

February 5, 2025

Consolidated Financial Results for the Nine-Month Period Ended December 31, 2024 (under Japanese GAAP)

Company name: Oricon Inc.	Listing: Tokyo Stock Exchange
Security code: 4800	URL: https://www.oricon.jp/
Representative: Koh Koike, President and Representative Director	
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Tel: +81-(0)3-3405-5252	
Scheduled date to commence payment of dividends: –	
Preparation of supplementary briefing materials on financial results: Yes	
Holding of financial results briefing: Yes (for institutional investors and securities analysts)	

(Amounts less than a million yen are rounded down to the nearest million yen.)

1. Consolidated financial results for the nine-month period ended December 31, 2024 (April 1, 2024–December 31, 2024)

(1) Results of operations (Percentages are shown as year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine-month period ended December 31, 2024	3,547	2.2	1,003	(7.5)	1,046	(6.1)	770	5.4
December 31, 2023	3,471	(4.0)	1,085	(18.7)	1,114	(12.1)	730	(11.6)

Note: Comprehensive income
 Nine-month period ended December 31, 2024: 729 million yen (down 3.3%)
 Nine-month period ended December 31, 2023: 754 million yen (down 10.0%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine-month period ended December 31, 2024	59.31	–
December 31, 2023	55.16	–

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
December 31, 2024	7,125	5,534	77.7	425.93
March 31, 2024	6,027	5,187	86.1	399.22

Reference: Equity (Shareholders' equity + Accumulated other comprehensive income)

As of December 31, 2024: 5,534 million yen
 As of March 31, 2024: 5,187 million yen

2. Dividends

	Annual dividends per share				
	Q1-end	Q2-end	Q3-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	–	0.00	–	29.00	29.00
Fiscal year ending March 31, 2025	–	0.00	–		
Fiscal year ending March 31, 2025 (forecasted)				36.00	36.00

Note: Revisions to the dividends forecast most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2025 (April 1, 2024–March 31, 2025)

(Percentages are shown as year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income attributable to owners of the parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	5,200	8.3	1,720	10.5	1,710	7.6	1,170	10.9	90.04

Note: Revisions to the forecast of consolidated financial results most recently announced: None

*** Notes**

(1) Significant changes in scope of consolidation during the period: Yes

Newly consolidated: 1 company (ShinASA INC.)

Excluded from consolidation: –

(2) Application of accounting treatments specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, etc.: Yes

2) Changes in accounting policies other than those in 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(4) Number of shares issued (ordinary shares)

1) Number of shares issued (including treasury shares):

As of December 31, 2024 15,123,200 shares

As of March 31, 2024 15,123,200 shares

2) Number of treasury shares:

As of December 31, 2024 2,129,525 shares

As of March 31, 2024 2,129,478 shares

3) Average number of shares outstanding during the period:

Nine-month period ended December 31, 2024 12,993,684 shares

Nine-month period ended December 31, 2023 13,249,762 shares

The number of treasury shares as of December 31, 2024, includes 179,800 shares of the Company held by the Board Benefit Trust and Employee Benefit Trust.

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

* Explanation of appropriate use of earnings forecasts and other special notes

The forward-looking statements, including the earnings forecasts, contained in this report are based on information currently available to us and certain assumptions that we believe to be reasonable. Accordingly, please be advised that we do not guarantee the achievement of the forecasts, and the actual results may differ significantly from the forecasts due to a variety of factors.

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1. Quarterly Consolidated Financial Statements and Major Notes**(1) Quarterly Consolidated Balance Sheet**

(Thousands of yen)

