



Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 [Japanese GAAP]

May 10, 2024

Company name: MIXI, Inc.
 Stock exchange listing: Tokyo Stock Exchange
 Securities code: 2121
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 Scheduled date of Ordinary General Meeting of Shareholders: June 26, 2024
 Scheduled date of commencing dividend payments: June 11, 2024
 Scheduled date of filing securities report: June 27, 2024
 Availability of supplementary briefing material on financial results: Available
 Schedule of 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 Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

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

	Net sales		EBITDA*		Operating income		Ordinary income		Profit attributable to owners of parent	
Fiscal year ended	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥ million	%
March 31, 2024	146,868	0.0	23,497	(20.3)	19,177	(22.7)	15,669	(14.1)	7,082	37.2
March 31, 2023	146,867	20.4	29,482	33.6	24,820	39.4	18,250	3.5	5,161	(49.7)

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

(Note) Comprehensive income: Fiscal Year ended March 31, 2024: ¥7,217 million [19.3%]
 Fiscal Year ended March 31, 2023: ¥6,050 million [(37.8)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary income to total assets	Operating income to net sales
Fiscal year ended	¥	¥	%	%	%
March 31, 2024	99.71	98.56	4.0	7.3	13.1
March 31, 2023	70.87	70.08	2.8	8.3	16.9

(Reference) Profit or loss on equity method investments: Fiscal Year ended March 31, 2024: ¥(3,045) million
 Fiscal Year ended March 31, 2023: ¥(6,604) million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ million	¥ million	%	¥
As of March 31, 2024	207,342	175,730	83.6	2,466.38
As of March 31, 2023	222,321	183,463	81.4	2,480.51

(Reference) Equity: As of March 31, 2024: ¥173,411 million
 As of March 31, 2023: ¥181,010 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	¥ million	¥ million	¥ million	¥ million
March 31, 2024	9,181	(6,852)	(15,730)	105,688
March 31, 2023	15,751	(7,350)	(8,326)	118,703

2. Dividends

	Annual dividends					Total dividends paid (annual)	Dividend payout ratio (consolidated)	Dividends to shareholders' equity (consolidated)	Dividends to equity (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total				
	¥	¥	¥	¥	¥	¥ million	%	%	%
Fiscal year ended March 31, 2023	–	55.00	–	55.00	110.00	8,024	155.2	4.4	4.4
Fiscal year ended March 31, 2024	–	55.00	–	55.00	110.00	7,734	110.3	4.4	4.4
Fiscal year ending March 31, 2025 (Forecast)	–	55.00	–	55.00	110.00		–	4.5	

(Reference) We will aim for a target consolidated dividends to shareholders' equity of 5 percent for the fiscal year ending March 31, 2025.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% 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	147,000	0.1	23,000	(2.1)	18,500	(3.5)	17,500	11.7	12,000	69.4	170.67

* Notes:

- (1) Changes in significant subsidiaries during the fiscal year ended March 31, 2024 (changes in specified subsidiaries resulting in change in scope of consolidation): No
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (3) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
 - March 31, 2024: 73,730,850 shares
 - March 31, 2023: 78,230,850 shares
 - 2) Total number of treasury shares at the end of the period:
 - March 31, 2024: 3,420,835 shares
 - March 31, 2023: 5,257,825 shares
 - 3) Average number of shares during the period:
 - Fiscal year ended March 31, 2024: 71,031,698 shares
 - Fiscal year ended March 31, 2023: 72,837,560 shares

(Reference) Outline of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating income		Ordinary income		Period net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
March 31, 2024	114,922	(3.1)	19,438	(25.4)	18,544	(27.5)	7,319	(2.1)
March 31, 2023	118,617	15.6	26,048	55.8	25,579	52.0	7,476	(9.9)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	¥	¥
March 31, 2024	103.04	101.86
March 31, 2023	102.64	101.50

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ million	¥ million	%	¥
As of March 31, 2024	189,025	175,175	92.1	2,475.69
As of March 31, 2023	206,171	182,873	88.2	2,490.59

(Reference) Equity: As of March 31, 2024: ¥174,065 million
As of March 31, 2023: ¥181,746 million

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

* Explanation of the proper use of earnings 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 May 10, 2024. Scene of the session and contents of the presentation will be posted along with the financial results briefing material on MIXI's website shortly after the session.

Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Unit: ¥ million)

	FY2023 (As of March 31, 2023)	FY2024 (As of March 31, 2024)
Assets		
Current assets		
Cash and deposits	118,922	105,910
Notes and accounts receivable – trade	*1 13,736	*1 13,227
Operational investment securities	19,514	23,620
Merchandise	484	566
Other	10,284	11,152
Allowance for doubtful accounts	(35)	(241)
Total current assets	162,907	154,236
Non-current assets		
Property, plant and equipment		
Buildings	10,707	10,845
Accumulated depreciation	(1,182)	(1,670)
Buildings, net	*2 9,525	*2 9,174
Tools, furniture and fixtures	6,433	6,926
Accumulated depreciation	(4,206)	(4,605)
Tools, furniture and fixtures, net	2,226	2,321
Land	*2 2,699	*2 2,699
Construction in progress	643	3,303
Other	37	56
Accumulated depreciation	(18)	(22)
Other, net	19	34
Total property, plant and equipment	15,114	17,532
Intangible assets		
Goodwill	9,806	8,467
Customer-related assets	5,638	4,960
Trademark right	2,467	2,198
Other	1,498	1,335
Total intangible assets	19,410	16,961
Investments and other assets		
Investment securities	*3 10,313	*3 7,391
Long-term loans receivable	3,405	2,745
Deferred tax assets	6,963	4,452
Other	5,353	5,090
Allowance for doubtful accounts	(1,147)	(1,067)
Total investments and other assets	24,889	18,611
Total non-current assets	59,413	53,105
Total assets	222,321	207,342

