transactions with owners	—	4,252	—	-6,502,777	—	-6,498,525	-40,522	-6,539,047
Balance at March 31, 2025	18,430,174	25,428,258	-1,396,624	22,715,035	-301,644	64,875,198	31,198	64,906,396

(4) Consolidated Statement of Cash Flow for the Three Months

(Thousand yen)

	Three months ended March 31, 2024 (From January 1, 2024 to March 31, 2024)	Three months ended March 31, 2025 (From January 1, 2025 to March 31, 2025)
Cash flows from operating activities		
Profit before tax from continuing operations	1,736,474	2,067,220
Profit before tax from discontinued operations	3,209,136	—
Adjustments:		
Depreciation and amortization	171,786	181,760
Interest and dividend income	-1,344	-14,265
Interest expenses	4,776	6,688
Share of loss (profit) of investments accounted for using equity method	-614,818	-541,403
Loss (profit) on change in equity	105,692	-39,497
Loss (profit) from loss of control of subsidiaries	-3,333,342	—
Other	186,568	4,934
Changes in working capital		
Decrease (increase) in trade receivables	-1,495,453	-3,491,442
Decrease (increase) in inventories	7,954	3,181
Increase (decrease) in trade payables	2,653,056	8,404,746
Other	-11,204	125,131
Subtotal	2,619,279	6,707,053
Interest received	671	13,784
Dividends received	673	—
Interest paid	-14,170	-40,558
Income taxes refund	1,311,196	—
Income taxes paid	-431,167	-781,256
Cash flows provided by (used in) operating activities	3,486,482	5,899,023
Cash flows from investing activities		
Purchase of securities	-52,719	-707,914
Purchase of property, plant, and equipment	-2,947	-11,731
Purchase of intangible assets	-2,414	-132,535
Proceeds from sale of shares of subsidiaries with loss of control (net of cash of disposed subsidiaries)	1,820,365	—
Other	73,301	4,908
Cash flows provided by (used in) investing activities	1,835,585	-847,272

	(Thousand yen)	
	Three months ended March 31, 2024 (From January 1, 2024 to March 31, 2024)	Three months ended March 31, 2025 (From January 1, 2025 to March 31, 2025)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	—	1,000,000
Repayments of lease liabilities	-139,508	-133,237
Dividends paid	-1,076,999	-6,502,777
Other	-4,426	-16,822
Cash flows provided by (used in) financing activities	-1,220,932	-5,652,837
Effect of exchange rate changes on cash and cash equivalents	38,748	-18,445
Net increase (decrease) in cash and cash equivalents	4,139,883	-619,531
Net increase (decrease) in cash and cash equivalents from transfer to assets held for sale	426,437	—
Cash and cash equivalents at beginning of period	20,873,416	23,730,478
Cash and cash equivalents at end of period	<u>25,439,736</u>	<u>23,110,947</u>

(5) Notes on Consolidated Financial Statements for the Three Months

(i) Applicable Financial Reporting Framework

The Group's quarterly consolidated financial statements are prepared in accordance with Article 5-2 of the Standards for Preparation of Quarterly Financial Statements, etc. of Tokyo Stock Exchange, Inc. (however, the omission of the statement stipulated in Article 5-5 of the Standards for Preparation of Quarterly Financial Statements, etc. has been applied). Certain disclosure items and notes required by International Accounting Standards (IAS) 34 "Interim Financial Reporting," have been omitted.

(ii) Notes on Matters Related to Going Concern Assumption

No applicable items.

(iii) Information on Reportable Segments

a. Overview of reportable segments

The Group has a holding company structure where the Company is a holding company, and its subsidiaries (or their groups) are business units. Activities directly related to revenue generation are conducted solely by the business units.

The Group's reportable segments are based on business segments for which separate financial information is available and that the highest decision-maker examines on a regular basis to determine the distribution of management resources and evaluate the results. In consideration of similarities among the economic characteristics of each business segment and their quantitative importance and for the purpose of enabling the users of the financial statements to appropriately evaluate the Group's businesses and the economic circumstances, and their effects on the businesses, the Group discloses information on three reportable segments: the Marketing Communication Segment, the Direct Business Segment, and the Data & Solutions Segment.

i. Marketing Communication Segment

The Marketing Communication Segment provides comprehensive DX support through integrated marketing services centered on digital advertising sales and operations.

ii. Direct Business Segment

The Direct Business Segment provides integrated client support by seamlessly executing everything from business strategy planning to direct response promotions and CRM in both B2C and B2B areas, thereby unifying offline media and digital strategies.

iii. Data & Solutions Segment

The Data & Solutions Segment leverages long-standing expertise in digital marketing to provide data collection, integration, and utilization services, develop and deliver data- and AI-driven solutions, support client development, and dispatch engineering personnel.

b. Change in reportable segments

Aiming to realize the Group's mission of "To inspire the world with entrepreneurship" and to increase corporate value, the Company is working to realize sustainable business growth through the promotion of business portfolio management, focusing on the Digital Marketing Business, which is its core business, as well as reorganizing within the Group and creating synergies among businesses, under the medium-term theme of "Focus & Synergy."

