

Consolidated Statements of Income (JPNGAAP)

Millions of yen	03/2004	03/2005	03/2006	03/2007	03/2008	03/2009	03/2010	03/2011	03/2012	03/2013
Net sales	63,202	73,864	124,473	163,472	147,516	135,693	192,257	125,271	127,896	147,981
Cost of sales	22,084	25,703	68,105	87,262	81,201	79,527	108,536	75,846	76,268	98,788
Gross profit	41,117	48,161	56,367	76,210	66,314	56,166	83,721	49,424	51,627	49,192
Reversal of provision for sales returns	1,420	1,569	1,316	1,186	2,271	1,135	4,863	4,046	1,706	1,551
Provision for sales returns	1,569	1,316	1,186	2,271	1,135	1,598	4,046	1,779	1,502	3,927
Net gross profit	40,968	48,414	56,497	75,125	67,450	55,703	84,538	51,691	51,831	46,817
Selling, general and administrative expenses										
Packaging freight charge	545	634	1,623	2,493	2,421	2,169	3,535	2,336	1,812	1,867
Advertising expense	5,119	5,346	7,458	6,331	5,892	5,546	11,053	7,935	7,258	12,309
Sales promotion expense	660	109	1,177	1,060	642	417	157	67	63	100
Allowance for doubtful accounts	332	77	101	-	8	-	-	-	67	-
Compensation for directors	231	233	498	682	567	456	519	596	541	607
Salaries	3,887	4,251	11,604	15,482	15,889	14,097	15,145	12,534	12,195	14,105
Provision for bonuses	1,130	418	1,350	2,237	1,403	1,755	2,378	1,408	1,814	1,483
Net periodic pension costs	491	107	251	446	36	353	1,102	1,135	1,288	1,484
Provision for directors' retirement benefits	6	121	19	42	47	20	13	15	13	12
Welfare expense	698	753	1,511	2,046	2,024	1,799	1,755	1,463	1,523	1,710
Rental expense	955	1,033	1,949	2,325	2,483	2,375	2,367	1,782	1,616	1,554
Commission fee	3,023	2,667	3,204	3,357	3,209	3,399	4,105	4,228	4,621	7,588
Depreciation and amortization	1,179	1,141	1,648	1,464	1,463	1,397	2,281	1,903	1,000	2,091
Other	3,307	5,079	8,625	11,238	9,839	9,637	11,886	8,956	7,298	7,984
Total Selling, general and administrative expenses	21,569	21,975	41,026	49,209	45,929	43,426	56,303	44,365	41,118	52,899
Operating income (loss)	19,398	26,438	15,470	25,916	21,520	12,277	28,235	7,325	10,713	(6,081)
Non-operating income										
Interest income	67	72	139	467	959	696	188	95	136	100
Dividends received	78	4	23	3	2	12	343	36	4	9
Foreign exchange gain	-	296	508	147	-	-	-	-	-	1,620
Rental income	0	30	63	69	70	43	30	24	17	14
Support fees received	-	-	28	-	-	-	-	-	-	-
Facilities' installation cooperation fees	-	-	79	51	52	-	-	-	-	-
Reversal of allowance for doubtful accounts	-	-	-	-	-	-	-	-	-	-
Subsidy income	-	-	-	-	-	-	-	-	-	-
Gain on forgiveness of payable for group tax	-	-	-	-	-	-	-	-	-	-
Outsourcing service income	-	-	-	-	-	-	-	-	-	-
Gain on sale of crypto assets	-	-	-	-	-	-	-	-	-	-
Revenue from business held for sale	-	-	-	-	-	-	-	-	-	-
Investment profit on equity method	-	-	-	29	23	-	-	-	-	-
Miscellaneous income	294	138	202	407	258	157	195	190	127	114
Total non-operating income	440	542	1,046	1,176	1,367	909	758	347	286	1,858
Non-operating expenses										
Interest expenses	7	2	29	2	0	1	30	59	61	98
Commission fee	-	-	94	-	-	-	-	-	100	53
Loss on investments in securities	-	-	-	-	-	-	-	-	-	-
Office transfer related expenses	-	-	-	-	-	-	-	-	-	-
Foreign exchange loss	788	-	-	-	1,858	1,715	842	2,149	536	-