(Unit: ¥ million)

	FY2023 (As of March 31, 2023)	FY2024 (As of March 31, 2024)
Liabilities		
Current liabilities		
Short-term borrowings	*2 912	*2 1,090
Accounts payable – other	13,606	12,101
Income taxes payable	4,677	958
Accrued consumption taxes	1,571	576
Provision for bonuses	2,847	1,830
Other	*4 5,629	*4 6,436
Total current liabilities	29,244	22,992
Non-current liabilities		
Long-term borrowings	*2 6,873	*2 6,341
Deferred tax liabilities	2,506	2,121
Other	234	156
Total non-current liabilities	9,613	8,619
Total liabilities	38,857	31,611
Net assets		
Shareholders' equity		
Paid-in capital	9,698	9,698
Capital surplus	9,662	9,662
Retained earnings	177,655	163,190
Treasury shares	(16,900)	(10,310)
Total shareholders' equity	180,116	172,240
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	383	366
Foreign currency translation adjustment	510	803
Total accumulated other comprehensive income	893	1,170
Subscription rights to shares	1,127	1,109
Non-controlling interests	1,324	1,209
Total net assets	183,463	175,730
Total liabilities and net assets	222,321	207,342

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

Consolidated Statements of Income

(Unit: ¥ million)

	FY2023 (Apr. 1, 2022 to Mar. 31, 2023)	FY2024 (Apr. 1, 2023 to Mar. 31, 2024)
Net sales	*1 146,867	*1 146,868
Cost of sales	41,746	44,238
Gross profit	105,121	102,629
SG&A expenses	*2 80,301	*2 83,452
Operating income	24,820	19,177
Non-operating income		
Interest income	10	18
Foreign exchange gains	–	478
Sponsorship money income	33	4
Compensation income	–	80
Subsidy income	32	33
Reversal of provision for bonuses	33	–
Other	146	109
Total non-operating income	257	725
Non-operating expenses		
Interest expenses	59	57
Share of loss of entities accounted for using equity method	*3 6,604	*3 3,045
Foreign exchange losses	69	–
Loss on withdrawal from business	–	930
Other	92	200
Total non-operating expenses	6,826	4,233
Ordinary income	18,250	15,669
Extraordinary income		
Gain on sales of non-current assets	*4 0	*4 11
Gain on sale of shares of subsidiaries and associates	–	*5 30
Gain on reversal of share acquisition rights	–	6
Other	–	0
Total extraordinary income	0	48
Extraordinary losses		
Loss on withdrawal from business	*6 4,408	–
Loss on sales and retirement of non-current assets	*7 72	*7 8
Impairment losses	*8 508	*8 269
Loss on valuation of investment securities	1	*9 2,677
Provision of allowance for doubtful accounts	1,129	131
Loss on sale of shares of subsidiaries and associates	*10 875	–
Other	–	1
Total extraordinary losses	6,996	3,087
Income before income taxes	11,254	12,630
Income taxes - current	7,147	3,571
Income taxes - deferred	(1,798)	2,118
Total income taxes	5,348	5,689
Period net income	5,905	6,940
Profit (loss) attributable to non-controlling interests	744	(141)
Profit attributable to owners of parent	5,161	7,082

Consolidated Statements of Comprehensive Income

(Unit: ¥ million)

	FY2023 (Apr. 1, 2022 to Mar. 31, 2023)	FY2024 (Apr. 1, 2023 to Mar. 31, 2024)
Period net income	5,905	6,940
Other comprehensive income		
Valuation difference on available-for-sale securities	(93)	(15)
Foreign currency translation adjustment	233	293
Share of other comprehensive income of entities accounted for using equity method	4	(0)
Total other comprehensive income	144	276
Comprehensive income	6,050	7,217
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,305	7,359
Comprehensive income attributable to non-controlling interests	744	(141)

(3) Consolidated Statements of Changes in Shareholders' Equity

Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Unit: ¥ million)

	Shareholders' equity				
	Paid-in capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,698	9,656	181,278	(18,248)	182,385
Changes of items during period					
Dividends of surplus			(8,001)		(8,001)
Profit attributable to owners of parent			5,161		5,161
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(782)		1,348	566
Cancellation of treasury shares					–
Transfer to capital surplus from retained earnings		782	(782)		–
Change in ownership interest of parent due to transactions with non-controlling interests		5			5
Net changes of items other than shareholders' equity					–
Total changes of items during period	–	5	(3,622)	1,348	(2,268)
Balance at end of period	9,698	9,662	177,655	(16,900)	180,116

	Accumulated other comprehensive income			Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	471	277	749	1,506	1,415	186,056
Changes of items during period						
Dividends of surplus						(8,001)
Profit attributable to owners of parent						5,161
Purchase of treasury shares						(0)
Disposal of treasury shares						566
Cancellation of treasury shares						–
Transfer to capital surplus from retained earnings						–
Change in ownership interest of parent due to transactions with non-controlling interests						5
Net changes of items other than shareholders' equity	(88)	233	144	(378)	(90)	(324)
Total changes of items during period	(88)	233	144	(378)	(90)	(2,592)
Balance at end of period	383	510	893	1,127	1,324	183,463

Fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Unit: ¥ million)

	Shareholders' equity				
	Paid-in capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,698	9,662	177,655	(16,900)	180,116
Changes of items during period					
Dividends of surplus			(7,880)		(7,880)
Profit attributable to owners of parent			7,082		7,082
Purchase of treasury shares				(7,499)	(7,499)
Disposal of treasury shares		(68)		490	421
Cancellation of treasury shares		(13,599)		13,599	–
Transfer to capital surplus from retained earnings		13,667	(13,667)		–
Change in ownership interest of parent due to transactions with non-controlling interests					–
Net changes of items other than shareholders' equity					–
Total changes of items during period	–	–	(14,465)	6,589	(7,876)
Balance at end of period	9,698	9,662	163,190	(10,310)	172,240

	Accumulated other comprehensive income			Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	383	510	893	1,127	1,324	183,463
Changes of items during period						
Dividends of surplus						(7,880)
Profit attributable to owners of parent						7,082
Purchase of treasury shares						(7,499)
Disposal of treasury shares						421
Cancellation of treasury shares						–
Transfer to capital surplus from retained earnings						–
Change in ownership interest of parent due to transactions with non-controlling interests						–
Net changes of items other than shareholders' equity	(16)	293	276	(17)	(115)	143
Total changes of items during period	(16)	293	276	(17)	(115)	(7,733)
Balance at end of period	366	803	1,170	1,109	1,209	175,730

(4) Consolidated Statements of Cash Flows

(Unit: ¥ million)

	FY2023 (Apr. 1, 2022 to Mar. 31, 2023)	FY2024 (Apr. 1, 2023 to Mar. 31, 2024)
Cash flows from operating activities		
Income before income taxes	11,254	12,630
Depreciation	1,529	1,445
Amortization of intangible assets	1,839	1,535
Amortization of goodwill	1,293	1,338
Increase (decrease) in allowance for doubtful accounts	(4)	(4)
Increase (decrease) in provision for bonuses	1,378	(1,018)
Interest and dividend income	(10)	(18)
Interest expenses	59	57
Foreign exchange losses (gains)	(59)	(163)
Share of loss (profit) of entities accounted for using equity method	6,604	3,045
Provision of allowance for doubtful accounts	1,129	131
Impairment losses	508	269
Loss on withdrawal from business	4,408	930
Gain on reversal of share acquisition rights	–	(6)
Loss (gain) on sale of shares of subsidiaries and associates	875	(30)
Loss (gain) on valuation of investment securities	1	2,677
Loss (gain) on sales and retirement of non-current assets	72	(3)
Decrease (increase) in notes and accounts receivable – trade	(2,490)	522
Decrease (increase) in operational investment securities	(5,095)	(4,041)
Decrease (increase) in inventories	215	(54)
Increase (decrease) in accounts payable – other	1,084	(2,402)
Increase (decrease) in accrued consumption taxes	1,768	(994)
Decrease (increase) in other assets	(6,613)	289
Other, net	1,076	1,339
Subtotal	20,827	17,475
Interest income received	10	12
Interest expenses paid	(59)	(53)
Income taxes paid	(5,027)	(8,253)
Net cash provided by (used in) operating activities	15,751	9,181

(Unit: ¥ million)

	FY2023 (Apr. 1, 2022 to Mar. 31, 2023)	FY2024 (Apr. 1, 2023 to Mar. 31, 2024)
Cash flows from investing activities		
Payments into time deposits	(19)	–
Purchase of property, plant and equipment	(1,963)	(2,993)
Purchase of intangible assets	(586)	(468)
Purchase of investment securities	(3,421)	(2,734)
Loan advances	(1,200)	(1,800)
Proceeds from collection of loans receivable	640	1,200
Payments of leasehold and guarantee deposits	(83)	(105)
Proceeds from refund of leasehold and guarantee deposits	61	8
Payment for acquisition of the subsidiary resulting in change in scope of consolidation	(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	(921)	–
Other, net	608	41
Net cash provided by (used in) investing activities	(7,350)	(6,852)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	203	204
Repayments of long-term loans payable	(540)	(558)
Purchase of treasury shares	(0)	(7,522)
Cash dividends paid	(8,087)	(7,875)
Other, net	98	21
Net cash provided by (used in) financing activities	(8,326)	(15,730)
Effect of exchange rate change on cash and cash equivalents	195	386
Net increase (decrease) in cash and cash equivalents	269	(13,014)
Cash and cash equivalents at beginning of period	118,433	118,703
Cash and cash equivalents at end of period	118,703	105,688

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Important matters that form the basis of preparing consolidated financial statements)

1. Matters related to the scope of consolidation

(1) Number of consolidated subsidiaries: 26

Names of the major consolidated subsidiaries: Chariloto Co., Ltd.
Net Dreamers Co., Ltd.

Mamacare, Inc. is a newly established company and has been included in the scope of consolidation from the fiscal year ended March 31, 2024.

In addition, MIXI RECRUITMENT, Inc. and three other companies have been liquidated, and CONNECTIT, Inc. has been dissolved in an absorption-type merger with SFIDANTE Inc., a consolidated subsidiary of the Company. As such, these companies have been removed from scope of consolidation from the fiscal year ended March 31, 2024.

