



## Consolidated Financial Results for the Nine Months Ended December 31, 2022 [Japanese GAAP]

February 10, 2023

Company name: MIXI, Inc.  
 Stock exchange listing: Tokyo Stock Exchange  
 Securities code: 2121  
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 Scheduled date of filing quarterly securities report: February 13, 2023  
 Scheduled date of commencing dividend payments: –  
 Availability of supplementary briefing material on quarterly financial results: Available  
 Schedule of quarterly financial results briefing session: Scheduled (conference call for institutional investors and securities analysts)

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Nine Months Ended December 31, 2022 (April 1, 2022 to December 31, 2022)

(1) Consolidated Operating Results (Cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		EBITDA*		Operating income		Ordinary income		Profit attributable to owners of parent	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Nine months ended December 31, 2022	104,802	24.6	22,476	55.9	19,073	67.7	12,873	12.6	2,020	(72.8)
December 31, 2021	84,142	(4.1)	14,420	(22.4)	11,374	(26.4)	11,428	(25.8)	7,428	(28.8)

\* EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) is amount based on operating income excluding depreciation and amortization of goodwill.

(Note) Comprehensive income: Nine months ended December 31, 2022: ¥2,954 million [(58.2%)]  
 Nine months ended December 31, 2021: ¥7,066 million [(35.3%)]

	Basic earnings per share	Diluted earnings per share
Nine months ended	¥	¥
December 31, 2022	27.76	27.45
December 31, 2021	100.86	99.39

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	¥ million	¥ million	%
As of December 31, 2022	220,153	180,392	80.8
As of March 31, 2022	218,056	186,056	84.0

(Reference) Equity: As of December 31, 2022: ¥177,821 million  
 As of March 31, 2022: ¥183,134 million

### 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	¥	¥	¥	¥	¥
Fiscal year ended March 31, 2022	–	55.00	–	55.00	110.00
Fiscal year ending March 31, 2023	–	55.00	–	–	–
Fiscal year ending March 31, 2023 (Forecast)	–	–	–	55.00	110.00

(Note) Revision to the dividends forecast announced most recently: No

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		EBITDA		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Full year	142,000	16.4	27,000	22.3	23,000	29.2	16,500	(6.4)	5,000	(51.3)	68.68

(Note) Revision to the financial results forecast announced most recently: Yes

#### \* Notes:

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2022 (changes in specified subsidiaries resulting in change in scope of consolidation): No
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: Yes
  - 2) Changes in accounting policies other than 1) above: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No
- (4) Total number of issued shares (common shares)
  - 1) Total number of issued shares at the end of the period (including treasury shares):
    - December 31, 2022: 78,230,850 shares
    - March 31, 2022: 78,230,850 shares
  - 2) Total number of treasury shares at the end of the period:
    - December 31, 2022: 5,284,525 shares
    - March 31, 2022: 5,677,300 shares
  - 3) Average number of shares during the period (cumulative):
    - Nine months ended December 31, 2022: 72,799,534 shares
    - Nine months ended December 31, 2021: 73,655,394 shares

\* These quarterly financial results are outside the scope of quarterly review by a certified public accountant or audit firm.

\* Explanation of the proper use of financial results forecast and other notes

1. The financial results forecasts of this document are judgments made by MIXI based on information currently available which include latent risks and uncertainties. Please be acknowledged that actual results may differ from these forecasts due to changes in various factors when making investment decisions.
2. MIXI has scheduled a financial results conference call for institutional investors and securities analysts on February 10, 2023. Financial results briefing material for the session will be posted on MIXI's website shortly.

Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Unit: ¥ million)