Stock issuance expenses	8	-	-	-	-	-	-	-	-	-
Loss on disposal of inventories	-	3	151	119	119	-	-	-	-	-
Loss on write-offs of content production account	-	983	460	-	1,799	-	-	-	-	-
Loss on inventory revaluation	-	-	190	281	170	-	-	-	-	-
Loss on liquidation of content	-	-	-	-	-	-	-	-	-	-
Loss on retirement of development related assets	-	-	-	-	-	-	-	-	-	-
Stock issuance expenses	-	-	-	31	-	-	-	-	-	-
Corporate bond issuance expenses	-	-	17	-	-	-	142	-	-	-
Loss on write-off of advance license payment	-	-	-	244	-	-	-	-	-	-
Expenses from business held for sale	-	-	-	-	-	-	-	-	-	-
Investment loss on equity method	760	-	7	-	-	18	49	-	-	-
Miscellaneous loss	25	90	18	172	75	189	105	73	3	3
Total non-operating expenses	1,590	1,080	968	852	4,023	1,925	1,171	2,282	701	155
Ordinary income (loss)	18,248	25,901	15,547	26,241	18,864	11,261	27,822	5,390	10,297	(4,378)

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Millions of yen	03/2014	03/2015	03/2016	03/2017	03/2018	03/2019	03/2020	03/2021	03/2022	03/2023
Net sales	155,023	167,891	214,101	256,824	250,394	271,276	260,527	332,532	365,275	343,267
Cost of sales	94,481	94,794	115,316	141,123	129,519	146,907	139,012	171,837	169,960	167,377
Gross profit	60,542	73,096	98,784	115,701	120,874	124,368	121,515	160,695	195,314	175,889
Reversal of provision for sales returns	4,672	4,877	4,867	3,227	6,118	4,152	9,016	4,150	-	-
Provision for sales returns	4,458	4,579	3,534	6,014	4,139	9,185	4,257	5,637	-	-
Net gross profit	60,756	73,394	100,116	112,914	122,854	119,335	126,274	159,208	195,314	175,889
Selling, general and administrative expenses										
Packaging freight charge	1,848	2,014	1,751	1,726	1,874	2,062	2,304	2,436	2,999	3,459
Advertising expense	7,913	10,386	20,270	25,541	22,585	29,460	21,006	28,239	24,739	24,744
Sales promotion expense	59	66	66	74	86	120	159	673	611	309
Allowance for doubtful accounts	36	69	54	12	-	-	-	-	-	-
Compensation for directors	572	435	565	557	773	470	497	771	738	587
Salaries	14,148	14,207	14,465	14,618	15,242	17,396	18,901	21,165	24,228	24,540
Provision for bonuses	2,193	1,936	2,916	2,492	3,740	3,433	4,005	3,368	6,484	3,978
Net periodic pension costs	1,088	323	539	678	534	692	1,021	1,205	1,002	1,221
Provision for directors' retirement benefits	17	11	10	-	-	-	-	-	-	-
Welfare expense	1,846	1,838	2,092	2,161	2,522	2,642	2,835	3,051	3,396	3,587
Rental expense	1,652	1,739	2,118	2,100	2,306	2,699	2,919	2,882	2,991	3,027
Commission fee	9,596	13,734	18,996	21,554	23,539	24,700	28,377	35,900	55,391	52,875
Depreciation and amortization	2,512	2,460	2,476	2,272	2,495	2,410	2,725	2,903	3,153	2,874
Other	6,726	7,742	7,772	7,825	8,976	8,610	8,762	9,384	10,314	10,353
Total Selling, general and administrative expenses	50,213	56,967	74,097	81,618	84,677	94,699	93,515	111,982	136,053	131,557
Operating income (loss)	10,543	16,426	26,018	31,295	38,176	24,635	32,759	47,226	59,261	44,331
Non-operating income										
Interest income	116	139	85	75	107	167	363	76	101	714
Dividends received	6	9	9	9	14	0	0	0	0	0
Foreign exchange gain	1,798	484	-	-	-	3,459	-	2,727	10,489	10,365