(2) Number of non-consolidated subsidiaries: 5

(Reason for exclusion from the scope of consolidation)

E-Mercury, Inc. and four other companies have been excluded from the scope of consolidation as they are of small-scale with total assets, net sales, profit or loss (amount corresponding to equity interest) and retained earnings (amount corresponding to equity interest) that have no significant impact on consolidated financial statements.

2. Matters related to the application of equity method

(1) Number of equity-method associates: 6

Names of the major equity-method associates: bitbank, inc.
HUB CO., LTD.
Decolite Holdings Corporation

(2) Names of the major non-consolidated subsidiaries and affiliates to which the equity method is not applicable

E-Mercury, Inc.

(Reason for not applying the equity method)

E-Mercury, Inc. and five other companies are excluded from the scope of equity method application since their exclusion has an insignificant impact on the consolidated financial statements in terms of profit or loss (amount corresponding to equity interest) and retained earnings (amount corresponding to equity interest).

(3) Matters deemed necessary to be specifically stated regarding the procedure for applying the equity method

For equity-method associates with different balance sheet dates, financial statements corresponding to their respective fiscal years are used.

3. Matters related to the fiscal year of consolidated subsidiaries

Among consolidated subsidiaries, the balance sheet date of Scrum Ventures Fund I, L.P. and five other companies is December 31, the balance sheet date of TOKYO FOOTBALL CLUB Co., Ltd. is January 31, and the balance sheet date of AA Fund Investment LPS and one other company is February 28 or 29. Their financial statements use their respective balance sheet dates. However, necessary adjustments are made to reflect important transactions that occurred during the period from their respective balance sheet dates to the consolidated balance sheet date. In addition, the balance sheet date of Chiba Jets Funabashi Co., Ltd. is June 30, although it uses the financial statement based on a provisional settlement of accounts.

4. Matters related to accounting policies

(1) Valuation standards and valuation methods of significant assets

1) Securities

Available-for-sale securities (including operational investment securities)

Securities other than shares, etc. without market value

Stated at market value (all valuation gains or losses are treated as a component of net assets, with the cost of securities sold calculated according to the moving-average method).

Shares, etc. without market value

Mainly stated at cost using the moving-average method. Investments in investment partnerships and others are based on the financial statements for the most recent balance sheet date using the net amount proportionate to MIXI's ownership interests.

2) Valuation standards and valuation methods of inventories

Merchandise

Stated at cost determined by the first-in, first-out (FIFO) method (the book value in the balance sheet is written down based on the decline in profitability).

- (2) Depreciation and amortization methods of significant depreciation assets
- 1) Property, plant and equipment (excluding leased assets)

The declining balance method is primarily applied.

However, the straight line method is applied for buildings (excluding facilities attached to buildings) acquired on or after April 1, 1998 and facilities attached to buildings acquired on or after April 1, 2016.

The principal useful lives are as follows:

Buildings: 2 to 50 years

Tools, furniture and fixtures: 2 to 20 years
 - 2) Intangible assets (excluding leased assets)

The straight line method is applied.

The amortization period for software for internal use is based on its useful life within MIXI (5 years).

In addition, trademark rights are amortized based on economic useful life (5 to 13 years), customer-related assets are amortized based on economic useful life (5 to 18 years), and other intangible assets are amortized based on economic useful life (4 to 5 years).
 - 3) Leased assets

Leased assets pertaining to finance leases other than those in which the title of the leased property transfers to the lessee

The straight line method, substituting the lease term for the useful life and assuming no residual value, is applied.
 - 4) Goodwill

Amortization of goodwill is estimated for each period in which it is expected to emerge, and then equally amortized over the designated amortization period (4 to 13 years).
- (3) Accounting standards for significant allowances and provisions
- 1) Allowance for doubtful accounts

In order to provide for losses due to bad debt, including on notes and accounts receivable – trade, for general receivables, an estimated uncollectible amount is recorded according to the historical bad debt ratio. For specific receivables at risk of becoming bad debt, an estimated uncollectible amount is recorded by assessing the collectability of each receivable individually.
 - 2) Provision for bonuses

In order to provide for payment of bonuses to employees, the amount of bonuses estimated to be incurred in the consolidated fiscal year under review is recorded.
- (4) Accounting standards for significant revenue and expenses
- MIXI Group recognizes revenue based on the following five-step model.
- Step 1: Identify the contract with a customer
 - Step 2: Identify the performance obligations in the contract
 - Step 3: Determine the transaction price
 - Step 4: Allocate the transaction price to the performance obligations in the contract
 - Step 5: Recognize revenue when (or as) a performance obligation is satisfied
- The amount of variable considerations such as discounts, rebates and returns included in revenue is immaterial. In addition, the amount of considerations promised is generally received within one year and does not include significant financing component.
- (5) Translation of significant assets and liabilities denominated in foreign currencies into Japanese yen
- Monetary receivables and payables denominated in foreign currencies have been translated into Japanese yen at the spot exchange rate on the consolidated balance sheet date, and translation adjustments are recorded as gains or losses. Assets and liabilities of overseas consolidated subsidiaries are translated into Japanese yen using the spot exchange rate on the consolidated balance sheet date, and income and expenses are translated into Japanese yen using the average market rate during the period. Translation adjustments are included in foreign currency translation adjustment and non-controlling interests under “Net assets.”
- (6) Scope of cash and cash equivalents in the consolidated statements of cash flows
- Cash and cash equivalents consist of cash on hand, deposits that can be withdrawn at any time and short-term investments with a maturity of three months or less from the date of acquisition that are readily convertible into cash and subject to minimum risk of price fluctuations.