	FY2022 (As of March 31, 2022)	3Q of FY2023 (As of December 31, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	118,633	114,062
Notes and accounts receivable – trade	11,580	15,621
Operational investment securities	14,400	18,908
Merchandise	732	369
Consumption taxes receivable	456	1
Other	10,106	12,432
Allowance for doubtful accounts	(39)	(35)
Total current assets	155,871	161,361
Non-current assets		
Property, plant and equipment	15,012	15,106
Intangible assets		
Goodwill	10,737	10,140
Customer-related assets	6,316	5,807
Trademark right	2,737	2,529
Other	2,133	1,954
Total intangible assets	21,924	20,432
Investments and other assets		
Investment securities	13,458	9,159
Long-term loans receivable	–	2,242
Deferred tax assets	5,620	7,123
Other	6,186	5,873
Allowance for doubtful accounts	(17)	(1,146)
Total investments and other assets	25,247	23,252
Total non-current assets	62,184	58,791
<b>Total assets</b>	<b>218,056</b>	<b>220,153</b>
<b>Liabilities</b>		
Current liabilities		
Short-term borrowings	645	1,720
Accounts payable – other	11,660	15,142
Income taxes payable	2,503	2,988
Accrued consumption taxes	–	1,064
Provision for bonuses	1,469	543
Other	4,569	8,298
Total current liabilities	20,847	29,759
Non-current liabilities		
Long-term borrowings	7,477	7,037
Deferred tax liabilities	3,002	2,638
Other	672	325
Total non-current liabilities	11,152	10,001
<b>Total liabilities</b>	<b>32,000</b>	<b>39,760</b>
<b>Net assets</b>		
Shareholders' equity		
Paid-in capital	9,698	9,698
Capital surplus	9,656	9,656
Retained earnings	181,278	174,533
Treasury shares	(18,248)	(16,986)
Total shareholders' equity	182,385	176,903

(Unit: ¥ million)

	FY2022 (As of March 31, 2022)	3Q of FY2023 (As of December 31, 2022)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	471	397
Foreign currency translation adjustment	277	521
Total accumulated other comprehensive income	749	918
Subscription rights to shares	1,506	1,133
Non-controlling interests	1,415	1,437
Total net assets	186,056	180,392
Total liabilities and net assets	218,056	220,153

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

Quarterly Consolidated Statements of Income  
(3Q consolidated cumulative accounting period)

(Unit: ¥ million)

	3Q of FY2022 (Apr. 1, 2021 to Dec. 31, 2021)	3Q of FY2023 (Apr. 1, 2022 to Dec. 31, 2022)
Net sales	84,142	104,802
Cost of sales	21,913	28,675
Gross profit	62,228	76,126
SG&A expenses	50,854	57,053
Operating income	11,374	19,073
Non-operating income		
Interest income	0	6
Foreign exchange gains	41	–
Other	235	187
Total non-operating income	276	193
Non-operating expenses		
Interest expenses	44	44
Share of loss of entities accounted for using equity method	142	*16,224
Foreign exchange losses	–	45
Other	35	78
Total non-operating expenses	222	6,392
Ordinary income	11,428	12,873
Extraordinary income		
Gain on sales of non-current assets	–	0
Total extraordinary income	–	0
Extraordinary losses		
Cancellation penalty	*2190	–
Loss on withdrawal from business	–	*34,468
Loss on sales and retirement of non-current assets	34	3
Provision of allowance for doubtful accounts	–	1,129
Loss on sale of shares of subsidiaries and associates	–	*4875
Total extraordinary losses	225	6,478
Income before income taxes	11,203	6,395
Income taxes - current	3,845	5,447
Income taxes - deferred	7	(1,837)
Total income taxes	3,852	3,610
Period net income	7,350	2,785
Profit (loss) attributable to non-controlling interests	(78)	764
Profit attributable to owners of parent	7,428	2,020

Quarterly Consolidated Statements of Comprehensive Income  
(3Q consolidated cumulative accounting period)

(Unit: ¥ million)

	3Q of FY2022 (Apr. 1, 2021 to Dec. 31, 2021)	3Q of FY2023 (Apr. 1, 2022 to Dec. 31, 2022)
Period net income	7,350	2,785
Other comprehensive income		
Valuation difference on available-for-sale securities	(343)	(81)
Foreign currency translation adjustment	58	244
Share of other comprehensive income of entities accounted for using equity method	–	6
Total other comprehensive income	(284)	169
Comprehensive income	7,066	2,954
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,144	2,189
Comprehensive income attributable to non-controlling interests	(78)	764

## (3) Quarterly Consolidated Statements of Cash Flows

(Unit: ¥ million)