Since the transition of the management structure, the Company has shifted to area management by dividing the Digital Marketing Business into three areas: Marketing Communication Area, Direct Business Area, and Data & Solutions Area. To further promote this, it decided to change the reportable segments to align the organizational structure with the segment classification in information disclosure.

Accordingly, from the current three months, three areas that had been classified under the Digital Marketing Business have been shifted to the Marketing Communication Segment, the Direct Business Segment, and the Data & Solutions Segment, respectively, and these three are the new reportable segments. In addition, each of the businesses previously classified in the Media Platform Business have been integrated into the Marketing Communication Segment or classified into the Other Business, taking into account the perspective of generating synergies with existing businesses.

The segment information for the previous three months has been prepared and disclosed based on the revised reportable segment classification.

c. Measurement of reportable segments' profit and loss

Segment profit uses Non-GAAP operating profit based on IFRS adjusted for gains and losses related to acquisition actions such as amortization of acquisition-related intangible assets and M&A expenses and temporary factors such as share-based payment expenses, impairment losses, and gains and losses on sales of fixed assets. Non-GAAP operating profit is a profit indicator of constant business performance determined by excluding gains and losses related to acquisition actions and temporary factors from the IFRS-based operating profit. Management believes that disclosing Non-GAAP measures facilitates comparison between the Group and industry peers and year-on-year comparisons by stakeholders and can provide useful information in understanding the underlying operating results and outlook of the Group. Gains and losses related to acquisition actions refer to amortization of acquisition-related intangible assets and M&A expenses, and unusual items refer to one-off items, such as share-based payment expenses, impairment losses, and gains and losses on sales of fixed assets, which the Group believes shall be excluded for the purposes of preparing an outlook based on certain rules.

The prices of inter-segment transactions are determined based on the prices of transactions with external customers.

d. Information on reportable segments' profit and loss

Three months ended March 31, 2024 (from January 1, 2024 to March 31, 2024)

(Thousand yen)

	Reportable Segments				Other Business *2	Total	Adjustments *3	Consolidated
	Marketing Communication	Direct Business	Data & Solutions	Subtotal				
Segment revenue	5,425,963	1,181,206	776,810	7,383,980	193,558	7,577,537	-286,011	7,291,526
Segment profit (loss) *1	1,607,059	288,202	136,165	2,031,427	-15,250	2,016,177	-742,185	1,273,992

(Notes) 1. The segment profit is Non-GAAP operating profit.

2. The segment revenue and segment profit in the Other Business include segment revenue and segment loss related to ALPHABLE Inc, which was transferred on October 1, 2024, and TowaStela, Inc., which was transferred on November 1, 2024.

3. Adjustments include expenses related to the operation of the holding company and the elimination of the profit or loss transactions between reportable segments. Expenses related to the operation of the holding company consist of personnel expenses, etc.

Three months ended March 31, 2025 (from January 1, 2025 to March 31, 2025)

(Thousand yen)

	Reportable Segments				Other Business	Total	Adjustments *2	Consolidated
	Marketing Communication	Direct Business	Data & Solutions	Subtotal				
Segment revenue	6,107,438	1,555,279	740,919	8,403,637	98,525	8,502,162	-296,069	8,206,093
Segment profit *1	2,043,995	273,830	86,976	2,404,801	517	2,405,318	-834,079	1,571,239

(Notes) 1. The segment profit is Non-GAAP operating profit.

2. Adjustments include expenses related to the operation of the holding company and the elimination of the profit or loss transactions between reportable segments. Expenses related to the operation of the holding company consist of personnel expenses, etc.

Adjustments of segment profit and profit before tax

	(Thousand yen)	
	Three months ended March 31, 2024 (From January 1, 2024 to March 31, 2024)	Three months ended March 31, 2025 (From January 1, 2025 to March 31, 2025)
Segment profit (Non-GAAP operating profit)	1,273,992	1,571,239
Selling, general and administrative expenses		
Amortization of acquisition-related intangible assets	-10,205	-10,205
Other profit (loss) (net)	-4,399	-3,666
Financial profit (loss) (net)	-137,733	-31,552
Share of profit of investments accounted for using equity method	614,818	541,403
Profit before tax	<u>1,736,474</u>	<u>2,067,220</u>

(iv) Subsequent Events

No applicable items.