	Previous fiscal year (As of March 31, 2024)	Current quarter (As of December 31, 2024)
Assets		
Current assets		
Cash and deposits	3,693,903	3,886,590
Notes and accounts receivable–trade, and contract assets	612,357	914,503
Merchandise and finished goods	4,927	3,957
Work in process	–	4,140
Other	280,719	336,992
Allowance for doubtful accounts	(1,779)	(1,554)
Total current assets	4,590,129	5,144,630
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	58,294	55,433
Vehicles, net	–	2,970
Tools, furniture and fixtures, net	81,355	111,123
Land	1,973	1,973
Total property, plant and equipment	141,623	171,500
Intangible assets		
Goodwill	8,636	496,059
Software	141,877	102,294
Other	16,482	3,775
Total intangible assets	166,997	602,129
Investments and other assets		
Investment securities	642,566	724,509
Deferred tax assets	17,086	2,016
Other	476,172	487,704
Allowance for doubtful accounts	(6,603)	(6,603)
Total investments and other assets	1,129,222	1,207,627
Total non-current assets	1,437,843	1,981,257
Total assets	6,027,972	7,125,887
Liabilities		
Current liabilities		
Notes and accounts payable–trade	9,476	442,273
Short-term borrowings	100,000	100,000
Current portion of long-term borrowings	–	52,035
Lease liabilities	–	3,123
Income taxes payable	200,817	163,406
Other	506,490	570,322
Total current liabilities	816,783	1,331,160
Non-current liabilities		
Long-term borrowings	–	229,047
Lease liabilities	–	7,462
Provision for share-based payments	23,845	23,845
Total non-current liabilities	23,845	260,354
Total liabilities	840,629	1,591,515

	(Thousands of yen)	
	Previous fiscal year (As of March 31, 2024)	Current quarter (As of December 31, 2024)
Net assets		
Shareholders' equity		
Share capital	1,092,450	1,092,450
Capital surplus	57,960	57,960
Retained earnings	5,302,344	5,690,937
Treasury shares	(1,387,917)	(1,387,959)
Total shareholders' equity	5,064,837	5,453,388
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	122,506	80,984
Total accumulated other comprehensive income	122,506	80,984
Total net assets	5,187,343	5,534,372
Total liabilities and net assets	6,027,972	7,125,887

(2) Quarterly Consolidated Statements of Income and Comprehensive Income**Quarterly Consolidated Statement of Income
For the Nine-month period**

(Thousands of yen)

	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Net sales	3,471,963	3,547,654
Cost of sales	1,109,361	1,148,974
Gross profit	2,362,602	2,398,679
Selling, general and administrative expenses	1,277,492	1,394,990
Operating profit	1,085,109	1,003,689
Non-operating income		
Interest income	17,808	28,779
Dividend income	3,757	2,997
Foreign exchange gains	32,836	30,812
Other	3,414	2,170
Total non-operating income	57,816	64,759
Non-operating expenses		
Interest expenses	548	701
Share related expenses	10,385	11,720
Commission expenses	3,468	4,419
Share of loss of entities accounted for using the equity method	14,196	–
Loss on investments in investment partnerships	–	5,381
Other	37	117
Total non-operating expenses	28,635	22,340
Ordinary profit	1,114,290	1,046,108
Extraordinary income		
Gain on sale of investment securities	–	94,176
Gain on sale of shares of subsidiaries	–	69,665
Total extraordinary income	–	163,841
Extraordinary losses		
Loss on retirement of non-current assets	10	94
Impairment losses	–	6,140
Special benefits	–	22,270
Total extraordinary losses	10	28,505
Net income before income taxes	1,114,279	1,181,445
Income taxes–current	338,695	374,743
Income taxes–deferred	44,783	36,077
Total income taxes	383,479	410,820
Net income	730,799	770,624
Net income attributable to owners of the parent	730,799	770,624

Quarterly Consolidated Statement of Comprehensive Income
For the Nine-month period

	(Thousands of yen)	
	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Net income	730,799	770,624
Other comprehensive income		
Valuation difference on available-for-sale securities	23,553	(41,522)
Total other comprehensive income	23,553	(41,522)
Comprehensive income	754,352	729,102
Comprehensive income attributable to		
Owners of the parent	754,352	729,102
Non-controlling interests	-	-

(3) Notes to Quarterly Consolidated Financial Statements**Changes in Accounting Policies**

Application of Accounting Standard for Current Income Taxes, etc.

The Company has applied the *Accounting Standard for Current Income Taxes* (ASBJ Statement No. 27 revised on October 28, 2022; hereinafter “Revised Accounting Standard 2022”), etc. since the beginning of the three-month period ended June 30, 2024.

Revisions concerning the categories in which current income taxes should be recorded (taxes on other comprehensive income) are subject to the transitional treatment set forth in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment set forth in the proviso of paragraph 65-2 (2) of the *Guidance on Accounting Standard for Tax Effect Accounting* (ASBJ Guidance No. 28 revised on October 28, 2022; hereinafter “Revised Guidance 2022”). These changes in the accounting policies had no impact on the quarterly consolidated financial statements for the current quarter.