(Changes in presentation)

(Consolidated balance sheets)

“Consumption taxes receivable” under “Current assets,” which was reported separately in the consolidated fiscal year ended March 31, 2023, has decreased in importance and is therefore included in “Other” from the consolidated fiscal year ended March 31, 2024.

As a result, ¥10 million presented under “Consumption taxes receivable” and ¥10,274 million in “Other” in the consolidated balance sheets of the consolidated fiscal year ended March 31, 2023 have been reclassified as ¥10,284 million under “Other.”

(Consolidated statements of income)

“Gain on investments in partnership” under “Non-operating income,” which had been presented separately in the consolidated fiscal year ended March 31, 2023, has decreased in importance, and as such, is included in “Other” in the consolidated fiscal year ended March 31, 2024.

As a result, ¥0 million in “Gain on investments in partnership” and ¥146 million in “Other,” which had been presented in “Non-operating income” in the consolidated statements of income in the consolidated fiscal year ended March 31, 2023, have been reclassified as ¥146 million in “Other.”

In addition, “Commission fee” under “Non-operating expenses,” which had been stated separately in the consolidated fiscal year ended March 31, 2023, has decreased in importance, and as such is included in “Other” from the consolidated fiscal year ended March 31, 2024.

As a result, ¥7 million in “Commission fee” and ¥85 million in “Other,” which had been presented in “Non-operating expenses” in the consolidated statements of income in the consolidated fiscal year ended March 31, 2023, have been reclassified as ¥92 million in “Other.”

(Additional information)

(Dissolution of a specified subsidiary)

At the Board of Directors’ meeting held on March 22, 2024, the Company resolved to dissolve Tech Growth Capital LLP, a specified subsidiary of the Company. In line with this dissolution, the Company plans to acquire the shares (percentage of voting rights 20.02%) of HUB CO., LTD. (an equity-method associate of the Company) held by Tech Growth Capital LLP. The dissolution of this subsidiary is scheduled for late August 2024.

1) Name	Tech Growth Capital LLP
2) Address	Tokyo Tatemono Yaesu Sakura-dori Building, 3F, 1-5-20 Yaesu, Chuo-ku, Tokyo
3) Managing partners	XTech Corporation, MIXI, Inc.
4) Investment amount	¥1,805 million (as of March 22, 2024)
5) Origination date	November 20, 2020
6) Main business	Investment into listed companies
7) Main investors and investment ratio	MIXI, Inc. 99.72% XTech Corporation 0.28%

(Consolidated balance sheets)

*1. The amounts of notes receivable – trade and accounts receivable – trade from contracts with customers are as follows:
(Unit: ¥ million)

	FY2023 (Apr. 1, 2022 to Mar. 31, 2023)	FY2024 (Apr. 1, 2023 to Mar. 31, 2024)
Notes receivable – trade	8	0
Accounts receivable – trade	13,728	13,226

*2. Assets pledged as collateral and collateralized liabilities

Assets pledged as collateral and collateralized liabilities are as follows:

(Unit: ¥ million)

	FY2023 (Apr. 1, 2022 to Mar. 31, 2023)	FY2024 (Apr. 1, 2023 to Mar. 31, 2024)
Buildings	5,271	5,050
Land	2,698	2,698
Total	7,969	7,749

	FY2023 (Apr. 1, 2022 to Mar. 31, 2023)	FY2024 (Apr. 1, 2023 to Mar. 31, 2024)
Short-term borrowings	516	516
Long-term borrowings	6,836	6,320
Total	7,352	6,836

*3. Items pertaining to non-consolidated subsidiaries and associates are as follows:

(Unit: ¥ million)

	FY2023 (Apr. 1, 2022 to Mar. 31, 2023)	FY2024 (Apr. 1, 2023 to Mar. 31, 2024)
Investment securities (shares)	7,453	4,561
Investment securities (bonds)	2,666	1,235

*4. The amount of contract liabilities included in “Other” under current liabilities is as follows:

(Unit: ¥ million)

	FY2023 (Apr. 1, 2022 to Mar. 31, 2023)	FY2024 (Apr. 1, 2023 to Mar. 31, 2024)
Contract liabilities	2,199	2,888

(Consolidated statements of income)

*1. Revenue from contracts with customers

MIXI does not disaggregate revenue from contracts with customers and other sources of revenue. The amount of revenue from contracts with customers is presented in “Notes [Segment information].”

*2. The major components and amounts of SG&A expenses are as follows:

(Unit: ¥ million)

	FY2023 (Apr. 1, 2022 to Mar. 31, 2023)	FY2024 (Apr. 1, 2023 to Mar. 31, 2024)
Advertising expenses	16,726	20,571
Settlement fees	32,092	31,061

*3. Share of loss of entities accounted for using equity method

For the consolidated fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

Of the unamortized balance of 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 a result of MIXI reexamining the original business plan due to changes in the business environment.

For the consolidated fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

Of the unamortized balance of goodwill associated with investment in CALL DOCTOR Co., Ltd., an equity-method associate, impairment loss of ¥1,063 million was included in share of loss of entities accounted for using equity method. This was a result of MIXI reassessing the business plan in light of changes in the business environment.