	3Q of FY2022 (Apr. 1, 2021 to Dec. 31, 2021)	3Q of FY2023 (Apr. 1, 2022 to Dec. 31, 2022)
<b>Cash flows from operating activities</b>		
Income before income taxes	11,203	6,395
Depreciation	929	1,078
Amortization of intangible assets	1,311	1,365
Amortization of goodwill	804	958
Increase (decrease) in allowance for doubtful accounts	(6)	(4)
Increase (decrease) in provision for bonuses	(1,206)	(925)
Interest and dividend income	(0)	(6)
Interest expenses	44	44
Foreign exchange losses (gains)	(34)	(44)
Share of loss (profit) of entities accounted for using equity method	142	6,224
Decrease (increase) in operational investment securities	(1,768)	(4,487)
Loss (gain) on sales and retirement of non-current assets	34	3
Decrease (increase) in inventories	(359)	282
Loss (gain) on sale of shares of subsidiaries and associates	–	875
Loss on withdrawal from business	–	4,468
Provision of allowance for doubtful accounts	–	1,129
Decrease (increase) in notes and accounts receivable – trade	(618)	(4,376)
Increase (decrease) in accounts payable - other	960	2,777
Increase (decrease) in accrued consumption taxes	(1,466)	1,262
Decrease (increase) in other assets	(3,652)	(7,891)
Other, net	1,738	3,409
<b>Subtotal</b>	<b>8,055</b>	<b>12,541</b>
Interest and dividends received	0	6
Interest expenses paid	(42)	(44)
Income taxes paid	(9,740)	(4,887)
<b>Net cash provided by (used in) operating activities</b>	<b>(1,726)</b>	<b>7,615</b>
<b>Cash flows from investing activities</b>		
Payments into time deposits	–	(19)
Purchase of property, plant and equipment	(2,013)	(1,635)
Purchase of intangible assets	(816)	(475)
Proceeds from sales of intangible assets	10	–
Purchase of investment securities	(10,928)	(1,898)
Loan advances	–	(1,200)
Proceeds from collection of loans receivable	0	640
Payments for guarantee deposits	(38)	(38)
Proceeds from refund of guarantee deposits	–	28
Payments for acquisition of the subsidiary resulting in change in scope of consolidation	–	*2(469)
Proceeds from acquisition of the subsidiary resulting in change in scope of consolidation	–	3
Payments for sale of the subsidiary resulting in change in scope of consolidation	–	*3(921)
Other, net	10	428
<b>Net cash provided by (used in) investing activities</b>	<b>(13,775)</b>	<b>(5,557)</b>
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	800	999
Proceeds from long-term borrowings	35	–
Repayments of long-term loans payable	(325)	(364)
Purchase of treasury shares	(7,524)	(0)
Cash dividends paid	(7,707)	(7,574)
Other, net	(140)	94
<b>Net cash provided by (used in) financing activities</b>	<b>(14,864)</b>	<b>(6,843)</b>
Effect of exchange rate change on cash and cash equivalents	65	196
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(30,300)</b>	<b>(4,589)</b>
Cash and cash equivalents at beginning of period	149,812	118,433
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(112)	–
<b>Cash and cash equivalents at end of period</b>	<b>*119,399</b>	<b>*113,843</b>

#### (4) Notes to Quarterly Consolidated Financial Statements

(Notes on premise of going concern)

There is no relevant information.

(Notes on significant changes in the amount of shareholders' equity)

MIXI disposed of 392,800 treasury shares upon exercise of stock options during the nine months ended December 31, 2022, resulting in a decrease of ¥1,262 million in treasury shares. As a result, treasury shares amounted to ¥16,986 million at December 31, 2022.

(Changes in accounting policies)

MIXI applied the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021; hereinafter "Fair Value Measurement Guidance") effective from the beginning of the first quarter of the fiscal year ending March 31, 2023, and will prospectively apply the new accounting policies stipulated by the Fair Value Measurement Guidance in accordance with the treatment provided in Paragraph 27-2 of the Fair Value Measurement Guidance. The application of the above accounting standard, etc. has no impact on the quarterly consolidated financial statements.

(Additional information)

(Changes in presentation)

MIXI Group decided to expand the scale of investment in the "Investment Business," by strengthening its engagement. In addition, to realize its contribution to MIXI's sustainable growth centered on investment activities, the "Investment Business" was classified as a separate reportable segment with its designation as a main line of business, effective from the first quarter of the fiscal year ending March 31, 2023.