With regard to the revisions related to changes in the accounting treatment for consolidated financial statements when gains/losses on sale of shares, etc. of subsidiaries between consolidated subsidiaries are deferred for tax purposes, the Company has also applied the Revised Guidance 2022 since the beginning of the three-month period ended June 30, 2024. This change in the accounting policies was applied retrospectively, and the quarterly consolidated financial statements and consolidated financial statements for the first nine-month period of the previous fiscal year and the entire previous fiscal year are those after retroactive application. The change in the accounting policies had no impact on the quarterly consolidated financial statements for the current quarter.

Segment Information

I. For the nine-month period ended December 31, 2023

1. Disclosure of net sales and profit or loss for each reportable segment

(Thousands of yen)

	Reportable segments				Total
	Communication Business	Data Providing Business	Mobile Business	Subtotal	
Net sales					
Sales to external customers	2,705,823	505,811	260,327	3,471,963	3,471,963
Intersegment sales or transfers	63,000	–	–	63,000	63,000
Total	2,768,823	505,811	260,327	3,534,963	3,534,963
Segment profit	1,684,298	189,570	76,063	1,949,932	1,949,932

2. Reconciliation of the sum of segment profits of reportable segments with operating profit on the quarterly consolidated statement of income

(Thousands of yen)

Profit	Amount
Sum of segment profits of reportable segments	1,949,932
Amortization of goodwill	(4,090)
Corporate expenses (Note)	(860,732)
Operating profit on the quarterly consolidated statement of income	1,085,109

Note: Corporate expenses are mainly general and administrative expenses that are not attributable to any reportable segments.

II. For the nine-month period ended December 31, 2024

1. Disclosure of net sales and profit or loss for each reportable segment

(Thousands of yen)

	Reportable segments				Other (Note)	Total
	Communication Business	Data Providing Business	Mobile Business	Subtotal		
Net sales						
Sales to external customers	2,842,181	517,619	180,653	3,540,454	7,200	3,547,654
Intersegment sales or transfers	63,000	–	–	63,000	–	63,000
Total	2,905,181	517,619	180,653	3,603,454	7,200	3,610,654
Segment profit	1,703,991	191,023	50,670	1,945,686	7,200	1,952,886

Note: The “Other” category represents server usage fees paid by external customers that are not included in the reportable segments.

2. Reconciliation of the sum of segment profits of reportable segments with operating profit on the quarterly consolidated statement of income

(Thousands of yen)

Profit	Amount
Sum of segment profits of reportable segments	1,945,686
Profit in the “Other” category	7,200
Amortization of goodwill	(4,090)
Corporate expenses (Note)	(945,105)
Operating profit on the quarterly consolidated statement of income	1,003,689

Note: Corporate expenses are mainly general and administrative expenses that are not attributable to any reportable segments.

3. Disclosure of impairment losses of non-current assets or goodwill, etc. for each reportable segment

Significant impairment losses of non-current assets

This information is omitted due to immateriality.

Significant changes in the amount of goodwill

The Company recognized goodwill as a result of its acquisition of 100% of the shares of ShinASA INC., making it a consolidated subsidiary, during the nine-month period ended December 31, 2024.

The increase in goodwill due to the event was ¥491,513 thousand during the nine-month period ended December 31, 2024.

Significant Changes in Shareholders' Equity

Not applicable.

Going Concern Assumption

Not applicable.

Quarterly Consolidated Statement of Cash Flows

The Company has not prepared the quarterly consolidated statement of cash flows for the nine-month period ended December 31, 2024. Depreciation, including amortization of intangible assets except for goodwill, and amortization of goodwill for the nine-month period ended December 31, 2024 are as follows:

(Thousands of yen)

	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Depreciation	68,068	87,623
Amortization of goodwill	4,090	4,090

Business Combinations

Business combination through acquisition

1. Outline of business combination

(1) Name of the acquired company and its business

Name of the acquired company: ShinASA INC.