*4. The breakdown of gain on sales of non-current assets are as follows:

(Unit: ¥ million)

	FY2023 (Apr. 1, 2022 to Mar. 31, 2023)	FY2024 (Apr. 1, 2023 to Mar. 31, 2024)
Tools, furniture and fixtures	0	10
Other	0	0
Total	0	11

*5. Gain on sale of shares of subsidiaries and associates

For the consolidated fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

This is gain on sale of shares of Music Securities, Inc., an affiliate of the Company not accounted for using equity method.

*6. Loss on withdrawal from business

For the consolidated fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

¥4,408 million of loss on withdrawal from business that arose from the suspension of new product development was reported under extraordinary losses.

*7. The breakdown of loss on sales and retirement of non-current assets is as follows:

(Unit: ¥ million)

	FY2023 (Apr. 1, 2022 to Mar. 31, 2023)	FY2024 (Apr. 1, 2023 to Mar. 31, 2024)
Buildings	8	–
Tools, furniture and fixtures	8	6
Software	55	1
Total	72	8

*8. Impairment loss

For the consolidated fiscal year ended March 31, 2023 (Apr. 1, 2022 to Mar. 31, 2023)
MIXI Group posted impairment loss on the following assets.

Business	Application	Place	Classification	Amount (¥ million)
Digital Entertainment Business	Business assets	Shibuya Ward, Tokyo	Tools, furniture and fixtures	0
			Intangible assets (Other)	252
Sports Business	Business assets	Shibuya Ward, Tokyo	Buildings	2
			Tools, furniture and fixtures	131
			Property, plant and equipment (Other)	1
			Software	3
			Trademark right	4
		Koto Ward, Tokyo, etc.	Buildings	0
			Tools, furniture and fixtures	0
			Property, plant and equipment (Other)	4
			Software	7
			Long-term prepaid expenses	98

Assets are grouped mainly based on business segmentation. Idle assets and assets to be disposed of are grouped by relevant asset.

Impairment losses were recorded in the Digital Entertainment Business for the MIXI, Inc. operated Kotodaman business, as well as in the Sports Business for the MIXI, Inc. operated TIPSTAR and non-current assets held by TOKYO FOOTBALL CLUB Co., Ltd. due to delays in achieving projected earnings, and the resulting determination that it will take time to achieve projected figures.

Recoverable value of these assets is calculated by estimating the collectible amount, which amounts to zero due to the fact that no future cash flow can be anticipated.

For the consolidated fiscal year ended March 31, 2024 (Apr. 1, 2023 to Mar. 31, 2024)
MIXI Group posted impairment loss on the following assets.

Business	Application	Place	Classification	Amount (¥ million)
Sports Business	Business assets	Koto Ward, Tokyo, etc.	Buildings	2
			Tools, furniture and fixtures	2
			Property, plant and equipment (Other)	0
			Software	20
			Trademark right	18
			Long-term prepaid expenses	104
		Ito City, Shizuoka Prefecture	Buildings	96
		Victoria, Australia	Tools, furniture and fixtures	12
			Intangible assets (Other)	11

Assets are grouped mainly based on business segmentation. Idle assets and assets to be disposed of are grouped by relevant asset.

In the Sports Business, the Company recognized impairment losses on fixed assets related to TOKYO FOOTBALL CLUB Co., Ltd., Chariloto Co., Ltd. and MGB AUSTRALIA PTY LTD., as the Company has determined that it will take time to achieve projected figures due to delays in achieving projected earnings, among other reasons.

Recoverable value of these assets is calculated by estimating the collectible amount, which amounts to zero due to the fact that no future cash flow can be anticipated.

*9. Loss on valuation of investment securities

For the consolidated fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

The Company has examined the market value and collectability of convertible bonds issued by its equity-method associate CALL DOCTOR Co., Ltd., and recorded an extraordinary loss of ¥2,677 million, which is the difference between the book value and market value, as this amount was determined to be uncollectable.

*10. Loss on sales of shares of subsidiaries and associates

For the consolidated fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

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

(Consolidated statements of changes in shareholders' equity)

For the consolidated fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

1. Matters related to class and total number of issued shares

Class of shares	As of April 1, 2022	Increase	Decrease	As of March 31, 2023
Common shares (Shares)	78,230,850	–	–	78,230,850

(Summary of causes of changes)

There is no relevant information.

2. Matters related to class and total number of treasury shares

Class of shares	As of April 1, 2022	Increase	Decrease	As of March 31, 2023
Common shares (Shares)	5,677,300	25	419,500	5,257,825

(Summary of causes of changes)

Increase due to purchase of shares less than one unit: 25 shares

Decrease due to disposal of shares upon exercise of subscription rights to shares: 398,600 shares

Decrease due to disposal of shares upon allotment of restricted stock: 20,900 shares

3. Matters related to subscription rights to shares

Company name	Details	Class of shares subject to subscription rights	Number of shares subject to subscription rights				Balance as of March 31, 2023 (¥ million)
			As of April 1, 2022	Increase	Decrease	As of March 31, 2023	
MIXI	Subscription rights to shares as stock option			–			1,127
Total				–			1,127

4. Matters related to dividends of surplus

(1) Cash dividends paid

Resolution	Class of shares	Total amount of dividends (¥ million)	Dividends per share (¥)	Record date	Effective date
Board of Directors Meeting on May 13, 2022	Common shares	3,990	55	March 31, 2022	June 14, 2022
Board of Directors Meeting on November 4, 2022	Common shares	4,011	55	September 30, 2022	December 5, 2022

(2) Dividends with record dates within the consolidated fiscal year ended March 31, 2023, but with effective dates belonging to the following consolidated fiscal year