With regard to gains and losses on securities acquired for the primary purpose of financial return, MIXI previously recorded dividend income in non-operating income, gain or loss on sales of securities in extraordinary income or losses, and loss on valuation of securities in extraordinary losses. As a result of the above change to the Investment Business, however, effective from the first quarter of the fiscal year ending March 31, 2023, the accounting method was changed to state dividend income and proceeds from sales in net sales, and book values, valuation losses, etc. of securities sold in cost of sales. In addition, with regard to gains and losses on investments in investment limited partnerships and similar partnerships, amounts corresponding to equity interests were previously recorded on a net basis in non-operating income or expenses, but effective from the first quarter of the fiscal year ending March 31, 2023, the accounting method was changed to state profits in net sales and losses in cost of sales for each partnership. Securities acquired for the primary purpose of financial return, which were previously included in Investments and other assets under non-current assets, are listed as Operational investment securities under current assets on the consolidated balance sheets effective from the first quarter of the fiscal year ending March 31, 2023. To reflect this change in presentation, the quarterly consolidated financial statements for the nine months ended December 31, 2021 and the consolidated financial statements for the previous fiscal year are reclassified.

(Quarterly consolidated balance sheets)

The ¥14,400 million presented in "Investment securities" under "Investments and other assets" in the consolidated balance sheet for the fiscal year ended March 31, 2022 is reclassified as "Operational investment securities" under "Current assets."

(Quarterly consolidated statements of income)

In the consolidated statements of income for the nine months ended December 31, 2021, ¥342 million in "Gain on investments in partnership" and ¥10 million in "Dividend income" under "Non-operating income," ¥2,044 million in "Gain on sales of investment securities" and ¥51 million in "Gain on liquidation of investment securities" under "Extraordinary income" and ¥318 million in "Loss on valuation of investment securities" under "Extraordinary losses" are reclassified, resulting in increases of ¥3,052 million in "Net sales" and ¥922 million in "Cost of sales."

(Quarterly consolidated statements of cash flows)

In the quarterly consolidated statements of cash flows for the nine months ended December 31, 2021, ¥(10) million of "Interest and dividend income," ¥(446) million of "Loss (gain) on investments in partnership," ¥(2,044) million of "Loss (gain) on sales of investment securities," ¥(51) million of "Loss (gain) on liquidation of investment securities," ¥318 million of "Loss (gain) on valuation of investment securities," and ¥10 million of "Interest and dividends received" under "Cash flows from operating activities," and ¥(3,896) million of "Purchase of investment securities," ¥2,388 million of "Proceeds from sales of investment securities," ¥1,428 million of "Proceeds from share of profits on investment securities" and ¥51 million of "Other, net" under "Cash flows from investing activities," are reclassified as ¥(1,768) million of "Decrease (increase) in operational investment securities," ¥(3,652) million of "Decrease (increase) in other assets" and ¥3,168 million of "Other, net" under "Cash flows from operating activities."



(Quarterly consolidated statements of income)

\*1. Share of loss of entities accounted for using equity method

For the nine months ended December 31, 2022 (April 1, 2022 to December 31, 2022)

Of unamortized balance of the goodwill associated with investment in bitbank, inc., an equity-method associate, impairment loss of ¥4,818 million was included in share of loss of entities accounted for using equity method. This was as a result of MIXI reexamining the original business plan due to changes in the business environment.

\*2. Cancellation penalty

For the nine months ended December 31, 2021 (April 1, 2021 to December 31, 2021)

¥190 million of loss on cancellation penalty that arose from the suspension of new product development was reported under extraordinary losses.

\*3. Loss on withdrawal from business

For the nine months ended December 31, 2022 (April 1, 2022 to December 31, 2022)

¥4,468 million of loss on withdrawal from business that arose from the suspension of new product developments was reported under extraordinary losses.

\*4. Loss on sales of shares of subsidiaries and associates

For the nine months ended December 31, 2022 (April 1, 2022 to December 31, 2022)

This is a loss on sale of shares in PIST6, Inc.

(Quarterly consolidated statements of cash flows)

\*1. The ending balance of cash and cash equivalents and its relationship to the amounts of items listed in the quarterly consolidated balance sheets are as follows:

	(Unit: ¥ million)	
	3Q of FY2022 (Apr. 1, 2021 to Dec. 31, 2021)	3Q of FY2023 (Apr. 1, 2022 to Dec. 31, 2022)
Cash and deposits account	119,399	114,062
Time deposits with maturities of three months or more	-	(218)
Cash and cash equivalents	119,399	113,843

\*2. Principal assets and liabilities of a company that has become a consolidated subsidiary due to the acquisition of shares  
For the nine months ended December 31, 2022 (April 1, 2022 to December 31, 2022)

CONNECTIT Inc.