Rental income	18	20	16	16	35	72	36	17	33	38
Support fees received	-	-	-	-	-	-	-	-	-	-
Facilities' installation cooperation fees	-	-	-	-	-	-	-	-	-	-
Reversal of allowance for doubtful accounts	-	-	213	2	161	-	-	-	-	-
Subsidy income	-	17	495	33	126	-	-	-	-	-
Gain on forgiveness of payable for group tax	-	-	-	62	31	37	370	-	-	-
Outsourcing service income	-	-	-	-	-	125	-	-	-	-
Gain on sale of crypto assets	-	-	-	-	-	-	-	-	2,904	1,358
Revenue from business held for sale	-	-	-	-	-	-	-	-	-	4,051
Investment profit on equity method	-	-	-	-	-	-	-	-	-	-
Miscellaneous income	210	219	158	93	281	136	198	222	777	411
Total non-operating income	2,150	890	980	293	757	3,999	969	3,043	14,307	16,940
Non-operating expenses										
Interest expenses	93	68	67	52	84	107	135	87	150	72
Commission fee	52	74	14	6	10	5	5	19	475	1,249
Loss on investments in securities	-	-	-	-	-	40	127	169	-	-
Office transfer related expenses	-	173	44	31	152	65	-	-	-	-
Foreign exchange loss	-	-	1,545	358	2,477	-	1,173	-	-	-
Stock issuance expenses	-	-	-	-	-	-	-	-	-	-
Loss on disposal of inventories	-	-	-	-	-	-	-	-	-	-
Loss on write-offs of content production account	-	-	-	-	-	-	-	-	-	-
Loss on inventory revaluation	-	-	-	-	-	-	-	-	-	-
Loss on liquidation of content	-	-	-	-	-	-	-	-	1,289	-
Loss on retirement of development related assets	-	-	-	-	-	-	-	-	862	-
Stock issuance expenses	-	-	-	-	-	-	-	-	-	-
Corporate bond issuance expenses	-	-	-	-	-	-	-	-	-	-
Loss on write-off of advance license payment	-	-	-	-	-	-	-	-	-	-
Expenses from business held for sale	-	-	-	-	-	-	-	-	-	5,191
Investment loss on equity method	-	-	-	-	-	-	-	-	-	-
Miscellaneous loss	13	15	4	11	83	0	191	9	86	48
Total non-operating expenses	159	332	1,676	459	2,809	219	1,633	286	2,865	6,562
Ordinary income (loss)	12,534	16,984	25,322	31,128	36,124	28,415	32,095	49,983	70,704	54,709

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Millions of yen	03/2014	03/2015	03/2016	03/2017	03/2018	03/2019	03/2020	03/2021	03/2022	03/2023
Extraordinary gain										
Gain on sale of property and equipment	2	1,394	18	4	9	15	2	1	6	826
Gain on sale of investment securities	24	82	1	-	351	0	-	-	-	-
Gain on sales of registered trademarks	-	-	-	-	-	-	-	-	-	680
Gain on divestiture of business	-	-	-	-	-	-	-	-	-	-
Gain on sale of shares of subsidiaries and associates	-	-	-	-	-	-	-	-	353	9,465
Reversal of allowance for doubtful accounts	-	-	-	-	-	-	-	-	-	-
Reversal of allowance for retirement benefits	-	-	-	-	-	-	-	-	-	-
Reversal of allowance for game arcade closings	-	-	-	-	-	-	-	-	-	-
Reversal of allowance for obligation related to legal proceedings	-	-	-	-	-	-	-	-	-	-
Gain on forgiveness of debts	-	-	-	-	-	-	-	-	-	-
Gain on reversal of subscription rights to shares	35	44	19	20	2	-	7	2	8	4
Compensation income	351	-	-	-	-	-	-	-	-	-
Gain on disposition of foreign currency translation adjustment	-	-	-	105	-	-	-	-	-	-
Gain on liquidation of subsidiaries and associates	-	-	-	-	-	-	-	-	-	-
Gain on liquidation of subsidiaries	-	-	-	69	5	-	-	-	-	-
Gain on reversal of debts	-	-	-	82	-	-	-	-	-	-
Subsidy income related to COVID-19	-	-	-	-	-	-	-	335	290	11