Resolution	Class of shares	Funds for dividends	Total amount of dividends (¥ million)	Dividends per share (¥)	Record date	Effective date
Board of Directors Meeting on May 12, 2023	Common shares	Retained earnings	4,013	55	March 31, 2023	June 6, 2023

For the consolidated fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

1. Matters related to class and total number of issued shares

Class of shares	As of April 1, 2023	Increase	Decrease	As of March 31, 2024
Common shares (Shares)	78,230,850	–	4,500,000	73,730,850

(Summary of causes of changes)

Decrease due to cancellation of treasury shares: 4,500,000 shares

2. Matters related to class and total number of treasury shares

Class of shares	As of April 1, 2023	Increase	Decrease	As of March 31, 2024
Common shares (Shares)	5,257,825	2,819,710	4,656,700	3,420,835

(Summary of causes of changes)

Increase due to purchase of treasury shares: 2,810,600 shares

Increase due to purchase of shares less than one unit: 10 shares

Increase due to free acquisition of restricted stock: 9,100 shares

Decrease due to cancellation of treasury shares: 4,500,000 shares

Decrease due to disposal of shares upon exercise of subscription rights to shares: 21,000 shares

Decrease due to disposal of shares upon allotment of restricted stock: 135,700 shares

3. Matters related to subscription rights to shares

Company name	Details	Class of shares subject to subscription rights	Number of shares subject to subscription rights				Balance as of March 31, 2024 (¥ million)
			As of April 1, 2023	Increase	Decrease	As of March 31, 2024	
MIXI	Subscription rights to shares as stock option			–			1,109
Total				–			1,109

4. Matters related to dividends of surplus

(1) Cash dividends paid

Resolution	Class of shares	Total amount of dividends (¥ million)	Dividends per share (¥)	Record date	Effective date
Board of Directors Meeting on May 12, 2023	Common shares	4,013	55	March 31, 2023	June 6, 2023
Board of Directors Meeting on November 10, 2023	Common shares	3,867	55	September 30, 2023	December 11, 2023

(2) Dividends with record dates within the consolidated fiscal year ended March 31, 2024, but with effective dates belonging to the following consolidated fiscal year

Resolution	Class of shares	Funds for dividends	Total amount of dividends (¥ million)	Dividends per share (¥)	Record date	Effective date
Board of Directors Meeting on May 10, 2024	Common shares	Retained earnings	3,867	55	March 31, 2024	June 11, 2024

(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 consolidated balance sheets are as follows:

	(Unit: ¥ million)	
	FY2023 (Apr. 1, 2022 to Mar. 31, 2023)	FY2024 (Apr. 1, 2023 to Mar. 31, 2024)
Cash and deposits account	118,922	105,910
Time deposits with maturities of three months or more	(218)	(221)
Cash and cash equivalents	118,703	105,688

*2. Principal assets and liabilities of companies that have become consolidated subsidiaries due to the acquisition of shares
For the consolidated fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

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 consolidated fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

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]

1. Overview of reportable segments

MIXI Group's reportable segments are components for which separate financial information is available and whose operating results are regularly reviewed by the Board of Directors to decide on the allocation of management resources and assess business performance.

The Group has four reportable segments, namely "Digital Entertainment Business," "Sports Business," "Lifestyle Business" and "Investment Business." The "Digital Entertainment Business" is engaged in providing games for smart devices, primarily Monster Strike, along with organizing related events and producing and selling various goods, among other services. The "Sports Business" is engaged in professional sports team management, businesses related to publicly operated competitions and other services. The "Lifestyle Business" provides services including the family-focused photo- and video-sharing app "FamilyAlbum" and beauty staff direct appointment application "minimo." The "Investment Business" invests in startups and venture capital funds.

2. Calculation method of amounts of net sales, profit or loss, assets, liabilities and other items by reportable segment

The accounting methods for business segments reported are substantially the same as those described in "Important matters that form the basis for preparing consolidated financial statements." Profit of reportable segments is the amount based on operating income (EBITDA), excluding depreciation and amortization of goodwill.

Segment assets and liabilities are omitted as they are not subject to review for decision on the allocation of operating resources and assessment of business performance.

3. Information on net sales, profit or loss and other items and disaggregation of revenue by reportable segment
For the consolidated fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Unit: ¥ million)

	Reportable segment					Adjustment (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Digital Entertainment Business	Sports Business	Lifestyle Business	Investment Business	Total		
Net sales							
Revenue from contracts with customers (Note 3)	104,374	28,643	11,663	–	144,681	161	144,843
Other revenue	–	–	–	2,023	2,023	–	2,023
Net sales to external customers	104,374	28,643	11,663	2,023	146,705	161	146,867
Inter-segment net sales or transfers	–	–	–	–	–	–	–
Total	104,374	28,643	11,663	2,023	146,705	161	146,867
Segment profit/loss	43,502	(1,100)	(84)	553	42,871	(18,051)	24,820
Other							
Depreciation	323	1,753	310	0	2,386	981	3,368
Amortization of goodwill	–	957	335	–	1,293	–	1,293
Impairment loss	396	111	–	–	508	–	508

- (Notes) 1. The segment profit/loss adjustment of ¥(18,051) million includes depreciation of ¥(2,386) million, amortization of goodwill of ¥(1,293) million, company-wide net sales of ¥161 million, and company-wide expenses of ¥(14,533) 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 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.