Business: Media Business, Promotion Business, Digital Business, Content Business, Music Business

(2) Main reasons for the business combination

By leveraging ShinASA's expertise, the Company can now offer a diverse range of high-value services, such as television and video advertising, to companies covered by its CS (Customer Satisfaction) rankings. Additionally, ShinASA aims to further expand its business with the financial backing of the Company. Both companies will build a mutually beneficial relationship and work together to enhance brand and corporate value.

(3) Date of business combination

October 15, 2024 (deemed date of acquisition: October 31, 2024)

(4) Legal form of business combination

Acquisition of stock for cash consideration

(5) Name of company after combination

No change.

(6) Percentage of voting rights acquired

100%

(7) Main basis for determining the acquiring company

The Company acquired 100% of the voting rights through the acquisition of shares for cash consideration.

2. Period for which the financial results of the acquired company are included in the nine-month period ended December 31, 2024

Since the deemed date of acquisition was October 31, 2024 and the difference between the deemed date of acquisition and the third quarter consolidated balance sheet date did not exceed three months, only the balance sheets were consolidated in the third quarter and thus the financial results of the acquired company were not included in the nine-month period.

3. Acquisition cost of the acquired company and breakdown by type of consideration

Consideration for acquisition	Cash and deposits	¥280,000 thousand
Acquisition cost		¥280,000 thousand

4. Details and amounts of major acquisition-related expenses

Advisory fees, etc. (approximate amount): ¥29,500 thousand

5. Amount of goodwill recognized, reason for recognition, and the method and period of amortization

(1) Amount of goodwill recognized

¥491,513 thousand

In the third quarter ended December 31, 2024, the amount of goodwill was accounted for on a provisional basis as the allocation of the acquisition cost has not been completed.

(2) Reason for recognition

The amount reflects the future excess earnings power expected from future business development.

(3) Method and period of amortization

The Company plans to amortize goodwill evenly over the period during which the investment effect is realized.

Revenue Recognition

Disaggregation of revenue from contracts with customers

For the nine-month period ended December 31, 2023

(Thousands of yen)

	Reportable segments				Total
	Communication Business	Data Providing Business	Mobile Business	Subtotal	
Customer Satisfaction Research	1,463,874	–	–	1,463,874	1,463,874
News & Media	1,241,948	–	–	1,241,948	1,241,948
Data Providing	–	505,811	–	505,811	505,811
Mobile Content Services	–	–	260,327	260,327	260,327
Revenue from contracts with customers	2,705,823	505,811	260,327	3,471,963	3,471,963
Other revenue	–	–	–	–	–
Sales to external customers	2,705,823	505,811	260,327	3,471,963	3,471,963

For the nine-month period ended December 31, 2024

(Thousands of yen)

	Reportable segments				Other	Total
	Communication Business	Data Providing Business	Mobile Business	Subtotal		
Customer Satisfaction Research	1,649,155	–	–	1,649,155		1,649,155
News & Media	1,193,026	–	–	1,193,026		1,193,026
Data Providing	–	517,619	–	517,619		517,619
Mobile Content Services	–	–	180,653	180,653		180,653
Other	–	–	–	–	7,200	7,200
Revenue from contracts with customers	2,842,181	517,619	180,653	3,540,454	7,200	3,547,654
Other revenue	–	–	–	–	–	–
Sales to external customers	2,842,181	517,619	180,653	3,540,454	7,200	3,547,654

Significant Subsequent Events

Purchase of own shares

At the Board of Directors meeting held on February 5, 2025, the Company resolved to purchase its own shares pursuant to Article 459, Paragraph 1 of the Companies Act and Article 46 of the Articles of Incorporation of the Company.

1. Reason for the purchase of own shares

To enable the timely execution of the Company's capital policy in response to changes in the business environment while enhancing shareholder returns.

2. Details of the purchase

(1) Class of shares to be purchased

Ordinary shares of the Company

(2) Total number of shares which may be purchased

Up to 200,000 shares

(1.52% of the total number of shares issued [excluding treasury shares])

Note: The number of treasury shares does not include 179,800 shares of the Company held by the Board Benefit Trust and Employees Benefit Trust.

(3) Total purchase price of shares

Up to ¥200,000 thousand

(4) Purchase period

From February 6, 2025 to April 30, 2025

(5) Purchase method

Purchase on the Tokyo Stock Exchange Market