Other	-	-	-	20	-	8	-	-	72	46
Total extraordinary gain	413	1,520	40	302	368	23	9	339	730	11,033
Extraordinary loss										
Loss on sale of property and equipment	7	741	36	-	18	-	-	18	-	-
Loss on disposal of property and equipment	130	258	194	210	131	198	130	316	212	112
Impairment loss	158	640	1,961	437	40	368	367	520	109	73
Loss on write-offs of bad debts	-	-	-	-	-	-	-	-	-	-
Loss on evaluation of investment securities	-	-	-	-	-	-	-	449	351	162
Loss on sale of investment securities	-	-	-	-	-	-	-	-	-	-
Loss on disposal and write-downs of assets associated with business restructuring	-	-	-	-	-	-	-	-	-	-
Severance payments associated with business restructuring	-	-	-	-	-	-	-	-	-	-
Loss on valuation of shares of subsidiaries and associates	-	41	1,702	0	-	680	-	251	239	498
Loss on sales of shares of subsidiaries and associates	-	-	-	-	371	-	-	-	-	-
Loss on liquidation of subsidiaries and associates	-	313	-	4,898	-	-	-	-	-	-
Adjustment loss in connection with advanced received in mobile business	-	-	-	-	-	-	-	-	-	-
Accelerated amortization of goodwill	-	-	-	-	-	-	-	-	-	-
Provision of amortization of consolidated adjustment account	-	-	-	-	-	-	-	-	-	-
Extraordinary loss on inventory write-offs	-	-	-	-	-	-	-	-	-	-
Allowance for doubtful accounts	-	-	-	-	-	-	-	-	-	-
Provision for loss on store closings	153	402	15	-	-	-	117	629	-	-
Loss on temporary closure	-	-	-	-	-	-	141	2,392	296	-
Loss associated with business restructuring	-	-	-	-	-	-	-	-	-	-
Acquisition costs	-	-	-	-	-	-	-	-	-	-
Legal settlement payment	-	-	-	-	-	-	-	-	-	-
Loss on adjustment for changes of accounting standard for asset retirement obligation	-	-	-	-	-	-	-	-	-	-
Loss on content	-	-	-	-	-	-	-	-	-	-
Loss on disposal of content	-	-	-	-	-	3,638	-	-	-	6,303
Loss on evaluation of content	1,725	-	-	-	-	-	-	-	-	-
Loss on event cancellations	-	-	-	-	-	-	544	-	-	-
Loss on disaster	-	-	-	-	-	-	-	-	-	-
Other	607	664	14	37	4	422	9	49	1	161
Total extraordinary loss	2,783	3,062	3,925	5,584	565	5,307	1,311	4,628	1,212	7,312
Income (loss) before dividends distribution from silent partnership, income taxes (tokumei-kumiai)	10,164	15,442	-	-	-	-	-	-	-	-
Dividends distribution from silent partnership (tokumei-kumiai)	26	132	-	-	-	-	-	-	-	-
Profit (Loss) before income taxes	10,137	15,310	21,436	25,846	35,927	23,131	30,793	45,694	70,223	58,431
Income taxes—current	2,807	5,136	6,690	5,331	9,216	2,968	10,581	19,430	20,511	11,060
Income taxes for prior periods	-	-	-	-	-	-	-	-	-	-
Refunded income taxes	-	-	-	-	-	-	-	-	-	-
Income taxes—deferred	715	353	(5,146)	472	878	784	(1,136)	(690)	(1,320)	(1,916)
Total income taxes	3,522	5,489	1,544	5,804	10,094	3,753	9,444	18,740	19,191	9,143
Income (loss) before minority interests	6,615	9,820	-	-	-	-	-	-	-	-
Minority interests income (loss)	16	(11)	-	-	-	-	-	-	-	-
Profit (Loss)	6,598	9,831	19,892	20,042	25,832	19,378	21,348	26,954	51,031	49,287
Profit (loss) attributable to non-controlling interests	-	-	8	3	11	4	1	12	17	22
Profit (loss) attributable to owners of parent	-	-	19,884	20,039	25,821	19,373	21,346	26,942	51,013	49,264