For the consolidated fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Unit: ¥ million)

	Reportable segment					Adjustment (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Digital Entertainment Business	Sports Business	Lifestyle Business	Investment Business	Total		
Net sales							
Revenue from contracts with customers (Note 3)	98,830	32,916	13,418	–	145,165	230	145,396
Other revenue	–	–	–	1,472	1,472	–	1,472
Net sales to external customers	98,830	32,916	13,418	1,472	146,638	230	146,868
Inter-segment net sales or transfers	–	–	–	–	–	–	–
Total	98,830	32,916	13,418	1,472	146,638	230	146,868
Segment profit/loss	38,520	(125)	(682)	105	37,817	(18,640)	19,177
Other							
Depreciation	156	1,602	246	0	2,005	975	2,980
Amortization of goodwill	–	957	380	–	1,338	–	1,338
Impairment loss	0	269	–	–	269	–	269

- (Notes) 1. The segment profit/loss adjustment of ¥(18,640) million includes depreciation of ¥(2,005) million, amortization of goodwill of ¥(1,338) million, company-wide net sales of ¥230 million and company-wide expenses of ¥(15,526) 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 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.

[Related information]

For the consolidated fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

1. Information by product or service

This information is omitted because the same information is disclosed in the segment information.

2. Information by region

(1) Net sales

This information is omitted because the amount of net sales to external customers in Japan exceeds 90% of the amount of net sales recorded in the consolidated statements of income.

(2) Property, plant and equipment

This information is omitted because the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment recorded in the consolidated balance sheets.

3. Information by major customer

This information is omitted because among the sales to external customers there are no counterparties to whom the sales account for 10% or more of net sales recorded in the consolidated statements of income.

For the consolidated fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

1. Information by product or service

This information is omitted because the same information is disclosed in the segment information.

2. Information by region

(1) Net sales

This information is omitted because the amount of net sales to external customers in Japan exceeds 90% of the amount of net sales recorded in the consolidated statements of income.

(2) Property, plant and equipment

This information is omitted because the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment recorded in the consolidated balance sheets.

3. Information by major customer

This information is omitted because among the sales to external customers there are no counterparties to whom the sales account for 10% or more of net sales recorded in the consolidated statements of income.

[Information on impairment loss on non-current assets by reportable segment]

For the consolidated fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

This information is omitted because the same information is disclosed in the segment information.

For the consolidated fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

This information is omitted because the same information is disclosed in the segment information.

[Information regarding amortization of goodwill and unamortized balance of goodwill by reportable segment]

For the consolidated fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Unit: ¥ million)

	Reportable segment					Corporate / Elimination	Total
	Digital Entertainment Business	Sports Business	Lifestyle Business	Investment Business	Total		
Amortization for the year	–	957	335	–	1,293	–	1,293
Balance at end of the year	–	8,306	1,499	–	9,806	–	9,806

For the consolidated fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Unit: ¥ million)

	Reportable segment					Corporate / Elimination	Total
	Digital Entertainment Business	Sports Business	Lifestyle Business	Investment Business	Total		
Amortization for the year	–	957	380	–	1,338	–	1,338
Balance at end of the year	–	7,348	1,118	–	8,467	–	8,467

[Information regarding negative goodwill by reportable segment]

For the consolidated fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

There is no relevant information.

For the consolidated fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

There is no relevant information.

(Per share information)

(Unit: ¥)

	FY2023 (Apr. 1, 2022 to Mar. 31, 2023)	FY2024 (Apr. 1, 2023 to Mar. 31, 2024)
Net assets per share	2,480.51	2,466.81
Basic earnings per share	70.87	99.71
Diluted earnings per share	70.08	98.56

(Note) 1. Basis for calculation of basic earnings per share and diluted earnings per share is as follows.

Item	FY2023 (Apr. 1, 2022 to Mar. 31, 2023)	FY2024 (Apr. 1, 2023 to Mar. 31, 2024)
Basic earnings per share (¥)		
Profit attributable to owners of parent (¥ million)	5,161	7,082
Amount not attributable to common shareholders (¥ million)	–	–
Profit attributable to owners of parent relating to common shares (¥ million)	5,161	7,082
Average number of common shares for the period under review (Shares)	72,837,560	71,031,698
Diluted earnings per share (¥)		
Amount of adjustment to profit attributable to owners of parent (¥ million)	–	–
Number of increased common shares (Shares)	820,070	826,831
(Subscription rights to shares) (Shares)	(820,070)	(826,831)
Summary of potential shares not included in diluted earnings per share due to their lack of dilutive effect	–	24th subscription rights to shares No. of subscription rights: 945 (Common shares: 94,500 shares)

(Significant subsequent events)

(Repurchase of own shares)

At the Board of Directors meeting held on May 10, 2024, MIXI resolved matters relating to repurchase of own shares based on provisions of Article 459, Paragraph 1, Item 1 of the Companies Act.

1. Reason for repurchase of own shares

In order to improve capital efficiency as well as to enhance returns to shareholders

2. Outline of the matters relating to the repurchase

- (1) Class of shares to be repurchased: Common shares of MIXI
- (2) Total number of shares to be repurchased: Up to 3,750,000 shares
(5.33% of the total outstanding shares, other than treasury shares)
- (3) Total share repurchase cost: Up to ¥7,500 million
- (4) Repurchase period: May 13, 2024 to March 31, 2025
- (5) Repurchase method: Market purchases on the Tokyo Stock Exchange