	(Unit: ¥ million)
Current assets	271
Non-current assets	72
Total assets	344
Current liabilities	5
Total liabilities	5

\*3. Principal assets and liabilities of companies that have been excluded from the scope of consolidation due to the sales of shares

For the nine months ended December 31, 2022 (April 1, 2022 to December 31, 2022)

PIST6 Inc.

	(Unit: ¥ million)
Current assets	4,480
Non-current assets	0
Total assets	4,480
Current liabilities	526
Non-current liabilities	2,242
Total liabilities	2,769

(Segment information and others)

For the nine months ended December 31, 2021 (April 1, 2021 to December 31, 2021)

1. Information on net sales, profit or loss, and disaggregation of revenue, by reportable segment

(Unit: ¥ million)

	Reportable segment					Adjustment (Note 1)	Amount recorded in Quarterly Consolidated Financial Statements (Note 2)
	Digital Entertainment Business	Sports Business	Lifestyle Business	Investment Business	Total		
Net sales							
Revenue from contracts with customers (Note 3)	61,342	12,831	6,915	–	81,089	0	81,089
Other revenue	–	–	–	3,052	3,052	–	3,052
Net sales to external customers	61,342	12,831	6,915	3,052	84,142	0	84,142
Inter-segment net sales or transfers	–	–	–	–	–	–	–
Total	61,342	12,831	6,915	3,052	84,142	0	84,142
Segment profit/loss	25,543	(4,218)	552	1,909	23,786	(12,412)	11,374
Other							
Depreciation	274	1,103	190	0	1,568	672	2,241
Amortization of goodwill	–	709	95	–	804	–	804

(Notes) 1. The segment profit/loss adjustment of ¥(12,412) million includes depreciation of ¥(1,568) million, amortization of goodwill of ¥(804) million, and company-wide expenses of ¥(10,038) million not allocated to each reportable segment. Company-wide expenses comprise mainly costs relating to MIXI's administrative departments not belonging to any reportable segment.

2. Segment profit/loss is adjusted with operating income in the quarterly consolidated statements of income.

3. Net sales of MIXI Group mainly consists of Monster Strike, a game for smart devices in the Digital Entertainment Business.

2. Information on impairment loss on non-current assets or goodwill and others by reportable segment

There is no relevant information.

For the nine months ended December 31, 2022 (April 1, 2022 to December 31, 2022)

1. Information on net sales, profit or loss, and disaggregation of revenue, by reportable segment

(Unit: ¥ million)

	Reportable segment					Adjustment (Note 1)	Amount recorded in Quarterly Consolidated Financial Statements (Note 2)
	Digital Entertainment Business	Sports Business	Lifestyle Business	Investment Business	Total		
Net sales							
Revenue from contracts with customers (Note 3)	73,457	20,266	9,338	–	103,061	107	103,168
Other revenue	–	–	–	1,633	1,633	–	1,633
Net sales to external customers	73,457	20,266	9,338	1,633	104,694	107	104,802
Inter-segment net sales or transfers	–	–	–	–	–	–	–
Total	73,457	20,266	9,338	1,633	104,694	107	104,802
Segment profit/loss	31,806	(1,313)	767	1,012	32,273	(13,200)	19,073
Other							
Depreciation	238	1,273	223	0	1,735	708	2,444
Amortization of goodwill	–	718	240	–	958	–	958

(Notes) 1. The segment profit/loss adjustment of ¥(13,200) million includes depreciation of ¥(1,735) million, amortization of goodwill of ¥(958) million, company-wide net sales of ¥107 million, and company-wide expenses of ¥(10,613) million not allocated to each reportable segment. Company-wide items comprise mainly those relating to MIXI's administrative departments not belonging to any reportable segment.

2. Segment profit/loss is adjusted with operating income in the quarterly consolidated statements of income.

3. Net sales of MIXI Group mainly consists of Monster Strike, a game for smart devices in the Digital Entertainment Business.

2. Matters related to changes in reportable segments

In light of MIXI's decision to engage in the Investment Business as one of its main businesses, changes have been made to report information on the "Investment Business" as a separate reportable segment effective from the first quarter of the fiscal year ending March 31, 2023.

Segment information for the nine months ended December 31, 2021 was prepared based on the revised names and segmentation.

3. Information on impairment loss on non-current assets or goodwill and others by reportable segment

There is no relevant information.